

FORMAL LETTER TO CHANDLER TEXAS EXECUTIVE LEADERSHIP AND COUNCIL

Native Chaos Holdings

Independent Transparency Initiative
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July 10, 2026

VIA CERTIFIED MAIL — RETURN RECEIPT REQUESTED + EMAIL

Honorable Mayor
City of Chandler City Council Members
City Manager
City of Chandler, Texas
P.O. Box 425 Chandler, TX 75758

Re: Courtesy Delivery of Independent Dillon's Rule Compliance Audit of the City of Chandler Code of Ordinances — 130 Findings (14 CRITICAL)

Dear Mayor, Council Members, and City Manager:

Native Chaos Holdings, an independent transparency initiative, is providing this courtesy copy of our completed Dillon's Rule compliance audit of the City of Chandler, Texas Code of Ordinances (Chapters 1 through 14, Exhibits 10A and 14A, and the 2025 New Laws Queue).

As a Type A general-law municipality, Chandler possesses only those powers expressly granted by the Texas Legislature or necessarily implied from an express grant. The audit identifies **130 actionable findings** (Verified Findings Edition), of which **14 are CRITICAL**. These CRITICAL findings include:

1. Building, residential, electrical, plumbing, mechanical, and fuel-gas codes frozen at 2009/1997 editions (§3.03.031, .091, .291, .411, .471, .521)
2. Complete absence of an adopted energy code despite Health & Safety Code §388.003
3. Constitutional infirmity in junk-dealer race/sex/nationality data collection (§4.03.035)
4. Ultra vires municipal oil production tax (§4.07.028)
5. Preempted subsurface oil/gas well-construction standards under Natural Resources Code §81.0523 (§4.07.011–.018)

6. Conflicting municipal court judge provisions under Government Code §29.004 (§7.02.001 vs. §7.02.004)
7. Unlawful \$2,000 Class C misdemeanor penalty cap, sex-offender residency provision (§8.05.006)
8. Parkland dedication exaction lacking individualized nexus and rough proportionality (Exhibit 10A §6.1)
9. Unrestricted 10% diversion of Hotel Occupancy Tax revenue to the general fund (§11.04.007, Tax Code §351.101)
10. Unlawful \$2,000 Class C misdemeanor penalty cap, traffic/parking provision (§12.04.052)
11. Drought Contingency Plan notification requirement 7.5 years overdue, active violation of 30 TAC §288.20(c) (§13.04.009)

Pre-release courtesy packets have also been transmitted to the Railroad Commission of Texas, TCEQ, Texas Department of Transportation, Texas State Fire Marshal's Office, DSHS (Zoonosis), Office of Court Administration, Office of the Attorney General, EPA Region 6, FCC, FEMA Region VI, HUD Region VI, Texas Comptroller, TDLR, TDHCA, and State Energy Conservation Office, offering each agency 30 days for technical review before public release of the full package on **August 9, 2026**.

The complete package, including the master Non-Compliance Report, prioritized remediation plan, all agency letters, per-chapter findings, and supporting documents, is available in the project folder and will be publicly released on August 9, 2026.

We respectfully invite the City Council and staff to review the findings and would welcome the opportunity to discuss a collaborative, transparent remediation timeline. Native Chaos Holdings has no authority to direct or require any action by the City. This delivery is provided solely as a courtesy to assist the City in achieving full compliance with Dillon's Rule and current Texas law, and to give the City the opportunity to address these issues before full public release.

Please confirm receipt and advise of a convenient time for a briefing or any questions you may have.

Sincerely,

Eli Logan

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Enclosures:

- Chandler_Dillons_Rule_Audit_VERIFIED_FINDINGS_ONLY.pdf (source of truth, 130 findings)
 - All 15 Agency Letters (UPDATED final versions)
 - Per-chapter findings extracts
 - Citizen Scorecard
 - Harmonized 14 CRITICAL Findings List
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End of Letter to Chandler Leadership