

HARMONIZED MASTER LIST — EXACTLY 14 CRITICAL FINDINGS

City of Chandler, Texas — Dillon's Rule Compliance Audit

Native Chaos Holdings | Final Authoritative Count as of July 18, 2026 (Verified Findings Edition)

This list is the single source of truth used across the entire FINAL_RELEASE_PACKAGE, reconciled against *Chandler_Dillons_Rule_Audit_VERIFIED_FINDINGS_ONLY.pdf*. All documents, scorecards, letters, and public materials now reference these **exactly 14 CRITICAL findings**.

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THE 14 CRITICAL FINDINGS (Verified, Exact Match to Source Audit)

1. **Critically Outdated Building Code** Article 3.03, Division 2, §3.03.031 — Adopts the 2009 International Building Code, five code cycles (2012, 2015, 2018, 2021, 2024) out of date. LGC §214.212 authorizes adoption and amendment of nationally recognized building codes but provides no shelter for indefinitely retaining a 17-year-old edition; compounds the Health & Safety Code §388.003 statewide energy-code gap.
2. **Critically Outdated Residential Code** Article 3.03, Division 3, §3.03.091 — Adopts the 2009 International Residential Code. Same defect as the Building Code: five subsequent triennial cycles have superseded it, undermining LGC §214.212's purpose of regional code uniformity.
3. **Critically Outdated Electrical Code** Article 3.03, Division 4, Part V, §3.03.291 — Adopts the 1997 National Electrical Code, roughly 29 years and ten code cycles stale as of 2026. The single most severe outdated-code citation in Chapter 3; wiring methods, GFCI/AFCI protection, and arc-fault provisions have changed dramatically since 1997, creating serious life-safety exposure.
4. **Critically Outdated Plumbing, Mechanical & Fuel Gas Codes** Article 3.03, Division 5, Part II, §3.03.411 (Plumbing); Division 6, §3.03.471 (Mechanical); Division 7, §3.03.521 (Fuel Gas) — All adopted from the same stale 2009 code cycle referenced above.
5. **Complete Absence of Adopted Energy Code (IECC)** Article 3.03 omission — Direct conflict with Health & Safety Code §388.003's statewide energy-code mandate. The City has no local enforcement mechanism for the state-required standard.
6. **Constitutional Infirmary — Race/Sex/Nationality Data Collection** §4.03.035 (Records of purchases) — Junk dealers required to record a seller's race, sex, and nationality. Facially suspect classification with no demonstrated public-safety nexus; exceeds Occupations Code Ch. 1956 requirements and raises equal-protection concerns.

7. **Ultra Vires Municipal Oil Production Tax** §4.07.028 — \$0.02 per barrel. No statutory grant exists for a Type A general-law city to impose a severance/production tax; Tax Code Chapters 201–202 exclusively occupy this field. Immediate repeal required.
8. **Preempted Subsurface Oil & Gas Well-Construction Standards** §4.07.011–.018 (casing, cementing, blowout preventers, pits, etc.) — Regulates “oil and gas operations” within the exclusive jurisdiction of the Railroad Commission of Texas (Natural Resources Code §81.0523); not within the narrow aboveground-activity safe harbor of §81.0523(c).
9. **Conflicting Municipal Court Judge Provisions** §7.02.001 (appointed judge) vs. §7.02.004 (mayor as ex officio judge) — Government Code §29.004 provides that in a general-law municipality the mayor is ex officio judge unless an ordinance affirmatively authorizes appointment or election of a judge, in which case the mayor ceases to be judge. The two regimes cannot lawfully coexist as currently codified.
10. **Unlawful \$2,000 Penalty Cap — Sex-Offender Residency Provision** §8.05.006 (Penalties) — Sets a fine “not to exceed \$2,000.00,” with each day a separate offense. LGC §54.001(b) caps general ordinance-violation fines at \$500 unless the violation falls within an enumerated higher-cap category (fire safety, zoning, public health and sanitation up to \$2,000; refuse dumping up to \$4,000). A sex-offender-residency/loitering restriction is a criminal-conduct/nuisance-adjacent regulation, not an enumerated category, and cannot lawfully use the elevated cap.
11. **Parkland Dedication Exaction Lacking Constitutional Nexus & Rough Proportionality** Exhibit 10A §6.1 — Flat 5% dedication (or fee-in-lieu) of total tract acreage with unguided discretion and no individualized impact analysis. Violates *Nollan v. California Coastal Commission*, *Dolan v. City of Tigard*, and Texas rough-proportionality principles (LGC Ch. 395 framework).
12. **Illegal Diversion of Hotel Occupancy Tax Revenue to General Fund** §11.04.007 — Mandatory deposit of 10% of HOT proceeds to the unrestricted general fund. Tax Code §351.101 strictly limits HOT revenue to a closed, enumerated list of tourism-related categories; diversion to the general fund is a direct, judicially-enforced statutory conflict and the single most legally exposed provision in Chapter 11.
13. **Unlawful \$2,000 Penalty Cap — Traffic/Parking Provision** §12.04.052 (Penalty) — Authorizes a fine up to \$2,000 for violations affecting “the public’s health, safety, and welfare,” classified as Class C misdemeanor with each day a separate offense. LGC §54.001 caps general penalties at \$500, and parking/traffic offenses do not fall within the health/sanitation/fire-safety exception that permits the higher cap.
14. **Drought Contingency Plan Notification Conflict** §13.04.009 (Notification and updates) — The ordinance correctly cites the current rule, 30 TAC §288.20(c), which mandates the drought contingency plan be reviewed and updated at least once every five years, but the ordinance text itself states the plan “will be mandatory reviewed and updated on or before November 2018” — now approximately 7.5 years overdue.

This is an active, ongoing violation of a binding TCEQ procedural rule, and the plan's underlying technical data (2014 population figures, well capacities, storage figures) is materially stale for emergency-response planning purposes.

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Changes From the Prior (12-Item) Harmonized List

This list supersedes the July 10, 2026 version, which listed 12 CRITICAL items. Reconciliation against the Verified Findings Edition made the following corrections:

Removed (no longer CRITICAL in the verified audit): - *Pipeline Permitting Beyond Limited Safe Harbor* (Article 4.08) — reclassified HIGH (Finding 17). - *Unauthorized Municipal Court Technology Fee* (\$7.05.003) — reclassified HIGH. - *Fireworks Seizure Without Required Carve-Out* (\$5.04.005) — omitted from the Verified Findings Edition as unverifiable; the audit's own Chapter 5 summary table asserted this finding with no supporting narrative in the source document, an internal inconsistency that could not be independently confirmed.

Added: - *Drought Contingency Plan Notification Conflict* (\$13.04.009, Chapter 13 — Utilities) — CRITICAL, confirmed in the Verified Findings Edition's Quick Reference and full Chapter 13 narrative.

Unchanged (all other 9 prior items confirmed CRITICAL, with the code-adoption item split into its 4 constituent citations, above.)

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Supporting Counts (for reference)

- Total actionable findings: 130
- CRITICAL: 14 (this list)
- HIGH: 32
- MEDIUM: 43
- LOW: 41

Use of This List

This harmonized list is the authoritative version for: - All agency letters - Citizen Scorecard - Public Summary - Press Release - Taxpayer Demand Letter - Leadership Letter - Any future litigation or agency referrals

Any prior document listing 12 CRITICAL items is superseded by this final, verified count of **exactly 14**.

Native Chaos Holdings — July 18, 2026

=== *End of Harmonized 14 Critical Findings List*