



GARLAND

Mission

We serve to grow public trust and a thriving Garland community, today and for the future.

Vision

Garland will be an engaged and vibrant community that residents proudly call home.

CITY OF GARLAND WORK SESSION OF THE CITY COUNCIL

The Garland City Council extends to all visitors a sincere welcome. We value your interest in our community and your participation in the meetings of this governing body. Visit GarlandTX.gov/Council for a full list of meeting dates.

The Council Chambers at Garland City Hall is wheelchair accessible, and ADA parking is available on the street as well as in the public parking garage. Persons with disabilities who may need auxiliary aids or services must contact the City Secretary's Office at 972-205-2404 at least two working days prior to the meeting so that appropriate arrangements can be made. Braille is not available.

NOTICE: Pursuant to Section 551.127 of the Texas Government Code, one or more members of the City Council may attend this meeting by internet/video remote means. A quorum of the City Council, as well as the presiding officer, will be physically present at the above-identified location. Members of the public that desire to make a public comment must attend the meeting in person.

PUBLIC COMMENTS ON WORK SESSION ITEMS

Members of the audience may address the City Council on any Work Session item at the beginning of the meeting. Speakers are allowed three minutes each, grouped by agenda item and called in the order of the agenda. Anyone wishing to speak must fill out a speaker card (located at the entrance to the Council Chambers and on the visitor's side of the Work Session Room) and give it to the City Secretary before the Mayor calls the meeting to order. Speakers are limited to addressing items on the Work Session agenda only. Items on a Regular Meeting agenda should be addressed at the respective Regular Meeting. Items not currently on an agenda may be addressed during the citizen comments portion of any Regular Meeting.

CONSIDER THE CONSENT AGENDA

Council may ask for discussion or further information on any item posted in the consent agenda of the next Regular Meeting. Council may also ask that an item on the consent agenda be pulled and considered for a vote separate from the consent agenda at the next Regular Meeting. All discussions or deliberations are limited to posted agenda items and may not include new or unposted subject matter.

WRITTEN BRIEFINGS

Council may ask for discussion, further information, or give direction to staff on an item posted as a written briefing.

1. City Council Annual Travel Report

Per City Council Policy, Article II, Division 1, Section 6(E), the City Manager will provide a written briefing on City Council travel and related expenses.

2. MD Pathways Program Update

City Council will receive a monthly update on the MD Pathways program as outlined in the agreement between the City and MD Pathways. The update will include information on recent and upcoming community outreach efforts as well as program updates.

3. Workers' Compensation Cash Flow Plan Claim Reimbursement

Council is requested to consider the approval of the October 2025 workers' compensation cash flow claims reimbursement payment to TPS in the amount of \$258,658.78, in accordance with the Interlocal Agreement. Unless otherwise directed by Council, this item will be scheduled for formal consideration at the December 16, 2025 Regular Meeting.

4. Office of the City Marshal Reporting Structure

Consider amending Section 24.05 of the Code of Ordinances to change the reporting structure of the Office of the City Marshal from the City Attorney to the City Manager.

VERBAL BRIEFINGS

Council may ask for discussion, further information, or give direction to staff on an item posted as a verbal briefing.

5. Garland Chamber of Commerce Annual Report and 2026 Action Plan

Garland Chamber of Commerce staff will present the Annual Report and Action Plan, which provides an overview of the Chamber's economic development partnership, business engagement, and workforce development accomplishments for 2025 and defines priorities for 2026. Unless otherwise directed by Council, the 2026 Economic Development Service Agreement will be renewed without further action from Council.

Presenter: Ayako Schuster, Economic Development Director

6. Code Compliance: Future Initiatives, Civil Citations Implementation, and Workforce Priorities

Council is requested to consider and discuss a presentation by staff regarding upcoming Code Compliance initiatives, the planned implementation of a Civil Citations process, and workforce priorities to support these efforts.

Presenter: Brian Morris, Director of Code Compliance, Andy Hesser, Assistant City Manager

7. eAssist Workflow and Operational Update

Council will receive an update requested by Councilmember Dutton and seconded by Councilmember Williams regarding the eAssist process, including an overview of the workflow from ticket submission to closure, Customer Service's role, and recent operational metrics.

Presenter: Kevin Slay, Managing Director-Customer Service

8. Council Discussion Regarding Council Policies and Procedures

Council will discuss any final amendments to the 2026 City Council Policies and Procedures. This item was previously discussed at the November 17, 2025 Work Session.

Presenter: Brian England, City Attorney

9. Development Services Committee Report

Mayor Pro Tem Lucht, Chair of the Development Services Committee, and Staff will brief Council on the Committee's review of the SUP Process. This item was referred by Councilmember Carissa Dutton, with a second from Mayor Pro Tem Lucht, at the May 5, 2025, Work Session.

Presenter: Margaret Lucht, Mayor Pro Tem

10. Public Safety Committee Report

Deputy Mayor Pro Tem Chris Ott, Chair of the Public Safety Committee, and Staff will brief Council on the Committee's review of two items:

Policies in Place for Traffic Control Devices in Construction Zones, which was referred by Councilmember Dutton, with a second from Councilmember Williams, at the August 18, 2025, Work Session.

Regulations for Construction Crews — Portable Restrooms, which was referred by Councilmember Dutton, with a second from Mayor Pro Tem Lucht, at the August 18, 2025, Work Session.

Presenter: Christopher Ott, Deputy Mayor Pro Tem

ANNOUNCE FUTURE AGENDA ITEMS

A Councilmember, with a second by another member or the Mayor alone, may ask that an item be placed on a future agenda of the City Council or of a committee of the City Council. No substantive discussion of that item will take place at this time.

EXECUTIVE SESSION

The City Council will adjourn into executive session pursuant to sections 551.071, 551.074, and 551.087 of the Texas Government Code to deliberate and discuss the following:

- 11. Personnel matters related to an active investigation into employee conduct, duties, and performance (551.074); and attorney/client matters related to the same (551.071).**
- 12. A potential offer by the City of financial and other incentives to a business prospect and the receipt of commercial or financial information that the City has received from that same business prospect, which the City seeks to have locate within the City in the area of Lyndon B Johnson Freeway and West Centerville Road, and with which the City is conducting economic development negotiations (551.087); and attorney/client communications related to the same (551.071).**
- 13. A potential offer by the City of financial and other incentives to a business prospect and the receipt of commercial or financial information that the City has received from that same business prospect, which the City seeks to have locate within the City in the area of President George Bush Turnpike and Firewheel Parkway, and with which the City is**

conducting economic development negotiations (551.087); and attorney/client communications related to the same (551.071).

ADJOURN

All Work Sessions of the Garland City Council are broadcast live on CGTV, Time Warner Cable Channel 16 and Frontier FIOS TV 44. Meetings are rebroadcast at 9 a.m. and 7 p.m. Tuesdays - Sundays. Live streaming and on-demand videos of the meetings are also available online at GarlandTX.tv. Copies of the meetings can be purchased through the City Secretary's Office (audio CDs are \$1 each and DVDs are \$3 each).

NOTICE: The City Council may recess from the open session and convene in a closed executive session if the discussion of any of the listed agenda items concerns one or more of the following matters:

1. Pending/contemplated litigation, settlement offer(s), and matters concerning privileged and unprivileged client information deemed confidential by Rule 1.05 of the Texas Disciplinary Rules of Professional Conduct. Sec. 551.071, Tex. Gov't Code.
2. The purchase, exchange, lease or value of real property, if the deliberation in an open meeting would have a detrimental effect on the position of the City in negotiations with a third person. Sec. 551.072, Tex. Gov't Code.
3. A contract for a prospective gift or donation to the City, if the deliberation in an open meeting would have a detrimental effect on the position of the City in negotiations with a third person. Sec. 551.073, Tex. Gov't Code.
4. Personnel matters involving the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee or to hear a complaint against an officer or employee. Sec. 551.074, Tex. Gov't Code.
5. The deployment, or specific occasions for implementation of security personnel or devices. Sec. 551.076, Tex. Gov't Code.
6. Discussions or deliberations regarding commercial or financial information that the City has received from a business prospect that the City seeks to have to locate, stay, or expand in or near the territory of the City and with which the City is conducting economic development negotiations; or to deliberate the offer of a financial or other incentive to a business prospect of the sort described in this provision. Sec. 551.087, Tex. Gov't Code.
7. Discussions, deliberations, votes, or other final action on matters related to the City's competitive activity, including information that would, if disclosed, give advantage to competitors or prospective competitors and is reasonably related to one or more of the following categories of information:
 - generation unit specific and portfolio fixed and variable costs, including forecasts of those costs, capital improvement plans for generation units, and generation unit operating characteristics and outage scheduling;
 - bidding and pricing information for purchased power, generation, and fuel, and Electric Reliability Council of Texas bids, prices, offers, and related services and strategies;
 - effective fuel and purchased power agreements and fuel transportation arrangements and contracts;
 - risk management information, contracts, and strategies, including fuel hedging and storage;
 - plans, studies, proposals, and analyses for system improvements, additions, or sales, other than transmission and distribution system improvements inside the service area for which the public power utility is the sole certificated retail provider; and
 - customer billing, contract, and usage information, electric power pricing information, system load characteristics, and electric power marketing analyses and strategies. Sec. 551.086; Tex. Gov't Code; Sec. 552.133, Tex. Gov't Code]

Each year, the City Council reviews and updates its goals for the Garland community and City operations. City management uses the goals to guide operational priorities, decision-making and resource allocation.



GARLAND

STRATEGIC FOCUS AREAS



Safe Community



Well-Maintained City Infrastructure



Reliable, Cost-Efficient Utility Services



Sound Governance and Finances



Vibrant Neighborhoods and Commercial Centers



Customer-Focused City Services



Growing Economic Base



Future-Focused City Organization



Enhanced Quality of Life through Amenities, Arts and Events



Commercially Thriving Downtown



GARLAND

CITY COUNCIL STAFF REPORT

1

Meeting Date: December 15, 2025

Title: City Council Annual Travel Report

Submitted by: Letecia McNatt, Assistant to the City Manager

Strategic Focus Area:

Issue / Summary

City Council Travel Report

Background

Per City Council Policy, Article II, Division 1, Section 6(E), the City Manager will provide a written briefing on City Council travel and related expenses.

Consideration / Recommendation

Discussion only.

Attachments

A. Annual City Council Travel and Related Expenses Report FY25_2025.12.15

2025 Annual City Council Travel and Related Expenses Report

Year	Council Member	Event	Location	Date	Total Amount Spent	Amount Reimbursed to Council Member	Amount Reimbursed to City
2025	Ed Moore	Transportation Forum	Round Rock, TX	1/7/2025	\$ 2,007.17	\$ 278.76	
2025	Ed Moore	Meeting with TX Legislators	Austin, TX	3/26/2025 - 4/1/2025	\$ 1,483.28		
2025	Dylan Hedrick	Legislative Hearing	Austin, TX	4/26/2025	\$ 450.80		
2025	Ed Moore	Infrastructure Summit	Irving, TX	8/6/2025	\$ 250.00		
2025	Carissa Dutton	Texas Women in Public Service	Denton, TX	9/19/2025	\$ 75.00		
2025	Dylan Hedrick	TML Conference	Fort Worth, TX	10/29/2025 - 10/31/2025	\$ 811.22	\$ 266.22	
2025	Carissa Dutton	TML Conference	Fort Worth, TX	10/29/2025 - 10/31/2025	\$ 642.48	\$ 177.48	
2025	Kris Beard	TML Conference	Fort Worth, TX	10/29/2025 - 10/31/2025	\$ 465.00		
Total FY 2024-2025					\$ 6,184.95	\$ 722.46	\$ -



GARLAND

CITY COUNCIL STAFF REPORT

2

Meeting Date: December 15, 2025

Title: MD Pathways Program Update

Submitted by: Phillip Urrutia, Assistant City Manager

Strategic Focus Area: Customer-Focused City Services

Issue / Summary

The City of Garland and MD Health Pathways are advancing the Tap Telehealth program, concentrating on senior outreach, citywide communication, and preparations for the utility billing software update. Senior engagement efforts now include flyer distribution, pop-up events, and planned presentations. Broader communication continues through mailings, bill inserts, community events, and digital outreach. Operational work on the billing software remains on schedule, with program launch expected in May/June. To date, 3,139 residents have opted out of the program.

Background

MD Health Pathways and the City have expanded senior outreach through coordinated efforts with the Recreation Department and Senior Services. Flyers have been distributed at Senior Center programs, with a full presentation for seniors ready to be scheduled. Additional outreach includes door-hanger campaigns in senior-dense neighborhoods (identified through DCAD data), pop-up events, and outreach to Dallas County Meals on Wheels to include Garland-specific materials.

Citywide communication is being executed through multiple channels. Council previously asked about a potential additional citywide mailer, estimated to cost \$20,000 if pursued. The program will be featured in upcoming City Press mailings reaching over 80,000 addresses, and utility bill inserts were delivered in December directing residents to online FAQs. Public engagement has also occurred at community events such as Christmas on the Square. MD Pathways continues digital outreach through billboards, social media, and new video content, with FAQs updated regularly based on resident feedback.

Operationally, AUS and Customer Service are completing testing for the utility billing software update, anticipated for late January. This update will allow the Tap Telehealth line item to be added to utility bills starting in February. The overall launch timeline remains on track for May/June.

Consideration / Recommendation

Council decision on additional mailer: Moving forward with the estimated \$20,000 citywide mailer requires direction from Council.

Attachments

A. Agreement W/ MD Pathways

Master Telehealth Services Agreement

This Master Telehealth Services Agreement (the "**Agreement**") is made and entered into as of 09/17/2025, by and between **Pathways Physicians Texas, PLLC**, a Texas professional limited liability company (hereinafter "**PPTX**"), and the **City of Garland, a Texas home-rule municipality** (hereinafter the "**City**"). PPTX and the City may each be referred to as a "**Party**" and collectively as the "**Parties**."

Recitals

- **Whereas**, the City desires to offer its residents access to telehealth immediate medical care ("TIMC") as a community benefit program, funded by voluntary contributions collected pursuant to the terms hereof;
- **Whereas**, the program contemplated hereunder would not, and is not intended to, raise revenue for the City or that the City will expend any funds from the General Fund in furtherance of said program;
- **Whereas**, PPTX is a provider of TIMC and has the expertise and resources to deliver such services to the City's residents; and
- **Whereas**, the Parties have negotiated this Agreement to set forth the terms under which PPTX will provide TIMC and the City will facilitate access to the program, with provisions intended to protect both Parties' legal, operational, and financial interests;

Now, therefore, for and in consideration of the mutual covenants and agreements herein, and other good and valuable consideration, the Parties agree as follows:

1. Definitions

For purposes of this Agreement, the following capitalized terms have the meanings set forth below. Other terms may be defined in context within this Agreement.

- **"Telehealth Services"** -- The remote TIMC intended to prevent aggravation of physiological illness or injury described in this Agreement that PPTX will provide to Participating Households, including virtual medical consultations by licensed physicians or other qualified healthcare professionals via telephone, video, text messaging, or other electronic communication methods.

- **"Household"** -- A residential utility account holder in the City (e.g., a single-family residence or other residential unit that receives a City utility bill) that is eligible to participate in the telehealth program.
- **"Participating Household"** -- A Household that has not opted out of the telehealth program and is current on its monthly telehealth Contribution, and therefore is entitled to receive Telehealth Services under this Agreement.
- **"Contribution"** -- The monthly fee voluntarily paid per Household to fund the telehealth program (rates as specified in Section 5.1, subject to CPI adjustments as set forth in Section 5.1).
- **"Introductory Term"** -- The period spanning the first 6 months from and after the Program Launch Date. It will include meetings between representatives of the Parties following every 3 months to review program effectiveness and recommended changes. Also, PPTX shall provide up to three temporary call center employees to manage increased call volume during the Introductory Term.
- **"Initial Term"** -- The initial duration of this Agreement as specified in Section 2.1.
- **"CPI"** -- The Consumer Price Index for All Urban Consumers (CPI-U), U.S. City Average, All Items (or, if such index is discontinued or not available, a comparable index mutually agreed by the Parties), used for calculating allowable annual price adjustments beginning in Year 3, as described in Section 5.1.
- **"Program Launch Date"** - The first date on which the City includes the Contribution charge on utility bills and Participating Households may begin using the Telehealth Services.

2. Term of Agreement

2.1 Initial Term: The term of this Agreement shall commence on the Program Launch Date and continue for an initial period of **seven years** thereafter, unless earlier terminated in accordance with this Agreement (the **"Initial Term"**). The Initial Term includes the Introductory Term. Following the execution of this Agreement, the Parties will agree in writing to a Program Launch Date based on the City's determination that its customer service and billing systems will adequately support the program launch.

2.2 Renewal Terms: Upon expiration of the Initial Term, this Agreement may be renewed for additional terms (each a **"Renewal Term"**) of a duration to be negotiated by the Parties upon the written agreement of both Parties. Unless a Party gives written notice of non-renewal at least 180 days before the end of the Initial Term or then-current Renewal Term, this Agreement shall renew on a month-to-month basis under the terms of the immediately preceding Term until

either (i) the Parties execute a written agreement for a Renewal Period, or (ii) this Agreement is terminated by either Party pursuant to Section 6.

3. Scope of Services

3.1 Telehealth Services Provided. PPTX shall furnish comprehensive **Telehealth Services** to all Participating Households in accordance with this Agreement.

- **Standard Service Window.** Telehealth Services will be routinely available **every day, including holidays, from 8:00 a.m. to 10:00 p.m. Central Time** (the "Standard Service Window").
- **24 / 7 Expansion Option.** Should the City later determine that around-the-clock availability is desirable, the Parties may amend this Agreement to extend coverage to a full 24 / 7 model at mutually agreed pricing and service-level terms. Until such amendment is executed, PPTX has no obligation to provide Telehealth Services outside the Standard Service Window.

During the Standard Service Window, residents may consult with qualified, Texas-licensed healthcare providers via secure text/SMS, telephone, video conference, or a designated telehealth platform/application. Telehealth Services include, without limitation:

- On-demand immediate evaluation and advice for perceived physiological illness or injury;
- Diagnosis and treatment recommendations for common illnesses and minor injuries (e.g., colds/flu, infections, minor sprains);
- Prescription services when clinically appropriate and lawful, including transmittal to local pharmacies;
- Triage guidance on whether in-person urgent care or emergency services are recommended;
- Answers to health-related questions and early-intervention coaching for chronic-condition management; and
- Referrals to specialists or community health resources when an issue is beyond the scope of telehealth or requires follow-up.

PPTX shall ensure that Telehealth Services are provided **without any per-visit charge** to the patient or the City beyond the monthly Contributions set forth in Section 5; Participating

Households therefore receive **unlimited** access---subject to reasonable controls---covered by the program.

3.2 Licensed Personnel and Standard of Care: PPTX shall ensure that all services are provided by individuals holding the necessary **professional licenses and certifications** in the State of Texas (e.g., medical doctors or osteopathic physicians licensed by the Texas Medical Board, nurse practitioners or physician assistants if utilized, etc.). PPTX will provide Telehealth Services in accordance with the **prevailing standard of care** for telemedicine and all applicable laws and regulations. This includes compliance with Texas telemedicine requirements (e.g., establishing a valid physician-patient relationship via telehealth as required by Tex. Occupations Code and Texas Medical Board rules), maintaining patient privacy and security in accordance with **HIPAA** and other applicable privacy laws, obtaining any necessary consents for treatment via telehealth, and maintaining thorough medical records of telehealth encounters. PPTX is solely responsible for the acts and omissions of its physicians and staff; however, nothing in this Agreement shall be construed to create an employer-employee relationship between the City and any PPTX personnel (see Section 11.4). PPTX will have physicians who are multi-lingual and, if needed, able to provide services in languages prevalent in the community (to the extent practicable, such as Spanish for Spanish-speaking residents), or through translation services if necessary.

3.3 Service-Level Standards. PPTX shall use commercially reasonable efforts to maintain the performance standards set forth in **Exhibit A (Service Level Agreement and Key Performance Indicators)**, which is incorporated herein. The primary objective metric is **Availability / Uptime:** the Telehealth Services are expected to remain continuously operational during the Standard Service Window (8 a.m.--10 p.m. CT, seven days a week), except for infrequent, short maintenance windows that PPTX will schedule during historically low-usage periods and, when practicable, announce to the City in advance.

PPTX will monitor platform performance and promptly correct material service degradations. The Parties acknowledge that isolated anomalies may arise (e.g., a brief carrier outage or unexpected surge), but sustained or repeated service interruptions, after notice and a reasonable cure period, may be treated as a breach under Section 6.2. No specific "time-to-patient" or response-interval targets are imposed under this Agreement unless the Parties later amend Exhibit A to include such metrics by mutual written consent.

3.4 Reporting and Monitoring: PPTX shall provide the City with regular reports to facilitate oversight of the program's success and compliance with service standards. At a minimum, PPTX will provide:

- **Introductory Term Reports:** During the second City Council Work Session meeting of each month during the Introductory Term, PPTX will provide a presentation to the City Council. The presentation shall include, but not be limited to, the number of telehealth consultations provided to Garland residents under this program, average and maximum wait/response times; any downtime or service interruptions (with dates, duration, and reason for downtime/interruption); and summary of any resident feedback or complaints

received (with general nature of issue and resolution, but without any personal health details).

- **Monthly Reports:** By the 15th of each month, PPTX will deliver a report for the previous month detailing: the number of telehealth consultations provided to Garland residents under this program; the number of unique Households that utilized the service; average and maximum wait/response times; any downtime or service interruptions (with dates and duration); and a summary of any resident feedback or complaints received (with general nature of issue and resolution, but without any personal health details).
- **Annual Reports:** Within 30 days after each anniversary of the Program Launch Date (and within 30 days after termination or expiration, if applicable), PPTX will present to the City Council during a Work Session meeting a comprehensive annual report summarizing the above metrics over the year, identifying trends (e.g., utilization rates, peak usage times, most common consultation types), and including any recommendations for program improvements or adjustments for the City's consideration.

These reports shall be provided in a format reasonably requested by the City (for example, a written csv or Excel report and an accompanying spreadsheet of key data). **Privacy Note:** The City acknowledges that medical consultations are private. PPTX will **not disclose any Protected Health Information (PHI)** or personally identifiable patient information to the City in these reports, beyond what is needed for program administration. All usage data will be aggregated and de-identified in compliance with HIPAA. The City may use the aggregated data for lawful purposes such as public reports to City Council on program effectiveness.

3.5 Program Limitations and Resident Guidance: PPTX's Telehealth Services are intended to provide TIMC to aid in the diagnosis and prevention of the aggravation of physiological illness or injury. The program is **not** health insurance and is not a replacement for in-person primary care or in-person emergency services as may be required by health insurance. PPTX shall ensure that all Participating Households are informed (via welcome materials, the utility bill insert in Exhibit C, or initial interactions) that **for any medical emergency or conditions requiring immediate hands-on care, residents should call 9-1-1 or go to the nearest emergency facility.** PPTX providers will use professional judgment to direct patients to in-person emergency care or in-person evaluation if symptoms suggest a serious condition (e.g., chest pain, severe shortness of breath, signs of stroke, etc.) that cannot be sufficiently diagnosed by TIMC. Furthermore, the Telehealth Services do not cover the cost of prescriptions or external medical services---those remain the patient's responsibility (though PPTX's services include helping locate low-cost options or referrals). Participating Households should maintain any regular health insurance or primary physician relationships they have; this program is a supplemental benefit to increase access to care. PPTX will not provide long-term management of chronic diseases beyond telehealth advice and directing patients to appropriate follow-up; nor will PPTX prescribe any medications that are not legally permissible via telehealth or without an in-person examination when required by law.

3.6 Changes in Scope of Services: If the City requests an expansion or significant change to the scope of Telehealth Services (for example, adding mental health tele-counseling or on-site services), or if PPTX proposes service enhancements (like a new telehealth platform feature), the Parties shall discuss such changes in good faith. No such change will be effective unless agreed in writing (e.g., as an amendment or added exhibit). Minor adjustments and improvements that do not materially alter the obligations of either Party (such as adding additional languages support or improving average response times) may be made by PPTX in the ordinary course, with notice to the City. Any change that could affect the pricing or costs must be mutually agreed.

3.7 PPTX-Funded Support Positions: To facilitate the successful launch and implementation of the telehealth program and to ensure the City does not incur any expense associated with the program, PPTX agrees to fund the following temporary positions:

- **Utility Billing Agent:** PPTX will fund one Garland employee position for a period of 6 months from the Program Launch Date, at a rate equal to the current utility billing customer service representative rates established by the City. This employee will focus on addressing resident inquiries related to the telehealth program billing, assisting with opt-out requests, and supporting the initial implementation of the program within the City's utility billing system. The City shall hire or assign this individual according to its standard employment procedures. Such funds for the actual cost of this position (salary and benefits) shall be shown as a credit on the amounts owed to PPTX pursuant to Section 5 hereof.
- **Community Liaison:** PPTX will fund a community liaison position for a period of 9 months, beginning 3 months before the Program Launch Date and continuing 6 months after the Program Launch Date, to promote the program throughout the community. PPTX will request the City's assistance in identifying a suitable candidate for this role, preferably a former council member or other individual with strong community connections who is trusted by Garland residents. The hourly wage for this position will be negotiated directly between the selected individual and PPTX. The community liaison will report to PPTX but will coordinate activities with the City's marketing efforts described in Exhibit D. The community liaison's responsibilities shall include attending community events, meeting with neighborhood groups, and otherwise raising awareness of the telehealth program.
- **Temporary Call Center Employees:** As referenced above, PPTX will fund three Garland employee positions at the call center for the Introductory Term, at a rate equal to the current call center employee rates established by the City. The City shall hire or assign these individuals according to its standard employment procedures. Such funds for the actual cost of these positions (salary and benefits) shall be shown as a credit on the amounts owed to PPTX pursuant to Section 5 hereof.

PPTX shall provide the City with bi-weekly updates on the community liaison's activities. For clarity, the community liaison shall be an independent contractor of PPTX, not an employee of the City.

- **Process Consultant:** Following the Introductory Term, if determined by the City in its reasonable discretion that such an engagement would be beneficial, PPTX will engage, at its sole expense, a qualified process consultant to assist with business process mapping. The consultant's scope of work shall be (i) optimizing customer communication workflows and (ii) designing and supporting data exchange between MD Pathways and the City.

The funds contemplated by this Section shall be used solely for the purposes therein stated. Any remaining funds determined by the City to be unnecessary for the respective purpose shall be remitted to PPTX.

3.8 PPTX-Funded Program Support: To facilitate the successful launch and implementation of the telehealth program and to ensure the City does not incur any expense associated with the program, PPTX agrees to fund the following program support commitments:

- **Software Support:** PPTX shall provide the City with \$80,000, as a \$6,666.67 credit on the monthly remission of fees from the City to PPTX under Section 5.2 for the first year of the Program, for software support. These funds shall be used by City to license and upgrade customer service software, bill printing system integration, and associated Information Technology professional services.
- **Program Escrow:** Beginning with the first year of the Initial Term, PPTX shall provide the City with \$50,000 annually, as a \$4,166.67 credit on the monthly remission of fees from the City to PPTX under Section 5.2, for a program escrow. The City shall deposit these funds into an escrow account designated by the City to fund staffing and program-related costs incurred by City. The annual Program Escrow amount shall increase by an amount equal to three percent (3%) of the prior year's Program Escrow amount, starting in year two of the Initial Term and continuing through the remainder of the Initial Term and any Renewal Term until the Termination of this Agreement.
- **Community Assistance:** Beginning with the first year of the Initial Term, PPTX shall provide the City with \$25,000 annually, as a \$2,083.33 credit on the monthly remission of fees from the City to PPTX under Section 5.2, for community utility assistance. These funds shall be deposited into the City's bill assistance program. The annual Community Assistance amount shall increase by an amount equal to three percent (3%) of the prior year's Community Assistance amount, starting in year two of the Initial Term and continuing through the remainder of the Initial Term and any Renewal Term until the Termination of this Agreement.
- **Billing Insert Support:** PPTX shall provide the City with \$8,000 in year one of the program, as a \$666.66 credit on the monthly remission of fees from the City to PPTX

under Section 5.2, for billing inserts to accompany the utility bill and explain the service to customers, as contemplated in Section 4.1 below.

The funds contemplated by this Section shall be used solely for the purposes therein stated. Any remaining funds determined by the City to be unnecessary for the respective purpose shall be remitted to PPTX.

4. City's Obligations and Program Administration

4.1 Billing and Collection of Contributions: The City shall facilitate the funding of the telehealth program by acting as the billing and collection agent for the monthly **Contributions** from Participating Households. Beginning on the Program Launch Date (or the next practicable utility billing cycle) and continuing throughout the Term, the City will include on each eligible Household's utility bill a separate line item or charge labeled to indicate the telehealth services program Contribution (for example, "Telehealth Services Program -- [Month]" with the applicable amount). An explanatory addendum or insert will accompany or be incorporated into the bill, at least for the first billing cycle and periodically as needed, to explain the nature of this charge (substantially in the form attached as **Exhibit C**). The City's utility billing department shall handle the mechanics of billing this fee alongside normal Residential utility charges. Specifically for apartment complex buildings where utility charges are billed through a master meter, the City shall apply a single Contribution charge per meter, regardless of the number of individual units. Following the first year after the Program Launch Date, PPTX, at its discretion, shall be allowed to negotiate third-party contracts with those apartment complexes using master meters for Telehealth Services, and upon notice to the City by PPTX, the City shall be released of its obligation to collect the Contribution from those accounts. Collected Contributions shall be accounted for separately (for clarity, the City will track these funds, which will be owed to PPTX, distinct from general utility revenue). The City will exercise diligent efforts in billing and collecting Contributions, applying similar practices as it does for other City charges (except no service disconnections will occur solely for non-payment of the telehealth fee, as described in 4.2). The City will not markup or add additional fees to the Contribution; the agreed amounts (as specified in Section 5.1) are what residents pay and what is owed to PPTX (minus any uncollected amounts as noted in Section 5.2). If the City's billing system requires any initial setup or programming to implement this charge, the City will complete such setup prior to the Program Launch Date (with PPTX to assist in providing any needed information).

4.2 Resident Opt-Out Mechanism: Participation in the telehealth program is **voluntary** for City residents. The City shall implement and manage an **opt-out** system whereby any Household may choose not to participate and not be billed the Contribution. Key aspects of the opt-out process include:

- **Initial Opt-Out Period:** On or before the Program Launch Date, the City will notify all eligible Households of the upcoming telehealth program and give them a clear opportunity to opt out **before** the first charge appears. This can be achieved via a mailed notice or insert (Exhibit C) and through City communication channels (website, social

media, etc.). Residents might opt out by calling a designated City phone number, returning a form, or using an online website or portal -- the City will provide convenient methods and will log each opt-out request. Any Household that opts out in advance will not be billed the Contribution on the first or subsequent utility bills (unless they later opt back in).

- **Ongoing Opt-Out Rights:** After the Program Launch Date, a Household may opt out at any time by notifying the City through the established process. The City shall remove the telehealth charge from that Household's bill starting with the next billing cycle following the opt-out request (allowing for reasonable processing time).
- **Non-Payment Treated as Opt-Out:** If a Household does **not pay** the telehealth Contribution portion of its utility bill, the City will treat such non-payment as that Household's election to opt out of the program. In practice, the City may include a note on the bill or a courtesy reminder (e.g., "If you do not wish to participate in the telehealth program, you may opt out; non-payment of this charge will be interpreted as an opt-out."). The City is not required to undertake collection actions for unpaid Contributions beyond its standard utility bill collection processes. If a partial payment is made on a utility bill, the City's payment application protocols will first satisfy essential utility services and may leave the telehealth charge unpaid, indicating an opt-out. The City will not impose late fees, penalties, or service cut-offs solely for refusal to pay the telehealth Contribution; instead, the Household simply will be unenrolled (opted-out) for non-payment. The City will update its records to reflect that status and cease future billing to that account for the Contribution. (If that resident later wishes to rejoin, they could request to opt back in, in which case billing would resume in a future cycle.)
- **Data on Participation:** The City shall maintain accurate records of which Households are Participating Households (i.e., have not opted out and continue to pay) and which have opted out (or been deemed opted out for non-payment). The City will provide PPTX with an updated list (or accessible dataset) on at least a monthly basis identifying all Participating Households, or conversely all opted-out Households, so that PPTX knows whom it is obligated to serve. This list may be in the form of account numbers or another unique identifier; it need not include resident names (unless necessary for verification).. PPTX will use this information solely for verifying service eligibility and administration of the program.

In summary, **PPTX is only obligated to provide Telehealth Services to Participating Households**, and the City is only obligated to pay PPTX for Households that actually participate (pay the Contribution). Handling of opt-outs and the communication thereof is a critical City responsibility to ensure clarity on who is covered at any given time.

4.3 Remittance of Funds to PPTX: The City's payment obligations to PPTX are set forth in Section 5. In general, the City will act as a pass-through entity: collecting Contributions and remitting those collected funds to PPTX on a regular basis (monthly, unless otherwise agreed).

The City shall segregate or account for collected Contributions such that they are identifiable as funds due to PPTX. Collected amounts shall not be diverted to other City uses. The City will prepare a monthly summary of collections and promptly pay PPTX as described in Section 5.3. If the City anticipates any **administrative delays** or issues in remitting payment (for example, a software issue delaying calculation of amounts), it will inform PPTX and work to resolve it quickly. Both Parties acknowledge that timely and accurate flow of funds is essential to the success of the program.

4.4 Promotion and Marketing Support: The City will endeavor to actively promote the telehealth program. The City's specific marketing and outreach commitments are detailed in **Exhibit D (City Marketing Commitments)**. In general, the City will utilize its communication channels to raise awareness of the Telehealth Services among residents. This includes, at minimum: sending periodic informational mailers or bill inserts about the program, posting about the program on the City's official social media accounts several times per year, including program information in materials provided to new residents, and collaborating with PPTX to present the program at community events or health fairs. The City will designate a point of contact or coordinator to work with PPTX's team on marketing efforts, ensuring that messaging is accurate and consistent. All outreach will clearly convey that the program is an **"opt-out"** service (so people understand they are included unless they choose otherwise) and will highlight the service offered (unlimited telehealth access for a monthly fee). The City's name and logo may be used in program materials, and PPTX's name and service may be featured in City communications, in accordance with guidelines either Party may provide (and each Party will obtain approval from the other for any use of the other's logo or trademarks). Marketing expenses for the activities listed in Exhibit D (such as printing and mailing City utility inserts) shall be borne by the City, except that PPTX will bear any costs associated with its own optional marketing efforts or any premium promotional activities not outlined that PPTX elects to do.

4.5 Exclusivity of Program Services: During the Term of this Agreement, the City shall **not enter into any agreement with a third party to provide a similar telehealth subscription service to City residents** where fees are collected in connection with City utility billing or a City-managed opt-out program. PPTX shall be the exclusive provider for any City-sponsored telehealth program of this nature while this Agreement is in effect. (This does not prevent the City from participating in or promoting unrelated health initiatives, such as county health programs or hospital partnerships, so long as they are not the same model of providing telehealth-for-all via a utility bill fee.) The City confirms that it currently has no contracts with other telehealth vendors for a program in violation of this section.

4.6 Legal Compliance and Support: The City will use its governmental authority to support the lawful implementation and ongoing operation of the telehealth program. The City represents that it has or will obtain all necessary approvals (e.g., City Council resolutions or City Manager approvals) to lawfully add the telehealth Contribution to utility bills and enter into this Agreement. The City shall ensure the program structure (including the opt-out billing mechanism) complies with any applicable laws or regulations. If any resident, regulator, or other stakeholder challenges the legality of the billing mechanism or any aspect of the program, the City will promptly notify PPTX and, to the extent the challenge centers on City policy or action,

the City will take primary responsibility in addressing or defending against such challenge (consistent with the indemnification obligations in Sections 8.1 and 8.2). The City will also handle any **Texas Public Information Act** (TPIA) requests or other public records inquiries relating to this Agreement or the program in accordance with law and Section 11.3 (ensuring PPTX is consulted if any request encompasses PPTX's proprietary information). Nothing in this Agreement requires the City to violate any law, and any apparent conflict shall be addressed through the contract's modification or termination provisions (see Section 10, Regulatory Changes). The City will not knowingly pass any ordinance or policy that conflicts with the purpose of this Agreement or that materially increases PPTX's costs of performance without engaging in the renegotiation process contemplated in Section 10.

4.7 Founding Partner Program Obligations: As part of the Founding Partner Program and in exchange for the discounted pricing structure specified in Section 5.1, the City agrees to:

- **Joint Press Release:** Collaborate with PPTX on one joint press release announcing the telehealth program partnership. The City will provide input, review, and approval of the release content, as well as assist with distribution through appropriate City channels.
- **Case Study Authorization:** Allow PPTX to develop and publish a case study about the telehealth program implementation in Garland. PPTX may use anonymized program data (such as utilization statistics and health outcomes) and the City's logo in the case study. Any case study will be provided to the City for review prior to publication, and the City shall have the right to request reasonable modifications to protect resident privacy or City interests.
- **Timely Payment:** Pay PPTX on time as specified in Section 5.3 and 5.4 of this Agreement.

5. Compensation and Payment Terms

5.1 Contribution Rates and Pricing Structure: In consideration for PPTX's Telehealth Services, the City (on behalf of Participating Households) shall remit based on fees voluntarily collected through the program to PPTX as follows:

- **Founding Partner Program:** The City of Garland Residents will participate in PPTX's Founding Partner Program, which provides special discounted pricing over a five-year period. The standard monthly program price per Household is \$9.00, but as a Founding Partner, the program participants will receive the following discounted rates:
 - **Year 1:** \$6.00 per Household per month
 - **Year 2:** \$6.00 per Household per month
 - **Year 3:** \$7.00 per Household per month
 - **Year 4:** \$8.00 per Household per month

- **Year 5:** \$9.00 per Household per month
 - **Year 6:** \$9.00 per Household per month
 - **Year 7:** \$9.00 per Household per month
- **Annual CPI Adjustment (Cap 5%):** Beginning with the sixth year of the program and for each year thereafter, PPTX may adjust the per-Household monthly rate based on inflation as measured by the Consumer Price Index (CPI). Specifically, **at the start of Year 6** (and at the start of each subsequent year on the anniversary of the Program Launch Date), the base rate for that year as specified above may be increased by a percentage equal to the percentage increase in the CPI over the most recent 12-month period for which official CPI data is available. However, **any such annual increase shall be capped at 5%** of the then-current rate. If the CPI indicates a larger increase, only a 5% increase will be applied for that year. If the CPI change is smaller, the smaller percentage (or no increase) may be applied. PPTX shall give the City at least **60 days' advance written notice** of any CPI-based rate increase, including documentation of the CPI calculation. The adjusted rate will remain in effect until the next annual adjustment or end of the Agreement. CPI adjustments are intended to account for increased costs of providing services due to inflation and regulatory changes; they are not automatic unless CPI has increased. If CPI is flat or negative, the rate would remain the same (no increase), absent mutual agreement for a downward adjustment.

All pricing above is per Household per month. If the City ever bills on a different periodic basis (e.g., bi-monthly utility billing), the charges can be prorated or structured so that it equates to the same monthly rate (for instance, \$12 every two months in Year 1 instead of \$6 monthly, if needed for billing software). The City shall not charge or withhold any administrative fees from these Contributions -- the full collected amount (except uncollected amounts, addressed in 5.2) is due to PPTX.

5.2 Payment Based on Collected Contributions (No Payment for Opt-Outs): PPTX's compensation under this Agreement is expressly limited to the **Contributions actually collected by the City** from Participating Households. The City shall **not** be required to pay PPTX for any Household that has opted out or otherwise failed to pay the Contribution. In other words, PPTX bears the risk of non-collection from residents -- if a resident does not pay, PPTX will not receive that Contribution (and, correspondingly, PPTX will not be obligated to provide service to that resident as they are considered to have opted out). The City will only remit amounts that it has successfully collected. The City's obligation to pay is purely **contingent on collection**; there is no guarantee of any minimum number of participants or amount. However, the City will make commercially reasonable efforts in its billing and collection practices to maximize collection, as described in Section 4.1 and 4.2, treating the telehealth Contribution like an ordinary line item on the utility bill. If a previously non-paying Household later pays past due Contributions (perhaps in clearing up a utility bill), the City will include those recovered funds in the next remittance to PPTX, but the Household's eligibility for services will be determined by the opt-out rules (generally, non-payment means they were not covered during that period).

PPTX acknowledges and agrees that the City has not made and is not making any promise of a particular participation level or revenue amount; the financial model is enrollment-driven.

5.3 Invoicing and Remittance Procedure: The following process shall apply to the billing and remittance of Contributions from the City to PPTX:

- **Monthly Remittance/Invoice Cycle:** On a monthly basis (aligned with the City's normal billing cycle), the City will calculate the total Contributions collected in the preceding period. The City will provide PPTX with a **Monthly Contribution Report** (as noted in Section 4.3) stating the number of Participating Households and total amount of Contributions collected for that month (or billing cycle), along with any necessary detail (e.g., identification of any partial payments or adjustments). PPTX will then issue an invoice to the City for that amount, referencing the City's report. Alternatively, if mutually agreed, the City's report itself can serve as the basis for payment without a separate PPTX invoice; in such case, the City will initiate payment of the reported amount within the timeframe below.
- **Payment Terms:** The City shall remit payment to PPTX for each invoice (or report) **within 30 days** of receipt of the invoice/report, less the credit for the Utility Billing Agent pursuant to Section 3.7 and the credits for program support in Section 3.8, above. Payment shall be made via a mutually agreed method, such as ACH electronic transfer to an account designated by PPTX. Timely payment is important to maintain service continuity. If the City identifies any discrepancy or has a good-faith dispute about the invoiced amount, it shall notify PPTX within 15 days after delivery of the invoice, and the Parties will work together to resolve the dispute promptly. The City will in any event pay the **undisputed portion** of an invoice within the 30-day period.
- **Records:** Each Party will maintain records of the amounts billed, collected, invoiced, and paid. The City's records of what was collected shall be controlling in determining the amount due, absent manifest error. PPTX may inspect relevant City records to verify the figures if needed (subject to audit provisions in Section 11.2). Likewise, the City can inspect PPTX's invoicing records. Both Parties agree to seek to resolve discrepancies in good faith.
- **Adjustment for CPI or Rate Changes:** If a CPI adjustment or other rate change occurs as described in 5.1, the City's billing and PPTX's invoicing will reflect the new rates as of the effective date. The City shall not be responsible for calculating PPTX's invoice; PPTX will ensure its invoice reflects the current approved rate and matches the City's reported number of participants and collected funds.

5.4 Late Payment and Suspension of Service: The City shall remit PPTX on time as described above. In the event any **undisputed** remittance is not received by PPTX within 30 days after it is due, PPTX will provide written notice to the City's contract manager or finance department, alerting the City to the delinquency. If the City still has not remitted within an

additional ten days after receiving such notice (i.e., 60 days past the original due date), PPTX shall have the right to **suspend Telehealth Services** under this Agreement until remittance is made, upon giving the City a second written notice (a "Notice of Suspension") at least ten days before the suspension is to take effect. If the City cures the default within that ten-day period, the suspension will not occur. If the City does not cure, PPTX may halt services starting on the specified suspension date. During any period of suspension for non-remittance, PPTX will have no obligation to provide Telehealth Services to City residents, and the City will be responsible for informing residents (if inquiries arise) that the service is temporarily unavailable due to remittance issues. PPTX shall resume services promptly after the City remits all outstanding undisputed amounts (including any applicable late charges).

Additionally, any late remittance (beyond 30 days past due) shall accrue interest at the lesser of an annual rate of 1.5% per month or any part of a month, compounded annually, or the maximum rate allowed by Texas law for municipal contracts, calculated from the original due date until the date of remittance. The Parties intend for this to comply with the Texas Prompt Payment Act (Tex. Gov't Code Ch. 2251) to the extent it applies, and not to exceed any lawful rate.

If remittance delinquency continues beyond 90 days without satisfactory resolution, such failure to remit shall constitute a material breach by the City, and PPTX may terminate the Agreement for cause pursuant to Section 6.2(b). In such case, the City would be responsible for any applicable termination remittance as set forth in Section 6.2(b) and 6.1.

5.5 Taxes: The Contributions are considered a fee for services provided to Participating Households and passed through to PPTX; they are not a tax or a City fee for City revenue. Each Party is responsible for its own taxes as applicable. PPTX shall be responsible for any taxes based on its income or business operations (including payroll taxes for its employees). The City, as a Texas municipal entity, is generally tax-exempt for its purchases and not subject to sales tax; in this arrangement, the City is acting as a billing conduit. It is not anticipated that sales tax applies to medical services, but if any sales, use, excise, or similar taxes are determined by a competent authority to apply to the amounts paid to PPTX hereunder, PPTX shall be responsible for such taxes (as PPTX is the ultimate recipient of the payment for services). The City shall not withhold any portion of the Contribution for taxes unless required by law, in which event the City shall notify PPTX and cooperate to minimize any such withholding or double-taxation. If any law provides an exemption or exception that can be claimed, the Parties will reasonably cooperate (for example, providing resale or exemption certificates). In no event will either Party be responsible for any taxes of the other Party that are not directly related to this Agreement.

5.6 Funding and Appropriations: The City reasonably believes that, as the program is structured, the amounts needed to remit PPTX will be fully covered by Contributions, and therefore the City will not appropriate additional general funds for this Agreement. The City agrees to budget and appropriate the collected Contribution funds for remittance to PPTX. In compliance with Texas law, the City's obligations hereunder are subject to the availability of funds and annual appropriation by the City Council, as applicable. The City has appropriated

funds for the initial year of this Agreement by virtue of approving the program. If in any subsequent fiscal year the City Council fails to appropriate funds for the continuation of this Agreement (and if no collected Contributions are available to cover the costs), the City may terminate the Agreement by providing written notice to PPTX and complying with any applicable Texas law requirements (this scenario would be treated as a termination for non-appropriation, potentially without the penalty of Section 6.1, since the City cannot commit funds it does not appropriate). The City will make good faith efforts to avoid this outcome, and shall not use non-appropriation as a pretext to terminate for convenience in order to circumvent the termination fee.

6. Termination

6.1 Termination by City for Convenience (Without Cause).

- **(a) Right to Terminate Pre-Program Launch Date.** Either party may cancel this Agreement without penalty up to 30 days prior to the Program Launch Date.
- **(b) Right to Terminate Following Introductory Term.** At the end of the Introductory Term, the City may terminate this Agreement for its convenience by delivering at least 30 days' prior written notice to PPTX.
- **(c) Right to Terminate After Month 24.** Beginning on the first day of Month 25---and at any time thereafter---the City may terminate this Agreement for its convenience by delivering at least **90 days' prior written notice** to PPTX specifying the effective date of termination.
- **(d) No Fee.** If the City terminates this Agreement for convenience, no termination fee is owed. The City must still remit to PPTX all Contributions collected for services rendered through the termination date.

6.2 Termination for Cause: Either Party may terminate this Agreement for cause upon a material breach by the other Party, subject to the following provisions:

- **By the City (PPTX Breach):** If PPTX materially breaches any material obligation of this Agreement, the City shall provide written notice to PPTX describing the nature of the breach in detail. PPTX shall have 30 days from receipt of such notice to cure the breach to the City's reasonable satisfaction. If the breach is of a nature that cannot reasonably be cured within 30 days, PPTX may submit a reasonable plan for curing the breach as promptly as practicable, and seek the City's written consent for an extended cure period (which consent shall not be unreasonably withheld for non-monetary breaches). Failure to meet service level standards as required, significant downtime or unavailability of services, repeated justified complaints from residents about service quality, or any action

by PPTX that jeopardizes residents' health or privacy could all constitute material breaches if not promptly remedied. If PPTX fails to cure the breach within the applicable cure period, the City may terminate this Agreement by delivering a written termination notice to PPTX, with a specified termination date at least 30 days from the date notice is sent by City. In a termination for PPTX's breach, the City is not required to pay any termination fee. The City shall pay PPTX for any validly collected Contributions attributable to services provided up to the termination date (to the extent not already paid), but the City may withhold or offset any amounts reasonably necessary to cover the City's damages caused by the breach (subject to the limitation of liability in Section 9). Termination for breach is without prejudice to any other rights or remedies the City may have under this Agreement or at law, except those remedies are subject to the limitations and waivers provided herein.

- **By PPTX (City Breach):** If the City materially breaches its obligations under this Agreement, PPTX shall provide written notice to the City describing the breach. Material breaches by the City include, for example: failure to remit PPTX amounts due (beyond applicable notice and cure periods in Section 5.4), failure to collect Contributions as agreed (e.g., arbitrarily stopping collection without terminating the Agreement), or violation of exclusivity (bringing in another provider in breach of Section 4.5). The City shall have 30 days from receipt of notice to cure the breach. For remittance breaches, cure would consist of full remittance of all outstanding amounts; for other breaches, appropriate corrective action should be taken. If the City does not cure the breach within the cure period, PPTX may terminate this Agreement by written notice, effective as of a specified date at least 30 days from the date notice is sent by PPTX. In such event, the City shall remain liable to remit to PPTX all Contributions collected (or due to be collected) for services provided up to the termination date. PPTX may also pursue any other remedies available at law or in equity for the City's breach, subject to the limitation of liability in Section 9.

In all cases of alleged breach, the non-breaching Party has a duty to act reasonably and in good faith. If a breach is disputed, the Parties may engage in discussions or mediation to attempt to resolve the dispute prior to termination if time permits, but are not obligated to delay a justified termination beyond the cure period.

6.3 Termination for Change in Law or Regulatory Issues: In addition to termination for cause, either Party may terminate this Agreement upon written notice (with at least 60 days' notice, if feasible) if a **change in applicable law or regulation** or a government order makes the continuation of this Agreement impracticable, illegal, or would materially increase the cost of performing the Agreement without a mutually agreeable amendment. This right is further described in Section 10 (Regulatory Changes). In such a case, the Parties shall attempt to negotiate adjustments first. If termination is ultimately necessary under this Section 6.3, it shall be considered a no-fault termination. The City will remit PPTX for any services rendered up to the termination date from collected funds, and each Party will bear its own costs of termination.

6.4 Effect of Termination: Upon any termination or expiration of this Agreement, the Parties shall take the following actions for an orderly wind-down:

- **Cessation of Services:** PPTX will cease providing Telehealth Services to Participating Households as of the effective date of termination/expiration (the "Termination Date"), unless otherwise agreed for a brief extension to ensure a smooth transition. PPTX will ensure that any person contacting the service after the Termination Date is informed that the program is no longer active. If appropriate, PPTX may advise patients to seek alternative care (e.g., refer them to their primary care physician or urgent care) since the Telehealth Services under the City program have ceased. The City agrees to promptly inform residents (through a notice on its website, a message on the final utility bill with the Contribution charge, or other reasonable means) that the Telehealth Services program is ending or has ended as of the Termination Date.
- **Final Billing and Payments:** The City shall remove the Contribution fee from all future utility bills after the Termination Date. The City will still collect any Contributions that were billed for periods prior to the Termination Date (for example, if the program ends on March 31 but the March bills were already issued with the telehealth charge, the City will collect those and include them in the final remittance to PPTX). The City shall remit to PPTX any remaining amounts due for services provided through the Termination Date. PPTX shall submit a final invoice or reconciliation statement within 30 days after termination, and the City shall remit that (subject to reconciliation of any last adjustments) in accordance with Section 5.3. The City will still be responsible to remit any late-arriving payments from residents for pre-termination service periods, or otherwise account to PPTX for all Contributions collected up to the Termination Date. Conversely, if the City collected Contributions for any period beyond the Termination Date (e.g., billing timing quirks), the City will refund those amounts to the participants or, if not feasible, remit them to PPTX only if PPTX actually provided any service during that period (which generally will not be the case if services ceased).
- **Return of Materials and Information:** Each Party shall promptly return or (with permission) destroy any confidential information, proprietary materials, or equipment of the other Party that is in its possession due to the Agreement. For example, PPTX will return or securely destroy any City-provided data lists, and the City will return or destroy any PPTX-provided training materials or marketing collateral that is not publicly available. An exception is made for any information that a Party is required by law to retain (e.g., PPTX's medical records of patient consultations, which by law must be retained for a certain period, and the City's record of this contract for record-keeping purposes). Any retained information remains subject to the confidentiality obligations of this Agreement (and the BAA for any PHI).
- **Transition Assistance:** Upon the City's request, PPTX will provide reasonable cooperation to transition participants to any new program or provider (if one is immediately available) or to simply close out the program. This might include providing

the City with a brief summary of utilization or any lessons learned that could be passed to a successor (nothing containing PHI). If the City desires to start a similar program with a different vendor after termination, PPTX's obligations are limited to cooperation consistent with Section 11.1 (Right to Match and Transition) if applicable.

- **Survival of Terms:** Any provisions of this Agreement which by their nature or expressly are intended to survive termination or expiration (such as indemnification obligations, confidentiality, limitation of liability, and accrued remittance or contribution obligations) shall survive. Specifically, Sections 5.4 (if remittances are late at termination), 5.5, 6.4, 7.4, 8, 9, 11.3, 11.6, 11.8 through 11.12, and all relevant definitions, exhibits, and any other provision that contemplates performance or enforcement after termination, will remain in effect.
- **No Further Liability:** Provided that all amounts due to PPTX have been remitted (including any required termination fee) and both Parties have fulfilled their obligations up to the Termination Date, neither Party shall have any further liability to the other under this Agreement following termination or expiration, except for liabilities that had already accrued or for obligations that survive by the terms of this Agreement. Neither Party shall be liable to the other for damages solely by reason of exercising a lawful termination right as provided in this Agreement.

ARTICLE 7 -- INSURANCE

7.1 Maintenance of Insurance. PPTX shall, at its own expense, maintain during the Term such categories and amounts of insurance as are customarily carried by prudent tele-healthcare providers operating in Texas, including (without limitation) commercial general liability, professional (medical-malpractice) liability, and---if PPTX has employees---statutory workers' compensation. PPTX shall ensure that each medical professional with which it has contracted to provide medical services carries, whether at the expense of PPTX or the medical professional, professional (medical-malpractice) liability insurance.

7.2 Evidence of Coverage Upon Request. No more than once in any twelve-month period, the City may request certificates (or other reasonable proof) showing that the coverages described in § 7.1 are in force on the date of the request. Provision of such proof shall not be construed as the City's approval of the adequacy of coverage.

7.3 Additional-Insured Endorsement (CGL only). If the City's risk manager determines in writing that additional-insured status is necessary on PPTX's commercial general liability policy, PPTX will use commercially reasonable efforts to obtain an endorsement naming the City (and its officers and employees) as additional insureds on a primary and non-contributory basis. No additional-insured endorsement is required on PPTX's professional-liability, cyber-liability, or workers'-compensation policies.

7.4 No Expansion of Liability. The existence, type, or amount of insurance carried by PPTX shall not enlarge or modify the limitations of liability contained in Article 9.

7.5 Notice of Cancellation. PPTX will make commercially reasonable efforts to see that its insurers endeavor to give the City at least 30 days' prior notice (ten days for non-payment of premium) of any cancellation or non-renewal of required coverage.

8. Indemnification

8.1 INDEMNIFICATION BY PPTX: TO THE FULLEST EXTENT PERMITTED BY LAW, PPTX SHALL INDEMNIFY, DEFEND, AND HOLD HARMLESS THE CITY AND ITS OFFICERS, ELECTED OFFICIALS (MAYOR AND COUNCIL), AGENTS, AND EMPLOYEES (COLLECTIVELY, THE "CITY INDEMNITEES") FROM AND AGAINST ANY AND ALL THIRD-PARTY CLAIMS, ACTIONS, LIABILITIES, DAMAGES, JUDGMENTS, OR EXPENSES (INCLUDING REASONABLE ATTORNEYS' FEES AND COURT COSTS) ASSERTED AGAINST THE CITY INDEMNITEES THAT ARISE OUT OF OR RESULT FROM: (I) ANY NEGLIGENT ACT OR OMISSION OR WILLFUL MISCONDUCT OF PPTX OR ITS OFFICERS, EMPLOYEES, AGENTS, MEDICAL PROFESSIONALS, OR SUBCONTRACTORS IN THE PERFORMANCE OF THIS AGREEMENT (INCLUDING IN THE PROVISION OF TELEHEALTH SERVICES); (II) ANY BREACH OF THIS AGREEMENT BY PPTX, INCLUDING ANY BREACH OF ITS REPRESENTATIONS, WARRANTIES, OR COVENANTS (FOR EXAMPLE, A VIOLATION OF HIPAA OR A CONFIDENTIALITY OBLIGATION BY PPTX RESULTING IN A CLAIM); AND/OR (III) ANY ACTUAL OR ALLEGED INFRINGEMENT OF ANY PATENT, COPYRIGHT, TRADEMARK, TRADE SECRET, OR OTHER INTELLECTUAL PROPERTY RIGHT CAUSED BY PPTX'S PROVISION OF SERVICES OR MATERIALS (SUCH AS IF PPTX'S TELEHEALTH PLATFORM SOFTWARE INFRINGES A THIRD PARTY'S IP). THIS INDEMNIFICATION OBLIGATION INCLUDES, BUT IS NOT LIMITED TO, CLAIMS FOR PERSONAL INJURY OR DEATH (INCLUDING MEDICAL MALPRACTICE CLAIMS BY PROGRAM PARTICIPANTS) AND PROPERTY DAMAGE TO THE EXTENT CAUSED BY PPTX'S NEGLIGENCE OR WRONGFUL ACTS. HOWEVER, PPTX'S OBLIGATIONS UNDER THIS SECTION 8.1 SHALL NOT APPLY TO THE EXTENT ANY CLAIM OR LIABILITY IS CAUSED BY THE NEGLIGENCE OR WILLFUL MISCONDUCT OF THE CITY OR ANY CITY INDEMNITEE. IN ADDITION, WITH RESPECT TO MEDICAL MALPRACTICE OR PERSONAL INJURY CLAIMS BY RESIDENTS, THE PARTIES ACKNOWLEDGE THAT RESIDENTS RECEIVING TELEHEALTH SERVICES ARE NOT THIRD-PARTY BENEFICIARIES OF THIS AGREEMENT (SEE SECTION 11.11) AND THUS ARE NOT ENTITLED TO ENFORCE THIS CONTRACT; THEIR REMEDIES ARE THROUGH MEDICAL MALPRACTICE LAW AGAINST THE PROVIDER. THIS SECTION 8.1 IS FOR THE BENEFIT OF THE CITY AND CITY INDEMNITEES AND NOT ANY OTHER PERSON.

8.2 INDEMNIFICATION BY THE CITY: TO THE EXTENT ALLOWED BY THE CONSTITUTION AND LAWS OF THE STATE OF TEXAS, THE CITY SHALL INDEMNIFY AND HOLD HARMLESS PPTX AND ITS OFFICERS, MEMBERS, MANAGERS, EMPLOYEES, AND AGENTS (COLLECTIVELY, THE "PPTX INDEMNITEES") FROM AND

AGAINST ANY THIRD-PARTY CLAIMS, DEMANDS, SUITS, OR LIABILITIES (INCLUDING REASONABLE ATTORNEYS' FEES AND COSTS) THAT ARISE OUT OF OR RESULT FROM: THE CITY'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT IN CARRYING OUT ITS OBLIGATIONS UNDER THIS AGREEMENT. LIMITATIONS: THE CITY'S OBLIGATIONS UNDER THIS SECTION 8.2 ARE LIMITED BY AND SUBJECT TO TEXAS LAW. THE CITY DOES NOT WAIVE ANY GOVERNMENTAL OR SOVEREIGN IMMUNITY BY ENTERING THIS AGREEMENT, AND NOTHING HEREIN SHALL BE CONSTRUED TO REQUIRE THE CITY TO INDEMNIFY BEYOND WHAT IS PERMITTED BY TEXAS LAW OR TO EXPEND FUNDS NOT APPROPRIATED FOR THIS PURPOSE. IN PRACTICE, IF SUCH A CLAIM ARISES, THE CITY (THROUGH ITS CITY ATTORNEY OR DESIGNATED COUNSEL, POSSIBLY PROVIDED BY THE CITY'S INSURER OR RISK POOL) WOULD LIKELY DEFEND THE LEGALITY OF ITS PROGRAM. THE CITY'S INDEMNITY HERE WOULD COVER PPTX'S COSTS AND DAMAGES ARISING FROM BEING NAMED OR INVOLVED IN SUCH A CLAIM, TO THE EXTENT OF THE CITY'S COMPARATIVE FAULT OR RESPONSIBILITY. THE CITY'S INDEMNIFICATION SHALL NOT APPLY TO THE EXTENT A CLAIM ARISES FROM PPTX'S OWN NEGLIGENCE, BREACH, OR MISCONDUCT. ALL INDEMNIFICATION BY THE CITY IS FURTHER CONDITIONAL UPON APPROPRIATION OF FUNDS AND TO THE EXTENT ALLOWED BY LAW; THE CITY WILL ASSERT ALL LAWFUL DEFENSES INCLUDING IMMUNITY AS APPROPRIATE, BUT IN ANY CASE, WILL NOT LEAVE PPTX SOLELY RESPONSIBLE FOR A CLAIM THAT FUNDAMENTALLY CONCERNS CITY POLICIES OR ACTIONS.

No third party shall have the right to assert an indemnity claim under this Agreement, as these indemnification provisions are intended only to allocate risk between the contracting Parties.

Both Parties shall promptly notify each other upon receiving notice of any claim potentially covered by this Section, and shall cooperate in the defense. (Nothing herein shall eliminate or reduce any other legal immunity or defense available to either Party under Texas law, such as liability limits under the Texas Tort Claims Act for governmental functions.)

9. Limitation of Liability

Except for the specific indemnity obligations set forth in Section 8.1 and except in the case of PPTX's willful misconduct or fraud, the Parties agree to limit PPTX's liability to the City under this Agreement as follows:

9.1 Cap on Liability: PPTX's total cumulative liability to the City for any and all claims, losses, or damages arising out of, relating to, or in connection with this Agreement, whether in contract, tort (including negligence or medical malpractice), or any other theory of liability, shall not exceed **\$1,000,000** in the aggregate. This cap on liability includes liability for any City direct damages but not any amounts payable to third parties (for example, under indemnity claims) for which PPTX is responsible, but excludes the following items which are not counted toward the cap: (a) PPTX's liability for its own gross negligence, willful misconduct, or intentional wrongdoing; and (b) any obligations to pay the City amounts due under the Agreement (for

instance, if PPTX owed the City a refund or payment). The cap is intended primarily to align with PPTX's insurance coverage levels and to allocate risk of catastrophic losses.

9.2 No Indirect Damages: In addition, neither PPTX nor the City shall be liable to the other for any **consequential, indirect, special, exemplary, or punitive damages** or for any loss of profits, loss of revenue, or loss of goodwill, arising out of or related to this Agreement, regardless of whether such damages were foreseeable or a Party was advised of the possibility of such damages. This exclusion does not apply to amounts owed to third parties for which a Party is seeking indemnification under Section 8 (e.g., an indemnified third-party claim with consequential damages is treated as direct for the indemnitee) -- it mainly prevents either Party from suing the other for speculative losses like "reputation damage" or lost business opportunities.

9.3 Exceptions: Notwithstanding the above, nothing in this Section 9 shall limit or exclude PPTX's liability for any act or omission deemed by a court of competent jurisdiction to constitute **gross negligence, willful misconduct, fraud, or intentional violation of law**. In addition, to the extent any claims are covered by insurance, the limitations of liability shall not prejudice the City's right to recover under the insurance policies set forth in Section 7.1 up to the policy limits (the intent being that PPTX will carry at least \$1,000,000 in applicable insurance so the cap is effectively backed by insurance coverage). Likewise, nothing in this Section limits the City's ability to seek and obtain equitable remedies (such as injunctive relief) to the extent available at law, although the City cannot use an injunction to circumvent the cap on monetary damages.

9.4 City's Liability: The City's liability to PPTX is limited by the doctrines of sovereign and governmental immunity and by Texas law (see Section 11.12). The City does not waive any defenses or limits on liability provided by law. In no event shall the City be liable for consequential damages to PPTX, and any City obligation to pay damages (as opposed to the contractual payments to PPTX) would be subject to statutory limitations and appropriations. Notwithstanding any provision in this Agreement to the contrary, **City's total cumulative liability** to PPTX for any and all claims, losses, or damages arising out of, relating to, or in connection with this Agreement, whether in contract, tort (including negligence or medical malpractice), or any other theory of liability, shall not exceed **an amount equal to 90 days of contractual remittances less the credits in Section 3** in the aggregate. This cap on liability includes liability for any PPTX direct damages but not any amounts payable to third parties (for example, under indemnity claims) for which the City is responsible, but excludes the following items which are not counted toward the cap: the City's liability for its own willful misconduct or intentional wrongdoing.

The provisions of this Section 9 shall survive the expiration or termination of this Agreement. The Parties acknowledge that this limitation of liability represents a fair allocation of risk and is a fundamental part of this Agreement.

10. Regulatory Changes

In the event that any federal, state, or local law, regulation, ordinance, or court order is enacted, amended, or interpreted after the Effective Date of this Agreement (**a "Regulatory Change"**) which **materially affects** the ability of either Party to perform its obligations under this Agreement, or **materially increases the costs** or burdens of such performance, the affected Party shall promptly notify the other Party in writing of the specific Regulatory Change and its impact on the Agreement. Examples of Regulatory Changes could include: a new state law prohibiting or restricting municipalities from adding fees to utility bills for services like telehealth; a change in healthcare regulations that significantly raises PPTX's cost of providing telehealth (such as a requirement for enhanced technology, new licensing fees, or additional personnel); or a change in tax law that imposes taxes on the Contributions or payments that were not anticipated.

Upon such notice, the Parties shall engage in good faith negotiations to **amend or adjust** the Agreement as necessary to comply with the law or address the increased costs. Possible adjustments include, but are not limited to: modifying the program structure or procedures to comply with the law; adjusting the Contribution rate or payment terms to offset increased costs due to the Regulatory Change; or other changes to fairly re-balance the economic and operational terms in light of the new situation.

If the Parties are **unable to reach agreement within 60 days** of the initial notice of the need for amendment (or sooner if the law requires compliance by an earlier deadline), then either Party shall have the right to terminate this Agreement upon written notice to the other Party. Such termination for Regulatory Change shall be treated as a no-fault termination (neither Party will be deemed in breach, and no termination penalty will apply). However, the City shall remit to PPTX for services rendered to participants up to the termination date from the Contributions collected (or, if the law prohibits further collections, the Parties will negotiate in good faith a fair compensation for services already provided if some collected funds are still in the City's possession).

During the period between the Regulatory Change notice and the amendment or termination (not to exceed the compliance deadline imposed by law), the Parties shall make reasonable interim adjustments to continue the service in compliance with law. For example, if a law banned opt-out fees on utility bills effective in 90 days, the Parties might agree to switch to an opt-in model or pause new charges while negotiating, and if no solution, wind down before the law's effective date.

This Section 10 is intended to ensure that the Agreement can adapt to significant legal changes and to protect both Parties from being forced to violate the law or suffer undue hardship due to unforeseen regulatory developments. It is **not** intended to allow termination or price renegotiation for minor changes or normal fluctuations in business conditions (for instance, a small increase in administrative paperwork would not trigger this, nor would a general economic downturn---there must be a specific change in law or regulation). Both Parties will approach any

such situation with mutual respect and an aim to continue the program if at all possible under revised terms.

11. Additional Covenants and Miscellaneous Provisions

11.1 Audit of Records ("Inspection on Cause"): PPTX shall maintain complete and accurate books, records, and documents relevant to its performance under this Agreement (including records of service delivery and financial records relating to the Contributions and costs) in accordance with generally accepted accounting principles and applicable law. The City (or its authorized representative, such as an auditor or accountant) may request access to and the right to examine these relevant records **if and only if** the City has a reasonable good-faith belief that it needs to verify a specific aspect of PPTX's performance or billing under this Agreement (for example, to investigate a suspected billing discrepancy or a compliance issue). In other words, the City's right to audit is based on **cause**, not free-ranging access.

If the City believes cause exists, it shall provide written notice to PPTX outlining the specific concern or area of inquiry and requesting an audit or inspection of records pertaining to that issue. Any such audit shall: (a) be conducted upon at least ten days' prior notice; (b) occur during PPTX's normal business hours; and (c) be conducted in a manner that does not unreasonably interfere with PPTX's business or operations. The scope of the audit will be limited to records that are material to the City's stated cause for the audit. For example, if the concern is whether all collected Contributions were accounted for, the City may review PPTX's records of invoices and remittances received; if the concern is whether response times meet SLA, the City may review PPTX's internal logs or system reports on response times.

PPTX shall reasonably cooperate with any such audit request, providing the City or its auditor access to the pertinent records and appropriate staff to explain the records as needed. However, PPTX is **not required to expose proprietary or highly confidential information** not relevant to the audit, such as trade secrets, source code of software, or information about PPTX's other clients. The City will have no access to patient medical records (except de-identified aggregate data) to protect patient privacy, and the City cannot demand access to PPTX's systems except for pulling relevant data reports. If the audit requires PPTX to compile data in a certain format, PPTX will do so if reasonable, or the Parties will mutually agree on a method to extract the needed information.

Each Party shall bear its own costs of any audit. If an audit reveals an overpayment by the City (for instance, an error in which the City remitted for non-participating households), PPTX shall refund the overpaid amount or credit it against future invoices. If an audit reveals an underpayment (e.g., some collected Contributions were inadvertently not reported), the City shall include that in the next remittance. If an audit uncovers a material breach by PPTX, the City may exercise its remedies as provided in this Agreement. All information obtained in an audit shall be kept confidential by the City to the extent allowed by law, and used solely for purposes of contract oversight.

11.2 Confidentiality and Public Information: The Parties anticipate that in the course of performance, each may disclose to the other information that is sensitive or proprietary. **PPTX Confidential Information** may include, for example, trade secrets, technical information about PPTX's telehealth platform, business plans, provider lists, training materials, or pricing structure beyond this contract. **City Confidential Information** may include non-public personal data of residents (if any is shared) or internal City plans or reports. Each Party agrees to treat information marked or otherwise clearly identified as confidential as confidential, and to not disclose it to any third party except as necessary for performing this Agreement or as required by law. Each Party will use the same degree of care to protect the other's confidential information as it uses to protect its own confidential information of similar importance, but at a minimum shall use reasonable care.

The Parties acknowledge that the City, as a governmental entity, is subject to the **Texas Public Information Act** (TPIA), which may require disclosure of certain documents or records upon request by the public. If a TPIA request is made for information that involves PPTX's confidential or proprietary information, the City will promptly notify PPTX (to the extent allowed by law) and give PPTX an opportunity to assert exceptions to disclosure with the Texas Attorney General's Office as provided under the TPIA. PPTX must act promptly to provide legal justification for withholding the information (e.g., claiming it is a trade secret or confidential commercial information under Tex. Gov't Code §552.110 or other applicable exceptions). The City will reasonably cooperate with PPTX, at PPTX's expense, in seeking to protect such information, but the City will make the final decision on disclosure as required by law and any Attorney General opinions. Any information that is purely medical records of patients will be withheld under TPIA exceptions for medical privacy and under HIPAA, as applicable.

In addition, the Parties agree to comply with all applicable privacy laws. PPTX, as a healthcare provider, is a covered entity or a business associate under HIPAA. The City might be considered a sponsor or facilitator of the program and may be a **Business Associate** if it comes into contact with PHI. To address this, the Parties have included **Exhibit B**, a Business Associate Agreement (BAA) or placeholder for a BAA, which shall govern the use and protection of Protected Health Information. In case of any conflict between the BAA and this section regarding PHI, the BAA provisions shall control.

The confidentiality obligations in this Section 11.2 shall survive the termination of the Agreement for a period of at least **three years**, or indefinitely in the case of trade secrets for as long as they remain trade secrets under applicable law. Information that was previously known to a Party without obligation of confidentiality, independently developed, lawfully obtained from a third party, or that becomes public through no breach of this Agreement is not considered confidential. Furthermore, either Party may disclose the terms of this Agreement as needed to enforce its rights or as required by law or legal process (e.g., court order), but if so required, shall seek protective orders or confidential treatment to the extent available.

11.3 Independent Contractor: PPTX's relationship to the City in the performance of this Agreement is that of an **independent contractor**. Nothing herein shall be construed to create a partnership, joint venture, or agency relationship between PPTX and the City. Neither Party has

the authority to bind the other to any contract or agreement or to incur any obligation or liability on behalf of the other Party, except as expressly provided in this Agreement. PPTX shall be solely responsible for the acts and omissions of its physicians, employees, contractors, and agents. All persons furnished by PPTX to perform work under this Agreement (including the telehealth doctors and staff) are **employees or subcontractors of PPTX**, and not of the City. PPTX is responsible for all compensation, benefits, and taxes (including withholding, social security, workers' compensation, and unemployment insurance) for its employees and subcontractors. PPTX shall ensure that all personnel performing services are properly trained and supervised. The City's interest is solely in the results of the services, i.e., that Telehealth Services are provided to residents as described; the manner and means of performing under this Agreement are under the control of PPTX, subject to the terms and standards herein. Should any regulatory body or court deem any personnel of PPTX to be an agent or employee of the City, PPTX shall indemnify and hold harmless the City from and against any claims, liabilities, or expenses incurred by the City as a result of any employment relationship (this is in addition to, not instead of, other indemnities).

11.4 Assignment and Subcontracting: Neither Party may assign or transfer this Agreement (or any of its rights or obligations hereunder) to any third party without the prior written consent of the other Party, which consent shall not be unreasonably withheld, conditioned, or delayed. Any attempted assignment without such consent shall be null and void. Notwithstanding the foregoing: (a) PPTX may assign this Agreement, upon written notice to the City, in the event of a merger, acquisition, or sale of substantially all of PPTX's assets or membership interests to another entity, provided that the successor entity is capable of performing PPTX's obligations and agrees in writing to be bound by the terms of this Agreement (such consent by the City shall not be unreasonably withheld in such scenario); and (b) PPTX may freely engage subcontractors or independent contractors (such as a physician network or telehealth platform provider) to assist in delivering the services, **provided** that PPTX remains fully responsible for the performance of this Agreement and the compliance of any subcontractor with all applicable terms (including insurance and confidentiality obligations, etc.). PPTX shall notify the City of any major subcontractor performing key portions of the services (for transparency, e.g., if PPTX uses a third-party telehealth physician group to handle overnight calls). The City may require such subcontractors to sign a joinder agreeing to relevant contract provisions (like HIPAA BAA, if not covered by Exhibit B).

The City may assign its rights and obligations hereunder to a successor governmental entity in the event of a reorganization or consolidation of the City or its utility services, or to another agency or public instrumentality that takes over the program, upon notice to PPTX. This Agreement shall inure to the benefit of and be binding upon the Parties and their respective permitted successors and assigns. There are no third-party beneficiaries to this Agreement, except as expressly provided (e.g., indemnitees).

11.5 Governing Law and Venue: This Agreement shall be governed by and construed in accordance with the **laws of the State of Texas**, without regard to its conflict of laws principles. The Parties agree that this Agreement is performable in Dallas County, Texas. Any legal action or proceeding arising out of or relating to this Agreement shall be brought exclusively in a state

court of competent jurisdiction located in Dallas County, Texas (or, if federal jurisdiction is applicable, the United States District Court for the Northern District of Texas, Dallas Division). Each Party irrevocably submits to the exclusive jurisdiction of such courts and waives any objection based on forum non conveniens or any claim that such forum is improper. The Parties specifically exclude the application of the United Nations Convention on Contracts for the International Sale of Goods, which shall not apply to this Agreement.

11.6 Notices: All notices, demands, invoices, and other communications required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been given: (a) when personally delivered; (b) on the date delivered by a reputable overnight courier service (e.g., FedEx, UPS) with tracking to the intended recipient's address; or (c) on the third Business Day after (a "Business Day" is any day that is not a Saturday, Sunday or day on which banks in Texas are closed for business) being sent by United States certified mail, return receipt requested, postage prepaid. Notices shall be sent to the following addresses (or such other address as a Party may designate by written notice to the other):

- ****If to the City:**

Judson Rex, City Manager

City of Garland

200 N. Fifth Street

Garland, TX 75040

With a copy to: City Attorney's Office, at the same address.

- ****If to PPTX:**

**** [Name or Title]** Dirk Perritt

Pathways Physicians Texas, PLLC

[Street Address] 5956 Sherry Ln, 20th Floor

Dallas, TX **[ZIP]** 75225

Email: [optional, for courtesy copies or routine communications] dperritt@mdhealthpathways.com

Either Party may change its notice address by giving notice of the new address in the manner set forth above. Routine operational communications (e.g., day-to-day emails, reports) may be sent via email or other means, but any formal notice of breach, termination, or legal dispute must be delivered in one of the manners described in this Section 11.7 to be effective.

11.7 Entire Agreement: This Agreement, including all Exhibits attached hereto and any documents incorporated by reference, constitutes the **entire agreement** between the Parties with respect to its subject matter and supersedes all prior or contemporaneous agreements, negotiations, representations, and proposals, whether written or oral, relating to the same subject. The Parties acknowledge that they have not relied on any statement, promise, or representation not expressly contained in this Agreement. Any amendments or modifications to this Agreement must be in writing and signed by authorized representatives of both the City and PPTX. **No verbal modifications** will be recognized. In the event of any conflict between the terms of the main body of this Agreement and any exhibit or attachment, the main body of this Agreement shall prevail unless the exhibit expressly states an intent to override the main body on a specific issue (e.g., the BAA with respect to PHI privacy obligations).

11.8 Severability: If any provision of this Agreement is held to be invalid, illegal, or unenforceable by a court of competent jurisdiction, that provision shall be deemed modified to the minimum extent necessary to make it enforceable (if possible) or, if modification is not possible, it shall be severed from this Agreement. In any event, the remaining provisions of this Agreement shall continue in full force and effect. The Parties will endeavor in good faith to replace any invalid or unenforceable provision with a valid and enforceable provision that, as closely as possible, achieves the original intent and economic effect of the invalid provision.

11.9 Waiver: The failure of either Party to enforce any right or remedy provided by this Agreement or by law, or to insist upon strict performance of any term or condition of this Agreement, shall not constitute a waiver of that term, condition, right, or remedy. No waiver shall be effective unless it is in writing and signed by the Party granting the waiver. One waiver shall not be interpreted as a continuing or future waiver of the same or a different provision. Any single or partial exercise of a right or remedy shall not preclude further exercise of that or any other right or remedy.

11.10 No Third-Party Beneficiaries: This Agreement is for the exclusive benefit of the City and PPTX, and not for the benefit of any third party (including, but not limited to, any resident or Household, or any subcontractor of PPTX). No third party shall have any rights under this Agreement, except as expressly provided (for example, the indemnified parties under Section 8 are intended beneficiaries of the indemnity promise to the extent of their indemnification rights). While the Telehealth Services obviously benefit participating residents, those residents do not become third-party beneficiaries with direct rights to enforce this contract; any issues or claims they have (medical malpractice, etc.) are outside the scope of this Agreement and shall be handled between the patient and provider under applicable law. The Parties may amend or terminate this Agreement without the consent of any third party.

11.11 Governmental Immunity: Nothing in this Agreement shall be deemed a waiver of the City's **governmental immunity or sovereign immunity** or any legal limitations on the City's liability, except to the extent specifically agreed (such as the indemnity to the extent permitted by law in Section 8.2). This Agreement shall not be construed to create any claim or cause of action against the City that is not recognized under Texas law. All privileges and immunities from liability, defenses, or laws limiting the City's liability (including Texas Tort Claims Act

limitations) are fully retained by the City. Likewise, nothing herein waives any immunities or defenses of PPTX under applicable law (though PPTX generally does not have sovereign immunity, it may have statutory protections under Good Samaritan laws or telemedicine statutes, etc., which are not waived).

11.12 Counterparts and Electronic Signatures: This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The Parties agree that a signed copy of this Agreement transmitted by facsimile, email (as a scanned PDF), or other electronic means shall be as valid and binding as an original, and either Party may use such a copy as evidence of the execution and delivery of this Agreement. The Parties further consent to the use of electronic signatures, as governed by the Texas Uniform Electronic Transactions Act (Tex. Bus. & Com. Code Chapter 322), to the extent that each Party's laws and policies allow. If requested, the Parties will exchange original signed copies of the Agreement as well.

11.13 Force Majeure

(a) **Definition. "Force Majeure Event"** means any event or circumstance beyond the reasonable control of the affected Party that, despite the exercise of commercially reasonable diligence, prevents or materially delays that Party's performance of its obligations under this Agreement. Force Majeure Events include, without limitation, tornadoes, hurricanes, floods, fires and other natural disasters; war, terrorism or civil unrest; acts of governmental authority (including mandatory shutdowns or embargoes); widespread power-grid, telecommunications or Internet failure; labor strikes not directed solely at the affected Party; and externally caused cyber-attacks or ransomware incidents that render systems inoperable.

(b) **Notice and Suspension.** The Party whose performance is affected shall give the other Party written notice as soon as practicable, and in any event within five business days, after becoming aware of the Force Majeure Event. Upon such notice the affected obligations are suspended for the duration of the Force Majeure Event, and any deadlines are extended for a period equal to the time lost because of the event.

(c) **Mitigation.** Each Party shall use commercially reasonable efforts to mitigate the impact of the Force Majeure Event and to resume full performance as soon as feasible.

(d) **Extended Force Majeure --- Right to Terminate.** If a Force Majeure Event continues for 45 consecutive days and still materially prevents either Party's performance, either Party may terminate this Agreement without further liability---except for payment of Contributions for Telehealth Services actually rendered and for amounts that accrued before the Force Majeure Event---by providing ten days' written notice to the other Party.

(e) **Exclusions.** A Force Majeure Event does **not** excuse:

(i) the City's obligation to remit Contributions already collected for services performed before the event; or

(ii) either Party's confidentiality, data-security, or indemnification obligations that can still be performed without material impairment.

(f) **Relationship to Other Remedies.** Termination under this Section 11.14 is a **no-fault termination**; and neither Party will otherwise be liable for damages arising solely from its inability to perform during the Force Majeure Event.

11.14 Dispute-Resolution Ladder (Negotiation → Mediation → Litigation)

(a) **Step 1 -- Notice of Dispute.** A Party asserting that a dispute, claim, or controversy ("**Dispute**") has arisen under this Agreement shall deliver written notice describing the nature of the Dispute in reasonable detail.

(b) **Step 2 -- Project-Level Conference (10 days).** Within ten days after the notice is received, the Parties' day-to-day contract liaisons (or other designated representatives) shall meet by phone or in person and attempt in good faith to resolve the Dispute.

(c) **Step 3 -- Senior-Executive Meeting (30 days).** If the Dispute is not resolved at the project level, either Party may escalate it by written notice to a senior executive with authority to settle the matter. Within 15 days after such escalation notice, the executives shall confer (in person or by videoconference) and endeavor to reach a mutually acceptable resolution. This executive-level negotiation period shall continue for 30 days unless the executives agree to extend it.

(d) **Step 4 -- Non-binding Mediation (Dallas County).** If the Dispute remains unresolved 30 days after executive escalation, the Parties shall submit the matter to non-binding mediation administered by a mediator mutually agreed upon, to be held in Dallas County, Texas. Each Party shall bear its own costs and share the mediator's fee equally. The mediation shall be completed within 45 days after a demand for mediation is filed, unless the Parties agree otherwise.

(e) **Condition Precedent to Litigation.** Except in the case of carve-outs pursuant to Section 11.14(f), no Party may commence litigation or other formal adjudicatory proceedings unless it has first completed Steps 1-4 above. A court of competent jurisdiction may stay any action filed in breach of this subsection until the Parties complete the required steps.

(f) **Carve-Outs.** Nothing in this section prevents either Party from seeking (i) a temporary restraining order, preliminary injunction, or other provisional relief to protect confidentiality, intellectual-property rights, or data security, or (ii) collection of undisputed monetary amounts, pending completion of the dispute-resolution steps.

(g) **Effect on Limitations Periods.** All applicable statutes of limitation shall be tolled from the date a Dispute notice is delivered under subsection (a) until the earlier of (i) completion of the mediation described in subsection (d) or (ii) written agreement of the Parties that the Dispute has been resolved.

(h) **Survival.** This § 11.14 survives any termination or expiration of the Agreement and applies to any Dispute arising out of or related to this Agreement.

11.15 Incorporation of Recitals

The Parties acknowledge that the Recitals above are true and correct and material to this Agreement. The Recitals are hereby incorporated into this Agreement as if set out fully herein.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives as of the Effective Date set forth above.

City of Garland, Texas

By: Judson J. Rex

Name: Judson Rex

Title: City Manager

Date: 09/17/2025

Pathways Physicians Texas, PLLC

By: Dirk Perritt
Dirk Perritt (Sep 16, 2025 22:59:05 CDT)

Name: [Name] Dirk Perritt

Title: [Title] CEO

Date: 09/16/2025

Exhibit A -- Service Level Agreement (SLA) & Key Performance Indicators

Overview: This Exhibit outlines the performance standards and metrics PPTX agrees to meet in providing Telehealth Services, as well as reporting and monitoring mechanisms. These metrics are intended to ensure a high-quality experience for residents and accountability for service delivery. PPTX's performance will be reviewed against these standards regularly by the City.

1. Service Availability & Responsiveness

- **Availability:** Telehealth Services shall be available to Participating Households 8 A.M. to 10 P.M. CST/CDT, 7 days a week, 365 days a year (except in the case of force majeure events as defined in the Agreement or scheduled maintenance as noted below). Residents must be able to request a consultation at any time.
- **Measurement & Reporting:** PPTX will track each request and response time in its system. The Monthly Reports to the City will include the total number of service requests and response times. It will also highlight any outliers (e.g., calls that waited longer than 15 min.) and provide explanations if available (e.g., unusually high call volume hour, technical issue encountered).
- **Escalation Procedure:** If a request is not responded to within 15 minutes, PPTX will have an internal escalation procedure to ensure the request is addressed promptly. For example, if a doctor has not picked up the case within 15 minutes, the system may alert a supervisor or send the request to an on-call backup provider. PPTX will keep records of any escalations and their resolution times.
- **Downtime:** PPTX will use commercially reasonable efforts to maintain continuous service availability. Any scheduled maintenance that would make services unavailable (or significantly impaired) for more than 15 minutes shall be communicated to the City at least 48 hours in advance and, whenever possible, scheduled during very low usage periods (e.g., 3:00 AM on a Sunday). Unscheduled outages or system failures shall be reported to the City within 24 hours with an explanation of cause and corrective action. PPTX's Monthly Report will note any downtime incidents and their duration.

2. Quality of Service & Clinical Effectiveness

- **Licensure and Credentials:** 100% of providers delivering services must be properly licensed in Texas and in good standing. PPTX will verify credentials upon onboarding any provider and regularly check for any disciplinary actions. Upon request, PPTX will confirm to the City that all providers meet this requirement (without disclosing personal

data, just a certification of compliance).

- **Clinical Protocols:** PPTX will adhere to evidence-based clinical guidelines for telehealth where applicable. While it's hard to measure clinical accuracy in an SLA, PPTX agrees to conduct periodic peer reviews of a sample of telehealth consultations for quality assurance. If the City requests general results of such QA reviews, PPTX can share aggregated findings (e.g., "10 charts were reviewed this quarter with no significant deviations found").
- **Patient Satisfaction:** PPTX will strive to achieve high patient satisfaction with the telehealth service. PPTX will provide a mechanism (such as a follow-up text or email survey) for participants to rate their experience or provide feedback after consultations. Further, PPTX shall develop and maintain an online portal and/or phone line for patients to opt into and monitor the Program throughout its duration. **Target:** Achieve an average satisfaction rating of at least 4 out of 5 (or equivalent positive metric) and address any serious complaints. PPTX will summarize patient feedback in the Annual Report, including any trends or improvements made in response to feedback. (The City and PPTX may mutually agree on specific survey questions and process.)
- **Follow-Up and Continuity:** If a participant requires follow-up, PPTX will provide clear instructions or schedule a follow-up telehealth check-in as appropriate. The goal is to ensure participants feel their issue was addressed or properly handed off. While difficult to metricize, PPTX will include any notable follow-up efforts in its reports (e.g., "5 patients were advised to get lab tests and we followed up with them two days later to discuss results").

3. Reporting & Accountability

- **Monthly Performance Reports:** As noted, PPTX will deliver a monthly report including at least: number of consultations, response time metrics (average, 95th percentile, % within 10 min), participation numbers (if known to PPTX), any downtime incidents, summary of resident feedback or complaints and resolutions, and any other City-requested metrics (if feasible).
- **Annual Review Meeting:** At least once per year (for example, around the program anniversary or in coordination with an annual report), PPTX and City representatives shall have the opportunity to meet (in person or via conference) to review the program's performance, discuss any issues, and plan for any improvements or changes for the next year. This will include reviewing whether the SLA targets are being met and if any adjustments to resources are needed.
- **Continuous Improvement:** If the City's utilization is lower or higher than expected, or if participants express certain needs (e.g., many asking for a certain type of service),

PPTX will consider adjustments to better serve the community. Likewise, if response times or satisfaction fall short, PPTX will propose corrective actions (such as adding more on-call providers during peak times, or enhancing patient education materials) to work collaboratively with the City, but these measures underscore the importance of meeting the SLA.

- **Billing Accuracy:** Although not a "service level" per se, PPTX is expected to accurately invoice only for Participating Households as reported by the City. Any discrepancies found (billing for someone who opted out, etc.) will be corrected in the next cycle. The City will similarly ensure its reports to PPTX are accurate to avoid under/over payments.

(End of Exhibit A)

Exhibit B -- Business Associate Agreement (HIPAA Terms)

[Note: This Exhibit will be a formal Business Associate Agreement ("BAA") between the City (if the City is a covered entity or acting on behalf of one) and PPTX, to ensure compliance with the Health Insurance Portability and Accountability Act (HIPAA) and applicable state privacy laws. The full text of the BAA is not included here, but its key provisions will include:

- **Permitted Uses and Disclosures:** Defining how PPTX (as a Business Associate) may use or disclose Protected Health Information (PHI) received from or on behalf of the City (the Covered Entity) -- generally limited to performing the Telehealth Services and as otherwise required by law.
- **Safeguards:** PPTX must implement appropriate administrative, physical, and technical safeguards to protect the privacy and security of PHI, including compliance with the HIPAA Security Rule for electronic PHI.
- **Breach Notification:** PPTX must report to the City any use or disclosure of PHI not provided for by the Agreement (including any "Breach" of Unsecured PHI as defined by HIPAA) without unreasonable delay and in no case later than a specified number of days upon discovery. Such notification will include information about the breach as required by 45 C.F.R. 164.410.
- **Subcontractors:** PPTX must ensure that any subcontractors that create, receive, or transmit PHI on behalf of PPTX agree in writing to the same restrictions and conditions that apply to PPTX under the BAA.
- **Access and Amendment:** To the extent PPTX has PHI in a Designated Record Set, it will provide access to PHI to the City or the individual, and incorporate amendments to PHI, as required by 45 C.F.R. §§ 164.524 and 164.526. (In the telehealth program context, PPTX might maintain its own medical records, so it will handle patient rights directly as a provider; the BAA ensures coordination if needed.)
- **Accounting of Disclosures:** PPTX will document disclosures of PHI and provide an accounting to the City or the individual upon request, as required by 45 C.F.R. §164.528 (for example, disclosures for public health or law enforcement, but typically telehealth will have minimal such disclosures).
- **Right to Audit and Inspection:** The City (or Covered Entity) can terminate the BAA if PPTX violates a material term. Also, PPTX agrees to make its internal practices and records relating to PHI available to the U.S. Department of Health and Human Services

(HHS) for compliance checks.

- **Return/Destruction of PHI:** Upon termination of the BAA, PPTX will return or destroy all PHI received from the City, if feasible, or extend protections if destruction is infeasible. (Note: PPTX as a provider may have independent obligations to maintain patient records, so this will be addressed accordingly -- likely PHI will be retained by PPTX under continued protections rather than returned to the City).
- **Miscellaneous:** Definitions aligning with HIPAA (Privacy Rule, Security Rule, Breach, Unsecured PHI, etc.), no third-party beneficiaries (other than HHS rights), and that in case of any conflict between the BAA and the main Agreement, the BAA governs with respect to PHI privacy/security.

The Parties will execute a separate BAA document incorporating these terms. Once executed, that BAA will be attached hereto as Exhibit B and is hereby incorporated by reference. Until then, this placeholder summary indicates the Parties' commitment to enter a BAA as required by law.]

(End of Exhibit B placeholder)

Exhibit C -- Form of Utility Bill Addendum (Resident Notice)

(The following is a sample of the notice that will be provided to City of Garland utility customers regarding the telehealth program. This text may be adapted for format, but the core information will be conveyed as below.)

City of Garland -- New Telehealth Services Program

Access a Medical Provider Anywhere -- For Just \$6 a Month!

The City of Garland is excited to offer a new **Telehealth Services Program** for our residents, in partnership with Pathways Physicians Texas (PPTX). This optional program gives your household **access to medical professionals by phone or video** for common health concerns.

How the Program Works:

Beginning [Program Launch Date], a \$6.00 charge will appear on your monthly City utility bill labeled "Telehealth Services Program." This covers **unlimited** telehealth consultations for you and members of your household with board-certified doctors through our partner, PPTX. You can call, text, or video chat with a doctor **from 8:00 a.m. to 10:00 p.m., 365 days a year**. As a founding partner in this program, Garland residents will receive special pricing: \$6 per month for the first two years, \$7 for year three, \$8 for year four, and \$9 for year five.

There are **no copays, no per-call charges, and no insurance required**. The program is funded by the community for the community. Doctors can provide medical advice, diagnose many common conditions, and even prescribe medications if needed (sent to your local pharmacy). All from the comfort of your home!

What's Included:

- **Unlimited Telehealth Visits:** Connect with a doctor via phone or video as often as you need for everyday illnesses like flu, sinus infections, rashes, upset stomach, and more.
- **Quick Response:** Experienced medical providers are standing by. **95% of calls are answered within just a few minutes** or less, often much sooner. Getting the kids ready for bed? Early morning? Weekends? You'll still reach a doctor quickly.
- **No Additional Fees:** You pay only the monthly program fee. There is no charge at the time of service. Talk to the doctor as long as needed -- one flat rate covers it all.
- **Household Coverage:** The telehealth program covers everyone in your household (all family members living at your address up to 10 individuals). One fee per household, not per person. So, your spouse and children (or other household members) can all use the

service.

Opt-Out Option -- You're In Control:

Participation is **voluntary**. We hope you'll find this service valuable, but if you **do not wish to participate**, you may opt out at any time. To opt out, simply do one of the following:

- Call us at **[City Utility Department Phone Number]** and say you want to opt out of the telehealth program.
- Visit **[City's Telehealth Program Webpage URL]** and submit the opt-out form online.
- Or visit the Garland Utility Customer Service office in person.

If you opt out, the telehealth charge will be removed from your bill and your household will **not** have access to the telehealth services. There is no penalty to opt out. If you opt out before **[Program Launch Date]** (or within the first 30 days of being charged), we will ensure you are not billed or receive a full credit if already billed. **Important:** If you simply do not pay the \$6.00 on your bill, we will treat that as choosing to opt out, and you won't be billed further (and won't be able to use the service). It's best to contact us to formally opt out to avoid any confusion.

If you opt out now but change your mind later, you can opt back in during an open re-enrollment period (to be announced) or by contacting us to re-subscribe; the fee would then resume on your bill.

Privacy and How to Use the Service:

Using the telehealth service is easy and private. Here's what to do when you need to speak with a doctor:

1. **Text [Telehealth Text Number]** -- Identify yourself as a Garland resident in the program and provide your utility account number or enrollment info for verification. (Your information is confidential and only used to verify you're enrolled.)
2. **Consult with a Doctor:** A licensed Texas physician will promptly speak with you by phone or video. They will ask about your symptoms, medical history, and provide guidance. Everything you discuss is **protected by doctor-patient confidentiality and HIPAA** -- the City does **not** receive details of your medical consult.
3. **Get Treatment:** If it's something that can be handled via telehealth, the doctor will advise a treatment plan. If a prescription is needed, they can send it to your chosen pharmacy. If the issue is more serious and cannot be resolved remotely, the doctor will direct you to in-person care (like an urgent care or ER) and can provide a summary of

the concern for you to share with that provider.

4. **Follow-Up:** If you have questions after your consult or if symptoms change, you can call back -- remember, unlimited access. You may even get a follow-up message from the telehealth team to check on you.

The City does NOT have access to your personal health information. The only information the City receives is aggregated usage statistics (e.g., how many calls this month) to evaluate program success. Individual medical details are strictly between you, the doctors, and PPTX, protected under HIPAA. If you have a medical emergency, do **not** wait for a telehealth call---dial 9-1-1 immediately.

Why Telehealth?

This program is designed to improve healthcare access for Garland residents. Whether you have insurance or not, whether it's a weekend or holiday, you shouldn't have to make expensive ER trips for minor issues or wait days for an appointment. Telehealth is a convenient first stop for many common ailments and health questions. It's not meant to replace your primary doctor for regular checkups, but it can fill gaps and provide peace of mind anytime you're sick or concerned.

Questions?

- For questions about the telehealth service or what it can be used for, call **[PPTX Customer Support Number]** or visit **[PPTX Program FAQ link]**. They can explain how it works in detail.
- For questions about the billing or opt-out process, contact the City's Utility Customer Service at **[Utility Dept Number]** or email **[Utility Dept Email]**.
- To learn more, visit **[City's webpage for Telehealth Program]**, which includes FAQs, opt-out instructions, and links to resources.

We encourage you to give this program a try. For just \$6 a month, your household gains access to medical advice and care. Many issues can be resolved quickly over the phone -- saving you time and money. This is part of the City's commitment to community well-being and innovation in service delivery.

Thank you for being a valued resident of Garland. Here's to your health!

(End of Exhibit C notice)

Exhibit D -- City Marketing Commitments

To support and grow the telehealth program, the City agrees to undertake the following outreach and marketing efforts (at its own expense) in collaboration with PPTX:

1. **Quarterly Mailers / Bill Inserts:** At least once each quarter, the City will include a dedicated notice or informational flyer about the telehealth program in its utility billing mail-outs (or send a standalone mailer). These will highlight the program's benefits, remind residents of the service availability, and provide instructions on how to access care or opt out. Content for these mailers will be prepared jointly by the City and PPTX (with PPTX providing any necessary artwork or success stories), and the City will ensure they are mailed to all residential households.
2. **Social Media Promotion:** The City will promote the telehealth program on its official social media accounts. **At minimum, two posts per quarter** will be made on platforms such as Facebook and Twitter (or other platforms the City commonly uses) to raise awareness of the service. Posts may include general reminders about the program, tips for using telehealth (e.g., during flu season), or success anecdotes (subject to privacy considerations). PPTX can supply sample post text or graphics, but the City will tailor and publish them.
3. **New Resident Welcome Packets:** The City will include information about the telehealth program in materials provided to new residents or new utility account holders. This may be a brochure, a one-page insert, or a section in a digital welcome packet. The information will explain that the City offers this telehealth service, note the monthly Contribution (with opt-out rights), and instruct how to use the service. By ensuring every new resident learns of the program upon moving in, the City helps maintain or increase participation rates over time.
4. **Community Events and Health Fairs:** The City will facilitate PPTX's participation in local community health-related events. Specifically, the City commits to providing PPTX the opportunity to host a booth or table at **least one City-sponsored health fair or community wellness event per year** to promote the telehealth program directly to residents. Additionally, the City will invite or allow PPTX to participate in other relevant events (for example, neighborhood block parties, senior center events, etc., where appropriate). The City will also permit distribution of telehealth program literature at City facilities (such as community centers or libraries) in brochure racks or bulletin boards, subject to any standard City guidelines.
5. **City Website and Media Releases:** The City will maintain an up-to-date page on its official website dedicated to the telehealth program, which will include program details, FAQs, and links or phone numbers for access and opt-out. The City's communications department will also support the program with periodic media outreach: for example, issuing a press release or news blurb at program launch and on notable milestones

(such as "1,000 calls served in first 6 months" or any major enhancements to the program). The City may feature the program in its newsletters or e-news (if such communications exist) at least annually to remind residents of this available benefit. The City's Public Information Office will coordinate with PPTX on any press announcements to ensure accuracy and positive messaging, and will include quotes or participation from PPTX representatives as appropriate.

The City and PPTX will communicate regularly (for instance, via quarterly check-ins) to plan upcoming outreach efforts and share feedback on past initiatives. All marketing materials will adhere to City branding guidelines and be approved by the City prior to distribution, and PPTX will promptly provide any information or logos required by the City to fulfill these commitments. The Parties acknowledge that effective communication is key to the program's sustainability, and these commitments reflect the City's active role in that effort.

(End of Exhibit D)

Master Telehealth Services Agreement - Updated 091625

Final Audit Report

2025-09-17

Created:	2025-09-16
By:	Joel Wilson (jwilson@garlandtx.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAAzKzsyGXXCUsupcbR5ECDKVnrA77Fs3le

"Master Telehealth Services Agreement - Updated 091625" History

-  Document created by Joel Wilson (jwilson@garlandtx.gov)
2025-09-16 - 9:50:01 PM GMT- IP address: 47.187.247.166
-  Document sent to Dirk Perritt (dperritt@mdhealthpathways.com) and bdavis@bdaconsultinggroup.com for signature. One of them to sign
2025-09-16 - 9:51:44 PM GMT
-  Email viewed by Dirk Perritt (dperritt@mdhealthpathways.com)
2025-09-16 - 9:51:50 PM GMT- IP address: 74.125.214.67
-  Email viewed by bdavis@bdaconsultinggroup.com
2025-09-16 - 9:54:59 PM GMT- IP address: 146.75.164.0
-  Signer bdavis@bdaconsultinggroup.com entered name at signing as Dirk Perritt
2025-09-17 - 3:59:03 AM GMT- IP address: 104.62.145.134
-  Document e-signed by Dirk Perritt (bdavis@bdaconsultinggroup.com)
Signature Date: 2025-09-17 - 3:59:05 AM GMT - Time Source: server- IP address: 104.62.145.134
-  Document emailed to Judson Rex (jrex@garlandtx.gov) for signature
2025-09-17 - 3:59:07 AM GMT
-  Email viewed by Judson Rex (jrex@garlandtx.gov)
2025-09-17 - 12:23:26 PM GMT- IP address: 50.84.41.254
-  Document e-signed by Judson Rex (jrex@garlandtx.gov)
Signature Date: 2025-09-17 - 12:24:49 PM GMT - Time Source: server- IP address: 50.84.41.254

✔ Agreement completed.

2025-09-17 - 12:24:49 PM GMT



Tap Telehealth Garland Outreach:

November 2025

Update from 11/03 Work Session

Several action items were outlined in our most recent discussion from the early November Work Session.

Improved Senior Outreach

- Connected with Albert Montero, Parks & Recreation Director, about ways we can outreach with the senior centers.
- Worked closely with Dee Mulinghaus and Jelisa Baker at the senior centers. Our team has distributed informational flyers and also presented at Bingo Day on December 8th. More Bingo dates to come.

Improved Senior Outreach

- Our Community Liaison has initiated a door hanger campaign in the most senior-dense neighborhoods.
- The Community Liaison has also hosted multiple pop-ups in these neighborhoods to distribute information and speak with seniors to answer questions.
- Reached out to leaders of Dallas County Meals on Wheels in an effort to find ways we can collaborate with Garland caregivers to improve outreach directly to senior residents. Progress has been slow moving but our team will continue to be persistent.

Example Door Hanger with information about the Pilot Program and a QR with FAQ



This Flu Season:

Garland's Got Your Back

Tap Telehealth's Pilot Program for Garland puts a doctor in your pocket FOR FREE

- Text to receive care in minutes!
- Get prescriptions fast!
- No waits, no copays, no hassle!
- No health insurance required!

Scan the QR code to sign up you and your family today!



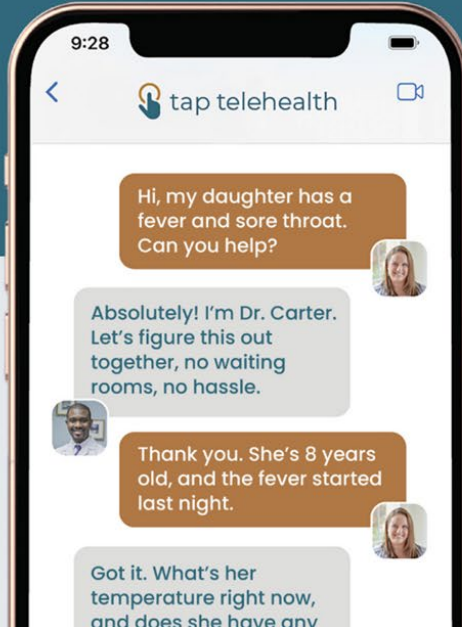
Hours of operation:
8:00am - 10:00pm CST
7 days a week including holidays

For more information:
Email: info@mdhealthpathways.com
Website: mdhealthpathways.com
Office: 972.688.6330

Utility Bill Inserts

- Thanks to diligent work by City staff, a utility bill insert is going out in all December bills.
- Over 63,000 households, or just above 70% of customers, receive a mailed utility bill that will include an insert with program details and direct readers to the FAQ site.
 - All paper-mailed bills will also include a message on the bill about Tap Telehealth for the next 6 months
- Similar information is being distributed in City Press mailings. Over 90,000 addresses receive the City Press.

Utility Bill Inserts



The image shows a smartphone screen with a telehealth chat interface. The status bar at the top shows the time 9:28. The app header is 'tap telehealth' with a back arrow on the left and a video call icon on the right. The chat history includes:

- A patient message (orange bubble): 'Hi, my daughter has a fever and sore throat. Can you help?' with a female patient profile picture.
- A doctor response (grey bubble): 'Absolutely! I'm Dr. Carter. Let's figure this out together, no waiting rooms, no hassle.' with a male doctor profile picture.
- A patient message (orange bubble): 'Thank you. She's 8 years old, and the fever started last night.' with the same female patient profile picture.
- A doctor response (grey bubble): 'Got it. What's her temperature right now, and does she have any' (text is cut off).

New in 2026 Telehealth for All Garland Residents

For fees, FAQs and early access to a pilot program, plus options to opt-out, visit TapTelehealth.com/Garland.

Nuevo en 2026 Telemedicina para todos los residentes de Garland

Para conocer los costos, las preguntas frecuentes y obtener acceso anticipado al programa piloto, además de opciones para excluirse, visite TapTelehealth.com/Garland.



Example Utility Bill Insert

What is Tap Telehealth?

A convenient service connecting Garland residents to licensed providers by text, phone or video for non-emergency care and prescriptions — no appointments, copays or insurance needed. **Available everyday (including holidays) from 7 a.m.–10 p.m.**

¿Qué es Tap Telehealth?

Un servicio conveniente que conecta a los residentes de Garland con proveedores con licencia por mensaje de texto, teléfono o video para atención médica no urgente y recetas — sin necesidad de citas, copagos ni seguro. **Disponible todos los días (incluidos los días festivos) de 7 a.m. a 10 p.m.**

Who can use it?

All Garland residents are automatically included — no restrictions.

¿Quién puede usarlo?

Todos los residentes de Garland están incluidos automáticamente — sin restricciones.

What does it cost?

Just \$6 per month per household (up to 10 people) added to City of Garland utility bills. Unlimited visits. No hidden fees.

¿Cuál es el costo?

Solo \$6 al mes por hogar (hasta 10 personas), agregado a la factura de servicios públicos de la Ciudad de Garland. Visitas ilimitadas. Sin cargos ocultos.

Don't want to participate?

Opt-out anytime:
Call: 972-688-6330
Email: optout@garlandtx.gov
Include name, address, phone and utility account number (if available).

¿No desea participar?

Puede darse de baja en cualquier momento:
Teléfono: 972-688-6330
Correo electrónico: optout@garlandtx.gov
Incluya su nombre, dirección, teléfono y número de cuenta de servicios (si lo tiene).

What if I need care now?

A **pilot program** is being offered to 10,000 Garland families with free access until the full launch. Visit TapTelehealth.com/Garland to sign up.

¿Necesita atención ahora?

Se está ofreciendo un **programa piloto** a 10,000 familias de Garland con acceso gratuito hasta el lanzamiento completo. Visite TapTelehealth.com/Garland para inscribirse.

AUS and Customer Service Software Update

- *AUS update to be fully tested and released by the end of January.*
- *AUS will begin adding the new line item for the bill in February.*
- *Anticipate a go live of May/June.*

Updated FAQs

- The full list of FAQs are available on two websites that residents are often directed to:
 - www.taptelehealth.com/garland
 - www.taptelehealth.com/garland/tap-telehealth-pilot-program-in-garland
- Per request from City staff, links to our social media sites and videos regarding the pilot program are available on these FAQ pages as well.
- These FAQs include information about all facets of the program including ways to opt out.

Community Liaison

- Main Roles: manage relationships with entities across Garland, explore the new report with organizations we missed, lead seasonal campaigns in the future, gather feedback/testimonials
- MD Health Pathways has hired Sharonda Green as our Community Liaison. Sharonda is a staple of the Garland community both as a business owner and frequent presence at charitable sites across town.
- Team members Matt Spallas and Gerardo Lopez Perez are complementing/layering Sharonda's efforts and organizing events with other entities.

Touchpoint Recap

Municipal

#	Touchpoint
1	Utility Bill Insert
2	Website/Email
3	Mayor/City Events
4	City Social Media

Educational

#	Touchpoint
5	School District Briefing
6	Take-Home Flyer
7	School Functions

Community

#	Touchpoint
8	Community-wide Entities
9	Faith-Based Groups
10	Local Media Outlets

Business

#	Touchpoint
11	Chamber Luncheons
12	Workplace Presence
13	Seasonal Campaigns

Municipal Outreach - Touchpoints 1-4

As previously discussed, utility bill inserts and letters in Garland City Press have been sent out with extensive information regarding Tap Telehealth.

Utility Bills

- Insert in three languages (English, Spanish, Vietnamese) – Dec. 2025
- Insert in three languages – Apr. 2026

Garland City Press

- Story in November/December 2025 issue (in homes Nov. 1)
- Story/ad in January/February 2026 issue (in homes Jan. 1)
- Story/ad in March/April 2026 issue (in homes March 1)
- Story/ad in May/June 2026 issue (in homes May 1)
- Story/ad in July/August 2026 issue (in homes July 1)

Municipal Outreach - Touchpoints 1-4

- Designs have been finalized for the first digital advertisement to be shown on the billboard next to Firewheel Town Center.
- The main goal of the billboard is to drive residents towards information regarding the pilot program.

TEXT A DOCTOR
FOR FREE



TapTelehealth.com/garland/



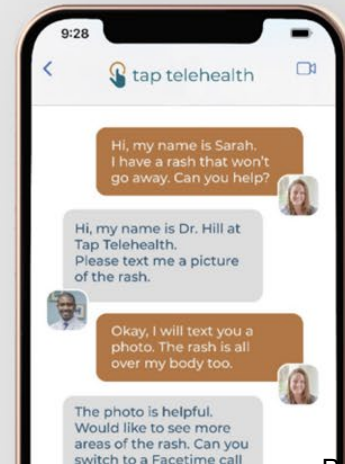
Municipal Outreach - Touchpoints 1-4

- Several iterations of the ad are being trialed from the end of November to the beginning of January with different images and text.

TEXT A DOCTOR
FOR FREE



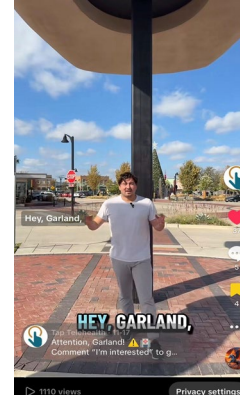
TapTelehealth.com/garland/



Municipal Outreach - Touchpoints 1-4

Tap Telehealth/MD Health Pathways & City of Garland Social Media

- Posts from our existing collection of social media graphics and newly generated video content have been shared on our social channels.
- The City of Garland social channels are also posting several of these graphics.



Municipal Outreach - Touchpoints 1-4

- Flyers in three languages (English, Spanish, Vietnamese) are being placed at approximately 18 City facilities (libraries, rec centers, Animal Shelter, City Hall, etc.).
- Information is being shared in e-newsletters and other City publications like *Off the Shelf*, *Rec Beat* and the *Silver Scoop*.
- Graphics are being run on CGTV and will be added to informational TVs at City facilities.
- Banner images and stories will continue to be published on the City's website.

Municipal Outreach - Opt Out Process

Residents who do not wish to participate in Tap Telehealth can opt out before the program begins or once it's launched.

- Call MDHP — Call (972) 688-6330 and speak with a live representative who can opt out City of Garland utility account customers in under a minute. For seniors or anyone less comfortable with technology, a quick phone call is all it takes.
- Email — City of Garland utility account customers wanting to opt out may email optout@garlandtx.gov. Within the opt-out email, please include the account holder's name, address, phone number and account number (if available).

Educational Outreach - Touchpoints 5-7

- Garland ISD Collaboration:
 - Met with Dr. Lakisha Culpepper and spoke to Trustee Daphne Stanley. Hoping to get a meeting set up soon with Dr. Lopez so that we can offer it to the ENTIRE DISTRICT at no cost during cold and flu season.
- Children's Christmas Party:
 - Hosted by North Garland High School and put on by the Noon Exchange Club, gifts and school essentials were wrapped and sorted for over 300 children within GISD.

Educational Outreach - Touchpoints 5-7



Educational Outreach - Touchpoints 5-7

- ChildCareGroup November 20th Resource Fair:
 - The Parsons' and Cisneros' sites for CCG hosted a resource fair at Garland Central Library.
 - Over 15 entities that provide child development, healthcare, and educational resources for families in need were present.
 - Our team was able to converse with families about the Pilot Program and how Tap telehealth can protect their family for flu season.



Educational Outreach - Next Steps

- Hopefully meet with school nurses by the end of the year with coordination from Renee Kotsopoulos. Discuss ways we can send children home with flyers or informational material.
- Work with Dr. Lakisha Culpeper to attend “Back to School” events at the start of the 2026 spring semester.
- Plan to attend and speak at several monthly PTA meetings to inform parents directly about the Pilot Program.

Community Outreach - Touchpoints 8-10

- Garland Christmas on the Square:
 - Thanks to help from City staff, our team hosted a tent at Christmas on the Square on December 4th.
 - Spoke with hundreds of Garland families and signed up many of them to the Pilot Program.
 - Forged connections with local businesses and other entities.



Community Outreach - Touchpoints 8-10

- Univision Interview:
 - Our team member, Gerardo Lopez Perez, was invited for an interview on Univision's "Contigo" show.
 - Gerardo was able to provide information about MD Health Pathways as a whole and how Tap Telehealth can help your family this flu season.
- Univision Resource Fair:
 - Team members were also invited to Univision's Health Resource Fair for Dallas County.
 - Connected with many Garland families who attend the fair.





Community Outreach - Touchpoints 8-10

- Pop-Ups:
 - In addition to Pop-Ups in senior-dense neighborhoods, our Liaison has hosted multiple in some of Garland's lowest income zip codes. These pop-ups are intended to educate residents and lead them towards an informed decision about the program.
- South Garland Library Informational Session:
 - Our Liaison has organized an informational session for Garland residents on Tuesday, December 9th. Similar to town halls, this will be an opportunity for residents to learn more about the program and ask any questions they may have.

Business Outreach - Touchpoints 11-13

- Chamber of Commerce:
 - Attended the October and November Direct Connect meetings with plans to sponsor an upcoming meeting.
 - Attended Garland GROW events hosted by Cole Sanchez, local Chamber of Commerce member. These monthly outings allow for us to connect with local leaders and business owners in a low stress environment.

Master Telehealth Services Agreement

This Master Telehealth Services Agreement (the "**Agreement**") is made and entered into as of 09/17/2025, by and between **Pathways Physicians Texas, PLLC**, a Texas professional limited liability company (hereinafter "**PPTX**"), and the **City of Garland, a Texas home-rule municipality** (hereinafter the "**City**"). PPTX and the City may each be referred to as a "**Party**" and collectively as the "**Parties**."

Recitals

- **Whereas**, the City desires to offer its residents access to telehealth immediate medical care ("TIMC") as a community benefit program, funded by voluntary contributions collected pursuant to the terms hereof;
- **Whereas**, the program contemplated hereunder would not, and is not intended to, raise revenue for the City or that the City will expend any funds from the General Fund in furtherance of said program;
- **Whereas**, PPTX is a provider of TIMC and has the expertise and resources to deliver such services to the City's residents; and
- **Whereas**, the Parties have negotiated this Agreement to set forth the terms under which PPTX will provide TIMC and the City will facilitate access to the program, with provisions intended to protect both Parties' legal, operational, and financial interests;

Now, therefore, for and in consideration of the mutual covenants and agreements herein, and other good and valuable consideration, the Parties agree as follows:

1. Definitions

For purposes of this Agreement, the following capitalized terms have the meanings set forth below. Other terms may be defined in context within this Agreement.

- **"Telehealth Services"** -- The remote TIMC intended to prevent aggravation of physiological illness or injury described in this Agreement that PPTX will provide to Participating Households, including virtual medical consultations by licensed physicians or other qualified healthcare professionals via telephone, video, text messaging, or other electronic communication methods.

- **"Household"** -- A residential utility account holder in the City (e.g., a single-family residence or other residential unit that receives a City utility bill) that is eligible to participate in the telehealth program.
- **"Participating Household"** -- A Household that has not opted out of the telehealth program and is current on its monthly telehealth Contribution, and therefore is entitled to receive Telehealth Services under this Agreement.
- **"Contribution"** -- The monthly fee voluntarily paid per Household to fund the telehealth program (rates as specified in Section 5.1, subject to CPI adjustments as set forth in Section 5.1).
- **"Introductory Term"** -- The period spanning the first 6 months from and after the Program Launch Date. It will include meetings between representatives of the Parties following every 3 months to review program effectiveness and recommended changes. Also, PPTX shall provide up to three temporary call center employees to manage increased call volume during the Introductory Term.
- **"Initial Term"** -- The initial duration of this Agreement as specified in Section 2.1.
- **"CPI"** -- The Consumer Price Index for All Urban Consumers (CPI-U), U.S. City Average, All Items (or, if such index is discontinued or not available, a comparable index mutually agreed by the Parties), used for calculating allowable annual price adjustments beginning in Year 3, as described in Section 5.1.
- **"Program Launch Date"** - The first date on which the City includes the Contribution charge on utility bills and Participating Households may begin using the Telehealth Services.

2. Term of Agreement

2.1 Initial Term: The term of this Agreement shall commence on the Program Launch Date and continue for an initial period of **seven years** thereafter, unless earlier terminated in accordance with this Agreement (the **"Initial Term"**). The Initial Term includes the Introductory Term. Following the execution of this Agreement, the Parties will agree in writing to a Program Launch Date based on the City's determination that its customer service and billing systems will adequately support the program launch.

2.2 Renewal Terms: Upon expiration of the Initial Term, this Agreement may be renewed for additional terms (each a **"Renewal Term"**) of a duration to be negotiated by the Parties upon the written agreement of both Parties. Unless a Party gives written notice of non-renewal at least 180 days before the end of the Initial Term or then-current Renewal Term, this Agreement shall renew on a month-to-month basis under the terms of the immediately preceding Term until

either (i) the Parties execute a written agreement for a Renewal Period, or (ii) this Agreement is terminated by either Party pursuant to Section 6.

3. Scope of Services

3.1 Telehealth Services Provided. PPTX shall furnish comprehensive **Telehealth Services** to all Participating Households in accordance with this Agreement.

- **Standard Service Window.** Telehealth Services will be routinely available **every day, including holidays, from 8:00 a.m. to 10:00 p.m. Central Time** (the "Standard Service Window").
- **24 / 7 Expansion Option.** Should the City later determine that around-the-clock availability is desirable, the Parties may amend this Agreement to extend coverage to a full 24 / 7 model at mutually agreed pricing and service-level terms. Until such amendment is executed, PPTX has no obligation to provide Telehealth Services outside the Standard Service Window.

During the Standard Service Window, residents may consult with qualified, Texas-licensed healthcare providers via secure text/SMS, telephone, video conference, or a designated telehealth platform/application. Telehealth Services include, without limitation:

- On-demand immediate evaluation and advice for perceived physiological illness or injury;
- Diagnosis and treatment recommendations for common illnesses and minor injuries (e.g., colds/flu, infections, minor sprains);
- Prescription services when clinically appropriate and lawful, including transmittal to local pharmacies;
- Triage guidance on whether in-person urgent care or emergency services are recommended;
- Answers to health-related questions and early-intervention coaching for chronic-condition management; and
- Referrals to specialists or community health resources when an issue is beyond the scope of telehealth or requires follow-up.

PPTX shall ensure that Telehealth Services are provided **without any per-visit charge** to the patient or the City beyond the monthly Contributions set forth in Section 5; Participating

Households therefore receive **unlimited** access---subject to reasonable controls---covered by the program.

3.2 Licensed Personnel and Standard of Care: PPTX shall ensure that all services are provided by individuals holding the necessary **professional licenses and certifications** in the State of Texas (e.g., medical doctors or osteopathic physicians licensed by the Texas Medical Board, nurse practitioners or physician assistants if utilized, etc.). PPTX will provide Telehealth Services in accordance with the **prevailing standard of care** for telemedicine and all applicable laws and regulations. This includes compliance with Texas telemedicine requirements (e.g., establishing a valid physician-patient relationship via telehealth as required by Tex. Occupations Code and Texas Medical Board rules), maintaining patient privacy and security in accordance with **HIPAA** and other applicable privacy laws, obtaining any necessary consents for treatment via telehealth, and maintaining thorough medical records of telehealth encounters. PPTX is solely responsible for the acts and omissions of its physicians and staff; however, nothing in this Agreement shall be construed to create an employer-employee relationship between the City and any PPTX personnel (see Section 11.4). PPTX will have physicians who are multi-lingual and, if needed, able to provide services in languages prevalent in the community (to the extent practicable, such as Spanish for Spanish-speaking residents), or through translation services if necessary.

3.3 Service-Level Standards. PPTX shall use commercially reasonable efforts to maintain the performance standards set forth in **Exhibit A (Service Level Agreement and Key Performance Indicators)**, which is incorporated herein. The primary objective metric is **Availability / Uptime:** the Telehealth Services are expected to remain continuously operational during the Standard Service Window (8 a.m.--10 p.m. CT, seven days a week), except for infrequent, short maintenance windows that PPTX will schedule during historically low-usage periods and, when practicable, announce to the City in advance.

PPTX will monitor platform performance and promptly correct material service degradations. The Parties acknowledge that isolated anomalies may arise (e.g., a brief carrier outage or unexpected surge), but sustained or repeated service interruptions, after notice and a reasonable cure period, may be treated as a breach under Section 6.2. No specific "time-to-patient" or response-interval targets are imposed under this Agreement unless the Parties later amend Exhibit A to include such metrics by mutual written consent.

3.4 Reporting and Monitoring: PPTX shall provide the City with regular reports to facilitate oversight of the program's success and compliance with service standards. At a minimum, PPTX will provide:

- **Introductory Term Reports:** During the second City Council Work Session meeting of each month during the Introductory Term, PPTX will provide a presentation to the City Council. The presentation shall include, but not be limited to, the number of telehealth consultations provided to Garland residents under this program, average and maximum wait/response times; any downtime or service interruptions (with dates, duration, and reason for downtime/interruption); and summary of any resident feedback or complaints

received (with general nature of issue and resolution, but without any personal health details).

- **Monthly Reports:** By the 15th of each month, PPTX will deliver a report for the previous month detailing: the number of telehealth consultations provided to Garland residents under this program; the number of unique Households that utilized the service; average and maximum wait/response times; any downtime or service interruptions (with dates and duration); and a summary of any resident feedback or complaints received (with general nature of issue and resolution, but without any personal health details).
- **Annual Reports:** Within 30 days after each anniversary of the Program Launch Date (and within 30 days after termination or expiration, if applicable), PPTX will present to the City Council during a Work Session meeting a comprehensive annual report summarizing the above metrics over the year, identifying trends (e.g., utilization rates, peak usage times, most common consultation types), and including any recommendations for program improvements or adjustments for the City's consideration.

These reports shall be provided in a format reasonably requested by the City (for example, a written csv or Excel report and an accompanying spreadsheet of key data). **Privacy Note:** The City acknowledges that medical consultations are private. PPTX will **not disclose any Protected Health Information (PHI)** or personally identifiable patient information to the City in these reports, beyond what is needed for program administration. All usage data will be aggregated and de-identified in compliance with HIPAA. The City may use the aggregated data for lawful purposes such as public reports to City Council on program effectiveness.

3.5 Program Limitations and Resident Guidance: PPTX's Telehealth Services are intended to provide TIMC to aid in the diagnosis and prevention of the aggravation of physiological illness or injury. The program is **not** health insurance and is not a replacement for in-person primary care or in-person emergency services as may be required by health insurance. PPTX shall ensure that all Participating Households are informed (via welcome materials, the utility bill insert in Exhibit C, or initial interactions) that **for any medical emergency or conditions requiring immediate hands-on care, residents should call 9-1-1 or go to the nearest emergency facility.** PPTX providers will use professional judgment to direct patients to in-person emergency care or in-person evaluation if symptoms suggest a serious condition (e.g., chest pain, severe shortness of breath, signs of stroke, etc.) that cannot be sufficiently diagnosed by TIMC. Furthermore, the Telehealth Services do not cover the cost of prescriptions or external medical services---those remain the patient's responsibility (though PPTX's services include helping locate low-cost options or referrals). Participating Households should maintain any regular health insurance or primary physician relationships they have; this program is a supplemental benefit to increase access to care. PPTX will not provide long-term management of chronic diseases beyond telehealth advice and directing patients to appropriate follow-up; nor will PPTX prescribe any medications that are not legally permissible via telehealth or without an in-person examination when required by law.

3.6 Changes in Scope of Services: If the City requests an expansion or significant change to the scope of Telehealth Services (for example, adding mental health tele-counseling or on-site services), or if PPTX proposes service enhancements (like a new telehealth platform feature), the Parties shall discuss such changes in good faith. No such change will be effective unless agreed in writing (e.g., as an amendment or added exhibit). Minor adjustments and improvements that do not materially alter the obligations of either Party (such as adding additional languages support or improving average response times) may be made by PPTX in the ordinary course, with notice to the City. Any change that could affect the pricing or costs must be mutually agreed.

3.7 PPTX-Funded Support Positions: To facilitate the successful launch and implementation of the telehealth program and to ensure the City does not incur any expense associated with the program, PPTX agrees to fund the following temporary positions:

- **Utility Billing Agent:** PPTX will fund one Garland employee position for a period of 6 months from the Program Launch Date, at a rate equal to the current utility billing customer service representative rates established by the City. This employee will focus on addressing resident inquiries related to the telehealth program billing, assisting with opt-out requests, and supporting the initial implementation of the program within the City's utility billing system. The City shall hire or assign this individual according to its standard employment procedures. Such funds for the actual cost of this position (salary and benefits) shall be shown as a credit on the amounts owed to PPTX pursuant to Section 5 hereof.
- **Community Liaison:** PPTX will fund a community liaison position for a period of 9 months, beginning 3 months before the Program Launch Date and continuing 6 months after the Program Launch Date, to promote the program throughout the community. PPTX will request the City's assistance in identifying a suitable candidate for this role, preferably a former council member or other individual with strong community connections who is trusted by Garland residents. The hourly wage for this position will be negotiated directly between the selected individual and PPTX. The community liaison will report to PPTX but will coordinate activities with the City's marketing efforts described in Exhibit D. The community liaison's responsibilities shall include attending community events, meeting with neighborhood groups, and otherwise raising awareness of the telehealth program.
- **Temporary Call Center Employees:** As referenced above, PPTX will fund three Garland employee positions at the call center for the Introductory Term, at a rate equal to the current call center employee rates established by the City. The City shall hire or assign these individuals according to its standard employment procedures. Such funds for the actual cost of these positions (salary and benefits) shall be shown as a credit on the amounts owed to PPTX pursuant to Section 5 hereof.

PPTX shall provide the City with bi-weekly updates on the community liaison's activities. For clarity, the community liaison shall be an independent contractor of PPTX, not an employee of the City.

- **Process Consultant:** Following the Introductory Term, if determined by the City in its reasonable discretion that such an engagement would be beneficial, PPTX will engage, at its sole expense, a qualified process consultant to assist with business process mapping. The consultant's scope of work shall be (i) optimizing customer communication workflows and (ii) designing and supporting data exchange between MD Pathways and the City.

The funds contemplated by this Section shall be used solely for the purposes therein stated. Any remaining funds determined by the City to be unnecessary for the respective purpose shall be remitted to PPTX.

3.8 PPTX-Funded Program Support: To facilitate the successful launch and implementation of the telehealth program and to ensure the City does not incur any expense associated with the program, PPTX agrees to fund the following program support commitments:

- **Software Support:** PPTX shall provide the City with \$80,000, as a \$6,666.67 credit on the monthly remission of fees from the City to PPTX under Section 5.2 for the first year of the Program, for software support. These funds shall be used by City to license and upgrade customer service software, bill printing system integration, and associated Information Technology professional services.
- **Program Escrow:** Beginning with the first year of the Initial Term, PPTX shall provide the City with \$50,000 annually, as a \$4,166.67 credit on the monthly remission of fees from the City to PPTX under Section 5.2, for a program escrow. The City shall deposit these funds into an escrow account designated by the City to fund staffing and program-related costs incurred by City. The annual Program Escrow amount shall increase by an amount equal to three percent (3%) of the prior year's Program Escrow amount, starting in year two of the Initial Term and continuing through the remainder of the Initial Term and any Renewal Term until the Termination of this Agreement.
- **Community Assistance:** Beginning with the first year of the Initial Term, PPTX shall provide the City with \$25,000 annually, as a \$2,083.33 credit on the monthly remission of fees from the City to PPTX under Section 5.2, for community utility assistance. These funds shall be deposited into the City's bill assistance program. The annual Community Assistance amount shall increase by an amount equal to three percent (3%) of the prior year's Community Assistance amount, starting in year two of the Initial Term and continuing through the remainder of the Initial Term and any Renewal Term until the Termination of this Agreement.
- **Billing Insert Support:** PPTX shall provide the City with \$8,000 in year one of the program, as a \$666.66 credit on the monthly remission of fees from the City to PPTX

under Section 5.2, for billing inserts to accompany the utility bill and explain the service to customers, as contemplated in Section 4.1 below.

The funds contemplated by this Section shall be used solely for the purposes therein stated. Any remaining funds determined by the City to be unnecessary for the respective purpose shall be remitted to PPTX.

4. City's Obligations and Program Administration

4.1 Billing and Collection of Contributions: The City shall facilitate the funding of the telehealth program by acting as the billing and collection agent for the monthly **Contributions** from Participating Households. Beginning on the Program Launch Date (or the next practicable utility billing cycle) and continuing throughout the Term, the City will include on each eligible Household's utility bill a separate line item or charge labeled to indicate the telehealth services program Contribution (for example, "Telehealth Services Program -- [Month]" with the applicable amount). An explanatory addendum or insert will accompany or be incorporated into the bill, at least for the first billing cycle and periodically as needed, to explain the nature of this charge (substantially in the form attached as **Exhibit C**). The City's utility billing department shall handle the mechanics of billing this fee alongside normal Residential utility charges. Specifically for apartment complex buildings where utility charges are billed through a master meter, the City shall apply a single Contribution charge per meter, regardless of the number of individual units. Following the first year after the Program Launch Date, PPTX, at its discretion, shall be allowed to negotiate third-party contracts with those apartment complexes using master meters for Telehealth Services, and upon notice to the City by PPTX, the City shall be released of its obligation to collect the Contribution from those accounts. Collected Contributions shall be accounted for separately (for clarity, the City will track these funds, which will be owed to PPTX, distinct from general utility revenue). The City will exercise diligent efforts in billing and collecting Contributions, applying similar practices as it does for other City charges (except no service disconnections will occur solely for non-payment of the telehealth fee, as described in 4.2). The City will not markup or add additional fees to the Contribution; the agreed amounts (as specified in Section 5.1) are what residents pay and what is owed to PPTX (minus any uncollected amounts as noted in Section 5.2). If the City's billing system requires any initial setup or programming to implement this charge, the City will complete such setup prior to the Program Launch Date (with PPTX to assist in providing any needed information).

4.2 Resident Opt-Out Mechanism: Participation in the telehealth program is **voluntary** for City residents. The City shall implement and manage an **opt-out** system whereby any Household may choose not to participate and not be billed the Contribution. Key aspects of the opt-out process include:

- **Initial Opt-Out Period:** On or before the Program Launch Date, the City will notify all eligible Households of the upcoming telehealth program and give them a clear opportunity to opt out **before** the first charge appears. This can be achieved via a mailed notice or insert (Exhibit C) and through City communication channels (website, social

media, etc.). Residents might opt out by calling a designated City phone number, returning a form, or using an online website or portal -- the City will provide convenient methods and will log each opt-out request. Any Household that opts out in advance will not be billed the Contribution on the first or subsequent utility bills (unless they later opt back in).

- **Ongoing Opt-Out Rights:** After the Program Launch Date, a Household may opt out at any time by notifying the City through the established process. The City shall remove the telehealth charge from that Household's bill starting with the next billing cycle following the opt-out request (allowing for reasonable processing time).
- **Non-Payment Treated as Opt-Out:** If a Household does **not pay** the telehealth Contribution portion of its utility bill, the City will treat such non-payment as that Household's election to opt out of the program. In practice, the City may include a note on the bill or a courtesy reminder (e.g., "If you do not wish to participate in the telehealth program, you may opt out; non-payment of this charge will be interpreted as an opt-out."). The City is not required to undertake collection actions for unpaid Contributions beyond its standard utility bill collection processes. If a partial payment is made on a utility bill, the City's payment application protocols will first satisfy essential utility services and may leave the telehealth charge unpaid, indicating an opt-out. The City will not impose late fees, penalties, or service cut-offs solely for refusal to pay the telehealth Contribution; instead, the Household simply will be unenrolled (opted-out) for non-payment. The City will update its records to reflect that status and cease future billing to that account for the Contribution. (If that resident later wishes to rejoin, they could request to opt back in, in which case billing would resume in a future cycle.)
- **Data on Participation:** The City shall maintain accurate records of which Households are Participating Households (i.e., have not opted out and continue to pay) and which have opted out (or been deemed opted out for non-payment). The City will provide PPTX with an updated list (or accessible dataset) on at least a monthly basis identifying all Participating Households, or conversely all opted-out Households, so that PPTX knows whom it is obligated to serve. This list may be in the form of account numbers or another unique identifier; it need not include resident names (unless necessary for verification).. PPTX will use this information solely for verifying service eligibility and administration of the program.

In summary, **PPTX is only obligated to provide Telehealth Services to Participating Households**, and the City is only obligated to pay PPTX for Households that actually participate (pay the Contribution). Handling of opt-outs and the communication thereof is a critical City responsibility to ensure clarity on who is covered at any given time.

4.3 Remittance of Funds to PPTX: The City's payment obligations to PPTX are set forth in Section 5. In general, the City will act as a pass-through entity: collecting Contributions and remitting those collected funds to PPTX on a regular basis (monthly, unless otherwise agreed).

The City shall segregate or account for collected Contributions such that they are identifiable as funds due to PPTX. Collected amounts shall not be diverted to other City uses. The City will prepare a monthly summary of collections and promptly pay PPTX as described in Section 5.3. If the City anticipates any **administrative delays** or issues in remitting payment (for example, a software issue delaying calculation of amounts), it will inform PPTX and work to resolve it quickly. Both Parties acknowledge that timely and accurate flow of funds is essential to the success of the program.

4.4 Promotion and Marketing Support: The City will endeavor to actively promote the telehealth program. The City's specific marketing and outreach commitments are detailed in **Exhibit D (City Marketing Commitments)**. In general, the City will utilize its communication channels to raise awareness of the Telehealth Services among residents. This includes, at minimum: sending periodic informational mailers or bill inserts about the program, posting about the program on the City's official social media accounts several times per year, including program information in materials provided to new residents, and collaborating with PPTX to present the program at community events or health fairs. The City will designate a point of contact or coordinator to work with PPTX's team on marketing efforts, ensuring that messaging is accurate and consistent. All outreach will clearly convey that the program is an **"opt-out"** service (so people understand they are included unless they choose otherwise) and will highlight the service offered (unlimited telehealth access for a monthly fee). The City's name and logo may be used in program materials, and PPTX's name and service may be featured in City communications, in accordance with guidelines either Party may provide (and each Party will obtain approval from the other for any use of the other's logo or trademarks). Marketing expenses for the activities listed in Exhibit D (such as printing and mailing City utility inserts) shall be borne by the City, except that PPTX will bear any costs associated with its own optional marketing efforts or any premium promotional activities not outlined that PPTX elects to do.

4.5 Exclusivity of Program Services: During the Term of this Agreement, the City shall **not enter into any agreement with a third party to provide a similar telehealth subscription service to City residents** where fees are collected in connection with City utility billing or a City-managed opt-out program. PPTX shall be the exclusive provider for any City-sponsored telehealth program of this nature while this Agreement is in effect. (This does not prevent the City from participating in or promoting unrelated health initiatives, such as county health programs or hospital partnerships, so long as they are not the same model of providing telehealth-for-all via a utility bill fee.) The City confirms that it currently has no contracts with other telehealth vendors for a program in violation of this section.

4.6 Legal Compliance and Support: The City will use its governmental authority to support the lawful implementation and ongoing operation of the telehealth program. The City represents that it has or will obtain all necessary approvals (e.g., City Council resolutions or City Manager approvals) to lawfully add the telehealth Contribution to utility bills and enter into this Agreement. The City shall ensure the program structure (including the opt-out billing mechanism) complies with any applicable laws or regulations. If any resident, regulator, or other stakeholder challenges the legality of the billing mechanism or any aspect of the program, the City will promptly notify PPTX and, to the extent the challenge centers on City policy or action,

the City will take primary responsibility in addressing or defending against such challenge (consistent with the indemnification obligations in Sections 8.1 and 8.2). The City will also handle any **Texas Public Information Act** (TPIA) requests or other public records inquiries relating to this Agreement or the program in accordance with law and Section 11.3 (ensuring PPTX is consulted if any request encompasses PPTX's proprietary information). Nothing in this Agreement requires the City to violate any law, and any apparent conflict shall be addressed through the contract's modification or termination provisions (see Section 10, Regulatory Changes). The City will not knowingly pass any ordinance or policy that conflicts with the purpose of this Agreement or that materially increases PPTX's costs of performance without engaging in the renegotiation process contemplated in Section 10.

4.7 Founding Partner Program Obligations: As part of the Founding Partner Program and in exchange for the discounted pricing structure specified in Section 5.1, the City agrees to:

- **Joint Press Release:** Collaborate with PPTX on one joint press release announcing the telehealth program partnership. The City will provide input, review, and approval of the release content, as well as assist with distribution through appropriate City channels.
- **Case Study Authorization:** Allow PPTX to develop and publish a case study about the telehealth program implementation in Garland. PPTX may use anonymized program data (such as utilization statistics and health outcomes) and the City's logo in the case study. Any case study will be provided to the City for review prior to publication, and the City shall have the right to request reasonable modifications to protect resident privacy or City interests.
- **Timely Payment:** Pay PPTX on time as specified in Section 5.3 and 5.4 of this Agreement.

5. Compensation and Payment Terms

5.1 Contribution Rates and Pricing Structure: In consideration for PPTX's Telehealth Services, the City (on behalf of Participating Households) shall remit based on fees voluntarily collected through the program to PPTX as follows:

- **Founding Partner Program:** The City of Garland Residents will participate in PPTX's Founding Partner Program, which provides special discounted pricing over a five-year period. The standard monthly program price per Household is \$9.00, but as a Founding Partner, the program participants will receive the following discounted rates:
 - **Year 1:** \$6.00 per Household per month
 - **Year 2:** \$6.00 per Household per month
 - **Year 3:** \$7.00 per Household per month
 - **Year 4:** \$8.00 per Household per month

- **Year 5:** \$9.00 per Household per month
 - **Year 6:** \$9.00 per Household per month
 - **Year 7:** \$9.00 per Household per month
- **Annual CPI Adjustment (Cap 5%):** Beginning with the sixth year of the program and for each year thereafter, PPTX may adjust the per-Household monthly rate based on inflation as measured by the Consumer Price Index (CPI). Specifically, **at the start of Year 6** (and at the start of each subsequent year on the anniversary of the Program Launch Date), the base rate for that year as specified above may be increased by a percentage equal to the percentage increase in the CPI over the most recent 12-month period for which official CPI data is available. However, **any such annual increase shall be capped at 5%** of the then-current rate. If the CPI indicates a larger increase, only a 5% increase will be applied for that year. If the CPI change is smaller, the smaller percentage (or no increase) may be applied. PPTX shall give the City at least **60 days' advance written notice** of any CPI-based rate increase, including documentation of the CPI calculation. The adjusted rate will remain in effect until the next annual adjustment or end of the Agreement. CPI adjustments are intended to account for increased costs of providing services due to inflation and regulatory changes; they are not automatic unless CPI has increased. If CPI is flat or negative, the rate would remain the same (no increase), absent mutual agreement for a downward adjustment.

All pricing above is per Household per month. If the City ever bills on a different periodic basis (e.g., bi-monthly utility billing), the charges can be prorated or structured so that it equates to the same monthly rate (for instance, \$12 every two months in Year 1 instead of \$6 monthly, if needed for billing software). The City shall not charge or withhold any administrative fees from these Contributions -- the full collected amount (except uncollected amounts, addressed in 5.2) is due to PPTX.

5.2 Payment Based on Collected Contributions (No Payment for Opt-Outs): PPTX's compensation under this Agreement is expressly limited to the **Contributions actually collected by the City** from Participating Households. The City shall **not** be required to pay PPTX for any Household that has opted out or otherwise failed to pay the Contribution. In other words, PPTX bears the risk of non-collection from residents -- if a resident does not pay, PPTX will not receive that Contribution (and, correspondingly, PPTX will not be obligated to provide service to that resident as they are considered to have opted out). The City will only remit amounts that it has successfully collected. The City's obligation to pay is purely **contingent on collection**; there is no guarantee of any minimum number of participants or amount. However, the City will make commercially reasonable efforts in its billing and collection practices to maximize collection, as described in Section 4.1 and 4.2, treating the telehealth Contribution like an ordinary line item on the utility bill. If a previously non-paying Household later pays past due Contributions (perhaps in clearing up a utility bill), the City will include those recovered funds in the next remittance to PPTX, but the Household's eligibility for services will be determined by the opt-out rules (generally, non-payment means they were not covered during that period).

PPTX acknowledges and agrees that the City has not made and is not making any promise of a particular participation level or revenue amount; the financial model is enrollment-driven.

5.3 Invoicing and Remittance Procedure: The following process shall apply to the billing and remittance of Contributions from the City to PPTX:

- **Monthly Remittance/Invoice Cycle:** On a monthly basis (aligned with the City's normal billing cycle), the City will calculate the total Contributions collected in the preceding period. The City will provide PPTX with a **Monthly Contribution Report** (as noted in Section 4.3) stating the number of Participating Households and total amount of Contributions collected for that month (or billing cycle), along with any necessary detail (e.g., identification of any partial payments or adjustments). PPTX will then issue an invoice to the City for that amount, referencing the City's report. Alternatively, if mutually agreed, the City's report itself can serve as the basis for payment without a separate PPTX invoice; in such case, the City will initiate payment of the reported amount within the timeframe below.
- **Payment Terms:** The City shall remit payment to PPTX for each invoice (or report) **within 30 days** of receipt of the invoice/report, less the credit for the Utility Billing Agent pursuant to Section 3.7 and the credits for program support in Section 3.8, above. Payment shall be made via a mutually agreed method, such as ACH electronic transfer to an account designated by PPTX. Timely payment is important to maintain service continuity. If the City identifies any discrepancy or has a good-faith dispute about the invoiced amount, it shall notify PPTX within 15 days after delivery of the invoice, and the Parties will work together to resolve the dispute promptly. The City will in any event pay the **undisputed portion** of an invoice within the 30-day period.
- **Records:** Each Party will maintain records of the amounts billed, collected, invoiced, and paid. The City's records of what was collected shall be controlling in determining the amount due, absent manifest error. PPTX may inspect relevant City records to verify the figures if needed (subject to audit provisions in Section 11.2). Likewise, the City can inspect PPTX's invoicing records. Both Parties agree to seek to resolve discrepancies in good faith.
- **Adjustment for CPI or Rate Changes:** If a CPI adjustment or other rate change occurs as described in 5.1, the City's billing and PPTX's invoicing will reflect the new rates as of the effective date. The City shall not be responsible for calculating PPTX's invoice; PPTX will ensure its invoice reflects the current approved rate and matches the City's reported number of participants and collected funds.

5.4 Late Payment and Suspension of Service: The City shall remit PPTX on time as described above. In the event any **undisputed** remittance is not received by PPTX within 30 days after it is due, PPTX will provide written notice to the City's contract manager or finance department, alerting the City to the delinquency. If the City still has not remitted within an

additional ten days after receiving such notice (i.e., 60 days past the original due date), PPTX shall have the right to **suspend Telehealth Services** under this Agreement until remittance is made, upon giving the City a second written notice (a "Notice of Suspension") at least ten days before the suspension is to take effect. If the City cures the default within that ten-day period, the suspension will not occur. If the City does not cure, PPTX may halt services starting on the specified suspension date. During any period of suspension for non-remittance, PPTX will have no obligation to provide Telehealth Services to City residents, and the City will be responsible for informing residents (if inquiries arise) that the service is temporarily unavailable due to remittance issues. PPTX shall resume services promptly after the City remits all outstanding undisputed amounts (including any applicable late charges).

Additionally, any late remittance (beyond 30 days past due) shall accrue interest at the lesser of an annual rate of 1.5% per month or any part of a month, compounded annually, or the maximum rate allowed by Texas law for municipal contracts, calculated from the original due date until the date of remittance. The Parties intend for this to comply with the Texas Prompt Payment Act (Tex. Gov't Code Ch. 2251) to the extent it applies, and not to exceed any lawful rate.

If remittance delinquency continues beyond 90 days without satisfactory resolution, such failure to remit shall constitute a material breach by the City, and PPTX may terminate the Agreement for cause pursuant to Section 6.2(b). In such case, the City would be responsible for any applicable termination remittance as set forth in Section 6.2(b) and 6.1.

5.5 Taxes: The Contributions are considered a fee for services provided to Participating Households and passed through to PPTX; they are not a tax or a City fee for City revenue. Each Party is responsible for its own taxes as applicable. PPTX shall be responsible for any taxes based on its income or business operations (including payroll taxes for its employees). The City, as a Texas municipal entity, is generally tax-exempt for its purchases and not subject to sales tax; in this arrangement, the City is acting as a billing conduit. It is not anticipated that sales tax applies to medical services, but if any sales, use, excise, or similar taxes are determined by a competent authority to apply to the amounts paid to PPTX hereunder, PPTX shall be responsible for such taxes (as PPTX is the ultimate recipient of the payment for services). The City shall not withhold any portion of the Contribution for taxes unless required by law, in which event the City shall notify PPTX and cooperate to minimize any such withholding or double-taxation. If any law provides an exemption or exception that can be claimed, the Parties will reasonably cooperate (for example, providing resale or exemption certificates). In no event will either Party be responsible for any taxes of the other Party that are not directly related to this Agreement.

5.6 Funding and Appropriations: The City reasonably believes that, as the program is structured, the amounts needed to remit PPTX will be fully covered by Contributions, and therefore the City will not appropriate additional general funds for this Agreement. The City agrees to budget and appropriate the collected Contribution funds for remittance to PPTX. In compliance with Texas law, the City's obligations hereunder are subject to the availability of funds and annual appropriation by the City Council, as applicable. The City has appropriated

funds for the initial year of this Agreement by virtue of approving the program. If in any subsequent fiscal year the City Council fails to appropriate funds for the continuation of this Agreement (and if no collected Contributions are available to cover the costs), the City may terminate the Agreement by providing written notice to PPTX and complying with any applicable Texas law requirements (this scenario would be treated as a termination for non-appropriation, potentially without the penalty of Section 6.1, since the City cannot commit funds it does not appropriate). The City will make good faith efforts to avoid this outcome, and shall not use non-appropriation as a pretext to terminate for convenience in order to circumvent the termination fee.

6. Termination

6.1 Termination by City for Convenience (Without Cause).

- **(a) Right to Terminate Pre-Program Launch Date.** Either party may cancel this Agreement without penalty up to 30 days prior to the Program Launch Date.
- **(b) Right to Terminate Following Introductory Term.** At the end of the Introductory Term, the City may terminate this Agreement for its convenience by delivering at least 30 days' prior written notice to PPTX.
- **(c) Right to Terminate After Month 24.** Beginning on the first day of Month 25---and at any time thereafter---the City may terminate this Agreement for its convenience by delivering at least **90 days' prior written notice** to PPTX specifying the effective date of termination.
- **(d) No Fee.** If the City terminates this Agreement for convenience, no termination fee is owed. The City must still remit to PPTX all Contributions collected for services rendered through the termination date.

6.2 Termination for Cause: Either Party may terminate this Agreement for cause upon a material breach by the other Party, subject to the following provisions:

- **By the City (PPTX Breach):** If PPTX materially breaches any material obligation of this Agreement, the City shall provide written notice to PPTX describing the nature of the breach in detail. PPTX shall have 30 days from receipt of such notice to cure the breach to the City's reasonable satisfaction. If the breach is of a nature that cannot reasonably be cured within 30 days, PPTX may submit a reasonable plan for curing the breach as promptly as practicable, and seek the City's written consent for an extended cure period (which consent shall not be unreasonably withheld for non-monetary breaches). Failure to meet service level standards as required, significant downtime or unavailability of services, repeated justified complaints from residents about service quality, or any action

by PPTX that jeopardizes residents' health or privacy could all constitute material breaches if not promptly remedied. If PPTX fails to cure the breach within the applicable cure period, the City may terminate this Agreement by delivering a written termination notice to PPTX, with a specified termination date at least 30 days from the date notice is sent by City. In a termination for PPTX's breach, the City is not required to pay any termination fee. The City shall pay PPTX for any validly collected Contributions attributable to services provided up to the termination date (to the extent not already paid), but the City may withhold or offset any amounts reasonably necessary to cover the City's damages caused by the breach (subject to the limitation of liability in Section 9). Termination for breach is without prejudice to any other rights or remedies the City may have under this Agreement or at law, except those remedies are subject to the limitations and waivers provided herein.

- **By PPTX (City Breach):** If the City materially breaches its obligations under this Agreement, PPTX shall provide written notice to the City describing the breach. Material breaches by the City include, for example: failure to remit PPTX amounts due (beyond applicable notice and cure periods in Section 5.4), failure to collect Contributions as agreed (e.g., arbitrarily stopping collection without terminating the Agreement), or violation of exclusivity (bringing in another provider in breach of Section 4.5). The City shall have 30 days from receipt of notice to cure the breach. For remittance breaches, cure would consist of full remittance of all outstanding amounts; for other breaches, appropriate corrective action should be taken. If the City does not cure the breach within the cure period, PPTX may terminate this Agreement by written notice, effective as of a specified date at least 30 days from the date notice is sent by PPTX. In such event, the City shall remain liable to remit to PPTX all Contributions collected (or due to be collected) for services provided up to the termination date. PPTX may also pursue any other remedies available at law or in equity for the City's breach, subject to the limitation of liability in Section 9.

In all cases of alleged breach, the non-breaching Party has a duty to act reasonably and in good faith. If a breach is disputed, the Parties may engage in discussions or mediation to attempt to resolve the dispute prior to termination if time permits, but are not obligated to delay a justified termination beyond the cure period.

6.3 Termination for Change in Law or Regulatory Issues: In addition to termination for cause, either Party may terminate this Agreement upon written notice (with at least 60 days' notice, if feasible) if a **change in applicable law or regulation** or a government order makes the continuation of this Agreement impracticable, illegal, or would materially increase the cost of performing the Agreement without a mutually agreeable amendment. This right is further described in Section 10 (Regulatory Changes). In such a case, the Parties shall attempt to negotiate adjustments first. If termination is ultimately necessary under this Section 6.3, it shall be considered a no-fault termination. The City will remit PPTX for any services rendered up to the termination date from collected funds, and each Party will bear its own costs of termination.

6.4 Effect of Termination: Upon any termination or expiration of this Agreement, the Parties shall take the following actions for an orderly wind-down:

- **Cessation of Services:** PPTX will cease providing Telehealth Services to Participating Households as of the effective date of termination/expiration (the "Termination Date"), unless otherwise agreed for a brief extension to ensure a smooth transition. PPTX will ensure that any person contacting the service after the Termination Date is informed that the program is no longer active. If appropriate, PPTX may advise patients to seek alternative care (e.g., refer them to their primary care physician or urgent care) since the Telehealth Services under the City program have ceased. The City agrees to promptly inform residents (through a notice on its website, a message on the final utility bill with the Contribution charge, or other reasonable means) that the Telehealth Services program is ending or has ended as of the Termination Date.
- **Final Billing and Payments:** The City shall remove the Contribution fee from all future utility bills after the Termination Date. The City will still collect any Contributions that were billed for periods prior to the Termination Date (for example, if the program ends on March 31 but the March bills were already issued with the telehealth charge, the City will collect those and include them in the final remittance to PPTX). The City shall remit to PPTX any remaining amounts due for services provided through the Termination Date. PPTX shall submit a final invoice or reconciliation statement within 30 days after termination, and the City shall remit that (subject to reconciliation of any last adjustments) in accordance with Section 5.3. The City will still be responsible to remit any late-arriving payments from residents for pre-termination service periods, or otherwise account to PPTX for all Contributions collected up to the Termination Date. Conversely, if the City collected Contributions for any period beyond the Termination Date (e.g., billing timing quirks), the City will refund those amounts to the participants or, if not feasible, remit them to PPTX only if PPTX actually provided any service during that period (which generally will not be the case if services ceased).
- **Return of Materials and Information:** Each Party shall promptly return or (with permission) destroy any confidential information, proprietary materials, or equipment of the other Party that is in its possession due to the Agreement. For example, PPTX will return or securely destroy any City-provided data lists, and the City will return or destroy any PPTX-provided training materials or marketing collateral that is not publicly available. An exception is made for any information that a Party is required by law to retain (e.g., PPTX's medical records of patient consultations, which by law must be retained for a certain period, and the City's record of this contract for record-keeping purposes). Any retained information remains subject to the confidentiality obligations of this Agreement (and the BAA for any PHI).
- **Transition Assistance:** Upon the City's request, PPTX will provide reasonable cooperation to transition participants to any new program or provider (if one is immediately available) or to simply close out the program. This might include providing

the City with a brief summary of utilization or any lessons learned that could be passed to a successor (nothing containing PHI). If the City desires to start a similar program with a different vendor after termination, PPTX's obligations are limited to cooperation consistent with Section 11.1 (Right to Match and Transition) if applicable.

- **Survival of Terms:** Any provisions of this Agreement which by their nature or expressly are intended to survive termination or expiration (such as indemnification obligations, confidentiality, limitation of liability, and accrued remittance or contribution obligations) shall survive. Specifically, Sections 5.4 (if remittances are late at termination), 5.5, 6.4, 7.4, 8, 9, 11.3, 11.6, 11.8 through 11.12, and all relevant definitions, exhibits, and any other provision that contemplates performance or enforcement after termination, will remain in effect.
- **No Further Liability:** Provided that all amounts due to PPTX have been remitted (including any required termination fee) and both Parties have fulfilled their obligations up to the Termination Date, neither Party shall have any further liability to the other under this Agreement following termination or expiration, except for liabilities that had already accrued or for obligations that survive by the terms of this Agreement. Neither Party shall be liable to the other for damages solely by reason of exercising a lawful termination right as provided in this Agreement.

ARTICLE 7 -- INSURANCE

7.1 Maintenance of Insurance. PPTX shall, at its own expense, maintain during the Term such categories and amounts of insurance as are customarily carried by prudent tele-healthcare providers operating in Texas, including (without limitation) commercial general liability, professional (medical-malpractice) liability, and---if PPTX has employees---statutory workers' compensation. PPTX shall ensure that each medical professional with which it has contracted to provide medical services carries, whether at the expense of PPTX or the medical professional, professional (medical-malpractice) liability insurance.

7.2 Evidence of Coverage Upon Request. No more than once in any twelve-month period, the City may request certificates (or other reasonable proof) showing that the coverages described in § 7.1 are in force on the date of the request. Provision of such proof shall not be construed as the City's approval of the adequacy of coverage.

7.3 Additional-Insured Endorsement (CGL only). If the City's risk manager determines in writing that additional-insured status is necessary on PPTX's commercial general liability policy, PPTX will use commercially reasonable efforts to obtain an endorsement naming the City (and its officers and employees) as additional insureds on a primary and non-contributory basis. No additional-insured endorsement is required on PPTX's professional-liability, cyber-liability, or workers'-compensation policies.

7.4 No Expansion of Liability. The existence, type, or amount of insurance carried by PPTX shall not enlarge or modify the limitations of liability contained in Article 9.

7.5 Notice of Cancellation. PPTX will make commercially reasonable efforts to see that its insurers endeavor to give the City at least 30 days' prior notice (ten days for non-payment of premium) of any cancellation or non-renewal of required coverage.

8. Indemnification

8.1 INDEMNIFICATION BY PPTX: TO THE FULLEST EXTENT PERMITTED BY LAW, PPTX SHALL INDEMNIFY, DEFEND, AND HOLD HARMLESS THE CITY AND ITS OFFICERS, ELECTED OFFICIALS (MAYOR AND COUNCIL), AGENTS, AND EMPLOYEES (COLLECTIVELY, THE "CITY INDEMNITEES") FROM AND AGAINST ANY AND ALL THIRD-PARTY CLAIMS, ACTIONS, LIABILITIES, DAMAGES, JUDGMENTS, OR EXPENSES (INCLUDING REASONABLE ATTORNEYS' FEES AND COURT COSTS) ASSERTED AGAINST THE CITY INDEMNITEES THAT ARISE OUT OF OR RESULT FROM: (I) ANY NEGLIGENT ACT OR OMISSION OR WILLFUL MISCONDUCT OF PPTX OR ITS OFFICERS, EMPLOYEES, AGENTS, MEDICAL PROFESSIONALS, OR SUBCONTRACTORS IN THE PERFORMANCE OF THIS AGREEMENT (INCLUDING IN THE PROVISION OF TELEHEALTH SERVICES); (II) ANY BREACH OF THIS AGREEMENT BY PPTX, INCLUDING ANY BREACH OF ITS REPRESENTATIONS, WARRANTIES, OR COVENANTS (FOR EXAMPLE, A VIOLATION OF HIPAA OR A CONFIDENTIALITY OBLIGATION BY PPTX RESULTING IN A CLAIM); AND/OR (III) ANY ACTUAL OR ALLEGED INFRINGEMENT OF ANY PATENT, COPYRIGHT, TRADEMARK, TRADE SECRET, OR OTHER INTELLECTUAL PROPERTY RIGHT CAUSED BY PPTX'S PROVISION OF SERVICES OR MATERIALS (SUCH AS IF PPTX'S TELEHEALTH PLATFORM SOFTWARE INFRINGES A THIRD PARTY'S IP). THIS INDEMNIFICATION OBLIGATION INCLUDES, BUT IS NOT LIMITED TO, CLAIMS FOR PERSONAL INJURY OR DEATH (INCLUDING MEDICAL MALPRACTICE CLAIMS BY PROGRAM PARTICIPANTS) AND PROPERTY DAMAGE TO THE EXTENT CAUSED BY PPTX'S NEGLIGENCE OR WRONGFUL ACTS. HOWEVER, PPTX'S OBLIGATIONS UNDER THIS SECTION 8.1 SHALL NOT APPLY TO THE EXTENT ANY CLAIM OR LIABILITY IS CAUSED BY THE NEGLIGENCE OR WILLFUL MISCONDUCT OF THE CITY OR ANY CITY INDEMNITEE. IN ADDITION, WITH RESPECT TO MEDICAL MALPRACTICE OR PERSONAL INJURY CLAIMS BY RESIDENTS, THE PARTIES ACKNOWLEDGE THAT RESIDENTS RECEIVING TELEHEALTH SERVICES ARE NOT THIRD-PARTY BENEFICIARIES OF THIS AGREEMENT (SEE SECTION 11.11) AND THUS ARE NOT ENTITLED TO ENFORCE THIS CONTRACT; THEIR REMEDIES ARE THROUGH MEDICAL MALPRACTICE LAW AGAINST THE PROVIDER. THIS SECTION 8.1 IS FOR THE BENEFIT OF THE CITY AND CITY INDEMNITEES AND NOT ANY OTHER PERSON.

8.2 INDEMNIFICATION BY THE CITY: TO THE EXTENT ALLOWED BY THE CONSTITUTION AND LAWS OF THE STATE OF TEXAS, THE CITY SHALL INDEMNIFY AND HOLD HARMLESS PPTX AND ITS OFFICERS, MEMBERS, MANAGERS, EMPLOYEES, AND AGENTS (COLLECTIVELY, THE "PPTX INDEMNITEES") FROM AND

AGAINST ANY THIRD-PARTY CLAIMS, DEMANDS, SUITS, OR LIABILITIES (INCLUDING REASONABLE ATTORNEYS' FEES AND COSTS) THAT ARISE OUT OF OR RESULT FROM: THE CITY'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT IN CARRYING OUT ITS OBLIGATIONS UNDER THIS AGREEMENT. LIMITATIONS: THE CITY'S OBLIGATIONS UNDER THIS SECTION 8.2 ARE LIMITED BY AND SUBJECT TO TEXAS LAW. THE CITY DOES NOT WAIVE ANY GOVERNMENTAL OR SOVEREIGN IMMUNITY BY ENTERING THIS AGREEMENT, AND NOTHING HEREIN SHALL BE CONSTRUED TO REQUIRE THE CITY TO INDEMNIFY BEYOND WHAT IS PERMITTED BY TEXAS LAW OR TO EXPEND FUNDS NOT APPROPRIATED FOR THIS PURPOSE. IN PRACTICE, IF SUCH A CLAIM ARISES, THE CITY (THROUGH ITS CITY ATTORNEY OR DESIGNATED COUNSEL, POSSIBLY PROVIDED BY THE CITY'S INSURER OR RISK POOL) WOULD LIKELY DEFEND THE LEGALITY OF ITS PROGRAM. THE CITY'S INDEMNITY HERE WOULD COVER PPTX'S COSTS AND DAMAGES ARISING FROM BEING NAMED OR INVOLVED IN SUCH A CLAIM, TO THE EXTENT OF THE CITY'S COMPARATIVE FAULT OR RESPONSIBILITY. THE CITY'S INDEMNIFICATION SHALL NOT APPLY TO THE EXTENT A CLAIM ARISES FROM PPTX'S OWN NEGLIGENCE, BREACH, OR MISCONDUCT. ALL INDEMNIFICATION BY THE CITY IS FURTHER CONDITIONAL UPON APPROPRIATION OF FUNDS AND TO THE EXTENT ALLOWED BY LAW; THE CITY WILL ASSERT ALL LAWFUL DEFENSES INCLUDING IMMUNITY AS APPROPRIATE, BUT IN ANY CASE, WILL NOT LEAVE PPTX SOLELY RESPONSIBLE FOR A CLAIM THAT FUNDAMENTALLY CONCERNS CITY POLICIES OR ACTIONS.

No third party shall have the right to assert an indemnity claim under this Agreement, as these indemnification provisions are intended only to allocate risk between the contracting Parties.

Both Parties shall promptly notify each other upon receiving notice of any claim potentially covered by this Section, and shall cooperate in the defense. (Nothing herein shall eliminate or reduce any other legal immunity or defense available to either Party under Texas law, such as liability limits under the Texas Tort Claims Act for governmental functions.)

9. Limitation of Liability

Except for the specific indemnity obligations set forth in Section 8.1 and except in the case of PPTX's willful misconduct or fraud, the Parties agree to limit PPTX's liability to the City under this Agreement as follows:

9.1 Cap on Liability: PPTX's total cumulative liability to the City for any and all claims, losses, or damages arising out of, relating to, or in connection with this Agreement, whether in contract, tort (including negligence or medical malpractice), or any other theory of liability, shall not exceed **\$1,000,000** in the aggregate. This cap on liability includes liability for any City direct damages but not any amounts payable to third parties (for example, under indemnity claims) for which PPTX is responsible, but excludes the following items which are not counted toward the cap: (a) PPTX's liability for its own gross negligence, willful misconduct, or intentional wrongdoing; and (b) any obligations to pay the City amounts due under the Agreement (for

instance, if PPTX owed the City a refund or payment). The cap is intended primarily to align with PPTX's insurance coverage levels and to allocate risk of catastrophic losses.

9.2 No Indirect Damages: In addition, neither PPTX nor the City shall be liable to the other for any **consequential, indirect, special, exemplary, or punitive damages** or for any loss of profits, loss of revenue, or loss of goodwill, arising out of or related to this Agreement, regardless of whether such damages were foreseeable or a Party was advised of the possibility of such damages. This exclusion does not apply to amounts owed to third parties for which a Party is seeking indemnification under Section 8 (e.g., an indemnified third-party claim with consequential damages is treated as direct for the indemnitee) -- it mainly prevents either Party from suing the other for speculative losses like "reputation damage" or lost business opportunities.

9.3 Exceptions: Notwithstanding the above, nothing in this Section 9 shall limit or exclude PPTX's liability for any act or omission deemed by a court of competent jurisdiction to constitute **gross negligence, willful misconduct, fraud, or intentional violation of law**. In addition, to the extent any claims are covered by insurance, the limitations of liability shall not prejudice the City's right to recover under the insurance policies set forth in Section 7.1 up to the policy limits (the intent being that PPTX will carry at least \$1,000,000 in applicable insurance so the cap is effectively backed by insurance coverage). Likewise, nothing in this Section limits the City's ability to seek and obtain equitable remedies (such as injunctive relief) to the extent available at law, although the City cannot use an injunction to circumvent the cap on monetary damages.

9.4 City's Liability: The City's liability to PPTX is limited by the doctrines of sovereign and governmental immunity and by Texas law (see Section 11.12). The City does not waive any defenses or limits on liability provided by law. In no event shall the City be liable for consequential damages to PPTX, and any City obligation to pay damages (as opposed to the contractual payments to PPTX) would be subject to statutory limitations and appropriations. Notwithstanding any provision in this Agreement to the contrary, **City's total cumulative liability** to PPTX for any and all claims, losses, or damages arising out of, relating to, or in connection with this Agreement, whether in contract, tort (including negligence or medical malpractice), or any other theory of liability, shall not exceed **an amount equal to 90 days of contractual remittances less the credits in Section 3** in the aggregate. This cap on liability includes liability for any PPTX direct damages but not any amounts payable to third parties (for example, under indemnity claims) for which the City is responsible, but excludes the following items which are not counted toward the cap: the City's liability for its own willful misconduct or intentional wrongdoing.

The provisions of this Section 9 shall survive the expiration or termination of this Agreement. The Parties acknowledge that this limitation of liability represents a fair allocation of risk and is a fundamental part of this Agreement.

10. Regulatory Changes

In the event that any federal, state, or local law, regulation, ordinance, or court order is enacted, amended, or interpreted after the Effective Date of this Agreement (**a "Regulatory Change"**) which **materially affects** the ability of either Party to perform its obligations under this Agreement, or **materially increases the costs** or burdens of such performance, the affected Party shall promptly notify the other Party in writing of the specific Regulatory Change and its impact on the Agreement. Examples of Regulatory Changes could include: a new state law prohibiting or restricting municipalities from adding fees to utility bills for services like telehealth; a change in healthcare regulations that significantly raises PPTX's cost of providing telehealth (such as a requirement for enhanced technology, new licensing fees, or additional personnel); or a change in tax law that imposes taxes on the Contributions or payments that were not anticipated.

Upon such notice, the Parties shall engage in good faith negotiations to **amend or adjust** the Agreement as necessary to comply with the law or address the increased costs. Possible adjustments include, but are not limited to: modifying the program structure or procedures to comply with the law; adjusting the Contribution rate or payment terms to offset increased costs due to the Regulatory Change; or other changes to fairly re-balance the economic and operational terms in light of the new situation.

If the Parties are **unable to reach agreement within 60 days** of the initial notice of the need for amendment (or sooner if the law requires compliance by an earlier deadline), then either Party shall have the right to terminate this Agreement upon written notice to the other Party. Such termination for Regulatory Change shall be treated as a no-fault termination (neither Party will be deemed in breach, and no termination penalty will apply). However, the City shall remit to PPTX for services rendered to participants up to the termination date from the Contributions collected (or, if the law prohibits further collections, the Parties will negotiate in good faith a fair compensation for services already provided if some collected funds are still in the City's possession).

During the period between the Regulatory Change notice and the amendment or termination (not to exceed the compliance deadline imposed by law), the Parties shall make reasonable interim adjustments to continue the service in compliance with law. For example, if a law banned opt-out fees on utility bills effective in 90 days, the Parties might agree to switch to an opt-in model or pause new charges while negotiating, and if no solution, wind down before the law's effective date.

This Section 10 is intended to ensure that the Agreement can adapt to significant legal changes and to protect both Parties from being forced to violate the law or suffer undue hardship due to unforeseen regulatory developments. It is **not** intended to allow termination or price renegotiation for minor changes or normal fluctuations in business conditions (for instance, a small increase in administrative paperwork would not trigger this, nor would a general economic downturn---there must be a specific change in law or regulation). Both Parties will approach any

such situation with mutual respect and an aim to continue the program if at all possible under revised terms.

11. Additional Covenants and Miscellaneous Provisions

11.1 Audit of Records ("Inspection on Cause"): PPTX shall maintain complete and accurate books, records, and documents relevant to its performance under this Agreement (including records of service delivery and financial records relating to the Contributions and costs) in accordance with generally accepted accounting principles and applicable law. The City (or its authorized representative, such as an auditor or accountant) may request access to and the right to examine these relevant records **if and only if** the City has a reasonable good-faith belief that it needs to verify a specific aspect of PPTX's performance or billing under this Agreement (for example, to investigate a suspected billing discrepancy or a compliance issue). In other words, the City's right to audit is based on **cause**, not free-ranging access.

If the City believes cause exists, it shall provide written notice to PPTX outlining the specific concern or area of inquiry and requesting an audit or inspection of records pertaining to that issue. Any such audit shall: (a) be conducted upon at least ten days' prior notice; (b) occur during PPTX's normal business hours; and (c) be conducted in a manner that does not unreasonably interfere with PPTX's business or operations. The scope of the audit will be limited to records that are material to the City's stated cause for the audit. For example, if the concern is whether all collected Contributions were accounted for, the City may review PPTX's records of invoices and remittances received; if the concern is whether response times meet SLA, the City may review PPTX's internal logs or system reports on response times.

PPTX shall reasonably cooperate with any such audit request, providing the City or its auditor access to the pertinent records and appropriate staff to explain the records as needed. However, PPTX is **not required to expose proprietary or highly confidential information** not relevant to the audit, such as trade secrets, source code of software, or information about PPTX's other clients. The City will have no access to patient medical records (except de-identified aggregate data) to protect patient privacy, and the City cannot demand access to PPTX's systems except for pulling relevant data reports. If the audit requires PPTX to compile data in a certain format, PPTX will do so if reasonable, or the Parties will mutually agree on a method to extract the needed information.

Each Party shall bear its own costs of any audit. If an audit reveals an overpayment by the City (for instance, an error in which the City remitted for non-participating households), PPTX shall refund the overpaid amount or credit it against future invoices. If an audit reveals an underpayment (e.g., some collected Contributions were inadvertently not reported), the City shall include that in the next remittance. If an audit uncovers a material breach by PPTX, the City may exercise its remedies as provided in this Agreement. All information obtained in an audit shall be kept confidential by the City to the extent allowed by law, and used solely for purposes of contract oversight.

11.2 Confidentiality and Public Information: The Parties anticipate that in the course of performance, each may disclose to the other information that is sensitive or proprietary. **PPTX Confidential Information** may include, for example, trade secrets, technical information about PPTX's telehealth platform, business plans, provider lists, training materials, or pricing structure beyond this contract. **City Confidential Information** may include non-public personal data of residents (if any is shared) or internal City plans or reports. Each Party agrees to treat information marked or otherwise clearly identified as confidential as confidential, and to not disclose it to any third party except as necessary for performing this Agreement or as required by law. Each Party will use the same degree of care to protect the other's confidential information as it uses to protect its own confidential information of similar importance, but at a minimum shall use reasonable care.

The Parties acknowledge that the City, as a governmental entity, is subject to the **Texas Public Information Act** (TPIA), which may require disclosure of certain documents or records upon request by the public. If a TPIA request is made for information that involves PPTX's confidential or proprietary information, the City will promptly notify PPTX (to the extent allowed by law) and give PPTX an opportunity to assert exceptions to disclosure with the Texas Attorney General's Office as provided under the TPIA. PPTX must act promptly to provide legal justification for withholding the information (e.g., claiming it is a trade secret or confidential commercial information under Tex. Gov't Code §552.110 or other applicable exceptions). The City will reasonably cooperate with PPTX, at PPTX's expense, in seeking to protect such information, but the City will make the final decision on disclosure as required by law and any Attorney General opinions. Any information that is purely medical records of patients will be withheld under TPIA exceptions for medical privacy and under HIPAA, as applicable.

In addition, the Parties agree to comply with all applicable privacy laws. PPTX, as a healthcare provider, is a covered entity or a business associate under HIPAA. The City might be considered a sponsor or facilitator of the program and may be a **Business Associate** if it comes into contact with PHI. To address this, the Parties have included **Exhibit B**, a Business Associate Agreement (BAA) or placeholder for a BAA, which shall govern the use and protection of Protected Health Information. In case of any conflict between the BAA and this section regarding PHI, the BAA provisions shall control.

The confidentiality obligations in this Section 11.2 shall survive the termination of the Agreement for a period of at least **three years**, or indefinitely in the case of trade secrets for as long as they remain trade secrets under applicable law. Information that was previously known to a Party without obligation of confidentiality, independently developed, lawfully obtained from a third party, or that becomes public through no breach of this Agreement is not considered confidential. Furthermore, either Party may disclose the terms of this Agreement as needed to enforce its rights or as required by law or legal process (e.g., court order), but if so required, shall seek protective orders or confidential treatment to the extent available.

11.3 Independent Contractor: PPTX's relationship to the City in the performance of this Agreement is that of an **independent contractor**. Nothing herein shall be construed to create a partnership, joint venture, or agency relationship between PPTX and the City. Neither Party has

the authority to bind the other to any contract or agreement or to incur any obligation or liability on behalf of the other Party, except as expressly provided in this Agreement. PPTX shall be solely responsible for the acts and omissions of its physicians, employees, contractors, and agents. All persons furnished by PPTX to perform work under this Agreement (including the telehealth doctors and staff) are **employees or subcontractors of PPTX**, and not of the City. PPTX is responsible for all compensation, benefits, and taxes (including withholding, social security, workers' compensation, and unemployment insurance) for its employees and subcontractors. PPTX shall ensure that all personnel performing services are properly trained and supervised. The City's interest is solely in the results of the services, i.e., that Telehealth Services are provided to residents as described; the manner and means of performing under this Agreement are under the control of PPTX, subject to the terms and standards herein. Should any regulatory body or court deem any personnel of PPTX to be an agent or employee of the City, PPTX shall indemnify and hold harmless the City from and against any claims, liabilities, or expenses incurred by the City as a result of any employment relationship (this is in addition to, not instead of, other indemnities).

11.4 Assignment and Subcontracting: Neither Party may assign or transfer this Agreement (or any of its rights or obligations hereunder) to any third party without the prior written consent of the other Party, which consent shall not be unreasonably withheld, conditioned, or delayed. Any attempted assignment without such consent shall be null and void. Notwithstanding the foregoing: (a) PPTX may assign this Agreement, upon written notice to the City, in the event of a merger, acquisition, or sale of substantially all of PPTX's assets or membership interests to another entity, provided that the successor entity is capable of performing PPTX's obligations and agrees in writing to be bound by the terms of this Agreement (such consent by the City shall not be unreasonably withheld in such scenario); and (b) PPTX may freely engage subcontractors or independent contractors (such as a physician network or telehealth platform provider) to assist in delivering the services, **provided** that PPTX remains fully responsible for the performance of this Agreement and the compliance of any subcontractor with all applicable terms (including insurance and confidentiality obligations, etc.). PPTX shall notify the City of any major subcontractor performing key portions of the services (for transparency, e.g., if PPTX uses a third-party telehealth physician group to handle overnight calls). The City may require such subcontractors to sign a joinder agreeing to relevant contract provisions (like HIPAA BAA, if not covered by Exhibit B).

The City may assign its rights and obligations hereunder to a successor governmental entity in the event of a reorganization or consolidation of the City or its utility services, or to another agency or public instrumentality that takes over the program, upon notice to PPTX. This Agreement shall inure to the benefit of and be binding upon the Parties and their respective permitted successors and assigns. There are no third-party beneficiaries to this Agreement, except as expressly provided (e.g., indemnitees).

11.5 Governing Law and Venue: This Agreement shall be governed by and construed in accordance with the **laws of the State of Texas**, without regard to its conflict of laws principles. The Parties agree that this Agreement is performable in Dallas County, Texas. Any legal action or proceeding arising out of or relating to this Agreement shall be brought exclusively in a state

court of competent jurisdiction located in Dallas County, Texas (or, if federal jurisdiction is applicable, the United States District Court for the Northern District of Texas, Dallas Division). Each Party irrevocably submits to the exclusive jurisdiction of such courts and waives any objection based on forum non conveniens or any claim that such forum is improper. The Parties specifically exclude the application of the United Nations Convention on Contracts for the International Sale of Goods, which shall not apply to this Agreement.

11.6 Notices: All notices, demands, invoices, and other communications required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been given: (a) when personally delivered; (b) on the date delivered by a reputable overnight courier service (e.g., FedEx, UPS) with tracking to the intended recipient's address; or (c) on the third Business Day after (a "Business Day" is any day that is not a Saturday, Sunday or day on which banks in Texas are closed for business) being sent by United States certified mail, return receipt requested, postage prepaid. Notices shall be sent to the following addresses (or such other address as a Party may designate by written notice to the other):

- ****If to the City:**

Judson Rex, City Manager

City of Garland

200 N. Fifth Street

Garland, TX 75040

With a copy to: City Attorney's Office, at the same address.

- ****If to PPTX:**

**** [Name or Title]** Dirk Perritt

Pathways Physicians Texas, PLLC

[Street Address] 5956 Sherry Ln, 20th Floor

Dallas, TX **[ZIP]** 75225

Email: [optional, for courtesy copies or routine communications] dperritt@mdhealthpathways.com

Either Party may change its notice address by giving notice of the new address in the manner set forth above. Routine operational communications (e.g., day-to-day emails, reports) may be sent via email or other means, but any formal notice of breach, termination, or legal dispute must be delivered in one of the manners described in this Section 11.7 to be effective.

11.7 Entire Agreement: This Agreement, including all Exhibits attached hereto and any documents incorporated by reference, constitutes the **entire agreement** between the Parties with respect to its subject matter and supersedes all prior or contemporaneous agreements, negotiations, representations, and proposals, whether written or oral, relating to the same subject. The Parties acknowledge that they have not relied on any statement, promise, or representation not expressly contained in this Agreement. Any amendments or modifications to this Agreement must be in writing and signed by authorized representatives of both the City and PPTX. **No verbal modifications** will be recognized. In the event of any conflict between the terms of the main body of this Agreement and any exhibit or attachment, the main body of this Agreement shall prevail unless the exhibit expressly states an intent to override the main body on a specific issue (e.g., the BAA with respect to PHI privacy obligations).

11.8 Severability: If any provision of this Agreement is held to be invalid, illegal, or unenforceable by a court of competent jurisdiction, that provision shall be deemed modified to the minimum extent necessary to make it enforceable (if possible) or, if modification is not possible, it shall be severed from this Agreement. In any event, the remaining provisions of this Agreement shall continue in full force and effect. The Parties will endeavor in good faith to replace any invalid or unenforceable provision with a valid and enforceable provision that, as closely as possible, achieves the original intent and economic effect of the invalid provision.

11.9 Waiver: The failure of either Party to enforce any right or remedy provided by this Agreement or by law, or to insist upon strict performance of any term or condition of this Agreement, shall not constitute a waiver of that term, condition, right, or remedy. No waiver shall be effective unless it is in writing and signed by the Party granting the waiver. One waiver shall not be interpreted as a continuing or future waiver of the same or a different provision. Any single or partial exercise of a right or remedy shall not preclude further exercise of that or any other right or remedy.

11.10 No Third-Party Beneficiaries: This Agreement is for the exclusive benefit of the City and PPTX, and not for the benefit of any third party (including, but not limited to, any resident or Household, or any subcontractor of PPTX). No third party shall have any rights under this Agreement, except as expressly provided (for example, the indemnified parties under Section 8 are intended beneficiaries of the indemnity promise to the extent of their indemnification rights). While the Telehealth Services obviously benefit participating residents, those residents do not become third-party beneficiaries with direct rights to enforce this contract; any issues or claims they have (medical malpractice, etc.) are outside the scope of this Agreement and shall be handled between the patient and provider under applicable law. The Parties may amend or terminate this Agreement without the consent of any third party.

11.11 Governmental Immunity: Nothing in this Agreement shall be deemed a waiver of the City's **governmental immunity or sovereign immunity** or any legal limitations on the City's liability, except to the extent specifically agreed (such as the indemnity to the extent permitted by law in Section 8.2). This Agreement shall not be construed to create any claim or cause of action against the City that is not recognized under Texas law. All privileges and immunities from liability, defenses, or laws limiting the City's liability (including Texas Tort Claims Act

limitations) are fully retained by the City. Likewise, nothing herein waives any immunities or defenses of PPTX under applicable law (though PPTX generally does not have sovereign immunity, it may have statutory protections under Good Samaritan laws or telemedicine statutes, etc., which are not waived).

11.12 Counterparts and Electronic Signatures: This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The Parties agree that a signed copy of this Agreement transmitted by facsimile, email (as a scanned PDF), or other electronic means shall be as valid and binding as an original, and either Party may use such a copy as evidence of the execution and delivery of this Agreement. The Parties further consent to the use of electronic signatures, as governed by the Texas Uniform Electronic Transactions Act (Tex. Bus. & Com. Code Chapter 322), to the extent that each Party's laws and policies allow. If requested, the Parties will exchange original signed copies of the Agreement as well.

11.13 Force Majeure

(a) **Definition. "Force Majeure Event"** means any event or circumstance beyond the reasonable control of the affected Party that, despite the exercise of commercially reasonable diligence, prevents or materially delays that Party's performance of its obligations under this Agreement. Force Majeure Events include, without limitation, tornadoes, hurricanes, floods, fires and other natural disasters; war, terrorism or civil unrest; acts of governmental authority (including mandatory shutdowns or embargoes); widespread power-grid, telecommunications or Internet failure; labor strikes not directed solely at the affected Party; and externally caused cyber-attacks or ransomware incidents that render systems inoperable.

(b) **Notice and Suspension.** The Party whose performance is affected shall give the other Party written notice as soon as practicable, and in any event within five business days, after becoming aware of the Force Majeure Event. Upon such notice the affected obligations are suspended for the duration of the Force Majeure Event, and any deadlines are extended for a period equal to the time lost because of the event.

(c) **Mitigation.** Each Party shall use commercially reasonable efforts to mitigate the impact of the Force Majeure Event and to resume full performance as soon as feasible.

(d) **Extended Force Majeure --- Right to Terminate.** If a Force Majeure Event continues for 45 consecutive days and still materially prevents either Party's performance, either Party may terminate this Agreement without further liability---except for payment of Contributions for Telehealth Services actually rendered and for amounts that accrued before the Force Majeure Event---by providing ten days' written notice to the other Party.

(e) **Exclusions.** A Force Majeure Event does **not** excuse:

(i) the City's obligation to remit Contributions already collected for services performed before the event; or

(ii) either Party's confidentiality, data-security, or indemnification obligations that can still be performed without material impairment.

(f) **Relationship to Other Remedies.** Termination under this Section 11.14 is a **no-fault termination**; and neither Party will otherwise be liable for damages arising solely from its inability to perform during the Force Majeure Event.

11.14 Dispute-Resolution Ladder (Negotiation → Mediation → Litigation)

(a) **Step 1 -- Notice of Dispute.** A Party asserting that a dispute, claim, or controversy ("**Dispute**") has arisen under this Agreement shall deliver written notice describing the nature of the Dispute in reasonable detail.

(b) **Step 2 -- Project-Level Conference (10 days).** Within ten days after the notice is received, the Parties' day-to-day contract liaisons (or other designated representatives) shall meet by phone or in person and attempt in good faith to resolve the Dispute.

(c) **Step 3 -- Senior-Executive Meeting (30 days).** If the Dispute is not resolved at the project level, either Party may escalate it by written notice to a senior executive with authority to settle the matter. Within 15 days after such escalation notice, the executives shall confer (in person or by videoconference) and endeavor to reach a mutually acceptable resolution. This executive-level negotiation period shall continue for 30 days unless the executives agree to extend it.

(d) **Step 4 -- Non-binding Mediation (Dallas County).** If the Dispute remains unresolved 30 days after executive escalation, the Parties shall submit the matter to non-binding mediation administered by a mediator mutually agreed upon, to be held in Dallas County, Texas. Each Party shall bear its own costs and share the mediator's fee equally. The mediation shall be completed within 45 days after a demand for mediation is filed, unless the Parties agree otherwise.

(e) **Condition Precedent to Litigation.** Except in the case of carve-outs pursuant to Section 11.14(f), no Party may commence litigation or other formal adjudicatory proceedings unless it has first completed Steps 1-4 above. A court of competent jurisdiction may stay any action filed in breach of this subsection until the Parties complete the required steps.

(f) **Carve-Outs.** Nothing in this section prevents either Party from seeking (i) a temporary restraining order, preliminary injunction, or other provisional relief to protect confidentiality, intellectual-property rights, or data security, or (ii) collection of undisputed monetary amounts, pending completion of the dispute-resolution steps.

(g) **Effect on Limitations Periods.** All applicable statutes of limitation shall be tolled from the date a Dispute notice is delivered under subsection (a) until the earlier of (i) completion of the mediation described in subsection (d) or (ii) written agreement of the Parties that the Dispute has been resolved.

(h) **Survival.** This § 11.14 survives any termination or expiration of the Agreement and applies to any Dispute arising out of or related to this Agreement.

11.15 Incorporation of Recitals

The Parties acknowledge that the Recitals above are true and correct and material to this Agreement. The Recitals are hereby incorporated into this Agreement as if set out fully herein.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives as of the Effective Date set forth above.

City of Garland, Texas

By: Judson J. Rex

Name: Judson Rex

Title: City Manager

Date: 09/17/2025

Pathways Physicians Texas, PLLC

By: Dirk Perritt
Dirk Perritt (Sep 16, 2025 22:59:05 CDT)

Name: [Name] Dirk Perritt

Title: [Title] CEO

Date: 09/16/2025

Exhibit A -- Service Level Agreement (SLA) & Key Performance Indicators

Overview: This Exhibit outlines the performance standards and metrics PPTX agrees to meet in providing Telehealth Services, as well as reporting and monitoring mechanisms. These metrics are intended to ensure a high-quality experience for residents and accountability for service delivery. PPTX's performance will be reviewed against these standards regularly by the City.

1. Service Availability & Responsiveness

- **Availability:** Telehealth Services shall be available to Participating Households 8 A.M. to 10 P.M. CST/CDT, 7 days a week, 365 days a year (except in the case of force majeure events as defined in the Agreement or scheduled maintenance as noted below). Residents must be able to request a consultation at any time.
- **Measurement & Reporting:** PPTX will track each request and response time in its system. The Monthly Reports to the City will include the total number of service requests and response times. It will also highlight any outliers (e.g., calls that waited longer than 15 min.) and provide explanations if available (e.g., unusually high call volume hour, technical issue encountered).
- **Escalation Procedure:** If a request is not responded to within 15 minutes, PPTX will have an internal escalation procedure to ensure the request is addressed promptly. For example, if a doctor has not picked up the case within 15 minutes, the system may alert a supervisor or send the request to an on-call backup provider. PPTX will keep records of any escalations and their resolution times.
- **Downtime:** PPTX will use commercially reasonable efforts to maintain continuous service availability. Any scheduled maintenance that would make services unavailable (or significantly impaired) for more than 15 minutes shall be communicated to the City at least 48 hours in advance and, whenever possible, scheduled during very low usage periods (e.g., 3:00 AM on a Sunday). Unscheduled outages or system failures shall be reported to the City within 24 hours with an explanation of cause and corrective action. PPTX's Monthly Report will note any downtime incidents and their duration.

2. Quality of Service & Clinical Effectiveness

- **Licensure and Credentials:** 100% of providers delivering services must be properly licensed in Texas and in good standing. PPTX will verify credentials upon onboarding any provider and regularly check for any disciplinary actions. Upon request, PPTX will confirm to the City that all providers meet this requirement (without disclosing personal

data, just a certification of compliance).

- **Clinical Protocols:** PPTX will adhere to evidence-based clinical guidelines for telehealth where applicable. While it's hard to measure clinical accuracy in an SLA, PPTX agrees to conduct periodic peer reviews of a sample of telehealth consultations for quality assurance. If the City requests general results of such QA reviews, PPTX can share aggregated findings (e.g., "10 charts were reviewed this quarter with no significant deviations found").
- **Patient Satisfaction:** PPTX will strive to achieve high patient satisfaction with the telehealth service. PPTX will provide a mechanism (such as a follow-up text or email survey) for participants to rate their experience or provide feedback after consultations. Further, PPTX shall develop and maintain an online portal and/or phone line for patients to opt into and monitor the Program throughout its duration. **Target:** Achieve an average satisfaction rating of at least 4 out of 5 (or equivalent positive metric) and address any serious complaints. PPTX will summarize patient feedback in the Annual Report, including any trends or improvements made in response to feedback. (The City and PPTX may mutually agree on specific survey questions and process.)
- **Follow-Up and Continuity:** If a participant requires follow-up, PPTX will provide clear instructions or schedule a follow-up telehealth check-in as appropriate. The goal is to ensure participants feel their issue was addressed or properly handed off. While difficult to metricize, PPTX will include any notable follow-up efforts in its reports (e.g., "5 patients were advised to get lab tests and we followed up with them two days later to discuss results").

3. Reporting & Accountability

- **Monthly Performance Reports:** As noted, PPTX will deliver a monthly report including at least: number of consultations, response time metrics (average, 95th percentile, % within 10 min), participation numbers (if known to PPTX), any downtime incidents, summary of resident feedback or complaints and resolutions, and any other City-requested metrics (if feasible).
- **Annual Review Meeting:** At least once per year (for example, around the program anniversary or in coordination with an annual report), PPTX and City representatives shall have the opportunity to meet (in person or via conference) to review the program's performance, discuss any issues, and plan for any improvements or changes for the next year. This will include reviewing whether the SLA targets are being met and if any adjustments to resources are needed.
- **Continuous Improvement:** If the City's utilization is lower or higher than expected, or if participants express certain needs (e.g., many asking for a certain type of service),

PPTX will consider adjustments to better serve the community. Likewise, if response times or satisfaction fall short, PPTX will propose corrective actions (such as adding more on-call providers during peak times, or enhancing patient education materials) to work collaboratively with the City, but these measures underscore the importance of meeting the SLA.

- **Billing Accuracy:** Although not a "service level" per se, PPTX is expected to accurately invoice only for Participating Households as reported by the City. Any discrepancies found (billing for someone who opted out, etc.) will be corrected in the next cycle. The City will similarly ensure its reports to PPTX are accurate to avoid under/over payments.

(End of Exhibit A)

Exhibit B -- Business Associate Agreement (HIPAA Terms)

[Note: This Exhibit will be a formal Business Associate Agreement ("BAA") between the City (if the City is a covered entity or acting on behalf of one) and PPTX, to ensure compliance with the Health Insurance Portability and Accountability Act (HIPAA) and applicable state privacy laws. The full text of the BAA is not included here, but its key provisions will include:

- **Permitted Uses and Disclosures:** Defining how PPTX (as a Business Associate) may use or disclose Protected Health Information (PHI) received from or on behalf of the City (the Covered Entity) -- generally limited to performing the Telehealth Services and as otherwise required by law.
- **Safeguards:** PPTX must implement appropriate administrative, physical, and technical safeguards to protect the privacy and security of PHI, including compliance with the HIPAA Security Rule for electronic PHI.
- **Breach Notification:** PPTX must report to the City any use or disclosure of PHI not provided for by the Agreement (including any "Breach" of Unsecured PHI as defined by HIPAA) without unreasonable delay and in no case later than a specified number of days upon discovery. Such notification will include information about the breach as required by 45 C.F.R. 164.410.
- **Subcontractors:** PPTX must ensure that any subcontractors that create, receive, or transmit PHI on behalf of PPTX agree in writing to the same restrictions and conditions that apply to PPTX under the BAA.
- **Access and Amendment:** To the extent PPTX has PHI in a Designated Record Set, it will provide access to PHI to the City or the individual, and incorporate amendments to PHI, as required by 45 C.F.R. §§ 164.524 and 164.526. (In the telehealth program context, PPTX might maintain its own medical records, so it will handle patient rights directly as a provider; the BAA ensures coordination if needed.)
- **Accounting of Disclosures:** PPTX will document disclosures of PHI and provide an accounting to the City or the individual upon request, as required by 45 C.F.R. §164.528 (for example, disclosures for public health or law enforcement, but typically telehealth will have minimal such disclosures).
- **Right to Audit and Inspection:** The City (or Covered Entity) can terminate the BAA if PPTX violates a material term. Also, PPTX agrees to make its internal practices and records relating to PHI available to the U.S. Department of Health and Human Services

(HHS) for compliance checks.

- **Return/Destruction of PHI:** Upon termination of the BAA, PPTX will return or destroy all PHI received from the City, if feasible, or extend protections if destruction is infeasible. (Note: PPTX as a provider may have independent obligations to maintain patient records, so this will be addressed accordingly -- likely PHI will be retained by PPTX under continued protections rather than returned to the City).
- **Miscellaneous:** Definitions aligning with HIPAA (Privacy Rule, Security Rule, Breach, Unsecured PHI, etc.), no third-party beneficiaries (other than HHS rights), and that in case of any conflict between the BAA and the main Agreement, the BAA governs with respect to PHI privacy/security.

The Parties will execute a separate BAA document incorporating these terms. Once executed, that BAA will be attached hereto as Exhibit B and is hereby incorporated by reference. Until then, this placeholder summary indicates the Parties' commitment to enter a BAA as required by law.]

(End of Exhibit B placeholder)

Exhibit C -- Form of Utility Bill Addendum (Resident Notice)

(The following is a sample of the notice that will be provided to City of Garland utility customers regarding the telehealth program. This text may be adapted for format, but the core information will be conveyed as below.)

City of Garland -- New Telehealth Services Program

Access a Medical Provider Anywhere -- For Just \$6 a Month!

The City of Garland is excited to offer a new **Telehealth Services Program** for our residents, in partnership with Pathways Physicians Texas (PPTX). This optional program gives your household **access to medical professionals by phone or video** for common health concerns.

How the Program Works:

Beginning [Program Launch Date], a \$6.00 charge will appear on your monthly City utility bill labeled "Telehealth Services Program." This covers **unlimited** telehealth consultations for you and members of your household with board-certified doctors through our partner, PPTX. You can call, text, or video chat with a doctor **from 8:00 a.m. to 10:00 p.m., 365 days a year**. As a founding partner in this program, Garland residents will receive special pricing: \$6 per month for the first two years, \$7 for year three, \$8 for year four, and \$9 for year five.

There are **no copays, no per-call charges, and no insurance required**. The program is funded by the community for the community. Doctors can provide medical advice, diagnose many common conditions, and even prescribe medications if needed (sent to your local pharmacy). All from the comfort of your home!

What's Included:

- **Unlimited Telehealth Visits:** Connect with a doctor via phone or video as often as you need for everyday illnesses like flu, sinus infections, rashes, upset stomach, and more.
- **Quick Response:** Experienced medical providers are standing by. **95% of calls are answered within just a few minutes** or less, often much sooner. Getting the kids ready for bed? Early morning? Weekends? You'll still reach a doctor quickly.
- **No Additional Fees:** You pay only the monthly program fee. There is no charge at the time of service. Talk to the doctor as long as needed -- one flat rate covers it all.
- **Household Coverage:** The telehealth program covers everyone in your household (all family members living at your address up to 10 individuals). One fee per household, not per person. So, your spouse and children (or other household members) can all use the

service.

Opt-Out Option -- You're In Control:

Participation is **voluntary**. We hope you'll find this service valuable, but if you **do not wish to participate**, you may opt out at any time. To opt out, simply do one of the following:

- Call us at **[City Utility Department Phone Number]** and say you want to opt out of the telehealth program.
- Visit **[City's Telehealth Program Webpage URL]** and submit the opt-out form online.
- Or visit the Garland Utility Customer Service office in person.

If you opt out, the telehealth charge will be removed from your bill and your household will **not** have access to the telehealth services. There is no penalty to opt out. If you opt out before **[Program Launch Date]** (or within the first 30 days of being charged), we will ensure you are not billed or receive a full credit if already billed. **Important:** If you simply do not pay the \$6.00 on your bill, we will treat that as choosing to opt out, and you won't be billed further (and won't be able to use the service). It's best to contact us to formally opt out to avoid any confusion.

If you opt out now but change your mind later, you can opt back in during an open re-enrollment period (to be announced) or by contacting us to re-subscribe; the fee would then resume on your bill.

Privacy and How to Use the Service:

Using the telehealth service is easy and private. Here's what to do when you need to speak with a doctor:

1. **Text [Telehealth Text Number]** -- Identify yourself as a Garland resident in the program and provide your utility account number or enrollment info for verification. (Your information is confidential and only used to verify you're enrolled.)
2. **Consult with a Doctor:** A licensed Texas physician will promptly speak with you by phone or video. They will ask about your symptoms, medical history, and provide guidance. Everything you discuss is **protected by doctor-patient confidentiality and HIPAA** -- the City does **not** receive details of your medical consult.
3. **Get Treatment:** If it's something that can be handled via telehealth, the doctor will advise a treatment plan. If a prescription is needed, they can send it to your chosen pharmacy. If the issue is more serious and cannot be resolved remotely, the doctor will direct you to in-person care (like an urgent care or ER) and can provide a summary of

the concern for you to share with that provider.

4. **Follow-Up:** If you have questions after your consult or if symptoms change, you can call back -- remember, unlimited access. You may even get a follow-up message from the telehealth team to check on you.

The City does NOT have access to your personal health information. The only information the City receives is aggregated usage statistics (e.g., how many calls this month) to evaluate program success. Individual medical details are strictly between you, the doctors, and PPTX, protected under HIPAA. If you have a medical emergency, do **not** wait for a telehealth call---dial 9-1-1 immediately.

Why Telehealth?

This program is designed to improve healthcare access for Garland residents. Whether you have insurance or not, whether it's a weekend or holiday, you shouldn't have to make expensive ER trips for minor issues or wait days for an appointment. Telehealth is a convenient first stop for many common ailments and health questions. It's not meant to replace your primary doctor for regular checkups, but it can fill gaps and provide peace of mind anytime you're sick or concerned.

Questions?

- For questions about the telehealth service or what it can be used for, call **[PPTX Customer Support Number]** or visit **[PPTX Program FAQ link]**. They can explain how it works in detail.
- For questions about the billing or opt-out process, contact the City's Utility Customer Service at **[Utility Dept Number]** or email **[Utility Dept Email]**.
- To learn more, visit **[City's webpage for Telehealth Program]**, which includes FAQs, opt-out instructions, and links to resources.

We encourage you to give this program a try. For just \$6 a month, your household gains access to medical advice and care. Many issues can be resolved quickly over the phone -- saving you time and money. This is part of the City's commitment to community well-being and innovation in service delivery.

Thank you for being a valued resident of Garland. Here's to your health!

(End of Exhibit C notice)

Exhibit D -- City Marketing Commitments

To support and grow the telehealth program, the City agrees to undertake the following outreach and marketing efforts (at its own expense) in collaboration with PPTX:

1. **Quarterly Mailers / Bill Inserts:** At least once each quarter, the City will include a dedicated notice or informational flyer about the telehealth program in its utility billing mail-outs (or send a standalone mailer). These will highlight the program's benefits, remind residents of the service availability, and provide instructions on how to access care or opt out. Content for these mailers will be prepared jointly by the City and PPTX (with PPTX providing any necessary artwork or success stories), and the City will ensure they are mailed to all residential households.
2. **Social Media Promotion:** The City will promote the telehealth program on its official social media accounts. **At minimum, two posts per quarter** will be made on platforms such as Facebook and Twitter (or other platforms the City commonly uses) to raise awareness of the service. Posts may include general reminders about the program, tips for using telehealth (e.g., during flu season), or success anecdotes (subject to privacy considerations). PPTX can supply sample post text or graphics, but the City will tailor and publish them.
3. **New Resident Welcome Packets:** The City will include information about the telehealth program in materials provided to new residents or new utility account holders. This may be a brochure, a one-page insert, or a section in a digital welcome packet. The information will explain that the City offers this telehealth service, note the monthly Contribution (with opt-out rights), and instruct how to use the service. By ensuring every new resident learns of the program upon moving in, the City helps maintain or increase participation rates over time.
4. **Community Events and Health Fairs:** The City will facilitate PPTX's participation in local community health-related events. Specifically, the City commits to providing PPTX the opportunity to host a booth or table at **least one City-sponsored health fair or community wellness event per year** to promote the telehealth program directly to residents. Additionally, the City will invite or allow PPTX to participate in other relevant events (for example, neighborhood block parties, senior center events, etc., where appropriate). The City will also permit distribution of telehealth program literature at City facilities (such as community centers or libraries) in brochure racks or bulletin boards, subject to any standard City guidelines.
5. **City Website and Media Releases:** The City will maintain an up-to-date page on its official website dedicated to the telehealth program, which will include program details, FAQs, and links or phone numbers for access and opt-out. The City's communications department will also support the program with periodic media outreach: for example, issuing a press release or news blurb at program launch and on notable milestones

(such as "1,000 calls served in first 6 months" or any major enhancements to the program). The City may feature the program in its newsletters or e-news (if such communications exist) at least annually to remind residents of this available benefit. The City's Public Information Office will coordinate with PPTX on any press announcements to ensure accuracy and positive messaging, and will include quotes or participation from PPTX representatives as appropriate.

The City and PPTX will communicate regularly (for instance, via quarterly check-ins) to plan upcoming outreach efforts and share feedback on past initiatives. All marketing materials will adhere to City branding guidelines and be approved by the City prior to distribution, and PPTX will promptly provide any information or logos required by the City to fulfill these commitments. The Parties acknowledge that effective communication is key to the program's sustainability, and these commitments reflect the City's active role in that effort.

(End of Exhibit D)

Master Telehealth Services Agreement - Updated 091625

Final Audit Report

2025-09-17

Created:	2025-09-16
By:	Joel Wilson (jwilson@garlandtx.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAAzKzsyGXXCUsupcbR5ECDKVnrA77Fs3le

"Master Telehealth Services Agreement - Updated 091625" History

-  Document created by Joel Wilson (jwilson@garlandtx.gov)
2025-09-16 - 9:50:01 PM GMT- IP address: 47.187.247.166
-  Document sent to Dirk Perritt (dperritt@mdhealthpathways.com) and bdavis@bdaconsultinggroup.com for signature. One of them to sign
2025-09-16 - 9:51:44 PM GMT
-  Email viewed by Dirk Perritt (dperritt@mdhealthpathways.com)
2025-09-16 - 9:51:50 PM GMT- IP address: 74.125.214.67
-  Email viewed by bdavis@bdaconsultinggroup.com
2025-09-16 - 9:54:59 PM GMT- IP address: 146.75.164.0
-  Signer bdavis@bdaconsultinggroup.com entered name at signing as Dirk Perritt
2025-09-17 - 3:59:03 AM GMT- IP address: 104.62.145.134
-  Document e-signed by Dirk Perritt (bdavis@bdaconsultinggroup.com)
Signature Date: 2025-09-17 - 3:59:05 AM GMT - Time Source: server- IP address: 104.62.145.134
-  Document emailed to Judson Rex (jrex@garlandtx.gov) for signature
2025-09-17 - 3:59:07 AM GMT
-  Email viewed by Judson Rex (jrex@garlandtx.gov)
2025-09-17 - 12:23:26 PM GMT- IP address: 50.84.41.254
-  Document e-signed by Judson Rex (jrex@garlandtx.gov)
Signature Date: 2025-09-17 - 12:24:49 PM GMT - Time Source: server- IP address: 50.84.41.254

✔ Agreement completed.

2025-09-17 - 12:24:49 PM GMT



GARLAND

CITY COUNCIL STAFF REPORT

3

Meeting Date: December 15, 2025

Title: Workers' Compensation Cash Flow Plan Claim Reimbursement

Submitted by: Julia Whiteman, Risk Management Director

Strategic Focus Area: Sound Governance and Finances

Issue / Summary

Workers' Compensation Cash Flow Plan Claim Reimbursement

Background

The City partners with Texas Political Subdivisions (TPS), the third-party administrator for the Workers' Compensation Joint Self-Insurance Fund (the Fund), to manage employees' workers' compensation claims. Under Section 4 of the Fund's Interlocal Agreement Cash Flow Plan, the City must remit a monthly payment equal to the actual Claims Administration Fees and other applicable charges paid by the Fund in the preceding month. Payments are transmitted via wire transfer.

For October 2025, TPS reported total claims payments of \$258,658.78. While monthly payments of this type typically fall within the approval authority delegated to the Managing Director and City Manager, approximately 39% of the October amount relates to two complex claims. Risk Management staff reviewed the reimbursement billing to confirm accuracy and to monitor for any potential duplicate billing.

Consideration / Recommendation

Approve the October 2025 workers' compensation cash flow claims reimbursement payment to TPS in the amount of \$258,658.78, in accordance with the Interlocal Agreement.

Attachments

A. Invoice 3809_wccf_Garland_October 2025 Claims Reimb.

Texas Political
Subdivisions

PO Box 803356
Dallas, Texas 75380
Attn: Kathleen Pucci, CFO
kathleen.pucci@tpspool.org

Invoice

Invoice #	Billed Date	Due Date
3809	11/12/2025	11/30/2025

Bill To
City of Garland Risk Management PO Box 469002 Garland, TX 75046

Description	Coverage Type	Amount
Claim Payments Made On Your Behalf for October 2025 (see attached check register)	WCCF	258,869.48

<i>WCCF EFT Instructions - Wells Fargo Wire Rtg #121000248 or ACH Rtg #111900659 for Acct # 8304454179</i>	Total	\$258,869.48
	Payments/Credits	-\$210.70
	Balance Due	\$258,658.78



GARLAND

CITY COUNCIL STAFF REPORT

4

Meeting Date: December 15, 2025

Title: Office of the City Marshal Reporting Structure

Submitted by: Brian England, City Attorney

Strategic Focus Area: Sound Governance and Finances

Issue / Summary

Consider amending Section 24.05 of the Code of Ordinances to change the reporting structure of the Office of the City Marshal from the City Attorney to the City Manager.

Background

This amendment will return the Office of the City Marshal to reporting to the City Manager as it was prior to 2010.

Consideration / Recommendation

Approve the amendments to Section 24.05.

Attachments

A. Ord ____ COO City Marshal Amendment

ORDINANCE NO.

AN ORDINANCE AMENDING SECTION 24.05, "BAILIFFS OF THE MUNICIPAL COURT," OF CHAPTER 24, "MUNICIPAL COURT AND ADMINISTRATIVE ADJUDICATION," OF THE CODE OF ORDINANCES OF THE CITY OF GARLAND, TEXAS; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND SETTING AN EFFECTIVE DATE.

NOW BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GARLAND, TEXAS:

Section 1

That Section 24.05, "Bailiffs of the Municipal Court," of Chapter 24, "Municipal Court and Administrative Adjudication," of the Code of Ordinances of the City of Garland, Texas, is hereby amended to read as follows:

Section 24.05 ~~Bailiffs of the Municipal Court~~ Office of the City Marshal

(A) ~~The marshals, under the direction and supervision of the city attorney,~~The Office of the City Marshal shall provide security support for municipal facilities, conduct parking enforcement, serve as bailiffs of the municipal court, transfer prisoners being held on city warrants, execute warrants of arrest, subpoenas, capias and summons, and such other legal process issuing out of the municipal court, and perform all other nontraditional law enforcement duties and functions permitted by law and ~~approved—a~~ by the city ~~attorney~~manager.

(B) The ~~marshals~~city marshal shall be selected and appointed by the city ~~attorney~~manager, shall meet all qualifications necessary to be certified as a peace officer by the state commission on law enforcement officer standards and education, shall hold a commission as a state peace officer, and shall hire and appoint deputy city marshals to assist in performing nontraditional law enforcement duties and functions permitted by law and assigned by the city manager.

Section 2

That Chapter 24 of the Code of Ordinances of the City of Garland, Texas, as amended, shall be and remain in full force and effect save and except as amended by this Ordinance.

Section 3

That the terms and provisions of this Ordinance are severable and are governed by Sec. 10.06 of the Code of Ordinances of the City of Garland, Texas.

Section 4

That this Ordinance shall be and become effective immediately upon and after its passage and approval.

PASSED AND APPROVED this the _____ day of January, 2026.

CITY OF GARLAND, TEXAS

Mayor

ATTEST:

City Secretary



GARLAND

CITY COUNCIL STAFF REPORT

5

Meeting Date: December 15, 2025

Title: Garland Chamber of Commerce Annual Report and 2026 Action Plan

Submitted by: Ayako Schuster, Economic Development Director

Strategic Focus Area: Growing Economic Base

Issue / Summary

The Garland Chamber of Commerce will present its Annual Report for 2025. The Annual Report provides an overview of the Chamber's strategic initiatives and accomplishments in three key focus areas: business retention, workforce development and small business development. The Annual Report will also outline performance goals for the 2026 Annual Action Plan.

Background

On January 9, 2024, the City Council approved a renewal agreement with the Garland Chamber of Commerce to assist the city with economic development services. The agreement with the Chamber included formation of an Annual Action Plan with quarterly goals and performance metrics in three key areas: business retention, small business development and workforce development.

Based on the 2025 Action Plan, the Chamber is required to present a Mid-Year Report comprising of activities from January through June and a Year-End Report to City Council summarizing activities and accomplishments through December 2025. Chamber staff will also provide a preview of the 2026 Annual Action Plan.

The current agreement with the Chamber allows for an annual increase of \$27,760 (effective January 9, 2026) after successful completion of the 2025 Action Plan and approval of the 2026 Annual Action Plan. The total annual fee to the Chamber for Fiscal Year 2026 will be \$600,000.

Consideration / Recommendation

Discussion only.

Attachments

- A. 2025 Garland Chamber ED Partnership YEAR END Presentation 12.15.25



Garland
Chamber of
Commerce

YEAR END REPORT

ECONOMIC DEVELOPMENT
PARTNERSHIP CONTRACT
DECEMBER 2025



www.garlandchamber.com



AREAS OF FOCUS



BUSINESS RETENTION

Focus on sustaining and expanding the City's high-value property tax base by supporting retention services



WORKFORCE DEVELOPMENT

Collaboration with local educational institutions and the City to strengthen Workforce Development services



SMALL BUSINESS DEVELOPMENT

Strengthen the City's entrepreneurial spirit by enhancing Small Business Development services through collaborative efforts



BUSINESS RETENTION

STRATEGIC BUSINESS VISITS

Conducted 30

- Cosmax | 01/14
- Geomet Recycling | 01/22
- Lakewood Brewery | 01/24
- Master Hatters | 01/29
- Texton | 02/05
- TPI | 02/13
- Orlando Precision | 02/26
- National Circuit Assembly | 02/28
- Garrett Metal Detectors | 03/03
- The Country Malt Group | 03/14
- Collins Concrete | 03/18
- US Corrosion | 03/19
- J&A Manufacturing | 03/21
- IFS Industries | 03/21
- Bralco | 03/26
- CEG Solutions | 05/07
- Hajoca Corporation | 06/12
- Elliott Electric | 06/13
- AMPCO | 06/20
- Norfolk Iron & Metal | 06/30
- APS Building Supply | 06/30
- Brace Manufacturing | 07/15
- Encore Recycling | 07/25
- Mapei Group | 07/28
- Global Gourmet | 07/30
- Wilson Plywood | 08/20
- GDMI | 09/10
- Repkon USA | 09/29
- Classic Caps / Operation Caps | 10/01



STRATEGIC BUSINESS VISITS

Common Challenges

- **Talent Pipeline Development:** Partnerships with Dallas College and ISDs to create career pathways and focusing on the FAME program.
- **Upskilling and Training:** Position-specific training and leadership development through DCMA Leadership Academy.
- **HR Collaboration:** HR teams play a strategic role in workforce planning, retention, and reskilling. Host HR Forums to discuss and benchmark strategies to collaborate and find solutions.
- **Peer Driven Innovation:** DCMA facilitates peer collaboration to address shared workforce challenges. Members co-develop recruitment and retention strategies.



Job Fairs: Texas Workforce held a job fair for all Dallas County High Schools at the Curtis Culwell Center in September 2025.

STRATEGIC BUSINESS VISITS

Industry Needs

- **Growth and Expansion Trends:** Facility expansions to meet rising demand. Strategic relocations for logistics and labor access.
- **Tariff and Global Impact:** Tariff pressures on steel, aluminum and other items. Operational responses: Cost control, supply chain shifts and hiring freezes. HR collaboration to manage workforce volatility and reskilling.
- **Strategic Recommendations:** Invest in workforce partnerships and early talent engagement, monitor global trends and tariff impacts on operations, use HR as a driver for workforce agility. Leverage the DCMA for peer insights and collaborative solutions.



INDUSTRY ENGAGEMENT

Industrial Site Visits

Garland City Council Tours Two Local Manufacturers

In a continued effort to strengthen ties between local government and the manufacturing sector, members of the City Council joined the Dallas County Manufacturers' Association (DCMA) for guided tours of two leading facilities: Epiroc Drilling and Repkon USA.

These visits offered firsthand insight into the region's advanced manufacturing capabilities, workforce development initiatives, and global competitiveness.

Thank you to Councilmembers Chris Ott, Kris Beard, and Carissa Dutton for attending on behalf of the City of Garland.



 **Epiroc**



 **REP KON**
U S A

BUSINESS RETENTION

INDUSTRY ENGAGEMENT

Next Gen Sector Partnership (formerly DCMA Leadership Council)

Manufacturing Sector Industry Partners

- Epiroc
- Zobebe USA, Inc
- Kebler Group, LLC
- DOT it/NCCO Group
- Plastipak Packaging, Inc
- Anderson Corp
- A Brite Company, Inc
- Geomet Recycling
- Mark W King Consulting, LLC
- Kraft Heinz
- Daisy Brand
- AmpThink
- The Sherwin Williams Company
- Repkon USA
- Micron Industries
- TPI
- Clean Air Consultants
- Pregis North America

Training Initiatives / Resources

- One Stop Shop Tool
- Dallas College Ascend Institute
- Skills Development Fund
- FAME
- High School Diploma
- Work Study Mentorship Program
- Texas Working Off Campus Reinforcing Knowledge and Skills



WORKFORCE DEVELOPMENT

INDUSTRY-FOCUSED

Federation for Advanced Manufacturing Education (FAME)

FAME provides a stream of world-class maintenance technicians for manufacturing companies.

Participating Companies:

- Daisy Brand
- Plastipak Packaging
- Zobe/kdc one
- Kirchhoff Automotive
- Kraft Heinz

Current: Class 4 | 7 Students



DCMA Leadership Academy

This program equips manufacturing employees with the skills they need to take on advanced leadership roles.

Participating Companies:

- Daisy Brand
- Dot It/NCCO
- Epiroc Drilling
- Zobe/kdc one
- Clean Air Consultants
- Signicast
- Pregis North America

40 Participants



WORKFORCE DEVELOPMENT

PARTNERSHIPS | SKILLS ADVANCEMENT

DCMA Resource Expo – June 6th

- Hosted 10+ unique manufacturing companies and 10 resource exhibitors. Total attendees: 64
- Manufacturers heard presentations on the Next Gen Sector, a panel discussion on high school career pathways and MIT coursework / Training provided by Dallas College.



Manufacturing Day – October 3rd

- Hosted 15+ unique manufacturing companies and featured a keynote on energy savings. Total attendees: 127
- Welcomed 60+ Garland ISD students exploring careers in welding, engineering, robotics, industrial, and outdoor power.
- Students toured Epiroc Drilling Solutions, Plastipak Packaging, and Kraft Heinz facilities.

SMALL BUSINESS 100 RESOURCES



One-on-One

With every case being slightly different and differing in level of establishment, some businesses received one-on-one help with varying concerns such as: connections with CPA's, City representatives, SBDC and SBA, as well as one-on-one strategy sessions.



Workshops

- Touches common concerns on a general level.
- Strategically targets businesses engaged in the program, opening up the opportunity to be part of a roundtable.



Roundtables

- Cohorts of business owners intended to address day-to-day issues as a group to aid in the overall growth and development of their business.
- Meet once a month.

SMALL BUSINESS DEVELOPMENT

SMALL BUSINESS VISITS

2025 Engagement Recap

Each Business is/will be scored on a range from one to five based on where they are in the process.

- 1) Initial visit
- 2) Meeting with owner or business representative
- 3) Business has attended a workshop
- 4) Business is part of a roundtable or one-on-one help has initiated
- 5) We now have business success metrics and/or financials and are consistently checking in with their progress

Score	Count	%
1	8	12%
2	29	44%
3	11	17%
4	12	18%
5	6	9%
Total	66	100%

Conducted 31 of 30 Visits

- Las Crepas
- DCP Signs & Wraps
- Y by Yaya Glam & Gift Shop
- Cast Metal Works LLC
- Spyder Roofing
- Crafted
- Elik Dialysis
- Capital Auto Confiable LLC
- Road Roofing
- Vida Finance
- The Frocksy Vintage Vogue
- State & Main Merchant
- Karin Wiseman Collection
- Lazy Dog
- Fiestaville
- Tiendas Guanaco
- La Nueva De Zacatecas
- Cut-n-Edge
- CBG Surveying Texas LLC
- Josey Records
- First Graphic Services
- El Paisa Cocina Mexicana
- 1418 Cafe
- Ding Tea Garland
- Wildwood
- ARD Properties
- 3D Print Hub
- Royal's International Foods
- Planet Furniture
- GVA
- Super Smash



SMALL BUSINESS DEVELOPMENT

EDUCATIONAL OUTREACH

Workshops



21 Attendees



28 Attendees

Roundtable Topics

- Building connections and relationships with City representatives
- Assistance with business plans
- Delegating roles to non-family members or within family members
- Customer outreach and marketing strategies
- Customer retention tactics
- Sale "closing" strategies
- City events (how to find out about them, permits/approval process)
- Operations and company regulations
- Assistance with finances and funding opportunities





The GHBA is about building bridges, creating opportunities, and celebrating the entrepreneurial spirit that defines Garland.



PROXIMOS TALLERS

24

JUNIO, 2025

PLAN DE NEGOCIOS

12 :30 PM

22

JULIO, 2025

ESTADOS FINANCIEROS

12 :30 PM

27

AGOSTO, 2025

INTELIGENCIA ARTIFICIAL

12:30 PM

24

SEPTIEMBRE, 2025

PROPIEDAD INTELECTUAL

12:30 PM

28

OCTUBRE, 2025

CREACION Y GESTION DE MARCA

12:30 PM

Para inscribirse
escanea el
código





Garland Central Library
(Biblioteca Central)
625 Austin Street
Garland TX 75040

Presendado por:



Tome nota de la ubicación



BUSINESS LOCATIONS	
City	%
Garland	34%
Future Entrepreneurs	26%
BUSINESS TYPE	
Category	%
Future Entrepreneurs	36%
Professional Services	28%
Homeowner Services	20%
Restaurant	7%
Retail	6%
Manufacturing	3%
Health Care	1%
Non-Profit	1%
DISTRIBUTION OF ROLES	
Role	%
Owner	55%
Future Entrepreneurs	26%
Employee	12%
Manager	10%

ATTENDANCE BY MONTH		
Month	Actual Attendance	Registered
May	87	142
June	23	45
July	46	85
August	40	95
September	22	92
October	51	88
Avg. Attendance	45	91
Attended 2+ Workshops		28%
Attended Once		72%

NEW BUSINESS WELCOME | EVENTS

RIBBON CUTTINGS | NEW BUSINESS WELCOME

- Watermere Firewheel
- Y by Yaya Glam & Gift Shop
- Joseph Thomas Foundation
- RBFCU
- Next Care Urgent Care
- Core Personnel Staffing
- Elevate Life Psychiatry
- Pappy's Car Wash
- Bansfield Residential Assisted Living
- Elik Dialysis

DIRECT CONNECT

- Designed to help businesses initiate meaningful, strategic conversations and form new connections.
- YTD: Registration average 102 / Actual attendee avg. 90
 - Direct Connect After Hours: Registration: 58 / Actual: 39

GOLF TOURNAMENT

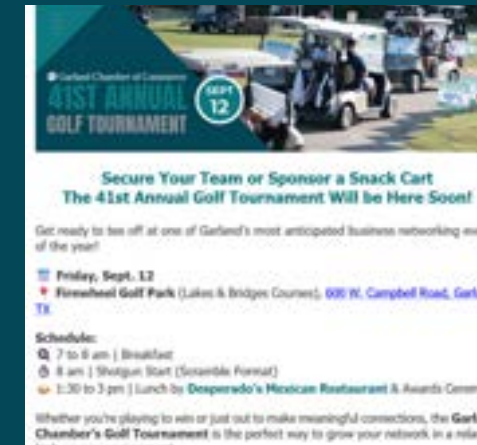
- Firewheel Golf Park | 158 players | 23 volunteers
- Sponsored by GP&L & Plastipak Packaging

WOMEN'S BUSINESS E-NITIATIVE

- Summer Luncheon: Level 5 Leadership | 60+ attendees
- Women's Health Fair | 50+ attendees
- Sponsor of Downtown Fall Wine Walk

LEADERSHIP GARLAND CLASS 45

- 29 Class Members



2026 PLAN



BUSINESS RETENTION

- Conduct 30 strategic business visits and compile a detailed report summarizing key business concerns and workforce challenges.
- Convene quarterly meetings of the NextGen Sector Partnership (formerly the DCMA Leadership Council) to address industry needs, workforce development issues, and HR collaboration opportunities.
- Host two industrial site visits for elected officials to strengthen understanding of local manufacturing operations and challenges.



WORKFORCE DEVELOPMENT

- Re-engage FAME employers by implementing a clear strategy and marketing roadmap to expand employer participation and apprenticeship placements.
- Expand the DCMA Leadership Academy from two to three cohorts, enhancing leadership pipelines within the manufacturing sector.
- Strengthen HR Forum engagement through quarterly meetings focused on industry-specific workforce challenges and best practices.
- Continue collaborative efforts between Dallas College, GISD, and industry partners to align training programs with local business needs.
- Support targeted job fairs to connect employers with qualified candidates.
- Continue to promote skills advancement opportunities through upskilling initiatives and certifications.
- Host the annual Manufacturing Symposium to showcase innovation, share best practices, and highlight workforce initiatives.



SMALL BUSINESS DEVELOPMENT

- Conduct 30 small business visits and increase engagement, report on key concerns, outcomes, and resource needs.
- Coordinate business openings and facilitate introductions to key leadership, mentors, and local resource partners.
- Host two annual Small Business Workshops and launch a third Roundtable focused on peer learning and collaboration.
- Deliver six Garland Hispanic Business Association (GHBA) workshops, expanding topics and increasing repeat participation to 35%.



Garland
Chamber of
Commerce

YEAR END REPORT --- THANK YOU!



www.garlandchamber.com





GARLAND

CITY COUNCIL STAFF REPORT

6

Meeting Date: December 15, 2025

Title: Code Compliance: Future Initiatives, Civil Citations Implementation, and Workforce Priorities

Submitted by: Brian Morris, Director of Code Compliance

Strategic Focus Area: Safe Community
Vibrant Neighborhoods and Commercial Centers
Future-Focused City Organization
Customer-Focused City Services

Issue / Summary

Code Compliance: Future Initiatives, Civil Citations Implementation, and Workforce Priorities.

Background

Code Compliance is reorganizing its operations to maximize effectiveness and customer service. Our current model has inspectors that are specialized in areas of enforcement (multifamily/single family rentals, commercial, and neighborhoods). Our new process will involve retraining staff to enforce all code issues ranging from multifamily, commercial, and neighborhoods.

The team has also been reorganized with four lead inspectors. Each will have 5 inspectors under their leadership. These teams will be assigned two council districts each, streamlining service and communication.

Code Compliance will be prioritizing beautification in commercial corridors, decreasing compliance time in residential neighborhoods, and increasing community engagement to enhance quality of life and foster economic development.

Consideration / Recommendation

Consider staff's recommendation and provide feedback.

Attachments

A. Garland_Code_Strategy_2026 Presentation



GARLAND

Code Compliance Department Overview

City Council Work Session: 12/15/25



Our WHY

Mission: Enforce state and local ordinances to ensure clean, safe, and healthy neighborhoods.

Vision: To be a responsive, innovative, and community-focused department.

Purpose: Promote public welfare, preserve property values, and uphold community standards.

C.O.R.E. Guiding Principles



CUSTOMER SERVICE – SERVING
RESIDENTS WITH RESPECT AND
TRANSPARENCY



OPERATIONAL EXCELLENCE –
STREAMLINING SYSTEMS AND
PROCESSES



RAPID RESPONSIVENESS – FASTER
RESOLUTION AND ENFORCEMENT



EMPATHETIC ENGAGEMENT –
PARTNERING WITH OUR COMMUNITY
FOR SUCCESS



FY24-25
Violation
Overview

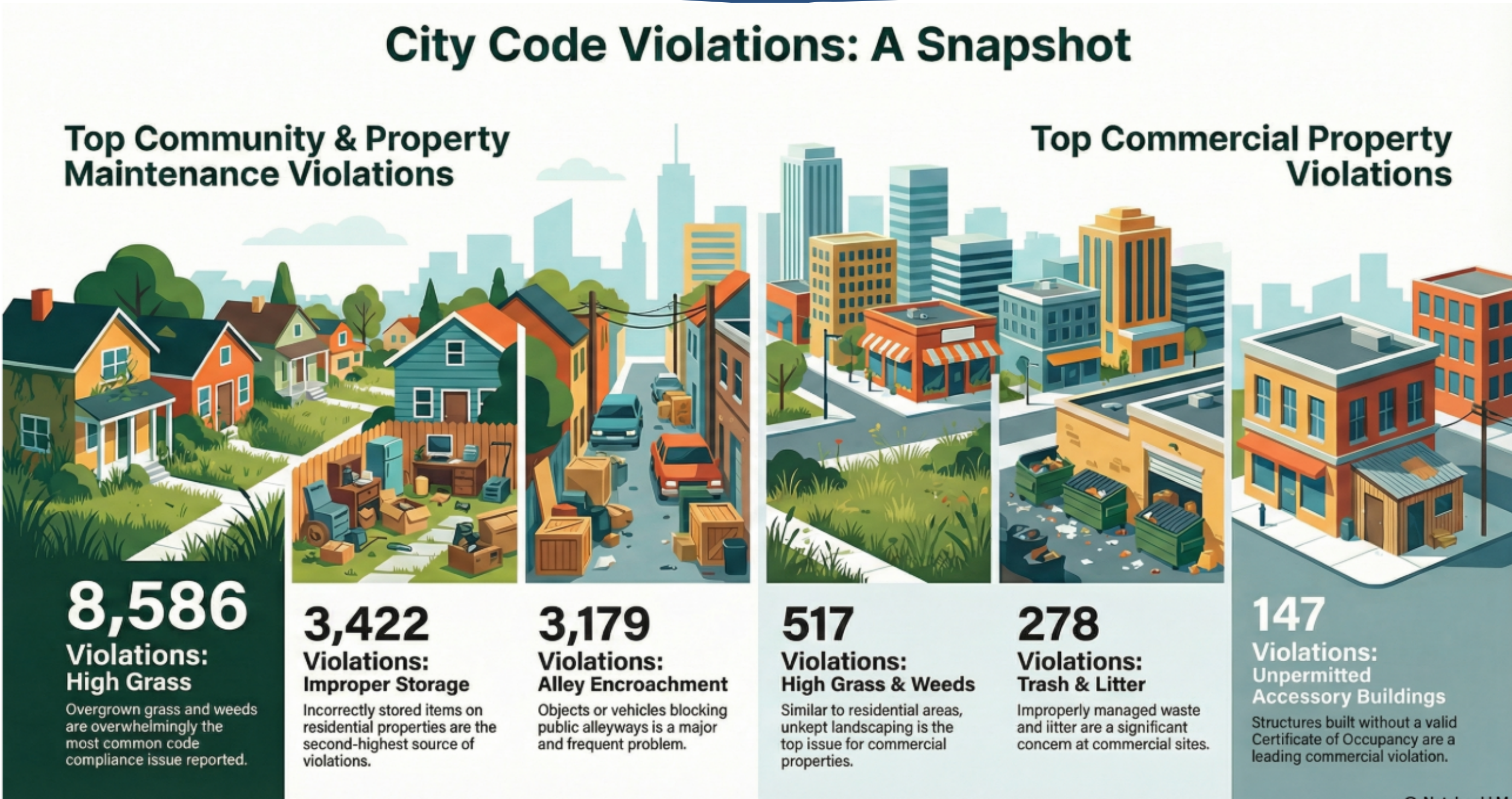
Metric	Value
Total Closed Violations	30,659
Average Days to Close	26
Median Days to Close	14
Proactive Violations (%)	86
Complaint Violations (%)	14

FY 24-25 Metrics

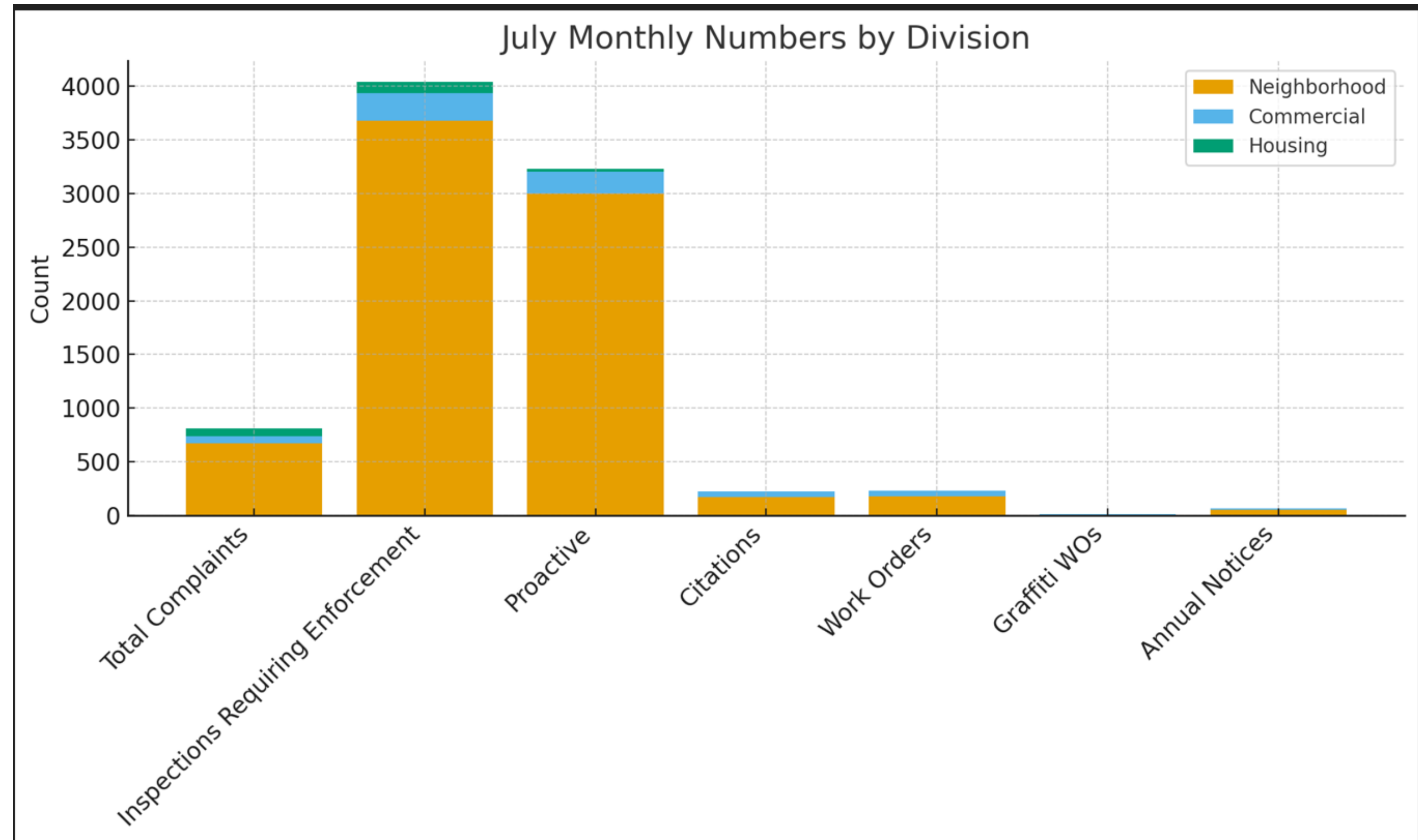


FY 24-25 Violations by the Numbers

- Economic Development and Housing Plans both emphasize neighborhood revitalization through Code Compliance as critical components for Garland’s success.



Monthly Workload Snapshot



In addition to the above inspections, yearly, Code inspects over 235 complexes with 25,000+ units of apartments (some take up to a week to inspect), along with 10,000+ Single Family Rentals, and 100+ Short Term Rentals. 4,637 Garage Sale permits were issued as well.

Proactive Priorities

Commercial Corridor curb appeal

Neighborhood safety and curb appeal (tall grass, junk vehicles, trash and debris)

Vacant/Nuisance Property enforcement

Rental Property maintenance

Code Cares and Community Outreach

Commercial/Industrial outdoor display

Businesses operating without C/O

Illegal Vending

Temporary signage

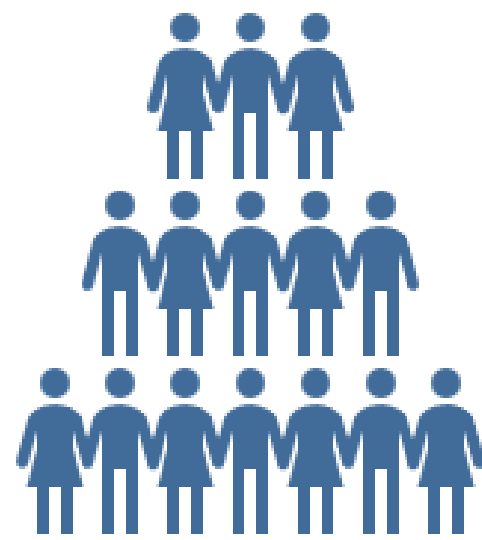
Garage sale enforcement

Short-Term Rental enforcement

New Initiatives



New Quadrant System



- Each quadrant led by a Team Lead with 5–6 Inspectors



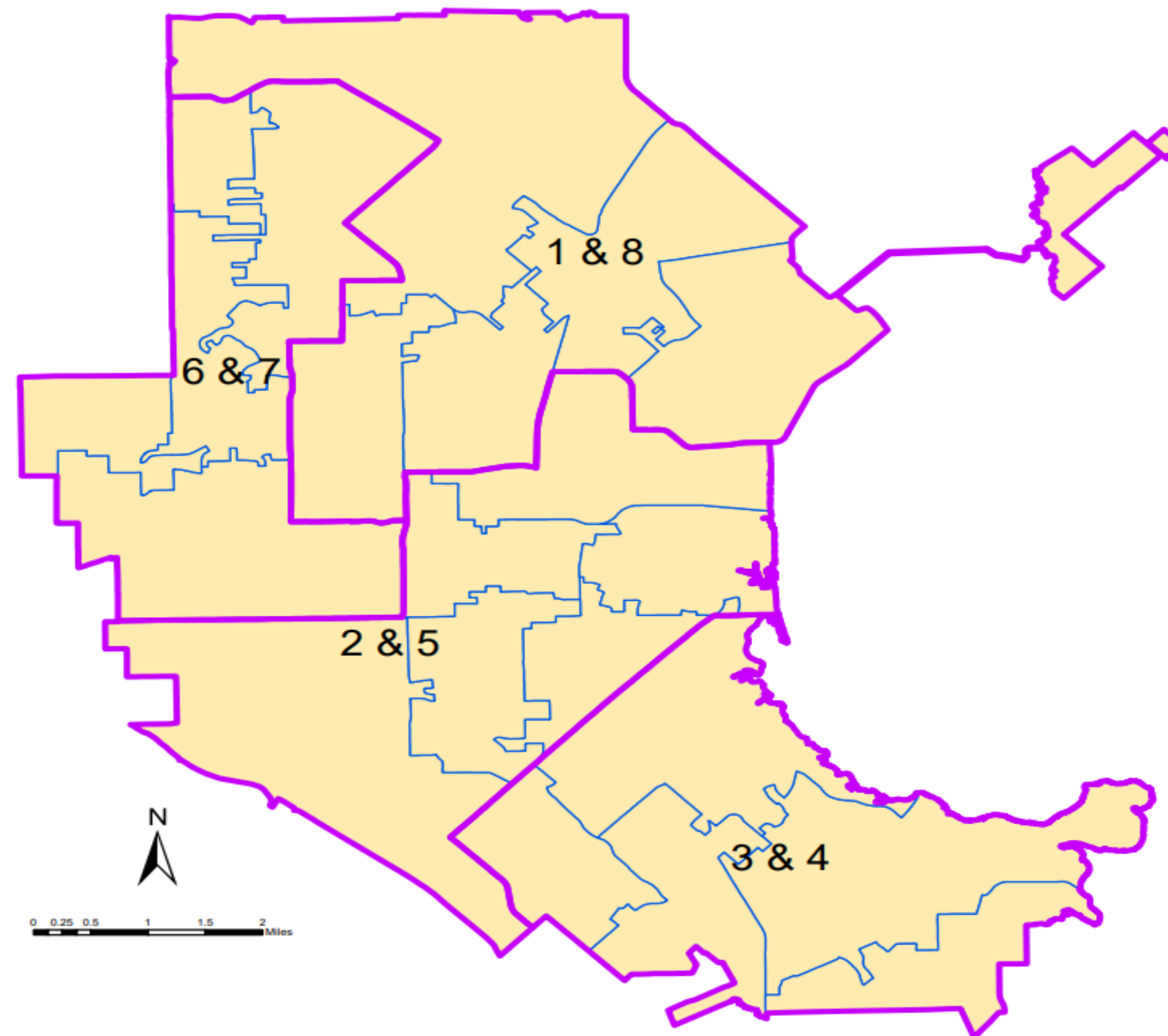
- Cross-training on Residential, Commercial, Multifamily, Rental Housing



- Promotes flexibility and faster response

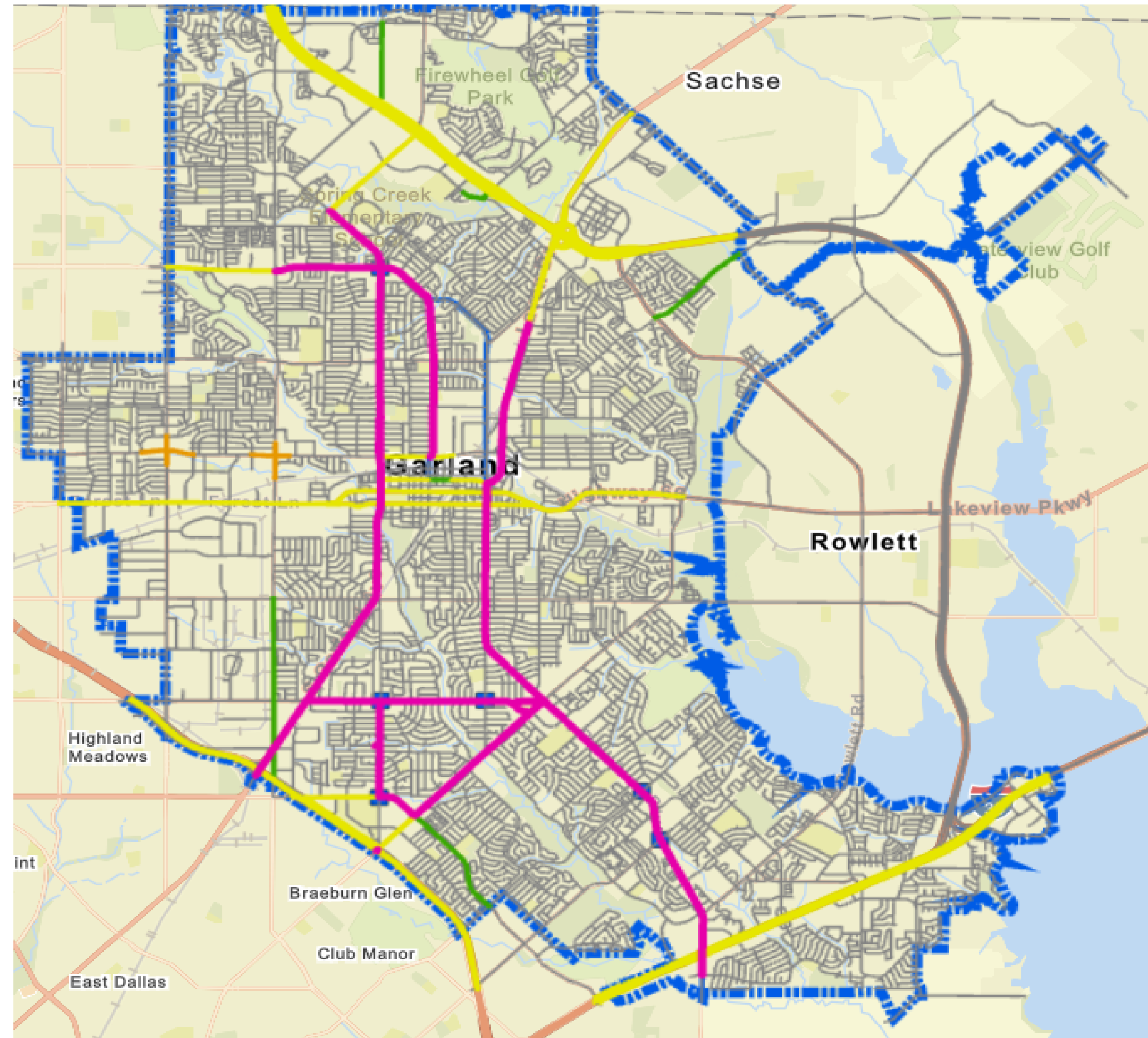


Code Quadrants





Strategic Focus (Commercial Corridors)



New Civil Citation Process

- Reduces compliance times

- 
- Increases abatements and faster resolutions

- 
- Improves court outcomes
 - Decreases caseload for Courts

Civil Enforcement: A Strategic Supplement to Criminal Enforcement

Why Add a Civil Process?

Faster Resolution: Civil citations move quickly, reducing months-long criminal case delays and accelerating neighborhood improvement.

Resource Efficiency: Frees prosecutors, courts, and officers from time-intensive criminal case preparation; allows more cases to be handled with the same staffing.

Cost & Time Savings: Less administrative work, fewer rechecks, streamlined hearings, and quicker compliance cycles reduce overall city workload.

Higher Compliance Rates: Fast, predictable penalties encourage immediate corrective action and reduce repeat violations.

Balanced Enforcement: Criminal actions remain available for serious or habitual offenders, while civil tools manage the majority of routine violations effectively.

Civil Citation Flowchart

Navigating Your Civil Citation: The Garland Process



Illegal Vending Enforcement Pilot Program



Vendor Enforcement Activity



14 Saturdays covered from
June 21- Sept. 13th



12+ citations issued across known
hotspots



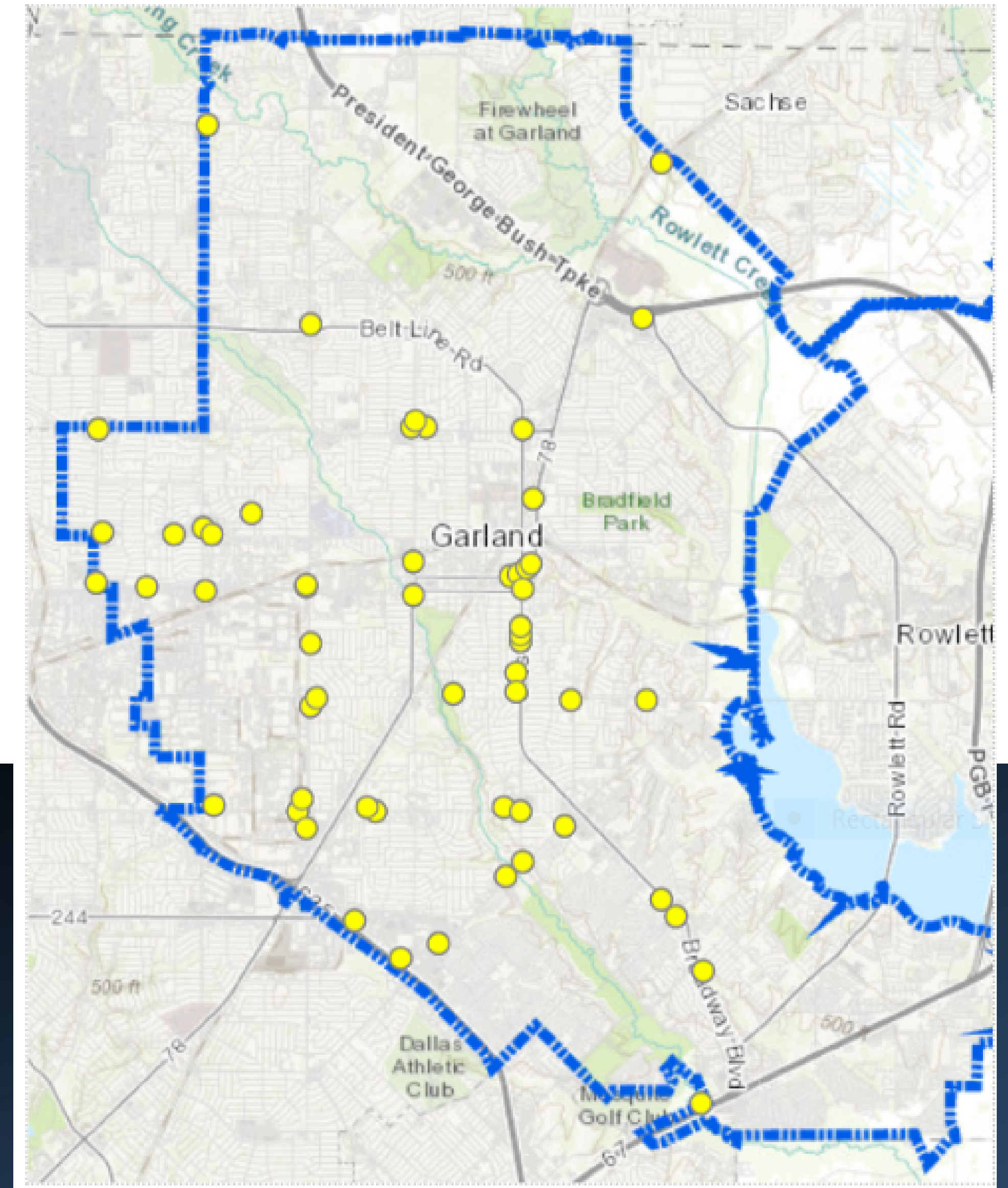
Examples:

- 3321 Broadway – Refused ID; PD support called; citation issued
- 5942 Broadway – Repeat contact; citations issued
- 1000 W Centerville – Habitual violator cited again



Complaint email and,
groundskeeper monitoring, and on-
call resources implemented for
continued maintenance

Tire Shop Locations (56 total)



Outdoor Display/Storage

Outside Display, Storage, & Sales – Key Rules (Temp)

- Max 5 ft from building; not on roofs
- Cannot block parking, traffic, or sidewalks
- Max height: 5 ft; not in ROW/easement
- Neat, orderly, litter-free
- Max 5 days per calendar month
- Outside Storage (Long-Term)
- Not between building & street; not stacked above building/screen height
- Must be screened **min. 6 ft high** (fence, wall, landscaping, or approved alternative)
- In **Industrial zones** (not visible from street) → wood or coated chain-link with slats allowed
- Enforcement Plan
- Public Information campaign has begun
- Enforcement focus beginning Feb 1st, 2026



December 1st Enforcement



Temporary Banners

Restore and Respond

Decrease compliance times & Improve neighborhood aesthetics (work orders tripled).

Invoic e s Bille d												
Ye a r	Oct	No v	De c	Ja n	Fe b	Ma r	Apr	Ma y	Jun	Jul	Aug	Se p
2026	125											
2025	83	37	17	5	9	7	25	29	75	114	125	129
2024	31	22	26	11	13	10	76	99	68	65	46	45
2023	103	72	6	2	12	13	50	94	128	78	48	48
Invoic e A moun ts												
Ye a r	Oct	No v	De c	Ja n	Fe b	Ma r	Apr	Ma y	Jun	Jul	Aug	Se p
2026	66939.6											
2025	43478.74	22414.6	8305	5701.97	4651	5095	14312.78	17811.6	40887.5	52642.8	70581.3	71702.6
2024	\$19,460.50	\$15,045.00	\$12,705.00	\$5,655.00	\$8,260.00	\$4,680.00	\$37,645.30	\$51,668.10	\$44,106.56	\$36,841.19	\$22,193.00	\$26,019.30
2023	\$49,732.90	\$42,577.40	\$6,865.08	\$1,080.00	\$8,481.40	\$5,543.00	\$22,941.14	\$37,412.70	\$60,508.11	\$38,435.00	\$25,530.00	\$25,242.42

Abatement Invoice Amounts by Month 2022-2025

Code is allocated \$200,000 per year to tall grass, illegal storage, demolition of structures, graffiti, among other violations.

Invoice Amounts													
Year	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total
2025	43478.74	22414.6	8305	5701.97	4651	5095	14312.78	17811.6	40887.5	52642.8	70581.3	71702.6	359609.9
2024	19460.5	15045	12705	5655	8260	4680	37645.3	51668.1	44106.56	36841.19	22193	26019.3	286303
2023	\$49,732.90	\$42,577.40	\$6,865.08	\$1,080.00	\$8,481.40	\$5,543.00	\$22,941.14	\$37,412.70	\$60,508.11	\$38,435.00	\$25,530.00	\$25,242.42	326372.2
2022	\$30,072.10	\$30,587.00	\$10,964.94	\$2,545.90	\$3,715.00	\$2,990.00	\$10,058.24	\$24,867.45	\$68,543.04	\$44,162.20	\$17,147.00	\$38,451.95	286126.8
Invoices Billed													
Year	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total
2025	83	37	17	5	9	7	25	29	75	114	125	129	655
2024	31	22	26	11	13	10	76	99	68	65	46	45	512
2023	103	72	6	2	12	13	50	94	128	78	48	48	654
2022	67	54	22	6	7	8	23	62	145	93	32	65	584

Code Cares!

- Code Cares: 82 staff-led and volunteer-led projects

- Community cleanups and beautification campaigns with Volunteer Coordinator.

- Partnerships with non-profits and neighborhood associations.

- Partnership with DAAA, Libraries, and PMR to assist 60+ residents with wheelchair ramps and grab bars.

Collaboration with DAAA, Libraries and PMR to provide Utility Assistance – 24 Seniors served (\$10,000+ in funding).

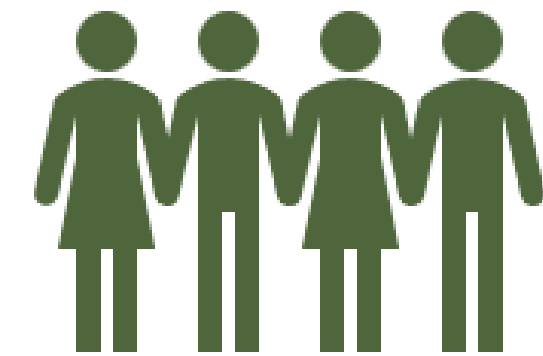
Code Cares Expansion



- \$20,000 annual budget for yard care for seniors



- Launching Code Tools Trailer for volunteers and residents in need



- Increasing partnerships with civic groups & nonprofits

Celebrate the Small Victories



RADIOS



8 SAFETY AND ICC
CERTIFICATIONS



CUSTOMER SERVICE
KIOSKS



UNIFORMS



TRANSLATION SERVICES

Thank You

Questions?



GARLAND

CITY COUNCIL STAFF REPORT

7

Meeting Date: December 15, 2025

Title: eAssist Workflow and Operational Update

Submitted by: Kevin Slay, Managing Director-Customer Service

Strategic Focus Area: Future-Focused City Organization
Reliable / Cost-Efficient Utility Services
Sound Governance and Finances
Customer-Focused City Services

Issue / Summary

Councilmembers Dutton and Williams have requested an overview of the City's eAssist system to better understand how citizen requests are received, routed, and resolved. The update will outline the workflow from ticket submission to closure, define Customer Service's role throughout the process, and present recent performance metrics such as ticket volume, average response and closure times, and escalation trends.

Background

The eAssist system allows residents to report concerns and request City services online. Submissions are routed to the appropriate departments for response and resolution, with Customer Service monitoring progress and communication. Councilmembers Dutton and Williams requested a review to ensure the process is efficient, transparent, and provides a positive customer experience.

Consideration / Recommendation

Council is requested to review the eAssist workflow and performance update and provide feedback or direction on potential process or system improvements to enhance efficiency and customer experience.

Attachments

- A. eAssist Power Point Presentation



GARLAND

City of Garland

eAssist





- Web-based citizen communication option
- Introduced in 2015 with over 80 issue types available to citizens
- Action items or issues submitted via the web or eAssist app
- Department assumes ownership of ticket once submitted
- Tickets are assigned a due date and require staff to act
- Submittals are not integrated into department's workforce management system (Water is integrated)
- Customer Service is responsible for general oversight and administration
- Non-emergency only viewed during normal business hours
- eAssist software update expected before years end, no impact regarding usernames and passwords



Participating Departments	
Animal Services	Health
Building Inspection	Marshal's Office
Code Compliance	Office of Fair Housing & Human Rights
Customer Service	Parks, Recreation & Cultural Arts
Engineering	Sanitation
Environmental Compliance	Streets
Firewheel Golf Park	Transportation
Garland Power & Light	Water/Wastewater



Top 10 Submitted Requests for FY25	
Parking Violations	5,348
Missed Garbage/Recycling Collection (worked by Customer Service)	1,866
Miscellaneous Code Compliance Requests	1,144
High Grass	1,069
Replace/Repair Damaged Trash or Recycle Container (worked by Customer Service)	836
Streetlight (Entered by Customer Service- Closed by GP&L)	731
Pothole Request - Minor	451
Signs - Traffic (Existing)	356
Request Trash or Recycling Container (worked by Customer Service)	307
Deceased Animal	283
Total	12,391
Total Submitted over All Request Types	16,399



eAssist

Citizen submits request through eAssist



Submission is transmitted to responsible department automatically or by Customer Service if submitted under “Other Issues and Questions”



Response

Submitter receives eAssist submission reference number

Submitter receives a “received notification” from the department responsible for the issue



eAssist

Department takes action, communicates an update or asks further questions, updates status



Department completes the submitted ticket



Response

Submitter receives a “in progress” notification and a comment notification. The requestor can provide additional information, if necessary

Submitter receives a “completed” notification

Internal Request Workflow



1. Citizen submits a request -
 - Request notification sent to the assigned department or staff member responsible for the service request type
2. Department Action -
 - Staff will initiate a corrective action plan such as entering issue into a workforce management system
 - Staff will update the request status and communicate the resulting action to the citizen
 - Customer Service acts as air traffic controller monitoring progress and intervening when necessary



3. Due Dates –

- Each request type is assigned a preset due date by eAssist
- Due dates have previously been determined by the responsible department
- Reminder notifications are sent prior to the due date
- Once an eAssist ticket becomes past due, the system sends additional email reminders to assigned staff and the department head
- Should a ticket exceed 7 days past due Customer Service makes contact with the department



Questions?



GARLAND

CITY COUNCIL STAFF REPORT

8

Meeting Date: December 15, 2025

Title: Council Discussion Regarding Council Policies and Procedures

Submitted by: Brian England, City Attorney

Strategic Focus Area:

Issue / Summary

Council will discuss proposed amendments to the 2025 Council Policies.

Background

This item was previously discussed at the November 15, 2025 Work Session.

Consideration / Recommendation

Approve proposed amendments.

Attachments

A. 2026 Council rules of order and policies REDLINED

2025
2026
CITY COUNCIL
of the
CITY OF GARLAND, TEXAS

**RULES OF ORDER AND
PROCEDURE
AND
CITY COUNCIL POLICIES**

ARTICLE I

CITY COUNCIL RULES OF ORDER AND PROCEDURE

Section 1 Authority under the City Charter

Article III, Section 9 of the City Charter provides that the City Council shall determine its own rules of order of business and procedures for meetings. These rules shall be in effect upon adoption by the City Council and from year to year until such time as amended, suspended or new rules are adopted in the manner provided.

Section 2 General rules for conducting Council meetings

(A) Regular meetings

Article III, Section 8 of the City Charter provides that regular meetings of the City Council shall be held at least twice each month. Section 10.14 of the Code of Ordinances establishes the first and third Tuesdays of each month as the time for those regular meetings. The City Council may otherwise prescribe the date for such meetings by ordinance or resolution. The meetings are generally held in the City Council chamber or at another public building within the city limits as designated by the City Council in the meeting notice.

(1) *Other locations.* The City Council may, occasionally, elect to meet at other locations and, upon such election, shall give public notice of the change of location in accordance with provisions of State law and the City Charter.

(2) *Location during a local emergency.* If by reason of fire, flood or other emergency, it is unsafe to meet in the City Council chamber, the meetings may be held for the duration of the emergency at such other place as may be designated by the Mayor or, in the Mayor's absence by the Mayor Pro Tem (or, in the absence of the Mayor Pro Tem, the Deputy Mayor Pro Tem, if one has been appointed) or the City Manager.

(B) Pre-council meeting work session

Prior to each regular City Council meeting, the City Council may conduct a work session in order to allow the City Council to informally review items of interest that may be scheduled for formal presentation at future City Council meetings, or that are strictly informational in nature. The City Council may not take formal action on items presented at the work session, unless specified in the posted agenda.

(C) Special meetings and emergency meetings

Pursuant to Article III, Section 7 of the City Charter, special meetings may be called at any time by the Mayor or by two or more members of the City Council. The City Secretary shall post notice thereof as provided by State law. Special meetings may be held at any location as long as such meetings are conducted in accordance with State law and the City Charter. In case of emergency or urgent public necessity (which shall be expressed in the notice of the meeting), an emergency meeting may be called by the Mayor or by two members of the City Council, and it shall be sufficient if the notice is posted two hours before the meeting is convened. Diligent effort to notify all Councilmembers shall be made prior to the emergency meeting. (Texas Government Code, Sec. 551.045)

(D) Adjourned meetings

The City Council may adjourn any regular, adjourned regular, special or adjourned special meeting to a time and place specified in the order of adjournment pursuant to the provisions of the Texas Open Meetings Act. (Texas Government Code, Section 551)

(E) Executive sessions

The City Council may meet in executive session during any regular or special meeting, or anytime otherwise authorized by State law, to consider, hear or decide any matter which is authorized by State law to be heard or considered in executive session. The City Council may exclude from any such executive session any person or persons which it is authorized by State law to exclude from such sessions. The general subject matter for consideration shall be expressed in an open meeting before such session is held. Councilmembers are prohibited from disclosing the nature of discussion from a closed session unless required by law.

(F) Notice of meetings

Notice of meetings and the agenda for all City Council meetings shall be posted by the City Secretary on the City's website and official bulletin board pursuant to the requirements of the Texas Open Meetings Act. (Texas Government Code, Section 551)

(G) Quorum

Article III, Section 6 of the City Charter provides that five members of the nine member City Council shall constitute a quorum to do business and the affirmative vote of five of those present shall be necessary to adopt any ordinance or resolution, except as required by City Charter or State law.

(H) Chair

Article III, Section 4 of the City Charter provides that the Mayor shall preside at all meetings of the City Council. The Mayor may participate in the discussion of all matters coming before the City Council. The Mayor shall be required to vote as a member on legislative and other matters. The Mayor shall have the authority to preserve order at all City Council meetings, to enforce the rules of the City Council, and to determine the order of business under the rules of the City Council. The Mayor shall also have the power to administer oaths.

(1) *Absence of Mayor.* Article III, Section 4 of the City Charter provides that the City Council shall elect from among the Councilmembers a Mayor Pro Tem who shall act as Mayor during the absence or disability of the Mayor. The City Council may elect from among the Councilmembers a Deputy Mayor Pro Tem who shall act as Mayor during the absence or disability of the Mayor and Mayor Pro Tem.

(2) *Absence of Mayor and Mayor Pro Tem.* When the Mayor and Mayor Pro Tem are absent from any meeting of the City Council, the Deputy Mayor Pro Tem, if one has been elected, shall act as Mayor Pro Tem. If all three are absent, the members present shall choose another member to act as Mayor Pro Tem and that person shall, for the duration of the meeting, have the powers of the Chair.

(I) Attendance by the public

Article III, Section 10 of the City Charter requires that all meetings of the City Council shall be open and public in accordance with the terms of provisions of the Texas Open Meetings Act, except executive sessions or closed meetings allowed by State law. Citizens and other visitors attending City Council meetings shall observe the same rules of propriety, decorum and good conduct applicable to members of the City Council.

(J) Minutes

In accordance with the provisions of Article III, Section 9, and Article IV, Section 5 of the City Charter, minutes of City Council meetings will be kept. Minutes will include final motions with votes. The minutes will also reflect the names of public speakers.

(1) *City Council approval of minutes.* Minutes of meetings are generally submitted to the City Council ~~within two weeks~~ by Tuesday of the week before the next Regular Meeting of the City Council for approval.

(2) *Recording of meetings.* Audio and/or visual recordings of proceedings, other than executive session proceedings and meetings of the Civil Service Commission, are maintained by the City Secretary as required by law. Audio recordings of executive session proceedings and the Civil Service Commission shall be maintained by the City Attorney.

(K) Translation/Listening devices and closed captioning

(1) The Council Chambers at Garland City Hall shall be wheelchair accessible, and ADA parking shall be available on State Street as well as in the public parking garage behind City Hall. Listening devices or interpretation/translation services shall be made available to persons who may need assistive listening devices or interpretation/translation services. Closed captioning shall be available on televisions within the council chambers.

(2) Garland City Council meetings are livestreamed and available on-demand at GarlandTX.tv. They are also broadcast on Spectrum Channel 16, Frontier Channel 44 and AT&T Uverse Channel 99. Closed captioning is available for each in English and Spanish.

Section 3 Order of business at meetings of the City Council

(A) General order of proceedings

City Council meetings will be generally conducted in the following order, unless otherwise specified, or determined by the Chair or the City Council. An executive session may be held at any time during a meeting pursuant to applicable State law.

WORK SESSION AGENDA

- ☐ Public comments
- ☐ Consider consent agenda
- ☐ Written briefings
- ☐ Verbal briefings
- ☐ Identify future agenda items

- ☐ Executive session (if any)
- ☐ Adjourn

REGULAR MEETING AGENDA

- ☐ [Pledge of allegiance/invocation]*
- ☐ [Mayoral proclamations, recognitions, and announcements]*
- ☐ Consent agenda/approval of minutes
- ☐ Regular agenda
- ☐ Consider appointments to boards and committees
- ☐ Citizen comments (“open mike”)
- ☐ Executive session (as needed)
- ☐ Adjournment

* These items may be taken up by the City Council prior to the commencement of official business

(B) Numbering and indexing of agenda items

All items of any nature shall be numbered consecutively for purposes of consideration on the agenda. Upon passage, the City Secretary shall separately index all ordinances and resolutions.

(C) Consent agenda

The consent agenda shall contain routine, non-controversial items that require City Council action but typically require little or no City Council deliberation. Any item on the consent agenda may be removed from the consent agenda and thereby be made subject to discussion and deliberation by any member of the City Council, staff or a person in attendance at the meeting. Agenda item(s) removed from the consent agenda by the request of a Councilmember, citizen or staff will be considered after approval of the remaining consent agenda, or may be postponed to a future meeting in the event the Chair, with the concurrence of the City Council, determines that the item requires extensive deliberation.

Section 4 Rules of procedure for conducting Council business

(A) General procedure

These rules, consistent with the City Charter and any applicable City ordinance, statute or other legal requirement, shall govern the proceedings of the City Council. To the extent not inconsistent with these rules, City Council proceedings shall generally be guided by the rules of procedure set out in Roberts Rules of Order, Newly Revised, (hereinafter “RONR”) a copy of which shall be retained by the City Secretary and made available for inspection by the public during normal business hours.

(B) Authority of the chair

The Chair shall make decisions on questions of procedure subject to review by the City Council as a whole. The Chair, with the consent of the City Council, may appoint a parliamentarian from outside the City Council to assist the Chair in interpreting the rules of procedure governing City Council meetings, and shall offer advice to the Chair as requested by the Chair or any member of the City Council. The Chair, shall, upon request of a member of the City Council, inform the City Council as to the advice given by the parliamentarian. Following a decision of the Chair on a question of procedure, any two members of the City Council shall be entitled to appeal the decision of the Chair by the making, and seconding of, an appeal. See RONR.

(C) Council deliberation and order of speakers

The Chair has been delegated the responsibility to control the debate and the order of speakers. Speakers will generally be called upon in the order of the request to speak. With the concurrence of the Chair, a Councilmember holding the floor may address a question to another Councilmember and that Councilmember may respond while the floor is still held by the Councilmember asking the question. A Councilmember may opt not to answer a question while another Councilmember has the floor.

(D) Limit deliberations to item at hand

After an agenda is announced by the Chair, the City Council may discuss the item without the need for a motion on the item. Councilmembers will limit their comments to the subject matter or motion being currently considered by the City Council. All discussions shall be germane to a posted agenda item.

(E) Obtaining the floor

Except as provided in RONR, any member of the City Council wishing to speak shall obtain the floor by being recognized by the presiding officer. The Chair shall recognize any Councilmember who seeks the floor when appropriately entitled to do so and may decide to allow verbal or electronic recognition of Councilmembers.

(F) Motions

Motions may be made by any member of the City Council, other than the Chair. Any member of the City Council, other than the Chair and the person offering the motion, may second a motion.

(G) Procedures for motions

The following is the general procedure for making motions:

(1) Before a motion can be considered or debated, it shall be seconded.

(2) A Councilmember who wishes to make a motion, except as provided in RONR, shall first obtain the floor.

(3) A Councilmember who wishes to second a motion shall do so by through a verbal request to the presiding officer.

(4) Unless otherwise required or provided by law, a motion (other than a procedural motion) made and seconded, unless stated otherwise, shall include, without necessity of reference, a motion to close the public hearing on the matter if the matter is one which includes a public hearing. A Councilmember wishing to continue the public hearing shall move to continue the public hearing, and if seconded shall be voted upon before the main motion. No discussion shall be permitted on a motion to continue the public hearing.

(5) Once the motion has been properly made and seconded, the Chair shall open the matter for discussion offering the first opportunity to the moving party and, thereafter, to any Councilmember properly recognized by the Chair.

(H) Motions to amend a motion

When a motion is on the floor and an amendment is offered, the amendment shall be acted upon prior to acting on the main motion. No motion of a subject different from that under consideration shall be admitted as an amendment. A motion to amend an amendment shall be in order, but one to amend an amendment to an amendment shall not be in order. Action shall be taken on the amended amendment prior to any other action to further amend the original motion.

(I) Abstention or recusal

(1) If a Councilmember abstains because of a legal conflict that Councilmember is not counted as present for quorum purposes and is not deemed to be “voting” for purposes of determining whether there has been a “majority vote of those voting and present,” unless otherwise required by law.

(2) When a Councilmember has a legal conflict and is required to abstain or be recused from a portion of a City Council meeting, the Councilmember shall complete the necessary affidavit regarding the conflict.

(3) Pursuant to Article III, Section 6 of the Charter, a Councilmember who is present and not required by law to abstain from voting shall vote on every measure for which a vote is called; a refusal to vote constitutes a vote of “no” on the measure.

(J) Special Charter or statutorily-mandated voting requirements

Some actions taken by the City Council require more than a simple majority vote for approval as required by either the Charter or State law, including:

(1) *Charter amendments - Two-thirds vote:* An ordinance submitting a proposed Charter amendment must be adopted by at least a two-thirds vote of the full City Council. (Texas Local Government Code, Section 9.002(a), Article XI, Section 5, Texas Constitution).

(2) *Changing paving assessment plan - Two-thirds vote:* Changes in plans for paving assessments require a two-thirds vote of the full City Council. (Texas Transportation Code, Section 313.053).

(3) *Protested changes in zoning ordinance - Three-fourths vote:* If a proposed change to a zoning regulation or boundary is protested by owners of twenty percent or more of the area of the lots or land included in such proposed change, or of the area of the lots or land immediately adjoining the area covered by the proposed change and extending 200 feet therefrom, the affirmative vote of at least three-fourths of the full City Council is required for the proposed change to take effect. (Texas Local Government Code, Sec. 211.006(d); Garland Development Code; Council Policy, Article II, below.)

Section 5 Public hearings

(A) The City Council procedure for the conduct of public hearings is generally, but not required to be, as follows:

(1) Staff presents its report.

(2) Councilmembers may ask questions of staff.

(3) The Chair opens the public hearing.

(4) The applicant or appellant then has the opportunity to present comments, testimony, oral arguments. In the case of an appeal when the appellant is different from the applicant, the appellant shall be called upon first to provide comments or testimony. The applicant or appellant may have a total of fifteen minutes for a presentation when recognized by the Chair. The initial comments or presentation shall be limited to ten minutes and the rebuttal or concluding comments shall be limited to five minutes.

(5) Councilmembers may ask questions of the applicant/appellant.

(6) Members of the public are provided with the opportunity for comments and testimony in accordance with these Rules, including without limitation Sections 7 and 8, below.

(7) The appellant or the applicant is given the opportunity for closing comments.

(8) The City Council deliberates on the issue.

(9) If the City Council raises new issues through deliberation and a majority of the City Council seeks additional public testimony, additional public comment and testimony is permitted in accordance with these Rules.

(10) The City Council deliberates and takes action.

(11) The Chair announces the final decision of the City Council.

(B) Any public hearing being held, noticed or ordered to be held by the City Council may, by order, notice or motion, be continued to any subsequent meeting subject to the provisions of the Texas Open Meetings Act.

(C) Remote attendance

Unless otherwise necessitated by a public emergency, the following shall apply to Councilmembers attending public meetings remotely:

(1) a Councilmember may only remotely attend Council meetings held in the Council Chambers. Each Councilmember may only remotely attend one public meeting per calendar year; however, the Mayor may allow a Councilmember to remotely attend additional meetings for good cause;

(2) the Mayor, or the Councilmember acting as the presiding officer, must attend the meeting in person; and

(3) members of boards, commissions, and committees may not remotely attend meetings.

Section 6 Public testimony at meetings

(A) Determining whether speakers are present

When a matter comes before the City Council, the Chair will open the public hearing. Upon opening the public hearing, and before any motion is adopted related to the merits of the issue to be heard, the Chair shall determine if speaker's cards have been submitted by persons who intend to speak or register a position or the Mayor may inquire if there is anyone present who desires to speak on the matter which is to be heard or to present evidence regarding the matter.

(B) Public member request to speak

Any person wishing to address the City Council regarding a matter on the agenda shall complete and present a speaker's card to the City Secretary before or as soon as reasonably possible after the close of the vote on the matter. Prior to speaking, the speaker shall complete the speaker's card and sign the card under penalty of perjury, or shall, if so allowed by the Chair, be sworn by the City Attorney or other person authorized to administer oaths. Upon being recognized by the Chair, the person may speak or present testimony relevant to the matter being heard. No person may speak without first being recognized by the Chair. Each person wishing to speak on the matter shall be limited to three minutes. Speakers are advised to obtain all information necessary for their presentations prior to the meeting: The opportunity to speak is given to provide testimony rather than to question the City Council or staff. The Chair may call a speaker out of order if the speaker presents questions or requests for information that will unduly delay the transaction of business at the meeting.

(C) Identification of speaker

When called upon, the person to speak shall come to the podium and state his or her name and address. If speaking for an organization or other group, the speaker shall identify the group represented. A person who does not wish to testify may nonetheless register a position on an agenda item by completing a speaker's card. The person's position on the matter shall be read into the record but the person is not required to address the City Council.

(D) Time limits

The Chair, with the concurrence of the City Council, may alter any of the enumerated time allocations based on the complexity of the item and the number of persons wishing to speak on the item.

(E) Designation of spokesperson

To expedite matters and to avoid repetitious presentations, the designation of a spokesperson is encouraged. Whenever any group of individuals wishes to address the City Council on the same subject matter, those individuals are encouraged to designate a spokesperson. Any person present at the meeting may, in lieu of speaking, designate a spokesperson by indicating the designation on his or her speaker's card. With the consent of the City Council, the Chair may extend the time allocation for a designated spokesperson. In this regard, three or more speakers may yield their time to a single speaker and such speaker shall be given two minutes per speaker up to a maximum of ten minutes provided that each of the persons who have agreed to yield their time to the designated spokesperson have completed a speaker's card and have indicated thereon the person's consent to the designation. The designating person's position on the matter shall

be read into the record.

(F) Comments addressed to City Council

All remarks shall be addressed to the City Council as a whole and not to individual members or other speakers. Questions, if any, shall be directed to the Chair who will determine whether, or in what manner, an answer will be provided. Questions shall not be addressed to individual members or to other speakers.

(G) Questions of speakers

Members of the City Council who wish to ask questions of a speaker or each other during the public hearing portion may do so, but only after first being recognized by the Chair. Interaction with the speaker shall be limited to a question or questions, rather than an ongoing dialogue.

(H) Motion to extend a speaker's time to speak

In fairness to all speakers, a question may not be presented solely for the purpose of providing the speaker with more than the allotted time for the speaker unless a motion is made and approved extending the time for the speaker.

(I) Materials for public record

All persons interested in the matter being heard by the City Council shall be entitled to submit written evidence or remarks. All such evidence presented will be retained by the City Secretary as part of the record of the hearing, in accordance with the requirements of State law.

(J) Germane comments

No person will be permitted to speak about matters or present evidence which is not germane to the matter being considered. A determination of relevance shall be made by the Chair, but may be appealed to the full City Council.

Section 7 Staff presentations

Staff presentations will be concise and will provide factual background information on the item as well as a recommendation for the City Council. Written presentations shall, to the extent possible, be provided to the City Council before the meeting.

Section 8 Appointments to boards and commissions

(A) Appointments to boards and commissions shall, unless otherwise required by law, be made by minute action reflecting the unanimous consent of the City Council, unless a

Councilmember requests that the appointment be deliberated by the City Council.

(B) In the event a Councilmember appoints an individual who resides in a District that is not the district represented by the Councilmember, the appointing Councilmember shall make a reasonable effort to discuss the appointment with the Councilmember of the district in which the proposed appointee resides prior to offering the position to the appointee.

Section 9 Citizens' comments – "Open Microphone"

(A) A portion of the regular City Council meeting is set aside for members of the public to address the City Council on any item of City business that is not formally scheduled on the agenda. Members of the public who desire to speak shall electronically register at a kiosk or complete a speaker card prior to the close of the citizens' comment period and present it to the City Secretary.

(B) A portion of City Council work session meetings and committee meetings shall be set aside for members of the public to address the City Council, or committee as the case may be, on any item that is formally scheduled on the agenda. Members of the public who desire to speak shall complete a speaker card prior to the opening of the meeting and present it to the City Secretary or the staff liaison of the committee.

(C) Citizens' comments related to items not on the agenda are generally permitted at the end of the regular City Council meeting, as specified on the agenda. A speaker's comments shall be limited to three minutes and the citizens' comment period shall not exceed thirty minutes. Speakers shall be allowed to speak on a first-come, first-to-speak basis as determined by the order in which the City Secretary receives the speaker's card provided that residents of Garland shall be given priority in the order of speakers if it appears to the chairperson that not all speakers will be able to speak within the allotted time. If at the end of the citizens' comment period all speakers who are still present and willing to speak are not offered an opportunity to speak at the meeting, those who have been allowed to speak at that meeting may not speak during the citizens' comment period at the next following meeting at which a citizens' comment period is offered until all other speakers have been allowed to speak. A speaker who was present and willing to speak at a meeting, but who was unable to speak because time ran out will be given priority in the order of speakers at the following citizens' comment opportunity regardless of the order in which the City Secretary receives the speaker's card, again provided that residents of Garland will be given first priority in the order of speakers regardless whether such citizens were present at the previous meeting. In such event, at the subsequent meeting the chair shall provide additional time, not to exceed 30 minutes, to accommodate all of the speakers then present. It is not the intent of the City Council to limit or control the content of any speaker's message, but to hear first from residents of Garland.

(D) In compliance with the Texas Open Meetings Act, the City Council may not question, deliberate or vote on any matter raised in citizens' comments. The City Manager may request staff to provide information requested by a speaker or investigate a matter

raised by the speaker.

Section 10 Rules of decorum

(A) Speakers shall not present the same or substantially the same items or arguments to the City Council repeatedly or be repetitious in presenting their oral comments. A speaker shall not present argument on a matter previously considered by the City Council at the same session.

(B) Persons attending City Council meetings should observe the same rules of propriety, decorum and good conduct as they would show in a courtroom, a place of worship, or at any other serious or solemn occasion during which matters of importance are being considered. Visitors will refrain from engaging in chatter, private conversations, and from making other distracting noises while the City Council is in session. Phones and other electronic devices should be set to off or silent mode. Visitors should not applaud, boo, clap, or otherwise audibly express approval or disapproval of the speech of another person in a loud and raucous manner calculated to disturb the meeting.

(C) Visitors attending City Council meetings may not bring food or drink other than water into the City Council chamber.

(D) No person shall display or cause to be displayed any sign, placard, poster or banner within the City Council chamber in such a manner as to impede the use of the aisles or exits, interfere with the use of the seating area, obstruct the view of another or in any other manner disturb or interfere with the orderly conduct of the meeting. A sign, placard, poster or banner may not exceed more than six square feet in surface area and may not be attached to any stick, pole or other appurtenance that could be used as a club or deadly weapon.

(E) Only one person at a time may stand at the speaker's podium, unless the speaker is a child or requires an interpreter or other special assistance or unless the person is appearing as a group receiving a recognition or award presented by the Mayor or City Council.

(F) No person may approach nearer the City Council than the front of the speaker's podium without leave of the Chair. A speaker may not bring to the podium any bag or other container. Recording equipment (including cameras, microphones, tripods and supporting equipment) may not be used within any seating area or aisle in such a manner as to impede the use of the aisles or exits, interfere with the use of the seating area or obstruct the view of another, but may be set up behind the public seating area or at the sides of the City Council chamber to the front of the public seating area, no nearer to the podium than the edge of the raised portion of the City Council seating area. For safety purposes, standing or sitting in any aisle used for ingress or egress into the City Council chamber is not allowed. The maximum occupancy limitation for the City Council chamber will be enforced by the Chair. Overflow crowds may stand in the public area outside the City Council chamber provided that hallways, exits, and elevator areas must remain unobstructed.

(G) Members of the City Council shall silence cell phones and other electronic devices during all public meetings. The use of personal cell phones, tablets, or other electronic communication devices is prohibited during executive sessions.

Section 11 Waiver of rules

As referenced in RONR, certain procedural rules contained in federal law, state law or the City Charter cannot be suspended. As referenced in RONR, certain rules of order can only be suspended by two-thirds vote. Other rules may be waived or suspended by a majority vote of the Councilmembers present (but not less than five votes) when it is deemed that there is good cause to do so, based upon the particular facts and circumstances involved.

Section 12 Non-exclusive rules

The rules set forth are not exclusive and do not limit the inherent power and general legal authority of the City Council, or of its presiding officer, to govern the conduct of City Council meetings as may be considered appropriate from time to time, or in particular circumstances, for purposes of orderly and effective conduct of the affairs of the City.

Section 13 Non-observance of rules

Rules adopted by the City Council are solely to expedite and facilitate the transaction of the business of the City Council in an orderly fashion shall be deemed to be procedural only, and the failure to strictly observe any such rules shall not affect the jurisdiction of, or invalidate any action taken by, the City Council.

Section 14 Disruption of meetings and violations of rules of decorum

(A) The City Council recognizes and affirms the right of the public to attend and participate in public meetings by providing comment on items on the agenda, and on matters not on the agenda during the “Open Microphone” period of the Regular Meeting of City Council. No provision of these Rules of Order and Policies should be construed to unlawfully restrict the public’s right to attend and participate in public meetings.

(B) Although the public has a right to attend and participate in public meetings, the City Council reserves its right to adopt reasonable policies and procedures to address behavior that disrupts the ability of a public body, including boards and commissions, to conduct its business effectively and productively. This right includes, but is not limited to, adopting regulations on public testimony that are enforced fairly and without regard to the viewpoint of the speaker. For the purpose of this Section 14, a meeting disruption shall be a violation of the Rules of Procedure and Policies that substantially interferes with the body’s ability to conduct business. The term does not include language used during a person’s three (3) minutes of public testimony that may be considered insulting, provocative, confrontational, or profane and is not otherwise a violation of law.

(C) In the event a person violates a provision of the Rules of Order and Policies that results in a meeting disruption, the presiding member shall warn the individual that he or she is in violation of the Rules of Order and advise the person that if their disruptive behavior continues that he or she will be asked to sit down and remain quiet for the remainder of the meeting. In the event the individual further continues to disrupt the meeting, the presiding officer may order the individual to leave the premises.

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ARTICLE II

CITY COUNCIL POLICIES AND COUNCIL DIRECTIVES

Division 1 COUNCIL OPERATING PROCEDURES

Section 1 Placing items on an agenda

(A) Other than matters nominated for discussion during the “Future Agenda Items” segment of the regular agenda (as provided below), the Mayor, individually, or any two or more members of the City Council may request in writing (which includes email) that an item be placed on an agenda for consideration by the City Council as a whole. The request shall be made to the City Manager. If the request is made by a Councilmember, the member shall provide the City Manager the name or names of the member(s) who seconds the request. Unless otherwise specified by the requestor, the City Manager shall cause the item to be placed on the next available agenda of the type designated by the requestor (that is, a work session or regular agenda). The requestor must provide adequate detail of the request to the City Manager to allow proper posting of the matter under the Open Meetings Act and to provide other members of the City Council with sufficient information about the request to prepare to discuss the matter. Unless the matter is of such urgency as to constitute an emergency within the meaning provided by the Texas Open Meetings Act, or if the item requires the calling of a special meeting, the matter must be submitted not later than the close of business one week before the next meeting of the City Council.

(B) Each work session agenda prepared by the City Manager shall include a segment entitled “Future Agenda Items”. During the future agenda items segment, a member of the City Council may offer a matter for future consideration by the City Council. The suggested topic must obtain a second from one or more members of the City Council in order to be placed on a future agenda. If a second is obtained, the Mayor will direct the City Manager to place the matter on a subsequent agenda or, with the concurrence of the City Council, refer the matter to a committee.

(C) Other than routine matters placed on an agenda by staff (such as bid approvals, zoning requests, and the like) and emergency items, no matter that requires official action by the City Council will be considered without first having been discussed at a work session.

Section 2 Political and other endorsements by members of the City Council

A member of the City Council may endorse a candidate or a cause by using the Councilmember’s name and position, such as the term “Mayor, Garland, Texas”, “Councilmember, District __, Garland, Texas” or similar phrasing. A member of the City Council may not, in an endorsement, imply that the City of Garland - as an entity - has endorsed any such candidate or cause unless the City Council has formally voted as a body to provide that endorsement. In that regard, the City Council is generally constrained by

law from endorsing a candidate or cause in an election. A member of the City Council may not use a City or departmental logo or trademark in providing an endorsement of a candidate or cause in an election, nor may the member use City personnel or supplies to do so. A member of the City Council may use a City or departmental logo or trademark in the conduct of City business unrelated to an election.

Section 3 Council committees and outside boards

(A) Purpose

Due to the complexity and diversity of City government issues, City Council may elect to send some issues to a Council committee for a closer review.

The City Council may appoint from among its members, representatives to outside boards, councils and groups ("outside boards"), such as the Dallas Regional Mobility Council and the North Central Texas Council of Governments (and its sub-councils, such as the Regional Transportation Council). In order to provide a mechanism for continuous evaluation and discussion of these various issues beyond the limited time available at regularly scheduled work sessions and to properly manage its representation on outside boards, the City Council adopts this policy regarding the set up and use of Council committees and for appointments to outside boards.

(B) Assignment to committees

Agenda items may be assigned to a committee by the Mayor, with the consent of the City Council, or by the City Council.

(C) Standing committees

The City Council shall have the following standing committees, aligned with the management responsibilities assigned to City staff by the City Manager:

- ☐ Administrative Services Committee
- ☐ Audit Committee
- ☐ Community Services Committee
- ☐ Development Services Committee
- ☐ Public Safety Committee
- ☐ Transportation, Infrastructure, and Mobility Committee
- ☐ Intergovernmental Affairs Committee

Each committee, after receiving an assignment from the Council, will consider policy decisions and actions; study issues; evaluate options; and develop recommendations. The committees shall serve in an advisory capacity only, and no committee shall have any authority to make final decisions regarding the merits or resolution of any matter assigned

to or considered by it.

(D) Standing committee responsibilities

The standing committees identified below shall have the following general responsibilities:

Administrative Services Committee

Items that may typically be directed to the Administrative Services Committee include, but are not limited to:

- ☐ Additions/revisions to Council policies.
- ☐ Updates on internal procedural modifications.
- ☐ Specific budget items.

Audit Committee

The Audit Committee shall assist the City Council in fulfilling the Council's oversight responsibilities for the Internal Audit Department, reporting practices, internal control, and compliance with laws, regulations and ethics within the limits described in the City Charter. The Internal Audit Department shall have access to all information necessary to perform its functions under the City Charter (to the extent permitted by law) and shall operate independently of management and free of organizational impairments.

The Audit Committee will consist of seven members, three of whom shall be members of the City Council appointed by the Mayor, and three of whom shall be appointed by the City Manager. The Internal Auditor shall serve as a member and provide staff support to the committee. Only Councilmembers may vote.

The Audit Committee shall meet at least quarterly, or more frequently as needed, and shall:

- ☐ Review and approve the Internal Audit Charter
- ☐ Approve the Internal Audit Department Annual Plan
- ☐ Receive and consider special written requests for audits from Councilmembers and the City Manager
- ☐ Adjust the Annual Audit Plan as necessary to accommodate changes in the operating environment.
- ☐ Review the results and performance of the Internal Audit Department on a quarterly and annual basis
- ☐ Review proposed Internal Audit budget considering available resources
- ☐ Review summary of findings and recommendations of audit reports
- ☐ Review the annual external audit results and findings

Community Services Committee

Items that may typically be directed to the Community Services Committee include, but are not limited to:

- ☐ Creating new or modifying existing codes and ordinances related to parks and recreation, public health and code compliance
- ☐ Reviewing grant program applications
- ☐ Considering incentive programs for neighborhood revitalization

Development Services Committee

Items that may typically be directed to the Development Services Committee include, but are not limited to:

- ☐ Creation of new, or modification to existing codes and ordinances related to zoning, platting and building, engineering and transportation standards and requirements

Public Safety Committee

Items that may typically be directed to the Public Safety Committee include, but are not limited to:

- ☐ Additions and revisions to Council policies as they relate to public safety
- ☐ Review of local, county, state and national legislative changes as they relate to or may affect public safety
- ☐ Updates on policy modifications relating to public safety

Transportation/Infrastructure/Mobility Committee

Items that may typically be directed to the Transportation [Infrastructure/Mobility] Committee include, but are not limited to:

- ☐ Reviewing regular reports and updates regarding current street, mobility, or other transportation projects and future areas of focus
- ☐ Reviewing current policies and programs regarding infrastructure construction, replacement or rehabilitation means, methods, funding, or cost-sharing.
- ☐ Discussing research and policy considerations concerning transportation mobility
- ☐ Working with staff to explore new ideas to improve infrastructure and mobility initiatives

Legislative and Public Affairs Committee

Items that may typically be directed to the Legislative and Public Affairs Committee include, but are not limited to:

- ☐ Review Council policies as they relate to building and maintaining relationships with other governmental entities such as School Board
- ☐ Review of local, county, state and national legislative changes
- ☐ Recommending legislative agenda items to the full Council

(E) Ad hoc committees

Ad hoc committees may be created by the Mayor, with the consent of the City Council, or by the City Council, and its members appointed by the Mayor for a specific purpose, project or issue. The committee shall continue until the project is completed, at which time it will be dissolved, unless earlier dissolved by the Mayor, with the consent of the City Council. To the extent not inconsistent with the nature of ad hoc committees, ad hoc committees shall comply with the rules applicable to standing committees.

(F) Committee recommendation and Council consideration

Each committee shall prepare reports and make recommendations to the City Council at a work session regarding every matter assigned to or considered by the committee.

(G) Composition of committees

Each committee shall be composed of three members of the City Council. The Mayor shall serve as an ex officio member on each committee with the right to discuss any matter that is under consideration, but the Mayor shall have no vote nor serve as chair at the committee level. Any member of the City Council may attend any committee meeting, but only appointed members may participate in deliberations and voting. Testimony from someone not on the committee is permitted at the pleasure of the Chair.

(H) Appointments and vacancies

Within ten business days after the swearing-in of all Councilmembers after a City Council election, a Council Committee Interest Form (see sample attached) shall be completed by each member of the City Council and returned to the Mayor. Within ten business days following the submission of the Council Committee Interest Form, the Mayor shall make his or her nominations to the Council's committees and outside boards and deliver those nominations to the City Manager for distribution to the City Council, which shall be done by posting them as an agenda item in advance of the meeting at which the City Council will vote upon such nominations thereby providing the City Council at least 72 hours

advance notice of the Mayor's proposed committee assignments. The City Council may accept or disapprove the Mayor's nominations. The Mayor will make nominations and make new nominations as needed to fill vacancies, in a manner that will assure continuity on the Council's committees and outside boards.

(I) Term of office

The term of office of any member of a standing committee or outside board begins upon confirmation by the City Council. The term continues until the member has resigned from the committee or outside board and a replacement is confirmed, the City Council has voted to remove the member from the committee or outside board, or until the committee member no longer holds a position on the City Council.

(J) Chair

The Chair of each committee shall be selected by the Mayor.

(K) Convening meetings

The committee Chair shall have the responsibility for convening the committee as necessary.

(L) Minutes of meetings

Committees shall keep minutes of their meetings. The minutes shall provide a summary of all business discussed or considered, action taken, the outcome of any votes, and those persons present at committee meetings. When completed, the minutes shall be signed by the Chair and filed with the City Secretary and promptly posted on the City's website.

(M) Agenda postings

Notice of all committee meetings shall be posted in accordance with the Texas Open Meetings Act. Such notices shall be posted in a manner that contemplates the attendance of a quorum of the City Council.

A "notice of potential quorum" or other appropriate posting that complies with the requirements of the Texas Open Meetings Act shall, at the request of any councilmember, be posted for meetings and events sponsored by entities other than the City in a manner that allows for the lawful attendance and participation of a quorum of the City Council.

(N) Recommendation regarding the continuation of committees

The Mayor shall annually review the activity of existing committees to identify inactive committees and provide a report to the Council recommending which committees should be established, continued, or dissolved.

Section 4 Appointments by the City Council to outside organizations of which the City is a member

(A) Under State law or by reason of contract or other arrangement, the City is represented in the affairs of certain organizations that exist independently of the City. The City appoints, or approves the appointment of, representatives to those organizations who serve as voting members of the governing bodies of those organizations. Those persons are charged with representing the interests of the City. Currently, those organizations consist of the (1) Texas Municipal Power Agency; (2) North Texas Municipal Water District; (3) Dallas Area Rapid Transit Authority; (4) Garland Housing Finance Corporation; (5) Garland Economic Development Authority; (6) Garland Health Facilities Development Corporation; (7) Civil Service Commission; and (8) Dallas Central Appraisal District. If an organization is created subsequent to the adoption of this policy to which the City is entitled to appoint a representative to the governing body of the organization, this policy shall apply until specifically amended to apply to the organization.

(B) It is the intent of the City Council that the term of service is “at will” such that the representative may be removed without cause. If, by law, an appointment is for a definite period and an appointed representative may not be removed at will, controlling law shall prevail.

(C) In order to provide for timely appointments to the organizations, the City Council shall be advised at least sixty days in advance of the expiration of a representative’s term of office. At the time of such advice to the City Council, the City Manager shall cause a notice to be placed on the City’s website, in the Garland City Press and through other available community-related electronic communication tools such as Neighborhood Chatter and Nextdoor for a minimum of twenty-one days in order to provide citizens the opportunity to apply for the position. Such notice shall include information for the public that explains the purpose and function of the organization and the role of the appointee. At the close of the 21-day period, applications for the position, or recommended appointees to be approved by the City Council, will be presented to the City Council to allow the City Council to interview candidates for the position. At the close of the interview process, if one is held, the City Council shall make its appointment, or approval, by minute action or resolution, as prescribed by law.

(D) Persons appointed by the City Council shall provide periodic, but not less than annual, updates to the City Council regarding the activities of the organization to which they have been appointed.

Section 5 State and Federal legislation and rule-making proceedings

(A) The Managing Director of Legislative & Public Affairs, with the assistance of the City Manager, shall apprise the Legislative & Public Affairs Committee of pending matters of legislation or rule-making that may affect the interests of the City. The Mayor,

Intragovernmental Affairs Committee, or any two members of the City Council may request that a legislative or rule-making initiative be presented to the City Council for a formal determination by the City Council of endorsement or opposition. The City Attorney may, in the exercise of his or her professional discretion, determine to take action on or intervene in support of or opposition to a legislative or rule-making matter subject always, however, to the prerogatives of the City Council as the policy-making body of the City.

(B) This policy is not intended to prohibit or restrict a member of the City Council acting as a private citizen, and not on behalf of the City, from participating in legislative or rule-making matters provided the Councilmember does not in any way imply that the position of the Councilmember is the official position of the City unless the City Council has so decided. A member of the City Council may accurately represent himself or herself as an elected official and as a member of the City Council, but may not use City resources, staff, letterhead, official email, or any City-approved logo in doing so.

Section 6 Council budget for travel, business expenses, and equipment

(A) In the budget presented to the City Council for its consideration each year, the City Manager shall suggest an amount to be budgeted for the anticipated expenses of the City Council consistent with the provisions of this policy. The City Council shall consider the suggested funding and approve the amount, decrease the amount, or increase the amount as it considers necessary and proper. The funding should be sufficient to provide for City Council travel and other business expenses and City-provided equipment consistent with this policy and Article III, Section 3 of the City Charter, which provides for the reimbursement of necessary expenses incurred in the performance of a councilmember's official duties when approved by the City Council.

(B) The City Council shall provide adequate funds for travel and related expenses so that the Mayor and each member of the City Council has the opportunity to attend meetings, conferences, or events of organizations in which the City is a member if such expenses are approved by the City Council in accordance with subsection (D).

(C) The City Council shall provide adequate funds for travel and related expenses to enable the Mayor or other members of the City Council to attend meetings, events, and conferences relating to and advancing the City's interests in addition to those described in subsection (B) if such expenses are approved by the City Council in accordance with subsection (D).

(D) The expenses budgeted and authorized under subsections (B) and (C) must be approved by the City Council in advance unless the attendance of the Mayor or another member of the City Council is of such an urgent, unforeseen, and important nature that advance approval of expenses by the City Council cannot reasonably be obtained in a timely manner. Examples of urgent and unforeseen circumstances include attendance at legislative proceedings (federal/state/local), expenses made necessary by natural disasters,

appearances at official business as compelled by law, and the like. Such unforeseen expenses may be approved by the Mayor (or by the Mayor Pro Tem in the event the Mayor will incur or has incurred such expenses). The City Council retains the authority to approve any travel that has been disapproved by the Mayor (or Mayor Pro Tem, as the case may be).

(E) A Councilmember shall provide a report on any meeting attended at the expense of the City at the next regular meeting of the Council. If multiple Councilmembers attended the same event, a joint report may be made. The City Manager will provide the City Council with an annual written briefing on Council travel and related expenses.

(F) The following general rules apply to travel (in town and out-of-town) and other City-related expenses incurred by the Mayor and the City Council:

- ☐ *Registration and necessary membership fees for the organizations described in subsection (B).* Membership and registration should be completed through the office of the City Manager in advance, when possible.
- ☐ *Transportation for City-related business.* Councilmembers may select the appropriate mode of transportation. Payment or reimbursement of transportation expenses, however, will be based upon the most economical mode of transportation that is reasonable under the circumstances.
 - If a Councilmember drives a personal vehicle on City business, reimbursement will be made at the lower of either the current mileage reimbursement rate published by the United States Internal Revenue Service or the most economical airline rate to and from the destination. A mileage accounting shall be filed using the City's standard personal mileage trip sheet form and shall have attached thereto a calculation of mileage as determined by an on-line trip mileage calculator.
 - Airline reservations should be made well in advance of the trip in order to take advantage of any discounted fares.
 - Rental vehicles are authorized for out-of-town trips where the Councilmember does not have use of a personal vehicle, but only when the amount of travel while at the destination will make a rental vehicle more economical than a shared ride, complimentary shuttle or taxi service. If a rental vehicle is used, all supplemental car rental insurance and damage waivers should be declined. Car rental reservations must be made through the office of the City Manager.
- ☐ *Meals for City-related travel.* The City will pay a per diem for meals based on the current published U.S. General Services Administration (GSA) allowance. GSA

allowance rates are available on-line at www.gsa.gov and will be based on the location at which the meal purchase is made. If the location is not listed in the GSA tables, the standard rate will be used. For less than complete days spent on authorized travel, the GSA allowance will be prorated as follows: Breakfast - 20% of GSA allowance; Lunch - 30% of GSA allowance; Dinner - 50% of GSA allowance. The GSA allowance will also be reduced pro-rata for any meal for which the City will otherwise pay or the expense for which is otherwise avoided. Examples include, without limitation, a luncheon provided to attendees at a conference, a dinner provided as part of a social event related to the City business, or breakfast provided as part of the airfare to or from an event.

- *Out-of-town lodging accommodations.* The City will pay for lodging accommodations through the duration of the meeting, seminar or City-related business travel event. If accompanied by a family member or others, the Councilmember will pay any difference between the single and double- or multiple-occupancy rates, if any, for the accommodation.
- *Miscellaneous travel-related expenses allowed.* Reasonable baggage handling, parking (including valet parking fees if reasonable and necessary) tolls, service and similar gratuities and expenses are allowed while on authorized travel. Receipts are not required but the amount must be reflected on the expense report.
- *City-related equipment, office products, and supplies.* The City will provide each member of the City Council with:
 - A laptop computer or tablet with Wi-Fi or other remote access capabilities;
 - Business cards
 - A cell phone or a cell phone stipend, payable monthly
 - Official City-branded shirts and nametags

Ordering and delivery of equipment, especially computer or City-network connected equipment, must be coordinated with the Office of the City Manager in order to insure consistency of equipment capabilities and cost control. Equipment problems shall be referred to the Office of the City Manager. Each member of the City Council is responsible for promptly returning all City-provided equipment, access/ID cards, and keys (if any) to City facilities upon completion of the member's term of office. A Councilmember may, on completion of the member's term of office, purchase the laptop computer or tablet provided to that member for not less than fair market value if the device is considered obsolete and will be replaced by an upgraded device. Fair market value for the device will be determined by the City's IT department.

(G) The following expenses are categorically disallowed and will not be paid or reimbursed by the City and may not be charged to City-issued credit or debit cards or otherwise:

- ☐ Trip or travel insurance
- ☐ The personal portion of any trip, including without limitation the expenses attributable to family or companions
- ☐ Premium or first-class lodging, transportation or meals
- ☐ Alcoholic beverages
- ☐ In-room movies, games or other entertainment
- ☐ In-room meal service fees (the meal is reimbursable if otherwise allowed under this policy)
- ☐ Valet service (with the exception of required valet parking)
- ☐ Laundry service or garment rental (with the exception of laundry service for out-of-town stays of more than seven days)
- ☐ Gratuities in excess of 20%
- ☐ Entertainment costs, including theater, movie, or sporting event tickets, recreational expenses (such as greens or cart rental fees for golf) or the like
- ☐ Political contributions or attendance at political or charitable events
- ☐ Non-mileage personal driving expenses such as repairs, traffic citations, and insurance
- ☐ Personal losses incurred while on City-related business
- ☐ Cash advances on a City-issued "P-Card"

(H) While the City Charter provides that the Mayor and the members of the City Council are entitled to be reimbursed for certain expenses, it is the policy of the City that neither the Mayor nor any Councilmember will be issued or may hold a City P-Card or other means of unilaterally charging expenses to the City. If the Mayor or a member of the City Council is owed more than \$100.00 in reimbursement, the office of the City Manager shall process an accounts payable request through the City's accounts payable system. If less than \$100.00 is owed, reimbursement may be made from an appropriate petty cash fund. If the Councilmember owes the City money, the Councilmember must reimburse the City within twenty business days after completing travel or incurring the expense. A check payable to the City shall be attached to the original, signed expense report. The City Council is responsible for enforcing this policy.

(I) The Mayor and members of the City Council may be asked, or may desire, to join outside organizations to promote the interests of the City or to sponsor such events or organizations. In such cases, unless membership in the organization has already been approved by policy (see, for example, section relating to membership in the Texas Municipal League and its affiliates), the City Council shall be provided with a brief description of the organization, what it does, what benefits to the City the sponsorship or membership in the organization will promote, frequency of meetings, and an estimate of annual costs of membership (including dues, conference fees, and travel costs). The City Council may approve a sponsorship or a membership in the organization by consensus and,

if so approved, shall budget funds for associated costs. The City Council shall annually review sponsorships or City Council memberships in outside organizations during the operating budget approval process. Some organizations may not reflect the values or ideals of the City Council as a whole. Thus, the Mayor or a member of the City Council may not commit to sponsorship, membership or participation in, or attendance at, meetings of organizations not listed in this section without the approval of the City Council except in the Councilmember's individual capacity and at the Councilmember's sole expense.

(J) The City Manager is authorized to provide a cash allocation to senior-level employees who have been assigned to accompany members of the City Council on authorized out-of-town trips to off-set incidental, out-of-pocket expenses incurred in support of official City Council functions. Any unused portion of the cash allocation shall be promptly returned to the City upon completion of the function.

Section 7 Council requests for information or services

(A) By Charter, the people of Garland have chosen a council-manager form of government. In keeping with that form of government, the City Charter specifically provides:

Neither the City Council nor any of its members shall direct or request the appointment of any person to or his removal from office by the City Manager or by any of his subordinates. However, the Council may consult and advise with the City Manager, make inquiry regarding the appointments or removals, and may express their opinion in regard thereto. In regard to administrative and executive duties under the City Manager, the Council and its members shall deal solely through the City Manager and neither the Council nor any member thereof shall give orders to any subordinates of the City Manager, either publicly or privately. Willful violation of the foregoing provisions of this Charter by any member of the Council shall constitute official misconduct and shall authorize the Council, by a vote of a majority of its membership, to expel such offending member from the Council, if found guilty after public hearing, and thereby create a vacancy in the place held by such member.

(B) The City receives many service requests, information requests, and complaints each month. Some of those requests and complaints are received through members of the City Council and some may be initiated by a member of the City Council. For requests and complaints received or initiated by a member of the City Council, this policy is intended to provide for an expeditious and thorough means of resolving such requests and complaints by providing access to the appropriate level of City management without violating the prohibition on interference contained in the City Charter.

(C) Requests and complaints received through or initiated by members of the City Council generally fall into three categories. Requests and complaints may be made either verbally

or in writing, including email. The following guidelines will apply when processing requests or complaints:

SERVICE REQUESTS	
TYPE:	REFER TO:
First time request for routine service when a response to the Councilmember is not desired. A department representative will contact the requestor if necessary.	Department service line Responsible department head or managing director Assistant City Manager or Deputy City Manager City Manager
Second or third time for routine service request when a response to the Councilmember is not desired. The department head or a representative will contact the requestor.	Responsible department head or managing director Assistant City Manager or Deputy City Manager City Manager
Routine service request involving more than one department when a response to the Councilmember is not desired.	Responsible department heads or managing directors Assistant City Manager or Deputy City Manager City Manager
Routine service request when the Councilmember desires a response.	Responsible managing director Assistant City Manager or Deputy City Manager City Manager
Service request that is not routine or that involves a major resource allocation. A response shall be provided to the Councilmember.	Assistant City Manager or Deputy City Manager City Manager

INFORMATION REQUESTS	
Information that is readily available (on file or that can be provided verbally).	Responsible department head Assistant City Manager or Deputy City Manager City Manager
Information that is available but that requires compilation or interpretation.	Assistant City Manager or Deputy City Manager City Manager
Information that involves more than one department and that requires compilation or interpretation.	Assistant City Manager or Deputy City Manager City Manager

COMPLAINTS	
Routine service complaints regarding quality or quantity of service when no response to the Councilmember is desired.	Responsible department head or managing director Assistant City Manager or Deputy City Manager City Manager
Service complaints regarding quality or quantity of service when a response to the Councilmember is requested.	Assistant City Manager or Deputy City Manager City Manager
Complaints regarding the conduct or performance of a City employee.	City Manager
Complaints involving a City policy, procedure, or ordinance.	Assistant City Manager or Deputy City Manager City Manager City Council

(D) Information regarding the submission or resolution of a service request, information request or complaint is generally public and may be shared with other members of the City Council. A member of the City Council has no expectation of secrecy regarding the submission or resolution of a service request, information request or complaint. Information received from or given to a member of the City Council is information that may be given to all members of the City Council.

Section 8 Who shall act as Mayor

The City Charter provides, “In case of the absence or disability of both the Mayor and the Mayor Pro Tempore, the remaining members of the Council shall elect one of the members to act as Mayor.” Because there may not be time to assemble a quorum to elect a person as mayor under such circumstances, and in order to increase the efficiency of government, the City Council may choose to elect a deputy mayor pro tempore to act as mayor when the Mayor and the Mayor Pro Tem are absent or disabled. If the City Council chooses to have a deputy mayor pro tempore, the election for the position shall be held at the first regular meeting of the City Council that follows the annual goal-setting retreat. The City Manager shall place an item on an agenda for consideration by the City Council each year.

Section 9 Communications on behalf of the City by members of boards and commissions

(A) Boards and commissions, whether established by reason of State law, the Charter, by ordinance or on an ad hoc basis, are an integral part of the municipal government process. The citizens who serve on City boards and commissions provide an important service to the citizens of Garland. Boards and commissions, and the members of those boards and commissions, do not, however, speak for the City on larger issues of City governance. The City Council is responsible for all aspects of the City’s governance and it is the legislative and policy-making body for the City.

(B) If a board or commission desires to communicate to others a position on any matter of public concern, the board or commission shall first seek approval from the City Council before engaging in such communication. The City Council will speak for the City. The City Council will determine whether and what will be the official position of the City on the issue presented by the board or commission.

Section 10 Meals for boards and commissions

The City Council shall budget for, and the City Manager shall cause to be provided, suitable meals for all meetings of the City’s boards and commissions.

Section 11 Appointments to boards and commissions; minimum meeting schedules; terms of appointment; annual election of officers; sub-committees; agendas; public comment

(A) Generally, appointments to boards and commissions shall be made by the City Council annually during the month of August. The general term of office for a council appointee begins on September 1 and expires on August 31 in the year in which the term of office of the member of the City Council who made the appointment expires. If a vacancy occurs before a term is completed, the Councilmember representing the district in which the vacancy occurs shall be responsible for nominating a replacement. *See also, Section 2 of Division 4 of this Article for the procedure regarding the recruitment and appointment of members of boards and commissions.*

(B) Unless otherwise provided by the ordinance that creates the board or commission or by controlling State law, all boards and commissions shall meet at least twice per calendar year, with a quorum of members present.

(C) Notwithstanding subsection (A) and unless otherwise provided by the ordinance that creates the board or commission or by controlling State law, the term of office of a member of a board or commission ends upon the resignation, disqualification, recall or other removal of the appointing Councilmember. A person appointed to fill a vacancy in such circumstances shall be appointed only for the unexpired term of office of the vacancy created. Provided, however, that a member of a board or commission whose term of appointment has ended may, if otherwise eligible to hold the position and subject to the provisions of Sec. 10.28 of the Code of Ordinances (providing for the automatic termination of appointment when a member files for elective office) holdover in the position until a successor is appointed by the City Council. A term of appointment ends immediately if the member of the board or commission is removed or replaced by the City Council which, as provided by Article IV, Sec. 2 of the City Charter, may be done without cause or notice.

(D) All boards and commissions, the members of which are solely appointed by the City Council, shall elect officers at the first meeting held by the board or commission on or after October 1 in each calendar year.

(E) A board or commission may, subject to the approval of the chair, create subcommittees that may include members of the public provided the subcommittee is chaired by an appointed member of the parent board. Members of such subcommittees who are not also members of the parent board shall serve *ex officio*, may not participate in official voting, and are not counted towards a quorum. To the extent practicable, subcommittees shall endeavor to abide by the policies applicable to the parent board, including the location of the meeting, the recording of proceedings, the keeping of minutes, and the like.

(F) With the exception of any board or commission that serves in a quasi-judicial capacity or other than purely as an advisory body, an item may be placed on the agenda of a board

or commission by: (1) City staff; (2) the Mayor or any two or more members of the City Council; and (3) any two or more members of the board or commission. No item may be considered by the board or commission that is not directly germane to its expressed functions and duties as provided by law. An agenda will provide a section for pending matters and a section for future agenda items to be announced, without debate, for consideration by the board or commission. Pending items will be posted to each agenda of the board or commission until action is taken on the item or the item is withdrawn by the submitter. The person designated by the City Manager as the staff liaison to the board or commission will assemble the agenda with input from staff, the members of the board or commission, and the chair, and is responsible for timely posting agendas in accordance with the Texas Open Meetings Act.

(G) With the exception of any board or commission that serves in a quasi-judicial capacity or other than purely as an advisory body, every board and commission shall allow members of the public at least three minutes to speak on matters relating to the functions and duties of the board or commission or matters on a posted agenda. The board or commission shall, to the extent practicable, abide by the provisions of these policies and the practices of the City Council with respect to public speakers.

Section 12 Boards and commissions to meet at City Hall

All regularly scheduled meetings of boards and commissions and of Council committees shall be held at City Hall except (1) when City Hall is unavailable for reasons such as multiple meetings and scheduling conflicts between meetings, inadequate space, construction and repair activities or similar circumstances which make the use of City Hall impracticable (in which event a suitable location as near as practicable to City Hall shall be used instead, and the meeting facility should be a municipal building); (2) for meetings of groups comprised primarily of minors; or (3) for non-traditional meetings such as retreats, tours, and social gatherings. Generally, all such meetings except for meetings of groups comprised primarily of minors should be held in the Work Session Room of City Hall and shall be recorded at least by audio means. The chair of the board, commission, or committee shall coordinate with the staff liaison for that board, commission or committee and with the City Secretary for the scheduling of rooms and the availability of recording equipment. The City Secretary shall publish the audio recordings of the meetings of boards, commissions (except for the Civil Service Commission and Youth Council), and Council committees on the City website.

Section 13 Annual performance and compensation review of council appointees

(A) The City Council appoints the City Manager, the City Attorney, , the Internal Auditor, and the judges of the Municipal Court. Except for the chief presiding judge and the associate judge of the Municipal Court (whose terms of office are prescribed by State law) and the City Secretary, council appointees are employed under contract, the term of which shall not exceed one year. The performance of and compensation afforded to council appointees other than the City Secretary shall be reviewed and evaluated by the City

Council annually. Notwithstanding any other reference to “appointee” in this section, the determination of the performance, evaluation, compensation, and other terms of employment for the City Secretary have been assigned by the City Council to the City Manager and are not covered by this section.

(B) The City Manager shall cause the Managing Director of Human Resources to provide the City Council with:

(1) The current compensation paid and salary ranges applicable to officials with similar duties and comparable responsibilities employed by comparable municipalities in Texas; and

(2) Information regarding applicable municipal populations, departmental or functional staff support personnel, years of experience of each official in that official's present position, and benefits or perquisites provided.

(C) A copy of the information gathered by the Managing Director of Human Resources shall be forwarded to the respective appointee. The appointee may submit to the City Council comments regarding the information considered relevant for review.

(D) The City Council shall, in executive session:

(1) Meet to review the applicable performance-related goals and objectives, if any, established for each individual appointee for the preceding review period and define those goals and objectives to be considered for the next review period;

(2) Meet with each appointee individually to discuss the appointee's performance and achievements;

(3) Discuss and evaluate the appointee's performance during the preceding review period and, if applicable, the goals and objectives to be established for the next review period; and

(4) Determine the compensation, benefits, and perquisites to be afforded to the appointee.

(E) The Mayor shall notify each appointee of the compensation and benefits determinations made by the City Council and discuss with the appointee any additional comments or suggestions made by the City Council regarding such appointee. Follow-up sessions to clarify the evaluation or review progress with the City Council may be scheduled if necessary. The City Attorney shall be directed to prepare an appropriate employment agreement for each appointee who is employed under contract and that is reflective of the directions given by the City Council for that appointee. The employment agreements shall be placed on an agenda for formal approval by the City Council. Municipal judges are appointed for two-year terms, but compensation may be adjusted

annually by the City Council. Note: Part-time associate judges are hired under informal contract by the presiding chief judge of the Municipal Court and are compensated in accordance with funds allocated for such purposes in the annual budget as approved by the City Council.

(F) After final approval by the City Council, the City Manager shall inform the Managing Director of Human Resources of the compensation adjustments that need to be implemented, as applicable, and shall cause the Managing Director of Human Resources to promptly prepare and process all the documentation necessary to implement the compensation determinations of the City Council as directed.

Sec. 14 Duty to maintain the integrity of sensitive or confidential information

The members of the City Council are entitled to be appropriately and timely informed of matters that may affect their ability to duly represent the interests of their constituents. However, while emergencies, police and fire activities, and similar events (“Emergency Events”) may generate significant public interest, they may not be appropriate for communications by individual members of the City Council or they may be of such a nature that City personnel cannot be expected to divert attention to providing information to members of the City Council in particular, as opposed to providing general public information. When information is provided by City personnel to the City Council in such circumstances, the information may be particularly sensitive or even confidential and its release to the public could compromise public safety, result in the release of information eventually determined to be inaccurate or may constitute confidential information that may not be released in any event due.

It is the policy of the City Council that a member of the City Council is limited to disseminating only such information regarding Emergency Events as has been officially cleared for public dissemination. No member of the City Council may insist upon a particularized briefing of developing or on-going Emergency Events to the extent that any City personnel may be distracted from fully attending to the Emergency Event. Until information has been officially released to the public, the members of the City Council shall maintain the confidentiality of all information obtained through City sources.

Division 2 MISCELLANEOUS DEVELOPMENT PROCEDURES

Section 1 Citizen-initiated street name changes

(A) Street name changes may be initiated either by the City or by citizen request. A street name change request initiated by citizen request will be considered only if 80% or more of the owners of property that will be directly affected by the street name change favor the request. A street name change request may be approved if the City Council determines that the change is in the public interest and that the name will not cause confusion, continuity or way-finding problems or otherwise adversely affect the public

interest.

(B) A request to change a street name must be in writing. The application for a street name change must indicate the proposed name change, the limits (by block number) of the name change, and the reasons for the change in name. A fee of \$500 shall be submitted with the written application for change in name to cover the cost of reviewing the proposal. If an initial determination is made that the change in name will cause confusion, continuity or way-finding problems or otherwise adversely affects the public interest, the applicant(s) shall be notified by the City and the initial application fee shall be refunded. If the proposed name is not acceptable, the applicant(s) shall be given an opportunity to propose another name before the application is disapproved. If the proposed name change is recommended for consideration to the City Council, the applicant(s) shall pay an additional fee based upon the actual costs of research of and notification to addresses that will be directly affected by the proposed name change. If the proposed name change is recommended for consideration to the City Council, the applicant(s) must obtain the written approval (an adequately descriptive petition is acceptable) of at least 80% of the affected property owners.

(C) Upon confirming that written approval has been obtained from the requisite number of affected property owners and payment of estimated sign replacement costs by the applicant(s), a public hearing shall be held by the City Council to consider the proposed name change. A name change may be made only by ordinance. If the name change is disapproved, the estimated sign replacement costs shall be refunded to the applicant(s).

Section 2 Private streets

(A) Private streets are an allowed option under the Garland Development Code. The private street option may be chosen in order to provide a means of limiting access into a development (for example, in private, gated communities), in order to maximize the amount of non-public area within a development, or for other development reasons. The City has no responsibility for any expenses related to the construction, maintenance or repair of a private street.

(B) In recognition of the possibility that a street constructed as a private street may eventually be, and occasionally are, after a period of time, turned over for public use as a public street and to ensure that private streets are built to the same standards and quality of public streets, the following standards apply:

(1) A private street is not allowed within a development without the prior approval of the City Council either through zoning approval or by separate development agreement.

(2) A private street must be designed, constructed, and maintained in accordance with the standards for public streets of the type and capacity most like the proposed private street, including width, turning radii, pedestrian ways and sidewalks, street lighting, and

utility facilities.

(3) Private streets are allowed only in residential developments. Streets within a commercial or industrial development must be public. If, however, access to the proposed street will be restricted (such as by gates or security personnel) the streets must be private. Limited access public streets are not allowed.

(4) The City is not responsible for the construction or maintenance of any aspect of a private street, including repairs or other maintenance. Accordingly, some perpetual funding source (such as an assessment-levying capable homeowners' association) for repairs must be provided for all maintenance of a private street.

(5) Only the City Council has authority to accept the public dedication of a street formerly constructed or used as a private street, and the City Council will only do so under the following conditions:

(a) The street meets all City requirements as to design and construction standards - upgrades to meet current City standards must be completed prior to the acceptance of the dedication;

(b) The area to be dedicated as a public street includes adequate room for sidewalks, street lighting, and utilities;

(c) The street provides adequate accessibility for emergency vehicles; and

(d) All gates and other limits to accessibility have been or will be removed without cost to the City prior to the acceptance of the dedication.

(C) Design plans for all proposed private streets shall be submitted for approval to the Department of Engineering in the same manner that plans for public streets are submitted. Approval or disapproval by the Department of Engineering will be determined in reference to this policy. A request for a variance from the requirements of this policy must be submitted to the City Council for approval or disapproval.

Section 3 Additional public notification of City activities

(A) In order to encourage public awareness of and participation in City matters, timely prior notification to the public must be given in addition to that contemplated by the Texas Open Meetings Act or other laws relating to specific notifications such as zoning changes, tax rates, and budget approval. This policy is intended to supplement the notifications required by law, including those contained in the Charter, the Code of Ordinances, and the Garland Development Code.

(B) The City shall endeavor to provide notice of the following matters at the earliest practical opportunity but, of course, no later than otherwise required by law:

- ☐ Adoption or amendment of the City's comprehensive plan
- ☐ Changes to the thoroughfare plan
- ☐ Changes to the City's municipal boundaries (whether by annexation or dis-annexation or by boundary adjustment agreement with another municipality)
- ☐ Changes to the City's territorial jurisdiction
- ☐ Amendments to the Garland Development Code
- ☐ Adoption or amendment of the annual City budget
- ☐ Adoption or amendment of the capital improvements budget
- ☐ Revisions to flood insurance rate maps and flood boundary-floodway maps affecting the City
- ☐ Special paving or drainage assessment projects

(C) In addition to posting, publication, and delivery of notice as required by law, the City shall endeavor to provide notice by mail, by email, or by other electronic delivery means to homeowners' associations and civic groups that have previously registered with the City Secretary for such purposes. An association or group must register in writing on a form or in a format provided by the City Secretary and shall provide at minimum a mailing address, an email address, and the phone number for the person designated to be the point of contact for the association or group.

Division 3 FINANCIAL AND FISCAL INTEGRITY PROCEDURES

Section 1 Rotation of outside auditing firms for annual audits

The City is required by Charter and State law to have performed annually an independent audit of accounts and other financial transactions of the City by an outside auditor. The integrity and quality of the audit is of paramount concern to the City, to its citizens, and to those considering investments in or transactions with the City. The Audit Committee and staff shall review the outside audit each year to determine whether the City Council should consider a change in the firm conducting the outside audit or a change in the senior auditor in keeping with the goals stated in this policy.

Section 2 Financial policy; statement of investment strategy; statement of investment policy

(A) The City Council shall annually adopt, by resolution or minute action, a financial policy, a statement of investment strategy, and a statement of investment policy as required by and in conformance with State law. The following constitute the City's financial policies and statements of investments strategy and investment policy:

(B) *Statement of financial policy*

General Principles:

- ☐ The City shall maintain an operating position in all governmental funds such that annual expenditures shall not exceed annual resources, including fund balance.
- ☐ The City shall maintain an operating position in all proprietary funds such that annual expenses shall not exceed annual resources, including retained earnings.
- ☐ The City shall protect the physical assets of the City to ensure the value, integrity, and utility of these major investments of the City's resources.
- ☐ This policy shall be reviewed and updated periodically and will be presented to the City Council for approval of any significant changes.

Operating Condition:

- ☐ A multi-year financial forecast shall be prepared annually projecting revenues and expenditures for all operating funds. This forecast shall be used as a planning tool in developing the following year's operating budget.
- ☐ Rates, fees, and charges for service shall be reviewed annually and adjusted as necessary to respond to cost increases or other changing circumstances.
- ☐ Activities within enterprise funds shall be budgeted so that revenues support costs of service, satisfy all revenue bond covenants, and provide adequate cash flows.
- ☐ Insurance coverage shall be examined annually to ensure that policy limits are adequate and in compliance with revenue bond covenants.
- ☐ Estimated costs and funding sources shall be identified prior to any project being submitted for approval by the City Council.

Debt Management:

- ☐ Debt shall not be used for funding current expenses.
- ☐ Bonds shall be sold only to finance long-term capital projects.
- ☐ A project shall not be financed over a period longer than the estimated life of that project.

- ❑ On all capital projects considered by Council, a disclosure statement shall be included, where appropriate, to identify annual operating costs of each project.
- ❑ The City shall prepare a multi-year Capital Improvement Program (CIP), updated annually, which will meet the anticipated growth requirements of the City. The CIP shall be adopted by the City Council as a guide for staff in planning the subsequent year's capital and financing needs.
- ❑ Total tax-supported debt shall be maintained so as not to exceed five percent (5%) of the total assessed valuation of taxable property.

Financial Condition:

- ❑ The City shall budget available resources to maintain an ending “fund balance” requirement in each fund according to the following definitions and guidelines:
 - General Fund - 30 days of budget-based operating expenditures less debt service. “Fund balance” is defined as the unreserved, undesignated portion of total assets minus total liabilities.
 - Enterprise Funds - 45 days of budget-based operating expenditures including debt service. “Fund balance” is defined as current assets minus current liabilities, excluding non-budgetary adjustments. The Water Fund shall also have a fund balance goal of 60 days of budget-based operating expenditures including debt service to supplement the 45 day requirement and mitigate against unexpected declines in revenue due to weather volatility.
- ❑ Before the City budgets any resources from a “fund balance”, as defined above, for the respective fund types, the “working cash” (cash and investment balances) of each fund shall be analyzed to ensure that adequate liquidity is projected to be available for cash flow purposes.
- ❑ All Internal Service Funds shall be fully self-supporting to the extent that any retained earnings deficit shall be fully recovered in the subsequent fiscal year through increased charges to benefiting departments. Self-insurance reserves shall be actuarially determined and periodically reviewed to evaluate experience and degree of risk assumptions. The City Council may opt, on an annual basis, to adjust fund balance targets in specific funds to meet short-term economic or other circumstances.

Asset Maintenance:

- ❑ In addition to anticipated growth requirements of the City, the Multi-year CIP will identify major infrastructure repair and rehabilitation needs.

- ☐ The City will prepare and maintain a facilities master plan. This document will serve as a management tool to project space needs including construction or modification of facilities.
- ☐ Repair, renovation, and maintenance shall be regularly performed to protect the life of the assets and to ensure their safety and utility. A systematic program of routine and preventive maintenance shall be developed based on need identification and prioritization.
- ☐ The Annual Operating Budget will provide sufficient funding levels for ongoing maintenance of the infrastructure.

Accounting, Auditing, and Financial Reporting:

- ☐ Accounting systems shall produce information that is consistent with generally accepted accounting principles for governmental entities.
- ☐ An annual comprehensive audit shall be conducted of all funds by an independent public accounting firm in accordance with these financial policies. A policy of full disclosure on every financial report and official statement shall be followed.
- ☐ Year-end net revenues of the electric system and the combined water and sewer system shall be maintained at a level sufficient to cover average annual revenue debt service requirements and current year revenue debt service requirements by at least 1.25 times.
- ☐ A condensed year-end Electric Utility financial report shall be prepared and given widespread circulation to the ratepayers and taxpayers of the City.

Responsibility and Authority:

- ☐ The City Manager shall have accountability to the City Council concerning the financial strategies outlined in this policy. However, the City Council shall not be involved in the day-to-day implementation of the financial strategies outlined in this policy and no Councilmember – including the Mayor - shall unilaterally direct the City Manager or his staff to take or refrain from any action related to this policy or the authorizations contained herein.
- ☐ The City Manager is authorized to approve and execute by and on behalf of the City purchases or other contracts requiring expenditures up to and including the amount of \$250,000.00. The City Manager is further authorized to bind insurance coverage in an amount not to exceed 10 percent of the amount approved by Council as part of the annual budget. The Purchasing Director, as directed by

the City Manager, shall have the authority to purchase or contract for all goods and services needed by any department of the City or by any agency that derives its support wholly or in part from the City.

- ☐ The City Manager or his designee has the authority to authorize, approve, and execute by and on behalf of the City internal directives, procedures, and protocols meeting the minimum requirements of the State of Texas for home-rule municipalities; determine the method of procurement, in accordance with state law, that provides the best value for the City; approve, in accordance with the requirements of law, change orders in the event it becomes necessary to make changes after the purchase or performance of a contract has commenced.
- ☐ The City Manager has authority for delegating financial transaction responsibilities to appropriate organizational levels for the efficient operation of the City.

(C) *Statement of investment strategy*

Chapter 2256 of the Texas Government Code requires the City to adopt a separate written investment strategy for each of the funds or group of funds under its control. Effective investment strategy development coordinates the objectives of the City's investment policy and cash management procedures to reduce investment risk and enhance interest income. The following investment strategy describes the investment objectives for each fund or group of funds using the following priorities in order of importance:

- (1) Suitability
- (2) Safety of principal
- (3) Liquidity
- (4) Marketability of the investment before maturity
- (5) Diversification
- (6) Yield

This investment strategy applies to the investment and management of all funds under direct authority of the City of Garland. Each of the City's funds or group of funds has varying cash flow requirements and liquidity needs. Specific strategies shall be implemented considering that fund or group of funds' unique requirements. The City's funds are invested according to the following fund types:

Operating Funds:

Investments for operating funds shall be scheduled to meet the daily cash flow demand of the City with their stated final maturities and have a stated final maturity of three years or less from the date of purchase. Operating fund portfolios include the treasury portfolio.

Suitability - All investments authorized in the Statement of Investment Policy are suitable for Operating Funds.

Safety of Principal - All investments shall be high quality securities with no perceived default risk.

Marketability - Securities with active and efficient secondary markets will be purchased in the event of an unanticipated cash requirement.

Liquidity - Operating Funds have as their primary objective to assure that anticipated cash flows are matched with adequate investment liquidity. Constant \$1 NAV investment pools and money market mutual funds shall be an integral component in maintaining daily liquidity. A dollar weighted average maturity of 365 days or less will be calculated using the stated final maturity date for each security. Purchased securities will have a stated final maturity of three years or less from the date of purchase.

Diversification - Maturities shall be staggered throughout the budget cycle to provide cash flows based on anticipated needs. Investment risks will be reduced through diversification among authorized investments.

Yield - The City's objective is to attain a competitive market yield for comparable securities and portfolio constraints. The benchmark for Operating Funds shall be the trailing average of the constant maturity treasury ("CMT") (as published by the Federal Reserve) that most closely matches the weighted average maturity of the portfolio. For Operating Funds, it is expected this will be the six month trailing average of the six-month CMT.

Debt Service Funds:

Investments for debt service funds shall mature on or before the next debt service date. Purchased securities will be highly liquid with very short term maturities because of the near term cash flow requirements. Debt service funds include the general obligation debt service fund and the revenue bond debt service fund.

Suitability - All short term, high quality securities that are authorized in the Statement of Investment Policy and are in compliance with applicable bond ordinances are suitable for debt service funds.

Safety of Principal - All investments shall be high quality securities with no perceived default risk. Purchased securities shall have a stated final maturity date on or before the next debt service date.

Marketability - Securities with active and efficient secondary markets will be purchased although unanticipated cash requirements are not probable.

Liquidity - Debt service funds have predictable cash requirements. Investment maturities shall not exceed the anticipated cash flow requirements.

Diversification - Market conditions will greatly influence the selection of maturities and security types. At no time shall maturities go beyond debt service payment dates.

Yield - The City's objective is to attain a competitive market yield for comparable securities and portfolio constraints. The benchmark for debt service funds shall be the trailing average of the CMT that most closely matches the weighted average maturity of the portfolio. For Debt Service Funds, it is expected this will be the three month trailing average of the three-month CMT.

Reserve Funds:

Investments for reserve funds have as their primary objective the ability to generate a dependable revenue stream with a low degree of volatility. Purchased securities will be of high quality with short to intermediate term maturities. Reserve fund portfolios include the revenue bond reserve fund and the rate mitigation fund.

Suitability - All securities that are authorized in the Statement of Investment Policy except as may be restricted by bond ordinance are suitable for reserve funds.

Safety of Principal - All investments shall be short to intermediate term, high quality securities, with no perceived default risk.

Marketability - Securities with active and efficient secondary markets will be purchased in the event of an unanticipated cash requirement.

Liquidity - Unless there are anticipated cash flow requirements, reserve funds generally do not require a high degree of daily liquidity. Purchased securities shall have a stated final maturity date of five years or less from the date of purchase.

Diversification - Market conditions will greatly influence the selection of maturities and security types. Securities shall be of high quality, with short to intermediate term maturities. A dollar weighted average maturity of 3 years or less will be calculated using the stated final maturity date for each security.

Yield - The City's objective is to attain a competitive market yield for comparable securities and portfolio constraints. The benchmark for reserve funds shall be the trailing average of the CMT that most closely matches the weighted average maturity of the portfolio. For Reserve Funds, it is expected this will be the one year trailing average of the one-year CMT.

(D) *Statement of investment policy*

Chapter 2256 of the Texas Government Code requires the City to annually adopt rules governing its investment practices and to define the authority of its investment officers. This investment policy applies to the investment and management of all funds under direct authority of the City. These funds include all governmental, proprietary, and trust and agency funds which are accounted for in the City's Comprehensive Annual Financial Report. The Employees Deferred Compensation Agency Fund and the Other Post Employment Benefit Trust Fund are excluded from coverage under this Policy.

(1) Investment of funds will be governed by the following investment objectives, in order of priority:

Preservation and safety of principal - Preservation of capital is the foremost objective of the City. Each investment transaction shall seek first to ensure that capital losses are avoided, whether the loss occurs from the default of a security or from erosion of market value.

Liquidity - The City's investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements which can be reasonably anticipated. Liquidity will be achieved by matching investment maturities with forecasted cash flow requirements and by investing in securities with active secondary markets.

Yield - The investment portfolio of the City shall be designed to attain a market-average rate of return throughout budgetary and economic cycles, taking into account the City's investment risk constraints and the cash flow characteristics of the portfolio. The Director of Financial Services will from time to time establish performance measures and goals for the portfolio rates of return. Efforts to seek returns higher than the established goals must be consistent with risk limitations identified in this policy and prudent investment principles.

(2) Responsibility for the management of the investment program is assigned to the Director of Financial Services. Other individuals authorized as investment officials by the City Council are the Cash and Debt Manager and the Controller. Investment authority of all investment officers shall conform to all applicable Federal and Texas laws, the City Charter, the ordinances of the City, the Statement of Investment Strategy, and this Statement of Investment Policy. The Director shall establish written procedures for the operation of the investment program, consistent with this Statement of Investment Policy. No person may engage in an investment transaction or the management of City funds

except as provided under the terms of this Statement of Investment Policy, the Statement of Investment Strategy, and the procedures established by the Director of Financial Services.

(3) An Investment Committee comprised of the City Manager, the Director of Financial Services, the Cash and Debt Manager, the Controller, and the City's investment advisor, if the City has contracted with an advisor, will meet on a quarterly basis. The investment advisor is a non-voting member of the Investment Committee.

The primary objective of the Committee will be to review general strategies and policies, monitor investment program results, select independent training sources, and authorize securities dealers.

(4) Each investment officer shall attend not less than ten hours of instruction relating to investment responsibilities during the first year of employment and not less than 8 hours of instruction relating to investment responsibilities every two years thereafter. Training must be provided by an independent source approved by the Investment Committee.

(5) The City may contract with an investment advisor, who shall adhere to the spirit, philosophy and specific term of this Statement of Investment Policy. The investment advisor shall invest on behalf of the City using the standard of care described in Sec. 2256.006 of the Texas Government Code and in this Statement of Investment Policy. The investment advisor must be registered with the Securities and Exchange Commission (SEC) under the Investment Advisors Act of 1940 as well as with the Texas State Securities Board. Investment advisors may assist the City with the management of the City's funds and similar responsibilities including, but not limited to, the review of investment policy, development of appropriate investment strategies, security analysis, trade execution, security clearance, broker-dealer compliance, investment reporting and security documentation.

(6) The Director of Financial Services shall establish a system of internal controls which shall be documented in writing. The controls shall be designed to prevent losses of public funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by investment officials. Controls deemed most important include: control of collusion, separation of duties, separating transaction authority from accounting and recordkeeping, custodial safekeeping, avoidance of bearer-form securities, clear delegation of authority, specific limitations regarding securities losses and remedial action, written confirmation of telephone transactions, minimizing the number of authorized investment officials, and documentation of and rationale for transactions.

(7) In conjunction with the annual independent audit required by law and the City Charter, the City's independent auditor shall review the investment records for the end of each quarter. The independent auditor shall report the results of the review directly to the City Council.

(8) The City's investment officers shall be governed by the standard of care applicable to a prudent investor as described in Sec. 2256.006 of the Texas Government Code and in this Statement of Investment Policy. Investments shall be made with the exercise of that degree of judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation but for investment, considering the probable safety of their capital as well as the probable income to be derived.

(9) In applying the "prudent person" rule, the investment officer shall exercise prudence with respect to the management and investment of all funds over which the officer has responsibility and control. The investment officer must determine whether investment decisions are consistent with this Statement of Investment Policy.

(10) All participants in the investment program shall act responsibly as custodians of the public trust. Investment officials will avoid any transaction that might impair public confidence in the City's ability to govern effectively. Investment officers shall recognize that the investment portfolio is subject to public review and evaluation. The overall program shall be designed and managed with a degree of professionalism which is worthy of the public trust. Nevertheless, the City Council recognizes that in a diversified portfolio, occasional measured losses are inevitable and must be considered within the context of the overall portfolio's investment return, provided that adequate diversification has been implemented.

(11) Investment officers, acting in accordance with written procedures and exercising due diligence, shall not be held personally responsible for market price changes, provided that these changes are reported immediately and that appropriate action is taken to control adverse developments.

(12) The investment instruments authorized for purchase by the City are limited to:

- ☐ Direct obligations of the United States government with a stated final maturity of five years or less from the date of purchase.
- ☐ Debentures or discount notes with a stated final maturity of five years or less from the date of purchase issued by, guaranteed by, or for which the credit of any of the following Federal agencies and instrumentalities is pledged for payment: Federal National Mortgage Association (FNMA or Fannie Mae), Federal Home Loan Bank (FHLB), Federal Farm Credit Bank (FFCB), Federal Home Loan Mortgage Corporation (FHLMC or Freddie Mac), Federal Agricultural Mortgage Corporation (FarmerMAC), Export-Import Bank of the United States (EXIM Bank), and the Private Export Funding Corporation (PEFCO).
- ☐ Bonds or other interest bearing obligations having a stated final maturity of five

years or less from the date of purchase of which the principal and interest are guaranteed by the full faith and credit of the United States government.

- ☐ Repurchase agreements collateralized with U.S. Treasury securities at a minimum market value of 102 percent of the dollar value of the transaction, with any accrued interest accumulated on the collateral included in the calculation. Eligible collateral will have a maximum maturity of ten years. Repurchase agreements may be entered into only with primary government securities dealers who have executed a City approved Master Repurchase Agreement. Collateral shall be delivered to and held by the City's third party safekeeping agent. As used herein, the term "repurchase agreement" includes direct security repurchase agreements and reverse security repurchase agreements. A written master repurchase agreement shall be established between the City and the seller prior to purchase. The maximum term for direct security repurchase agreements and reverse security repurchase agreements will be 90 days or less. Funds received under the terms of a reverse security repurchase agreement may not be used to purchase any investment whose final maturity date exceeds the expiration of the reverse.
- ☐ Certificates of deposit issued by a depository institution that has its main office or branch office in Texas if:
 - Such certificates of deposit are: (i) guaranteed or insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund or their successors; or (ii) secured by obligations described in subsection (1) or (2) above, and the collateral will be held by the City's third party custodian; or
 - Such depository institution contractually agrees to place the funds in federally insured depository institutions in accordance with the conditions prescribed in Section 2256.010(b) of the Texas Government Code; or
 - Such certificates of deposit are brokered by an authorized broker/dealer that has its main office or a branch office in Texas who or which contractually agrees to place the funds in federally insured depository institutions in accordance with the conditions prescribed in Section 2256.010(b) of the Texas Government Code.
- ☐ SEC registered no-load money market mutual funds with a dollar-weighted average portfolio maturity of 60 days or less. Assets will consist exclusively of those securities listed above. The investment objective of the fund is to maintain a stable \$1 net asset value. The maximum stated maturity of the fund will be 13 months.
- ☐ State or local investment pools organized under the Interlocal Cooperation Act. The investment pool must be rated no lower than investment grade by at least one nationally recognized rating agency and have a dollar-weighted average portfolio

maturity of 60 days or less. Assets will consist exclusively of those securities listed above. The investment objective of the pool is to maintain a stable \$1 net asset value. All securities owned in the pool will have a stated remaining maturity of thirteen (13) months.

- ☐ Commercial paper rated not less than A1 or P1 or an equivalent rating by at least two nationally recognized credit rating agencies or one nationally recognized credit rating agency and that is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United States or any state. The securities must have a stated maturity of 270 days or less from the date of purchase. No more than 5% of any one issuer may be held and no more than 25% of any fund or group of funds will be invested in commercial paper. Physical delivery securities are ineligible.
- ☐ Obligations of states, agencies, cities, and other political subdivisions of any state rated not less than A or an equivalent rating by at least two nationally recognized credit rating agencies.

(13) The credit rating of investment instruments will be continuously monitored through daily market participation and through the monthly mark-to-market pricing of securities. The liquidation of an investment instrument will be considered if its credit rating falls below minimums stated in this statement of investment policy.

(14) The City is expressly prohibited from entering into options trading or futures contracts, hedging or purchasing any security which is not authorized by Texas state law.

(15) As an integral part of this statement of investment policy, the City shall adopt a separate written statement of investment strategy for each fund or group of funds. Each investment strategy shall describe the investment objectives of each fund or group of funds according to the following order of importance:

- (a) Suitability
- (b) Preservation and safety of principal
- (c) Liquidity
- (d) Marketability of the investment before maturity
- (e) Diversification
- (f) Yield

(16) Securities purchased for the City's portfolios will be delivered by book entry and will be held in third party safekeeping by a Federal Reserve member financial institution

designated as the City's custody and safekeeping agent.

(17) The City will execute safekeeping agreements prior to utilizing the custodian's safekeeping services. The safekeeping agreement must provide that the safekeeping agent will immediately record and promptly issue and deliver a safekeeping receipt showing the receipt and the identification of the security, as well as the City's interest. All securities owned by the City will be held in a customer account naming the City as the customer.

(18) All security transactions will be on a delivery versus payment basis to the City's third party custody and safekeeping agent through the Federal Reserve Bank wire system. In this manner, the City will always have possession of either the securities or moneys.

(19) Custody and safekeeping procedures will be reviewed annually by the independent auditor.

(20) The City seeks active portfolio management to enhance total returns within the guidelines of this policy. Investment decisions should not incur unreasonable investment risk in order to obtain investment income. The City will not make investments for the purpose of trading or speculation.

(21) Each investment transaction must be based on competitive quotations from at least three securities dealers authorized to engage investment transactions with the City.

(22) Authorized investment officers shall access real-time electronic financial information to monitor the market price of acquired investments. The pricing information will be used to verify the accuracy of quoted prices for a potential purchase or sale to ensure that a fair market price is attained.

(23) If the City has contracted with an investment advisor it shall be the responsibility of the investment advisor to solicit competitive quotations from at least three securities dealers, to document and disclose those offers to the City, and to ensure a fair market price is obtained.

(24) In managing its investment portfolio, the City will avoid any purchase of investments, or any investment practice or procedure which is not specifically authorized under this policy.

(25) It is the policy of the City to avoid concentration of assets in a specific maturity, a specific issuer or a specific class of securities. The allocation of assets in the portfolios should be flexible depending upon the outlook for the economy and the securities markets. In establishing specific diversification strategies, the following general policies and constraints shall apply.

(a) Portfolio maturities shall be staggered in a way that avoids undue concentration of assets in a specific maturity sector. Maturities shall be selected

which provide for stability of income and reasonable liquidity.

(b) To attain sufficient liquidity, the City shall schedule the maturity of its investments to coincide with known disbursements.

(c) Risks of market price volatility shall be controlled through maturity diversification.

(d) The placement of investment transactions and the gathering of market information shall be diversified among all authorized brokers.

(26) A qualified financial institution shall be selected to serve as the City's primary depository through a bank services procurement process, which shall include a formal request for application issued at least every five years. In selecting a depository, the City shall consider various criteria as specified prior to the issuance of the request for application. Financial institutions located outside of the city boundaries may be considered to participate in the request for application process provided the City has adopted a policy permitting it.

(27) Upon selection, the financial institution shall comply with the requirements and agreements identified in the request for application. The financial institution is required to comply with the Public Funds Collateral Act, Chapter 2257 of the Texas Government Code.

(28) Consistent with the requirements of State law, the City requires all bank and savings bank deposits to be federally insured, fully secured through an FHLB standby letter of credit or collateralized with eligible securities in accordance with the Public Funds Collateral Act, Chapter 2257 of the Texas Government Code. Eligible securities as defined in Chapter 2257 shall be deposited with a third party custodian prior to the deposit of City funds. The City reserves the right to accept or reject any form of collateral, at its discretion. The pledged collateral must be maintained at all times during the term of the depository contract at required levels. In order to perfect the City's security interest in the pledged collateral under the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA), it is required that a collateral agreement between the City and the depository be signed by both parties prior to the deposit of City funds. The collateral agreement must be approved by the depository's board of directors or its loan committee, which approval shall be reflected in the minutes of the board or committee. The signed collateral agreement, board resolution, and minutes certifying the approval of the collateral agreement must be presented to the City prior to the deposit of City funds.

(29) Government security broker/dealers authorized to engage in investment transactions with the City will be selected on the basis of their financial stability, expertise in cash management for local government and their ability to service the City's account. The qualifications of prospective broker/dealers will be determined from a completed

broker/dealer questionnaire, personal interview and reference checks.

(30) Before engaging in investment transactions with the City, a prospective securities broker/dealer must provide a written instrument certifying that the securities broker/dealer has received and has thoroughly reviewed the City's Statement of Investment Policy. A prospective securities broker/dealer must provide evidence of registration with FINRA and the State of Texas Securities Commission. Qualified broker/dealers authorized to engage in investment transactions with the City are required to regularly submit their most recent audited financial statements to the City.

(31) If the City has retained a registered investment advisor for the management of its funds, the advisor shall be responsible for performing due diligence on and maintain a list of broker/dealers with which it shall transact business on behalf of the City. The advisor shall annually present a list of its authorized broker/dealers to the City for review. The advisor shall confirm in writing that the advisor has reviewed the City's investment policies and has implemented reasonable procedures and controls in an effort to preclude imprudent investment activities on behalf of the City. The advisor shall obtain and document competitive bids and offers on all transactions and present those to the City as part of its standard trade documentation.

(32) The Investment Committee will adopt and annually review the list of dealers authorized to engage in investment transactions with the City.

(33) The investment officer shall prepare and submit to the City Council and management on a quarterly basis an investment report for each fund and fund group which describes in detail the current investment position, states the beginning market value, the additions and changes to market value, and ending market value for each pooled fund, states the book value and market value of each separately invested asset at the beginning and end of the reporting period, states the maturity date of each separately invested asset, states the fund for which each individual investment was acquired and states compliance of each fund group with this Statement of Investment Strategy, the Public Funds Investment Act, and with generally accepted accounting principles. The report shall also summarize and present, on a combined portfolio basis, total market valuation, total realized gains and losses, total unrealized gains and losses, distribution by maturity sector, and distribution by security type. The report will also indicate, by portfolio, total investments held and total interest income earned on a full accrual basis. The report may comment on current investment approaches and other items significant to the investment program. The report shall be signed by the Director of Financial Services and the investment officer. The investment report presented at the end of the fiscal year may also include a review of the investment activities and earnings for the entire fiscal year for each fund or fund group, discuss investment techniques, and suggest improvements which will enhance the investment program and present an investment plan for the ensuing fiscal year. The report may discuss other significant issues related to the investment program.

(34) Investment officers of the City shall refrain from personal and business activities

involving any of the City's custodians, depositories, broker/dealers or investment advisors which may influence the officers' ability to conduct the officer's duties in an unbiased manner. Investment officers will not utilize investment advice concerning specific securities or classes of securities obtained in the transaction of the City's business for personal investment decisions, will in all respects subordinate their personal investment transactions to those of the City (particularly with regard to the timing of purchase and sales), and will keep all investment advice obtained on behalf of the City and all transactions contemplated and completed by the City confidential, except when disclosure is required by law.

(35) This statement of investment policy and the statement of investment strategy will be reviewed annually by the City Council. Upon completion of the review, the City Council will acknowledge by resolution or minute action that it has reviewed the investment policy and investment strategy. Periodic revisions to the investment policy, the statement of investment policy, and the statement of investment strategy may be approved by the City Council.

Section 3 Detecting, investigating, and preventing fraud, waste, and abuse

(A) For purposes of this section:

"Fraud" includes, without limitation:

- ☐ Forgery, alteration, or unauthorized negotiation or presentment of a check, warrant, bank draft, or any other financial document of the City or its affiliates including electronic transfer of funds
- ☐ Theft of City property, including money or other thing of value
- ☐ Misappropriation of City funds, securities, supplies, or other assets
- ☐ Impropropriety in the handling or reporting of money or financial transaction
- ☐ Profiteering as a result of insider knowledge of City operations
- ☐ Disclosing to another for improper gain and without authorization any confidential or proprietary information of the City
- ☐ The receipt of kick-backs, bribes or improper gifts
- ☐ Sabotage or other acts of intentional damage to City resources, including improper access or damage to a City database

"Waste" means the loss or misuse of City resources that result from deficient practices, system controls or decisions. A non-exclusive example of waste includes a violation of the City's non-idle policy, that is, waste of fuel by needlessly allowing a vehicle to idle.

"Abuse" means the intentional, wrongful or improper use of resources or misuse of rank, position or authority that causes the loss or misuse of City property or resources such as tools, vehicles, computers, fuel, or employee time. Non-exclusive examples of abuse include using City equipment or supplies to conduct personal business and using non-

confidential information to get new customers for an employee's outside business.

(B) The City Manager shall be primarily responsible for preventing and detecting fraud, waste, and abuse involving City employees. The City Manager shall require his managerial employees to be responsible for initiating preventive measures where appropriate, to be familiar with the types of improprieties that might occur within the managerial employee's area of responsibility, and to be alert for any indication of fraud, waste or abuse. The City Manager shall establish by directive rules for City employees regarding fraud, waste, and abuse consistent with the provisions of this policy. The directives shall apply to all employees of the City Manager and without regard to a suspected employee's length of service or position. The directives shall require that any employee who detects or suspects an incident of fraud, waste or abuse shall immediately report the same to the next higher level of supervision in the employee's chain of command. If the person in the next higher level of supervision is also suspected of fraud, waste or abuse, the employee shall report the fraud, waste or abuse to the Managing Director responsible for the department to which the employee is assigned. The directives shall allow an employee to by-pass the chain of command by reporting suspected fraud, waste or abuse to the hotline described below.

(C) The provisions of this policy apply to persons doing business with the City.

(D) The Internal Auditor shall establish and operate, with the cooperation of the City Manager, a "hotline" phone number or on-line intake system to which a person may anonymously report fraud, waste or abuse. A fraud, waste, and abuse hotline poster shall be developed by the City Manager and the Internal Auditor and shall be displayed at prominent locations throughout City buildings. The poster shall include information as to how an allegation may be reported through the hotline system.

(E) As a general rule, the Internal Auditor has primary responsibility to investigate allegations of fraud and the City Manager has primary responsibility to investigate allegations of waste and abuse. No definitive rule is established by this policy, however, due to the unique circumstances of any given case. Some allegations of fraud - the theft of minor office supplies, for example - while serious, are matters to be addressed through the City Manager for appropriate action. An allegation of abuse or waste, on the other hand, may involve a criminal offense or have such substantial consequences to the interests of the City that the Internal Auditor should have the primary responsibility for investigation. An allegation that relates to an employment dispute (disagreement with management decisions or style, workers compensation issues, claims of discrimination or workplace grievances and such) shall be referred to the Managing Director of Human Resources to be handled in accordance with controlling law and City policies. The City Manager, the Internal Auditor, and the City Attorney are directed to cooperate in determining the best means of protecting the City's interests.

(F) When the Internal Auditor receives an allegation of fraud, waste or abuse, the Internal Auditor shall:

(1) Determine whether the Internal Auditor or the City Manager has primary responsibility over the allegation as provided in this policy and proceed accordingly;

(2) If the Internal Auditor has primary responsibility, perform an initial investigation to determine whether the complaint alleges reasonable cause to continue with an investigation; and

(3) If the complaint alleges a serious instance of fraud, waste or abuse under this policy, refer the complaint to the Fraud, Waste, and Abuse Committee (as described below) for further discussion and direction.

(G) The Fraud, Waste, and Abuse Committee consists of the Chair of the Audit Committee, the Internal Auditor, the City Manager, the City Attorney, and the Managing Director of Human Resources. The Chief of Police may be made a member of the committee if an allegation includes conduct that may constitute a crime or the standing committee may refer a matter to the Chief of Police for criminal investigation.

(H) The Internal Auditor, in coordination with the Fraud, Waste, and Abuse Committee, shall report serious incidents to the City Council either directly or through a report to the Audit Committee, which shall then report the matter to the City Council. The report generally should not include the names of persons involved in the incident. Minor or non-serious incidents are generally internal management issues and reports of such to the City Council are not appropriate. The director of the department in which the incident arose shall, however, provide a written report to the City Manager regarding what actions were taken in response and what corrective actions will be taken to prevent recurrences.

Section 4 Qualifications for doing business with the City

(A) For purposes of this policy, “person” includes: (1) an individual; (2) a majority owner or principal of a corporation, partnership, association, or limited liability company; (3) shareholders in a business entity with five or fewer shareholders; and (4) majority owned affiliates of the foregoing.

(B) It is the policy of the City Council that the City not engage in business with a person who has been convicted of any state or federal felony offense. The City shall not, except as provided in this policy, enter into or renew a contract to purchase, sell, or lease goods or services to or from any person who has been: (1) convicted of a state or federal felony; or (2) convicted or fined in excess of \$50,000 on certain state or federal discrimination offenses. A conviction includes a probated sentence, a deferred adjudication, or similar disposition. Discrimination charges include only those brought for discrimination based on race, gender or religion.

(C) This policy does not apply when:

(1) At least three years have elapsed between the conviction and the approval of

the contract;

(2) The contract does not require City Council approval;

(3) Anything of value is paid or given to a person as an informant or participant in a crime stopper program; or

(4) The City Council determines that application of this policy to a proposed contract would cause financial hardship to the City by its application (in which event the City Council may waive the application of this policy by the affirmative vote of not less than six members of the City Council).

(D) For bid applications that may result in a contract award by the City Council, the bidder shall include a certification in the offer that the bidder is not disqualified by the application of this policy.

Division 4 STANDARD OPERATING PROCEDURES AND HOUSEKEEPING RULES

Section 1 National Night Out

National Night Out is an event recognized throughout the United States and Canada and held annually on the first Tuesday in August (October in Texas). It is designed to heighten crime and drug prevention awareness, generate support for and participation in local anti-crime programs, strengthen neighborhood spirit and police-community partnerships, and send a message to criminals letting them know that neighborhoods are organized and fighting back. Because the scheduled National Night Out often conflicts with the regularly scheduled first regular council meeting in October, a rescheduling of that meeting is necessary. Therefore, the first regular meeting of each October, normally held on the first Tuesday of the month, shall be rescheduled either to the first Monday of the month or to the second Tuesday of the month, when there are five Tuesdays in the month. The City Manager shall advise the City Council of scheduling options in order that the City Council may take action to reschedule the meeting not later than the second regular meeting in September.

Section 2 Board and commission appointments

(A) In May and June of every year, the City will, through the Garland City Press or similar distributions, including the city website, Garland City Press Briefs, and other available community-related electronic communication tools, include information for the public that explains the purpose and function of every board and commission appointed by the City Council, except the Garland Youth Council. The information will solicit applications from interested Garland residents. Applications for appointment must be delivered to the City Secretary and shall be submitted electronically on a form provided by the City Secretary for that purpose. Upon receipt of an application, the City Secretary shall check the

applicant's qualifications against the requirements for appointment to the office for which appointment is sought. The deadline for submitting an application is July 1. Following the filing deadline, the City Secretary shall forward applications, including those submitted by incumbents who wish to be reappointed to a position, to the City Council for consideration. The City Council shall also be provided with an attendance report detailing the number of absences of each current board member for the preceding reporting period and a report on current vacancies.

(B) In regards to the Garland Youth Council (GYC), in March and April of every year, the City will, through the Garland City Press or similar distributions, including the city website, Garland City Press Briefs, Neighborhood Chatter, Nextdoor and other available community-related electronic communications tools include information for the public that explains the purpose and function of the GYC. The information will solicit applications from interested Garland residents who are students enrolled in grades 9 through 12. Applications for appointment must be delivered to the GYC Staff Liaison and shall be submitted on a form provided by the GYC Staff Liaison for that purpose. Upon receipt of an application, the GYC Staff Liaison shall check the applicant's qualifications against the requirements for appointment. The deadline for submitting an application is May 1. Following the filing deadline, the GYC Staff Liaison shall forward applications, including those submitted by qualified incumbents who wish to be reappointed to a position, to the City Council for consideration. The City Council shall also be provided with an attendance report detailing the number of absences of each current appointment for the preceding reporting period.

(C) Councilmembers should review applications submitted for the position to be filled and select for nomination the person determined by the Councilmember to be most qualified for the position. Appointments for the Garland Youth Council will be made on nomination at the first regular meeting of the City Council in July. Appointments for all other boards and commissions will be made on nomination at the second regular meeting of the City Council in August.

(D) Appointments to boards and commissions must be approved by a majority vote of the City Council.

Section 3 Assistance to non-profit organizations for special events

(A) A non-profit organization that intends to sponsor a special event within the City may request in-kind (non-monetary) assistance from the City by submitting a written request to the Special Events Department. A request for assistance must be made for each event - standing or continuing requests are not allowed. A request for assistance must specify what benefits will accrue to the City as a result of the event and must specify with reasonable particularity what City services are being requested. A request for assistance must include a completed Special Events Assistance Program Application (see attached form). The request and application must be filed not less than 45 days prior to the date of the event. A request for assistance does not constitute an application for a special events permit under Chapter 30 of the Code of Ordinances unless so

determined by the Building Official.

(B) In order to be approved, a request for assistance must meet the following criteria:

(1) The sponsoring organization must provide evidence that the organization is an established civic, cultural, educational, religious or service group that is nationally- or state-chartered and that its membership is open to all citizens of Garland;

(2) The organization must provide proof of non-profit status under Section 501(c) of the Internal Revenue Code;

(3) The event must be of economic benefit to the community or contribute to the quality of life in Garland; and

(4) The event must be open for participation by the public.

(C) The City Manager may approve a request that meets the criteria established in this policy up to the available funds allocated as a part of the annual budget. Requests shall generally be considered on a first-come, first approved basis.

(D) The amount, if any, to be made available for assistance under this policy will be determined by the City Council on an annual basis as part of the annual operating budget.

(E) The City Manager shall timely notify the City Council of any upcoming special events for which assistance under this policy has been approved.

Section 4 Use of certain City-owned equipment for special events

(A) Under this policy, certain equipment owned by the City and under the control of the Special Events Department may be made available without remuneration to an organization that meets the requirements established in this policy. A request for equipment usage under this policy is secondary to and subject in all respects to the priority given to City-wide events, events sponsored by a City department, or an event co-sponsored by the City.

(B) A requesting party must make a formal written request to the City by submitting a Special Event Assistance Program Application. An application may be submitted to the Special Events Department, 211 N. Fifth Street, Garland, Texas 75040 (or SpecialEvents@garlandtx.gov). Approval of a request is entirely dependent on the availability of equipment. A request must be submitted at least 45 days prior to the event. A person appointed for that purpose by the City Manager is authorized to consider and approve requests that meet the requirements of this policy. Only the City Council, however, may approve a request that does not fully meet the requirements of this policy.

(C) A request for use of public equipment may not be approved except as follows:

(1) The event must be held within the Garland city limits;

(2) A requesting party may submit no more than two requests per calendar year;

(3) Unless the requestor represents a neighborhood association registered as such with the Office of Neighborhood Vitality, the requesting party must meet the eligibility requirements of the City's Special Event Assistance Program as provided in Article II, Division 4, Section 3 of these policies;

(4) Except for a neighborhood association registered as such with the Office of Neighborhood Vitality, the event must be open to the public for participation;

(5) If applicable to the event for which the equipment is requested, the requesting party must submit with its request a copy of the temporary activity permit issued by the Building Official under Section 30.210, *et seq.* of the Code of Ordinances; and

(D) The method of transporting the equipment and, if the equipment is to be kept overnight by the requestor, the proposed method of storing and securing the equipment, must be approved in advance by the City. Failure on the part of the requestor to properly transport, store, secure or care for the equipment will disqualify any future requests by that requestor.

(E) Equipment must be returned in good condition within three days of receiving the equipment. The person signing the application form on behalf of the requestor shall be responsible for reimbursing the City for lost, damaged or delayed equipment.

Section 5 Periodic Charter review

The City Attorney shall periodically advise the City Council whether, due to changes in the law, a necessity exists for a change in the Charter. If the City Council determines that a change in the Charter should be considered, it shall timely appoint a Charter Review Committee in accordance with the Charter.

Section 6 Election day sign moratorium at polling places

(A) Under the City's general sign regulations, the placement of signs on City property and streets is prohibited. No sign may be placed so as to encroach upon or obstruct any street, driveway, parking space, fire lane, sidewalk or pathway. This policy is intended to provide for a one-day moratorium on the placement of signs at a polling place, except as otherwise stated herein, on the official date of an election or date on which early voting is occurring.

(B) The City Manager is directed to hold in abeyance the enforcement of any sign provisions of the Garland Development Code for the premises of a polling place and the immediately adjoining, contiguous public street front of the polling place for a period commencing at 7:00 p.m. the day before an early voting date or an official election date and ending at 7:00 a.m., the day following the early voting date or an official election date.

(C) No member of the City Council shall demand that a sign be removed or that any provision of the City’s sign regulations otherwise be enforced with respect to any political sign covered by this policy.

Division 5 CEREMONIAL AND HONORARY PROCEDURES

Section 1 Facility naming and dedication plaques

(A) This policy applies to all public buildings, spaces, objects, property, organizational units, and grounds (collectively, “facilities”) owned or controlled by the City. The naming of a city facility vests in the sole discretion of the City Council.

(B) Unless otherwise contractually or legally obligated, the following criteria shall apply:

(1) Generally, for a person (or persons) to be considered eligible for the privilege of having a facility named after him or her, they must have made a significant contribution to the City, the field of government, or human betterment.

(2) To preserve the integrity and reputation of the City, no facility may bear the name of an individual convicted of a felony, impeached, removed from office, or dismissed from city service.

(3) Generally, facilities shall not be named for current City employees or those who currently hold public office.

(4) Special consideration shall be given to:

- a. The historical significance of the contribution of the person(s) to the facility, program, or City;
- b. The association of the person(s) with the facility to be named;
- c. Any financial contribution of the person(s) to the facility to be named; and
- d. Regional, state, national, or international recognition of the person(s)’ contributions and achievements.

(5) Naming rights shall be in effect for the duration of the effective and typical useful life of the facility, and not in perpetuity. It is expected and appropriate to rename or rededicate a facility upon completion of a significant renovation.

(6) The Council reserves the right to remove a name associated with any facility at any time in the event the naming gift pledge is unfulfilled, it is in the best interest

of the City or donor, as determined by Council in its sole discretion, or to protect the reputation of the City or the donor.

(C) In the event the City Council determines it is appropriate to name a facility after a qualified person(s), the Mayor shall request that the City Manager assemble a list of candidate names for the facility, and provide recommendation(s). The City Manager shall consider the opinions and nominations of relevant stakeholders, including members of City Council, in compiling the list of candidates. The list shall be presented to the Council for public discussion and debate. A candidate shall be approved upon a simple majority affirmative vote of Council.

(D) The City may erect a dedication plaque or comparable marking upon naming approval. In addition to the facility name, the dedication plaque shall identify the general contractor, architect, mayor, city manager, and members of the city council at the date of ground-breaking. Additionally, the plaque should contain a section available for the names of those who significantly contributed to the success of the project. This may include, but is not limited to: members of the community, former council members, current and former staff, donors, and members of boards and commissions relevant to the project.

Section 2 Outgoing appreciation commemoratives

(A) The City shall recognize the service of outgoing members of the City Council by presenting the member with a City flag and a commemorative memento that displays the City of Garland seal and the name and years of service of the Councilmember. The design and form of the memento shall be coordinated through the Office of the City Manager in order to provide consistency and cost control. The City Council shall budget funds necessary and appropriate for such purposes.

(B) In recognition of the services provided by the citizens who serve as appointees to boards and commissions, the City Council shall budget for an annual appreciation function to be held in the fall for all members of boards and commissions who have served during the preceding year. At that time, members who are retiring will be presented with a commemorative recognition of appreciation for service to the City in a form provided by the City Manager.

Section 3 Ceremonial documents

Certain ceremonial documents may be issued by the Mayor including proclamations, special recognitions, resolutions of honor, honorary citizenships, and official greetings. A member of the City Council may request the preparation of certificates of appreciation for presentation to citizens who the Councilmember wishes to recognize for outstanding service to Garland. All requests for ceremonial documents shall be made in writing to the Office of the Mayor. The request shall describe the occasion or person to be commemorated, the value of that person or occasion to Garland, and how the proposed commemoration relates to the citizens of Garland. The Mayor shall determine whether to

approve the request and, if approved, what form of commemoration will be given and whether the commemoration will be presented at a meeting of the City Council.

Section 4 Meritorious service awards

On occasion, a citizen or employee of the City may perform an act of heroism or provide service to the citizens of Garland beyond the call of duty. The City Council may recognize such acts and service by issuing a City Council “Medal of Honor” to deserving recipients. A nomination for the award of a meritorious service award may be submitted to the City Council by any member or, if the nomination is made by a citizen, by forwarding the nomination to the Mayor.

Section 5 Public display of flags

The United States flag, Texas state flag, and city of Garland flag shall be displayed in accordance with the U.S. Flag Code (Title 4, United States Code, Chapter 1) and Texas Government Code §3100.065. The City flag shall never be displayed above the flags of the United States or the State of Texas.

The City of Garland shall comply with all federal and state directives regarding the lowering of flags to half-staff. City flags may also be lowered to half-staff at the direction of the Mayor, through communication to the City Manager.

City Councilmembers desiring to request that flags be lowered should submit their request to the Mayor, who shall provide direction to the City Manager. Upon the passing of a current City of Garland official, the City flag shall be lowered to half-staff beginning the day the City is notified and shall remain lowered through the following day. This time frame shall also apply to other approved lowering requests.

When the U.S. or Texas flags are ordered to half-staff, the City of Garland flag shall also be lowered for the same duration. However, when City flags are lowered at the direction of the Mayor, the U.S. and Texas flags shall not be lowered.

Division 6 COUNCIL DIRECTIVES TO MANAGEMENT

Section 1 Public use of City Hall

The City Manager shall develop a program to allow for the use of the Council Chambers and the 1st Floor meeting rooms in City Hall by non-profit groups. The program shall be consistent with current security protocols and shall recognize the public use of City Hall for public business as paramount.

Section 2 Compensation of City employees

It is the policy of the City Council that, within the City’s financial and budgetary limits, all

City employees will be compensated at a level that is competitive with the compensation paid to employees within the City's employment market area. The City Manager is directed to have annual compensation surveys conducted within the City's employment market area to determine whether employment compensation for City employees is competitive for such purposes, and to perform occasional job evaluations to determine what compensation adjustments should be made for persons already employed by the City.

Section 3 Homeowner's association by-law review

Homeowners' associations within the City must submit the by-laws of the association to the City for review and approval. The City Manager may designate a department for such purposes and may cause the review to be limited to a determination whether the proposed bylaws, including any proposed amendment, adequately provides a source of funds and a means of obtaining those funds (such as through mandatory homeowners' association assessments) to pay for the upkeep, repair, and maintenance of any improvements owned by the association including public improvements such as screening walls, subdivision entry features, and the like.

Section 4 Right of way acquisition and waiver of special assessments

The City Manager is hereby authorized to offer, in exchange for a dedication of right of way necessary for the completion of a street improvement project, the waiver of special assessments that will or may be assessed against the owners of real property that abuts the project.

Section 5 *Reserved*

Section 6 "Over-hiring" of civil-service positions for police and fire

The City Council recognizes that, when a vacancy occurs in an entry-level civil service position, the process of recruiting and training a replacement may take more than a year. Due to the time lag, the rigors of training, and other factors beyond the City's control, a class of potential recruits may decrease in size by half or more during the recruitment and training process. The City Council also recognizes that the expected vacancy rate for the Police and Fire departments can be reasonably calculated. It is the desire of the City Council that staffing of civil service positions remain as close as possible to 100% of authorized strength. Accordingly, the City Manager is authorized to estimate the potential vacancies within the Police and Fire departments that are reasonably likely to occur within the future and, based on that estimate, hire a sufficient number of recruits for those positions so that, accounting for anticipated and historical attrition rates, the staffing level of civil service positions will likely be as close as possible to 100% of authorized strength.

Section 7 Doing business with delinquent account holders

It is the policy of the City Council that the City does not do business with a person

(including a business entity of any sort) who is delinquent on an account to the City. Examples of delinquent accounts include taxes, impact fees, special assessments, utility bills, and EMS fees. The City Manager shall cause the affected departments within the City (including Purchasing, Engineering, Planning, and GP&L) to be provided with sufficient information to enforce the provisions of this policy.

Section 8 Payroll deductions under Sec. 141.008, TEX. LOCAL GOV'T CODE

Membership dues payable to a bona fide employee's association named by a requesting employee may be deducted from the requesting employee's salary or wages provided that: (1) the requesting employee is an active, full-time employee; (2) participation by the requesting employee in the payroll deduction program is voluntary; (3) the requesting employee submits to the City a written request stating the amount to be deducted each month from the employee's salary or wages; and (4) the written request specifies the employees' association to which the deducted funds will be transferred. The City is under no obligation to incur any expense in the administration of an employee payroll deduction program.

Section 9 Reporting of certain offers of donations to the City

The City Manager shall endeavor to obtain from the City Council approval of any offer of a donation to the City or a department or agency of the City that, in the professional judgment of the City Manager may, because of the type, value or conditions of acceptance, create an issue of concern to the City Council or call into question the independence and reputation of the City.

Section 10 Prohibiting City assistance to businesses that engage in the creation of economic brownfields

It is the practice of some businesses to thwart competition by imposing deed restrictions on property owned by the business that prohibit future owners of the property from engaging in any business the initial owner determines to potentially compete with the current or future business interests of the initial owner – a practice known as the creation of “economic brownfields”. The City and its citizens are harmed by such practices because later businesses are unable to use the property for economically viable purposes long after the initial owner has left the area. City assistance, such as by way of economic development agreements, tax abatements, sales and property tax rebates, and similar assistance, should not be used to assist businesses that engage in such practices. The City Manager is directed to refuse any such assistance to any business that is unable or unwilling to certify that it does not impose, and will not enforce, any deed restriction or similar land use restriction that has the effect of creating an economic brownfield as that term is used in this section.

ATTACHMENTS:

Council Committee Interest Form

Special Events Assistance Program Application

Dignitary Recognition Protocol

City Facilities Usage Guidelines – Non-Profits and Sports Fields

PROTOCOL FOR RECOGNITION OF ELECTED OFFICIALS, DIGNITARIES, AND OTHER PERSONS OF IMPORTANCE AT CITY-SPONSORED EVENTS

Protocol for Non-City Elected Officials and Other Persons of Importance (“Dignitaries”) at City-Sponsored Events

- 1) Dignitaries may be recognized during their attendance at City-sponsored meetings and functions in the traditional manner. Dignitaries should not be given any expectation of inclusion or recognition unless an event is specifically designed to include them in the agenda for the event or to recognize them or to promote a non-profit activity that compliments the City’s non-profit use policy.
- 2) For municipal events and celebrations such as, but not limited to: the Summer Concert Services, Star-Spangled Fourth, Oktoberfest, Dia de los Muertos, and Christmas on the Square, elected representatives that represent any part of the physical or political borders of the City of Garland or its utilities should be given an invitation to attend.
- 3) If a municipal event or celebration sets aside time for dignitaries to speak, all dignitaries personally in attendance will be given an amount of time to speak that is appropriate to the event, and speech topics will be limited to introductions and the purpose of the event. Persons, such as staff members, who are attending an event on behalf of a dignitary may be recognized but will not be invited to speak unless they are delivering a public service announcement of a type approved in advance. Speeches that directly promote candidacy for office are prohibited.
- 4) The City Council must approve the budget for events that are hosted on behalf of dignitaries or outside political or policy-making entities.



GARLAND

CITY COUNCIL STAFF REPORT

9

Meeting Date: December 15, 2025

Title: Development Services Committee Report

Submitted by: Letecia McNatt, Assistant to the City Manager

Strategic Focus Area:

Issue / Summary

Mayor Pro Tem Lucht, Chair of the Development Services Committee, and Staff will brief Council on the Committee's review of the SUP Process. This item was referred by Councilmember Carissa Dutton, with a second from Mayor Pro Tem Lucht, at the May 5, 2025, Work Session.

Background

The Development Services Committee, and Staff will brief Council on the Committee's review of the SUP Process.

Consideration / Recommendation

Discussion only.

Attachments

None



GARLAND

CITY COUNCIL STAFF REPORT

10

Meeting Date: December 15, 2025
Title: Public Safety Committee Report

Submitted by:

**Strategic Focus
Area:**

Issue / Summary

Background

Consideration / Recommendation

Attachments

None