



CITY OF HIGHLAND HAVEN

510 Highland Drive, Suite A
Highland Haven, Texas 78654
Telephone: 830-265-4366

AGENDA – REGULAR BOARD OF ALDERMEN MEETING

DATE: October 6, 2026
TIME: 7:00 PM
PLACE: Highland Haven Community Center, 118 Blackbird, Highland Haven, TX

1. Open Meeting and Establish Quorum/Roll Call – Mayor

Mayor Pro Tem Terry Nuss	☐ Present	☐ Absent
Aldersperson Don Hagans	☐ Present	☐ Absent
Aldersperson Bruce Robertson	☐ Present	☐ Absent
Aldersperson Lynn Smith	☐ Present	☐ Absent
Aldersperson Terry Smith	☐ Present	☐ Absent

2. Pledge of Allegiance

3. Recognize Visitors

4. Announcements, Proclamations, or Presentation: **A Proclamation By The City Of Highland Haven, Texas Designating October 2026 As National Fire Safety Month**

5. Public Comment

(At this time, any person with business before the BOA not scheduled on the agenda may speak to the Board. No formal action can be taken on these items at this meeting. No discussion or deliberation can occur. Comments regarding specific agenda items should occur when the item is called.)

ACTION ITEMS

6. Consider Consent Items:

The items listed are considered to be routine and non-controversial by the Board of Aldermen and will be approved by one motion. There will be no separate discussion of these items unless a Board member so requests, in which case the item will be removed from the Consent Agenda prior to a motion and vote. The item will be considered in its normal sequence on the regular agenda

a. Minutes from September 15, 2026 BOA Regular Meeting

7. Discussion/Possible Action: IT Services Agreement with Neptune 9

8. Discussion/Possible Action: Fund Accounting Software Agreement with FundView

9. Discussion/Possible Action: E-bike Ordinance Revision

10. Discussion/Possible Action: Sign Ordinance Revision

DISCUSSION / INFORMATION ITEMS

11. City Website
12. Water Infrastructure Bond
13. Review Assignments for the Planning & Zoning Commission
 - a. Review of Current Planning & Zoning Assignments
 - b. Next regular P&Z meeting is scheduled for October 8, 2026 at Highland Haven Community Center at 6:00 PM.
14. Legislative Updates
15. Code Enforcement
16. Drainage Issues
17. Review Water System
 - a. Water System Maintenance or Issues
 - b. Central Texas Groundwater District
18. Review Solid Waste Services
19. Mayor's Report
20. Aldermen Comments
21. City Staff Comments
 - a. City Administrator
 - b. City Secretary

Next Board of Aldermen Meeting:

- Regular Meeting – Tuesday, October 20, 2026 at 7:00 PM at Highland Haven Community Center

Adjournment.

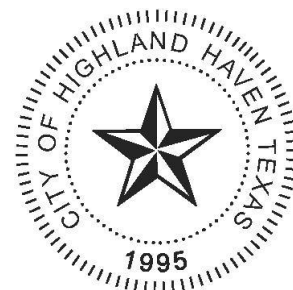
Posted: September 29, 2026

CERTIFICATION OF POSTING

I, SARAH COLLARD, CERTIFY THAT THE FOREGOING AGENDA HAS BEEN POSTED AT HIGHLAND HAVEN CITY HALL, 510 HIGHLAND DRIVE, SUITE A; HIGHLAND HAVEN, TX ON THE INDOOR AND OUTDOOR NOTICE BOARDS OF CITY HALL WHICH ARE ACCESSIBLE TO THE PUBLIC AT ALL TIMES AND THE CITY WEBSITE AT [WWW. HIGHLANDHAVENTX.COM](http://WWW.HIGHLANDHAVENTX.COM) ON SEPTEMBER 29, 2026, AND REMAINED SO POSTED FOR AT LEAST 3 BUSINESS DAYS PRECEDING THE SCHEDULED DATE OF SAID MEETING.

Sarah Collard

Sarah Collard, City Secretary



THIS MEETING SHALL BE CONDUCTED PURSUANT TO THE TEXAS GOVERNMENT CODE SECTION 551.001 ET SEQ. AT ANY TIME DURING THE MEETING THE BOARD RESERVES THE RIGHT TO ADJOURN INTO EXECUTIVE SESSION ON ANY OF THE POSTED AGENDA ITEMS IN ACCORDANCE WITH THE SECTIONS 551.071 (Advice of Counsel), 551.072 (Real Property), 551.073 (Gifts or Donations), 551.074 (Personnel), 551.076 (Security), 551.087 (Economic Development) and/or 418.183 (Homeland Security).



A PROCLAMATION BY THE CITY OF HIGHLAND HAVEN, TEXAS DESIGNATING OCTOBER 2026 AS NATIONAL FIRE PREVENTION MONTH

WHEREAS, the City of Highland Haven is committed to ensuring the safety, health, and welfare of all residents by reducing the hazards and devastating impacts of structural and residential fires; and

WHEREAS, home fires today burn faster and hotter than ever before, leaving occupants with as little as two minutes to safely escape a burning structure from the time a smoke alarm sounds; and

WHEREAS, this year's national theme, "Charge Into Fire Safety™: Safe Charging Is a Superpower," highlights the critical importance of lithium-ion battery safety and responsible charging habits for smartphones, laptops, and everyday household electronics; and

WHEREAS, working smoke alarms cut the risk of dying in a home fire in half, and having a well-practiced home fire escape plan with two distinct ways out of every room ensures that everyone can exit safely in an emergency; and

WHEREAS, the dedicated first responders of Granite Shoals Fire Rescue stand ready to protect the lives and property of Highland Haven residents around the clock, demonstrating profound courage, professionalism, and selflessness.

NOW, THEREFORE, I, Olan Kelley, Mayor of the City of Highland Haven, Texas, do hereby officially proclaim October 2026 as **FIRE PREVENTION MONTH** and the week of October 4–10, 2026, as **FIRE PREVENTION WEEK** in the City of Highland Haven. I urge all residents to check their smoke alarms, practice their home escape routes, adopt safe battery-charging habits, and support the vital, life-saving efforts of Granite Shoals Fire Rescue.

Adopted this 6th Day of October, 2026.

Olan Kelley, Mayor





CITY OF HIGHLAND HAVEN

510 Highland Drive, Suite A
Highland Haven, Texas 78654
Telephone: 830-265-4366

MINUTES – REGULAR BOARD OF ALDERMEN MEETING

DATE: September 15, 2026
TIME: 7:00 PM
PLACE: Highland Haven Community Center, 118 Blackbird, Highland Haven, TX

1. Open Meeting and Establish Quorum/Roll Call – **Mayor Kelley called the meeting to order at 7:00 PM.**

Mayor Pro Tem Terry Nuss	☐ Present	☒ Absent
Aldersperson Don Hagans	☒ Present	☐ Absent
Aldersperson Bruce Robertson	☒ Present	☐ Absent
Aldersperson Lynn Smith	☒ Present	☐ Absent
Aldersperson Terry Smith	☐ Present	☒ Absent

2. Pledge of Allegiance – **Led by Mayor Kelley.**
3. Recognize Visitors – **Rick Hieb, Tammie Hieb, Mary Chase, Terry Chase, Judy Kelley, Laura Stubblefield, Jackie Garrow**
4. Announcements, Proclamations, or Presentation: **A Proclamation By The City Of Highland Haven, Texas, Designating September 2026 As National Preparedness Month**
5. Public Comment

(At this time, any person with business before the BOA not scheduled on the agenda may speak to the Board. No formal action can be taken on these items at this meeting. No discussion or deliberation can occur. Comments regarding specific agenda items should occur when the item is called.)

There were no public comments.

ACTION ITEMS

6. **Consider Consent Items:**

The items listed are considered to be routine and non-controversial by the Board of Aldermen and will be approved by one motion. There will be no separate discussion of these items unless a Board member so requests, in which case the item will be removed from the Consent Agenda prior to a motion and vote. The item will be considered in its normal sequence on the regular agenda

- a. Minutes from August 18, 2026 BOA Regular Meeting
- b. Sales Tax Report – September 2026
- c. Water Production Report – August 2026
- d. Building Permit Report – August 2026

e. Financials – August 2026

Lynn Smith made a motion to accept the Consent Items, seconded by Don Hagans.

Vote: 3-0

7. **Discussion/Possible Action:** Resolution #386 – Designation of the official newspaper in which the City of Highland Haven, Texas will publish public notices.

Don Hagans made a motion to designate the Marble Falls Messenger as the official newspaper in which the City of Highland Haven publishes public notices. Lynn Smith seconded the motion.

Vote: 3-0

8. **Discussion/Possible Action:** Texas Municipal League Intergovernmental Risk Pool Board of Trustees Election – Official Ballot
- a. Place 1
 - b. Place 2
 - c. Place 3
 - d. Place 4

Bruce Robertson made a motion to direct the City Administrator and Mayor to review and select the candidates for each place on the ballot that would most benefit the City. Don Hagans seconded the motion.

Vote: 3-0

9. **Discussion/Possible Action:** Board of Aldermen Meeting Calendar FY26-27

Lynn Smith made a motion to accept the Board of Aldermen Meeting Calendar for FY26-27, seconded by Bruce Roberston.

Vote: 3-0

10. **Discussion/Possible Action:** IT Services Vendor Selection
- a. Hill Country Tech Guys
 - b. Neptune 9

Lynn Smith made a motion to direct the City Administrator to move forward with negotiating a final agreement with Neptune 9 for IT Services. Don Hagans seconded the motion.

Vote: 3-0

11. Discussion/Possible Action: Fund Accounting Software Vendor Selection

- a. Edmunds GovTech
- b. FundView

Bruce Robertson made a motion authorizing the City Administrator to proceed with negotiating a final agreement with FundView, seconded by Lynn Smith.

Vote: 3-0

DISCUSSION / INFORMATION ITEMS

- 12. Discussion – Deer Population
- 13. Discussion – City Record Retention
- 14. Water Infrastructure Bond
- 15. Review Assignments for the Planning & Zoning Commission
 - a. Sign Ordinance Review and Comments
 - b. Review of Current Planning & Zoning Assignments
 - c. Next regular P&Z meeting is scheduled for October 8, 2026 at Highland Haven Community Center at 6:00 PM.
- 16. Legislative Updates
- 17. Code Enforcement
- 18. Drainage Issues
- 19. Review Water System
 - a. Water System Maintenance or Issues
 - b. Central Texas Groundwater District
- 20. Review Solid Waste Services
- 21. Mayor's Report
- 22. Aldermen Comments
- 23. City Staff Comments
 - a. City Administrator
 - b. City Secretary

Next Board of Aldermen Meeting:

- Regular Meeting – Tuesday, October 6, 2026 at 7:00 PM at Highland Haven Community Center

Don Hagans made a motion to adjourn the meeting; seconded by Bruce Robertson.

Vote: 3-0

Adjournment.

The meeting adjourned at 8:13 PM.

Olan Kelley, Mayor

Attest:

Sarah Collard, City Secretary





October 2, 2026

Subject: Item 7: Discussion/Possible Action on IT Services Agreement with Neptune 9

To the City of Highland Haven Board of Aldermen,

Background

At its September 15, 2026 meeting, the Board of Aldermen selected Neptune 9 as the City's preferred provider for managed Information Technology (IT) services following a competitive Request for Proposals (RFP) process. During the evaluation process, Neptune 9 received the highest overall evaluation score among respondents and submitted the lowest-cost proposal.

Following Board direction, staff requested a formal Managed Services Agreement from Neptune 9. The proposed agreement has now been received and is included in the meeting packet for Board review.

Agreement Overview

Under the proposed agreement, Neptune 9 would provide managed IT services for the City, including network monitoring, help desk support, patch management, cybersecurity protection, backup and disaster recovery services, network management, and strategic technology consulting.

Key provisions of the agreement include:

- Initial contract term of thirty-six (36) months.
- Automatic annual renewals unless either party provides thirty (30) days written notice of non-renewal.
- Monthly recurring services totaling approximately **\$1,804.61 per month**, consistent with the pricing presented during the RFP process.
- Service level response targets for critical, high-priority, normal, and low-priority support requests.
- Cybersecurity protections, monitoring, backup services, and data security provisions.
- Texas governing law with venue in Burnet County.

The pricing included in the agreement remains consistent with the City's approved Fiscal Year 2026-2027 budget and the proposal previously reviewed by the Board.

Attorney Review



As of the preparation of this agenda packet, the proposed agreement has been forwarded to the City's legal counsel for review. Staff has requested that counsel identify any provisions that may require modification or further discussion prior to execution.

At the time this packet was prepared, staff had not yet received comments from the City Attorney. Any feedback or recommended revisions received prior to the meeting will be provided to the Board during the agenda discussion.

Next Steps

If the Board is comfortable with the agreement and any recommended revisions from legal counsel, the Board may choose to authorize execution of the agreement and proceed with implementation planning. Once executed, staff will work with Neptune 9 to coordinate onboarding, system assessment, cybersecurity review, and transition of IT services.

Staff Recommendation

Authorize the Mayor/City Administrator to execute the Managed Services Agreement with Neptune 9, subject to any revisions recommended by the City Attorney that do not materially alter the scope of services or financial terms approved by the Board.

Sincerely,

Andy Adams

City Administrator

City of Highland Haven

(830) 265-4366

cityadministrator@highlandhaventx.com



N9 Ventures Inc DBA Neptune9

P.O. Box 340399

Austin, TX 78734

MANAGED SERVICES AGREEMENT

This Agreement is entered into as of 10/01/2026 between **N9 Ventures Inc.** a ("Provider"), and **City of Highland Haven** ("Customer").

1. Services

1.1 Provider will deliver the managed IT services described in each Statement of Work or Service Schedule ("SOW") signed by both parties. Each SOW is governed by this Agreement.

1.2 Typical services may include: 24x7 monitoring, help desk support, patch management, endpoint protection using Threatdown, backup and disaster recovery, network management, and vCIO/strategic consulting.

2. Term and Renewal

2.1 The initial term is 36 months from the Effective Date.

2.2 The Agreement renews automatically for successive 12-month terms unless either party gives 30 days written notice of non-renewal.

3. Fees and Payment

3.1 Customer will pay the recurring monthly fees in the quote, invoiced in arrears, due within 30 days.

3.2 Work outside the SOW scope (projects, on-site work, after-hours support not included) is billed at Provider's then-current rates, which is \$75 to \$150 per hour depending on resource.

3.3 Fees may increase once per contract year by up to 5% or CPI, whichever is greater, with 30 days' notice.

3.4 Late amounts accrue interest at 1.0% per month or the maximum legal rate, if lower. Provider may suspend services after 15 days written notice of non-payment.

3.5 Customer is responsible for applicable taxes, excluding taxes on Provider's income.

3.6 Third-party licenses and hardware (e.g., Microsoft 365, antivirus, firewalls) are billed



at standard rates. If contract is terminated early, all licenses with remaining terms will be due to provider.

4. Service Levels

4.1 Provider will meet the service levels in Exhibit B. Example:

Priority	Definition	Response	Target Resolution
P1 – Critical	Business-wide outage	1 hour	4 hours
P2 – High	Major function impaired	2 hours	8 business hours
P3 – Normal	Single user / minor issue	4 business hours	3 business days
P4 – Low	Request / question	1 business day	5 business days

4.2 Exclusions include: scheduled maintenance, force majeure, Customer-caused issues, third-party vendor outages, and Customer's failure to follow Provider's reasonable recommendations.

5. Customer Responsibilities

Customer will: (a) provide timely access to systems, facilities, and personnel; (b) designate an authorized contact; (c) maintain valid licenses for software in its environment; (d) promptly notify Provider of changes affecting the environment; and (e) not allow unmanaged changes to systems within scope.

6. Security and Data Protection

6.1 Provider will maintain commercially reasonable administrative, technical, and physical safeguards for Customer data.

6.2 Provider will notify Customer without undue delay, and within [72] hours where feasible, after confirming a security incident affecting Customer data.

6.3 Customer remains responsible for its own regulatory compliance (e.g., HIPAA, PCI-DSS) unless a SOW expressly assigns specific compliance duties to Provider. If Provider will handle regulated data, the parties will sign an appropriate addendum (e.g., a HIPAA



Business Associate Agreement).

6.4 No security program can prevent all incidents. Provider does not guarantee that Customer's environment will be free from breaches or malware.

7. Confidentiality

Each party will protect the other's Confidential Information with at least reasonable care, use it only to perform or receive the services, and not disclose it except to personnel and advisors who need to know and are bound by similar obligations. This survives for [3] years after termination, and indefinitely for trade secrets and personal data. Standard exceptions apply (public information, independently developed, lawfully received from a third party, legally compelled disclosure).

8. Intellectual Property

8.1 Customer retains ownership of its data and pre-existing materials.

8.2 Provider retains ownership of its tools, scripts, methodologies, and documentation, and grants Customer a non-exclusive license to use any deliverables internally during the term.

9. Warranties and Disclaimer

9.1 Provider will perform services in a professional and workmanlike manner consistent with industry standards.

9.2 EXCEPT AS EXPRESSLY STATED, THE SERVICES ARE PROVIDED "AS IS," AND PROVIDER DISCLAIMS ALL OTHER WARRANTIES, INCLUDING MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

10. Limitation of Liability

10.1 Neither party is liable for indirect, incidental, special, consequential, or punitive damages, or for lost profits or data, even if advised of the possibility.

10.2 Each party's total liability under this Agreement is limited to the fees paid by Customer in the [12] months preceding the claim.

10.3 These limits do not apply to breach of confidentiality, indemnification obligations, gross negligence, willful misconduct, or Customer's payment obligations. *(Note: whether data breach costs fall inside or outside the cap is commonly negotiated.)*



11. Indemnification

Each party will indemnify the other against third-party claims arising from (a) its gross negligence or willful misconduct, or (b) its infringement of third-party intellectual property rights, subject to prompt notice, control of defense, and reasonable cooperation.

12. Insurance

Provider will maintain, during the term: commercial general liability 1M, and workers' compensation as required by law. Certificates are available on request.

13. Termination

13.1 Either party may terminate for material breach not cured within 30 days of written notice.

13.2 Either party may terminate immediately if the other becomes insolvent or files for bankruptcy.

13.3 If Customer terminates without cause before the end of the term, Customer will pay 50% of remaining fees (early termination fee).

13.4 On termination, Provider will provide reasonable transition assistance for up to 60 days at its then-current rates, including return of Customer data, credentials, and documentation, provided all undisputed fees are paid.

14. Non-Solicitation

During the term and for 12 months after, neither party will directly solicit for employment the other's personnel who worked on the services, except through general job postings.

15. General

- **Independent contractors.** No partnership, agency, or employment relationship is created.
- **Force majeure.** Neither party is liable for delays caused by events beyond its reasonable control (excluding payment obligations).
- **Assignment.** No assignment without written consent, except to a successor in a merger or sale of substantially all assets.



- **Governing law and venue.** Laws of Texas; courts located in Burnet County
- **Notices.** In writing to the addresses above, effective on delivery.
- **Entire agreement; amendments.** This Agreement, its SOWs, and exhibits are the entire agreement and may be amended only in a writing signed by both parties.
- **Severability; waiver; counterparts.** Standard provisions apply. Electronic signatures are valid.

Signatures

N9 Ventures Inc.

CUSTOMER

By: _____ By: _____

Name:

Name:

N9 Ventures, Inc. (DBA Neptune 9)

www.neptune9.com

services@neptune9.com

512-377-1298



PC Server and Network Support	Qty	Monthly Recurring Cost	Non Recurring One Time Setup Fees
Monthly Support Per PC (5 workstations + 12 laptops)	17	\$55.00	
Threatdown EDR	17	\$7.33	
Total Monthly Recurring PC Support		\$1,059.61	
Monthly Support Per Server	1	\$150.00	
Off-site server backup license	1	\$150.00	
Total Monthly Recurring Server Support		\$300.00	
Monthly Support Per Network Device	3	\$75.00	
Total Monthly Support per Network Device		\$225.00	
Optional Project costs			
Approximate one time cost to replace Firewall, network switch and Wi-Fi device (if needed)			\$6,000.00
Approximate, one time cost to purchase server for on site backups, Active Directory implementation, network storage, etc.			\$7,000.00
Email Migration to Office 365 from Current mail platform, per mailbox			\$200.00
Office 365 Hosted Email and Collaboration Tools - Assumptions are Made as to numbers of users needing full Office Suite			
Microsoft 365 Business Premium (Includes desktop and web Office apps, Email with 50GB mailbox, 1TB OneDrive storage, Microsoft Teams collaboration, Advanced Security, Microsoft Purview for compliance, Intune for device management)	10	\$22.00	
Total Monthly Recurring for Office 365		\$220.00	
Total Monthly Cost for N9 Services (Net 30 terms)		\$1,804.61	



October 2, 2026

Subject: Item 8: Discussion/Possible Action on Fund Accounting Software Vendor Selection

To the City of Highland Haven Board of Aldermen,

Background

At its September 15, 2026 meeting, the Board of Aldermen selected FundView as the City's preferred provider for fund accounting and payroll software following a competitive Request for Proposals (RFP) process. During the evaluation process, FundView and Edmunds GovTech were identified as the two highest-ranked vendors. While both vendors offered similar functionality and pricing, the evaluation committee unanimously preferred FundView's platform and noted its significantly shorter implementation timeline.

Following Board direction, staff worked with FundView to develop a software subscription and implementation agreement for Board consideration. The current version of the agreement is included in the meeting packet.

Agreement Overview

Under the proposed agreement, FundView would provide hosted fund accounting and payroll software, implementation services, data migration, training, project management, software hosting, backup services, and ongoing technical support. The City's initial implementation will include the following modules:

- General Ledger
- Bank Reconciliation
- Accounts Payable
- Payroll

These modules represent the City's immediate implementation priorities and are consistent with the scope discussed during the vendor evaluation process.

The agreement includes:

- Software hosting and maintenance by FundView.
- Data migration from the City's existing accounting system.
- Remote training and implementation services.
- Ongoing software updates and technical support.



- An initial one-year subscription term with annual renewals thereafter unless either party provides notice of non-renewal.

Attorney Review

The initial agreement presented by FundView was reviewed by the City's legal counsel. Following that review, several revisions were requested to address matters commonly found in municipal contracts, including insurance requirements, indemnification provisions, public information requirements, governmental immunity protections, and other legal considerations applicable to Texas municipalities.

FundView subsequently revised the agreement and returned the updated version currently included in the Board packet. Staff believes the revised document addresses the City's primary concerns; however, the agreement has been returned to legal counsel for a final review and recommendation.

As of the preparation of this packet, final comments from the City Attorney have not yet been received. Any additional feedback or recommended revisions received prior to the meeting will be provided to the Board during discussion.

Implementation Schedule

One of the primary advantages identified during the evaluation process was FundView's ability to begin implementation quickly. Upon execution of the agreement, staff anticipates working with FundView to begin project planning, data conversion, staff training, and deployment activities, with the goal of bringing the new accounting and payroll system online as soon as practical.

The new software platform is expected to improve accounting processes, payroll administration, financial reporting capabilities, budgeting functions, and overall operational efficiency.

Staff Recommendation

Authorize the Mayor or City Administrator to execute the agreement with FundView, subject to any revisions recommended by the City Attorney that do not materially alter the scope of services, implementation schedule, or financial terms approved by the Board.

Sincerely,

Andy Adams

City Administrator

City of Highland Haven

(830) 265-4366

cityadministrator@highlandhaventx.com

SOFTWARE SUBSCRIPTION AGREEMENT

This Software Subscription Agreement ("**Agreement**") is made as of the Effective Date (the "**Effective Date**") between Fund Accounting Solution Technologies, Inc., a Texas corporation ("Company"), and the City of Highland Haven, a Texas Municipality, ("Customer"). The Effective Date of this agreement is September 16th, 2026. This Agreement describes Customer's subscription for access to Software and payment for Services provided by Company. Company and Customer therefore agree as follows:

1) DEFINITIONS.

(a) "**Software Subscription**" means the software developed and delivered by Company provided to Customer as described in this Agreement.

(b) "**Government Authority**" means any governmental authority or court, tribunal, agency, department, commission, arbitrator, board, bureau, or instrumentality of the United States of America or any other country or territory, or domestic or foreign state, prefecture, province, commonwealth, city, county, municipality, territory, protectorate or possession.

(c) "**Law**" means all laws, statutes, ordinances, codes, regulations and other pronouncements having the effect of law of any Government Authority.

(d) "**Services**" means the Services Company provides to Customer as described in this Agreement.

(e) "**Software**" means the software described in this Agreement.

2) **SERVICES.** Company agrees to provide the Services as described in Addendum B.

3) SUBSCRIPTION.

(a) **Scope.** Company agrees to provide support for the Software listed in Addendum A of this Agreement. Both parties acknowledge that the Subscription Agreement covers support for both the Software products listed in Addendum A of this Agreement and for updates of the Software products. The Subscription agreement will provide support services as described in Addendum B of this Agreement.

(b) **Updates.** Company will install the Software in a hosted computer environment as described in Addendum A of this Agreement. Updates to the software, including new releases and fixes, will be managed by Company in the hosted environment.

4) **DELIVERY.** The Software and Services will be delivered as described in Addendums A & B to this agreement. Customer agrees that the Company Software consists of Company's trade secrets. Company shall retain all copyrights in the Company Software, whether published or unpublished. Company agrees that all data provided to Company for the Software ("Customer Data") shall remain the property of Customer. During the term of this Agreement, Customer may access and export Customer Data using the standard reporting and export functionality available within the Software. Company does not guarantee that all historical or legacy data fields will be available for export. Upon termination of the Agreement in good standing and payment of all outstanding amounts, Company will provide Customer with a one-time final export of Customer Data in a standard, commercially reasonable electronic format. Company is not obligated to provide Customer Data in customized, reformatted, reverse-engineered, or third-party specified structures unless agreed to in writing as Additional Services. Data extractions, transformations, historical reconstructions, or custom reporting requests

are subject to fees based on Company's then-current professional services rates. Company does not warrant that Customer Data exports will be compatible with third-party systems, consultants, auditors, or analytical tools without additional configuration or professional services. Nothing in this Agreement shall be construed to require Company to provide direct database access, unrestricted query access, or operational access to third-party legacy systems during the Subscription Term.

5) OWNERSHIP AND TITLE. Customer agrees that Company possesses exclusive title to and ownership of the Company Software.

a) Customer agrees that Customer acquires neither ownership nor any other interest in the Company Software, except for the right to use the Company Software in accordance with the terms and conditions of this Agreement.

b) All rights not expressly granted to Customer in this Agreement are retained by Company.

c) Customer agrees that Company Software including, but not limited to, systems designs, programs in source and/or object code format, applications, techniques, ideas, and/or know-how utilized and/or developed by Company are and shall remain the exclusive property of Company.

6) FEES. In consideration for Company performing all obligations under this Agreement, Customer agrees to pay Company as described in Addendum A & B of this agreement.

7) INVOICES AND TAXES. Upon execution of this agreement, Company will bill Customer for initial fees related to setup of the Customer data environment and services necessary to schedule and begin work on the implementation. These fees will be due upon receipt. Thereafter, Customer agrees to pay to Company fees owed under this Agreement within thirty (30) days after the date of Customer's receipt of an invoice (unless noted otherwise on the invoice). Any undisputed invoice amount not paid within thirty (30) days of the invoice due date shall be subject

to a late fee equal to the greater of (i) one and one-half percent (1.5%) of the outstanding balance per thirty (30) day period, or (ii) Fifty Dollars (\$50.00). Additional late fees shall continue to accrue for each subsequent thirty (30) day period, or portion thereof, that any balance remains unpaid until paid in full. Customer shall also be responsible for any reasonable costs of collection, including attorneys' fees and expenses, incurred by Company in collecting overdue amounts. An invoice will contain the invoice number, invoice date, description of the transaction, total invoice amount with miscellaneous charges listed separately and payment terms consistent with and not additional to any provisions under this Agreement. To the extent that the transactions under this Agreement are subject to any sales, use, value added or any other taxes, payment of these taxes, if any, is Customer's responsibility. Company is liable for any and all taxes on any and all income it receives under this Agreement. Notwithstanding the foregoing, to the extent Customer is a governmental entity, the timing of payments and any interest, late charge, or cost of collection on overdue undisputed amounts shall be governed by and calculated in accordance with the Texas Prompt Payment Act, Chapter 2251, Texas Government Code, and any late charge, interest, attorneys' fee, or collection-cost provision in this Section applies only to the extent permitted by applicable law.

8) INSURANCE.

During the term of this Agreement, Company shall maintain, at its expense:

- (a) Commercial general liability insurance with a limit of at least \$1,000,000 per occurrence.
- (b) Cyber liability insurance with an annual aggregate limit of at least \$1,000,000, subject to the policy's applicable terms, conditions, exclusions, and sublimits.
- (c) If vehicles are used by Company or its personnel in performing the Services, automobile liability insurance with a combined single limit of at least \$1,000,000. Coverage shall apply to owned, hired, or non-owned vehicles, as applicable to the vehicles used. Where Company uses no owned vehicles in performing the Services, hired and non-owned automobile liability coverage may satisfy this requirement.
- (d) Workers' compensation and employers' liability insurance to the extent required by applicable law.

Company shall provide certificates evidencing the required insurance before commencing Services and upon renewal. Customer shall be included as an additional insured under Company's commercial general liability policy, solely with respect to liability arising from Company's operations under this Agreement and subject to the applicable insurer-approved endorsement. Additional insured status is not required under the cyber or workers' compensation policies.

Company shall promptly notify Customer after becoming aware of cancellation, nonrenewal, or a material reduction in coverage that would cause Company to fail to meet these requirements. Any additional insurance requirements must be mutually agreed in writing. The insurance requirements do not increase or otherwise modify Company's contractual liability or the Agreement's limitations of liability.

9) INDEMNIFICATION.

Company shall defend Customer and its officers, employees, and agents against third-party claims alleging bodily injury, death, or damage to tangible property caused by negligent acts or omissions of Company or persons acting on its behalf in performing the Services. Company shall indemnify those parties against damages and reasonable costs finally awarded against them, or included in a settlement approved by Company, to the extent caused by such negligent acts or omissions.

Company shall have no obligation under this section to the extent a claim or loss is caused by the negligence or wrongful acts or omissions of Customer or persons acting on its behalf. For purposes of this section, tangible property does not include electronic data.

Customer shall provide prompt written notice of a claim, reasonable cooperation at Company's expense, and control of the defense and settlement to Company, subject to applicable insurer rights. Delayed notice shall relieve Company of its obligations only to the extent materially prejudiced. Company shall not settle a claim in a manner that imposes an admission, nonmonetary obligation, or unreimbursed payment on Customer without Customer's consent, not to be unreasonably withheld.

This section does not expand any separate intellectual-property indemnity in the Agreement. Claims between the parties concerning software performance, data loss, or breach of this Agreement remain governed by the Agreement's other applicable provisions and limitations.

IN WITNESS WHEREOF, the parties execute this Agreement as of the Effective Date. Each person who signs this Agreement below represents that such person is fully authorized to sign this Agreement on behalf of the applicable party.

Company

By:



Print Name: Brian G. Cook, CPA
Title: CEO

CUSTOMER

By:

Print Name:
Title:
Date:

ADDENDUM A
Subscription Agreement

A) Software Modules. The Software modules made available to Customer are those subscribed to by Customer as identified in an applicable order form, invoice, or account configuration.

General Ledger
Bank Reconciliation
Accounts Payable
Payroll

All personnel (including but not limited to employees, contractors, sub-contractors, and part-time staff) of the Customer will be licensed to use any of the modules described in Addendum A of this Agreement.

1) Software.

- a) Ownership of the software products, accompanying documentation and related materials, and any modifications and enhancements to such software products and any related interfaces shall remain with Company.
- b) The software products covered by the subscription are not to perform functions or processing for subdivisions or entities that were not considered by Company at the time Company issued this Agreement.
- c) Customer agrees that the software products, any modifications and enhancements and any related interfaces are proprietary to Company and are being developed as a trade secret at Company's expense. Customer agrees to keep the software products confidential and use its best efforts to prevent any misuse, unauthorized use or unauthorized disclosures by any party of any or all of the software products or accompanying documentation.
- d) If Customer makes modifications to the software products, Company will not support or correct errors in the modified software products.

2) Escrow.

- e) If requested by Customer, Company will maintain at Customer's expense an escrow agreement with an Escrow Services Company

under which Company will place the source code of each major release. Customer will be invoiced the annual beneficiary fee by Company and is solely responsible for maintaining its status as a beneficiary.

3) Subscription Fees

- a) The subscription fees listed below do not include any tax or other governmental impositions including, without limitation, sales, use or excise tax. All applicable sales tax, use tax or excise tax shall be paid by Customer and shall be paid over to the proper authorities by Company or reimbursed by Customer to Company any amounts on demand in the event that Company is responsible or demand is made on Company for the payment thereof. If tax-exempt, Customer must provide Company with Customer's tax-exempt number or form.
- b) In the event of any disputed invoice, Customer shall provide written notice of such disputed invoice to Company. Such written notice shall be provided to Company within fifteen (15) days. An additional fifteen (15) days is allowed for the Customer to provide written clarification and details for the disputed invoice. Addresses for Company and Customer are as follows:

City of Highland Haven
510-A Highland Dr
Highland Haven, TX 78654

Fund Accounting Solution Technologies, Inc.
5225 S Loop 289
Suite 207
Lubbock, TX 79424

Company shall provide a written response to Customer that shall include either a justification of the invoice or an explanation of an adjustment to the invoice and an action plan that will outline the reasonable steps needed to be taken by Company and Customer to resolve any issues presented in Customer's notification to Company. Customer may withhold payment of only the amount actually in dispute until Company provides the required written response, and full payment shall be remitted to Company upon Company's completion of all

material action steps required to remedy the disputed matter. Notwithstanding the foregoing sentence, if Company is unable to complete all material action steps required to remedy the disputed matter because Customer has not completed the action steps required of them, Customer shall remit full payment of the invoice.

- c) Customer agrees to provide Company a designated recipient and related contact information for all invoices submitted by Company to Customer. Should that information change, Customer is responsible for providing the updated contact information to Company. Any invoice not disputed as described above shall be deemed accepted by the Customer. If payment of any invoice that is not disputed as described above is not made within forty (40) calendar days, Company reserves the right to suspend delivery of all subscription services under this Agreement. Service may be suspended without further notice on the 10th day after payment is due. Late payment fees shall be assessed in accordance with Section 7 of this Agreement.

4) Billing. Company will bill for service fees prior to work being performed to ensure commitment by both parties. Subscription fees will be billed at go-live date, with renewals as described below.

5) Payment.

- a) Upon execution of this Agreement and commencement of implementation services, Customer agrees to the allocation and application of fees as described herein. In the event the Customer chooses to terminate this Agreement after the implementation process has commenced, the following refund terms will apply to any payments made for service fees as described in Billing above:

1. Any refund of pre-paid fees will be limited to the portion of funds remaining after deducting the total expenses incurred by Company up to the date of termination, including, but not limited to, costs associated with labor, resources, third-party services, and other implementation-related expenditures.
2. No refund will be issued if the total expenses incurred exceed the amount paid to date.

Customer acknowledges that certain components of the one-time service fees are non-refundable due to their nature as upfront investments for project setup and execution. By signing this Agreement, Customer confirms their understanding and acceptance of the above refund policy and agrees that such terms are reasonable and equitable based on the nature of the services provided.

b) Customer agrees to pay Company the Annual Subscription amount for licensing, support, and hosting services, as described below. The annual amount identified below will become due the first of the month of any year for which a subscription fee is being charged as described in Addendum A of this Agreement. Customer agrees to remit all payments via ACH using routing instructions provided by Company.

c) Support and services will be suspended whenever Customer's account is ten (10) calendar days overdue. Support and services will be reinstated when Customer's account is made current.

6) Customer-Caused Delays.

In the event action or inaction by the Customer causes a material delay in the implementation, training, data migration, or other activities necessary to achieve the initial planned go-live date, the Subscription Term shall nevertheless commence on the originally scheduled go-live date as defined in the implementation plan or project schedule initially agreed to by both parties.

A "material delay" shall include, but is not limited to, failure by the Customer to provide required data, access, personnel availability, timely approvals, or completion of prerequisite tasks. Company shall notify Customer in writing of any such material delay and identify the revised estimated completion timeline. Notwithstanding such delay, the Subscription Fee will become due and payable based on the initial planned go-live date, and the renewal cycle will be based upon that date.

7) Acceptance of the Software.

a) Within thirty (30) days after the software products have been installed and fully implemented by the Customer, Customer shall

acknowledge their acceptance of the software products.

b) At its option, Customer may perform Customer's own defined internal validation process to test the Software to substantially comply with Company's needs for the Software products and functionality of the Software as demonstrated by Company. Completion and validation of compliance by such testing shall constitute Customer's acceptance.

c) Notwithstanding anything contrary herein, Customer's full time use of the software products for its intended purpose, shall constitute Customer's verification of the software products, without exception and for all purposes.

d) Verification or validation that the Software products substantially comply with Company's demonstration and any written commitment to Customer shall be final and conclusive except for latent defect, fraud, and such gross mistakes that amount to fraud and the operation of any provision of this Agreement which specifically survives verification. In the event said verification becomes other than final, or becomes inconclusive, pursuant to this paragraph, Customer's right and remedy against Company shall be to require Company to correct the cause thereof.

e) In the event that Customer does not provide written acknowledgement of acceptance within thirty (30) days of going live, and has not communicated in writing any outstanding issues or concerns related to the functionality or performance of the Software, Customer's continued access to or use of the Software will be deemed as full acceptance in accordance with the Agreement.

f) **Electronic Acceptance.** Customer acknowledges and agrees that acceptance of this Agreement by electronic means, including through a click-through interface or continued use of the Software, constitutes a legally binding agreement equivalent to a written signature.

8) Mutual Warranties. Each party represents, warrants and covenants to the other that:

(i) General. It: (a) is a company or municipality duly organized and validly

existing and in good standing under the Laws of its jurisdiction of organization; (b) is qualified or licensed to do business and in good standing in every jurisdiction where qualification or licensing is required; and (c) has the corporate power and authority to negotiate, execute, deliver and perform its obligations under this Agreement.

(ii) Law Compliance. It complies with all applicable Laws.

9) Limited Warranty. Company represents that the Software will conform to meet all necessary requirements as demonstrated and represented to Customer. If the Software does not perform as represented, Company's obligation will be to use reasonable efforts, consistent with industry standards, to cure the defect. Should Company be unable to cure the defect or provide a replacement product, Customer must give written notice to Company of the nature of the unaccepted issues with the Software. If Company cannot resolve the issues to Customer's satisfaction within ninety (90) days of written notice, Company will refund any payments made by Customer for Subscription Fees within ten (10) days after the ninety (90) day resolution period and the Agreement will be Terminated for both Customer and Company. Company will return all Customer data to Customer and Customer will return all documentation and related materials to Company. THIS WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES. TO THE MAXIMUM EXTENT PERMITTED UNDER APPLICABLE LAW, ALL OTHER WARRANTIES, CONDITIONS AND REPRESENTATIONS, WHETHER EXPRESS, IMPLIED OR VERBAL, STATUTORY OR OTHERWISE, AND WHETHER ARISING UNDER THIS AGREEMENT OR OTHERWISE ARE HEREBY EXCLUDED, INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

10) Limitation of Liability.

a) In the event that the software products are determined to infringe upon any existing

United States patent copyright or trademark rights held by any other person or entity, Company shall defend and hold harmless Customer and its officers, agents and employees from any claim or proceedings brought against Customer and from any cost damages and expenses finally awarded against Customer which arise as a result of any claim that is based on an assertion that Customer's use of the software products under this Subscription Agreement constitutes an infringement of any United States patent, copyright or trademark provided that Customer notifies Company promptly of any such claim or proceeding and gives Company full and complete authority, information and assistance to defend such claim or proceeding and further provided that Company shall have sole control of the defense of any claim or proceeding and all negotiations for its compromise or settlement provided that Company shall consult with Customer regarding such defense. In the event that the software products are finally held to be infringing and its use by Customer is enjoined, Company shall, at its election; (1) procure for Customer the right to continue use of the software products; (2) modify or replace the software products so that it becomes non-infringing; or (3) if procurement of the right to use or modification or replacement cannot be completed by Company, terminate the subscription for the infringing software product, and upon termination, refund the subscription fees paid for the infringing software product as depreciated on a straight-line basis over a period of seven (7) years with such depreciation to commence on the execution of this Agreement. Company shall have no liability hereunder if Customer modified the software products in any manner without the prior written consent of Company and such modification is determined by a court of competent jurisdiction to be a contributing cause of the infringement or if the infringement would have been avoided by Customer's use of the most current revision of the software products. The foregoing states Company's entire liability and Customer's exclusive remedy with respect to any claims of

infringement of any copyright, patent, trademark, or any property interest rights by the software products, any part thereof, or use thereof.

b) In no event shall Company be liable for special, indirect, incidental, consequential or exemplary damages, including without limitation any damages resulting from loss of use, loss of data, interruption of business activities or failure to realize savings arising out of or in connection with the use of the software products. Company's liability for damages arising out of this Agreement, whether based on a theory of contract or tort, including negligence and strict liability shall be limited to the Company subscription fees identified above. The subscription fees set forth below reflect and are set in reliance upon this allocation of risk and the exclusion of such damages as set forth in this Agreement.

11) Force Majeure. Any failure or delay by a party in the performance of its obligations under this Agreement is not a default or breach of the Agreement or a ground for termination under this Agreement to the extent the failure or delay is due to elements of nature or acts of God, acts of war, terrorism, riots, revolutions, or strikes or other factor beyond the reasonable control of a party (each, a "**Force Majeure Event**"). The party failing or delaying due to a Force Majeure Event agrees to give notice to the other party which describes the Force Majeure Event and includes a good faith estimate as to the impact of the Force Majeure Event upon its responsibilities under this Agreement, including, but not limited to, any scheduling changes. However, should any failure to perform or delay in performance due to a Force Majeure Event last longer than thirty (30) days, or should three (3) Force Majeure Events apply to the performance of a party during any calendar year, the party not subject to the Force Majeure Event may terminate this Agreement by notice to the party subject to the Force Majeure Event.

12) No Intended Third-Party Beneficiaries. This agreement is entered into solely for the benefit of Company and Customer. No third party shall be deemed a beneficiary of this

agreement, and no third party shall have the right to make any claim or assert any right under this Agreement. Subject to the terms and conditions of this Agreement and during the Term, Company shall make the Subscription Service available to Customer solely for Customer's and its Affiliates' Users for internal business operations.

13) Governing Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas. Venue for any action brought under this Agreement shall be in Lubbock County, Texas.

14) Entire Agreement.

a) This Agreement and the functional description of the software products presented in Company's demonstration to Customer, will represent the entire agreement of Customer and Company with respect to the software products and supersedes any prior agreements, understandings, and representations, whether written, oral, expressed, implied, or statutory. Customer hereby acknowledges that in entering into this Agreement it did not rely on any representations or warranties other than those explicitly set forth in this Agreement and the functional description of the software products presented in Company's demonstration to Customer.

b) If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforced to the fullest extent permitted by law.

c) Customer should return an executed copy of this Agreement to Company. If the Agreement is not returned to Company within thirty (30) days from the issue date, then such Agreement is subject to be voided and prices are subject to change.

15) Cancellation or Termination. In the event of cancellation or termination of this Agreement for any reason other than those contained in Section 9) Limited Warranty and

Section 11) Force Majeure in Addendum A, Customer will make payment to Company for all software products, services and expenses delivered or incurred prior to the termination or cancellation of this Agreement. Upon receipt of all outstanding payments owed to Company by Customer, Company will provide Customer with a final extract of all of Customer's data, and access to the Hosted environment will then be terminated. Data extractions are subject to fees based on current market rates.

16) Approval of Governing Body. Customer represents and warrants to Company that this Agreement has been approved by its governing body and is a binding obligation upon Customer. The parties acknowledge that this Agreement is formed and becomes binding upon such governing-body approval and execution by an authorized representative of Customer. The Software acceptance provisions of this Agreement, including any acceptance arising from continued or full-time use, lapse of time, failure to object within a stated period, or electronic interaction, govern acceptance of the Software after formation of this Agreement and do not require additional governing-body approval; provided that such provisions do not waive, replace, or diminish the governing-body approval required to form this Agreement or any other approval required by law.

17) Statutory Verifications. As a material inducement for Customer to enter into this Agreement, and to the extent required by applicable law, Company verifies the following, each as of the Effective Date and continuing for the term of this Agreement:

(a) Boycott of Israel. Company does not boycott Israel and will not boycott Israel during the term of this Agreement, as required by Chapter 2271, Texas Government Code. "Boycott Israel" has the meaning assigned by Section 808.001, Texas Government Code.

(b) Firearm Entities. Company does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this Agreement,

as required by Chapter 2274, Texas Government Code (or successor provisions).

(c) Energy Companies. Company does not boycott energy companies and will not boycott energy companies during the term of this Agreement, as required by Chapter 2276, Texas Government Code (or successor provisions).

(d) Applicability. The verifications in this Section apply only to the extent the referenced chapters apply to this Agreement, including any applicable contract-value and employee-count thresholds. Company is not listed on any list maintained by the Texas Comptroller of companies that boycott Israel, boycott energy companies, or discriminate against firearm entities or firearm trade associations.

18) Public Information Act. Customer is a governmental body subject to the Texas Public Information Act, Chapter 552, Texas Government Code (the "PIA").

Notwithstanding any other confidentiality or non-disclosure obligation in this Agreement, Customer's obligations are subject to the PIA and other applicable law, and Customer's compliance with a legal obligation to disclose information is not a breach of this Agreement. Company acknowledges that certain contracting information may be subject to required disclosure under Section 552.0222 and related provisions. To protect Company's trade secrets and confidential commercial or financial information: (a) if Customer receives a request that may require disclosure of information Company has marked or reasonably identified as confidential or proprietary, Customer will, to the extent permitted by law, promptly notify Company; (b) Customer will assert all exceptions to disclosure available under the PIA that reasonably apply to such information and will not voluntarily disclose such information except as required by law; and (c) in accordance with Section 552.305, Texas Government Code, Customer will permit Company to submit to the Texas Attorney General the reasons the information should be withheld, with Company solely responsible for timely making such submission. Except as required by the PIA or other applicable law, the

confidentiality obligations of this Agreement remain in full force and effect, and this Section controls over any conflicting confidentiality provision to the extent Customer is a governmental entity.

19) Governmental Immunity; Waiver Under Chapter 271. Nothing in this Agreement waives, limits, or enlarges Customer's governmental or sovereign immunity except to the extent expressly provided by Texas law. To the extent applicable, Customer's immunity from suit for breach of this Agreement is waived by Subchapter I, Chapter 271, Texas Local Government Code, for the purpose of adjudicating a claim for breach of contract, subject to the terms, conditions, and limitations of that subchapter, including the limitations on recoverable damages in Section 271.153. This Section does not waive any defense, immunity, or limitation on liability or damages otherwise available to either party under applicable law.

B) Subscription. Both parties acknowledge that this Subscription Agreement covers both Support for the Software listed on Addendum A of this Agreement and updates to the installed Software.

C) Term of Agreement. This Subscription Agreement is effective on September 16th, 2026, when executed by authorized representatives of Company and Customer, and shall terminate upon the last day of September 2027.

D) Minimum Term of Usage. Customer agrees to utilize all Software modules listed in Addendum A for a minimum period of one (1) year from the scheduled go live date. In the event that Customer does not wish to renew the Subscription Agreement following the initial one-year period, they must provide written notice of non-renewal in accordance with the terms set forth in Section D (1) of this Agreement. Early termination or discontinuation of any module prior to the end of the one-year period is not permitted unless mutually agreed upon in writing by both parties.

1) Subscription Renewal. The Annual Subscription Agreement will automatically renew for subsequent one-year terms unless

either party gives the other party at least 60 (sixty days) prior written notice of its intent not to renew. Subsequent subscription terms will renew annually unless notice of non-renewal is provided in accordance with this Agreement. Company reserves the right to implement price changes of an Agreement's modules by giving written notice to Customer at least ninety days prior to subscription renewal; Customer agrees that it will accept subsequent price changes. The fees and the term of use for additional modules and services procured during an existing subscription term shall be set at then current Company pricing, unless otherwise agreed to by the parties.

2) Terms and Conditions for Updates of the Software.

a) Customer is hereby granted non-exclusive and nontransferable access and right to use the Software listed in Addendum A of this Agreement. Company agrees to extend and Customer agrees to accept a subscription subject to the terms and conditions contained herein for the Software. Company agrees to provide and install all updates to the Software in the hosted environment provided Customer is in good standing regarding payments for Subscription Fees and any Services billed by Company to Customer. The terms of this Agreement shall also apply to updates, and upgrades subsequently provided by Company to Customer for the Software. Company shall host the Software and may update the functionality, user interface, usability and other user documentation, training and educational information of, and relating to the Software from time to time in its sole discretion and in accordance with this Agreement as part of its ongoing mission to improve the Software and customers' use of the Software.

b) The Software listed in Addendum A is for use only for the benefit of Customer listed in this Agreement. The software products are not to perform functions or processing for subdivisions or entities that were not considered by Company when Company placed Customer in the categories listed on the cover of this Agreement.

c) Customer agrees that the Software is proprietary to Company and has been developed as a trade secret at Company's expense. Customer agrees to keep the software products confidential and use its best efforts to prevent any misuse, unauthorized use or unauthorized disclosures by any party of any or all of the software products or accompanying documentation.

d) If Customer has made modifications to the software products, Company will not support the modified software products, unless modifications were specifically authorized in writing by Company.

e) For as long as a current Subscription Agreement is in place, Company shall promptly correct any functions of the software products which fail to substantially comply with Company's documentation for the Software. If Customer has made modifications to the software products, Company will not make such corrections, unless modifications were specifically authorized in writing by Company.

3) Terms and Conditions for Support.

a) Company shall provide software related Customer support during standard support hours. Standard support hours are from 8:00am to 5:00pm Central Standard Time, Monday thru Friday, excluding holidays. Support requests may be initiated via Company's published support phone line, via e-mail to Company's support group, or via Company's instant-messaging support software during regular support hours. Company reserves the right to modify these support hours as Company sees fit in order to better serve its Customer. Assistance and support requests which require special assistance from Company's development group will be taken and directed by support personnel.

b) Company will maintain staff that is appropriately trained on the software products in order to render assistance, should it be required. Customer will ensure that their staff members are trained in their respective roles prior to receiving training or requesting software assistance from Company staff members. Company is not responsible for any inability to train or provide support to a

Customer staff member who has not been trained or does not understand the requirements of their role in order to effectively use the software.

c) Company will provide Customer with all updates that Company may make to the then current version of the Software covered in this Agreement.

d) Company will make available appropriately trained personnel to provide Customer additional training, program changes, analysis, consultation, data recovery, non-coverage maintenance service, etc. Company shall provide Customer with on-line support through the use of desktop control software.

e) If a Customer decides to discontinue the Software Subscription and later chooses to reinstate the Software Subscription, the Customer will be required to pay the portion of annual Software Subscription dating back to the date when the Customer discontinued the Annual Software Subscription. Should Customer choose to reinstate the Software Subscription, Company agrees to install the then current version of the Software and related Customer data. These installation Services will be performed on a time and material basis at the current Company rates.

4) Hosting.

a) Company shall provide the Software to Customer in a hosted network environment accessible to Customer employees via an internet connection using MS Edge. Company supports Software access using versions of MS Edge currently supported by Microsoft.

Company software may function using other browsers but are not supported.

Company will install the Software and Customer data on a network server providing secure access, high-speed performance, and a data backup plan as elements of the Subscription Agreement.

b) Company will maintain staff that is appropriately trained on the Hosted server in order to render assistance, should it be required.

c) Company will provide a data backup plan that will include scheduled backups, data redundancy, and off-site data storage.

d) Customer will access the hosted network environment via a reliable internet connection that provides a minimum 20Mbps download speed and 5Mbps upload speed. Company cannot be liable for software performance if Customer's internet connection speeds do not meet these minimum requirements. Customer will maintain updates to any third-party software required to access and use Company software via the secure internet connection.

5) Additional Services. The Services listed below are not included in the Subscription Agreement. These services may be provided at Company's discretion and may be billed on a time and materials basis. Customer will not be liable to pay for any Additional Services unless Company provides Customer with a detailed estimate for the Additional Services prior to Company expending any time and materials on Additional Services and Customer approves the estimate. If Company believes that it will exceed the estimate provided to Customer for Additional Services, Company must notify Customer in writing of the additional expenses before performing any Additional Services in excess of the estimate. Customer will not be liable to pay for any amount of Additional Services for which Company has not provided prior notice of cost and has not approved at Company's then current rates.

a) Changes to print programs. Company agrees to provide initial print programs for Customer as required for the Software modules described in Addendum A at no charge. After Acceptance of the Software as described in Addendum A of this Agreement, additional customer print programming may be subject to time and material Services fees at the then Company current billing rates for such Services.

b) Software modifications, excluding software updates.

c) Software Training. The scope of Training to be provided in this Agreement is defined in Addendum B.

d) Responding to problems caused by bad data.

e) Responding to problems caused by Customer hardware.

f) Responding to problems caused by operator error.

g) Responding to problems caused by software that is not Company software.

h) Responding to problems resulting from misuse, accidents, neglect, fire, or any other cause not within Company's reasonable control.

i) Changes made to the Company Software by someone other than Company personnel.

j) Responding to problems resulting from issues with Customers internet access

6) Limitations and Exclusions. The support and services of this Subscription Agreement do not include the following:

a) Support service does not include the customization of the software products and other consulting services, support of an operating system or hardware, or any support requested outside of normal business hours.

b) Customer understands that changes made by Company to the current version are for implementation in the installed Software products version as it exists without customization or Customer alteration.

7) Customer Responsibilities.

a) Customer shall provide, at no charge to Company, full and free access to the network, working space, adequate facilities, use of machines, features, or other equipment necessary to provide the specified support and maintenance service. Such environment requires the Customer to have email and Internet access. Customer shall provide phone lines, communications software specified by Company and all equipment necessary to use Company's on-line support. Customer will be responsible for all additional costs incurred to the extent such hardware and software does not conform to Company's specifications. The acquisitions of necessary hardware and software meeting the requirements then in effect shall be sole responsibility of the Customer.

b) Customer shall provide a designated email address (or subsequent email addresses as advised by Customer) for communication and notice purposes relating to this Agreement. Company may provide any and all notices, statements, and other communications to

Customer through either e-mail, posting on the Service (or other electronic transmission) or by mail or express delivery service. Company recommends sending updated main and billing contact email addresses so that notices are reviewed promptly and not delayed due to the absence of one individual. In addition, Company may rely and act on all information and instructions provided to Company from the above-specified e-mail address.

c) Customer is responsible for all activities conducted under its User logins and for its Users' compliance with the Software Subscription Agreement. Customer shall not permit any third party to: (a) copy, translate, create a derivative work of, reverse engineer, reverse assemble, disassemble, or decompile the Service or any part thereof or otherwise attempt to discover any source code or modify the Service in any manner or form unless expressly allowed in the User Guide; (b) use unauthorized modified versions of the Service, including (without limitation) for the purpose of building a similar or competitive product or service or for the purpose of obtaining unauthorized access to the Service; (c) use the Service in a manner that is contrary to applicable law or in violation of any third party rights of privacy or intellectual property rights; (d) publish, post, upload or otherwise transmit Customer Data that contains any viruses, Trojan horses, worms, time bombs, corrupted files or other computer programming routines that are intended to damage, detrimentally interfere with, surreptitiously intercept or expropriate any systems, data, personal information or property of another; or (e) use or knowingly permit the use of any security testing tools in order to probe, scan or attempt to penetrate or ascertain the security of the Service.

d) Customer shall maintain a stable internet connection as prescribed by Company. This internet connection must provide a minimum 20Mbps download speed and 5Mbps upload speed. Company cannot be liable for software performance if Customer's internet connection speeds do not meet these minimum requirements. Company shall also use the

connection to assist with problem diagnosis and resolution. Customer shall provide Company adequate remote access communication infrastructure to Customer's computing environment to enable Company technical services assistance.

e) Company uses Microsoft Word to launch printing of the integrated documents produced in the hosted software. If Customer desires to be able to edit standard documents included with the software or create new documents for use in document generation functions of the Company software, Customer will need to purchase or own a licensed copy of Microsoft Word. To receive support from Company for the document generation tools, the licensed copy of Microsoft Word must currently be supported by Microsoft.

f) All printers used by Customer to print documents and reports from the Software must have the most recent version of a currently supported Windows driver. Company supports only the Epson TM-T88V receipt printer. Other receipt printers may function with Company software but are not supported.

8) Non-Assignability. The Customer shall not have the right to assign or transfer its rights hereunder to any party.

A. Annual Subscription Costs

General Ledger	\$4,000.00
Bank Reconciliation	1,250.00
Accounts Payable	2,500.00
Payroll	3,000.00
Total Subscriptions	<u>\$10,750.00</u>

ADDENDUM B

Services Agreement

A) Services Provided. Company may provide the following professional services to Customer, as applicable based on Customer's subscription, implementation plan, or separately purchased services:

- a) Training – Remote
- b) Data Migration
- c) Project Management
- d) Data Center Installation/Config
- e) Data Backup Config/Testing

Training - Remote	
- General Ledger	\$2,000.00
- Bank Reconciliation	750.00
- Accounts Payable	1,250.00
- Payroll	1,750.00
Data Migration	
- General Ledger	2,000.00
- Accounts Payable	1,250.00
- Payroll	1,750.00
Project Management	2,000.00
Data Center Installation/Conf	500.00
Data Backup Conf/Testing	500.00
Total Services	<u>\$13,750.00</u>

B) Professional Services Fees. Services.

Remote Training, Data Migration, Project Management Services, Data Center Installation & Configuration, Data Backup Configuration & Testing will be delivered as described above and detailed below as determined by Customer and the Project Manager. If Customer adds new users to existing modules that Customer's staff was not previously trained on, the new users must receive training on each module they will access prior to using the software. Should the Customer experience turnover or growth, Company will provide follow up training for any module for 50% of the then current rate for training fees per module. Payment for training must be received in full prior to activation of the new user. Training will be provided remotely under the terms as described below.

2) Training Environment. During remote training, Customer should be free of distractions and interruptions. If training is being conducted onsite at the Customer's location, the Customer is responsible for providing a productive environment to conduct training.

3) Rescheduling/Cancellation of Training. The Project Manager for Company will coordinate with Customer to schedule dates/times for training/go-live. If Customer has to reschedule or cancel a confirmed event, Customer will provide Company at least seventy-two hours notice of its intent to reschedule or cancel prior to the scheduled time. If Customer does not provide adequate notice or fails to attend for a scheduled event, Customer will be subject to a two hundred-fifty dollar (\$250) penalty for the first occurrence and a five hundred dollar (\$500) penalty for each subsequent occurrence.

4) Additional Services. Additional related services not listed above may be billed at Company's then current market rate for the service as they are incurred. Any services addressed under this area of the Agreement would be discussed with Customer prior to the Services being performed by Company. From

time to time, Company may assist with the resolution of a payroll or accounting matter related to Customer's financial data. Customer acknowledges that the services provided should not be construed in any way as professional accounting or consulting advice and should not be relied upon as such.

Customer is strongly encouraged to consult with their currently retained auditor to determine the proper course of action. Additional services provided beyond the scope of software support will be categorized as a billable event and will require a signed Service Level Agreement (SLA) detailing the work to be performed by each respective party and the fees to be paid in advance by Customer to Company for services rendered.

5) Limitation of Liability. Company shall not be liable for inaccurate data in Company's application software which is the result of inaccurate data migrated from the previous systems. Company's liability for damages arising out of this Agreement, whether based on a theory of contract or tort, including negligence and strict liability, shall be limited to any Data Migration Service fees paid to Company by Customer. The Service terms set forth above reflect and are set in reliance upon this allocation of risk and the exclusion of such damages as set forth in this Agreement.

6) Data Migration. Customer will provide data to be migrated to FUNDVIEW in a consumable format such as .csv, Excel, Access, or SQL database. Customer will also provide the related file definitions and record layouts. Following is a list of the modules of data to be migrated and the scope of services provided by Company:

Required:

1. Changes to chart of accounts, adopting Consolidated Cash, and related bank account consolidation require formal sign off by auditor and approval by council.

General Ledger –

1. Chart of accounts for all funds. *
2. Convert current year and prior years' transaction history.
3. Current year budget and prior fiscal year budget.

Accounts Payable –

1. Vendor master file to include vendor name, address, taxpayer ID, and contact information
2. Current year summary 1099 balances as provided by the Customer.

Payroll -

1. Set up current pay codes, deduction codes and leave codes.
2. Define positions.
3. Populate current employee payroll detail including pay rate, deductions, direct deposit, tax settings, related employment dates and leave balances.
4. Current calendar year pay history to include paychecks, earnings, expense distribution, deductions and taxes.
5. Format payroll check template provided check stock meets FUNDVIEW layout standard.

Customer acknowledges that Company's data migration services are limited to the scope described herein. Company does not warrant that legacy system data will be preserved in its original reporting structure, nor that historical legacy data will be maintained in a format identical to the legacy system. Company does not provide or maintain operational access to third-party legacy systems unless expressly stated in writing.

** Changes to the Chart of Accounts from the legacy system to the current system should be discussed with Customer's auditor prior to implementing these changes in FUNDVIEW.*



October 2, 2026

Subject: Item 9: Discussion/Possible Action on E-bike Ordinance Revision

To the City of Highland Haven Board of Aldermen,

Background

At its September 10, 2026 meeting, the Planning & Zoning Commission reviewed and discussed proposed ordinance language related to electric bicycles, motor-assisted scooters, and similar devices operating within the City. Following discussion, the Commission voted to forward the proposed language to the Board of Aldermen for review and comment.

The proposed ordinance language is intended to establish local safety standards while remaining consistent with the Texas Transportation Code and other applicable state laws. The Commission intentionally drafted the ordinance to rely upon state definitions and state traffic regulations in order to minimize future amendments should state law change.

Proposed Ordinance Language

(b)(4) Electric Bicycles, Motor-Assisted Scooters, and Similar Devices

a. State Law Applicability.

Electric bicycles, motor-assisted scooters, and similar devices shall be operated in accordance with the Texas Transportation Code, as amended.

b. Compliance with State Definitions.

The City adopts by reference the definitions and classifications established under Texas law. Devices meeting the definition of an electric bicycle or other regulated device under state law shall be treated accordingly.

c. Local Safety and Operation Requirements.

1. Devices and vehicles shall be operated in a safe manner and in compliance with all applicable traffic laws.
2. Operation that creates a hazard to persons or property, including excessive speed or reckless operation, is prohibited.



3. Operators shall yield to pedestrians and exercise due care when approaching or passing pedestrians.
4. The City may restrict or limit operation in specific locations where necessary to protect public safety.
5. Devices that do not meet state law definitions, including high-powered electric vehicles that are not classified as bicycles or scooters under Texas law, may be restricted or prohibited from operation on public streets.

The proposed ordinance language includes:

- Requiring electric bicycles, motor-assisted scooters, and similar devices to be operated in accordance with the Texas Transportation Code, as amended.
- Adopting state law definitions and classifications by reference.
- Requiring safe operation and compliance with applicable traffic laws.
- Prohibiting hazardous or reckless operation.
- Requiring operators to yield to pedestrians and exercise due care.
- Allowing the City to limit operation in specific locations where necessary for public safety.
- Clarifying that high-powered electric vehicles that do not meet state law definitions may be restricted or prohibited.

Purpose of Discussion

The Board is not being asked to take formal action on the ordinance at this meeting. Instead, the intent is to provide Board members an opportunity to review the proposed language and provide comments, questions, or suggested revisions.

Any feedback received from the Board will be forwarded to the Planning & Zoning Commission for consideration at its October 8, 2026 meeting. Following further review and any revisions deemed appropriate by the Commission, a final ordinance recommendation may be presented to the Board for future consideration.

Staff Recommendation

Discussion only. No action is required.



The purpose of this item is to receive Board comments and direction regarding the proposed ordinance language before it returns to the Planning & Zoning Commission for additional review.

Sincerely,

Andy Adams

City Administrator

City of Highland Haven

(830) 265-4366

cityadministrator@highlandhaventx.com



October 2, 2026

Subject: Item 10: Discussion/Possible Action on Sign Ordinance Revision

To the City of Highland Haven Board of Aldermen,

Background

The City's existing sign regulations are currently located in various sections of the Code of Ordinances and development regulations. Over time, this has made sign requirements more difficult to locate, administer, and understand for both residents and City officials.

As part of its ongoing ordinance review efforts, the Planning & Zoning Commission has developed a proposed Sign Ordinance that consolidates existing sign regulations into a single chapter while modernizing certain provisions and establishing a clearer framework for sign administration and enforcement. The draft ordinance is included in the meeting packet for Board review.

Purpose of the Proposed Ordinance

The proposed ordinance is intended to:

- Promote public health, safety, and welfare;
- Protect the residential character and aesthetic quality of the City;
- Reduce visual clutter;
- Enhance traffic and pedestrian safety; and
- Establish content-neutral regulations governing the time, place, and manner of signs.

Rather than creating entirely new restrictions, the primary goal of the ordinance is to organize existing regulations into a single location, improve clarity, and provide consistent standards for residents, businesses, and City officials.

Key Provisions

Among other things, the proposed ordinance:

- Establishes permit requirements for monument signs, commercial signs, and larger signs or certain decorative displays.
- Creates standards for residential, agricultural, and commercial districts.



- Defines and regulates monument signs and temporary signs.
- Clarifies how decorative displays, murals, and holiday decorations are treated under the ordinance.
- Establishes maintenance requirements and prohibited sign features.
- Provides procedures for enforcement and variances.

The ordinance was intentionally drafted to remain content-neutral and to focus on the location, size, placement, and operational characteristics of signs rather than the message displayed.

Purpose of Discussion

At this meeting, the Board is not being asked to adopt the proposed Sign Ordinance. Rather, the purpose of this agenda item is to allow Board members to review the proposed language and provide comments, questions, and suggested revisions.

Any comments received from the Board will be forwarded to the Planning & Zoning Commission for further consideration. Following additional review and any amendments deemed appropriate, the Commission may return a final recommendation to the Board at a future meeting.

Staff Recommendation

Discussion only. No action is required at this time.

The purpose of this item is to receive Board comments and direction regarding the proposed Sign Ordinance before the Planning & Zoning Commission completes its review and forwards a final recommendation to the Board of Aldermen.

Sincerely,

Andy Adams

City Administrator

CITY OF HIGHLAND HAVEN, TEXAS

CHAPTER __ – SIGNS

Sec. 1. Purpose

The purpose of this Chapter is to:

1. Promote public health, safety, and welfare;
2. Protect the residential character and aesthetic quality of the City;
3. Reduce visual clutter;
4. Enhance traffic and pedestrian safety; and
5. Establish content-neutral regulations governing the time, place, and manner of signs

Sec. 2. Applicability

This Chapter applies to all property within the incorporated limits of the City of Highland Haven.

Sec. 3. Compliance Required

It shall be unlawful to erect, place, alter, or maintain any sign except in compliance with this Chapter.

Sec. 4. Enforcement

- A. The City Administrator or designee shall administer and enforce this Chapter.
- B. Violations constitute a misdemeanor offense.
- C. Each day a violation exists constitutes a separate offense.
- D. The City may remove signs placed within the public right-of-way without notice.

Sec. 5. Definitions

Sign – Any object, structure, or device visible from a public place that is primarily intended to attract attention to, identify, advertise, or communicate information about a business, service, product, activity, event, or property. Definitions of specific signs are listed in their specific sections in this chapter.

Decorative Display – Any object, artwork, mural, seasonal display, holiday decoration, or similar visual feature that is primarily intended for personal expression or aesthetic enhancement and not for commercial advertising. Decorative displays are not considered

signs under this Chapter. All rules regarding decorative displays are listed below in Section 14 of this Chapter.

Sec. 6. Permit Requirements

A. A sign permit is required only for:

- Monument signs;
- Permanent signs associated with commercial development;
- Any sign requiring structural footing or foundation.
- Any sign or decorative display larger than eight square feet.
 - Signs or decorative displays over eight square feet will be approved at the discretion of the City Administrator or their designee. If a resident disagrees with the decision of the City Administrator or their designee, they may appeal the decision to the Board of Aldermen.
 - For the purposes of this rule, holiday decorations are not included in this requirement.

B. All other signs are allowed by right unless otherwise prohibited.

C. Where a building permit is required, associated signage may be reviewed and approved as part of the building permit process.

D. The City Administrator or designee may require information reasonably necessary to determine compliance.

Sec. 7. Government and Institutional Signs

A. Government Signs

Signs erected, placed, or authorized by the City or another governmental entity for official purposes are allowed and do not require a permit.

These include, but are not limited to:

- Traffic control and street signs;
- Public safety signage;
- Emergency notices;
- Public information or community notices.

The City may install such signs as needed to carry out its governmental functions.

B. Institutional Properties

Institutional properties, including City-owned sites and Highland Haven Property Owners Association (HHPOA) properties, are authorized to install signs as needed for:

- Building or area identification;
- Ingress and egress control;
- Public safety or hazard notification.

A sign permit is required; however, **permit fees may be waived**.

Sec. 8. General Standards

A. All signs must be maintained in good condition.

B. Signs shall not create traffic hazards or obstruct visibility.

C. Signs shall not be placed in the public right-of-way except as expressly allowed.

D. Prohibited features include:

- Off-premise commercial advertising (except as allowed for certain temporary signs);
- Attachment to utility poles, trees, or public structures;
- Any sign containing true threats, obscene material (as defined by *Miller v. California*), or material inciting imminent lawless action (per *Brandenburg v. Ohio*).

E. Flashing, animated, or moving signs are prohibited unless approved through a variance.

Sec. 9. Residential Districts (R1 and R2)

A. Signs shall be limited in size, number, and duration to maintain neighborhood character and protect public safety.

B. Signs **allowed in residential districts** include:

- Temporary signs (real estate, events, construction);
- Signs related to **home-based-businesses**;
- Address identification signs.

C. Monument signs are prohibited except for approved community or subdivision identification features.

Temporary Signs

D. Temporary signs shall be limited as follows:

- Shall not create safety hazards;
- Shall be removed after completion of the event or activity being advertised;
- Shall not be placed in the public right-of-way except as allowed by this Chapter.
- No more than two temporary signs per lot.
 - A Happy Birthday, Congratulations, etc. sign where each letter has it's own stake and are not connected will be treated as one sign in regards to this ordinance.
- Real estate signs shall be allowed as follows:
 - Maximum two (2) signs per lot (24" x 36" each; one front and one rear/side);
 - **Waterfront lots may have one additional banner up to 32 square feet facing the water.**

All signs shall be:

- Professionally constructed;
- Securely affixed;
- Removed upon completion of sale or lease;
- Free of inflatables, ribbons, or streamers.

Sec. 10. District A (Agricultural)

A. Uses are generally subject to residential standards.

B. Monument signs are allowed for the Highland Haven Ladies Club community entrance sign, subject to:

- Permit approval;
- Fee waiver;
- Written property owner consent on file.

C. Special Allowance – Rummage Sale Sign

The Highland Haven Ladies Club is authorized to install a temporary sign or banner on the City's sign located at FM 1431 and Highland Drive (CR 125), subject to:

- Maximum size of 48 inches by 96 inches;
- Display limited to the weekend of the annual rummage sale.

Sec. 11. Commercial Development (District C)

A. Signage for commercial properties shall be reviewed and approved as part of the site development or building permit process.

B. The City may evaluate signage based on:

- Size and scale;
- Placement and visibility;
- Compatibility with surrounding development;
- Traffic safety impacts.

C. Monument, wall, and window signs may be **allowed** as part of this review.

D. Flashing, animated, or moving signs are prohibited unless approved through a variance.

Sec. 12. Monument Signs

A monument sign is a ground-mounted, freestanding sign supported primarily by a solid base or pedestal extending from grade level to the bottom of the sign face. The sign and base shall be designed as a unified architectural feature. Exposed support structures, including poles or posts intended to elevate the sign above the ground, are prohibited. Monument signs may include landscaping around the base and may contain one or more sign faces.

A. Monument signs require a permit.

B. Monument signs shall be:

- Constructed of durable materials;
- Permanently affixed;
- Compatible with surrounding character.

C. The City Administrator may impose reasonable conditions to ensure safety and compatibility.

Sec. 13. Temporary Signs

A temporary sign is a sign intended for limited-duration display that is not permanently installed or affixed to a structure or the ground and is designed to be removed after a specific event, activity, or period of time.

A. Temporary signs are **allowed** in all districts. **No more than two temporary signs are allowed per lot.**

B. Temporary signs shall:

- Be constructed of non-permanent materials;
- Be securely installed;
- Be removed after the event or activity advertised.

C. Event signs may be displayed for a limited duration prior to an event and must be removed shortly after the event concludes.

Sec. 14. Decorative Displays (INCLUDING MURALS & HOLIDAY DISPLAYS)

A. Decorative displays are **allowed** in all districts and are not regulated as signs, **except as noted in this Chapter.**

B. This includes:

- Murals and wall artwork;
- Holiday and seasonal decorations;
- Noncommercial decorative features.

C. Murals shall not cover more than one wall surface.

D. Any display containing commercial messaging, business identification, or advertising shall be considered a sign and shall be regulated under this Chapter.

E. Any decorative display over eight square feet, except for Holiday Displays, must be approved by the City Administrator or their designee, as noted in Section 6.

Sec. 15. Exempt Signs

The following are **allowed** and do not require a permit:

1. Address numbers;
2. Government signs;
3. Safety and warning signs (e.g., “No Trespassing,” “Beware of Dog”);

4. Noncommercial flags;
5. Temporary event and real estate signs;
6. Decorative displays as defined in this Chapter.

Sec. 16. Prohibited Signs

The following are prohibited:

1. Signs in the public right-of-way (except as allowed for limited events);
2. Flashing, animated, or moving signs (unless approved by variance);
3. Off-premise commercial billboards;
4. Signs that create traffic hazards or obstruct visibility;
5. Signs attached to utility poles, trees, or public structures;
6. Signs containing unlawful content as defined by applicable law (see Sec. 8).

Sec. 17. Nonconforming Signs

- A. Signs lawfully existing prior to the effective date of this Chapter may continue.
- B. Such signs shall not be enlarged or structurally altered.
- C. The City may require removal of signs that are abandoned, unsafe, or no longer in use.

Sec. 18. Maintenance and Removal

- A. All signs shall be maintained in safe and legible condition.
- B. Abandoned, damaged, or unsafe signs may be removed following notice to the property owner.
- C. The City may recover costs associated with removal.

Sec. 19. Variances

The Board of Aldermen may grant variances from this Chapter consistent with zoning regulations.

Sec. 20. Severability

If any provision of this Chapter is held invalid, the remainder shall not be affected.

Sec. 21. Effective Date

This ordinance shall take effect upon adoption.



October 2, 2026

Subject: Item 11: Discussion on City Website

To the City of Highland Haven Board of Aldermen,

Background

The City currently utilizes a third-party provider to host and maintain the City's website and email services called Town Web. Over time, the website has become one of the primary methods by which residents access information regarding City services, public notices, meeting materials, permits, forms, and community events.

The current website arrangement also includes services utilized by the Highland Haven Property Owners Association (HHPOA) and the Highland Haven Ladies Club. While the City remains the primary user and financial contributor, staff has increasingly questioned whether the current platform continues to provide the level of functionality, flexibility, and value needed by the community.

Current Considerations

Over the past several years, the cost of website and associated email services has steadily increased. Staff has spent considerable time negotiating rate increases and addressing service-related issues while receiving a product that provides limited flexibility for City staff and limited insight into website usage.

Staff has identified several concerns with the current platform, including:

- Limited ability for City staff to independently update and manage website content;
- Lack of meaningful website analytics and reporting;
- Limited information regarding how residents use the website and what information they frequently access;
- Challenges related to overall website organization and navigation; and
- Resident feedback indicating that information can sometimes be difficult to locate.

Additionally, the City currently pays for email hosting services through the website provider while also maintaining Microsoft licensing that includes email capabilities. With the City retaining ownership of its website domain, staff believes there may be opportunities to simplify operations



and reduce redundancy by migrating email services into the Microsoft platform already available to the City.

Potential Alternatives

Staff has recently met with representatives from **SmartXEO**, a municipal website provider affiliated with **iWorQ** and **TextMyGov**, two technology platforms currently utilized by the City. While each company operates independently, they share common ownership and focus on technology solutions specifically designed for local governments.

During demonstrations, staff was shown several features that are not currently available through the City's existing website platform, including:

- Enhanced website administration and content management tools;
- Website analytics and reporting capabilities;
- Resident-focused navigation and information organization;
- Improved mobile accessibility; and
- Artificial intelligence powered search capabilities that can help residents locate forms, permits, documents, and other City resources through natural language questions.

The AI search functionality was of particular interest because it not only searches website content but can also direct residents to specific documents, forms, answers, and webpages relevant to their needs. For example, a resident could search for information regarding a building permit or new water service and receive an answer about next steps along with direct links to applicable forms and instructions.

Staff believes these types of tools may improve the overall resident experience while reducing routine inquiries to City Hall.

Shared Website Governance

As part of any evaluation of the City's website platform, staff believes it would be beneficial to discuss the long-term relationship between the City's website and the information currently maintained on behalf of the Highland Haven Property Owners Association and the Highland Haven Ladies Club.

Historically, the City's website has served as a central location for information from all three organizations, and residents have generally benefited from having access to community information through a single website.



However, as website platforms continue to evolve and offer expanded capabilities, including online forms, resident service requests, payment processing, user accounts, artificial intelligence search tools, and other interactive services, it may be appropriate to evaluate whether the City's website should continue operating as a shared platform or whether alternative governance structures would be more appropriate.

Staff does not currently have concerns regarding the information maintained by the HHPOA or Ladies Club and recognizes the value of providing residents a single location to access community information. At the same time, staff believes it would be prudent to consider:

- Whether the City should remain responsible for hosting content belonging to separate organizations;
- Appropriate access controls and administrative permissions for each organization;
- Responsibilities for content management and record retention;
- Cybersecurity and operational considerations;
- Potential future online services offered by the City; and
- Whether the City should host information for those organizations directly or instead provide links to separate websites managed by each organization.

Should the City ultimately transition to a new platform, staff would work with affected organizations to ensure an orderly transition and minimize impacts to residents. Options could include maintaining dedicated community information pages on the City's website, establishing separate websites for individual organizations, or utilizing a hybrid approach that combines both methods.

Staff is not recommending any immediate changes to the existing arrangement. Rather, staff believes these questions should be considered as part of any broader evaluation of website providers and long-term website strategy.

Purpose of Discussion

At this time, staff is not recommending selection of a new website provider.

Rather, staff is seeking feedback from the Board regarding whether additional research should be conducted and whether competitive proposals should be requested from multiple municipal website providers. This would allow staff to compare costs, functionality, implementation



requirements, governance considerations, and long-term value before presenting any recommendation for Board consideration.

In addition to evaluating website functionality and cost, staff seeks feedback regarding whether the City should continue operating a shared website on behalf of multiple organizations or whether alternative governance structures should be explored as part of a future website transition.

If there is interest from the Board, staff would also review options related to email hosting, migration of existing content, ownership and management of the website domain, and coordination with other organizations currently utilizing the City's website platform. Staff may work towards this even if a new website is not desired by the board, as it streamlines operations and potentially allows the City to save money on our email costs with Town Web.

Staff Recommendation

Discussion only. No action is required at this time.

Staff seeks feedback regarding whether the Board would like staff to further evaluate website alternatives, obtain proposals from multiple providers, and review long-term website governance considerations for future Board discussion.

Sincerely,

Andy Adams

City Administrator



October 2, 2026

Subject: Item 12: Discussion on Water Infrastructure Bond

To the City of Highland Haven Board of Aldermen,

Background

This standing discussion item allows the Board to receive updates on the \$1 million general obligation bond approved by voters on November 4, 2025 (Proposition A), which authorized funding for water system upgrades and related infrastructure, including potential property acquisition for the water system.

Recent Development

Staff had received some comments from the public that Mr. Luna had sold the property already to someone else. The Mayor and staff received email confirmation from Mr. Luna that he is still the property owner and his plans have not changed. Staff continues to monitor progress regarding communications with the property owner and other steps required for the bond and potential property acquisition.

As previously noted, once an agreement is in place for any property purchase, it generally takes 6–12 weeks to sell the bonds and finalize related transactions.

Sincerely,

Andy Adams

City Administrator

City of Highland Haven

(830) 265-4366

cityadministrator@highlandhaventx.com



October 2, 2026

Subject: Item 13: Discussion on Review Assignments for Planning & Zoning Commission

To the City of Highland Haven Board of Aldermen,

Background

The Planning & Zoning Commission continues to work on several projects assigned by the Board of Aldermen, including the proposed E-Bike Ordinance, the proposed Sign Ordinance, and development of the City's Comprehensive Plan.

The purpose of this agenda item is to provide an update regarding these ongoing assignments and discuss priorities for the Commission's upcoming meeting.

E-Bike Ordinance

At its September meeting, the Planning & Zoning Commission voted to forward proposed E-Bike Ordinance language to the Board of Aldermen for review and comment.

The Commission is scheduled to meet on October 8, 2026, and expects to review any comments, questions, or suggested revisions provided by the Board during this meeting. Following discussion, the Commission may revise the draft ordinance and continue development of a final recommendation for future Board consideration.

Sign Ordinance

The Planning & Zoning Commission has also completed a draft Sign Ordinance intended to consolidate the City's existing sign regulations into a single chapter of the Code of Ordinances.

As with the E-Bike Ordinance, the Commission expects to review any Board comments and suggestions received during this meeting and determine whether additional revisions are appropriate before forwarding a final recommendation to the Board.

Comprehensive Plan Update

The Commission recently completed the full draft Comprehensive Plan and continues to refine the document. At this time, the primary remaining work consists of final review and revisions to the Executive Summary and Part III: Implementation.



Following completion of those sections, the Commission intends to assemble the supporting appendices and finalize the document for Board review.

The Commission's current goal remains to provide the completed Comprehensive Plan to the Board of Aldermen for review at the first regular meeting in December 2026.

The Comprehensive Plan represents a significant effort by the Planning & Zoning Commission and numerous community stakeholders and will serve as an important guide for future policy discussions, infrastructure planning, growth management, and community development initiatives.

Next Planning & Zoning Meeting

The next regular meeting of the Planning & Zoning Commission is scheduled for **October 8, 2026, at 6:00 PM** at the Highland Haven Community Center.

Staff Recommendation

Discussion only. No action is required at this time.

This item is intended to provide an update regarding current Planning & Zoning Commission assignments and to allow the Board to discuss any priorities or direction it wishes to provide to the Commission.

Sincerely,

Andy Adams

City Administrator

City of Highland Haven

(830) 265-4366

cityadministrator@highlandhaventx.com



October 2, 2026

Subject: Item 14: Discussion on Legislative Updates

To the City of Highland Haven Board of Aldermen,

Background

The Texas Legislature is scheduled to convene its 90th Regular Session in January 2027. While legislative priorities continue to develop, interim committee hearings, statements by state leadership, and discussions among local government organizations have provided insight into issues that may receive significant attention during the upcoming session.

Staff continues to monitor legislative developments through the Texas Municipal League (TML), the Hill Country Mayor's Alliance, regional governmental organizations, and other municipal advocacy groups.

Issues of Interest to Highland Haven

While many legislative proposals focus on larger metropolitan areas, recent sessions have demonstrated that legislation affecting local government authority often applies to municipalities of all sizes, including small general law cities.

Issues that may receive attention during the upcoming session include:

- Municipal planning and zoning authority;
- Local authority related to land use and development regulations;
- Property tax and municipal finance policies;
- Water supply planning and groundwater management;
- Infrastructure funding for roads, water systems, and drainage improvements;
- Emergency communications and flood preparedness initiatives;
- Municipal transparency and open government requirements;
- Cybersecurity and technology requirements for local governments; and
- Additional state preemption of local regulations.



Many of these issues are of particular importance to Highland Haven due to the City's limited tax base, reliance on volunteer boards and commissions, and need to maintain local flexibility when addressing community concerns.

Hill Country Mayor's Alliance

The Mayor and City Administrator have continued participating in meetings of the Hill Country Mayor's Alliance, a coalition of elected officials from small communities throughout the Hill Country focused on ensuring rural and small-city concerns are heard during the legislative process.

Discussions among participating communities have focused heavily on:

- Protection of local decision-making authority;
- Preservation of municipal planning and zoning tools;
- Groundwater protection and water infrastructure funding;
- Flood monitoring and emergency preparedness;
- Rural transportation and infrastructure needs; and
- Ensuring state policy recognizes the unique challenges faced by small municipalities.

Staff believes continued participation in these discussions provides an opportunity for the City to coordinate with similarly situated communities and amplify issues of regional importance.

Resident Engagement

One topic discussed by the Hill Country Mayor's Alliance and other local government organizations has been the importance of direct communication between residents and state legislators.

While cities, elected officials, and advocacy organizations regularly provide legislative feedback, legislators often place significant weight on communication received directly from residents within their districts.

As a result, staff is exploring whether the City should make informational resources available to residents who may wish to communicate with state legislators regarding issues affecting local communities.



Such materials would not advocate for or against specific candidates or political parties. Instead, they would provide residents with information regarding issues affecting local government and examples of how residents may communicate their perspectives to their elected representatives.

Example Resident Letter

The following is provided as an example of the type of nonpartisan correspondence residents may choose to submit to state legislators:

Dear Senator/Representative:

As a resident of Highland Haven, I am writing to ask that you consider the impact state legislation may have on small communities such as ours.

Small cities often have significantly different needs and resources than larger urban areas. While statewide solutions may be appropriate in some circumstances, I encourage you to preserve local flexibility whenever possible so that communities can address issues based upon local conditions and priorities.

Of particular importance to me are issues related to water resources, infrastructure funding, emergency preparedness, transparency in government, and the ability of local communities to make decisions regarding budgeting and planning and development.

Thank you for your service and for considering the perspectives of residents in small Texas communities.

Sincerely,

[Resident Name]

Highland Haven, Texas

Discussion Topics

The Board may wish to discuss:

- Legislative issues that should be monitored during the upcoming session;
- Opportunities to coordinate with other Hill Country communities;
- Whether informational materials should be made available to residents regarding legislative issues affecting local government; and



- Additional advocacy priorities the City may wish to communicate through regional partnerships.

Staff Recommendation

Discussion only. No action is required at this time.

This item is intended to provide an update regarding legislative developments, discuss issues likely to affect municipalities during the upcoming legislative session, and receive Board feedback regarding legislative advocacy and resident engagement efforts.

Sincerely,

Andy Adams

City Administrator



October 2, 2026

Subject: Item 15: Discussion on Code Enforcement

To the City of Highland Haven Board of Aldermen,

Background

Recent changes in state law have required the City to review and refine its code enforcement practices to ensure compliance while maintaining effectiveness.

Update

At this time, staff continues to follow an approach focused on **voluntary compliance prior to enforcement escalation**.

The current process includes:

- Issuing **two voluntary compliance notices** to address violations
- Allowing reasonable opportunity for correction
- Escalating unresolved issues to **municipal court only when necessary**

This approach:

- Promotes cooperation with residents
- Reduces the need for formal enforcement actions
- Maintains consistency while staff continues to formalize long-term procedures

Next Steps

Staff will continue to:

- Work with the City Attorney to refine enforcement procedures
- Evaluate long-term compliance with state requirements
- Ensure a consistent and sustainable enforcement process

Action Requested

Discussion only. No action required.

Sincerely,

Andy Adams

City Administrator



October 2, 2026

Subject: Item 16: Discussion on Drainage Issues

To the City of Highland Haven Board of Aldermen,

Background

This recurring item is included on the agenda to allow discussion of any reported drainage concerns, including flooding, standing water, culvert performance, and stormwater-related issues following rainfall events or resident reports.

Update

Since the last Board meeting, the City received a significant amount of rainfall associated with recent weather events. Fortunately, the City did not experience the extreme rainfall intensities that often create the most significant drainage concerns. While forecasts at one point suggested the potential for substantially heavier rainfall, staff is not aware of any major drainage failures, roadway washouts, or widespread flooding issues resulting from these recent storms.

The recent rainfall served as a practical test of the City's existing drainage infrastructure and, based on information currently available to staff, the system generally performed as intended under the conditions experienced.

As with any rainfall event, localized ponding and temporary accumulation of stormwater may occur in certain areas; however, staff has not received reports of significant new drainage concerns since the last meeting.

Long-Term Considerations

While recent conditions did not expose major drainage deficiencies, the concerns identified during previous significant storm events remain relevant. As previously discussed, drainage systems are often designed around specific rainfall assumptions and can become overwhelmed during unusually intense storm events, particularly when rainfall occurs over a short period of time.

Given the increasing frequency of severe weather events throughout Central Texas and the Hill Country, long-term drainage planning remains an important consideration for the City.

At some point, the City may wish to pursue an engineered drainage study to:

- Identify areas prone to flooding or drainage concerns;



- Evaluate the capacity and performance of existing drainage infrastructure;
- Assess drainage patterns during significant rainfall events; and
- Develop recommendations, priorities, and cost estimates for future improvements.

Such a study would provide the City with a more comprehensive understanding of stormwater movement throughout the community and assist the Board in prioritizing future capital improvement projects.

Discussion

The Board may wish to discuss any drainage concerns observed during recent weather events and whether any locations should be monitored more closely during future storms.

Staff Recommendation

Discussion only. No action required.

Sincerely,

Andy Adams
City Administrator



October 2, 2026

Subject: Item 17: Discussion on Water System

To the City of Highland Haven Board of Aldermen,

Background

This standing agenda item allows the Board to review matters related to the City's water system, including maintenance and operations, regulatory compliance, and coordination with the Central Texas Groundwater Conservation District (CTGCD).

a. Water System Maintenance and Operations

Since the last Board meeting, the City's water system has continued to operate normally with no significant operational issues reported.

Following the elevated number of water line breaks and repairs experienced during July and August, maintenance activity has returned to more typical levels. Staff is not aware of any major water line failures, service disruptions, or system-wide concerns requiring Board action at this time.

The City's water operator continues to perform routine inspections, maintenance activities, and operational monitoring to ensure reliable service to residents. Staff will continue evaluating opportunities to improve system operability and minimize impacts to customers when repairs become necessary. Previous improvements, including the installation of additional isolation valves in portions of the system, have enhanced the City's ability to isolate smaller areas during maintenance and repair activities.

b. Central Texas Groundwater Conservation District

The Central Texas Groundwater Conservation District continues to address several permitting and regulatory matters throughout Burnet County. One issue receiving significant public attention remains the groundwater permit application associated with Asphalt Inc. Staff will continue monitoring District activities and informing the Board of developments that may affect the City or its water supply interests.

Groundwater Permit Discussions

Staff intends to continue discussions with the Central Texas Groundwater Conservation District regarding groundwater permitting considerations as they relate to public water systems. While the City is not seeking additional permit capacity to facilitate growth, staff remains interested in



ensuring the City's groundwater authorizations appropriately reflect its certificated service area, existing infrastructure, and long-term service obligations.

As previously discussed, historical water usage may not fully reflect future system demands in communities with a significant number of seasonal or part-time residents. Staff believes continued dialogue with the District regarding these issues remains appropriate as part of long-term water system planning.

Purpose of This Discussion

This item is intended to provide the Board with an update regarding water system operations, maintenance activities, and coordination with the Central Texas Groundwater Conservation District.

Action Requested

Discussion only. No action is required.

Sincerely,

Andy Adams

City Administrator

City of Highland Haven

(830) 265-4366

cityadministrator@highlandhaventx.com



October 2, 2026

Subject: Item 18: Discussion on Solid Waste Services

To the City of Highland Haven Board of Aldermen,

Background

This recurring item allows review of the City's solid waste collection services, including contract performance, resident feedback, and any operational guidelines.

Update

There are no new updates regarding Solid Waste Services in regards to our Waste Management contract. We will continue to monitor this program and provide feedback on any issues or problems as they arise.

Sincerely,

Andy Adams

City Administrator

City of Highland Haven

(830) 265-4366

cityadministrator@highlandhaventx.com