

CITY OF FAIR OAKS RANCH

MUNICIPAL DEVELOPMENT DISTRICT MEETING

Wednesday, July 09, 2025 at 4:00 PM

Public Safety Training Room in the Police Station, 7286 Dietz Elkhorn, Fair Oaks Ranch

AGENDA

OPEN MEETING

1. Roll Call - Declaration of a Quorum
2. Pledge of Allegiance

CITIZENS and GUEST FORUM

To address the Board, please sign the Attendance Roster located on the table at the entrance in the foyer of the Public Safety Training Room. In accordance with the Open Meetings Act, the MDD Board may not discuss or take action on any item which has not been posted on the agenda. Speakers shall limit their comments to five (5) minutes each

3. Citizens to be heard

CONSENT AGENDA

- [4.](#) Approval of the January 8, 2025 Regular MDD Board meeting minutes

Keith Rhoden, MDD Secretary

- [5.](#) Approval of the April 9, 2025 Regular MDD Board meeting minutes

Keith Rhoden, MDD Secretary

PRESENTATIONS

- [6.](#) MDD Legal Training

Dan Santee, MDD Attorney

REPORTS

7. Fair Oaks Ranch Gateway Monument project status update

Kelsey Delgado, Project Manager

- [8.](#) Quarterly Financial and Investment Report for the quarter ended June 30, 2025

Summer Fleming, CGFO, MDD Investment Officer

9. Marketing and Project Opportunities Subcommittee Report

Nicholas DiCianni, Marketing and Project Opportunities Subcommittee Chair

CONSIDERATION / ACTION ITEMS

10. Consideration and possible action to terminate the Chapter 377 Project Funding Agreement between the Fair Oaks Ranch Municipal Development District and the City of Fair Oaks Ranch for development of a community center

Laura Koerner, MDD President

11. Consideration and possible action to approve the FY 2025-26 MDD Budget

Mike Lovelace, CPA, CMA, CISA, Fair Oaks Ranch MDD Treasurer
Summer Fleming, CGFO, MDD Investment Officer

12. Consideration and possible action authorizing the MDD President to sign a Professional Services Agreement for auditing services with BrooksWatson & Co.

Summer Fleming, CGFO, MDD Investment Officer

13. Discussion, consideration, and possible action on MDD policies, rules, procedures, document reviews, and committees.

Laura Koerner, MDD President

14. Discussion, consideration and possible action to update MDD policy language regarding a process for managing small dollar project requests

Mike Lovelace, Small Scope / Small Dollar Subcommittee Chairman

ADJOURNMENT

Next quarterly meeting: October 8, 2025 AT 4:00 PM

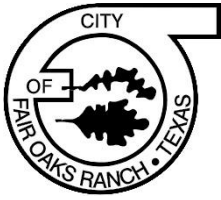
Signature of Agenda Approval: s/ Laura Koerner

Laura Koerner, President

I, Amanda Valdez, TRMC, Deputy City Secretary, certify that the above Notice of Meeting was posted on the outside bulletin board at the Fair Oaks Ranch City Hall, 7286 Dietz Elkhorn, Fair Oaks Ranch, Texas, and on the City's website www.fairoaksranchtx.org, both places being convenient and readily accessible to the general public at all times

As per Texas Government Code 551.045, said Notice was posted by 4:00 PM, July 6, 2025 and remained so posted continuously for at least 72 hours before said meeting was convened. A quorum of City Council and various boards, committees, and commissions may attend the Municipal Development District board meeting

<p>The Fair Oaks Ranch Police Station is wheelchair accessible at the front main entrance of the building from the parking lot. Requests for special services must be received forty-eight (48) hours prior to the meeting time by calling the City Secretary's office at (210) 698-0900. Braille is not available.</p>



CITY OF FAIR OAKS RANCH

MUNICIPAL DEVELOPMENT DISTRICT MEETING

Wednesday, January 08, 2025 at 4:00 PM

Public Safety Training Room in the Police Station, 7286 Dietz Elkhorn, Fair Oaks Ranch

MINUTES

OPEN MEETING

1. Roll Call - Declaration of a Quorum.

Present: President Laura Koerner, Vice President Nicholas DiCianni, Secretary Keith Rhoden, David Fairhurst, Steven Robertson, and Ruben Olvera

Absent: Treasurer Mike Lovelace

With a quorum present, the meeting was called to order at 4:00 PM.

2. Pledge of Allegiance – The Pledge of Allegiance was recited in unison.

CITIZENS and GUEST FORUM

3. Citizens to be heard – No citizens signed up to speak.

CONSENT AGENDA

4. Approval of the October 9, 2024 Regular MDD Board meeting minutes

The consent agenda was approved by consensus.

REPORTS

5. Quarterly Financial and Investment Report for the quarter ended December 31, 2024

Summer Fleming, CGFO, MDD Investment Officer, provided a financial and investment report to the Board on the District's investment portfolio.

6. Fair Oaks Ranch Community Center project status update

Kelsey Delgado, Project Manager, informed the Board that the design/development phase of the project was complete. A workshop is scheduled to take place at the next Council meeting where the architect and staff to go over highlights of the 100% design plan. Staff plans to advertise the project for bid in February if there are no changes as a result of the workshop. The goal is to award the contract in April for construction to begin in May with substantial completion expected in May of 2026.

CONSIDERATION / ACTION ITEMS

7. Consideration and possible action to approve the MDD Audit Report for the fiscal year ended September 30, 2024

Jon Watson, CPA, Audit Partner, BrooksWatson & Co., PLLC, provided a brief overview of the Districts audit and reported that the District received an unmodified opinion the highest level of assurance.

MOTION: Made by Keith Rhoden and seconded by Ruben Olvera to approve the MDD's Audited Financial Report for the fiscal year ended September 30, 2024.

VOTE: 6-0; Motion Passed.

President Koerner, with the agreement of the Board, moved agenda item 9 out of order.

9. Consideration and possible action regarding an MDD Grant Funding Application for Gateway Feature from the City of Fair Oaks Ranch

MOTION: Made by Vice President DiCianni and seconded by Ruben Olvera to approve the MDD funding application from the City of Fair Oaks Ranch for a Gateway Monument Project for an amount not to exceed \$148,128.50. Additionally, I move to authorize the MDD Chair to enter into negotiations for a grant award agreement with the City of Fair Oaks Ranch, with the final, tentative agreement to be presented to the MDD Board for review and approval prior to execution.

VOTE: 6-0; Motion Passed.

8. Discussion, consideration and possible action on the MDD Rules of Procedure

Laura Koerner, MDD President, explained that the Rules of Procedure are solely approved by the MDD Board. However, because certain aspects of the Board's composition are governed by the City's Code of Ordinances, an amending ordinance by City Council may be required before the Board can make changes to its Rules of Procedure. A redlined version of the Rules of Procedure was reviewed and discussed in detail. Following this discussion, the Board directed staff and the President to work with Legal Counsel to: (1) draft language addressing the number of City Council members who may serve on the MDD Board, and (2) conduct a legal review of the Rules.

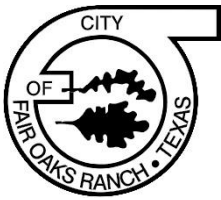
ADJOURNMENT

President Koerner adjourned the meeting at 5:51 PM.

ATTEST:

Laura Koerner, MDD President

Keith Rhoden, MDD Secretary



CITY OF FAIR OAKS RANCH

MUNICIPAL DEVELOPMENT DISTRICT MEETING

Wednesday, April 09, 2025 at 4:00 PM

Public Safety Training Room in the Police Station, 7286 Dietz Elkhorn, Fair Oaks Ranch

MINUTES

OPEN MEETING

1. Roll Call - Declaration of a Quorum.

Present: President Laura Koerner, Vice President Nicholas DiCianni, Treasurer Mike Lovelace, Secretary Keith Rhoden, David Fairhurst, Steven Robertson, and Ruben Olvera

With a quorum present, the meeting was called to order at 4:00 PM.

2. Pledge of Allegiance – The Pledge of Allegiance was recited in unison.

CITIZENS and GUEST FORUM

3. Citizens to be heard

Resident Christine Graham asked the MDD Board to consider amending their rules to ensure that no more than two council members are appointed to the MDD. She also asked that the place markers be kept, making term lengths clear.

CONSENT AGENDA

4. Approval of the January 8, 2025 Regular MDD Board meeting minutes

Vice President DiCianni asked to remove the meeting minutes from the consent agenda for discussion during the Consideration / Action section of the agenda.

REPORTS

5. Quarterly Financial and Investment Report for the quarter ended March 31, 2025

Summer Fleming, CGFO, MDD Investment Officer, provided to the Board a quarterly financial and investment report.

6. Fair Oaks Ranch Community Center project status update

Kelsey Delgado, Project Manager, presented an update to the Request for Proposal for the Community Center project. Thirteen bids were received and are posted on the City's website.

CONSIDERATION / ACTION ITEMS**4. Approval of the January 8, 2025 Regular MDD Board meeting minutes**

MOTION: Made by Nick DiCianni and seconded by Steven Robertson to postpone approval of the minutes until there has been further review of the recording to the July 9, 2025 or the next MDD meeting.

VOTE: 7-0; Motion Passed.

7. Consideration and possible action approving an amended funding application from the City of Fair Oaks Ranch for a gateway monument

MOTION: Made by Mike Lovelace and seconded by Keith Rhoden to approve the amended funding application from the City of Fair Oaks Ranch for a Gateway Monument Project for an amount not to exceed \$224,840.

VOTE: 7-0; Motion Passed.

8. Discussion, consideration and possible action on the execution of a Chapter 377 Project Funding Agreement with the City of Fair Oaks Ranch for development of a gateway monument

MOTION: Made by Mike Lovelace and seconded by Nicholas DiCianni for the MDD President to execute a Chapter 377 Project Funding Agreement between the Fair Oaks Ranch MDD and the City of Fair Oaks Ranch for development of a gateway monument for an amount not to exceed \$224,840 as described in the terms and conditions of the Agreement.

VOTE: 7-0; Motion Passed.

9. Consideration and possible action approving a budget amendment to the FY 2024-25 MDD budget

MOTION: Made by Ruben Olvera and seconded by Nicholas DiCianni to approve an amendment to the FY 2024-25 budget appropriating \$224,840 for the grant award expenditure.

VOTE: 7-0; Motion Passed.

10. Discussion, consideration and possible action to update MDD policy language regarding a process for managing small dollar project requests

Mike Lovelace, Small Scope / Small Dollar Subcommittee Chairman, stated that the subcommittee had nothing to present at this time.

11. Discussion, consideration and possible action on revising the MDD Rules of Procedure

There was a discussion to consider changing the MDD Rules of Procedure, Article II, Section 1.B and 1.C to reference the City Council ordinance as the governing document and to make a recommendation to the City Council for additional changes to the ordinance.

MOTION: Made by Nicholas DiCianni and seconded by Steven Robertson to approve an amendment to the MDD Rules of Procedure as presented, and to forward to Council a

recommendation on updated ordinance wording as presented for Article 1.08.001 of the Code of Ordinances.

VOTE: 6-1; Motion Passed. Treasurer Mike Lovelace voted Nay.

12. Discussion, consideration, and possible action on MDD Strategic Planning

Keith Rhoden presented a request for the MDD to create a Strategic Plan that will guide the MDD for future opportunities. Laura Koerner, President, appointed the members of the Marketing Committee to further this effort.

ADJOURNMENT

President Koerner announced that the next quarterly meeting will take place on July 9, 2025 at 4:00 PM.

President Koerner adjourned the meeting at 6:33 PM.

ATTEST:

Laura Koerner, MDD President

Keith Rhoden, MDD Secretary



FAIR OAKS RANCH MDD DIRECTOR TRAINING

T. Daniel Santee, Partner

Denton Navarro Rodriguez Bernal Santee & Zech, P.C.

SA | AUS | RGV | TxGC

What is the MDD?



The Municipal Development District is a Fair Oaks Ranch taxing entity that was established in 2011 with the purpose of providing a stimulus of economic growth within the City of Fair Oaks Ranch.



The citizens of Fair Oaks Ranch approved a 0.5 cent tax to be added to the municipal sales tax as a funding source.



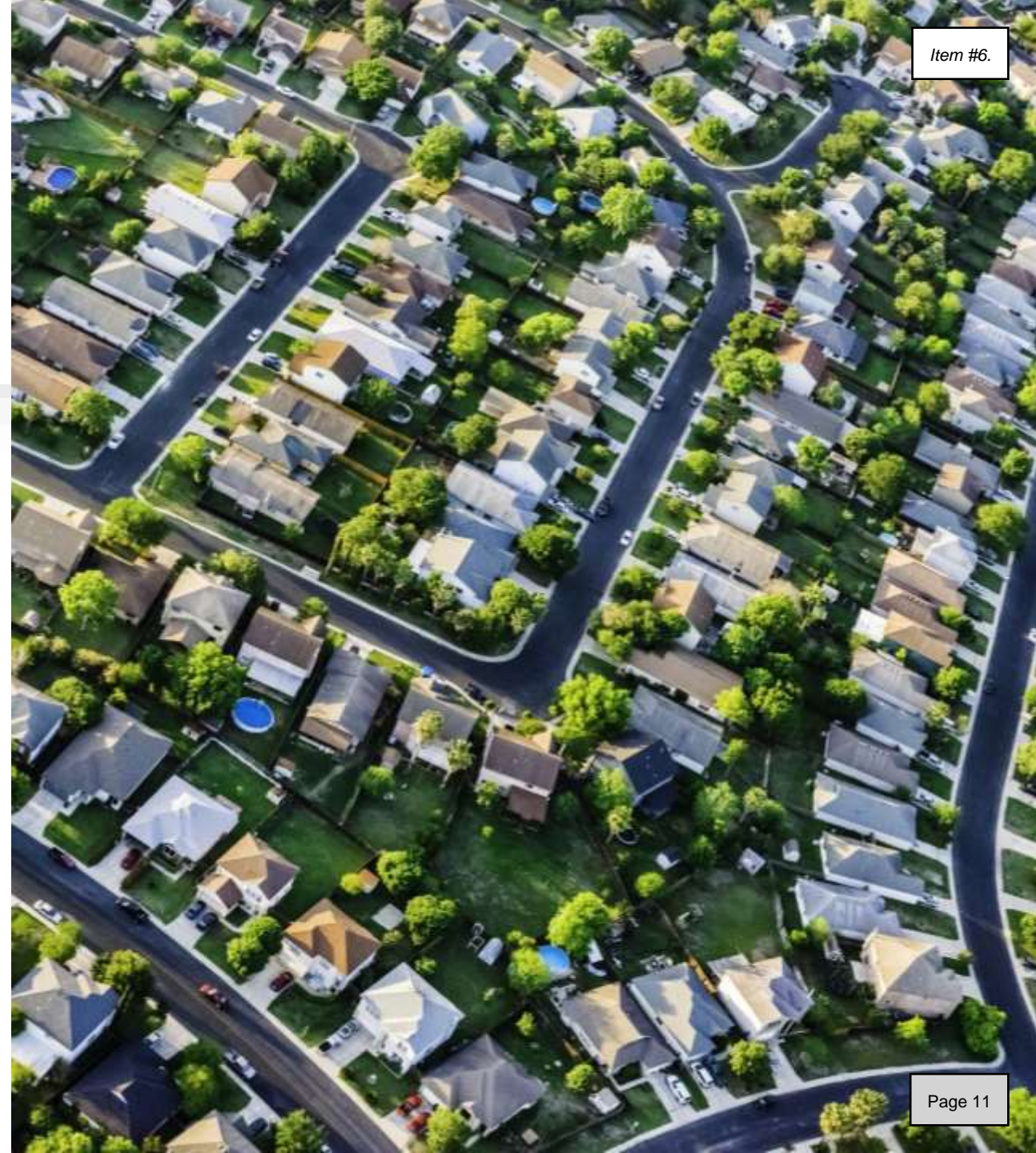
The funds collected are to be used to help fund projects, commercial, civic and governmental, that will provide for economic, social, and civic growth while ensuring or increasing property values.

Authority

- Texas Local Government Code Chapter 377
 - A municipality may create a Municipal Development District comprising all or part of its city limits, all or part of its extraterritorial jurisdiction (ETJ), or any combination of all or part of these areas.

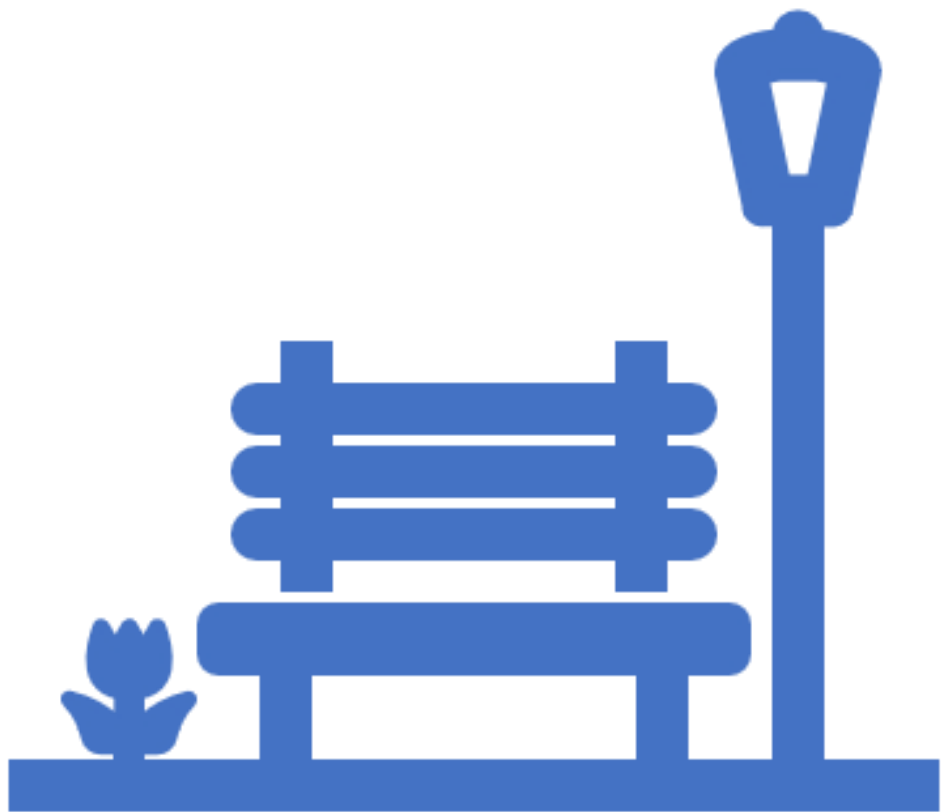
MDD Mission Statement

The Mission of the Fair Oaks Ranch Municipal Development District is to approve funding for economic development, retention and improvement of the District, and for the improvement of short and long-term property values.



Who can use the MDD funds?

Commercial entities, civic organizations, governmental organizations and not for profit entities can apply for funding of projects that are qualified and meet standards that will provide economic growth, improve the quality of life for residents of Fair Oaks Ranch or offer social and/or safety benefits to the city and its residents.



Statutory Purpose

Create for planning, acquiring, establishing, developing, constructing, or renovating one or more development projects; and

A convention center facility or related improvement such as a convention center, civic center, civic center building, civic center hotel, or auditorium, including parking areas located at or in the vicinity of other convention center facilities.

General

- May NOT levy property tax
- Sales Tax
 - 1/8, 1/4, 3/8, or 1/2 of 1 percent
- Election
 - Joint Proposition: Tax Code Section 321.409
 - ETJ issues
 - Separate ballot issues
 - Unique adoption language in TLGC Chapter 377
- Meetings are subject to the Texas Open Meetings Act
- Meetings must be held within the City limits

Political Subdivision



The District is a Political Subdivision of the State of Texas and the City.



Essentially the District is an entity separate and apart from the City.



May issue bonds, including revenue bonds and refunding bonds, or other obligations to pay the cost of a project



Certain tax exemptions apply while the District owns a project.

State Requirements for Board of Directors

Minimum of 4 Directors

Appointed by City Council

Must reside in City Limits or ETJ

Employee, officer or member of the City Council may serve

No compensation

Directors serve staggered two-year terms

Directors may be removed by City Council at any time without cause

Local Requirements for Board of Directors

7 Directors

Appointed by City
Council

Must reside in City
Limits or ETJ

Two members of
the City Council
shall serve one
member of FORHA

No compensation

Directors serve
staggered two-year
terms

Directors may be
removed by City
Council at any time
without cause

Powers



Perform any act necessary to the full exercise of the district's powers



accept a grant or loan from a department or agency of the United States; department, agency, or political subdivision of Texas; or a public or private person;



acquire, sell, lease, convey, or otherwise dispose of property or an interest in property, including a development project, under terms and conditions determined by the district

Powers (cont'd)

- employ necessary personnel
- adopt rules to govern the operation of the district and its employees and property
- contract with a public or private person to plan, acquire, establish, develop, construct, or renovate a development project; or perform any other act the district is authorized to perform under Texas Local Government Code Chapter 377.

Development Project Fund

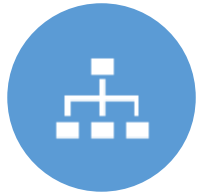
The district shall deposit into the development project fund:

- the proceeds from any sales and use tax imposed by the district;
- all revenue from the sale of bonds or other obligations by the district; and
- any other money required by law to be deposited in the fund.

Projects

- Projects may be undertaken anywhere within the District boundaries and include:
 - A convention center facility, or related improvements such as a civic center or auditorium.
 - Parking lots for such convention or related facilities.
 - Civic center hotels.
 - Projects as defined by Texas Local Government Code sections 505.151-505.158

Projects



505.151 – Generally Type A Projects



505.152 – Projects Related to Recreational or Community Facilities



505.153 – Projects Related to Affordable Housing



505.154 – Projects Related to Water Supply Facilities and Water Conservation Programs



505.155 – Projects Related to Business Enterprises that Create or Retain Primary Jobs



505.156 – Projects Related to Certain Business Enterprises in Certain Municipalities



505.158 – Projects Related to Business Development in Certain Small Municipalities

Policy For Evaluation Of Development Projects

Process Framework A development project evaluation process will be established through guidelines approved by Board to ensure that development project grant proposals are consistently and objectively evaluated.

The overall framework for the guidelines will include the following:

1. Each proposed development project grant will be evaluated to determine merit for funding based on the MDD Board's assessment of eligibility and quality.
2. To assess eligibility of proposed development project grants, the Board will establish a Eligible Project Category (Appendix A) to describe the types of projects that are qualified for MDD funding consideration. The information on the Eligible Project Category (Appendix A) may be modified at the discretion of the Board. Items may be placed on the Eligible Project Category (Appendix A) by the MDD Board based on the following criteria: 2.1. Compliance with relevant statutes and City ordinances & codes 2.2. Alignment with MDD Board's mission, goals & objectives
3. The Board will establish Project Application & Evaluation Guidelines (Appendix B) to evaluate eligible development project grant proposals in an objective and consistent method. The Project Application & Evaluation Guidelines may be modified at the discretion of the Board.

Summary of Differences

Not a corporation

- No requirement for Certificate of Formation
- No requirement for By-Laws

Broader authority for projects

Sales tax collected in the City's ETJ

Not required to comply with regulations found in Texas Local Government Code Title 12, Subchapter C-1

Resources

Texas Legislature On-Line (<http://www.statutes.legis.state.tx.us/>)

TLGC Chapter 377

TLGC Chapter 501

TLGC Chapter 505

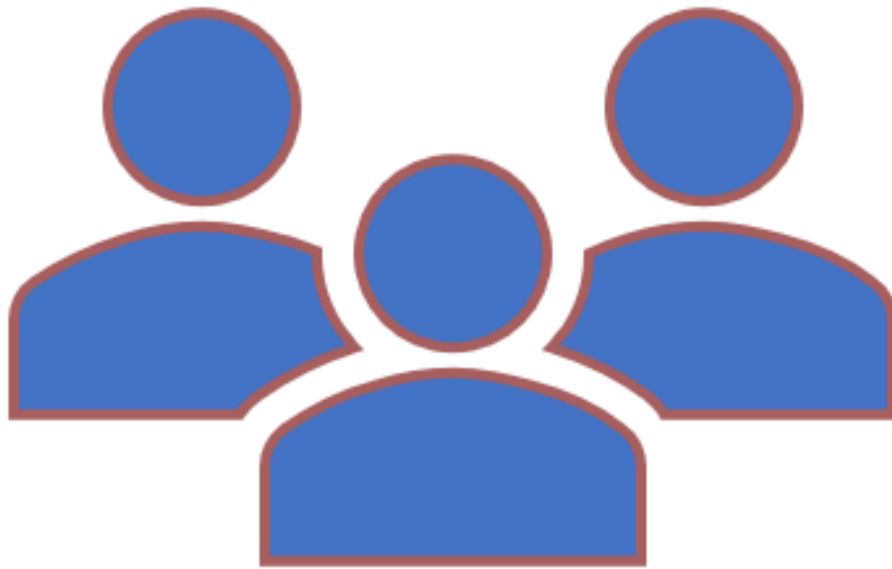


Texas Municipal League Economic Development Handbook



Excerpts from the

The Texas Open Meetings Act



Applicability of the Act – What constitutes a meeting?

Definition One

- A meeting occurs when:
 1. A quorum of a governmental body gathers; and either:
 1. the public business that the governmental body has authority to supervise or oversee is discussed; and
 2. a member of the governmental body participates in the discussion.
- Simply stated: A quorum of members exchange information about public business or public policy over which the body has supervision or control.
- Examples: formal meeting, attendance at another entity's meeting, using the restroom, "walking quorum," circulating an invoice or letter for signature outside of a meeting, e-mail, videoconferencing
- Develop a habit of asking yourself, "is this a meeting?"

Applicability of the Act – What constitutes a meeting?

Definition Two

- If the gathering is called by the governmental body, or the governmental body is responsible for the gathering, a meeting occurs when:
 1. A quorum of a governmental body gathers;
 2. the public business that the governmental body has authority to supervise or oversee is discussed; and
 3. the members receive information from, give information to, ask questions of, or receive questions from any third person, including an employee of the governmental body.
- Simply stated: The governmental body calls a gathering of a quorum of members to receive or give information to or from a third person about public business or public policy over which the governmental body has supervision or control.
- Examples: attendance at a city's board or committee meeting, "staff briefings"

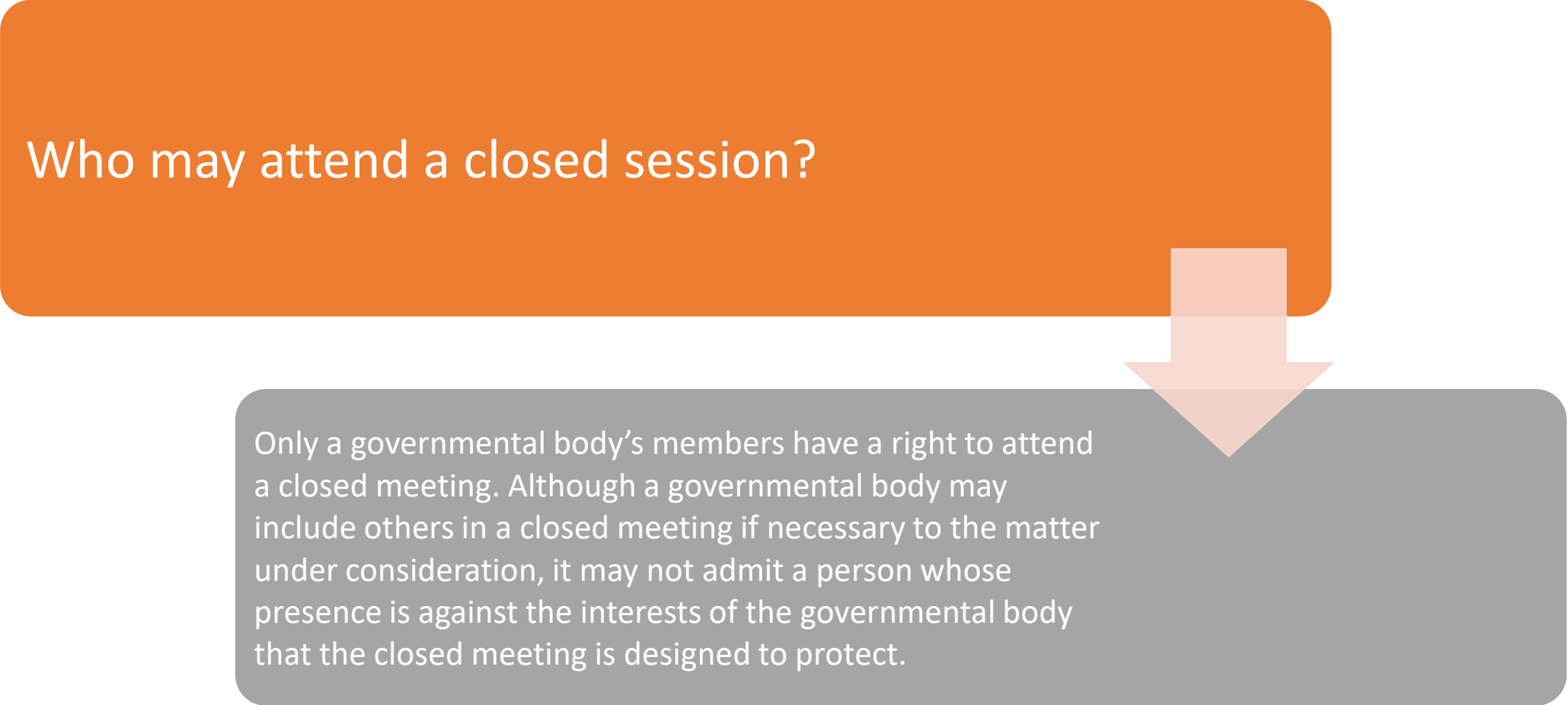
Applicability of the Act – What constitutes a meeting?

- The Act does not apply to social functions or regional, state, or national workshops if the governmental body's public business is not discussed and no formal action is taken.




Procedures and requirements – closed meetings(executive sessions)

Who may attend a closed session?



Only a governmental body's members have a right to attend a closed meeting. Although a governmental body may include others in a closed meeting if necessary to the matter under consideration, it may not admit a person whose presence is against the interests of the governmental body that the closed meeting is designed to protect.



Procedures and requirements – common closed sessions

Real Property Deliberations

- to deliberate the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person

Personnel Matters

- to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee
- to hear a complaint or charge against an officer or employee
- must be conducted in open session if the officer or employee requests a public hearing

Procedures and requirements – common closed sessions

Economic Development

- to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations
- to deliberate the offer of a financial or other incentive to a business prospect that meets the above requirements

Consultation with Attorney

- to seek advice about legal matters, pending or contemplated litigation, or settlement offers
- Governmental body's attorney must be present if employee, unless the meeting is held in compliance with §551.127 (may be present by conference call, videoconference, or Internet communications if a contract attorney)
- General discussion of policy not permitted

Security/Homeland Security Measures

Procedures and Requirements – CLOSED Sessions

- A governmental body may hold a closed meeting only when a statute expressly authorizes it to do so & notice is posted.
- To conduct a closed session, a governmental body must:
 1. have a quorum;
 2. properly convene in an open meeting;
 3. announce that a closed meeting will be held;
 4. identify in the open meeting the section of the law that allows the closed meeting; and
 5. keep a certified agenda or a recording of the closed meeting:
 - a) the certified agenda must include a statement of the subject of each deliberation and a record of any further action taken
 - b) The certified agenda or recording is confidential and may not be released absent court action
 - c) A sitting member of the governmental body may review the certified agenda or recording.
- 6. No final action or vote may be taken in a closed meeting.

recordkeeping

The Act requires a governmental body to make and keep a certified agenda or recording of most closed meetings.

The minutes must:

A brief summary is all that is required - a verbatim transcript is not necessary.

The presiding officer announced the date and time at both the beginning and end of the meeting

State the subject of each deliberation

Indicate each vote, order, decision, or other action taken

Certification that the agenda is a true and correct record

recordkeeping



The minutes or recording of the meeting are public records, and must be made available pursuant to a request



Certified agendas or recordings of a closed meeting are confidential, shall be preserved for at least 2 years



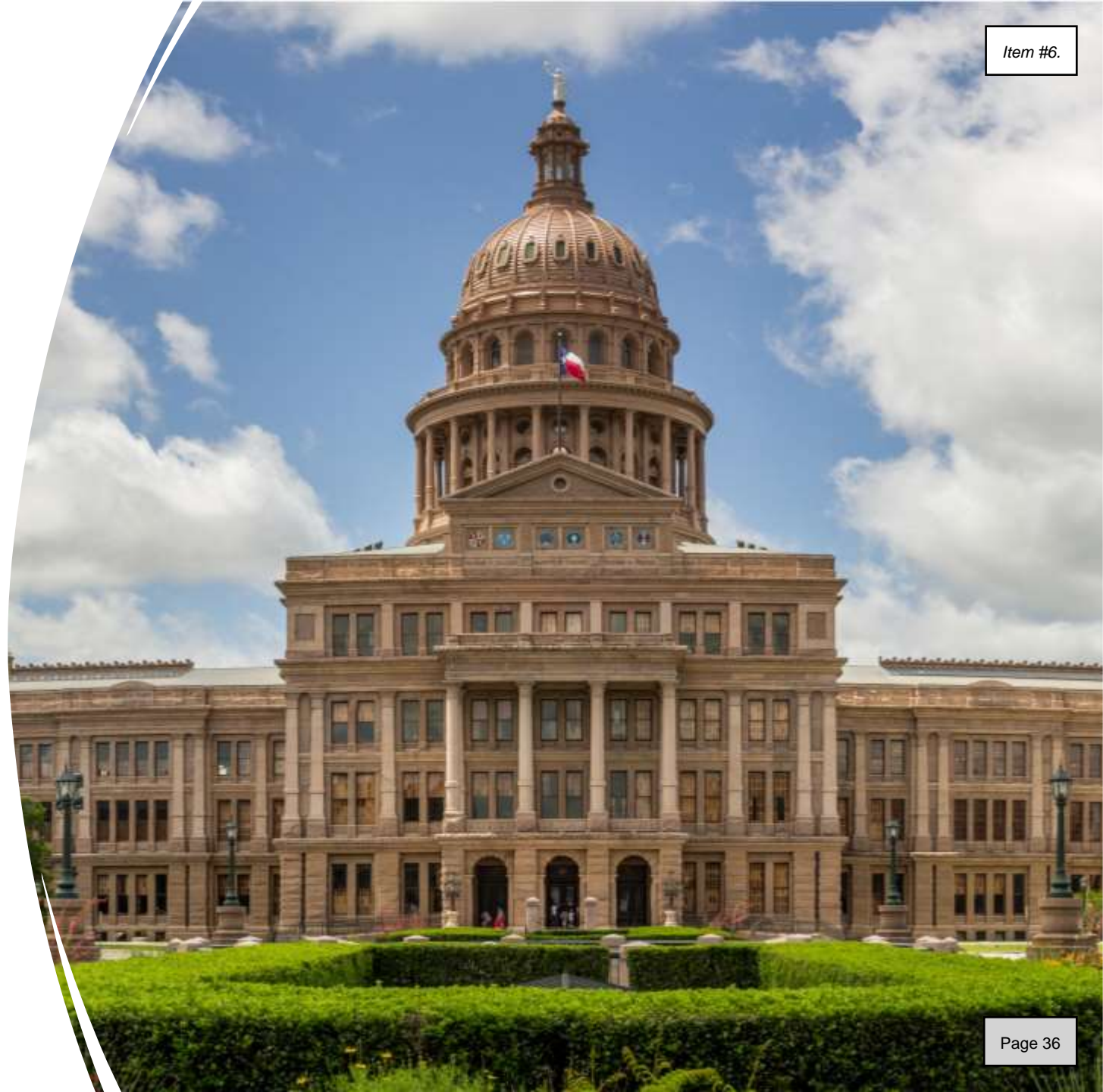
Under the Records Retention Act, a governmental body must have a Texas State Library-approved retention schedule for its records (for more information, please visit www.tsl.state.tx.us)



Generally, if minutes are transcribed from a recording, the recording must be kept for 90 days after the written minutes are approved

Excerpts from
the

The Texas Public Information Act



Applicability of the Act – What is public information?

§552.002 states in part.....(a) In this chapter, "public information" means information that is written, produced, collected, assembled, or maintained under a law or ordinance or in connection with the transaction of official business:

- (1) by a governmental body;
- (2) for a governmental body and the governmental body:
 - (A) owns the information;
 - (B) has a right of access to the information; or
 - (C) spends or contributes public money for the purpose of writing, producing, collecting, assembling, or maintaining the information; or
- (3) by an individual officer or employee of a governmental body in the officer's or employee's official capacity and the information pertains to official business of the governmental body.

Information is in connection with a transaction of official business if the information is created by, transmitted to, received by, or maintained by an officer or employee of the governmental body in the officer's or employee's official capacity, or a person or entity performing official business or a governmental function on behalf of a governmental body, and pertains to official business of the governmental body.

Applicability of the Act – What is public information?

Every form of information is covered

- Paper, video, e-mail, Internet postings, text and instant messages, computer data, audiotapes, microfilm, etc.

It does not matter where the information is located

- Any information located at home or on a home computer, such as e-mails and documents, regarding official city business may be considered public information
- Information sent to storage, or a third party may be considered public information



What is a public information request?

Must be in writing to trigger the Act

Must ask for information in existence as of the date the request was received

No “magic words” required

No requirement to label it as an open records request

Can be typed or handwritten

METHODS TO SUBMITTING AN OPEN RECORDS REQUEST

§552.234



(a) A person may make a written request for public information only by delivering the request by one of the following methods to the applicable officer for public information or a person designated by that officer:

- (1) United States mail;
- (2) Electronic Mail;
- (3) Hand Delivery; or
- (4) Any other appropriate method approved by the governmental body, including:
 - (A) Facsimile transmission; and
 - (B) Electronic submission through the governmental body's Internet website.

METHODS TO SUBMITTING AN OPEN RECORDS REQUEST

§552.234

(c) A governmental body may designate one mailing address and one electronic mail address for receiving written requests for public information.

(d) A governmental body that posts the mailing address and electronic mail address designated by the governmental body under Subsection (c) on the governmental body's Internet website or that prints those addresses on the sign required to be displayed by the governmental body under Section 552.205 is not required to respond to a written request for public information unless the request is received:

- (1) At one of those addresses;
- (2) By hand delivery; or
- (3) By a method described by Subsection (a)(4) that has been approved by the governmental body.



Request for Information



The public can:

Request copies of information
Request to inspect information on-site



The public can't:

Request the governmental body to create new documents, answer questions, or to perform legal research



Governmental bodies must:

Display a sign
(<https://www.texasattorneygeneral.gov/opengovernment/governmental-bodies/pia-poster>)



Governmental bodies can't:

Ask why a requestor wants the information or what he or she intends to do with it

Processing the requests

Governmental bodies should:

- date stamp the request
- require that requests be made in writing
- document any changes to request in writing
- develop a policy and procedure

Governmental bodies may contact requestor to:

- clarify ambiguous requests
- narrow request if the amount of information might be voluminous (narrowing is not required and the governmental body cannot make the requestor narrow their request)



Governmental bodies Response to Open Record Requests

Must treat all requests uniformly – no preferential treatment

Must make a good faith effort to relate a request to information held by the governmental body

Must make available during business hours

Attorney General Ruling Process

Must request a ruling within 10 business days of receipt of the request

- Send a letter to AG detailing what exceptions apply
- Ten business days starts the day after the day you receive the request
- Weekends and holidays (including skeleton crew days) when your office is closed do not count

Submit arguments and sample materials within 15 business days of receipt of the request

- Must include a copy of the original PIA request
- Must include evidence of the date the request was received
- Sample materials must be bracketed and labeled showing what exceptions apply

Only governmental bodies can request AG rulings –
Requestor may appeal withholding under §§ .024, .130, .136, .138, and .1175

Temporary Custodians



Affirmative duty for current or former public officers or employees to preserve and/or transfer information held on private devices



References the Records Retention Act



No personal or property right in public information created or received by an officer or employee while acting in official capacity



Temporary custodians

- Public information officer must make reasonable efforts to obtain public information from a temporary custodian
- Temporary custodian's failure to comply subjects them to discipline, if they are an employee, and/or penalties under the Act if they are an employee or official
- Extensive amendments to provisions on contracting and proprietary information

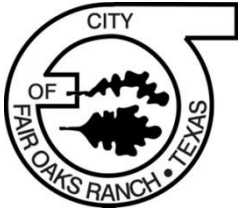
Questions?

T. Daniel Santee
Partner

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**MUNICIPAL DEVELOPMENT DISTRICT
REPORT
CITY OF FAIR OAKS RANCH, TEXAS**



AGENDA TOPIC: Quarterly Financial & Investment Report for the quarter ended June 30, 2025

DATE: July 9, 2025

DEPARTMENT: Finance

PRESENTED BY: Summer Fleming, MDD Investment Officer

INTRODUCTION/BACKGROUND:

Pursuant to Government Code Section 2256.023 and the MDD's Investment Policy Section 11, the Investment Officer is required, on a quarterly basis, to prepare and submit to the MDD Board a written report of investment assets and the market value of the current investments.

The attached presentation is being made to comply with the Q3 FY2024-25 reporting requirements.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

Frequent review and reporting of the MDD's assets and investment vehicles is both prudent and necessary to verify that the MDD's investment portfolio is being managed according to the investment policy.

BUDGETARY IMPACT:

Through April, the District has received \$315,704 in sales tax revenue. An additional \$95,000 has been accrued for May and June collections, as sales tax is received two months in arrears. This quarter, the District also earned \$39,652 in interest income, bringing the year-to-date total to \$117,784. Based on revenue trends observed over the past six months, the fiscal year revenue projection has increased \$84,000 above the original budget.

Year-to-date expenditures amount to \$37,941, covering the annual management fee, audit and legal services, and required PFIA training. Expenditure projections have decreased by approximately \$28,000 due to anticipated savings in training, professional services, and small grant awards. As a result, the projected addition to fund balance is \$424,125.

Investments are currently held in two local government investment pools with a combined balance of \$3.7 million as of June 30, 2025.

Fair Oaks Ranch
Municipal Development District
Quarterly Financial & Investment Report

For the Quarter Ended
June 30, 2025

Prepared by:

Summer Fleming

Summer Fleming, MDD Investment Officer

Fair Oaks Ranch Municipal Development District
Statement of Revenues and Expenditures
For the Quarter Ended June 30, 2025

	<u>Amended Budget</u>	<u>Year End Projected</u>	<u>Projected vs Budget</u>	<u>Year-to-Date Actual</u>	<u>Percent of Budget</u>
Beginning Fund Balance	3,331,455	3,331,455			
<u>Revenues</u>					
Local Sales Tax	504,000	533,000	29,000	410,704	81.49%
Interest	100,000	155,000	55,000	117,784	117.78%
Total Revenue	604,000	688,000	84,000	528,488	87.50%
<u>Expenditures</u>					
Supplies	250	250	-	-	0.00%
Training/Seminars	500	360	(140)	360	72.00%
Attorney	3,500	3,500	-	2,656	75.90%
Auditor	4,725	4,725	-	4,725	100.00%
Professional Services	33,450	30,150	(3,300)	30,150	90.13%
Insurance	50	50	-	50	100.00%
Grant Awards	249,840	224,840	(25,000)	-	0.00%
Total Expenditures	292,315	263,875	(28,440)	37,941	12.98%
Revenues over/(under) expenditures	311,685	424,125	112,440	490,547	157.39%
Ending Fund Balance	3,643,140	3,755,580			
<u>Ending Fund Balance Detail</u>	<u>Budget</u>	<u>Projected</u>			
Operating	50,000	50,000			
Infrastructure - Assigned	2,393,140	3,705,580			
Infrastructure - Committed	1,200,000	-			
	3,643,140	3,755,580			

Fair Oaks Ranch Municipal Development District
Investment Report
For the Quarter Ended June 30, 2025

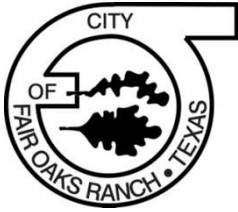
Description	Beginning Balance	Ending Balance	Market Value	QTD Interest	Fiscal YTD Interest	Avg Yield	Weighted Avg Maturity
Frost Bank	26,729	25,629	25,629	204	763	0.32%	N/A
TexPool	1,294,444	1,444,662	1,444,662	14,745	40,768	4.32%	39 Days
Texas Class	2,232,007	2,256,711	2,256,711	24,704	76,254	4.41%	39 Days
Total	3,553,181	3,727,002	3,727,002	39,652	117,784		

Interest Rate Comparison

Qtr Ended	TexPool	Texas CLASS	3 Month T-bill	6 Month T-bill	2 Year Treasury Note	CDARS 6 month CD
Sep-24	5.26%	5.39%	4.52%	4.23%	3.66%	3.74%
Dec-24	4.74%	4.89%	4.51%	4.42%	4.25%	3.97%
Mar-25	4.37%	4.49%	4.20%	4.07%	3.87%	3.65%
Jun-25	4.32%	4.41%	4.24%	4.11%	3.78%	3.50%
Year Average	4.67%	4.80%	4.37%	4.21%	3.89%	3.72%

Trends and Future Outlook

- The Fed kept the federal funds rate unchanged at 4.25%-4.5% for a fourth consecutive meeting in June, in line with expectations. The Fed continues to project two rate cuts later this year, though it anticipates only one quarter-percentage-point in 2026 and 2027.



**MUNICIPAL DEVELOPMENT DISTRICT
CONSIDERATION ITEM
CITY OF FAIR OAKS RANCH, TEXAS**



AGENDA TOPIC: Consideration and possible action to terminate the Chapter 377 Project Funding Agreement between the Fair Oaks Ranch Municipal Development District and the City of Fair Oaks Ranch for development of a community center

DATE: July 9, 2025

DEPARTMENT: MDD Board

PRESENTED BY: Laura Koerner, MDD President

INTRODUCTION/BACKGROUND:

The City of Fair Oaks Ranch and the Fair Oaks Ranch Municipal Development District (MDD) entered into a Project Funding Agreement for a civic center on September 25, 2020. The Agreement was amended on July 20, 2023, to extend the expiration date and increase the grant amount to \$1.2 million. On June 5, 2025, City Council considered a resolution to further amend the Agreement and increase funding to \$2,463,722.81; however, the item was indefinitely postponed. Given this action, it is in the best interest of both parties to terminate the Agreement.

During their June 19, 2025 meeting, City Council approved a resolution directing the City Manager to terminate the Chapter 377 Project Funding Agreement Economic Development Agreement between the City of Fair Oaks Ranch, Texas and the Fair Oaks Ranch Municipal Development District. The City officially submitted a Notice of Intent to Terminate Project Funding Agreement to the MDD on June 25, 2025. That notice is attached as **Exhibit A**.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

The current agreement provides \$1.2 million in funding for construction of a civic center. With total project costs exceeding \$2.4 million and no further funding being pursued from the MDD, it is unlikely the project will proceed under the existing terms. Terminating the agreement will allow the MDD to release the committed funds and reallocate them to other potential projects.

LONG TERM FINANCIAL & BUDGETARY IMPACT:

Terminating the agreement has no budgetary impact if the civic center is not constructed. The \$1.2 million committed funds will be uncommitted and available for other projects.

LEGAL ANALYSIS:

N/A

RECOMMENDATION/PROPOSED MOTION:

I move to terminate the Chapter 377 Project Funding Agreement between the Fair Oaks Ranch Municipal Development District and the City of Fair Oaks Ranch for development of a community center.



June 25, 2025

Board of Directors
Fair Oaks Ranch Municipal Development District
Fair Oaks Ranch, TX 78015

Subject: **Notice of Intent to Terminate Project Funding Agreement**

Dear MDD Board of Directors,

Pursuant to the terms of the Chapter 377 Project Funding Agreement, as amended on July 20, 2023, the City of Fair Oaks Ranch formally provides this letter as notice of its intent to terminate the agreement related to the civic center project.

As outlined in Article V, Section 2 of the agreement, the City has evaluated the scope and costs associated with the construction of the Facility and has determined it will not proceed with the project as structured under the current agreement. Given that the City does not anticipate completing the Facility within the timeframe required and is not seeking additional funding from the MDD, the continuation of the agreement is no longer necessary.

Termination of this agreement will release the MDD from the obligation to make any grant payments, including the previously authorized amount not to exceed \$1,200,000.00, and will allow the MDD to uncommit those funds for potential reallocation to other economic development initiatives aligned with the District's mission.

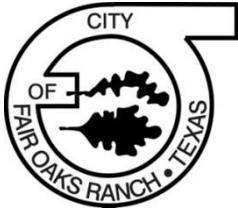
We appreciate the MDD's partnership and commitment to supporting community projects and look forward to continuing collaboration on future endeavors that align with shared goals.

Please consider this letter as the City's written notice of termination in accordance with the agreement terms. Should the MDD require any further documentation or formal action to finalize this termination, please do not hesitate to contact me.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Scott M. Huizenga'.

Scott M. Huizenga, ICMA-CM
City Manager
City of Fair Oaks Ranch
shuizenga@fairoaksranchtx.org
210-698-0900



**MUNICIPAL DEVELOPMENT DISTRICT
CONSIDERATION ITEM
CITY OF FAIR OAKS RANCH, TEXAS**



AGENDA TOPIC: Consideration and possible action to approve the FY 2025-26 MDD Budget

DATE: July 9, 2025

Department: MDD Board of Directors

PRESENTED BY: Mike Lovelace, CPA, CMA, CISA, Fair Oaks Ranch MDD Treasurer
Summer Fleming, CGFO, MDD Investment Officer

INTRODUCTION/BACKGROUND:

MDD Rules of Procedure (Article IV, Section 1) require the MDD Board of Directors approve the next budget by July 15 and that the City Council approve the budget by September 30 for the upcoming fiscal year.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

The FY 2025-26 Proposed Budget outlines projected revenues and planned expenditures for the upcoming fiscal year. Based on historical sales tax trends and current market conditions, the budget reflects a 4% increase in local sales tax revenue and a slight reduction in interest income, anticipating a drop in interest rates in early 2026.

Operating expenditures are proposed to increase by 2%, primarily due to higher annual audit and management service costs. The budget also includes \$25,000 for Grant Awards, providing flexibility to fund small grant applications throughout the year without requiring a separate budget amendment, in alignment with the MDD's Financial Management Policy.

Overall, the proposed budget includes \$704,320 in total revenues, \$68,800 in expenditures, and a projected ending fund balance of approximately \$4.39 million.

LONG TERM FINANCIAL & BUDGETARY IMPACT:

The proposed budget will add \$635,520 to fund balance assigned for future capital projects.

LEGAL ANALYSIS:

N/A

RECOMMENDATION/PROPOSED MOTION:

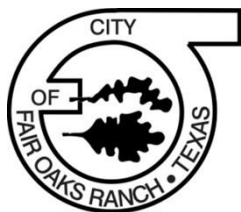
I move to approve the MDD FY2025-26 Budget as presented.

**FAIR OAKS RANCH MUNICIPAL DEVELOPMENT DISTRICT
PROPOSED BUDGET
FISCAL YEAR 2025-2026**

	FY 22-23 ACTUAL	FY 23-24 ACTUAL	FY 24-25 ADOPTED BUDGET	FY 24-25 PROJECTED	FY 25-26 PROPOSED BUDGET
Beginning Fund Balance	\$ 2,175,935	\$ 2,701,087	\$ 3,331,455	\$ 3,331,455	\$ 3,755,580
<u>Revenues</u>					
Local Sales Tax	453,884	510,915	504,000	533,000	554,320
Interest	109,462	157,987	100,000	155,000	150,000
Total Revenue	<u>563,347</u>	<u>668,902</u>	<u>604,000</u>	<u>688,000</u>	<u>704,320</u>
<u>Expenditures</u>					
Supplies	-	-	250	250	250
Training/Seminars	470	-	500	360	500
Attorney	2,417	3,577	3,500	3,500	3,500
Auditor	4,300	4,500	4,725	4,725	4,850
Professional Services	30,958	30,407	33,450	30,150	34,650
Insurance	50	50	50	50	50
Grant Awards	-	-	25,000	224,840	25,000
Total Expenditures	<u>38,195</u>	<u>38,534</u>	<u>67,475</u>	<u>263,875</u>	<u>68,800</u>
Revenues over/(under) expenditures	525,152	630,368	536,525	424,125	635,520
Ending Fund Balance	\$ 2,701,087	\$ 3,331,455	\$ 3,867,980	\$ 3,755,580	\$ 4,391,100

FUND BALANCE DETAIL

	9/30/2023 FINAL BALANCE	9/30/2024 FINAL BALANCE	9/30/2025 BUDGETED BALANCE	9/30/2025 PROJECTED BALANCE	9/30/2026 PROJECTED BALANCE
COMMITTED	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ -	\$ -
ASSIGNED	1,451,087	2,081,455	2,617,980	3,705,580	4,341,100
UNASSIGNED	50,000	50,000	50,000	50,000	50,000
TOTAL FUND BALANCE	<u>\$ 2,701,087</u>	<u>\$ 3,331,455</u>	<u>\$ 3,867,980</u>	<u>\$ 3,755,580</u>	<u>\$ 4,391,100</u>



**MUNICIPAL DEVELOPMENT DISTRICT
CONSIDERATION ITEM
CITY OF FAIR OAKS RANCH, TEXAS**



AGENDA TOPIC: Consideration and possible action authorizing the MDD President to sign a Professional Services Agreement for auditing services with BrooksWatson & Co.

DATE: July 9, 2025

DEPARTMENT: Finance

PRESENTED BY: Summer Fleming, CGFO, MDD Investment Officer

INTRODUCTION/BACKGROUND:

The Government Finance Officers Association (GFOA) recommends that state and local governmental entities obtain independent audits of their financial statements, performed in accordance with Generally Accepted Auditing Standards. Additionally, governmental entities should enter into multiyear agreements of at least five years in duration when obtaining the services of independent auditors. Such agreements allow for greater continuity and help to minimize the potential disruption in connection with the independent audit.

Last year, the City and the Municipal Development District (MDD) engaged BrooksWatson & Co. for audit services following seven years of service from ABIP PC. The transition to the new firm was successful — the audit was completed on schedule, within budget, and communication between staff and the auditors was clear and effective throughout the process.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

An independent audit of the financial statements is essential to upholding the integrity of the MDD's financial operations and maintaining public trust in its leadership. This agreement supports continuity in audit services by including an automatic renewal provision, while also preserving the MDD's flexibility to opt out of renewal if desired.

LONG TERM FINANCIAL & BUDGETARY IMPACT:

The negotiated fee with BrooksWatson & Co. for FY 2025-26 is \$4,850. If the agreement automatically renews, the cost will increase by 3% annually in subsequent years.

LEGAL ANALYSIS:

The Professional Services Agreement is a standard form approved by legal.

RECOMMENDATION/PROPOSED MOTION:

I move to authorize the MDD President to sign a professional services agreement with BrooksWatson & Co.

MDD OF FAIR OAKS RANCH
STANDARD PROFESSIONAL SERVICES AGREEMENT

THE STATE OF TEXAS §
 §
 KENDALL COUNTY §

This Professional Services Agreement (“Agreement”) is made and entered by and between the MDD of Fair Oaks Ranch Municipal Development District, a political subdivision of the State of Texas, (the “MDD”), and BrooksWatson & Co., PLLC (“Professional”).

Section 1. Duration. This Agreement shall become effective upon execution by the MDD and shall remain in effect until satisfactory completion of the Scope of Work unless terminated as provided for in this Agreement.

Section 2. Scope of Work.

(A) Professional shall perform the Services as more particularly described in the Scope of Work attached hereto as Exhibit “A”. The work as described in the Scope of Work constitutes the “Project”. Unless otherwise provided in the Scope of Work, the anticipated submittal of all Project deliverables is immediately upon completion of the Project.

(B) The Quality of Services provided under this Agreement shall be performed with the professional skill and care ordinarily provided by competent Professionals practicing in the same or similar locality and under the same or similar circumstances and professional license, and as expeditiously as is prudent considering the ordinary professional skill and care of a competent Professional holding the same professional license.

(C) The Professional shall perform its Services for the Project in compliance with all statutory, regulatory and contractual requirements now or hereafter in effect as may be applicable to the rights and obligations set forth in the Agreement.

(D) The Professional may rely upon the accuracy of reports and surveys provided to it by the MDD except when defects should have been apparent to a reasonably competent professional or when it has actual notice of any defects in the reports and surveys.

Section 3. Compensation.

(A) The Professional shall be paid in the manner set forth in Exhibit “A” and as provided herein.

(B) *Billing Period:* The Professional may submit monthly, or less frequently, an invoice for payment based on the estimated completion of the described tasks and approved work schedule. Subject to Chapter 2251, Texas Government Code (the "Prompt Payment Act"), payment is due within thirty (30) days of the MDD's receipt of the Professional's invoice. Interest on overdue payments shall be calculated in accordance with the Prompt Payment Act.

(C) *Reimbursable Expenses:* Any and all reimbursable expenses related to the Project shall be included in the scope of services (Exhibit A) and accounted for in the total contract amount in Exhibit "A". If these items are not specifically accounted for in Exhibit A they shall be considered subsidiary to the total contract amount.

Section 4. Changes to the Project Work; Additional Work.

(A) *Changes to Work:* Professional shall make such revisions to any work that has been completed as are necessary to correct any errors or omissions as may appear in such work. If the MDD finds it necessary to make changes to previously satisfactorily completed work or parts thereof, the Professional shall make such revisions if requested and as directed by the MDD and such services will be considered as additional work and paid for as specified under following paragraph.

(B) *Additional Work:* The MDD retains the right to make changes to the Scope of Work at any time by a written order. Work that is clearly not within the general description of the Scope of Work and does not otherwise constitute special services under this Agreement must be approved in writing by the MDD by supplemental agreement before the additional work is undertaken by the Professional. If the Professional is of the opinion that any work is beyond that contemplated in this Agreement and the Scope of Work governing the project and therefore constitutes additional work, the Professional shall promptly notify the MDD of that opinion, in writing. If the MDD agrees that such work does constitute additional work, then the MDD and the Professional shall execute a supplemental agreement for the additional work and the MDD shall compensate the Professional for the additional work on the basis of the rates contained in the Scope of Work. If the changes deduct from the extent of the Scope of Work, the contract sum shall be adjusted accordingly. All such changes shall be executed under the conditions of the original Agreement. Any work undertaken by Professional not previously approved as additional work shall be at risk of the Professional.

Section 5. Time of Completion.

The prompt completion of the services under the Scope of Work is critical to the MDD. Unnecessary delays in providing services under a Scope of Work shall be grounds for dismissal of the Professional and termination of this Agreement without any or further liability

to the MDD other than a prorated payment for necessary, timely, and conforming work done by Professional prior to the time of termination. The Scope of Work shall provide, in either calendar days or by providing a final date, a time of completion prior to which the Professional shall have completed all tasks and services described in the Scope of Work.

Section 6. Insurance.

Before commencing work under this Agreement, Professional shall obtain and maintain the liability insurance provided for in attached Exhibit B throughout the term of this Agreement and thereafter as required herein.

In addition to the insurance provided for in Exhibit B, Professional shall maintain the following limits and types of insurance:

Professional Liability Insurance: professional errors and omissions liability insurance with limits of liability not less than \$1,000,000 per occurrence covering all work performed by the Professional, its employees, sub-contractors, or independent contractors. If this coverage can only be obtained on a "claims made" basis, the certificate of insurance must clearly state coverage is on a "claims made" basis and coverage must remain in effect for at least two years after final payment with the Professional continuing to furnish the MDD certificates of insurance.

Workers Compensation Insurance: The Professional shall carry and maintain during the term of this Agreement, workers compensation and employers liability insurance meeting the requirements of the State of Texas on all the Professional's employees carrying out the work involved in this contract.

General Liability Insurance: The Professional shall carry and maintain during the term of this Agreement, general liability insurance on a per occurrence basis with limits of liability not less than \$1,000,000 for each occurrence and for fire damage. For Bodily Injury and Property Damage, coverage shall be no less than \$1,000,000. As a minimum, coverage for Premises, Operations, Products and Completed Operations shall be \$2,000,000. This coverage shall protect the public or any person from injury or property damages sustained by reason of the Professional or its employees carrying out the work involved in this Agreement. The general aggregate shall be no less than \$2,000,000.

Automobile Liability Insurance: Professional shall carry and maintain during the term of this Agreement, automobile liability insurance with either a combined limit of at least \$1,000,000 per occurrence for bodily injury and property damage or split limits of at least \$1,000,000 for bodily injury per person per occurrence and \$1,000,000 for property damage per occurrence.

Coverage shall include all owned, hired, and non-owned motor vehicles used in the performance of this contract by the Professional or its employees.

Subcontractor: In the case of any work sublet, the Professional shall require subcontractor and independent contractors working under the direction of either the Professional or a subcontractor to carry and maintain the same workers compensation and liability insurance required of the Professional.

Qualifying Insurance: The insurance required by this Agreement shall be written by non-assessable insurance company licensed to do business in the State of Texas and currently rated "B+" or better by the A.M. Best Companies. All policies shall be written on a "per occurrence basis" and not a "claims made" form.

Evidence of such insurance shall be attached as Exhibit "C".

Section 7. Miscellaneous Provisions.

(A) *Subletting.* The Professional shall not sublet or transfer any portion of the work under this Agreement or any Scope of Work issued pursuant to this Agreement unless specifically approved in writing by the MDD, which approval shall not be unreasonably withheld. Subcontractors shall comply with all provisions of this Agreement and the applicable Scope of Work. The approval or acquiescence of the MDD in the subletting of any work shall not relieve the Professional of any responsibility for work done by such subcontractor.

(B) *Ownership of Documents.* Upon completion or termination of this Agreement, all documents prepared by the Professional or furnished to the Professional by the MDD shall be delivered to and become the property of the MDD. All drawings, charts, calculations, plans, specifications and other data, including electronic files and raw data, prepared under or pursuant to this Agreement shall be made available, upon request, to the MDD without restriction or limitation on the further use of such materials PROVIDED, HOWEVER, THAT SUCH MATERIALS ARE NOT INTENDED OR REPRESENTED TO BE SUITABLE FOR REUSE BY THE MDD OR OTHERS. ANY REUSE WITHOUT PRIOR VERIFICATION OR ADAPTATION BY THE PROFESSIONAL FOR THE SPECIFIC PURPOSE INTENDED WILL BE AT THE MDD'S SOLE RISK AND WITHOUT LIABILITY TO THE PROFESSIONAL. Where applicable, Professional shall retain all pre-existing proprietary rights in the materials provided to the MDD but shall grant to the MDD a non-exclusive, perpetual, royalty-free license to use such proprietary information solely for the purposes for which the information was provided. The Professional may, at Professional's expense, have copies made of the documents or any other data furnished to the MDD under or pursuant to this Agreement.

(C) *Professional's Seal.* To the extent that the Professional has a professional seal it shall

placed on all documents and data furnished by the Professional to the MDD. All work and services provided under this Agreement will be performed in a good and workmanlike fashion and shall conform to the accepted standards and practices of the Professional's industry. The plans, specifications and data provided by Professional shall be adequate and sufficient to enable those performing the actual work to perform the work as and within the time contemplated by the MDD and Professional. The MDD acknowledges that Professional has no control over the methods or means of work nor the costs of labor, materials or equipment. Unless otherwise agreed in writing, any estimates of costs by the Professional are for informational purposes only and are not guarantees.

(D) *Compliance with Laws.* The Professional shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts, administrative, or regulatory bodies in any matter affecting the performance of this Agreement, including, without limitation, worker's compensation laws, minimum and maximum salary and wage statutes and regulations, and licensing laws and regulations. When required, the Professional shall furnish the MDD with satisfactory proof of compliance.

(E) *Independent Contractor.* Professional acknowledges that Professional is an independent contractor of the MDD and is not an employee, agent, official or representative of the MDD. Professional shall not represent, either expressly or through implication, that Professional is an employee, agent, official or representative of the MDD. Income taxes, self-employment taxes, social security taxes and the like are the sole responsibility of the Professional.

(F) *Non-Collusion.* Professional represents and warrants that Professional has not given, made, promised or paid, nor offered to give, make, promise or pay any gift, bonus, commission, money or other consideration to any person as an inducement to or in order to obtain the work to be provided to the MDD under this Agreement. Professional further agrees that Professional shall not accept any gift, bonus, commission, money, or other consideration from any person (other than from the MDD pursuant to this Agreement) for any of the services performed by Professional under or related to this Agreement. If any such gift, bonus, commission, money, or other consideration is received by or offered to Professional, Professional shall immediately report that fact to the MDD and, at the sole option of the MDD, the MDD may elect to accept the consideration for itself or to take the value of such consideration as a credit against the compensation otherwise owing to Professional under or pursuant to this Agreement.

(G) *Force Majeure.* If the performance of any covenant or obligation to be performed hereunder by any party is delayed as a result of circumstances which are beyond the reasonable control of such party (which circumstances may include, without limitation, pending litigation, acts of God, war, acts of civil disobedience, fire or other casualty, shortage of

materials, adverse weather conditions [such as, by way of illustration and not of limitation, severe rain storms or below freezing temperatures, or tornados] labor action, strikes or similar acts, moratoriums or regulations or actions by governmental authorities), the time for such performance shall be extended by the amount of time of such delay, but no longer than the amount of time reasonably occasioned by the delay. The party claiming delay of performance as a result of any of the foregoing force majeure events shall deliver written notice of the commencement of any such delay resulting from such force majeure event not later than seven (7) days after the claiming party becomes aware of the same, and if the claiming party fails to so notify the other party of the occurrence of a force majeure event causing such delay and the other party shall not otherwise be aware of such force majeure event, the claiming party shall not be entitled to avail itself of the provisions for the extension of performance contained in this subsection.

(H) In the case of any conflicts between the terms of this Agreement and wording contained within the Scope of Services, this Agreement shall govern. The Scope of Services is intended to detail the technical scope of services, fee schedule, and contract time only and shall not dictate Agreement terms.

Section 8. Termination.

(A) This Agreement may be terminated:

(1) By the mutual agreement and consent of both Professional and MDD;

(2) By either party, upon the failure of the other party to fulfill its obligations as set forth in either this Agreement or a Scope of Work issued under this Agreement;

(3) By the MDD, immediately upon notice in writing to the Professional, as consequence of the failure of Professional to perform the services contemplated by this Agreement in a timely or satisfactory manner;

(4) By the MDD, at will and without cause upon not less than thirty (30) days written notice to the Professional.

(B) If the MDD terminates this Agreement pursuant to Section 5 or subsection 8(A)(2) or (3), above, the Professional shall not be entitled to any fees or reimbursable expenses other than the fees and reimbursable expenses then due and payable as of the time of termination and only then for those services that have been timely and adequately performed by the Professional considering the actual costs incurred by the Professional in performing work to date of termination, the value of the work that is nonetheless usable to the MDD, the cost to the MDD of employing another Professional to complete the work required and the time required to do so, and other factors that affect the value to the MDD of the work performed at

time of termination. In the event of termination that is not the fault of the Professional, the Professional shall be compensated for all basic, special, and additional services actually performed prior to termination, together with any reimbursable expenses then due.

Section 9. Indemnification. Professional shall indemnify, defend and hold harmless the MDD of Fair Oaks Ranch, Texas and its officials, employees and agents (collectively referred to as “Indemnitees”) and each of them from and against all loss, costs, penalties, fines, damages, claims, expenses (including reasonable attorney’s fees) or liabilities (collectively referred to as “Liabilities”) by reason of any injury to or death of any person or damage to or destruction or loss of any property arising out of, resulting from, or in connection with (i) the performance or non-performance of Services contemplated by this Agreement but only to the extent caused by the negligent acts, errors or omissions, intentional torts, intellectual property infringement, or a failure to pay a sub-contractor or supplier committed by Professional or Professional’s agent, consultant under contract, or another entity over which Professional exercises control (whether active or passive) of Professional or its employees, agents or sub-contractors (collectively referred to as “Professional”) (ii) the failure of Professional to comply with any of the paragraphs herein or the failure of Professional to conform to statutes, ordinances, or other regulations or requirements of any governmental authority, federal, state or local, in connection with the performance of this Agreement. Professional expressly agrees to indemnify and hold harmless the Indemnitees, or any one of them, from and against all liabilities which may be asserted by an employee or former employee of Professional, or any of its sub-contractors, as provided above, for which Professional’s liability to such employee or former employee would otherwise be limited to payments under State Workers’ Compensation or similar laws. Nothing herein shall require Professional to indemnify, defend, or hold harmless any Indemnitee for the Indemnitee’s own negligence or willful misconduct. Any and all indemnity provided for in this Agreement shall survive the expiration of this Agreement and the discharge of all other obligations owed by the parties to each other hereunder and shall apply prospectively not only during the term of this Agreement but thereafter so long as any liability could be asserted in regard to any acts or omissions of Professional in performing Services under this Agreement.

For Professional Liability Claims, Professional shall be liable for reasonable defense costs incurred by Indemnitees but only after final adjudication and to the extent and percent that Professional or Professional’s agents are found negligent or otherwise at fault. As used in this Agreement, final adjudication includes any negotiated settlement and release of claims, without limitation as to when a negotiated settlement and release of claims occurs.

Section 10. Notices. Any notice required or desired to be given from one party to the other party to this Agreement shall be in writing and shall be given and shall be deemed to have been served and received (whether actually received or not) if (i) delivered in person to the address set forth below; (ii) deposited in an official depository under the regular care and custody of the United States Postal Service located within the confines of the United States of America and sent by certified mail, return receipt requested, and addressed to such party at the address hereinafter specified; or (iii) delivered to such party by courier receipted delivery. Either party may designate another address within the confines of the continental United States of America for notice, but until written notice of such change is actually received by the other party, the last address of such party designated for notice shall remain such party's address for notice.

Section 11. No Assignment. Neither party shall have the right to assign that party's interest in this Agreement without the prior written consent of the other party.

Section 12. Severability. If any term or provision of this Agreement is held to be illegal, invalid or unenforceable, the legality, validity or enforceability of the remaining terms or provisions of this Agreement shall not be affected thereby, and in lieu of each such illegal, invalid or unenforceable term or provision, there shall be added automatically to this Agreement a legal, valid or enforceable term or provision as similar as possible to the term or provision declared illegal, invalid or unenforceable.

Section 13. Waiver. Either MDD or the Professional shall have the right to waive any requirement contained in this Agreement that is intended for the waiving party's benefit, but, except as otherwise provided herein, such waiver shall be effective only if in writing executed by the party for whose benefit such requirement is intended. No waiver of any breach or violation of any term of this Agreement shall be deemed or construed to constitute a waiver of any other breach or violation, whether concurrent or subsequent, and whether of the same or of a different type of breach or violation.

Section 14. Governing Law; Venue. This Agreement and all of the transactions contemplated herein shall be governed by and construed in accordance with the laws of the State of Texas. The provisions and obligations of this Agreement are performable in Kendall County, Texas such that exclusive venue for any action arising out of this Agreement shall be in Kendall County, Texas.

Section 15. Paragraph Headings; Construction. The paragraph headings contained in this Agreement are for convenience only and shall in no way enlarge or limit the scope or meaning of the various and several paragraphs hereof. Both parties have participated in the negotiation and preparation of this Agreement and this Agreement shall not be construed either more or less strongly against or for either party.

Section 16. Binding Effect. Except as limited herein, the terms and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, devisees, personal and legal representatives, successors and assigns.

Section 17. Gender. Within this Agreement, words of any gender shall be held and construed to include any other gender, and words in the singular number shall be held and construed to include the plural, unless the context otherwise requires.

Section 18. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

Section 19. Exhibits. All exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.

Section 20. Entire Agreement. It is understood and agreed that this Agreement contains the entire agreement between the parties and supersedes any and all prior agreements, arrangements or understandings between the parties relating to the subject matter. No oral understandings, statements, promises or inducements contrary to the terms of this Agreement exist. This Agreement cannot be changed or terminated orally.

Section 21. Relationship of Parties. Nothing contained in this Agreement shall be deemed or construed by the parties hereto or by any third party to create the relationship of principal and agent or of partnership or of joint venture or of any association whatsoever between the parties, it being expressly understood and agreed that no provision contained in this Agreement nor any act or acts of the parties hereto shall be deemed to create any relationship between the parties other than the relationship of independent parties contracting with each other solely for the purpose of effecting the provisions of this Agreement.

Section 22. Right To Audit. MDD shall have the right to examine and audit the books and records of Professional with regards to the work described in Exhibit A, or any subsequent changes, at any reasonable time. Such books and records will be maintained in accordance with generally accepted principles of accounting and will be adequate to enable determination of: (1) the substantiation and accuracy of any payments required to be made under this Agreement; and (2) compliance with the provisions of this Agreement.

23. Dispute Resolution. In accordance with the provisions of Subchapter I, Chapter 271, TEX. LOCAL GOV'T CODE, the parties agree that, prior to instituting any lawsuit or other proceeding arising from a dispute under this agreement, the parties will first attempt to resolve the dispute by taking the following steps: (1) A written notice substantially describing the

nature of the dispute shall be delivered by the dissatisfied party to the other party, which notice shall request a written response to be delivered to the dissatisfied party not less than 5 days after receipt of the notice of dispute. (2) If the response does not reasonably resolve the dispute, in the opinion of the dissatisfied party, the dissatisfied party shall give notice to that effect to the other party whereupon each party shall appoint a person having authority over the activities of the respective parties who shall promptly meet, in person, in an effort to resolve the dispute. (3) If those persons cannot or do not resolve the dispute, then the parties shall each appoint a person from the highest tier of managerial responsibility within each respective party, who shall then promptly meet, in person, in an effort to resolve the dispute.

24. Disclosure of Business Relationships/Affiliations; Conflict of Interest Questionnaire. Professional represents that it is in compliance with the applicable filing and disclosure requirements of Chapter 176 of the Texas Local Government Code.

25. Boycott Israel. The MDD may not enter into a contract with a company for goods and services unless the contract contains a written verification from the company; (i) it does not Boycott Israel; and (ii) will not Boycott Israel during the term of the contract. (Texas government code chapter 2270) by entering this agreement, Professional verifies that it does not Boycott Israel, and agrees that during the term of the agreement will not Boycott Israel as that term is defined in the Texas Government Code Section 808.001, as amended.

26. Energy Company Boycotts. Professional represents and warrants that: (1) it does not, and will not for the duration of the contract, boycott energy companies or (2) the verification required by Section 2274.002 of the Texas Government Code does not apply to the contract. If circumstances relevant to this provision change during the course of the contract, Professional shall promptly notify MDD.

27. Firearm Entities and Trade Association Discrimination. Professional verifies that: (1) it does not, and will not for the duration of the contract, have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association or (2) the verification required by Section 2274.002 of the Texas Government Code does not apply to the contract. If circumstances relevant to this provision change during the course of the contract, Professional shall promptly notify MDD.

EXECUTED, by the MDD on _____.

MDD:

PROFESSIONAL:

By: _____

By: _____

Name: Laura Koerner

Name: _____

Title: MDD President

Title: _____

ADDRESS FOR NOTICE:

MDD

MDD of Fair Oaks Ranch
Attn: MDD Secretary
7286 Dietz Elkhorn
Fair Oaks Ranch, TX 78015

PROFESSIONAL

BrooksWatson & Co., PLLC
Attn: Jon Watson
14950 Heathrow Forest Pkwy. Ste. 530
Houston, TX 77032

EXHIBIT A
SCOPE OF SERVICES

BW&C
BROOKSWATSON & CO.
CERTIFIED PUBLIC ACCOUNTANTS

May 28, 2025

To the Board of Directors:

City of Fair Oaks Municipal Development District

You have requested that we audit the governmental activities, each major fund, and the aggregate remaining fund information of City of Fair Oaks Municipal Development District as of September 30, 2025-2027 and for the years then ended and the related notes, which collectively comprise the City of Fair Oaks Municipal Development District's basic financial statements as listed in the table of contents of their prior year annual report. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter. Our audit will be conducted with the objective of our expressing an opinion on each opinion unit applicable to those basic financial statements.

Accounting principles generally accepted in the United States of America, (U.S. GAAP,) as promulgated by the Governmental Accounting Standards Board (GASB) require that supplementary information, such as management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America, (U.S. GAAS). These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation, and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI schedules are required by U.S. GAAP. This RSI will be subjected to certain limited procedures but will not be audited:

- Management's Discussion and Analysis
- Budgetary Comparison Information

Auditor Responsibilities

We will conduct our audit in accordance with U.S. GAAS. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial

statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the basic financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the basic financial statements, whether due to fraud or error, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements.

An audit also includes evaluating the appropriateness of accounting policies used, and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the basic financial statements. If appropriate, our procedures will therefore include tests of documentary evidence that support the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of cash, investments, and certain other assets and liabilities by correspondence with creditors and financial institutions. As part of our audit process, we will request written representations from your attorneys, and they may bill you for responding. At the conclusion of our audit, we will also request certain written representations from you about the basic financial statements and related matters.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements (whether caused by errors, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations) may not be detected exists, even though the audit is properly planned and performed in accordance with U.S. GAAS.

In making our risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the basic financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the basic financial statements that we have identified during the audit. Our responsibility as auditors is, of course, limited to the period covered by our audit and does not extend to any other periods.

We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the basic financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

Compliance with Laws and Regulations

As previously discussed, as part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we will perform tests of City of Fair Oaks Municipal Development District's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Management Responsibilities

Our audit will be conducted on the basis that management and, when appropriate, those charged with governance acknowledge and understand that they have responsibility:

1. For the preparation and fair presentation of the basic financial statements in accordance with accounting principles generally accepted in the United States of America:
2. For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements; and
3. To provide us with:
 - i. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the basic financial statements such as records, documentation, and other matters;
 - ii. Additional information that we may request from management for the purpose of the audit; and
 - iii. Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.
4. For including the auditor's report in any document containing basic financial statements that indicates that such basic financial statements have been audited by the entity's auditor;
5. For identifying and ensuring that the entity complies with the laws and regulations applicable to its activities;
6. For adjusting the basic financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current year(s) under audit are immaterial, both individually and in the aggregate, to the basic financial statements as a whole; and
7. For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets.

With regard to the supplementary information referred to above, you acknowledge and understand your responsibility: (a) for the preparation of the supplementary information in accordance with the applicable criteria; (b) to provide us with the appropriate written representations regarding supplementary information; (c) to include our report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information; and (d) to present the supplementary information with the audited basic financial statements, or if the supplementary information will not be presented with the audited basic financial statements, to make the audited basic financial statements readily available to the intended users of the supplementary information no later than the date of issuance by you of the supplementary information and our report thereon.

As part of our audit process, we will request from management and, when appropriate, those charged with governance, written confirmation concerning representations made to us in connection with the audit.

With respect to any nonattest services we perform, such as preparing the financial statements and supporting schedules, City of Fair Oaks Municipal Development District's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.

Reporting

We will issue a written report upon completion of our audit of City of Fair Oaks Municipal Development District's basic financial statements. Our report will be addressed to the governing body of City of Fair Oaks Municipal Development District. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s), or withdraw from the engagement.

Other

We understand that your employees will prepare all confirmations we request and will locate any documents or support for any other transactions we select for testing.

If you intend to publish or otherwise reproduce the basic financial statements and make reference to our firm, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

Provisions of Engagement Administration, Timing and Fees

During the course of the engagement, we may communicate with you or your personnel via fax or e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

The timing of our audit will be scheduled for performance and completion as follows:

	<i>Begin</i>	<i>Complete</i>
Mail confirmations	October	October
Perform year-end audit procedures	November	January
Issue audit report		March

Jon Watson is the engagement partner for the audit services specified in this letter. His responsibilities include supervising BrooksWatson & Co., PLLC's services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report

Our fees for the financial statement audits are as follows:

Fiscal Year	Financial Statement Audit
2025	\$4,850

Optional renewal years:

2026	\$5,000
2027	\$5,150

This agreement will automatically renew for each year through 2027 unless written notice of non-renewal is provided by either party by May 31 of the fiscal year to be audited. Invoices will be rendered monthly and are payable upon presentation. We will notify you immediately of any circumstances we encounter that could significantly affect this initial fee estimate. We are not responsible for bank, attorney, or confirmation fees billed as part of the completion of the audit. Whenever possible, we will attempt to use the District's personnel to assist in the preparation of

schedules and analyses of accounts. This effort could substantially reduce our time requirements and facilitate the timely conclusion of the audit.

During the course of the audit we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

You agree to inform us of facts that may affect the basic financial statements of which you may become aware during the period from the date of the auditor's report to the date the financial statements are issued.

We agree to retain our audit documentation or work papers for a period of at least five years from the date of our report.

At the conclusion of our audit engagement, we will communicate to city council the following significant findings from the audit:

- Our view about the qualitative aspects of the entity's significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;
- Management's consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

The audit documentation for this engagement is the property of BrooksWatson & Co., PLLC and constitutes confidential information. However, we may be requested to make certain audit documentation available to regulators pursuant to authority given to it by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of BrooksWatson & Co., PLLC's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to these regulators. They may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies.

Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the basic financial statements including our respective responsibilities.

We appreciate the opportunity to be your financial statement auditors and look forward to working with you and your staff.

Respectfully,

Brooks Watson & Co.

BrooksWatson & Co., PLLC
14950 Heathrow Forest Pkwy | Ste 530
Houston, TX 77032

RESPONSE:

This letter correctly sets forth our understanding.

Acknowledged and agreed on behalf of the City of Fair Oaks Municipal Development District
by:

Board Member Signature: _____

Name (PRINT) _____

Date: _____

EXHIBIT “B”

REQUIREMENTS FOR ALL INSURANCE DOCUMENTS

The Professional shall comply with each and every condition contained herein. The Professional shall provide and maintain the minimum insurance coverage set forth below during the term of its agreement with the MDD. Any Subcontractor(s) hired by the Professional shall maintain insurance coverage equal to that required of the Professional. It is the responsibility of the Professional to assure compliance with this provision. The MDD of Fair Oaks Ranch accepts no responsibility arising from the conduct, or lack of conduct, of the Subcontractor.

INSTRUCTIONS FOR COMPLETION OF INSURANCE DOCUMENT

With reference to the foregoing insurance requirements, Professional shall specifically endorse applicable insurance policies as follows:

1. The MDD of Fair Oaks Ranch shall be named as an additional insured with respect to General Liability and Automobile Liability **on a separate endorsement.**
2. A waiver of subrogation in favor of The MDD of Fair Oaks Ranch shall be contained in the Workers Compensation and all liability policies and must be provided **on a separate endorsement.**
3. All insurance policies shall be endorsed to the effect that The MDD of Fair Oaks Ranch will receive at least thirty (30) days written notice prior to cancellation or non-renewal of the insurance.
4. All insurance policies, which name The MDD of Fair Oaks Ranch as an additional insured, must be endorsed to read as primary and non-contributory coverage regardless of the application of other insurance.
5. **Chapter 1811 of the Texas Insurance Code, Senate Bill 425 82(R) of 2011, states that the above endorsements cannot be on the certificate of insurance. Separate endorsements must be provided for each of the above.**
6. All insurance policies shall be endorsed to require the insurer to immediately notify The MDD of Fair Oaks Ranch of any material change in the insurance coverage.
7. All liability policies shall contain no cross-liability exclusions or insured versus insured restrictions.
8. Required limits may be satisfied by any combination of primary and umbrella liability insurances.
9. Professional may maintain reasonable and customary deductibles, subject to approval by The MDD of Fair Oaks Ranch.
10. Insurance must be purchased from insurers having a minimum AmBest rating of B+.
11. All insurance must be written on forms filed with and approved by the Texas Department of Insurance. (ACORD 25 2010/05). Coverage must be written on an occurrence form.

12. Contractual Liability must be maintained covering the Professionals obligations contained in the contract. Certificates of Insurance shall be prepared and executed by the insurance company or its authorized agent and shall contain provisions representing and warranting all endorsements and insurance coverages according to requirements and instructions contained herein.
13. Upon request, Professional shall furnish The MDD of Fair Oaks Ranch with certified copies of all insurance policies.
14. A valid certificate of insurance verifying each of the coverages required above shall be issued directly to the MDD of Fair Oaks Ranch within ten (10) business days after contract award and prior to starting any work by the successful Professional's insurance agent of record or insurance company. Also, prior to the start of any work and at the same time that the Certificate of Insurance is issued and sent to the MDD of Fair Oaks Ranch, all required endorsements identified in sections A, B, C and D, above shall be sent to the MDD of Fair Oaks Ranch. The certificate of insurance and endorsements shall be sent to:

MDD of Fair Oaks Ranch
emailed to: choelscher@fairoaksranchtx.org
Attn: Clayton Hoelscher, Procurement Manager
7286 Dietz Elkhorn
Fair Oaks Ranch, TX 78015

EXHIBIT “C”

EVIDENCE OF INSURANCE

To be provided prior to contract execution.