



CITY OF FAIR OAKS RANCH CITY COUNCIL REGULAR MEETING

Thursday, April 20, 2023 at 6:30 PM

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

Live Stream: <https://www.youtube.com/channel/UCDqRvLvReqxrh1lbajwshKA/live>

AGENDA

OPEN MEETING

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

CITIZENS and GUEST FORUM

To address the Council, 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, Council 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.

PRESENTATIONS

4. Recognition of the Employee of the Quarter (Q2 - January 2023 through March 2023):
Ernesto Martinez, GIS Technician.

Joanna Merrill, IPMA-SCP, Director of Human Resources and Communications

5. City Clerk's Proclamation.

Gregory C. Maxton, Mayor

6. National Arbor Day Proclamation

Gregory C. Maxton, Mayor

CONSENT AGENDA

All of the following items are considered to be routine by the City Council, there will be no separate discussion on these items and will be enacted with one motion. Items may be removed by any Council Member by making such request prior to a motion and vote.

7. Approval of the March 31, 2023 Special City Council meeting minutes.

Christina Picioccio, TRMC, City Secretary

8. Approval of the April 6, 2023, Regular City Council meeting minutes.

Christina Picioccio, TRMC, City Secretary

CONSIDERATION/DISCUSSION ITEMS

- [9.](#) Consideration and possible action approving the first reading of an Ordinance amending the City of Fair Oaks Ranch Code of Ordinances, Chapter 1 “General Provisions”, Article 1.07 “Trees And Shrubs” to include updated definitions and the responsibility of public trees.

Kelsey Delgado, Environmental Program Manager

- [10.](#) Consideration and possible action authorizing the City Manager to execute construction agreements associated with the Annual Street Maintenance Program.

Clayton Hoelscher, Procurement Manager

Julio Colunga, Assistant Director of Public Works

- [11.](#) Consideration and possible action on approving the first reading of an Ordinance establishing stop signs on streets within the Setterfeld Estates Subdivision.

Tim Moring, Chief of Police

- [12.](#) Consideration and possible action to form a committee that will prepare an Emergency Operations Center manual that will cover the standard procedures for handling emergency situations for the City of Fair Oaks Ranch.

Gregory C. Maxton, Mayor

- [13.](#) Consideration and possible action regarding requirements or expenditures associated with the Local Disaster.

Gregory C. Maxton, Mayor

WORKSHOP

- [14.](#) Discussion on advancing the Planning and Zoning Commission’s submission of the proposed amended City of Fair Oaks Ranch Unified Development Code (UDC).

Katherine Schweitzer, P.E., Manager of Engineering Services

Lata Krishnarao, AICP, LEED ND, Consultant, Ardurra

Bobbe Barnes, Planning and Zoning Commission Chair

- [15.](#) Comprehensive Plan Review and Adoption Process.

Katherine Schweitzer, P.E., Manager of Engineering Services

Lata Krishnarao, AICP, LEED ND, Consultant, Ardurra

- [16.](#) FY 2024-28 Five-Year Financial Plan.

Scott M. Huizenga, Assistant City Manager

REPORTS FROM STAFF AND COMMITTEES

17. Election Update.

Christina Picioccio, TRMC, City Secretary

18. Civic Center update

Scott M. Huizenga, Assistant City Manager

19. Investment Report for the Quarter Ended March 31, 2023.

Rosie G. Vela, Finance Director

REQUESTS AND ANNOUNCEMENTS

20. Announcements and reports by Mayor and Council Members.

21. Announcements by the City Manager.

22. Requests by Mayor and Council Members that items be placed on a future City Council agenda.

CONVENE INTO EXECUTIVE SESSION

Pursuant to Section 551.101 of the Open Meetings Act, Texas Gov't Code, a quorum of the governing body hereby convenes into closed session:

Sec. 551.071 (Consultation with Attorney) the City Council will meet in private consultation with legal counsel to seek the advice of its attorneys about pending or contemplated litigation, a settlement offer, and/or on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas conflicts with Chapter 551 of the Government Code; to wit:

23. To receive legal advice from Special Counsel and the City Attorney regarding the City's ground water rights.

24. Case No. 22-090-451; Vincent A. Caldarola, MD vs. City of Fair Oaks Ranch, Texas.

Sec. 551.072 (Deliberation regarding real property)

25. The City Council will meet in closed session to deliberate the purchase, exchange, lease, or value of real property that may be considered for future location of water and wastewater system improvements.

Sec. 551.074 (Personnel Matters)

26. The City Council will meet in closed session pursuant to Texas Government Code Section 551.074, personnel matters, to deliberate the following items related to the position and duties of City Manager:

1. The terms and conditions of the resignation of City Manager Tobin Maples
2. The process and options for filling the vacancy of City Manager
3. The process and options for designation of an Acting City Manager and future appointment of an Interim City Manager

RECONVENE INTO OPEN SESSION

Discussion and possible action on items discussed in Executive Session.

ADJOURNMENT

Signature of Agenda Approval: s/Gregory C. Maxton

Gregory C. Maxton, Mayor

I, Christina Picioccio, TRMC, 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 6:30 PM, April 17, 2023, and remained so posted continuously for at least 72 hours before said meeting was convened.

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. The City Council reserves the right to convene into Executive Session at any time regarding an issue on the agenda for which it is legally permissible; pursuant to Texas Government Code Chapter 551. Section 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices) and 551.087 (Economic Development).

PROCLAMATION

City of Fair Oaks Ranch
54th Annual Professional Municipal Clerks Week
April 30 - May 6, 2023

WHEREAS, The Office of the Professional Municipal Clerk is the oldest among public servants, and a vital part of local government; and,

WHEREAS, The Office of the Professional Municipal Clerk provides the professional link between the citizens, the local governing bodies, and agencies of government at other levels; and,

WHEREAS, Professional Municipal Clerks have pledged to be ever mindful of their neutrality and impartiality, rendering equal service to all; and,

WHEREAS, Professional Municipal Clerks serve as the information center for local government and community, managing, preserving, and providing city records to its citizens, thus ensuring a transparent open government; and,

WHEREAS, Professional Municipal Clerks prepare, post, and advertise notices of the agenda for all official public meetings of City Council, Boards and Commissions; and,

WHEREAS, Professional Municipal Clerks administer municipal elections according to established election schedules in accordance with all laws, the City Charter, Texas Election Code, regulations, and standards; and,

WHEREAS, Professional Municipal Clerks maintain the seal of the City and affix the seal to all appropriate documents; and,

WHEREAS, it is most appropriate that we recognize the accomplishments of the Office of the Professional Municipal Clerk.

NOW THEREFORE, I, Gregory C. Maxton, Mayor of the City of Fair Oaks Ranch, do recognize the week of April 30 through May 6, 2023, as Professional Municipal Clerks Week, and further extend appreciation to our Professional Municipal Clerks, Christina Picioccio and Amanda Valdez and to all Professional Municipal Clerks for the vital services they perform and their exemplary dedication to the communities they represent.

WITNESS MY HAND AND SEAL THIS 20th DAY OF April, 2023

Gregory C. Maxton, Mayor

Christina Picioccio, TRMC
 City Secretary

PROCLAMATION

City of Fair Oaks Ranch

WHEREAS, in 1872, the Nebraska Board of Agriculture established a special day to be set aside for the planting of trees; and

WHEREAS, this holiday, called Arbor Day, was first observed with the planting of more than a million trees in Nebraska; and,

WHEREAS, Arbor Day is now observed throughout the nation and the world; and,

WHEREAS, trees can be a solution to combating climate change by reducing the erosion of our precious topsoil by wind and water, cutting heating and cooling costs, moderating the temperature, cleaning the air, producing life-giving oxygen, and providing habitat for wildlife; and,

WHEREAS, our City originated from the development of the Fair family ranch and both the City and ranch were appropriately named out of the appreciation for our historic oak trees; and

WHEREAS, trees within our community help preserve the natural beauty that makes Fair Oaks Ranch an attractive and favorable place to live; and

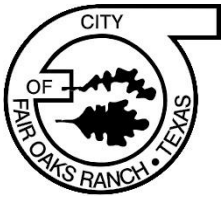
WHEREAS, the preservation of trees is a consideration in all aspects of our continued growth as a City.

NOW, THEREFORE, I Gregory C. Maxton, Mayor of the City of Fair Oaks Ranch, do hereby proclaim April 28, 2023, as Arbor Day in our City, and I encourage all citizens to care for their trees, recognizing the value that they add to the City of Fair Oaks Ranch. Furthermore, the City of Fair Oaks Ranch is committed to maintaining our oak trees, which helps make our community a special place and in becoming a Tree City USA.

WITNESS MY HAND AND SEAL THIS 20th DAY OF APRIL 2023.

Gregory C. Maxton, Mayor

Christina Picioccio, TRMC
City Secretary



CITY OF FAIR OAKS RANCH
SPECIAL CITY COUNCIL MEETING

Friday, March 31, 2023 at 2:00 PM

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

Live Stream: <https://www.youtube.com/channel/UCDqRvLvReqxrh1lbajwshKA/live>

MINUTES

OPEN MEETING

1. Roll Call - Declaration of a Quorum

Council Present: Mayor Maxton and Council Members Elizondo, Bliss, Koerner, and Parker.

Council Absent: Council Members Stroup and Muenchow.

With a quorum present, the meeting was called to order at 2:00 PM.

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

CITIZENS and GUEST FORUM

3. Citizens to be heard - None

PURPOSE OF SPECIAL CALLED MEETING

4. Consideration and possible action awarding a bid for brush removal service and authorizing the City Manager to execute an agreement with the awardee.

MOTION: Made by Council Member Elizondo, seconded by Council Member Koerner, to authorize the City Manager to sign an Agreement with CTC Disaster Recovery Response, Inc. establishing a cubic yard rate of \$7.88 based off an estimated amount of 25,333 cubic yards. Any additional work will be billed at the cubic yard rate of \$7.88 not to exceed a total amount of \$219,958.24 including a 10% contingency.

VOTE: 5-0; Motion Passed.

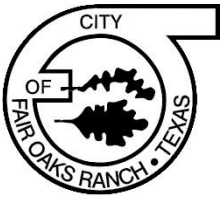
ADJOURNMENT

Mayor Maxton adjourned the meeting at 2:18 PM.

ATTEST:

Gregory C. Maxton, Mayor

Christina Picioccio, TRMC, City Secretary



CITY OF FAIR OAKS RANCH CITY COUNCIL REGULAR MEETING

Thursday, April 06, 2023 at 6:30 PM

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

Live Stream: <https://www.youtube.com/channel/UCDqRvLvReqxrh1lbajwshKA/live>

MINUTES

OPEN MEETING

1. Roll Call - Declaration of a Quorum

Council Present: Mayor Maxton and Council Members Stroup, Elizondo, Bliss, Koerner, and Muenchow

Council Absent: Council Member Parker

With a quorum present, the meeting was called to order at 6:30 PM.

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

CITIZENS and GUEST FORUM

3. **Citizens to be heard** - None

PRESENTATIONS

4. Joanna Merrill, IPMA-SCP, Director of Human Resources and Communications, recognized the Employee of the Quarter Recipient (Q1 - October 2022 through December 2022): Clayton J. Hoelscher, Procurement Manager.
5. Joanna Merrill, IPMS-SCP, Director of Human Resources and Communications, introduced new hires: Keith Ott, Maintenance Technician; Thomas E. Kunkel, Mechanic; Garrett Crawford, Animal Services Officer.

CONSENT AGENDA

6. **Approval of the March 16, 2023, Regular City Council meeting minutes.**
7. **Approval of a request for an extension of time for consideration and possible action on a Concept Plan request from the applicant Urbanist Inc. on behalf of the property owners Brenda Minahan and Mark Minahan for a proposed multi-unit residential community on approximately 19.8 acres zoned Mixed Use Village District (MU). Generally located north-east of the intersection of Dietz Elkhorn Road & Ralph Fair Road.**

Council Member Koerner asked to pull item 7 from consent for discussion.

MOTION: Made by Council Member Muenchow, seconded by Council Member Parker, to approve the Consent Agenda (Item 6).

VOTE: 6-0; Motion Passed.

REPORTS FROM STAFF AND COMMITTEES

Mayor Maxton moved the Semiannual Report item out of order.

16. Paul Mebane, CIAC Chairperson, provided to Council the Capital Improvements Advisory Committee (CIAC) Semiannual Report.

CONSIDERATION/DISCUSSION ITEMS

7. **Approval of a request for an extension of time for consideration and possible action on a Concept Plan request from the applicant Urbanist Inc. on behalf of the property owners Brenda Minahan and Mark Minahan for a proposed multi-unit residential community on approximately 19.8 acres zoned Mixed Use Village District (MU). Generally located north-east of the intersection of Dietz Elkhorn Road & Ralph Fair Road.**

MOTION: Made by Council Member Elizondo, seconded by Council Member Stroup, to approve the extension of time request from the applicant Urbanist Inc. on behalf of the property owners Brenda Minahan and Mark Minahan for a proposed multi-unit residential community on approximately 19.8 acres zoned Mixed Use Village District (MU).

VOTE: 6-0; Motion Passed.

12. **Consideration and possible action on a Concept Plan request from the applicant Urbanist Inc. on behalf of the property owners Brenda Minahan and Mark Minahan for a proposed multi-unit residential community on approximately 19.8 acres zoned Mixed Use Village District (MU). Generally located north-east of the intersection of Dietz Elkhorn Road & Ralph Fair Road.**

No action was necessary due to the extension being granted under agenda item 7.

8. **Consideration and possible action approving a phasing alternative regarding expansion of the existing Wastewater Treatment Plant.**

MOTION: Made by Council Member Bliss, seconded by Council Member Elizondo, to approve the Multi-Phase Alternative regarding expansion of the existing Wastewater Treatment Plant.

VOTE: 6-0; Motion Passed.

9. **Consideration and possible action approving a Resolution designating Frost Bank as a depository of the City of Fair Oaks Ranch for the safekeeping of securities, authorizing individuals to execute safekeeping agreement, and establishing an effective date.**

MOTION: Made by Council Member Elizondo, seconded by Council Member Koerner, to approve a resolution designating Frost Bank as a depository of the City of Fair Oaks Ranch for the safekeeping of securities; authorizing individuals to execute safekeeping agreement; and establishing an effective date.

VOTE: 6-0; Motion Passed.

10. Consideration and possible action authorizing the City Manager to spend up to a total combined amount of \$90,000 on agreements for on-call Building Inspector and Plan Review Services.

MOTION: Made by Council Member Elizondo, seconded by Council Member Bliss, to authorize the City Manager to spend up to a total combined amount of \$90,000 on agreements for on-call Building Inspector and Plan Review Services.

VOTE: 6-0; Motion Passed.

11. Consideration and possible action regarding requirements or expenditures associated with the Local Disaster.

Mayor Maxton and Assistant City Manager Scott Huizenga provided updates on the status of the project. A contract has been executed and the work has begun in Bexar County. No action was necessary.

WORKSHOP

13. FY 2023-24 Budget Calendar.

Scott Huizenga, Assistant City Manager, led a workshop regarding the Budget Calendar. The Council expressed interest in holding Special Meetings as well as scheduling them during business hours.

14. Proposed Amendments to Drought Contingency Plan.

Kelsey Delgado, Environmental Program Manager, led a workshop regarding proposed amendments to the Drought Contingency Plan. Ms. Delgado will bring ordinances to a future Council meeting for action based on the input.

15. Discussion and possible action to shape and frame the Q2 Town Hall meeting.

Mayor Maxton led a workshop with Council to shape and frame the Q2 Town Hall meeting. The meeting will follow the same format as the Transportation Townhall meeting held January 24, 2023. The meeting will begin with a brief presentation from the City, followed by public comments, and will conclude with breakout tables.

REQUESTS AND ANNOUNCEMENTS

17. Announcements and reports by Mayor and Council Members.

Council Member Stroup wished everyone a Happy Easter.

The Mayor reminded everyone that City Offices would be closed April 7, 2023, in observance of Good Friday. Mayor Maxton also reminded residents of the Townhall meeting to be held on April 18, 2023, at 6:30 PM at Spring Creek United Methodist Church. Lastly, he informed everyone that the Fair Oaks Ranch Police Department is accepting applications for the Junior Police Academy until May 19, 2023. Please contact the Department for more details.

Council Member Koerner urged everyone to wear purple in honor of Military Kids Appreciation Day on April 14, 2023.

18. Announcements by the City Manager.

None.

19. Requests by Mayor and Council Members that items be placed on a future City Council agenda.

None.

CONVENE INTO EXECUTIVE SESSION

City Council did not convene into Executive Session regarding:

Sec. 551.071 (Consultation with Attorney) the City Council will meet in private consultation with legal counsel to seek the advice of its attorneys about pending or contemplated litigation, a settlement offer, and/or on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas conflicts with Chapter 551 of the Government Code; to wit:

20. To receive legal advice from Special Counsel and the City Attorney regarding the City's ground water rights.

21. Case No. 22-090-451; Vincent A. Caldarola, MD vs. City of Fair Oaks Ranch, Texas.

Sec. 551.072 (Deliberation regarding real property)

22. The City Council will meet in closed session to deliberate the purchase, exchange, lease, or value of real property that may be considered for future location of water and wastewater system improvements.

RECONVENE INTO OPEN SESSION

N/A

ADJOURNMENT

Mayor Maxton adjourned the meeting at 9:32 PM.

ATTEST:

Gregory C. Maxton, Mayor

Christina Picioccio, TRMC, City Secretary



CITY COUNCIL CONSIDERATION ITEM
CITY OF FAIR OAKS RANCH, TEXAS
April 20, 2023

AGENDA TOPIC: Consideration and possible action approving the first reading of an Ordinance amending the City of Fair Oaks Ranch Code of Ordinances, Chapter 1 "General Provisions", Article 1.07 "Trees And Shrubs" to include updated definitions and the responsibility of public trees

DATE: April 20, 2023

DEPARTMENT: Public Works

PRESENTED BY: Kelsey Delgado, Environmental Program Manager

INTRODUCTION/BACKGROUND:

Tree City USA® by the Arbor Foundation is a national program which was founded in 1976 to celebrate cities and towns who are committed to growing their urban canopy. The program provides direction, assistance, attention, and recognition to urban and community forestry efforts. By publicly demonstrating the city's commitment to preserving public trees this recognition can build pride among residents, as well as reinforce one aspect that makes our community an attractive place to live.

By amending Chapter 1 Article 1.07 to include the authorities and responsibilities for trees on public properties, the City is one step closer in obtaining Tree City USA® recognition. A copy of the proposed ordinance amendment is included as part of this agenda item.

The City's Public Works Department currently maintains the majority of trees within the City's right-of-ways, parkways and public properties. HOAs and adjacent property owners are also allowed to plant and maintain trees in the vicinity of their subdivision/property so long as the trees don't obstruct driver sight distance, pedestrian walkways or create a safety hazard. This proposed ordinance amendment solidifies this by recognizing the city's authority and responsibility for trees on public properties, and adjacent owner responsibilities. No new enforcement mechanisms will be implemented as a result of the adoption of this amendment. Our Public Works Department will continue to notify and request HOAs/property owners trim trees that become an obstruction or safety hazard prior to taking any action.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

- Protection of public trees helps maintain the rural hill country aesthetic that the city is known for and what attracted residents to this area.
- One step towards obtaining Tree City USA® recognition from the Arbor Day Foundation.
- Demonstrates the city's continued commitment to environmental stewardship.

LONGTERM FINANCIAL & BUDGETARY IMPACT:

N/A

LEGAL ANALYSIS:

City Attorney has reviewed and approved the ordinance as to form.

RECOMMENDATION/PROPOSED MOTION:

I move to approve the first reading of an Ordinance amending the City of Fair Oaks Ranch Code of Ordinances, Chapter 1 "General Provisions", Article 1.07 "Trees and Shrubs" to include updated definitions and the responsibility of public trees.

AN ORDINANCE**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FAIR OAKS RANCH AMENDING THE CITY OF FAIR OAKS RANCH CODE OF ORDINANCES CHAPTER 1 "GENERAL PROVISIONS" ARTICLE 1.07 "TREES AND SHRUBS" TO INCLUDE UPDATED DEFINITIONS AND THE RESPONSIBILITY OF PUBLIC TREES; AND PROVIDING FOR AN EFFECTIVE DATE**

Whereas, on September 17, 2020, City Council adopted an ordinance to aid in the preservation of trees and the prevention of oak wilt within Fair Oaks Ranch city limits; and

Whereas, the current ordinance does not recognize the ownership to trees on public properties; and,

Whereas, the delegation of authority and responsibility of trees on public properties is needed; and,

Whereas, the City Council deems it necessary to amend Chapter 1 "General Provisions"; Article 1.07 "Trees and Shrubs" to include updated definitions and the responsibility of public trees.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF FAIR OAKS RANCH, TEXAS:

- PART 1.** Chapter 1 "General Provisions"; Article 1.07 "Trees and Shrubs" is hereby amended as forth in the attached Exhibit A.
- PART 2.** That the recitals contained in the preamble hereto are hereby found to be true and such recitals are hereby made a part of this Ordinance for all purposes and are adopted as a part of the judgment and findings of the Council.
- PART 3.** It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs, and sections of this ordinance be severable, and, if any phrase, clause, sentence, paragraph, or section of this ordinance shall be declared invalid by judgment or decree of any court of competent jurisdiction, such invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs, or sections of this ordinance and the remainder of this ordinance shall be enforced as written.
- PART 4.** That it is officially found, determined and declared that the meeting at which this Ordinance is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this ordinance, was given, all as required by Chapter 551, as amended, Texas Government Code.
- PART 5.** This ordinance shall take effect immediately from and after its second reading, passage and publication as may be required by governing law.
- PART 6.** The repeal or amendment of any ordinance or part of ordinances effectuated by the enactment of this ordinance shall not be construed as abandoning any action now pending under or by virtue of such ordinance or as discontinuing, abating, modifying, or altering any penalty accruing or to accrue or as affecting any rights of the City of Fair Oaks Ranch under any section or provisions of any ordinances in effect at the time of passage of this ordinance.

PART 7. The provisions of this ordinance shall be cumulative of all ordinances not repealed by this ordinance and ordinances governing or regulating the same subject matter as that covered herein.

PASSED on first reading this 20th day of April 2023.

PASSED, APPROVED, and ADOPTED on second reading this 4th day of May, 2023.

Gregory C. Maxton, Mayor

ATTEST:

APPROVED AS TO FORM:

Christina Picioccio, TRMC, City Secretary

Denton Navarro Rocha Bernal & Zech, P.C., City Attorney

Exhibit A

Chapter 1 “General Provisions”; Article 1.07 “Trees and Shrubs” is hereby amended as follows:

[Deletions shown as strikethrough and additions shown as underscore]

Division 2. Tree Maintenance

Definitions

For the purposes of this article, the following definitions shall apply unless the context of their usage clearly indicates otherwise:

Damage. Any injury to or destruction of a tree, including but not limited to: uprooting; severance of all or part the root system or main trunk; storage of material on or compaction of surrounding soil; a substantial change in the natural grade above a root system or around a trunk; surrounding the tree with impervious paving materials; or any trauma caused by accident or collision.

Oak wilt. A vascular wilt disease of oak trees caused by a fungus, *Bretziella fagacearum*, which invades the water-conducting tissues of roots, trunks, and limbs; and as further defined by the Texas A&M Forest Service.

Oak wilt center. A site where the oak wilt fungus is spreading through the roots of diseased trees to infect healthy oaks, creating an area of sick, dead and dying oaks.

Parkway. The area along a street between the curb and the sidewalk; or if there is no curb or sidewalk, the unpaved portion of the area between the street right-of-way line and the paved portion of the street or alley.

Public property. All grounds and rights-of-way (ROWs) owned or maintained by the City.

Public tree. Any tree or woody vegetation on public property.

Top or Topping. The non-standard practice of cutting back of limbs to stubs within a tree’s crown to such a degree so as to remove the normal canopy and disfigure the tree.

Tree. A self-supporting woody perennial plant, excluding a bush or shrub.

Authority and Power.

- (a) Delegation of authority and responsibility. The City Manager or designee, hereinafter referred to as “City Manager”, shall have the authority to plant, prune, maintain and remove trees and woody plants growing in or upon all city streets, rights-of-ways, city parks, and other public property. This shall include the removal of trees that may threaten electrical, telephone, gas, or any municipal water or sewer line, or any tree that is affected by fungus, insect, or other disease.
- (b) Coordination among city departments. All city departments will coordinate as necessary with the City Manager and will provide services as required to ensure compliance with this Ordinance as it relates to streets, alleys, rights-of-way, drainage, easements and other public properties.
- (c) Interference. No person shall hinder, prevent, delay, or interfere with the City Manager or his agents while engaged in carrying out the execution or enforcement of this Ordinance.

Adjacent Owner Responsibility.

- (a) The owner of land adjacent to any city street or highway, when acting within the provisions of this Ordinance, may plant and maintain trees in the adjacent parkway area. Property owners are responsible for the reasonable and routine maintenance of trees and other landscaping in the adjacent parkway area.
- (b) No property owner shall allow a tree, or other plant growing on his or her property or within the adjacent parkway to obstruct or interfere with pedestrians or the view of drivers, thereby creating a hazard. If an obstruction persists, the City Manager shall notify the property owner to prune or remove the tree or plant. If the owner fails to comply with the notice, the City may undertake the necessary work and charge the cost to the property owner.

Prohibition Against Harming Public Trees.

- (a) It shall be unlawful for any person, firm or corporation to damage, remove, or cause the damage or removal of a tree on public property without written permission from the City Manager.
- (b) It shall be unlawful for any person, firm or corporation to attach any cable, wire or signs or any other object to any street, park, or public tree.
- (c) It shall be unlawful for any person, firm or corporation to "top" any public tree. Trees severely damaged by storms or other causes, where best pruning practices are impractical may be exempted from this provision at the determination of the City Manager.



CITY COUNCIL CONSIDERATION ITEM

CITY OF FAIR OAKS RANCH, TEXAS

April 20, 2023

AGENDA TOPIC: Consideration and possible action authorizing the City Manager to execute construction agreements associated with the Annual Street Maintenance Program

DATE: April 20, 2023

DEPARTMENT: Finance

PRESENTED BY: Clayton Hoelscher, Procurement Manager
Julio Colunga, Assistant Director of Public Works

INTRODUCTION/BACKGROUND:

The City initially budgeted \$1,000,000 for various street maintenance projects this fiscal year. After sending approximately \$77k to TxDOT for the city's cost-share of the FM3351 Cibolo Creek Bridge project, approximately \$923k remains. Various types of applications are being utilized to accomplish this work. Quantities and locations for each application are included with this agenda item. This agenda item covers the following applications: micro-surfacing (a.k.a. slurry seal), sealcoat (a.k.a. fog seal) and asphalt rejuvenator.

For slurry seal and asphalt rejuvenator, the City is utilizing an Interlocal Agreement to purchase these services. The City has an Interlocal Agreement with Bexar County, allowing us to take advantage of the bid pricing they receive on bids to enter into an Agreement with the awarded contractor. The lowest bidding contractor from the Bexar County competitive bid for slurry seal was Intermountain Slurry Seal, Inc. which we have used over the past two years. This year's plans include 123,564 square yards of slurry seal treatment. The lowest bidding contractor from the Bexar County competitive bid for asphalt rejuvenator was Pavement Restoration, Inc. This year's plans include 72,924 square yards of asphalt rejuvenator treatment. The same pricing included in the Bexar County agreements are being utilized for these projects.

For fog seal, the City is utilizing the BuyBoard Purchasing Cooperative to purchase from Pavecon, Ltd. As a member of this purchasing cooperative, the City can use pricing that has been competitively bid on a larger scale. This year's plans include 48,652 square yards of fog seal treatment. Utilizing BuyBoard fulfills our competitive requirements.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

- Supports Strategic Action Plan items for Responsible Growth Management and Reliable and Sustainable Infrastructure.
- Utilizing the pricing from the Interlocal Agreements and Purchasing Cooperative allows the City to take advantage of pricing that was received for larger quantity projects.
- Complies with Competitive Procurement Requirements.

LONGTERM FINANCIAL & BUDGETARY IMPACT:

The City initially budgeted \$1,000,000 under Street Maintenance (01-642-254) for this year's Street Maintenance and Repair Program of which approximately \$923,000 remains. These agreements will cover the micro-surfacing, fog seal and asphalt rejuvenator components of the program. The remaining amount will cover full depth reclamation, stripings/markings, RPMs and signage replacement. Continued investment in maintaining our city's streets extends their service life and avoids the need for costly reconstruction.

LEGAL ANALYSIS:

The Contractors will be required to sign and adhere to the City's Standard Construction Agreement prior to the commencement of work.

RECOMMENDATION/PROPOSED MOTION:

I move to authorize the City Manager to sign Construction Agreements with the following companies in support of the Annual Street Maintenance Program for a total amount of \$817,047.03:

- Intermountain Slurry Seal, in the amount of \$589,189.10 with a 5% contingency in the amount of \$29,459.46 for a total value not to exceed \$618,648.56.
- Pavement Restoration, Inc., in the amount of \$83,862.60 with a 5% contingency in the amount of \$4,193.13 for a total value not to exceed \$88,055.73.
- Pavecon, Ltd. in the amount of \$105,088.32 with a 5% contingency in the amount of \$5,254.42 for a total value not to exceed \$110,342.74.

Fair Oaks Ranch 2023 Annual Street Maintenance Quantities and Treatment List

Segment Name	Sq. Yards	Work Type
Fairway Valley	3,012	Slurry Seal
Keeneland Drive	3,601	Slurry Seal
Royal Valance	1,867	Slurry Seal
Sweetridge Circle	1,690	Slurry Seal
Wildfire Drive	1,998	Slurry Seal
Fairway Vista	6,205	Slurry Seal
Fairway Ash	2,891	Slurry Seal
Fairway Run	9,199	Slurry Seal
Fairway Trace	1,576	Slurry Seal
Fairway Bend	1,810	Slurry Seal
Fairway Trail	2,843	Slurry Seal
Fairway Spring	1,209	Slurry Seal
Fairway Point	715	Slurry Seal
Fairway Bluff	2,784	Slurry Seal
Fairway Green	4,792	Slurry Seal
Fairview Place	3,493	Slurry Seal
Double Eagle Circle	2,218	Slurry Seal
Fairway Vista	3,016	Slurry Seal
Oakview Pass	2,705	Slurry Seal
Oakview Ridge N	1,587	Slurry Seal
Oakview Ridge S	2,928	Slurry Seal
Oakview Bend	1,866	Slurry Seal
Northview Pass	5,089	Slurry Seal
Enchanted Glen	1,761	Slurry Seal
Enchanted Elm	1,235	Slurry Seal
Enchanted Park	828	Slurry Seal
Northview Pass	2,125	Slurry Seal
Oakview Bend	455	Slurry Seal
Oakview Pass	668	Slurry Seal
Fairway Bluff	2,523	Slurry Seal
Fairway Bluff	900	Slurry Seal
Fairway Bluff	1,741	Slurry Seal
Fairway Bluff	1,176	Slurry Seal
Fairway Bluff	1,692	Slurry Seal
Fairway Bluff	1,867	Slurry Seal
Fairway Green	923	Slurry Seal
Fairway Green	2,000	Slurry Seal
Fairway Green	1,605	Slurry Seal
Fairway Vista	1,072	Slurry Seal
Keeneland Drive	4,077	Slurry Seal
Keeneland Drive	12,790	Slurry Seal
Keeneland Drive	4,390	Slurry Seal
Keeneland Drive	2,813	Slurry Seal

Keeneland Drive	2,304	Slurry Seal
Keeneland Drive	2,857	Slurry Seal
Enchanted Glen	1,468	Slurry Seal
Enchanted Glen	1,198	Slurry Seal
Total Sq. Yds	123,564	

Segment Name	Sq. Yards	Work Type
Enchanted Park	483	Full Depth Reclamation
Total Sq. Yds	483	

Segment Name	Sq. Yards	Work Type
Cantor Circle	2,134	Fog Seal
Noble Lark Drive	3,274	Fog Seal
Kalkallo Drive	3,333	Fog Seal
Triple Crown	2,616	Fog Seal
Royal Turf Circle	568	Fog Seal
Royal Mustang Circle	1,495	Fog Seal
Pimlico Lane	9,412	Fog Seal
Triple Crown	1,407	Fog Seal
Triple Crown	2,465	Fog Seal
Triple Crown	1,734	Fog Seal
Triple Crown	3,062	Fog Seal
Triple Crown	3,140	Fog Seal
Triple Crown	2,614	Fog Seal
Triple Crown	1,870	Fog Seal
Royal Mustang Circle	1,023	Fog Seal
Noble Lark Drive	3,757	Fog Seal
Noble Lark Drive	2,986	Fog Seal
Noble Lark Drive	1,762	Fog Seal
Total Sq. Yds	48,652	

Segment Name	Sq. Yards	Work Type
Cibolo Run	4,540	Asphalt Rejuvenator
Cibolo Court	2,739	Asphalt Rejuvenator
Cibolo Trace	3,525	Asphalt Rejuvenator
Cibolo Path	3,131	Asphalt Rejuvenator
Cibolo Gap	2,479	Asphalt Rejuvenator
Silver Spur Trail	6,629	Asphalt Rejuvenator
Meadow Creek Trail	13,931	Asphalt Rejuvenator
Cibolo Valley	2,399	Asphalt Rejuvenator
Cibolo Run	3,169	Asphalt Rejuvenator
Cibolo Run	3,944	Asphalt Rejuvenator
Cibolo Run	2,820	Asphalt Rejuvenator
Cibolo Run	2,003	Asphalt Rejuvenator
Silver Spur Trail	5,272	Asphalt Rejuvenator
Silver Spur Trail	1,805	Asphalt Rejuvenator
Silver Spur Trail	2,283	Asphalt Rejuvenator

Silver Spur Trail	1,002	Asphalt Rejuvenator
Silver Spur Trail	153	Asphalt Rejuvenator
Silver Spur Trail	3,219	Asphalt Rejuvenator
Silver Spur Trail	1,704	Asphalt Rejuvenator
Cibolo View	2,538	Asphalt Rejuvenator
Cibolo Oaks	1,305	Asphalt Rejuvenator
Cibolo Meadow	2,334	Asphalt Rejuvenator
Total Sq. Yds	72,924	

CITY OF FAIR OAKS RANCH
CONSTRUCTION AGREEMENT

THE STATE OF TEXAS §
 §
 KENDALL COUNTY §

This Construction Agreement ("Agreement") is made and entered by and between the City of Fair Oaks Ranch, Texas, (the "City") a Texas municipality, and Intermountain Slurry Seal, Inc. ("Contractor").

Section 1. Duration. This Agreement shall become effective upon the date of the final signature affixed hereto 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) Contractor shall perform the Work 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".

(B) The Quality of Work provided under this Agreement shall be of the level of quality performed by Contractors regularly rendering this type of service.

(C) The Contractor shall perform its Work 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 Contractor may rely upon the accuracy of reports and surveys provided to it by the City except when defects should have been apparent to a reasonably competent Contractor or when it has actual notice of any defects in the reports and surveys.

Section 3. Compensation.

(A) The Contractor shall be paid in the manner set forth in Exhibit "A" and as provided herein.

(B) *Billing Period:* The Contractor 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 City's receipt of the Contractor'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 Work (Exhibit A) and accounted for in the total contract amount.

Section 4. Time of Completion.

The prompt completion of the Work under the Scope of Work relates is critical to the City. Unnecessary delays in providing Work under a Scope of Work shall be grounds for dismissal of the Contractor and termination of this Agreement without any or further liability to the City other than a prorated payment for necessary, timely, and conforming work done by Contractor prior to the time of termination. The Project shall be completed for inspection and acceptance by the City on or before September 30, 2023.

Section 5. Insurance.

Before commencing work under this Agreement, Contractor shall obtain and maintain the liability insurance provided for below throughout the term of the Project plus an additional two years. Contractor shall provide evidence of such insurance to the City. Such documentation shall meet the requirements noted in Exhibit B.

Contractor shall maintain the following limits and types of insurance:

Workers Compensation Insurance: Contractor 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 Contractor's employees carrying out the work involved in this contract.

General Liability Insurance: Contractor 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 Contractor 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: Contractor 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 Contractor or its employees.

Subcontractor: In the case of any work sublet, the Contractor shall require subcontractor and independent contractors working under the direction of either the Contractor or a

subcontractor to carry and maintain the same workers compensation and liability insurance required of the Contractor.

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 6. Miscellaneous Provisions.

(A) *Subletting.* The Contractor 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 City, 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 City in the subletting of any work shall not relieve the Contractor of any responsibility for work done by such subcontractor.

(B) *Compliance with Laws.* The Contractor 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 Contractor shall furnish the City with satisfactory proof of compliance.

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

(D) *Non-Collusion.* Contractor represents and warrants that Contractor 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 City under this Agreement. Contractor further agrees that Contractor shall not accept any gift, bonus, commission, money, or other consideration from any person (other than from the City pursuant to this Agreement) for any of the Work performed by Contractor under or related to this Agreement. If any such gift, bonus, commission, money, or other consideration is received by or offered to Contractor, Contractor shall immediately report that fact to the City and, at the sole option of the City, the City 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 Contractor under or pursuant to this Agreement.

(E) *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.

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

Section 7. Termination.

(A) This Agreement may be terminated:

- (1) By the mutual agreement and consent of both Contractor and City;
- (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 City, immediately upon notice in writing to the Contractor, as consequence of the failure of Contractor to perform the Work contemplated by this Agreement in a timely or satisfactory manner;
- (4) By the City, at will and without cause upon not less than thirty (30) days written notice to the Contractor.

(B) If the City terminates this Agreement pursuant to subsection 7(A)(2) or (3), above, the Contractor 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 Work that have been timely and adequately performed by the Contractor considering the actual costs incurred by the Contractor in performing work to date of termination, the value of the work that is nonetheless usable to the City, the cost to the City of employing another Contractor to complete the work required and the time required to do so, and other factors that affect the value to the City of the work performed

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

Section 8. Indemnification. Contractor agrees to indemnify and hold the City of Fair Oaks Ranch, Texas and all of its present, future and former agents, employees, officials and representatives harmless in their official, individual and representative capacities from any and all claims, demands, causes of action, judgments, liens and expenses (including attorney's fees, whether contractual or statutory), costs and damages (whether common law or statutory), costs and damages (whether common law or statutory, and whether actual, punitive, consequential or incidental), of any conceivable character, for injuries to persons (including death) or to property (both real and personal) created by, arising from or in any manner relating to the Work or goods performed or provided by Contractor – expressly including those arising through strict liability or under the constitutions of the United States.

Section 9. 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 10. 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 11. 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 12. Waiver. Either City or the Contractor 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 13. 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 14. 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 15. 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 16. 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 17. 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 18. Exhibits. All exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.

Section 19. 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 20. 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 21. Right To Audit. City shall have the right to examine and audit the books and records of Contractor 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.

22. 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.

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

24. Boycott Israel. The City 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.

25. Energy Company Boycotts. Contractor 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, Contractor shall promptly notify City.

26. Firearm Entities and Trade Association Discrimination. Contractor 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, Contractor shall promptly notify City.

27. Sales Tax. The City qualifies as an exempt agency under the Texas Limited Sales, Excise and Use Tax Act (the "Tax Act") and is not subject to any State or City sales taxes on materials incorporated into the project. Labor used in the performance of this contract is also not subject to State or City sales taxes. The City will provide an exemption certificate to the Contractor. The Contractor must have a sales tax permit issued by the Comptroller of Public Accounts and shall issue a resale certificate complying with the Tax Act, as amended, when purchasing said materials. The Contractor is responsible for any sales taxes applicable to equipment purchases, rentals, leases, consumable supplies which are not incorporated into the services to be provided under this Contract, tangible personal property purchased for use in the performance of this Contract and not completely consumed, or other taxable services used to perform this Contract, or other taxes required by law in connection with this Contract.

28. Compliance with Laws, Charter, Ordinances. Contractor, its agents, employees and subcontractors must comply with all applicable federal and state laws, the ordinances of the City of Fair Oaks Ranch, and with all applicable rules and regulations promulgated by local, state and national boards, bureaus and agencies. Contractor must obtain all necessary permits, bonds and licenses that are required in completing the work contracted for in this agreement.

EXECUTED on _____.

CITY:

CONTRACTOR:

By: _____

By: _____

Name: Tobin Maples, AICP

Name: _____

Title: City Manager

Title: _____

ADDRESS FOR NOTICE:

CITY

CONTRACTOR

City of Fair Oaks Ranch
Attn: Tobin Maples, AICP
7286 Dietz Elkhorn
Fair Oaks Ranch, TX 78015

Intermountain Slurry Seal, Inc.
Attn: Kevin Harris, P.E.
701 E. Main St.
Lewisville, Tx 75057

Exhibit “A”
SCOPE OF SERVICES



520 North 400 West, North Salt Lake, UT 84054

Phone (801) 532-8200 | Fax (801) 526-6198

ESTIMATE**Contractor:** Town of Fair Oaks Ranch**Project Number:** N/A**Contractor:** Intermountain Slurry Seal**Contact:** Kevin Harris**Project Name:** 2023 Micro-surfacing**Date:** 3.24.23**Letting Time:** N/A**Phone:** 682.229.0843**Fax:****Email:** kevin.harris@gcinc.com

Item #	Description	Quantity	Unit	Unit Price	Total
1	* Furnish & Install Ty III Micro-surfacing *Secured through an Inter-local Agreement with the Bexar County Contract No.: 346	1,922	TON	\$ 306.55	\$ 589,189.10
					<hr/> \$ 589,189.10

Quote is for Labor, Equipment, and Materials for Micro-surfacing Only**NOTES:**

- * Micro-surfacing to be placed in one lift at a rate of 30 lbs/SY (Composite) for 128,135 SY.
- * Work to performed using Truck Mount pavers or continuous paver.
- * Work to scheduled during the timeframe that Intermountain addresses other local City projects.
- * Work to scheduled after GVTC has completed all the Fiber Optics Trenching.
- * It is recommended that the streets be checked for any patching needs and patched accordingly by the City.
- * City to provide a staging area for micro-surfacing operations.
- * City to ensure tree limbs are cut to a minimum vertical clearance of 12' prior to micro-surfacing operations.
- * Estimated to complete Micro-surfacing in 9 shifts.
- * This project to be billed per TON of actual material placed at the specified rate in the field.
- * Traffic control for Mirco-surfacing operations only.
- * Streets to be closed on a temporary basis using Cones and/or Folding barricades during paving operations.
- * ISS to provide 1 week notice prior to starting work, and must have a mutually agreed upon schedule.

EXCLUSIONS:

- * Pavement Markings, Temporary Pavement Markings, Striping Layout, Pavement Marking and Tab Removal, Crack Sealing, Patching, Heavy Debris Removal, Noise Permits and Herbicide application.

Estimate valid for 30 days.**Please review, sign and return VIA fax to (972)353.6275 or e-mail to kevin.harris@gcinc.com**_____
Authorized Signature_____
Date

Exhibit "B"

REQUIREMENTS FOR ALL INSURANCE DOCUMENTS

The Contractor shall comply with each and every condition contained herein. The Contractor shall provide and maintain the minimum insurance coverage set forth below during the term of its agreement with the City. Any Subcontractor(s) hired by the Contractor shall maintain insurance coverage equal to that required of the Contractor. It is the responsibility of the Contractor to assure compliance with this provision. The City 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, Contractor shall specifically endorse applicable insurance policies as follows:

1. The City 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 City 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 City 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 City 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 City 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. Contractor may maintain reasonable and customary deductibles, subject to approval by The City 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 Contractors 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, Contractor shall furnish The City 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 City of Fair Oaks Ranch within ten (10) business days after contract award and prior to starting any work by the successful Contractor'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 City of Fair Oaks Ranch, all required endorsements identified in sections A, B, C and D, above shall be sent to the City of Fair Oaks Ranch. The certificate of insurance and endorsements shall be sent to:

City of Fair Oaks Ranch
Attn: Clayton Hoelscher, Procurement Manager
Email: choelscher@fairoaksranchtx.org
7286 Dietz Elkhorn
Fair Oaks Ranch, Texas 78015

Exhibit “C”
EVIDENCE OF INSURANCE

CITY OF FAIR OAKS RANCH
CONSTRUCTION AGREEMENT

THE STATE OF TEXAS §
 §
 KENDALL COUNTY §

This Construction Agreement ("Agreement") is made and entered by and between the City of Fair Oaks Ranch, Texas, (the "City") a Texas municipality, and Pavecon, Ltd. ("Contractor").

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Section 2. Scope of Work.

(A) Contractor shall perform the Work 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".

(B) The Quality of Work provided under this Agreement shall be of the level of quality performed by Contractors regularly rendering this type of service.

(C) The Contractor shall perform its Work 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 Contractor may rely upon the accuracy of reports and surveys provided to it by the City except when defects should have been apparent to a reasonably competent Contractor or when it has actual notice of any defects in the reports and surveys.

Section 3. Compensation.

(A) The Contractor shall be paid in the manner set forth in Exhibit "A" and as provided herein.

(B) *Billing Period:* The Contractor 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 City's receipt of the Contractor'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 Work (Exhibit A) and accounted for in the total contract amount.

Section 4. Time of Completion.

The prompt completion of the Work under the Scope of Work relates is critical to the City. Unnecessary delays in providing Work under a Scope of Work shall be grounds for dismissal of the Contractor and termination of this Agreement without any or further liability to the City other than a prorated payment for necessary, timely, and conforming work done by Contractor prior to the time of termination. The Project shall be completed for inspection and acceptance by the City on or before September 30th, 2023.

Section 5. Insurance.

Before commencing work under this Agreement, Contractor shall obtain and maintain the liability insurance provided for below throughout the term of the Project plus an additional two years. Contractor shall provide evidence of such insurance to the City. Such documentation shall meet the requirements noted in Exhibit B.

Contractor shall maintain the following limits and types of insurance:

Workers Compensation Insurance: Contractor 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 Contractor's employees carrying out the work involved in this contract.

General Liability Insurance: Contractor 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 Contractor 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: Contractor 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 Contractor or its employees.

Subcontractor: In the case of any work sublet, the Contractor shall require subcontractor and independent contractors working under the direction of either the Contractor or a

subcontractor to carry and maintain the same workers compensation and liability insurance required of the Contractor.

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 6. Miscellaneous Provisions.

(A) *Subletting.* The Contractor 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 City, 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 City in the subletting of any work shall not relieve the Contractor of any responsibility for work done by such subcontractor.

(B) *Compliance with Laws.* The Contractor 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 Contractor shall furnish the City with satisfactory proof of compliance.

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

(D) *Non-Collusion.* Contractor represents and warrants that Contractor 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 City under this Agreement. Contractor further agrees that Contractor shall not accept any gift, bonus, commission, money, or other consideration from any person (other than from the City pursuant to this Agreement) for any of the Work performed by Contractor under or related to this Agreement. If any such gift, bonus, commission, money, or other consideration is received by or offered to Contractor, Contractor shall immediately report that fact to the City and, at the sole option of the City, the City 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 Contractor under or pursuant to this Agreement.

(E) *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.

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

Section 7. Termination.

(A) This Agreement may be terminated:

- (1) By the mutual agreement and consent of both Contractor and City;
- (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 City, immediately upon notice in writing to the Contractor, as consequence of the failure of Contractor to perform the Work contemplated by this Agreement in a timely or satisfactory manner;
- (4) By the City, at will and without cause upon not less than thirty (30) days written notice to the Contractor.

(B) If the City terminates this Agreement pursuant to subsection 7(A)(2) or (3), above, the Contractor 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 Work that have been timely and adequately performed by the Contractor considering the actual costs incurred by the Contractor in performing work to date of termination, the value of the work that is nonetheless usable to the City, the cost to the City of employing another Contractor to complete the work required and the time required to do so, and other factors that affect the value to the City of the work performed

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

Section 8. Indemnification. Contractor agrees to indemnify and hold the City of Fair Oaks Ranch, Texas and all of its present, future and former agents, employees, officials and representatives harmless in their official, individual and representative capacities from any and all claims, demands, causes of action, judgments, liens and expenses (including attorney's fees, whether contractual or statutory), costs and damages (whether common law or statutory), costs and damages (whether common law or statutory, and whether actual, punitive, consequential or incidental), of any conceivable character, for injuries to persons (including death) or to property (both real and personal) created by, arising from or in any manner relating to the Work or goods performed or provided by Contractor – expressly including those arising through strict liability or under the constitutions of the United States.

Section 9. 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 10. 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 11. 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 12. Waiver. Either City or the Contractor 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 13. 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 14. 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 15. 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 16. 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 17. 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 18. Exhibits. All exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.

Section 19. 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 20. 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 21. Right To Audit. City shall have the right to examine and audit the books and records of Contractor 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.

22. 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.

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

24. Boycott Israel. The City 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.

25. Energy Company Boycotts. Contractor 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, Contractor shall promptly notify City.

26. Firearm Entities and Trade Association Discrimination. Contractor 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, Contractor shall promptly notify City.

27. Sales Tax. The City qualifies as an exempt agency under the Texas Limited Sales, Excise and Use Tax Act (the "Tax Act") and is not subject to any State or City sales taxes on materials incorporated into the project. Labor used in the performance of this contract is also not subject to State or City sales taxes. The City will provide an exemption certificate to the Contractor. The Contractor must have a sales tax permit issued by the Comptroller of Public Accounts and shall issue a resale certificate complying with the Tax Act, as amended, when purchasing said materials. The Contractor is responsible for any sales taxes applicable to equipment purchases, rentals, leases, consumable supplies which are not incorporated into the services to be provided under this Contract, tangible personal property purchased for use in the performance of this Contract and not completely consumed, or other taxable services used to perform this Contract, or other taxes required by law in connection with this Contract.

28. Compliance with Laws, Charter, Ordinances. Contractor, its agents, employees and subcontractors must comply with all applicable federal and state laws, the ordinances of the City of Fair Oaks Ranch, and with all applicable rules and regulations promulgated by local, state and national boards, bureaus and agencies. Contractor must obtain all necessary permits, bonds and licenses that are required in completing the work contracted for in this agreement.

EXECUTED on _____.

CITY:

CONTRACTOR:

By: _____

By: _____

Name: Tobin Maples, AICP

Name: _____

Title: City Manager

Title: _____

ADDRESS FOR NOTICE:

CITY

CONTRACTOR

City of Fair Oaks Ranch
Attn: Tobin Maples, AICP
7286 Dietz Elkhorn
Fair Oaks Ranch, TX 78015

Pavecon, Ltd.
Attn: Kyler Grimes
P.O. Box 535457
Grand Prairie, Tx 75053

Exhibit “A”
SCOPE OF SERVICES

Sealcoat Project 2023

Prepared for:

City Of Fair Oaks Ranch

Julio Colunga

Buyboard Contract # : 612-20

Prepared By:

Kyler Grimes

Project Manager

18680 Marbach Lane

San Antonio, TX 78266

210-716-2167



PROPOSAL & CONTRACT



March 29, 2023

City Of Fair Oaks Ranch
Ford 7286 Dietz Elkhorn
Fair Oaks Ranch, TX

San Antonio Division

18680 Marbach Lane
San Antonio, TX 78266
Office 210-798-1111

Attn: Julio Colunga

Re: Sealcoat Project 2023

Thank you for contacting Pavecon and allowing us to provide you with the following proposal and scope of work

Repair Type	Description	Quantity	Unit	Unit Price	Total
Maintenance	Seal Coating	437868	SF	\$ 0.24	\$ 105,088.32
Total Project Cost =					\$ 105,088.32

The work is to be performed as follows: [\(Reference Plans or Site map as necessary\)](#)

PAVECON, Ltd. will furnish all labor, materials and equipment required for the performance of the following described work in connection with construction or improvements at:

-

Please see following pages to view repair details, inclusions, exclusions, and our terms and conditions. Please sign below to accept this proposal.

ACCEPTED:

PAVECON, LTD.

Kyler Grimes
Project Manager

PROPOSAL & CONTRACT



DESCRIPTION OF WORK:

Seal Coat - PMM Ultra (SealMaster)

1. Remove all loose material and dirt from pavement surface. Remove grass along edge of pavement to find true edge of pavement. Power blowers, mechanical sweeping devices and push brooms are acceptable cleaning methods.
2. Equipment used to apply Polymer-Modified MasterSeal Ultra shall have continuous agitation or mixing capabilities to maintain homogeneous consistency of pavement sealer mixture throughout the application process. Spray equipment shall be capable of mixing and spraying pavement sealer with sand added. Self-propelled squeegee equipment with mixing capability shall have at least 2 squeegee or brush devices (one behind the other) to assure adequate distribution and penetration of sealer into pavement surface. An 8' squeegee box with Hydraulic capabilities to extend to 12' is required. A Sealmaster Squeegee machine would be an acceptable alternative. Hand squeegees and brushes shall be acceptable in areas where practicality prohibits the use of mechanized equipment.
3. Mix PMM Ultra thoroughly before applying.
Note: If required, a small amount of water may be added to facilitate application of mixed material.
4. Apply two coats of mixed PMM Ultra at a rate of .18 to .25 gallon per square yard per coat to entire pavement area. Allow first coat to dry thoroughly before applying second coat.
5. Apply a third coat (if necessary) of mixed PMM Ultra at a rate of .08 to a .12 gallon per square yard to high traffic areas including parking area entrances, exits and drive lanes (or as specified in additional diagrams or drawings). Allow second coat to dry thoroughly before applying a third coat to these areas.
6. Allow final coat of pavement sealer to dry 24 hours or time deemed significant by City of Fair Oaks Ranch.

Project Correspondence

All project correspondence will be made by Project Manager. Prior to the work commencing, sealcoat notices will be posted to all residents that will be affected by the work areas which will have Project Manager contact information as well as how to access any updates via www.pavemap.com. On the PaveMap website will be a detailed outline of the project so everyone will be aware of where the work areas will be at present and future throughout the entirety of the project.

PROPOSAL & CONTRACT

TERMS AND CONDITIONS

1. PAVECON, Ltd., (PAVECON) will carry workmen's compensation insurance covering its employees and shall provide public liability and property damage insurance.
2. Any changes from the specifications or modifications of the terms of this contract shall be set put in writing and signed by both parties.
3. This proposal expires 30 days from the date hereof but may be accepted at any later date at the sole option of the Company.
4. By accepting this proposal, Owner agrees to indemnify and to hold PAVECON, Ltd. harmless from all claims, including its reasonable attorneys' fee incurred in defending any claim, resulting from damages to any utility line, irrigation line, private electrical, or sub structure not identified or clearly marked. Any damage to clearly marked utility lines, irrigation line, private electrical lines, or sub structures shall be the responsibility of PAVECON, Ltd.
5. Unless a lump sum price is to be paid for the foregoing work and is clearly so stated it is understood and agreed that the quantities referred to above are estimates only and that payment shall be made at the stated unit prices on the actual quantities of work performed by PAVECON as determined upon completion of the work.
6. PAVECON shall not be responsible for any damage to or deterioration of any of our work, whether completed or in process, resulting from any cause or causes beyond our control, but not limited to failure of subgrade, including soil volume changes, or failure of inadequacy of any labor or materials not furnished and installed by us, whether or not such failure or inadequacy was or could have been known at the time our work was undertaken.
7. PAVECON is not responsible for removing vehicles from repair areas. PAVECON will notify you in advance and you must make arrangements to have vehicles removed at your expense.
8. In the event all work under this contract is not completed in one operation, Company shall be paid in full for all items of work completed upon the completion thereof. Any work under this contract for which PAVECON has not received a "work order" calling for completion within one year from the date of this agreement will be subject to renegotiations of prices, or cancellation at PAVECON's option.
9. Terms of Payment - Final and complete payment for all work performed herein shall be made within 30 days of invoice date. Interest at the rate of (18) percent per annum shall be charged you and paid by you on all unpaid balances from the due date to the date of receipt of payment by PAVECON. Reasonable attorney's fees and cost of collection shall be charged you and paid by you, if incurred by PAVECON.

PROPOSAL & CONTRACT



INCLUSIONS AND EXCLUSIONS

INCLUSIONS:

Tax is exempt.

Unit pricing prevails on all items unless otherwise noted.

PAVECON, Ltd. guarantees this work for materials and workmanship for a period of 1-year from installation, excluding unusual abuse or neglect.

Due to the ongoing cement shortage experienced by our industry; scheduling related to the purchase, acquisition, and installation of ready-mix concrete, dry portland (type I or II) cement, Pavecon cannot guarantee its material availability. Furthermore, if excessive delays in installation or acquisition of concrete related materials, potential supplier pricing may become an issue.

EXCLUSIONS:

Subgrade or Subbase remediation required in the repair area discovered during construction or through investigation by a proof-roll or any other construction activities.

Permits, Bonds, and Testing.

Utility relocation/adjustment, irrigation, or landscape repair.

Back-fill walks, curbs, & islands.

Pumping, heating, or cooling of concrete.

Handrails.

All work areas must be free of materials & equipment.

Rock excavation, soil treatments, tree removal.

Demo, sawing, haul off of spoils created by others.

Pavement markings, wheel stops, signage.

Sub grade must be fine graded ready for asphalt paving. Proof rolling and yielding to be corrected by others. This proposal excludes any additional subgrade preparation. All edges, corners and around utilities must be ready for asphalt paving.

It is agreed and understood that the Owner/General Contractor has verified all grades, tested and approved subgrade for densities and readiness for asphalt paving.

Sub grade must be +/- 0.10': Proof rolling and yielding to be corrected by others.

Corrective measures of approved sub base damaged prior to asphalt paving.

Layout edge of paving by others.

Asphaltic Prime Coat.

Reflective cracking, vegetation sterilization.

The scope of work herein will be completed in (1) trip(s). I understand additional trip(s) necessitated by obstructions, lack of preparedness, water, cars or other impediments that would inhibit the service from being completed will result in a rescheduling fee.

Sleeves for Irrigation. Dewatering.

Erosion Control or SWPPP.

All vehicles must be removed prior to 8:00 a.m. in the scheduled section to be repaired or seal coated for that day, and to remain closed as per manufacturer's specifications & recommendations, after the pavement markings have been re-stripped that section will be opened.

THIS IS A UNIT PRICE BID BASED ON PLAN QUANTITIES. IF QUANTITY DISCREPANCIES ARE NOTED, UNIT PRICE IS TO BE USED

Exhibit "B"

REQUIREMENTS FOR ALL INSURANCE DOCUMENTS

The Contractor shall comply with each and every condition contained herein. The Contractor shall provide and maintain the minimum insurance coverage set forth below during the term of its agreement with the City. Any Subcontractor(s) hired by the Contractor shall maintain insurance coverage equal to that required of the Contractor. It is the responsibility of the Contractor to assure compliance with this provision. The City 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, Contractor shall specifically endorse applicable insurance policies as follows:

1. The City 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 City 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 City 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 City 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 City 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. Contractor may maintain reasonable and customary deductibles, subject to approval by The City 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 Contractors 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, Contractor shall furnish The City 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 City of Fair Oaks Ranch within ten (10) business days after contract award and prior to starting any work by the successful Contractor'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 City of Fair Oaks Ranch, all required endorsements identified in sections A, B, C and D, above shall be sent to the City of Fair Oaks Ranch. The certificate of insurance and endorsements shall be sent to:

City of Fair Oaks Ranch
Attn: Clayton Hoelscher, Procurement Manager
Email: choelscher@fairoaksranchtx.org
7286 Dietz Elkhorn
Fair Oaks Ranch, Texas 78015

Exhibit “C”
EVIDENCE OF INSURANCE

CITY OF FAIR OAKS RANCH
CONSTRUCTION AGREEMENT

THE STATE OF TEXAS §
 §
 KENDALL COUNTY §

This Construction Agreement ("Agreement") is made and entered by and between the City of Fair Oaks Ranch, Texas, (the "City") a Texas municipality, and Pavement Restoration, Inc. ("Contractor").

Section 1. Duration. This Agreement shall become effective upon the date of the final signature affixed hereto 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) Contractor shall perform the Work 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".

(B) The Quality of Work provided under this Agreement shall be of the level of quality performed by Contractors regularly rendering this type of service.

(C) The Contractor shall perform its Work 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 Contractor may rely upon the accuracy of reports and surveys provided to it by the City except when defects should have been apparent to a reasonably competent Contractor or when it has actual notice of any defects in the reports and surveys.

Section 3. Compensation.

(A) The Contractor shall be paid in the manner set forth in Exhibit "A" and as provided herein.

(B) *Billing Period:* The Contractor 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 City's receipt of the Contractor'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 Work (Exhibit A) and accounted for in the total contract amount.

Section 4. Time of Completion.

The prompt completion of the Work under the Scope of Work relates is critical to the City. Unnecessary delays in providing Work under a Scope of Work shall be grounds for dismissal of the Contractor and termination of this Agreement without any or further liability to the City other than a prorated payment for necessary, timely, and conforming work done by Contractor prior to the time of termination. The Project shall be completed for inspection and acceptance by the City on or before September 30th, 2023.

Section 5. Insurance.

Before commencing work under this Agreement, Contractor shall obtain and maintain the liability insurance provided for below throughout the term of the Project plus an additional two years. Contractor shall provide evidence of such insurance to the City. Such documentation shall meet the requirements noted in Exhibit B.

Contractor shall maintain the following limits and types of insurance:

Workers Compensation Insurance: Contractor 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 Contractor's employees carrying out the work involved in this contract.

General Liability Insurance: Contractor 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 Contractor 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: Contractor 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 Contractor or its employees.

Subcontractor: In the case of any work sublet, the Contractor shall require subcontractor and independent contractors working under the direction of either the Contractor or a

subcontractor to carry and maintain the same workers compensation and liability insurance required of the Contractor.

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 6. Miscellaneous Provisions.

(A) *Subletting.* The Contractor 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 City, 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 City in the subletting of any work shall not relieve the Contractor of any responsibility for work done by such subcontractor.

(B) *Compliance with Laws.* The Contractor 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 Contractor shall furnish the City with satisfactory proof of compliance.

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

(D) *Non-Collusion.* Contractor represents and warrants that Contractor 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 City under this Agreement. Contractor further agrees that Contractor shall not accept any gift, bonus, commission, money, or other consideration from any person (other than from the City pursuant to this Agreement) for any of the Work performed by Contractor under or related to this Agreement. If any such gift, bonus, commission, money, or other consideration is received by or offered to Contractor, Contractor shall immediately report that fact to the City and, at the sole option of the City, the City 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 Contractor under or pursuant to this Agreement.

(E) *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.

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

Section 7. Termination.

(A) This Agreement may be terminated:

- (1) By the mutual agreement and consent of both Contractor and City;
- (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 City, immediately upon notice in writing to the Contractor, as consequence of the failure of Contractor to perform the Work contemplated by this Agreement in a timely or satisfactory manner;
- (4) By the City, at will and without cause upon not less than thirty (30) days written notice to the Contractor.

(B) If the City terminates this Agreement pursuant to subsection 7(A)(2) or (3), above, the Contractor 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 Work that have been timely and adequately performed by the Contractor considering the actual costs incurred by the Contractor in performing work to date of termination, the value of the work that is nonetheless usable to the City, the cost to the City of employing another Contractor to complete the work required and the time required to do so, and other factors that affect the value to the City of the work performed

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

Section 8. Indemnification. Contractor agrees to indemnify and hold the City of Fair Oaks Ranch, Texas and all of its present, future and former agents, employees, officials and representatives harmless in their official, individual and representative capacities from any and all claims, demands, causes of action, judgments, liens and expenses (including attorney's fees, whether contractual or statutory), costs and damages (whether common law or statutory), costs and damages (whether common law or statutory, and whether actual, punitive, consequential or incidental), of any conceivable character, for injuries to persons (including death) or to property (both real and personal) created by, arising from or in any manner relating to the Work or goods performed or provided by Contractor – expressly including those arising through strict liability or under the constitutions of the United States.

Section 9. 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 10. 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 11. 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 12. Waiver. Either City or the Contractor 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 13. 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 14. 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 15. 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 16. 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 17. 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 18. Exhibits. All exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.

Section 19. 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 20. 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 21. Right To Audit. City shall have the right to examine and audit the books and records of Contractor 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.

22. 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.

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

24. Boycott Israel. The City 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.

25. Energy Company Boycotts. Contractor 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, Contractor shall promptly notify City.

26. Firearm Entities and Trade Association Discrimination. Contractor 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, Contractor shall promptly notify City.

27. Sales Tax. The City qualifies as an exempt agency under the Texas Limited Sales, Excise and Use Tax Act (the "Tax Act") and is not subject to any State or City sales taxes on materials incorporated into the project. Labor used in the performance of this contract is also not subject to State or City sales taxes. The City will provide an exemption certificate to the Contractor. The Contractor must have a sales tax permit issued by the Comptroller of Public Accounts and shall issue a resale certificate complying with the Tax Act, as amended, when purchasing said materials. The Contractor is responsible for any sales taxes applicable to equipment purchases, rentals, leases, consumable supplies which are not incorporated into the services to be provided under this Contract, tangible personal property purchased for use in the performance of this Contract and not completely consumed, or other taxable services used to perform this Contract, or other taxes required by law in connection with this Contract.

28. Compliance with Laws, Charter, Ordinances. Contractor, its agents, employees and subcontractors must comply with all applicable federal and state laws, the ordinances of the City of Fair Oaks Ranch, and with all applicable rules and regulations promulgated by local, state and national boards, bureaus and agencies. Contractor must obtain all necessary permits, bonds and licenses that are required in completing the work contracted for in this agreement.

EXECUTED on _____.

CITY:

CONTRACTOR:

By: _____

By: _____

Name: Tobin Maples, AICP

Name: _____

Title: City Manager

Title: _____

ADDRESS FOR NOTICE:

CITY

CONTRACTOR

City of Fair Oaks Ranch
Attn: Tobin Maples, AICP
7286 Dietz Elkhorn
Fair Oaks Ranch, TX 78015

Pavement Restoration, Inc.
Attn: Rob Wiggins
P.O. 1532
Boerne, TX 78006

Exhibit “A”
SCOPE OF SERVICES



PAVEMENT RESTORATION, Inc

**CITY OF FAIR OAKS RANCH
ATT: PUBLIC WORKS
MR J COLUNGA
ASST PUBLIC WORKS DIRECTOR**

3/29/23

FORMAL PROPOSAL

**REF: - RECLAMITE REJUVENATOR APPLICATION
POSSIBLE START DATE: TBD**

Completed Turn – key APPLICATION @ \$ 1.15 per sq yard

**APPLICATION TURNKEY OF ASPHALT STREET ASSETS
MAP STREETS WILL BE AS PER PUBLIC WORKS SCHEDULE IDENTIFIED**

72 924 SQ YDS

TOTAL : \$ 83 862.60

**Inclusive : Mobilization
Street assessment
Resident Notification
Traffic control
Reclamite
Product application
Sanding (WASHED CONCRETE SAND)
Sweeping up of residue sand next day
Before / After street core samples to Independent Lab Analysis**

RBW/ggms

**SIGNED: Rob Wiggins
President**

Pavement Restoration Inc

*Post Office Box 1532 . Boerne , Texas 78006 . Tel: 813.323.2710 Fax: 830.336.3484
EMAIL: rob.w@paverestore.com WEB: www.paverestore.com*

Exhibit "B"

REQUIREMENTS FOR ALL INSURANCE DOCUMENTS

The Contractor shall comply with each and every condition contained herein. The Contractor shall provide and maintain the minimum insurance coverage set forth below during the term of its agreement with the City. Any Subcontractor(s) hired by the Contractor shall maintain insurance coverage equal to that required of the Contractor. It is the responsibility of the Contractor to assure compliance with this provision. The City 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, Contractor shall specifically endorse applicable insurance policies as follows:

1. The City 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 City 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 City 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 City 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 City 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. Contractor may maintain reasonable and customary deductibles, subject to approval by The City 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 Contractors 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, Contractor shall furnish The City 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 City of Fair Oaks Ranch within ten (10) business days after contract award and prior to starting any work by the successful Contractor'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 City of Fair Oaks Ranch, all required endorsements identified in sections A, B, C and D, above shall be sent to the City of Fair Oaks Ranch. The certificate of insurance and endorsements shall be sent to:

City of Fair Oaks Ranch
Attn: Clayton Hoelscher, Procurement Manager
Email: choelscher@fairoaksranchtx.org
7286 Dietz Elkhorn
Fair Oaks Ranch, Texas 78015

Exhibit “C”
EVIDENCE OF INSURANCE



CITY COUNCIL CONSIDERATION ITEM
CITY OF FAIR OAKS RANCH, TEXAS
April 20, 2023

AGENDA TOPIC: Consideration and possible action on approving the first reading of an Ordinance establishing stop signs on streets within the Setterfeld Estates Subdivision.

DATE: April 20, 2023

DEPARTMENT: Police Department

PRESENTED BY: Tim Moring, Chief of Police

INTRODUCTION/BACKGROUND:

Our city is a bedroom community which desires to retain that flavor. As a council and staff, we are committed to fulfilling our residents expressed desires to protect our quality of life, provide for public health and safety, and protect existing investment and valued community assets. In April 2021, the City found it to be in the best interest of the citizens who reside within gated (private) communities, for gated communities to enter agreements with the City to provide legal means of proactive police patrols and other police services within their respective communities.

Article III, Section 52 and Article XI, Section 3 of Texas Constitution prevent any city from lending credit, granting public money, or making any appropriation or donation to any private entity. In other words, a city may not spend public money for a private purpose and would therefore be prohibited from performing public services in a gated community, such as road maintenance, trash collection, and traffic enforcement. This does not prevent police from answering a community-generated call in those gated communities but does prevent police from conducting proactive or preventative patrols to deter crime and enforce traffic laws. Exceptions are placed within the law that allow municipalities to enter into agreements with private communities to allow proactive patrols and traffic enforcement. This agreement may be done with 25% of the property owners in agreement or by the consent the developer and/or managing party in control of the current homeowners association.

In December 2021, the director of community management for Setterfeld Estates Homeowners Association reached out to city staff in reference to complaints from residents regarding safety within the gated neighborhood. The director was provided a copy of the law enforcement agreement drafted by the City Attorney's office and advised on the process of approval by the City Council. In January 2022, Mr. Kyle Coldeway, board member for Setterfeld Estates Homeowners Association, submitted a signed law enforcement agreement (attached) to the city with the request that it be presented to the City Council for approval.

On November 17, 2022, the City Council approved the City Manager in signing the law enforcement agreement with Setterfeld Estates HOA to provide police services, including traffic enforcement, within the gated community. The ordinance attached herein contains the necessary information for the proper and legal enforcement of stop signs within the Setterfeld Estates subdivision.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

Priority 4.1 of the Strategic Action Plan is to Enhance and Ensure Continuity of Police Services. This ordinance preserves quality-of-life characteristics through compliance with state law by ensuring the same services are available to all residents of Fair Oaks Ranch and by ensuring legal means of enforcement are adopted by governing body to preserve those quality-of-life characteristics.

LONG-TERM FINANCIAL & BUDGETARY IMPACT:

None at this time.

LEGAL ANALYSIS:

Reviewed and approved by City Attorney's office.

RECOMMENDATION/PROPOSED MOTION:

I move to approve the first reading of an Ordinance establishing stop signs within the Setterfeld Estates Subdivision.

**LAW ENFORCEMENT AGREEMENT
(SETTERFELD ESTATES HOMEOWNERS ASSOCIATION)**

This Law Enforcement Agreement (the "Agreement") between the City of Fair Oaks Ranch, Texas, a Texas Municipal Corporation (the "City") and the Setterfeld Estates Homeowners Association, Inc (the "Association"), collectively, Parties, is entered into as of the date of the final signature of the parties (the "Effective Date") and approval by the City Council.

WITNESSETH:

WHEREAS, Setterfeld Estates is a private gated community in the City of Fair Oaks Ranch, Comal County, Texas, generally located at 30112 Setterfeld Circle and containing a total of two hundred (200) residences; and

WHEREAS, the Association is the owner of the private streets in Setterfeld Estates (the "Private Streets") and is responsible for the maintenance thereof; and

WHEREAS, the Association acknowledge that Setterfeld Estates is a subdivision within the City limits of the City and in accordance with the Texas Transportation Code Section 542.008 (the "Statute"), the Association presented a petition to the City Council of the City (the "City Council") seeking to cause the traffic rules and laws related to operation of motor vehicles on public thoroughfares of the City to apply to the Private Streets in Setterfeld Estates (the "Petition"); and

WHEREAS, the City Council has found the Petition in the best interest of the City generally, has accepted the Petition, and directed the City staff to draft an ordinance and this Agreement, according to the requirements of the Statute to provide for the enforcement of the traffic rules and laws related to operation of motor vehicles on public thoroughfares of the City to apply to Private Streets in Setterfeld Estates; and,

WHEREAS, the Association further requests and authorizes the City to allow the residents of Setterfeld Estates to participate in the Home Watch program offered by the Fair Oaks Ranch Police Department ("Department"); and

WHEREAS, nothing herein is intended by the Parties to limit the authority of the Department to respond to any call for service, report of suspicious activity, or any other situation requiring an immediate investigative response, solely because the subdivision is gated.

NOW, THEREFORE, in consideration of the covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the City and the Association agree as follows:

1. Term. Pursuant to the Statute, the City has extended the traffic rules and laws related to operation of motor vehicles on public thoroughfares of the City to apply to the Private Streets in Setterfeld Estates. The Association agrees that, pursuant to this Agreement, the Private Streets are considered to be public streets for purposes of the application and enforcement of the traffic rules and laws addressed herein and that this Agreement shall remain in effect until such time as the

City should determine, by ordinance, that it is not in its interest to enforce the traffic rules and laws within the subdivision.

2. Traffic Signs. The Association shall install subdivision traffic signs and street name blade signs in compliance with both the Texas Manual of Uniform Traffic Control Device standards and the City's standards. The Association shall be solely responsible for all costs and expenses of the signs and the installation thereof.

3. City Patrol. Effective on the date an ordinance is adopted to extend traffic laws, rules, general patrol and the Home Watch program, police officers of City will be authorized to begin general patrol of the subdivision for the purposes stated herein and for issuing traffic citations for violations of traffic laws occurring on the roads within the subdivision when appropriate and in the discretion of police officers of City, such police officers having the sole discretion in such matters.

4. No Warranties or Representations. Neither City nor City's Police Department or City's police officers make any representations or warranties to the Association or to anyone else in relation to City patrols or City enforcement of traffic laws on the roads within the subdivision. City disclaims any responsibility to maintain or improve the roads within the subdivision or any street signs or traffic signs on said roads, said maintenance and improvement responsibility to be and remain solely that of the Association.

5. Speed Humps. The Association agrees that all speed humps on the Private Streets must comply with the City's standards. New speed humps must receive approval through the normal City process and are the discretion of the City of Fair Oaks Ranch based on City policies and standards. The Association shall be solely responsible for all costs and expenses necessary to bring and keep the speed humps in compliance.

6. Plans, Installation, and Approval. Prior to installation of the subdivision traffic signs and street name blade signs and prior to work being done on the speed humps, the Association shall submit plans for the design and specifications of such traffic and street name or other signage and such speed humps and obtain written approval from the City. The Association shall construct, repair, and/or install, or cause the construction, repair, and/or installation of, such signage and speed humps in accordance with the approved plans.

7. Association Obligations. The Association will pay for all repairs, replacement, and maintenance of all signage and speed humps to maintain compliance with the applicable standards set forth herein. All maintenance performed by the Association will meet the specifications of the codified requirements of the City related to traffic signage and speed humps in residential subdivisions. If the City determines that repairs, replacement, and/or maintenance are required, the City shall inform the Association in writing of the need for said repairs, replacement, and/or maintenance, and the Association shall commence said repairs, replacement, and/or maintenance within fourteen (14) calendar days of such notice and diligently pursue the work thereon, with completion thereof not to exceed forty-five (45) calendar days.

8. Traffic Control Devices. Pursuant to the authority granted under the Statute, the City may place official traffic control devices on property abutting the Private Streets if (1) those devices

relate to a specified traffic rule; and (2) the consent of the owner of that property is obtained or an easement is available for the placement. The Association hereby consents to the placement of any such devices on the property owned by them. No additional consent shall be required.

9. Payment. The Association will not be required to pay any additional cost for the services requested herein, unless such services are requested in excess of the services provided to City citizens that do not reside in private gated communities in the City. Notwithstanding the foregoing, the Association shall be required to pay those costs and expenses discussed in Sections 2, 5, 6, and 7, and 8 of this Agreement.

10. INDEMNIFICATION. THE ASSOCIATION ON BEHALF OF EACH OF THEIR SUCCESSORS, ASSIGNEES, GRANTEEES, AND/OR TRUSTEES DOES HEREBY AGREE TO RELEASE, DEFEND, INDEMNIFY, AND HOLD HARMLESS THE CITY AND ITS CITY COUNCILMEMBERS, OFFICERS, AGENTS, REPRESENTATIVES, AND EMPLOYEES (THE "INDEMNIFIED PARTIES") FROM AND AGAINST ALL DAMAGES, INJURIES (INCLUDING DEATH), CLAIMS, PROPERTY DAMAGES (INCLUDING LOSS OF USE), LOSSES, DEMANDS, SUITS, JUDGMENTS AND COSTS, INCLUDING, WITHOUT LIMITATION, REASONABLE ATTORNEYS' FEES AND EXPENSES (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES AND EXPENSES INCURRED IN ENFORCING THIS INDEMNITY), CAUSED BY THE NEGLIGENT, GROSSLY NEGLIGENT, AND/OR INTENTIONAL ACT AND/OR OMISSION OF THE ASSOCIATION IN THE PERFORMANCE OF ITS OBLIGATIONS UNDER THIS AGREEMENT, IN WHOLE OR IN PART, REGARDLESS OF THE JOINT OR CONCURRENT NEGLIGENCE OR STRICT LIABILITY OF THE CITY (HEREINAFTER "CLAIMS"). THE ASSOCIATION IS EXPRESSLY REQUIRED TO DEFEND THE INDEMNIFIED PARTIES AGAINST ALL SUCH CLAIMS.

IN ITS SOLE DISCRETION, THE CITY SHALL HAVE THE RIGHT TO APPROVE OR SELECT DEFENSE COUNSEL TO BE RETAINED BY THE ASSOCIATION IN FULFILLING THEIR OBLIGATIONS HEREUNDER TO DEFEND AND INDEMNIFY THE INDEMNIFIED PARTIES, UNLESS SUCH RIGHT IS EXPRESSLY WAIVED BY THE CITY IN WRITING. THE CITY RESERVES THE RIGHT TO PROVIDE A PORTION OR ALL OF ITS OWN DEFENSE; HOWEVER THE CITY IS UNDER NO OBLIGATION TO DO SO.

THIS SECTION 10. SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT WITH RESPECT TO ANY INCIDENT OCCURRING DURING THE TERM HEREOF.

11. Miscellaneous.

- (a) Breach. In the event of a breach of this Agreement by any party, any other party may pursue any remedies available at law or in equity, including without limitation, specific performance.
- (b) Assignment, Binding Nature, and Recording. This Agreement may not be assigned by the Association.

- (c) Notices. Any notice required or permitted by this Agreement is effective when personally delivered in writing or two (2) business days after notice is deposited with the U.S. Postal Service, postage prepaid, certified mail with return receipt requested, and addressed as follows:

City:

City of Fair Oaks Ranch, Texas
7286 Dietz Elkhorn
Fair Oaks Ranch, Texas 78015
Attention: City Manager

with copy to:

Denton Navarro Rocha Bernal & Zech, P.C.
2517 N. Main Avenue
San Antonio, Texas 78212
Attention: T. Daniel Santee

Association:

Setterfeld Estates HOA / Real Manage
PO Box 702348
Dallas, Tx 75370
Attention: Lisa Ivy

with copy to:

Attention: _____

The parties may, from time to time, change their respective addresses listed above to any other location in the United States for the purpose of notice under this Agreement. A party's change of address shall be effective when notice of change is provided to the other party in accordance with the provisions of this Section 11.(c).

- (d) Capacities. The person executing this Agreement on behalf of the Association represents and warrants that he/she has the authority to do so in the capacity stated.
- (e) Interpretation. This Agreement will be deemed drafted equally by all parties hereto. The language of all parts of this Agreement will be construed as a whole according to its fair meaning, and any presumption or principle that the language in this Agreement is to be construed against any party will not apply. Headings in this

Agreement are for the convenience of the parties and are not intended to be used in construing this document.

- (f) Further Assurances. The parties agree to take such further actions and to sign such further documents as may be reasonably necessary or appropriate to fulfill the intent of, and to complete the transactions described in this Agreement.
- (g) Unenforceability. If any part, term, or provision of this Agreement is held by the courts to be illegal, invalid, or otherwise unenforceable, such illegality, invalidity, or unenforceability shall not affect the validity of any other part, term, or provision, and the rights of the parties will be construed as if the part, term, or provision was never part of this Agreement.
- (h) Choice of Law. This Agreement will be construed under the laws of the State of Texas without regard to choice-of-law rules of any jurisdiction. Venue shall be in the State District Courts of Kendal County, Texas with respect to any lawsuit arising out of or construing the terms and provisions of this Agreement. No provision of this Agreement shall constitute a consent to suit by any party.
- (i) Counterparts. This Agreement may be executed in a number of identical counterparts, each of which will be deemed an original for all purposes.
- (j) Immunity. By execution of this Agreement, the parties agree that the City has not waived or surrendered any of its governmental powers, immunities, or rights.
- (k) Force Majeure. Notwithstanding anything to the contrary contained herein, in the event a party is prevented from performing its obligations hereunder due to inclement weather, strikes, riots, civil unrest, or any other cause which is beyond the reasonable control of such party (a delay due to any such cause being referred to herein as a “Force Majeure Delay”) then the time period for such party’s performance shall be extended by the length of the Force Majeure Delay and such party’s failure to perform such obligation shall be excused for the duration of, and to the extent of, such Force Majeure Delay.

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IN WITNESS WHEREOF, the parties hereby have executed this Agreement to be effective as of the Effective Date.

THE CITY:

CITY OF FAIR OAKS RANCH, TEXAS,
a Texas municipal corporation

By: Tobin Maples
Tobin Maples, City Manager

Date: Jan 30, 2023

THE ASSOCIATION:

Setterfeld Estates Homeowners Association,
Inc.,
a Texas nonprofit organization

By: Kyle Coldeway
Name: Kyle Coldeway
Title: Board Member

Date: 10/24/2022

AN ORDINANCE

AN ORDINANCE OF THE CITY OF FAIR OAKS RANCH, TEXAS ESTABLISHING STOP SIGNS WITHIN THE SETTERFELD ESTATES SUBDIVISION, FAIR OAKS RANCH, COMAL COUNTY, TEXAS; PRESCRIBING FOR A PENALTY OF NOT LESS THAN \$25 NOR MORE THAN \$500; PROVIDING FOR REPEALING AND A SEVERABILITY CLAUSE; PROVIDING FOR AN EFFECTIVE DATE; AND PROVIDING FOR THE PUBLICATION OF THE CAPTION HEREOF

WHEREAS, on November 17, 2022, the City Council for the City of Fair Oaks Ranch approved a Law Enforcement Agreement with the Setterfeld Estates Homeowner’s Association for the enforcement of traffic rules and laws related to operation of motor vehicles on public thoroughfares of the City to apply to the Private Streets in Setterfeld Estates; and

WHEREAS, the City of Fair Oaks Ranch is authorized by Title 7, Subchapter C of the Texas Transportation Code to establish and regulate compliance with rules governing the use of public thoroughfares; and

WHEREAS, the City Council finds it is in the best interest of the health, safety, and welfare of the City to provide for additional stop signs as authorized by and consistent with Texas law and pursuant to the Law Enforcement Agreement.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FAIR OAKS RANCH, TEXAS:

Section 1: For the safety and well-being of the citizens of Fair Oaks Ranch, the following full stop – stop sign street locations are designated in addition to those previously approved:

<u>THROUGH STREET</u>	<u>STOP SIGN STREET/LOCATION</u>
Setterfeld Circle	Honeycomb Rock
Setterfeld Circle	Wild Coyote Lane
Setterfeld Circle	Saur Legacy Drive
Setterfeld Circle	Agarita Mist

SECTION 2: Findings Incorporated. The findings set forth above are incorporated into the body of this Ordinance as if fully set forth herein.

SECTION 3: Violation. It shall be unlawful to operate a vehicle without bringing the vehicle to a full and complete stop before proceeding. All vehicles shall remain stopped until the intersection is free and clear of all oncoming vehicles which might constitute a hazard to life or property under the condition then and there existing.

SECTION 4: Severability. Should any section, subsection, sentence, clause, or phrase of this Ordinance be declared unconstitutional or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. Fair Oaks Ranch hereby declares that it would have passed this Ordinance, and each section, subsection, clause, or phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses and phrases be declared unconstitutional or invalid.

SECTION 5: Repealer. This ordinance shall be cumulative of all other ordinances of the City of Fair Oaks Ranch, and this ordinance shall not operate to repeal or affect any other ordinances of the City of Fair Oaks Ranch except insofar as the provisions thereof might be inconsistent or in conflict with the provisions of this ordinance, in which event such conflicting provisions, if any, are hereby repealed.

SECTION 6: Penalty Provision. Any violation of this Ordinance shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined a sum of not less than \$25 nor more than \$500. The sign designated in this Ordinance shall become property of the City and penalty for removing or having in possession any signs designated as property of the City shall be punishable by a fine not less than \$25 nor more than \$500. The City of Fair Oaks Ranch retains all legal rights and remedies available to it pursuant to local, state, and federal law.

SECTION 7: Effective Date. This Ordinance shall be effective upon its passage, approval, and publication as required by law.

PASSED AND APPROVED on the first reading this 20th day of April, 2023.

PASSED, APPROVED, AND ADOPTED on the second reading this 4th day of May, 2023.

Gregory C. Maxton, Mayor

ATTEST:

APPROVED AS TO FORM:

Christina Picioccio, TRMC, City Secretary

Denton Navarro Rocha Bernal & Zech, P.C.,
City Attorney



CITY COUNCIL CONSIDERATION ITEM
CITY OF FAIR OAKS RANCH, TEXAS
April 20, 2023

AGENDA TOPIC: Consideration and possible action to form a committee that will prepare an Emergency Operations Center manual that will cover the standard procedures for handling emergency situations for the City of Fair Oaks Ranch.

DATE: April 20, 2023

DEPARTMENT: City Council

PRESENTED BY: Gregory C. Maxton, Mayor

INTRODUCTION/BACKGROUND:

The ability of our City Staff and supporting agencies to rapidly respond to emergency situations that impact our residents and infrastructure is critical. To meet this requirement, we should have a standard operating procedures manual that at a minimum defines the needed actions for initial responses to emergency conditions facing our City.

This committee would be responsible for preparing a standard operating procedures manual for our Emergency Operations Center.

The manual will include, but is not limited to, defining what an emergency situation is, identifying the specific emergencies we could face, levels of EOC activation, emergency notification protocols, and needed preparations and responses to specific emergency conditions.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

Some of the considerations for completing an Emergency Operations Center standard operating procedures are to:

- Minimize injury and loss life during emergency conditions
- Minimize property damage
- Minimize environmental and economic impacts
- Provide timely and accurate information for emergency operations
- Provide for the immediate needs of disaster survivors
- Disseminate emergency information needed for emergency responders and to the public
- Restore essential utilities and services

LONGTERM FINANCIAL & BUDGETARY IMPACT:

N/A

LEGAL ANALYSIS:

N/A

RECOMMENDATION/PROPOSED MOTION:

I move to authorize the formation of a committee to prepare an Emergency Operations Center standard operating procedures manual which will cover the actions needed for handling emergency situations for the City of Fair Oaks Ranch. The committee members will be:

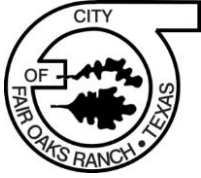
Mayor Greg Maxton

Mayor Pro Tem Laura Koerner

Councilmember Scott Parker

Police Chief Tim Moring (Alternate: Lieutenant John Ojeda)

Julio Colunga, Asst Director of Public Works (Alternates: Steven Fried and Jimmy Washer)



CITY COUNCIL CONSIDERATION ITEM
CITY OF FAIR OAKS RANCH, TEXAS
April 20, 2023

AGENDA TOPIC: Consideration and possible action regarding requirements or expenditures associated with the Local Disaster

DATE: April 20, 2023

DEPARTMENT: Administration

PRESENTED BY: Gregory C. Maxton, Mayor

INTRODUCTION/BACKGROUND:

This is a standing agenda item to discuss or consider items related to the current Local Disaster.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

Routinely presenting this agenda item will allow for timely decisions by City Council. This benefits residents by expediting the removal of the debris, potentially lowering overall costs, minimizing health and safety issues, and reviewing the approved local disaster declaration as needed.

LONG-TERM FINANCIAL & BUDGETARY IMPACT:

TBD

LEGAL ANALYSIS:

N/A

RECOMMENDATION/PROPOSED MOTION:

As determined:



CITY COUNCIL WORKSHOP ITEM

CITY OF FAIR OAKS RANCH, TEXAS

April 20, 2023

AGENDA TOPIC: Discussion on advancing the Planning and Zoning Commission's submission of the proposed amended City of Fair Oaks Ranch Unified Development Code (UDC)

DATE: April 20, 2023

DEPARTMENT: Public Works and Engineering Services

PRESENTED BY: Katherine Schweitzer, P.E., Manager of Engineering Services
Lata Krishnarao, AICP, LEED ND, Consultant, Ardurra
Bobbe Barnes, Planning and Zoning Commission Chair

INTRODUCTION/BACKGROUND:

The Planning and Zoning Commission (P&Z) has been working with city staff and the consultant on amending the Unified Development Code (UDC). A series of work sessions have been held to discuss the diagnostic findings of the current UDC, gather P&Z's input on the issues identified, and review the proposed amendments. In addition, staff also provided input and recommendations for updates to the UDC. Furthermore, the staff's experience in utilizing the current UDC to undertake review of planning applications has assisted in identifying areas of improvement.

PURPOSE:

On March 9, 2023, the Planning and Zoning Commission made a recommendation motion to submit the proposed amended City of Fair Oaks Ranch Unified Development Code to the City Council for next steps. After incorporating final P&Z and legal comments, the proposed amended UDC was provided to City Council in advance of tonight's meeting and placed on the city's website.

Tonight's agenda item is to provide the City Council with additional supportive documents relative to the proposed UDC amendments:

1. UDC Amendment Schedule
2. UDC Amendments Summary of changes after the P&Z's October 2022 meeting
3. UDC Amendments Summary of P&Z feedback and responses

Additionally, the staff seeks input and direction from the City Council on how they wish to advance the amended UDC, if desire to do so. Following are two scenarios:

1. City Council agrees with the amendments as presented and calls for a Joint Public Hearing; or
2. City Council reviews and provides updates to the proposed amended UDC at future workshop(s).

PROCESS:

The City Council had tasked the P&Z to review the UDC and make amending recommendations to the City Council. The redlined version and clean copy incorporating the proposed UDC amendments was finalized by P&Z on March 9, 2023. At that meeting the P&Z made a recommendation motion to the City Council to consider and adopt the proposed amendments.

Upon the City Council's review, if they desire to proceed to adopt the amendments, a joint public hearing will be required. After the joint public hearing, the P&Z may recommend approval/denial. The City Council is the final authority and will consider the amendments and the P&Z recommendation at a future meeting following P&Z action and the public hearing.

Attachment 1
UDC Amendment Schedule

FAIR OAKS RANCH UNIFEID DEVELOPMENT CODE AMENDMENTS SCHEDULE	
Updated: 3/31/23	
Task	Timeline
Findings/Visioning - P&Z & staff input, review of current UDC	
P&Z work session	March 11, 2021
P&Z work session	March 25, 2021
P&Z work session	April 8, 2021
P&Z work session	April 22, 2021
P&Z work session	May 13, 2021
P&Z work session	May 13, 2021
P&Z reviewing info. presented at work sessions (no meetings)	June - July 2021
Summary of findings	
Summary of P&Z input (concerns, vision, and recommendations) sent to P&Z	July 2021
Draft Amendments	
Prepared, red-lined version, incorporated P&Z input, and summarized changes	August 2021
Website updated	August 2021
Review of Draft Amendments	
Red-lined reviewed by P&Z - commenced	September 2021
Website updated	October 2021
P&Z Meeting - Reviewed redlined draft with P&Z	October 14, 2021
P&Z Meeting - Reviewed redlined draft - chapter review	November 10, 2021
P&Z Meeting - Reviewed redlined draft - chapter review	December 9, 2021
P&Z Meeting - Reviewed redlined draft - chapter review	January 13, 2022
P&Z Meeting - Reviewed redlined draft - chapter review	January 27, 2021
P&Z Meeting - Reviewed redlined draft - chapter review	February. 24, 2022
P&Z Meeting - Reviewed redlined draft - chapter review	March. 10, 2022
P&Z Meeting - Reviewed redlined draft - chapter review	Mach 29, 2022
Website updated	April 2022
P&Z Meeting - Reviewed redlined draft - chapter review	April 26, 2022
P&Z Meeting - Reviewed redlined draft - chapter review	May 12, 2022

P&Z Meeting - Reviewed redlined draft - chapter review	May 26, 2022
Website updated	June 2022
P&Z Meeting - Reviewed redlined version for recommendation to City Council	July 14, 2022
Finalization of Draft Amendments	
Format finalized	July 2022
Legal Review	August - November 2022
Incorporated legal comments and redraft sections	November – Dec. 2022
Website updated	January 2023
Legal review of major issues and document update for P&Z review	January 2023
Website updated	February 2023
P&Z meeting - reviewed draft	February 9, 2023
Website updated	March 2023
P&Z Recommendation and Council Consideration and Action	
P&Z meeting - made a recommendation to City Council	March 9, 2023
Finalize document for City Council review (incorporate final P&Z and legal comments)	March 31, 2023
Present Amendments to City Council	April 20, 2023
Work session with City Council to discuss the amendments and set public hearing dates	TBD
Incorporate City Council input	TBD
Joint public hearing and adoption	TBD
Continue to update the website	Ongoing

Attachment 2

Fair Oaks Ranch UDC Amendments

Summary of changes after the October meeting of P & Z.

UPDATED - 3/31/2023

All redlined versions were shared with the P & Z throughout the UDC amendment process. An effort has been made to capture all the changes made since October 2022 in this document.

1. Page 1 - 1.1 (2) Revised for consistency with “Words and Terms Not Defined” section in Chapter 12 Definitions (see Sec.12.1(2)).
2. Page 3 -1.5(2) Deleted reference and the non-conforming use language as it is in reference to zoning regulation which the City may not regulate in the ETJ.
3. Page 4 – Sec. 1.8 - Consider using this section for the “Development in Progress” language from previous note. See this is a comprehensive change, can be used as new section since violations are covered in chapter 11.
4. Page 5 – Sec. 1.10 – Violations - Referred to Chapter 11.
5. Page 10 – Section 2.3 Authority of P & Z. Made following change - the appeals language refer to current authority on approvals and appeals.
 Page 16 - *Reverted to original – Require P & Z and CC Approval.*
 There was a revision on page 16 to the summary of review authority chart which is now making development plats administratively approved. There is no support in LGC 212.047. “Approval of Development Plat” for administrative approval.
6. Page 16 - Updated Table 3.1 to be consistent with state statutes.
7. Page 17 – Section 3.3 Simultaneous Submission of Related Applications.
 Deleted - Applications that are subject to statutory limits on action time may be returned if applications that are prerequisite(s) are not approved. (As per statutes.)
 Due to action timeline required by state law, we do not recommend allowing the concurrent submission of sequenced plat applications. May want to consider the following language: Any application that is subject to a prerequisite will not be accepted for processing until all prerequisites are met.
8. Page 19 - 3.4 Revised language for consistency with subparagraphs a & b.
9. Page 19 -3.4 (4) Determination of Application Completeness. Minor edit for consistency with terminology.
10. Page 19 -Vested rights - Revised for consistency with LGC chapter 245.
11. Page 21 – Clarified the date of adoption of subdivision regulations.
12. Page 23 - Section 3.6 Notification – Alternate notification.
 A UDC text amendment may also require mailed notice depending on what is being changed. See court case City of Austin v. Acuna, No. 14-20-00356-CV, 2022 WL 805953 (Tex. App. Mar. 17, 2022).
 The chart indicates “UDC Text Amendment” – depending on the type of amendment mailed notice may be required.
 If the “text amendment” is actually a zoning regulation or zoning boundary then individual notice is required. The alternative form of notice is applicable to a joint meeting before council and P&Z for a zoning item.
 Recommend the line for zoning change remain the same and place a footnote/reference on the UDC Text Amendment to indicate refer to zoning change if applicable.
13. Page 27 – Clarified pre-application conference requirement.

Attachment 2

14. Page 29 – Responsibility for final action. Added language regarding City Council’s authority.
15. Page 29 – Recommend removing the reference to “(who are also resident inside city limits)” in Subsection 4.b.vii. since the requirement is property owner rather than resident.
16. Page 31 – Zoning variances – clarification.
For further clarification, recommend removing the first sentence of the statement in C.iii on page 30, related to zoning variances.
17. Page 31 – Rezoning - Inserted language as Sec.3.4.1.b requires a pre-application conference.
18. Page 31 - Zoning Map Amendment – Rezoning
Revised to include the 20% of property owners being rezoned, since the city council can initiate rezoning.
Clarified - streets and alleys being included in the calculation for consistency with state law.
19. Page 33 -HOA. Revised for consistency with discussion about enforcement of HOA/deed restrictions.
Minor revision - removed the “and” from the end of item 6.
20. Page 37 – Minimum requirements.
21. Page 37 – Non-substantial amendments. Updated based on the legal comment.
Recommend adding as the first statement in subsection h “All other amendments not deemed substantial shall be considered nonsubstantial amendments.”
22. Pages 38 - 39- Platting requirement for sale, conveyance etc. Updated based on the legal comment.
Existing Language - Except for agricultural leases, no land described in this section will be platted or sold, leased, transferred, or developed until the property owner has obtained approval of the applicable Concept Plan, Preliminary Plat, Final Plat or Development Plat from the City Council or the City Manager as required by these regulations.
What can be permitted without a plat. Moved d. under a. Define building permit.
Confirmed - the City may not control the conveyance of property. This statement should be revised to:
No land described in this section may be subdivided or developed until the property owner has obtained approval of the applicable Concept Plan, Plat, or Development Plat from the City Council or the City Manager as required by these regulations.
23. Page 39 – Shot clock provisions. Updated based on the legal comment.
Below is simplified language for conditional approval that may want to consider capture/simplifying the statutory language.
Conditional approval and denial. If the City Council conditionally approves or denies the plat, a written statement must be provided to the applicant clearly articulating each specific condition for the conditional approval or reason for denial. Each condition or reason specified in the written statement may not be arbitrary and must include a citation to the regulation, ordinance, or law that is the basis for the conditional approval or denial.
Applicant response to conditional approval or denial. After the conditional approval or denial of a plat, the applicant may submit a written response that satisfies each condition for the conditional approval or remedies each reason for denial provided. The City Manager is authorized to approve revisions required for conditional approval of the plat. The City Council shall determine whether to approve or deny the applicant's previously denied plat or conditionally approved, if forwarded to the City Council by the

Attachment 2

City Manager. Action shall be taken by the City Manager or City Council no later than the fifteenth (15th) calendar day after the date the response was submitted.

24. Page 42 – Deleted section as per the following legal comment- “Recommend not allowing for a discretionary allowance by the City manager to require a concept plan. If discretion is needed; recommend developing criteria when plan required and what would qualify for wavier of requirement. Additionally, what if someone wants to by-pass this step and go directly to preliminary platting the entire parcel?”
25. Page 42 – Concept Plan – shot clock – added “certification of plat exhibits” process.
26. Page 44 – Removed plat waivers section and moved to page 48.
27. Page 46 – Modified Replat section (approval criteria, notification, certification of exhibits, recordation etc.)
28. Page 48 – Added reference section for temporary use examples.
29. Page 51 – Minor clarification of Special Exception applicability.
30. Page 52 – Removed ETJ reference.
31. Page 53 – Updated to ensure compliance with LGC 211.010(d)).
32. Page 55 – Modified hardship language based on the following legal recommendation.
The following language can be incorporated to for the additional criteria for finding a hardship as applied to a structure:
 - a. Finding of undue hardship as applied to a structure. In considering a judicial variance as applied to a structure, the Zoning Board of Adjustment may consider the following as grounds to determine whether an unnecessary hardship would result from compliance with the UDC:
 - i. The financial cost of compliance is greater than 50 percent of the appraised value of the structure as shown on the most recent appraisal roll certified to the assessor for the municipality under V.T.C.A., Tax Code, § 26.01,;
 - ii. Compliance would result in a loss to the lot on which the structure is located of at least 25 percent of the area on which development may physically occur;
 - iii. Compliance would result in the structure not being in compliance with a requirement of a municipal ordinance, building code, or other requirement;
 - iv. Compliance would result in the unreasonable encroachment on an adjacent property or easement; or
 - v. The city considers the structure to be a nonconforming structure.
33. Page 59 - Newly Annexed Territory - Amended to include a language that the temporary zoning applies unless permanent zoning is requested with the annexation.
34. Page 62 - Residential Districts – Added language to clarify that the City will not force deed restrictions. Clarified to refer to deed restrictions for setback requirements.
35. Page 94 - Table 5.1 and 5.2 - Clarified to refer to deed restrictions for impervious cover requirements.
36. Pages 98- 136 (Chapter 6) - Revised all references be revised to "should" or "may" to avoid any claims of violation of TGC Chapter 3000.
37. Page 124 - Materials -Removed the requirement for approval since these are recommendations.
38. Page 124 - Facade Transparency - All language changed to should and may to avoid a legal challenge.
39. Page 135/136 (chapter 7)– Recommendations.

Attachment 2

The revisions to Sec.7.2.2 Applicability: Updated based on the following legal comment. Still seems ambiguous - recommend adding a definitive statement of when required to avoid a legal challenge:

All developments approved under Conservation Development Alternative shall be required to adhere to Low Impact Development (LID) standards. It is recommended that other developments the City of Fair Oaks Ranch follow the general recommendations set forth in this Section.

40. Page 152 - Revised to require approval or a statement that damaged trees will be treated as required in LGC 212.905, as amended.
41. Page 155 - Denial of Tree Plan - Removed the language that an appeal to a tree plan would allow for the postponement of processing a plat request against the 30-day shot clock.
42. Page 158 - Acceptance of improvements. Removed conflicting provisions. Added reference to chapter 11.
43. Page 159 - Parking - Ensured that parking and use of improved parking surface public parking is addressed.
44. Page 160 - Fiscal Surety and Assurance of Construction and Maintenance – Clarified the language to that the plat will not be recorded unless the Developer has complied with all the requirements for Fiscal Surety.
45. Page 180 – Restrictive Covenant. Updated based on the following legal comment.
The restrictive covenants as listed would require that the City bring a lawsuit against any property owner that failed to comply.
 - a. If sewer system will be extended in the near future, then City may want to make it a requirement that the City taps be installed at time of construction in addition to constructing the OSSF.
 - b. Recommend deleting all references to County regulations unless the City intends to enter into an interlocal agreement for the City to enforce on behalf of the county. In practice this means expending city funds to enforce county regulations.
 - c. Added the county On Site Permit must be presented before installing new or replacement Septic Systems. Section 8.6 (4) f
46. Page 182 – Transferable Water Rights. Updated based on the following legal comment.
This section is likely unenforceable. If the development is within the City's CCN the City is required to provide water. If it cannot, then the developer needs to reconsider. Developer may voluntarily provide a water source to the City to use in the public system but mandating would likely be considered "a taking" – a form of condemnation that requires the City pay the value to the of the water rights to the owner.
Done, changed to "may".
47. Page 220 - Removed language to show conformance to LGC Chapter 3000.
48. Pages 228 – 229 - Removed private restrictions and higher standards subsections to avoid repetitions.
Individual Complaint to City Regarding Violations - Removed as there is reason to codify the complaint process as investigating a complaint is an internal process.
49. Page 230 – modified the right of entry language.
50. Page 230 – Suspension and revocation. Updated based on the following legal comment.

Attachment 2

A variance cannot be revoked by a suspension or revocation. There is case law that allows an SUP to be revoked but in the cases reviewed the SUP was more in line with a Conditional Use Permit. Recommend revising the section to allow for case-by-case review based on facts/circumstances as noted in item below. This will take the guess work out of the provision.

Failure to Comply. When it is determined that there is a failure to comply with any term, condition, or requirement that was a condition of the approval of a variance or special use permit, the City Council may direct the City Manager, City Attorney, or another agent or official to take any enforcement authorized by the UDC or state law.

51. Page 232 – Assessment & Land Use & Zoning. Updated based on the following legal comment. Recommend striking the assessment language. A lien to secure infrastructure for new development would likely be considered a tax and may not be imposed in this manner. City needs to secure other forms of security for developer infrastructure requirement.
52. Page 233 – Removed Notification subsection.
53. Page 234 – Deferring installation of public infrastructure. Updated based on the following legal comment.

If the City would like more discretion on when a project may bond infrastructure and record the plat before construction the infrastructure, consider the following language revision:

Construction of Improvement After Recording Final Plat. The Developer may request to defer the obligation to construct and install one or more public improvements to serve the associated subdivision until after Final Plat recordation. The request shall be submitted in writing and specify what is being requested for deferral. The City Manager or his/her designee, at their discretion, may approve or deny the request to defer installation of public infrastructure improvements. Deferral of the obligation to install public improvements if granted shall be conditioned on the Developer entering into subdivision improvement agreement with the City and posting fiscal surety to assure completion of all construction required under this Code. The following shall be submitted by the Developer and incorporated into the subdivision improvement agreement:

54. Page 235 - Updated based on the following legal comment. Funds to be assigned to a third party for completion of the project; sale of lots.

Per the previous round of comments, the City may not control the right to sale property via ordinance. The “Sale of Lots” provision should be revised to:

Development of Lots. No building permits shall be issued by the City until all utilities are installed and all other improvements required by this Code are made within the block in which said lot is contained. No building permit shall be issued unless all public improvements are completed to serve the lot.

Others:

1. P & Z comment
Recommend - “the county On Site Permit must be presented before installing new or replacement Septic Systems”.
Done. Added -Section 8.6 (4) f.

2. Signage – Discuss all changes.

Discuss overall legal assessment on sign section. Original recommendations to remove content-based regulations are still recommended as it subject the City to potential legal liabilities.

The following recommended changes are being finalized.

- Rewrite definitions to remove reference to content, because of state law.
- Classify signs into the following categories, based on type and location:
 - Temporary signs
 - Signs in residential districts (use), include neighborhood signs and FORHA signs.
 - Signs in non-residential districts (use)
- Regulate Community Signs by zoning districts.
- List all exempt and prohibited in one section.
- Eliminate permits for temporary signs, e.g. Garage Sale signs etc.
- Combine all types of banners. Remove requirements from the ordinance. Refer to the City policy.
- Political signs – Remove requirements from the ordinance. Refer to the City policy/compliance with state law.
- Regulate vehicular signs by type.

The comments received after P & Z Meeting of 2-9-23 and responses (in red text) have been described below:

1. The footers starting 4.2 (3) are labeled Chapter 5
Addressed
2. Section 4.6 (2) Commercial / Mixed Use / Nonresidential Districts
 - a. Mixed Use Village (MU); original wording
Purpose: The Mixed Use Village District (MU) indicates areas within the City of Fair Oaks Ranch where the City allows and encourages a mixture of uses.... Development standards in this district will require new buildings to generally conform to a Hill Country Design aesthetic.... Can we add a definition of the term “Hill Country Design aesthetic” to chapter 12?
Addressed. Already defined under Texas Hill Country Character. Added reference to the Texas Hill Country Character that is defined in Chapter 12 Definitions.

“...Development standards in this district will require new buildings to create pedestrian friendly building frontages and generally conform to a Hill Country Design aesthetic (defined under Texas Hill Country Character in Chapter 12) . Uses within this Zoning District...”

3. Good to see that parking in commercial districts is in back of the buildings. No change required.
4. Table 4.2 - What is the status of gas stations?
Stand alone gas stations were already there. Not permitted as stand alone, as per P & Z’s directive.

Gas Stations (Stand alone, single use buildings)								1 space per 200 sf of usable building area
--	--	--	--	--	--	--	--	--

5. Good definition of light manufacturing.
No change required.

Attachment 2

6. 4.11 (3) Removed reference to Model Homes. Model Homes renewal not addressed in 3.9. Amended. Added the requirement of City's approval for renewal.

Section 4.11 Temporary Uses

- (3) Construction Oversight Offices
A temporary building for use as a construction oversight office is permitted on a twelve-(12) month or shorter basis unless a renewal is approved by the City. One construction oversight temporary building shall be allowed for each builder in a subdivision in which that builder has the authority to construct structures.
7. The footers starting 4.2 (3) are labeled Chapter 5.
Addressed. This was part of formatting that needed to be changed after all comments were incorporated.
8. Section 5.4 (2) Impervious Cover a. Maximum Impervious Cover 4.
Current wording "Put another way: Net Site Area = Gross Site Area – (100-year floodplains +100% at 15% slope or greater outside of floodplain +50% of land area with 15%-25% slopes outside of floodplain)"
Should read: "Put another way: Net Site Area = Gross Site Area – (100-year floodplains +100% **less than 15% slope** outside of floodplain +50% of land area with 15%-25% slopes outside of floodplain)"
Should also add that no building is allowed on slopes greater than 25%.
Addressed as follows:

"Put another way: Net Site Area = Gross Site Area – (100-year floodplains +100% of land at 15% slope or greater outside of floodplain +50% of land area with 15%-25% slopes outside of floodplain). No building is allowed on slopes greater than 25%."
9. Starting with 6.9, the images, drawings, tables, pictures, and many cross-references still have the Chapter 7 numbering.
Addressed
10. Reverse the replacement of "will" and "Shall" with "should" in sections 6.4, 6.5, 6.6, 6.7, 6.8, 6.9.
Addressed
11. Reverse the term "are recommended for" in 6.9.(4) and "it is recommended" in 6.9 (7)
Addressed
12. The 7.2. (3) Design Criteria Discusses Best Management Practices ("BMP") but does not define the BMPs. Is there a reference where the BMPs are listed and defined?
Reference added to the documents listed in the sub-section above.
13. Starting at 7.2 (2) Applicability the footers switch to chapter 8.
Addressed
14. In 8.3 (2) Fiscal Surety and Assurance of Construction and Maintenance, Chapter 12 is still listed as the Compliance and Enforcement chapter. Should read chapter 11.
Addressed
15. In 8.6 (5) Water c ii. Transferable Water Rights. The word "must" was changed to "may" and separately, the term "It is recommended" replaced the word "must" in the second sentence. Making the water rights transferrable mandatory would have saved Fair Oaks Ranch many legal headaches over the past few years and prevented legal problems with the wells. Keep the transferrable mandatory.
Since this type of requirements has been subject to recent challenge, this language was recommended by legal.

Attachment 2

16. Duplication in the table of contents between sheets 134 and 135 call out chapter 8 and repeat chapter 7 contents. Also sheets 136 thru 154 show Chapter 8 on the footer while it is still chapter 7. Is the index not supposed to be sheet numbered? Chapter 8 index replaces sheet 155. In the "CLEAN" version file, chapter 9 is still shown with comments.

Addressed.

11.5 (2) - On sheet 233, (2), c; should the sentences, "After Recording Final Plat. Construction of Improvement After Recording Final Plat." be deleted.

To be addressed as below:

~~c. Construction of Improvement After Recording Final Plat. Construction of Improvement After Recording Final Plat. The Developer may request to defer the obligation to construct and install~~

17. 11.5 (2) Added Site Improvement Trust Agreement (SITA) . Addressed as follows:

ii. Sufficient Fiscal Surety. The City Manager will require sufficient fiscal ~~surety, equalsurety, equal~~ to 120 percent of the estimated total cost of the improvements not yet completed and accepted as complete, to insure the orderly development within any subdivision or site development in the form of either of the following:

1. A performance bond, or

2. An irrevocable letter of credit, equal to 120 percent of the estimated total cost of the improvements not yet completed and accepted as complete. Such letter of credit or bonds will be issued by a financial institution authorized to do business in the State of Texas. ~~In addition, a Site Improvement Trust Agreement (SITA), as approved by the City will be required.~~ Furthermore, the financial institution will be reviewed and approved in advance and the letters of credit or bonds will conform to forms or criteria approved in advance by the City Council; ~~or~~

~~—Or other fiscal surety as approved by the City Manager or his/her designee.~~

18. In the text in Chapter 7, the maximum allowable number of water connections is set by the water plan. The water plan only allows water connections for the gross buildable area divided by the minimum lot size, In the case of the 2/9 handout, this means only 16 water connections are allowed, not the 22 in the proposed.

Engineering staff will explain at the meeting.

19. In 8.6 (5) Water a. General Design Standards: Table 8.2 Minimum Water Service Line Sizes minimum size for a lot with "one user" is 1 inch diameter, The current minimum size for Fair Oaks Ranch Utilities is ¾ inch. Why the change?

Clarification from engineering staff - 3/4" is available for users and is in the impact fees, certain properties can be serviced by a ¾" diameter depending on materials and type of amenity.

20. On sheet 191, A "Licensed Land Surveyor" (LSLS) is a step above a "Registered Professional Land Surveyor" (RPLS). An RPLS should be required. In the same section, we agreed to remove the requirement for 2' iron rods and setting a marker in concrete. Both of these are very difficult in the rocky soils of Fair Oaks Ranch. A 6" bar is sufficient and delete the need for concrete. Should there be a definition of (d) "Markers" and (e) "Corner Markers"?

Addressed as below.

Section 8.8 (1) a. and b.

Section 8.8 Monuments and Survey Control Point Markers

(1) Subdivisions and all lots submitted for plat approval must provide monuments and control points as follows:

- a. ~~Registered Professional Land Surveyor (RPLS) Licensed Land Surveyor~~. All monuments and control points will be placed by a ~~Licensed Land Surveyor, and Surveyor and Registered Professional Land Surveyor (RPLS)~~ must be in place prior to the installation of any roadway improvements.
- b. Locations. To the extent it is practicable, monuments should be installed in locations that will prevent disturbance or destruction of the monument by construction activities. Any monuments disturbed or destroyed during roadway construction will be reestablished in conformance with the provisions of this Code by a ~~Registered Professional Land Surveyor (RPLS) Licensed Land Surveyor~~.

Section 8.8 (1) e.

- e. Corner Markers. Corner markers will be a one-half inch iron rod, or three-fourths inch pipe, two feet in length, and will be installed flush with the ground. Depending on the terrain, a six (6) inch bar is permitted as long as it is set at sufficient depth to retain a stable and distinctive location and be of sufficient size to withstand the deteriorating forces of nature. Corners of all lots, block corners, street right-of-way P.C.s and P.T.s will be marked with corner markers.

21. Re: Provision for City Manager waiver of application requirements - UDC Chapter 2, section 2.3(1)(b)(i) Administrative Procedures Manual

"The Manager may waive application requirements and may require additional submission requirements to complete a thorough review and ensure compliance with all applicable codes and requirements, after an application has been determined to be complete, when appropriate."

Addressed as below. Removed language added to the last draft.

"The Manager may waive application requirements, and may require additional submission requirements to complete a thorough review and ensure compliance with all applicable codes and requirements, after an application has been determined to be complete, when appropriate. Any such waiver of a standard application requirement item(s) is to be documented/reported to the approving authorities."

22. Revised signage chapter based on legal review.

23. Reinserted golf cart parking.

24. Modified the extension of time section as per legal to incorporate shot-clock provision.

Attachment 3

**Planning and Zoning Commission and Staff Feedback
UNIFIED DEVELOPMENT CODE AMENDMENTS - FAIR OAKS RANCH, TEXAS**

Th comments gathered at the work sessions with P & Z and discussion with staff have been listed below. Recommended changes/responses to the UDC are shown in blue text.

TOPIC: PRESERVATION OF CHARACTER AND QUALITY OF LIFE

No clear-cutting of lots, maintain tree canopies - the large oak trees; add 50-foot wooded barrier along arterial roads for both residential and commercial; large setbacks and large lots; main entries to FOR with hill country landscaping; require more green space for new housing developments; not too many parking lots; create an even more walkable neighborhood; like rural character with animals like deer, fox, cows, chickens etc.

Addressed landscaping, increased tree preservation requirements.

TOPIC: THREATS OR OBSTACLES THAT CAN HARM COMMUNITY CHARACTER

Commercial development, multi-family homes, drive-throughs, cookie cutter subdivision, availability of water, outside traffic through our neighborhood.

Added guidelines for drive-throughs; multi-family permitted only in in the Mixed Use district, enhanced tree preservation, buffer, and landscaping requirements, current zoning based on water/sewer capacity.

TOPIC: WHAT TYPE OF HOUSING IS DESIRED AS THE CITY GROWS

Single family, garden style homes around green space, town homes, multifamily, and assisted living in Mixed Use zones.

Mixed Use Village permits varied housing types, no amendments are proposed.

TOPIC: INCORPORATION OF GREENERY AND OPEN SPACE INTO AND DEVELOPMENT TO PRESERVE THE "HILL COUNTRY" CHARACTER RECOMMENDED MEASURES

Natural landscaping and natural surroundings, allow natural ground cover, preserve more of existing trees, natural buffer along arterial and connecting roads, large lots.

Changes proposed to encourage preservation, increase buffer and setbacks from streets, protect trees and natural landscaping.

TOPIC: DEVELOPMENT PATTERNS

Prevent clear cutting along property boundaries, minimum 1 acre lots.

Buffers proposed for Collector and Arterials, added a minimum lot size of ½ acre for conservation Development that allows clustering.

TOPIC: OPEN SPACE AND PRESERVATION TECHNIQUES

Add green spaces, create street-to-building buffers, create consistent tree canopy, minimize impervious cover, restore existing natural areas, combine xeriscaping/traditional landscaping.

Added preservation and buffer requirements, maintained existing standards for MU district.

TOPIC: NEW DEVELOPMENT SHOULD RESPECT THE UNIQUE ARCHITECTURE AND SCALE OF THE REGION. WHAT ELEMENTS CONTRIBUTE TO CHARACTER?

Need more HOA restrictions/rules in new subdivisions, no "modern" or "contemporary" design, adopt commercial design standards from Fredericksburg and Boerne guidelines to preserve Hill Country character, use native materials - cedar, limestone and brown sandstone.

Discussed City's ability to regulate façades. Requirements left in the UDC, based on practices followed by other cities. The requirements cannot be enforced currently, but in case of future changes in state law, the City will be better prepared with regulations in place.

MOBILITY OPTIONS – RECOMMENDATIONS

Prevent drive-through facilities, mandatory sidewalks would be a distraction from the ambience of the City and rural aesthetics, horse and walking / hiking trail expansion within the city, enhance the community's charming lifestyle with lots of walkers, bikers, horses and golf carts. Added guidelines regarding location and buffers. Added requirements for golf cart parking.

TOPIC: ROADWAY STANDARDS, IDENTIFY SCENIC CORRIDORS

Review the need for curbs on large lots, scenic character.

Review city standards and street design guidelines. Added buffers along main arterials.

TOPIC SUPERIOR STANDARDS FOR RESIDENTIAL AND NON-RESIDENTIAL DEVELOPMENT - HIGH RETURN ON INVESTMENT FOR FUTURE AREAS ANNEXED INTO THE CITY

Retain Rural Residential and Neighborhood Residential lot sizes, minimum lot width of 100' +, adopt the Boerne Business commercial standards for Mixed Use buildings and adopt the Fredericksburg Entry Corridor study for the Mixed Use and Logistics zones, maintain the multifamily and apartments exclusively in the Mixed Use Zone, use greenery in parking lots to create beauty, no flag shaped lots, adopt cut & fill requirements.

Added requirements to allow Multi-family and apartments in a mixed use setting. Modified landscaping requirements. Clarified lot depth and width requirements for flag lots.

TOPIC: LANDSCAPE MATERIALS THAT ASSIST IN CREATING A RURAL AMBIANCE AND REINFORCE THE REGION'S SPECIAL CHARACTER

Landscaping materials should encourage native landscape; planting along rural roads should be natural; buffer zones of vegetation in front of all houses and commercial buildings.

Addressed.

TOPIC: PARKING/SCREENING/FENCES AND WALLS

Do not envision large parking lots or commercial spaces (rural bedroom community). No 8-foot tall wood, stucco, iron or metal fences - does not define the Hill Country character and destroys the open country living ambience. Landscape screens are preferred. Permit electrically charged fencing for ranching. Prefer chain-link to wood fencing, as it does not give that "walled-in" look.

Fences are not permitted in the front yard. Generally the height is limited to 6' in other places.

TOPIC: GUIDELINES AND STANDARDS FOR FUTURE - MULTI-GENERATIONAL HOUSING, ACTIVE AND PASSIVE RECREATION, NEIGHBORHOOD RETAIL, CIVIC GATHERING SPACES, CONSERVATION OF NATURAL ASSETS AND RESOURCES

Multigenerational housing is already happening within the City, address the Bed and Breakfast, SRO, and VRBO alternatives. City is too small to offer civic gathering spaces. Conservation of natural assets. Add cut & fill requirements. Provide bike ramps/trail connectivity.

Needs further discussion. Review during the Comprehensive Plan Update process. Currently "guest houses" are permitted as accessory in single family ones. Added minimum lot requirements. Research and discuss alternatives for short term rental.

TOPIC: ON A SCALE OF 1-5, 1 BEING LEAST IMPORTANT, AND 5 BEING MOST IMPORTANT, WHAT IMPORTANT WOULD YOU GIVE TO THESE GOALS

Type of Development	Preferences						
	0	1	2	3	4	5	6
Attract new office development			I	I	II		
Attract new retail development		I	II	I			
Attract new industrial development	II	II					
Attract new residential development		I		I	I		I
Attract new agriculture development				I		III	
Attract new home businesses			I	II			

Support commercial growth on busy thoroughfares; respond to market; maximize sale tax revenue with all remaining retail zoned land; attract new residential development that carries out our rural nature, home businesses are common.

[Needs to be reviewed during the Comprehensive Plan Update process.](#)

TOPIC: CONSIDERATION OF PROACTIVE AND COST-EFFECTIVE INFRASTRUCTURE AND UTILITY PLANNING TO ACCOMMODATE RESILIENCY AND FUTURE GROWTH

Water, wastewater, storm water drainage and road updates to prepare for the future, plan ahead financially to address growth, drainage system that uses low impact sustainable and resilient design, fees for capital investment and operation and maintenance.

[Needs to be reviewed during the Comprehensive Plan Update process.](#)

TOPIC: PROTECTION OF WATER RESOURCES, NATURAL RESOURCES, & WILDLIFE

Invasion of wildlife habitat; protection of water resources.

[Needs to be reviewed during the Comprehensive Plan Update process.](#)

TOPIC: EXAMINATION OF AREAS TO ENSURE COMPATIBILITY WITH ADJACENT MILITARY INSTALLATIONS

Work with the military installations; housing for on-base civilians; dark skies should be honored.

[Dark skies in effect. Needs to be reviewed during the Comprehensive Plan Update process.](#)

TOPIC: DESIGNATION OF HISTORIC DISTRICTS, PROVISIONS, AND HISTORIC STRUCTURES.

Can be restrictive and decrease home values; numerous structures around the ranch could be considered historic and this designation would be a plus for our City's heritage and uniqueness.

[Needs to be reviewed during the Comprehensive Plan Update process.](#)

GENERAL COMMENTS

[Additional review and discussion required on addition of new guidelines. Some addressed.](#)

1. Make the zoning more restrictive, not less.
2. Use the Fredericksburg Entry Corridor and the Boerne 2019 Architectural Commercial styles as the basis of updating the FOR Mixed Use and Logistics Zoning Districts.
3. HOA training – preserve our neighborhoods the community for which we want to be known.
4. Enforcement of UDC requirements.
5. Tree ordinance - retain heritage trees, replace with 2" dia. oaks, they grow fast.

[Addressed.](#)

Attachment 3

6. Consider sound deflecting/aesthetic barriers for Dietz Elkhorn and/or Ralph Fair Rd? Keep walled subdivisions as they are mostly gated anyway.
7. Drive thru no big deal, prevent traffic back up, bigger city issue not for FOR.
[Added standards for stacking lanes.](#)
8. UDC must be kept flexible! Times change! Fluid, a living document.
9. It is always good to have a second team review the document which is now a working document. Improve the document without changing its intent. At this point, I do not believe that the Planning and Zoning Commission is a fair representation of the FOR citizens.
10. Unlike Boerne and Fredericksburg, Fair Oaks Ranch is a bedroom community with few commercial establishments. Based on the community input to the Comprehensive Plan, and the philosophy of all the candidates it is clear that FOR residents do not want large businesses and want to remain predominately single-family residences.
11. Signs: Are the detailed rules on signs really necessary? Prefer a single monument sign. Kingwood and four small businesses at the corner of Dietz-Elkhorn and Fair Oaks Parkway are good examples of minimal signage.
[Changes proposed to ensure conformance with state statutes, add clarifications, and to assist staff in enforcing the requirements. An increase in signage is not proposed.](#)
12. Suggestion: city staff give city council a list of developer requests on a regular basis, so council can see/identify common requests that may not be allowed under current zoning. Based on this reality, cities tend to be constantly tweaking their rules and regs to patch/amend codified “holes” and prevent any future developer “gotchas” they may have been stuck with... to the nth detail.
13. The best developmental architecture in history of man (Eiffel Tower, Acropolis of Athens, Westminster Abbey, The Colosseum, Chrysler Building, etc.) were made/developed with no zoning or building code laws in place. Over regulation not necessary – FOR has, before and after zoning/UBC, first-class quality homes and commercial buildings with the highest quality and “Hill Country” aesthetics.
14. Suggestion for consideration: How about initial informal chats with developers at the first meeting? How about an Ombudsman to assist developers find win-win solutions? Listen to developer’s needs, our needs and find win-win solutions.
15. Since Sept 1, 2019 the new state law regarding “materials and methods”: What updates have we made in the UBC regarding this, if any?
[Discussed and addressed.](#)
16. FOR’s most unique character trait is that it is truly a “bedroom community”, and very proud of that distinction. Review other similar size cities and their zoning and UDC to understand the correlation between land use and development standards and annual revenue from sales tax. Examples: Taylor, Johnson City, Fredericksburg, Bastrop, Blanco, Round Top, Wimberely, Fayetteville, Gonzales, Shiner, Castroville, Hondo, Cinco Ranch, Flower Mound, Frisco, Georgetown, Marble Falls, Port Isabel, Gruene, Smithville, Bandera, Elgin, Lockhart, Llano, Alamo Heights, University Park, Port Aransas, Southlake.
17. Is it possible to “Brand” Fair Oaks Ranch to developers, for a fee? Think Ford trucks branded with King Ranch Edition. To “own” a feeling, sensation, lifestyle & look? Point is, it is OK to think outside the box and be a leader in new/creative city planning ideas vs rehashing regulations from nearby cities – what can we do from a city planning standpoint to “sell” FOR that sets us apart from all the other cities? Sameness is boring. Do we really need to spend time trying to quantify and/or define what “Hill Country” aesthetic is or means? It’s like trying to define love and happiness.

OTHER COMMENTS RECEIVED DURING THE WORKS SESSIONS

June 24, 2021, Rev. July 16, 2021, Rev. August 25, 2021, March 31, 2023

1. Expiration Dates: Recommended 270 days for all applications or shorter, if permitted. [Done](#)
2. Ensure that sequencing of the applications will not slow down the approval process. [Done](#)
3. Add provisions to ensure that the application submittal includes all the necessary supporting information when they reach P&Z. [Done](#)
4. Supported the creation of an Administrative Procedures Manual. [Done](#)
5. Important to make the UDC user-friendly; currently the UDC lacks readability. Improve style and formatting. Ambiguity in the requirements may be costly and result in lawsuits. [Done](#)
6. Review dual driveways and antenna requirements.
7. Wanted P & Z to review the signage standards and see the examples/illustrations. [Done](#)
8. Consider the existing lighting standards in the City due to the proximity to Camp Bullis.
9. Recommended that Rural zoning be retained. Not in favor of reduced density. [Done](#)
10. Sign posting -recommended shifting the sign posting responsibility to the applicant. [Done](#)
11. Recommended that the Amending Plat be approved by P & Z and Council. [Done](#)
12. Recommended that the Conservation Development Alternative (CDA) require minimum 5-acre lots for Rural districts and the following: [Done](#)
 - A minimum lot size requirement be set.
 - The City should have the right to reject the application.
 - Public hearing should be required as part of the approval process.
 - Lot size and zoning standards be in conformance with rural districts.
13. Would like a discussion on the impact on the 2019 legislative changes on the UDC. [Done](#)
14. Requested details on any restrictions to signs - American flag, festival signs? [Done](#)
15. Subdivision Signs: [Done](#)
 - Include signage in the Final Plat approval for P&Z to see the proposed signage.
 - Include the requirement of P&Z approval before the sign installation.
 - Allow developer to modify the previous signage approval without replating.
16. Monument Signs: Recommended to:
 - Add setback and landscaping; list all permitted and prohibited materials. [Done](#)
17. Temporary Signs: Recommended
 - Add definition of temporary and no fees for temporary signs. [Done](#)
 - Add the requirements to include the contact and permit info. for larger signs.
18. Gather input from the City staff to address any issues they have encountered. [Done](#)
19. Traffic Control Signs: Recommended to add standards for traffic and directional signs.
20. Street Matrix and Cross Sections - require street trees and sidewalks for all streets; discuss min. ROW for Arterials; conduct a charette showing this with visuals. Propose a cross section for the TX DOT Ralph Fair Road that will be widened, incorporating bikes, horse trails, etc. to enhance the "Hill Country" character. [MTP update](#)
21. Consider Corridor Overlay District for Ralph Fair road. [Standards added.](#)
22. Add impervious surface restrictions for guest houses. [Done](#)
23. Publish a list of these development agreements on the City of Fair Oaks Ranch web site with a copy of the approved document and a map identifying the boundaries. Include non-annexation agreement, agricultural exemptions, etc. [City staff](#)
24. Frame and adopt engineering standards (Engineering Design Standards Manual) as part of the UDC with input from staff, P & Z, and City Council. [City staff](#)
25. UDC states _ "A source of guidance for such design may be obtained from the *City of New Braunfels Low-Impact Development Design Manual – Create one for Fair Oaks Ranch.*" Is there a need to create one for Fair Oaks Ranch? [City staff](#)

RECOMMENDED GUIDELINES SUGGESTED BY THE P&Z AND STAFF

1. Fredericksburg "Comanche Trace Architectural Guidelines" (Recommended by Boerne UDC Update Committee Chairman). Comanche Trace is a private residential development.
- June 24, 2021, Rev. July 16, 2021, Rev. August 25, 2021, March 31, 2023

2. Boerne Zoning Ordinance 2007.64 FINAL 11.12.2019.
3. UT Austin "Toward a Regional Plan for the Texas Hill Country" (This was shared with P&Z).
4. Fredericksburg Comprehensive Plan 2006
5. Fredericksburg Entry Corridor Design Standards
6. Fredericksburg Mixed Use (MU-1) Zoning Ordinance Appendix B
7. New Braunfels Low Impact Design Manual 2016
8. Branding
9. Designation of historic districts, provisions, and historic structures - review during the Comprehensive Plan Update process.
10. Examination of areas to ensure compatibility with adjacent military installations.
11. Protection of water resources, natural resources, and wildlife.
12. Review JBSA - Joint Base San Antonio guidelines

COMPLETED RECOMMENDATIONS

1. Prepared an Administrative Procedures Manual (APM) and submittal checklists – as required by the UDC. Added Submittal calendars as required by the UDC.



CITY COUNCIL WORKSHOP ITEM

CITY OF FAIR OAKS RANCH, TEXAS

April 20, 2023

AGENDA TOPIC: Comprehensive Plan Review and Adoption Process

MEETING DATE: April 20, 2023

DEPARTMENT: Public Works and Engineering Services

PRESENTED BY: Katherine Schweitzer, P.E., Manager of Engineering Services
Lata Krishnarao, AICP, LEED ND, Consultant, Ardurra

PURPOSE

The purpose of this workshop is to seek City Council guidance and input on the Comprehensive Plan review and adoption process. Direction may include:

- ✓ Desired time frame on project completion.
- ✓ Determination of review performed by City Council and/or Planning and Zoning Commission or an advisory committee.
- ✓ Preferred communication and engagement methods.

Based on council direction, staff will present an updated plan and timeline.

INTRODUCTION/BACKGROUND

The City of Fair Oaks Ranch Home Rule Charter Section 7.13 requires the City Council to review the adopted Comprehensive Plan every two years. The current Comprehensive Plan was adopted in 2018.

Fair Oaks Ranch Home Rule Charter Section 7.13 - City Comprehensive Plan.

- A. *It is the purpose and intent of this section that the City Council establish comprehensive planning as a continuous and ongoing government function in order to promote and strengthen the existing role, processes and powers of the City to prepare, adopt and implement a City Comprehensive Plan to guide, regulate, and manage the future development within the corporate limits and the extraterritorial jurisdiction of the City to assure the most appropriate and beneficial use of land, water, and other natural resources, consistent with the public interest.*
- B. *The City Council shall adopt a Comprehensive Plan which shall be reviewed and adopted no less than every two years.*

Texas state law (Chapter 213, Texas Local Government Code) authorizes cities to develop and implement a comprehensive plan “for the purpose of promoting sound development of municipalities and promoting public health, safety and welfare.” The Local Government Code further states a Comprehensive Plan may address “but is not limited to, provisions on land use, transportation, and public facilities,” operating as a single plan or a series of plans.

A Comprehensive Plan, and the land use maps that emerge from the process, are also critical for zoning and other development regulations.

PURPOSE OF A COMPREHENSIVE PLAN

The purpose of a Comprehensive Plan is to determine community vision, goals, and aspirations regarding community development. It addresses how “...thoughtful design can maintain and improve quality of life for the people who live in Fair Oaks Ranch, and how to balance personal freedom with rules for common protection of property values, safety, and the preservation (and enhancement) of the community character.”

Per the City of Fair Oaks Ranch Comprehensive Plan – “The Comprehensive Plan will help guide where and how the development happens, and to shape the future growth in ways that will complement and protect the values of the existing community, and serve as a foundational rulebook for the landowners, developers, surveyors, engineers, and architects and for the City employees who will shepherd them.”

The Comprehensive Plan is a living document that is intended to:

- Set goals, objectives, and policies for future growth.
- Act as a decision making tool to help evaluate proposals for future development.
- Help to identify and prioritize capital improvement projects.
- Provide a framework for zoning codes and other ordinances.

CURRENT COMPREHENSIVE PLAN (2018)

Background:

2007 Plan: The City of Fair Oaks Ranch adopted a Comprehensive Plan in 2007. In 2016, due to the tremendous growth since 2007, the City realized that the Plan and the land development codes needed to be updated.

2018 Plan: The City adopted the current Comprehensive Plan in June 2018 as part of a mission to strengthen and preserve the City’s character. The current Comprehensive Plan was created by the citizens of Fair Oaks Ranch to reflect the vision of the community. The update process spanned two years (2017-2018) and was led by a 14-member citizen Stakeholder Committee appointed by the City Council who worked with staff and a professional planning team. The citizens and other stakeholders were engaged through workshops, city-wide Town Hall meetings, numerous smaller meetings, planning exercises, multiple City Council and Planning and Zoning Commission meetings and workshops, and community surveys.

Components of the Comprehensive Plan:

The Comprehensive Plan has two broad components:

- Text: The Comprehensive Plan includes description, analysis, and recommendations for the following areas:
 - Natural and manmade constraints
 - Annexation
 - Future Land Use

- Transportation
- Parks and Trails
- Water and Wastewater
- Drainage
- Implementation
- **Maps:** The Comprehensive Plan includes:
 - The Future Land Use Map (FLUM) shows suitable locations in the City for the various land use classifications. The FLUM classifications are used in conjunction with associated text descriptions to assess the types of land uses and development desired for a particular area.
 - Transportation Map
 - Trails map

SCOPE OF THE UPDATE

Typically, the purpose of the update is to ensure that the Comprehensive Plan:

- Is not outdated.
- Appropriately reflects current and anticipated conditions.
- Embodies the vision of the current residents.
- Targets major issues that the City must address, both short and long-term.
- Complies with state statutes and rules, and
- Is consistent with state and regional policy plans.

The scope of the update can range from a complete rewrite of the entire document to amending specific elements of the Comprehensive Plan, such as the Future Land Use Map, Master Thoroughfare Plan, etc. The scope can also include adding elements that were not previously addressed.

Following directives from the City Council, staff will prepare a detailed scope and a work plan.

ADOPTION PROCESS OF COMPREHENSIVE PLAN UPDATE

The Comprehensive Plan Update process requires a public hearing by the Planning and Zoning Commission and the City Council. The City of Fair Oaks Ranch conducts a joint public hearing process with the Planning and Zoning Commission and the City Council. After the joint public hearing, the Planning and Zoning Commission will forward their recommendation to the City Council. The City Council will consider the Planning and Zoning Commission's recommendation and take final action on the proposed amendments.

PUBLIC NOTIFICATION AND ENGAGEMENT

Notification: In addition to the joint public hearing, public notice(s) published in an official newspaper as required by the City Charter and the Texas Local Government Code will be met.

Public engagement: In addition to notification requirements, numerous avenues for meaningful public engagement and involvement can be incorporated in the process to engage the public in this update, as directed by the City Council. Some examples are:

- Town Hall: City-wide Town Hall meetings to hear all residents and stakeholders.
- Focus group meetings, charettes, and workshops: Held in a range of venues, including municipal buildings, churches, and digital formats if needed.
- Citizen Advisory Committee: Composed of various citizens and representatives of key stakeholder groups within the city and other agencies, working with staff and consultants to help guide the plan development process and provide feedback and direction.
- Printed materials: Distribution of flyers through local businesses, utility bills, school notices, homeowner's associations, etc.
- Social media posts: Use Facebook, Nextdoor, and other social media platforms.
- On-demand community engagement platforms: Use of Zoom, Microsoft Teams, and online survey platforms through computers or smart phones to engage and solicit input from the community.
- Project Newsletters: Provide periodic updates to keep stakeholders informed.

FUNDING

As the City anticipated this update, allocated funds were budgeted. It was also anticipated that this effort would be undertaken with consultant and staff collaboration.

TIME FRAME

The time required to undertake this update will be based on the scope of work identified by the City Council. The proposed work plan is an example of a process that anticipates a 4-5 month process.

PROPOSED WORK PLAN

STEP 1 - City Council Directive	
Workshop with City Council (kick-off)	
*Purpose and need	
*Scope	
*Consultant and staff collaboration	
*Process	
STEP 2 – Mobilization	Month 1
Finalize detailed work plan with staff	
Advisory Committee formation (if directed by City Council) *	
Activation – City and FORHA website, newsletter, media, on-line forums, etc.	
STEP 3 – Identification of Issues	Month 2
Data collection & research	
Stakeholder interviews, listening sessions	
Draft summary of findings, current conditions and issues	
Advisory Committee meeting - #1	
Townhall meeting - #1	
Work session with City Council and P & Z - #1	
Updates on websites, newsletter, media, on-line forums, etc.	
STEP 4 – Draft Recommendations	Month 3
Prepare draft recommendations	
Advisory Committee meeting - #2	
Work session with City Council and P & Z - #2	
Staff and legal review	
Updates on websites, newsletter, media, on-line forums, etc.	
STEP 5 – Draft Plan & Implementation Strategy	Month 4
Prepare Draft Plan and Implementation Strategy	
Advisory Committee Meeting - #3	
Updates on websites, newsletter, media, on-line forums, etc.	
STEP 6 – Finalization & Adoption	Month 5
Finalize Draft Plan with legal & staff input (as required)	
Public Hearing & adoption	
Final report, (hard copies & online interactive version)	
Updates on websites, newsletter, media, on-line forums, etc.	

* Number of meetings may be reduced if Planning and Zoning Commission is designated as the Advisory Committee.



CITY COUNCIL WORKSHOP ITEM

CITY OF FAIR OAKS RANCH, TEXAS

April 20, 2023

AGENDA TOPIC: FY 2024-28 Five-Year Financial Plan

DATE: April 20, 2023

DEPARTMENT: Finance

PRESENTED BY: Scott M. Huizenga, Assistant City Manager

INTRODUCTION/BACKGROUND:

Long-term financial planning is essential to the stability and sustainability of every city. The City currently has several long-range plans that inform the budget and policy processes including a Comprehensive Plan, a Master Transportation Plan, the Strategic Action Plan, and the Capital Improvements Plan. One piece missing from the planning cycles has been a long-term financial plan that *links* long-term policies and plans directly to the annual budget.

Staff presented the *draft* Five-Year Financial Plan at the March 2, 2023 Council Meeting as a workshop item. The plan, as presented, includes a baseline scenario with two alternates. Based on Council discussion this workshop will discuss the baseline assumptions of the operating budget in the plan. The intent following this workshop is to propose a formal Five-Year Financial Plan for Council consideration at the May 4, 2023, City Council meeting in conjunction with the 2nd Quarter Financial Report. The Five-Year Financial Plan would then form the basis for the annual FY 2023-24 Budget discussions as well as the long-term financial direction for the City.

The primary operating budget assumptions in the Baseline Scenario include the following.

Revenue

- 3.5% increase in Property Tax revenue (voter-approval rate) each year based on total taxable 3.0% increase in Sales Tax revenue each year
- 3.0% increase in Sales Tax revenue each year
- 1.5% increase for all other lines

Expenditures

- 2.5% increase in wages for employee merit
- 2% Cost of Living Adjustment (COLA) each year
- 5% increase in health insurance costs
- 5% increase in software subscriptions
- 5% increase in facility and engineering contracts
- 5% increase in fuel for PD and Maintenance
- 2% increase in all other costs
- No change in Street Maintenance of \$1 million per year

- No new employees throughout the forecast period
- No new capital or strategic projects (not already in approved CIPs)
- No new equipment purchases except life-cycle replacements in the Equipment Replacement Fund

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

Priority 1.2 of the Strategic Action Plan is to develop a Five-Year Forecast. The Five-Year Financial Plan provides residents, the City Council, and staff with the analysis and direction to make informed decisions regarding long-term financial policies for operations and capital improvements. The plan provides the link between the strategic plan and the annual budget.

However, the Five-Year Financial Plan is not a *forecast*. It is not meant to predict exactly what will happen in the future. However, it is intended to provide outcomes *given certain sets of assumptions*. The financial plan should be considered a living document. It is intended to be enhanced consistently with updated assumptions based on policy direction and new information.

LONG-TERM FINANCIAL & BUDGETARY IMPACT:

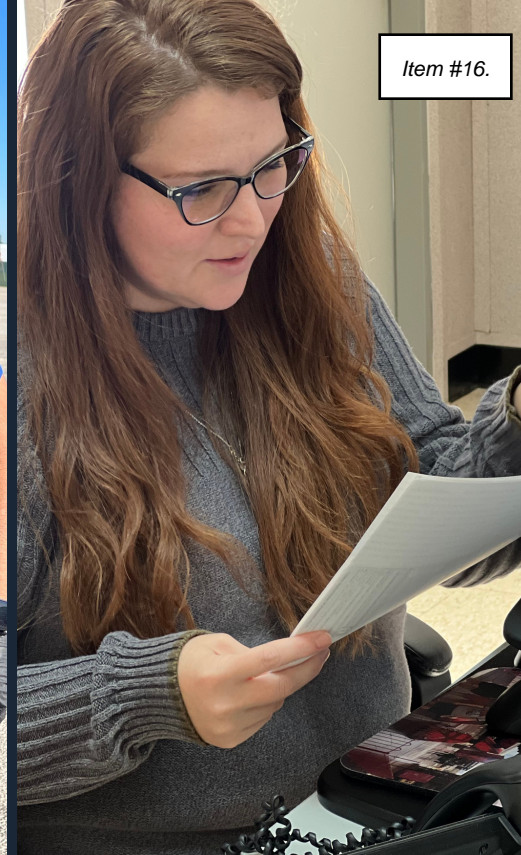
The Five-Year Financial Plan *operationalizes* the Strategic Plan through every pillar, priority, and project as adopted by the City Council.

LEGAL ANALYSIS:

None required.

RECOMMENDATION/PROPOSED MOTION:

This review of the Five-Year Financial Plan is a workshop item with no Council action required. The direction from this workshop will inform the presentation to Council of the updated Five-Year Financial Plan on May 4, 2023. The City Council will have the opportunity at the meeting and throughout the budget cycle to provide input on scenarios, assumptions, and outputs on the plan that will directly impact the FY 2023-24 Annual Budget and beyond.



Item #16.



FIVE-YEAR FINANCIAL PLAN

FY 2024-2028



Page 108

FIVE-YEAR FINANCIAL PLAN

Long term planning is essential to the stability and sustainability of every city. The City of Fair Oaks Ranch has had a Strategic Plan for several years now but has not had a tool to weigh the impact of various assumptions beyond the immediate annual budgeting process. Developing a five-year financial plan is a key piece of the planning process. The plan projects revenues, expenditures and other factors that will have impacts on our financial health given specified assumptions. This five-year financial plan will help staff address the long-term objectives and priorities set forth by the City Council and provide a guide for future decision making. This planning model looks at future trends, assesses areas of potential trouble, and helps the City develop tools to achieve our goals and vision while maintaining our fiscal health.

The Baseline Scenario estimates future revenues and expenditure trends using assumptions with high probability and likelihood. The basis for this model is the FY 2022-23 Adopted Budget less one-time revenues and expenditures.



Figure 1: Planning and Budgeting Cycle

Scenarios

This model can generate alternative scenarios by taking the baseline and adding a variety of “what if” assumptions such as amending the capital improvements plan (CIP), incorporating debt for high-priority projects, adding new programs, and adjusting for inflation, salary and benefits changes, and more. The more reasonable or likely the assumption, the more useful the scenario will be for future planning.

This planning model is not a static document. It will be updated regularly, and the assumptions will shift with the economic and programmatic trends that impact our revenues and expenditures. The model is not meant to predict exactly what will happen in the future. However, it is intended to provide an outcome *given a certain set of assumptions*. It is one tool of many that can guide the Council when making policy decisions for the future of the City.

BASELINE SCENARIO

The planning model begins with a Baseline Scenario, which uses assumptions that we can ascertain with reasonable certainty using conservative assumptions. The Baseline Scenario uses the Adopted FY 2022-23 Budget with the following assumptions going forward:

Expenditures

- No new employees throughout the forecast period
- Wage increases for all employees grow with a 2.0% cost of living adjustment and 2.5% merit increases per year

- Employer insurance premiums increase 5.0% per year
- All software subscriptions increase 5.0% per year
- All facility and engineering contracts increase 5.0% per year
- All other operational costs increase 2.0% per year
- No new capital or strategic projects not already approved in the CIP or strategic plan (SAP)
- No new equipment purchases except life-cycle replacements in the Equipment Replacement Fund

Revenue

- Property Taxes increase by the voter-approval rate, maximum rate of 3.5% per year
- Sales Tax revenue increases 3.0% per year
- Other revenue sources increase 1.5% per year

SCENARIO 1

Includes assumptions in the baseline scenario plus the following:

- Modifying the CIP/SAP project schedule to allow for Pay-As-You-Go (PAYGO) Funding without depleting the operating reserve to zero. This involves pushing the timeline for approved projects out to future years beyond the original scope of the CIP.

SCENARIO 2

Includes assumptions in the baseline scenario plus the following:

- Incorporating an \$18 million bond program disbursed in three tranches, with 20-year terms at 3.5% interest.

	BASELINE	SCENARIO 1	SCENARIO 2
Property tax increase 3.5%/yr.	X	X	X
Sales tax increase 3.0%/yr.	X	X	X
Salary increases 2.0% COLA+2.5% Merit/yr.	X	X	X
Health Insurance Premium increase 5.0%/yr.	X	X	X
Operational Costs increase 2.0%/yr.	X	X	X
Contract Services increase 5.0%/yr.	X	X	X
No new capital purchases	X	X	X
No new FTEs	X	X	X
Capital Projects in approved CIPs funded with cash	X	X	
Capital Projects in approved CIPs proceed on original timeline	X		X
Capital Schedule Adjusted by pushing projects to future years		X	
GO Bond to fund approved CIP Projects			X

Baseline Scenario

Assumptions

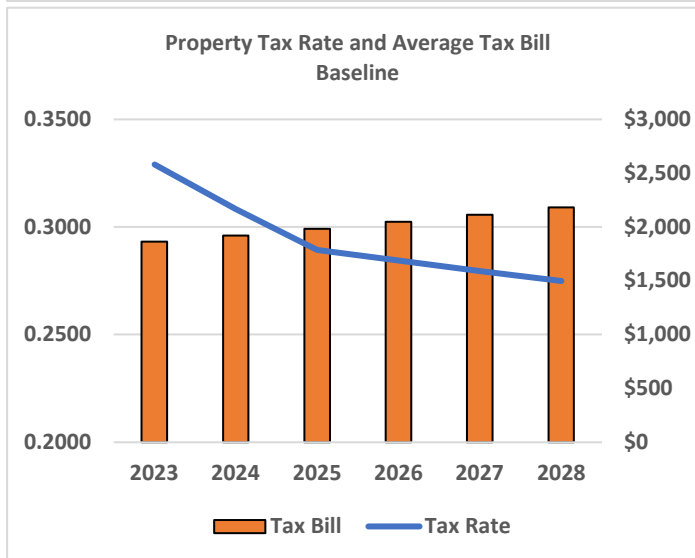
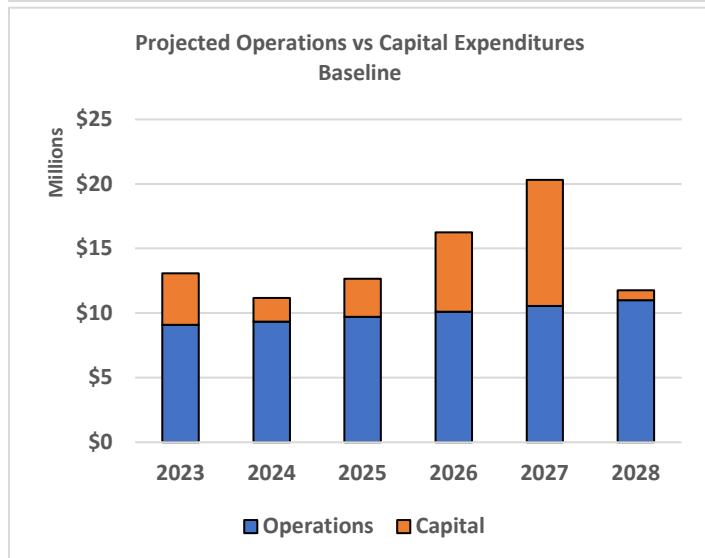
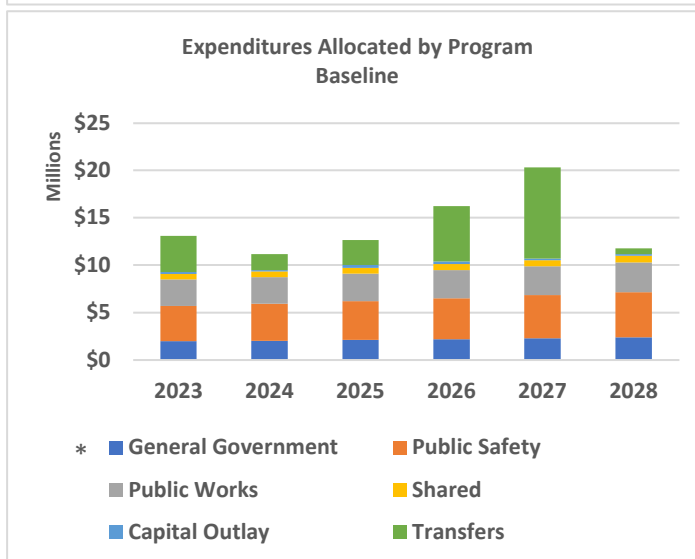
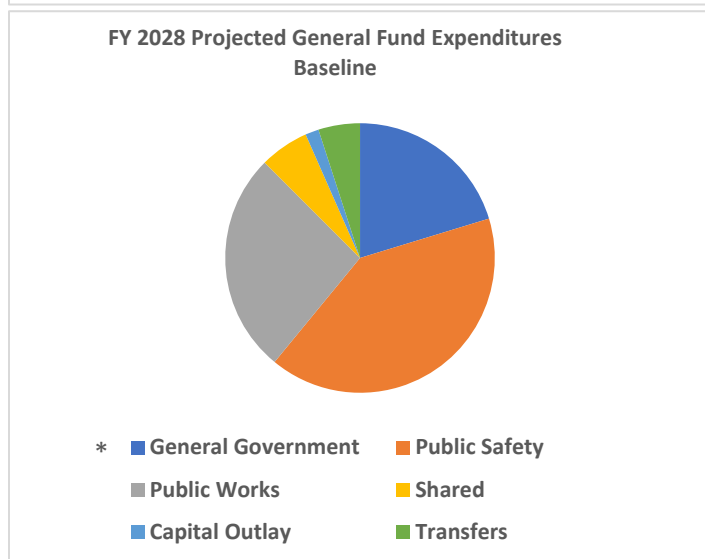
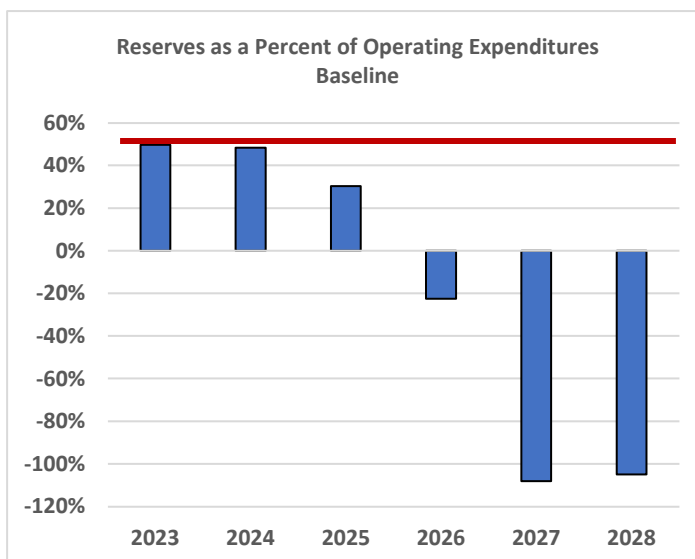
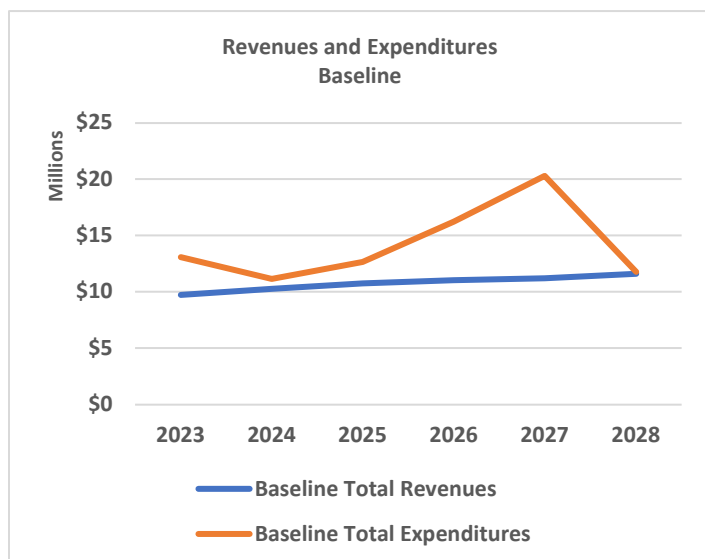
Revenue

- 3.5% increase in Property Tax revenue (voter-approval rate) each year based on total taxable valuation percentage increases of 10%/10%/5%/5%/5%
- 3.0% increase in Sales Tax revenue each year
- 1.5% increase for all other lines

Expenditures

- 2.5% increase in wages for employee merit
- 2% Cost of Living Adjustment (COLA) each year
- 5% increase in health insurance costs
- 5% increase in software subscriptions
- 5% increase in facility and engineering contracts
- 5% increase in fuel for PD and Maintenance
- 2% increase in all other costs
- No change in Street Maintenance of \$1 million per year
- No change in Drainage budget of \$50,000 per year
- Assumes Unified Development Code (UDC) process completed FY2023
- 5% increase each year in IT workstation replacement budget starting with \$20K
- No new employees throughout the forecast period
- No new capital or strategic projects (not already in approved CIPs)
- No new equipment purchases except life-cycle replacements in the Equipment Replacement Fund

Baseline Scenario Dashboard



*General Government: Admin, City Sec, HR, Finance, IT and Municipal Court
Shared: IT shared services and Non-Departmental shared

Public Works: Maintenance, Building Codes and Engineering
Transfers include General Fund transfers to the Strategic Projects and ERF Funds

FY 2024-28 Financial Plan Baseline Scenario by Program

	2023 <i>Budgeted</i>	2023 <i>Projected</i>	2024	2025	2026	2027	2028
GENERAL FUND - BASELINE							
Beginning Fund Balance	8,780,175	8,780,175	5,907,078	4,994,334	3,086,123	(2,138,863)	(11,236,072)
Revenue							
PROPERTY TAX	6,204,433	6,204,433	6,656,302	6,888,156	7,128,108	7,376,442	7,633,450
MIXED BEVERAGE	25,000	25,000	25,250	25,503	25,758	26,015	26,275
SALES TAX	1,733,683	1,733,683	1,785,693	1,839,264	1,894,442	1,951,275	2,009,814
BANK/INVESTMENT INTEREST	72,000	372,000	73,080	74,176	75,289	76,418	77,564
FRANCHISE FEES	692,050	731,050	702,431	712,967	723,662	734,517	745,534
PERMITS	309,075	309,075	313,711	318,417	323,193	328,041	332,962
ANIMAL CONTROL	1,135	1,135	1,152	1,169	1,187	1,205	1,223
FINES & FORFEITURES	176,300	176,465	178,945	181,629	184,353	187,118	189,925
FEES & SERVICES	277,903	277,903	282,072	286,303	290,597	294,956	299,380
MISCELLANEOUS	110,505	176,655	108,509	110,136	111,788	113,465	115,167
SCHOOL CROSSING GUARD	10,665	10,665	10,825	10,987	11,152	11,319	11,489
LEOSE PROCEEDS	1,850	1,850	1,850	1,850	1,850	1,850	1,850
POLICE SEIZED PROCEEDS	-	235	-	-	-	-	-
Transfer In							
CAPITAL REPLACEMENT	125,000	286,549	108,925	295,975	244,145	105,475	165,138
Total Revenue	9,739,599	10,306,698	10,248,744	10,746,532	11,015,524	11,208,097	11,609,772
Expenditures by Program							
General Government							
PERSONNEL	1,476,669	1,467,452	1,543,295	1,613,010	1,685,897	1,762,101	1,841,772
SUPPLIES & OPERATIONS	74,429	74,429	32,520	33,044	33,577	34,119	34,671
PROFESSIONAL SERVICES	437,221	446,901	444,704	459,822	475,606	492,086	509,296
Public Safety							
PERSONNEL	2,816,482	2,880,389	2,942,014	3,073,187	3,210,259	3,353,497	3,503,183
SUPPLIES & OPERATIONS	113,100	114,673	111,942	116,099	120,435	124,958	129,677
PROFESSIONAL SERVICES	772,944	772,294	862,647	916,137	986,415	1,062,261	1,144,118
Public Works							
PERSONNEL	1,296,015	1,260,474	1,354,354	1,415,347	1,479,116	1,545,787	1,615,493
SUPPLIES & OPERATIONS	1,196,095	1,244,866	1,190,042	1,193,205	1,196,449	1,199,778	1,203,193
PROFESSIONAL SERVICES	321,427	321,462	256,836	268,252	280,212	292,742	305,870
Shared Services							
PERSONNEL	145,194	-	151,728	158,555	165,690	173,147	180,938
SUPPLIES & OPERATIONS	4,150	4,150	4,222	4,295	4,370	4,447	4,525
PROFESSIONAL SERVICES	423,667	424,310	432,673	450,046	468,202	487,179	507,017
Total Operating Expenditures	9,077,393	9,011,400	9,326,977	9,701,002	10,106,230	10,532,102	10,979,753

	2023	2023	2024	2025	2026	2027	2028
	Budgeted	Projected					
GENERAL FUND - BASELINE							
Capital Outlay							
GENERAL GOVERNMENT	15,000	15,000	20,000	21,000	36,105	23,153	24,310
PUBLIC SAFETY	149,950	268,090	120,000	120,000	120,000	120,000	125,000
PUBLIC WORKS	32,000	87,814	25,000	179,408	110,796	-	39,970
SHARED SERVICES	-	-	-	-	-	-	-
Transfers Out							
TRANSFER TO CAP IMP FUND	3,442,995	3,442,995	1,359,003	2,322,825	5,556,871	9,319,543	275,914
TRANSFER TO VEH/EQUIP FUND	354,495	354,495	310,508	310,508	310,508	310,508	310,508
Total Expenditures	13,071,833	13,179,795	11,161,488	12,654,743	16,240,510	20,305,305	11,755,455
Excess (deficiency) of revenues over (under) expenditures	(3,332,234)	(2,873,097)	(912,744)	(1,908,211)	(5,224,986)	(9,097,209)	(145,683)
Ending Fund Balance	5,447,941	5,907,078	4,994,334	3,086,123	(2,138,863)	(11,236,072)	(11,381,755)
Restricted Reserves	97,606	97,606	97,606	97,606	97,606	97,606	97,606
Legal Reserve	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Unallocated Reserve Balance	795,014	1,254,151	341,407	-	-	-	-
Operating Reserve Balance	4,505,321	4,505,321	4,505,321	2,938,517	(2,286,469)	(11,383,678)	(11,529,361)
Percent of Operating Expenditures	49.6%	50.0%	48.3%	30.3%	-22.6%	-108.1%	-105.0%

FY 2024-28 Financial Plan Baseline Scenario by Category

	2023	2023	2024	2025	2026	2027	2028
	<i>Budgeted</i>	<i>Projected</i>					
GENERAL FUND - BASELINE							
Beginning Fund Balance	8,780,175	8,780,175	5,907,078	4,994,334	3,086,123	(2,138,863)	(11,236,072)
Revenue							
PROPERTY TAX	6,204,433	6,204,433	6,656,302	6,888,156	7,128,108	7,376,442	7,633,450
MIXED BEVERAGE	25,000	25,000	25,250	25,503	25,758	26,015	26,275
SALES TAX	1,733,683	1,733,683	1,785,693	1,839,264	1,894,442	1,951,275	2,009,814
BANK/INVESTMENT INTEREST	72,000	372,000	73,080	74,176	75,289	76,418	77,564
FRANCHISE FEES	692,050	731,050	702,431	712,967	723,662	734,517	745,534
PERMITS	309,075	309,075	313,711	318,417	323,193	328,041	332,962
ANIMAL CONTROL	1,135	1,135	1,152	1,169	1,187	1,205	1,223
FINES & FORFEITURES	176,300	176,465	178,945	181,629	184,353	187,118	189,925
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MISCELLANEOUS	110,505	176,655	108,509	110,136	111,788	113,465	115,167
SCHOOL CROSSING GUARD	10,665	10,665	10,825	10,987	11,152	11,319	11,489
LEOSE PROCEEDS	1,850	1,850	1,850	1,850	1,850	1,850	1,850
POLICE SEIZED PROCEEDS	-	235	-	-	-	-	-
Transfer In							
CAPITAL REPLACEMENT	125,000	286,549	108,925	295,975	244,145	105,475	165,138
Total Revenue	9,739,599	10,306,698	10,248,744	10,746,532	11,015,524	11,208,097	11,609,772

Expenditures by Category

Personnel							
SALARIES	4,160,870	4,064,264	4,348,109	4,543,774	4,748,244	4,961,915	5,185,201
OVERTIME	41,296	59,659	43,084	45,010	47,023	49,126	51,324
PAYROLL TAXES	311,818	314,738	325,689	340,182	355,324	371,145	387,676
WORKERS' COMP INSURANCE	108,212	79,469	109,835	111,483	113,155	114,852	116,575
RETIREMENT	477,609	487,303	499,101	521,561	545,031	569,558	595,188
HEALTH INSURANCE	600,355	568,681	630,373	661,891	694,986	729,735	766,222
UNIFORM ALLOWANCE	27,000	27,000	28,000	29,000	30,000	31,000	32,000
CAR ALLOWANCE	7,200	7,200	7,200	7,200	7,200	7,200	7,200
Supplies, Maintenance and Operations							
SUPPLIES & CONSUMABLES	30,340	30,340	30,947	31,566	32,197	32,841	33,498
MINOR EQUIPMENT & FURNITURE	49,770	51,343	44,225	45,110	46,012	46,932	47,871
FUEL	56,600	56,600	59,273	62,077	65,018	68,102	71,338
UNIFORMS	33,160	33,160	28,300	28,839	29,389	29,950	30,522
MISCELLANEOUS	550	550	550	550	550	550	550
COMMITTEES	2,500	2,500	2,538	2,576	2,614	2,653	2,693
COURT SECURITY BUILDING	58,724	58,724	6,090	6,181	6,274	6,368	6,464
VEHICLE MAINTENANCE/REPAIRS	30,880	30,880	32,124	33,424	34,783	36,204	37,690
EQUIPMENT MAINTENANCE/REPAIRS	14,500	14,500	13,260	13,525	13,796	14,072	14,353

	2023 <i>Budgeted</i>	2023 <i>Projected</i>	2024	2025	2026	2027	2028
GENERAL FUND - BASELINE							
BUILDING MAINTENANCE/REPAIRS	17,250	17,250	16,595	16,927	17,265	17,611	17,963
LANDSCAPING & GREENSPACE MAINT	5,500	5,500	5,610	5,722	5,837	5,953	6,072
STREET MAINTENANCE	1,038,000	1,086,771	1,038,760	1,039,535	1,040,326	1,041,132	1,041,955
DRAINAGE WORK	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Professional Services							
PROFESSIONAL SERVICES	1,277,449	1,277,449	1,299,604	1,375,457	1,469,224	1,569,740	1,677,508
DUES/SUBSCRIPTIONS	16,850	16,885	17,131	17,418	17,710	18,008	18,312
TRAINING/SEMINARS & TRAVEL	112,551	112,551	114,662	116,815	119,012	121,252	123,537
MEETINGS & RELATED TRAVEL	22,823	22,923	23,043	23,268	23,498	23,732	23,970
PUBLIC RELATIONS & EVENTS	55,234	55,234	56,234	57,253	58,293	59,354	60,436
EMPLOYEE APPRECIATION	14,710	14,710	14,938	15,171	15,408	15,651	15,898
ELECTIONS	7,000	16,580	14,000	14,000	14,000	14,000	14,000
RECORDING / REPORTING	10,000	10,000	10,000	10,000	10,000	10,000	10,000
EMPLOYMENT COSTS	2,975	2,975	3,035	3,095	3,157	3,220	3,285
INVESTIGATIONS	9,500	9,500	9,690	9,884	10,081.48	10,283.11	10,488.77
LEOSE TRAINING	2,500	1,850	1,850	1,850	1,850	1,850	1,850
Shared Services							
FACILITY CONTRACTS & SERVICES	86,985	86,985	83,334	87,501	91,876	96,470	101,293
TECH/INTERNET/SOFTWARE MAINT	197,440	197,440	207,312	217,678	228,561	239,990	251,989
POSTAGE	5,625	5,625	5,738	5,852	5,969	6,089	6,210
GENERAL LIABILITY INSURANCE	56,560	57,203	57,691	58,845	60,022	61,222	62,447
ELECTRICITY	40,000	40,000	40,800	41,616	42,448	43,297	44,163
PHONE/CABLE/ALARMS	37,057	37,057	37,798	38,554	39,325	40,112	40,914
Total Operating Expenditures	9,077,393	9,011,400	9,326,977	9,701,002	10,106,230	10,532,102	10,979,753
Capital Outlay							
FURNITURE, FIXTURES & EQUIP	196,950	370,904	165,000	320,408	266,901	143,153	189,280
Transfers Out							
TRANSFER TO CAP IMP FUND 02	3,442,995	3,442,995	1,359,003	2,322,825	5,556,871	9,319,543	275,914
TRANSFER TO VEH/EQUIP FUND 31	354,495	354,495	310,508	310,508	310,508	310,508	310,508
Total Expenditures	13,071,833	13,179,795	11,161,488	12,654,743	16,240,510	20,305,305	11,755,455
Excess (deficiency) of revenues over (under) expenditures	(3,332,234)	(2,873,097)	(912,744)	(1,908,211)	(5,224,986)	(9,097,209)	(145,683)
Ending Fund Balance	5,447,941	5,907,078	4,994,334	3,086,123	(2,138,863)	(11,236,072)	(11,381,755)
Restricted Reserves	97,606	97,606	97,606	97,606	97,606	97,606	97,606
Legal Reserve	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Unallocated Reserve Balance	795,014	1,254,151	341,407	-	-	-	-
Operating Reserve Balance	4,505,321	4,505,321	4,505,321	2,938,517	(2,286,469)	(11,383,678)	(11,529,361)
Percent of Operating Expenditures	49.6%	50.0%	48.3%	30.3%	-22.6%	-108.1%	-105.0%

FY 2024-28 Strategic Plan - Baseline Scenario

		2023	2024	2025	2026	2027	2028
RELIABLE AND SUSTAINABLE INFRASTRUCTURE							
3.3.2	Drainage 7840 Silver Spur Trail (Drainage CIP # 17)	601,000	-	-	-	-	-
3.3.3	Drainage 29010 Tivoli Way (Drainage CIP #34)	456,000	-	-	-	-	-
3.3.5	Drainage 8410 Noble Lark Dr. (CIP# 36)	-	-	-	-	223,066	-
3.3.6	Drainage 29314 Sumpter Drive (CIP# 32)	-	-	-	61,829	159,333	-
3.3.7	Drainage 7967 Turf Paradise Lane (Drainage CIP #37)	85,031	232,757	-	-	-	-
3.3.9	Drainage 7820 Rolling Acres Trail (Drainage CIP #5)	606,000	-	-	-	-	-
3.3.11	Drainage Ammann Road Low Water Cross (CIP# 1)		55,275	55,275	506,892	506,892	-
3.3.12	Drainage 8426 Triple Crown (CIP# 41)		56,450	145,473	-	-	-
3.3.13	Drainage 7420 Rolling Acres Trail (CIP#6)	-	-	103,869	103,869	275,914	275,914
3.3.14	Drainage 8472 Rolling Acres Trail (CIP# 2)	-	-	-	61,829	159,333	-
3.3.15	Drainage 31988 Scarteen (CIP# 44)	-	-	23,993	61,829	-	-
3.3.16	Drainage 7644 Pimlico Lane (CIP# 46)	-	-	23,993	61,829	-	-
3.3.17	Drainage 8040 Rolling Acres Trail (CIP# 4)	-	-	-	61,829	159,333	-
3.3.18	Drainage 7740 Pimlico Lane (CIP# 42)	-	-	-	24,732	63,733	-
3.3.19	Drainage 32030 Scarteen (CIP# 53)	-	-	-	61,829	159,333	-
3.3.20	Drainage 8312 Triple Crown (CIP #43)	-	-	-	61,829	159,333	-
3.3.22	Drainage 28907 Chartwell Lane (CIP #35)	-	-	-	61,829	159,333	-
3.3.23	Drainage 8622 Delta Dawn (CIP# 15)	-	-	-	61,829	159,333	-
3.3.24	Drainage 8037 Rock Oak Circle (CIP# 58)	-	-	-	24,732	63,733	-
3.4.10	Dietz Elkhorn Roadway reconstruction	245,915	241,416	1,609,436	1,609,436	-	
3.4.11	Ammann Rd Roadway reconstruction	-	365,286	360,786	2,405,239	2,405,239	
3.4.12	Rolling Acres Roadway reconstruction	-	-	-	325,510	4,665,635	
3.4.13	Post Oak Tr Roadway reconstruction, TxDoT Grant	875,000	-	-	-	-	
3.4.14	Connect sidewalk between Elkhorn Ridge subdivision	41,282	367,819	-	-	-	
3.4.15	Battle Intense Reconstructing sidewalk curb.	54,500	-	-	-	-	
3.5.5	Develop plan for a civic center building and campus	412,815					
PUBLIC HEALTH, SAFETY, AND WELFARE							
4.2.1	Develop a standards of cover and utilization study	18,000					
OPERATIONAL EXCELLENCE							
5.3.3b	3rd Party Scanning of City Records	40,000					
5.3.12	Implement Fuel Station for City Fleet Vehicles	50,000					
5.5.31	IT Penetration Testing		40,000				
Total Needed to Fund Projects		3,485,543	1,359,003	2,322,825	5,556,871	9,319,543	275,914

FY 2024-28 Estimated Tax Rates Baseline Scenario

	<u>Current FY 22-23</u>	<u>FY 23-24</u>	<u>FY 24-25</u>	<u>FY 25-26</u>	<u>FY 26-27</u>	<u>FY 27-28</u>
Tax Rate/\$100 Valuation						
General Fund (M&O)	0.3023	0.2844	0.2676	0.2638	0.2600	0.2563
Debt Service Fund (I&S)	0.0268	0.0238	0.0216	0.0206	0.0195	0.0186
Total Tax Rate	0.3291	0.3083	0.2893	0.2844	0.2795	0.2750
Total Taxable Valuation	2,109,584,004	2,320,542,404	2,552,596,645	2,680,226,477	2,814,237,801	2,954,949,691
M&O Tax Rate/\$100 Valuation	0.3023	0.2844	0.2676	0.2638	0.2600	0.2563
Total M&O Levy	6,377,272	6,600,477	6,831,494	7,070,596	7,318,067	7,574,199
% Increase in M&O Levy		3.50%	3.50%	3.50%	3.50%	3.50%
Total Taxable Valuation	2,109,584,004	2,320,542,404	2,552,596,645	2,680,226,477	2,814,237,801	2,954,949,691
I&S Tax rate/\$100 Valuation	0.0268	0.0238	0.0216	0.0206	0.0195	0.0186
Total I&S Levy	565,959	553,163	552,475	550,950	548,575	550,888
Total Levy (100%)	\$ 6,943,232	\$ 7,153,639	\$ 7,383,969	\$ 7,621,546	\$ 7,866,642	\$ 8,125,087
Yr. over Yr. increase (decrease)	\$	210,408	\$	230,329	\$	237,577
					\$	245,096
						\$ 258,445
Ave Home Taxable Value	566,488	623,137	685,450	719,723	755,709	793,495
Average Tax Bill	\$ 1,864	\$ 1,921	\$ 1,983	\$ 2,047	\$ 2,112	\$ 2,182

Scenario 1: Pay as You Go

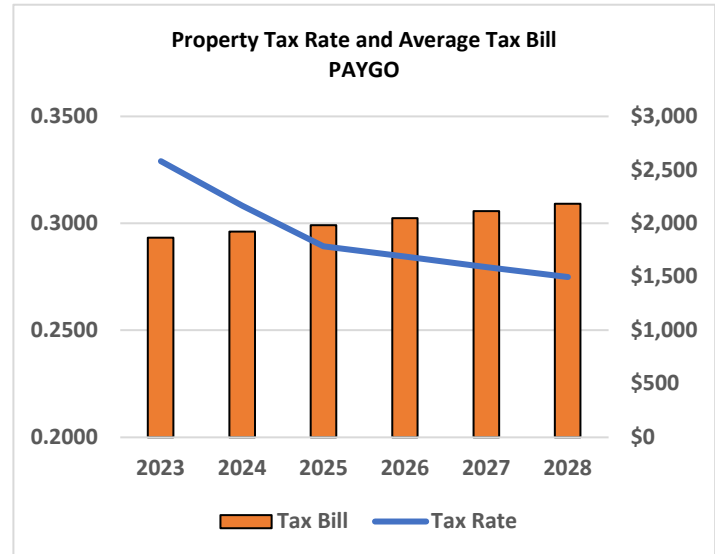
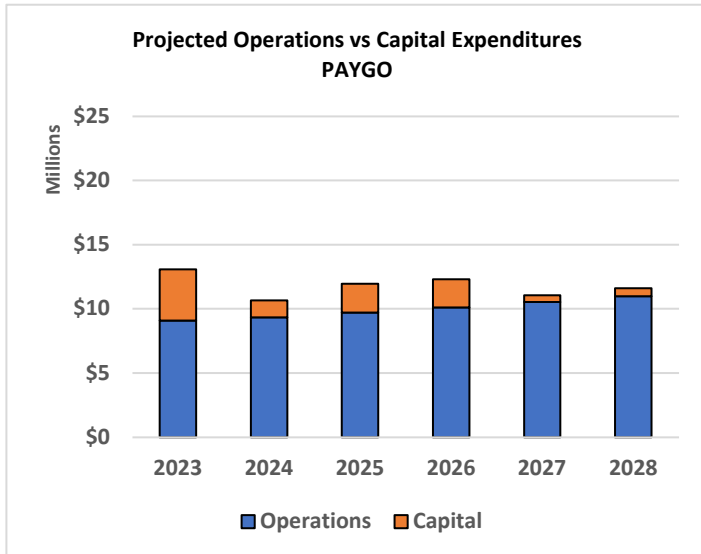
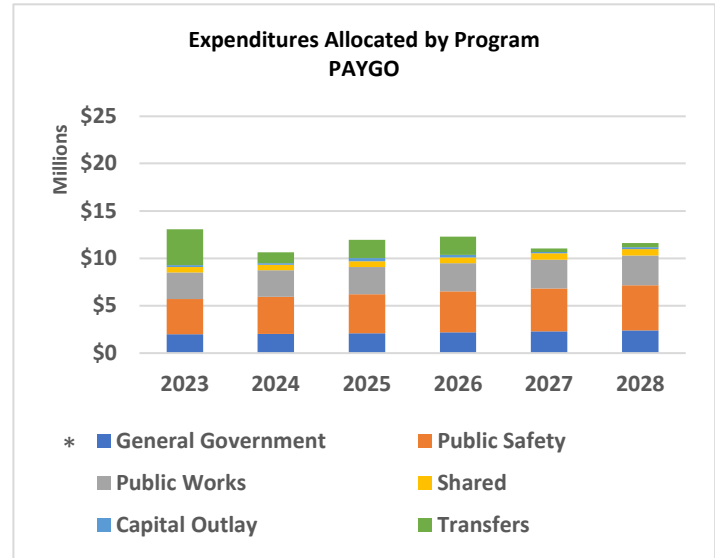
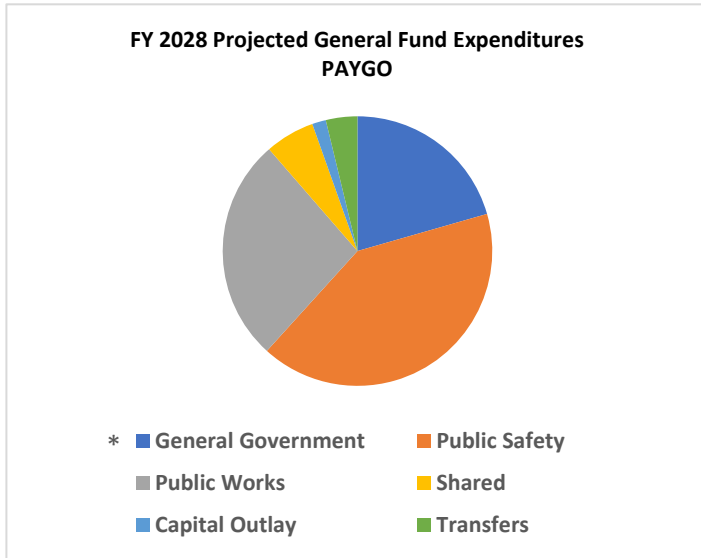
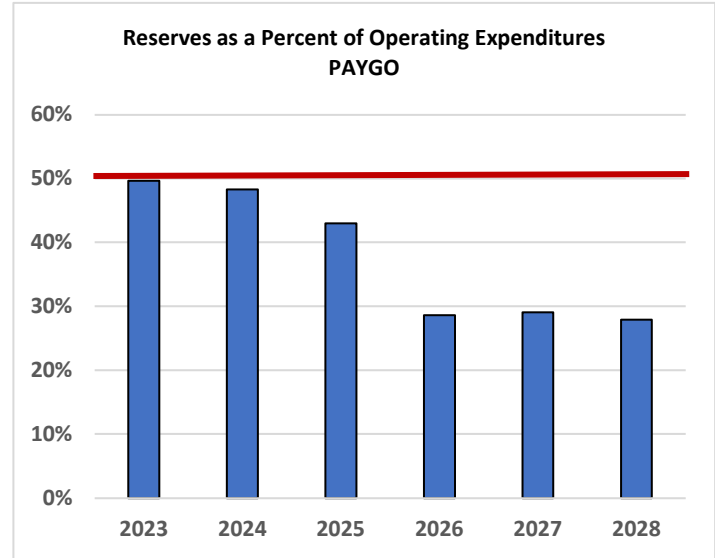
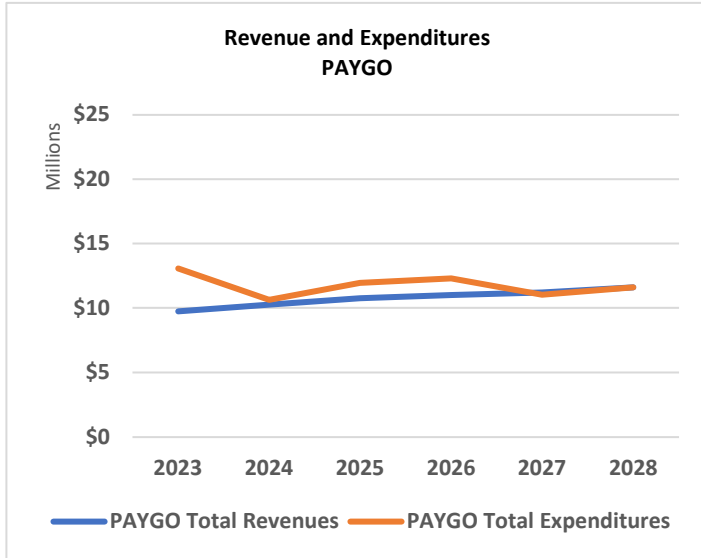
Assumptions

All Baseline Assumptions

Plus:

Modifying the CIP/SAP project schedule to allow for Pay As You Go
(PAYGO) Funding

PAYGO Scenario Dashboard



*General Government: Admin, City Sec, HR, Finance, IT and Municipal Court

Shared: IT shared services and Non-Departmental shared

Public Works: Maintenance, Building Codes and Engineering

Transfers include General Fund transfers to the Strategic Projects and ERF Funds

FY 2024-28 Financial Plan PAYGO Scenario by Program

	2023 <i>Budgeted</i>	2023 <i>Projected</i>	2024	2025	2026	2027	2028
GENERAL FUND - PAYGO							
Beginning Fund Balance	8,780,175	8,780,175	5,907,078	5,511,345	4,316,523	3,038,972	3,206,031
Revenue							
PROPERTY TAX	6,204,433	6,204,433	6,656,302	6,888,156	7,128,108	7,376,442	7,633,450
MIXED BEVERAGE	25,000	25,000	25,250	25,503	25,758	26,015	26,275
SALES TAX	1,733,683	1,733,683	1,785,693	1,839,264	1,894,442	1,951,275	2,009,814
BANK/INVESTMENT INTEREST	72,000	372,000	73,080	74,176	75,289	76,418	77,564
FRANCHISE FEES	692,050	731,050	702,431	712,967	723,662	734,517	745,534
PERMITS	309,075	309,075	313,711	318,417	323,193	328,041	332,962
ANIMAL CONTROL	1,135	1,135	1,152	1,169	1,187	1,205	1,223
FINES & FORFEITURES	176,300	176,465	178,945	181,629	184,353	187,118	189,925
FEES & SERVICES	277,903	277,903	282,072	286,303	290,597	294,956	299,380
MISCELLANEOUS	110,505	176,655	108,509	110,136	111,788	113,465	115,167
SCHOOL CROSSING GUARD	10,665	10,665	10,825	10,987	11,152	11,319	11,489
LEOSE PROCEEDS	1,850	1,850	1,850	1,850	1,850	1,850	1,850
POLICE SEIZED PROCEEDS	-	235	-	-	-	-	-
Transfer In							
CAPITAL REPLACEMENT	125,000	286,549	108,925	295,975	244,145	105,475	165,138
Total Revenue	9,739,599	10,306,698	10,248,744	10,746,532	11,015,524	11,208,097	11,609,772
Expenditures by Program							
General Government							
PERSONNEL	1,476,669	1,467,452	1,543,295	1,613,010	1,685,897	1,762,101	1,841,772
SUPPLIES & OPERATIONS	74,429	74,429	32,520	33,044	33,577	34,119	34,671
PROFESSIONAL SERVICES	437,221	446,901	444,704	459,822	475,606	492,086	509,296
Public Safety							
PERSONNEL	2,816,482	2,880,389	2,942,014	3,073,187	3,210,259	3,353,497	3,503,183
SUPPLIES & OPERATIONS	113,100	114,673	111,942	116,099	120,435	124,958	129,677
PROFESSIONAL SERVICES	772,944	772,294	862,647	916,137	986,415	1,062,261	1,144,118
Public Works							
PERSONNEL	1,296,015	1,260,474	1,354,354	1,415,347	1,479,116	1,545,787	1,615,493
SUPPLIES & OPERATIONS	1,196,095	1,244,866	1,190,042	1,193,205	1,196,449	1,199,778	1,203,193
PROFESSIONAL SERVICES	321,427	321,462	256,836	268,252	280,212	292,742	305,870
Shared Services							
PERSONNEL	145,194	-	151,728	158,555	165,690	173,147	180,938
SUPPLIES & OPERATIONS	4,150	4,150	4,222	4,295	4,370	4,447	4,525
PROFESSIONAL SERVICES	423,667	424,310	432,673	450,046	468,202	487,179	507,017
Total Operating Expenditures	9,077,393	9,011,400	9,326,977	9,701,002	10,106,230	10,532,102	10,979,753

	2023 <i>Budgeted</i>	2023 <i>Projected</i>	2024	2025	2026	2027	2028
GENERAL FUND - PAYGO							
Capital Outlay							
GENERAL GOVERNMENT	15,000	15,000	20,000	21,000	36,105	23,153	24,310
PUBLIC SAFETY	149,950	268,090	120,000	120,000	120,000	120,000	125,000
PUBLIC WORKS	32,000	87,814	25,000	179,408	110,796	-	39,970
SHARED SERVICES	-	-	-	-	-	-	-
Transfers Out							
TRANSFER TO CAP IMP FUND 02	3,442,995	3,442,995	841,992	1,609,436	1,609,436	55,275	127,993
TRANSFER TO VEH/EQUIP FUND 31	354,495	354,495	310,508	310,508	310,508	310,508	310,508
Total Expenditures	13,071,833	13,179,795	10,644,477	11,941,354	12,293,075	11,041,037	11,607,534
Excess (deficiency) of revenues over (under) expenditures	(3,332,234)	(2,873,097)	(395,733)	(1,194,822)	(1,277,551)	167,059	2,238
Ending Fund Balance	5,447,941	5,907,078	5,511,345	4,316,523	3,038,972	3,206,031	3,208,269
Restricted Reserves	97,606	97,606	97,606	97,606	97,606	97,606	97,606
Legal Reserve	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Unallocated Reserve Balance	795,014	1,254,151	858,418	-	-	-	-
Operating Reserve Balance	4,505,321	4,505,321	4,505,321	4,168,917	2,891,366	3,058,425	3,060,663
Percent of Operating Expenditures	49.6%	50.0%	48.3%	43.0%	28.6%	29.0%	27.9%

FY 2024-28 Financial Plan PAYGO Scenario by Category

	2023	2023	2024	2025	2026	2027	2028
	<i>Budgeted</i>	<i>Projected</i>					
GENERAL FUND - PAYGO							
Beginning Fund Balance	8,780,175	8,780,175	5,907,078	5,511,345	4,316,523	3,038,972	3,206,031
Revenue							
PROPERTY TAX	6,204,433	6,204,433	6,656,302	6,888,156	7,128,108	7,376,442	7,633,450
MIXED BEVERAGE	25,000	25,000	25,250	25,503	25,758	26,015	26,275
SALES TAX	1,733,683	1,733,683	1,785,693	1,839,264	1,894,442	1,951,275	2,009,814
BANK/INVESTMENT INTEREST	72,000	372,000	73,080	74,176	75,289	76,418	77,564
FRANCHISE FEES	692,050	731,050	702,431	712,967	723,662	734,517	745,534
PERMITS	309,075	309,075	313,711	318,417	323,193	328,041	332,962
ANIMAL CONTROL	1,135	1,135	1,152	1,169	1,187	1,205	1,223
FINES & FORFEITURES	176,300	176,465	178,945	181,629	184,353	187,118	189,925
FEES & SERVICES	277,903	277,903	282,072	286,303	290,597	294,956	299,380
MISCELLANEOUS	110,505	176,655	108,509	110,136	111,788	113,465	115,167
SCHOOL CROSSING GUARD	10,665	10,665	10,825	10,987	11,152	11,319	11,489
LEOSE PROCEEDS	1,850	1,850	1,850	1,850	1,850	1,850	1,850
POLICE SEIZED PROCEEDS	-	235	-	-	-	-	-
Transfer In							
CAPITAL REPLACEMENT	125,000	286,549	108,925	295,975	244,145	105,475	165,138
Total Revenue	9,739,599	10,306,698	10,248,744	10,746,532	11,015,524	11,208,097	11,609,772

Expenditures by Category

Personnel							
SALARIES	4,160,870	4,064,264	4,348,109	4,543,774	4,748,244	4,961,915	5,185,201
OVERTIME	41,296	59,659	43,084	45,010	47,023	49,126	51,324
PAYROLL TAXES	311,818	314,738	325,689	340,182	355,324	371,145	387,676
WORKERS' COMP INSURANCE	108,212	79,469	109,835	111,483	113,155	114,852	116,575
RETIREMENT	477,609	487,303	499,101	521,561	545,031	569,558	595,188
HEALTH INSURANCE	600,355	568,681	630,373	661,891	694,986	729,735	766,222
UNIFORM ALLOWANCE	27,000	27,000	28,000	29,000	30,000	31,000	32,000
CAR ALLOWANCE	7,200	7,200	7,200	7,200	7,200	7,200	7,200
Supplies, Maintenance and Operations							
SUPPLIES & CONSUMABLES	30,340	30,340	30,947	31,566	32,197	32,841	33,498
MINOR EQUIPMENT & FURNITURE	49,770	51,343	44,225	45,110	46,012	46,932	47,871
FUEL	56,600	56,600	59,273	62,077	65,018	68,102	71,338
UNIFORMS	33,160	33,160	28,300	28,839	29,389	29,950	30,522
MISCELLANEOUS	550	550	550	550	550	550	550
COMMITTEES	2,500	2,500	2,538	2,576	2,614	2,653	2,693
COURT SECURITY BUILDING	58,724	58,724	6,090	6,181	6,274	6,368	6,464
VEHICLE MAINTENANCE/REPAIRS	30,880	30,880	32,124	33,424	34,783	36,204	37,690
EQUIPMENT MAINTENANCE/REPAIRS	14,500	14,500	13,260	13,525	13,796	14,072	14,353

	2023 <i>Budgeted</i>	2023 <i>Projected</i>	2024	2025	2026	2027	2028
GENERAL FUND - PAYGO							
BUILDING MAINTENANCE/REPAIRS	17,250	17,250	16,595	16,927	17,265	17,611	17,963
LANDSCAPING & GREENSPACE MAINT	5,500	5,500	5,610	5,722	5,837	5,953	6,072
STREET MAINTENANCE	1,038,000	1,086,771	1,038,760	1,039,535	1,040,326	1,041,132	1,041,955
DRAINAGE WORK	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Professional Services							
PROFESSIONAL SERVICES	1,277,449	1,277,449	1,299,604	1,375,457	1,469,224	1,569,740	1,677,508
DUES/SUBSCRIPTIONS	16,850	16,885	17,131	17,418	17,710	18,008	18,312
TRAINING/SEMINARS & TRAVEL	112,551	112,551	114,662	116,815	119,012	121,252	123,537
MEETINGS & RELATED TRAVEL	22,823	22,923	23,043	23,268	23,498	23,732	23,970
PUBLIC RELATIONS & EVENTS	55,234	55,234	56,234	57,253	58,293	59,354	60,436
EMPLOYEE APPRECIATION	14,710	14,710	14,938	15,171	15,408	15,651	15,898
ELECTIONS	7,000	16,580	14,000	14,000	14,000	14,000	14,000
RECORDING / REPORTING	10,000	10,000	10,000	10,000	10,000	10,000	10,000
EMPLOYMENT COSTS	2,975	2,975	3,035	3,095	3,157	3,220	3,285
INVESTIGATIONS	9,500	9,500	9,690	9,884	10,081.48	10,283.11	10,488.77
LEOSE TRAINING	2,500	1,850	1,850	1,850	1,850	1,850	1,850
Shared Services							
FACILITY CONTRACTS & SERVICES	86,985	86,985	83,334	87,501	91,876	96,470	101,293
TECH/INTERNET/SOFTWARE MAINT	197,440	197,440	207,312	217,678	228,561	239,990	251,989
POSTAGE	5,625	5,625	5,738	5,852	5,969	6,089	6,210
GENERAL LIABILITY INSURANCE	56,560	57,203	57,691	58,845	60,022	61,222	62,447
ELECTRICITY	40,000	40,000	40,800	41,616	42,448	43,297	44,163
PHONE/CABLE/ALARMS	37,057	37,057	37,798	38,554	39,325	40,112	40,914
Total Operating Expenditures	9,077,393	9,011,400	9,326,977	9,701,002	10,106,230	10,532,102	10,979,753
Capital Outlay							
FURNITURE, FIXTURES & EQUIP	196,950	370,904	165,000	320,408	266,901	143,153	189,280
Transfers Out							
TRANSFER TO CAP IMP FUND 02	3,442,995	3,442,995	841,992	1,609,436	1,609,436	55,275	127,993
TRANSFER TO VEH/EQUIP FUND 31	354,495	354,495	310,508	310,508	310,508	310,508	310,508
Total Expenditures	13,071,833	13,179,795	10,644,477	11,941,354	12,293,075	11,041,037	11,607,534
Excess (deficiency) of revenues over (under) expenditures	(3,332,234)	(2,873,097)	(395,733)	(1,194,822)	(1,277,551)	167,059	2,238
Ending Fund Balance	5,447,941	5,907,078	5,511,345	4,316,523	3,038,972	3,206,031	3,208,269
Restricted Reserves	97,606	97,606	97,606	97,606	97,606	97,606	97,606
Legal Reserve	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Unallocated Reserve Balance	795,014	1,254,151	858,418	-	-	-	-
Operating Reserve Balance	4,505,321	4,505,321	4,505,321	4,168,917	2,891,366	3,058,425	3,060,663
Percent of Operating Expenditures	49.6%	50.0%	48.3%	43.0%	28.6%	29.0%	27.9%

FY 2024-28 Strategic Plan - PAYGO Scenario

		2023	2024	2025	2026	2027	2028
RELIABLE AND SUSTAINABLE INFRASTRUCTURE							
3.3.2	Drainage 7840 Silver Spur Trail (Drainage CIP # 17)	601,000	-	-	-	-	-
3.3.3	Drainage 29010 Tivoli Way (Drainage CIP #34)	456,000	-	-	-	-	-
3.3.5	Drainage 8410 Noble Lark Dr. (CIP# 36)	-	-	-	-		
3.3.6	Drainage 29314 Sumpter Drive (CIP# 32)	-	-	-			
3.3.7	Drainage 7967 Turf Paradise Lane (Drainage CIP #37)	85,031	232,757	-	-	-	-
3.3.9	Drainage 7820 Rolling Acres Trail (Drainage CIP #5)	606,000	-	-	-	-	-
3.3.11	Drainage Ammann Road Low Water Cross (CIP# 1)					55,275	55,275
3.3.12	Drainage 8426 Triple Crown (CIP# 41)						
3.3.13	Drainage 7420 Rolling Acres Trail (CIP#6)	-	-				
3.3.14	Drainage 8472 Rolling Acres Trail (CIP# 2)	-	-	-			
3.3.15	Drainage 31988 Scarteen (CIP# 44)	-	-				23,993
3.3.16	Drainage 7644 Pimlico Lane (CIP# 46)	-	-				23,993
3.3.17	Drainage 8040 Rolling Acres Trail (CIP# 4)	-	-	-			
3.3.18	Drainage 7740 Pimlico Lane (CIP# 42)	-	-	-			
3.3.19	Drainage 32030 Scarteen (CIP# 53)	-	-	-			
3.3.20	Drainage 8312 Triple Crown (CIP #43)	-	-	-			
3.3.22	Drainage 28907 Chartwell Lane (CIP #35)	-	-	-			
3.3.23	Drainage 8622 Delta Dawn (CIP# 15)	-	-	-			
3.3.24	Drainage 8037 Rock Oak Circle (CIP# 58)	-	-	-			24,732
3.4.10	Dietz Elkhorn Roadway reconstruction	245,915	241,416	1,609,436	1,609,436	-	
3.4.11	Ammann Rd Roadway reconstruction	-					
3.4.12	Rolling Acres Roadway reconstruction	-	-	-			
3.4.13	Post Oak Tr Roadway reconstruction, TxDOT Grant	875,000	-	-	-	-	
3.4.14	Connect sidewalk between both Elkhorn Ridge subdivision	41,282	367,819	-	-	-	
3.4.15	Battle Intense Reconstructing sidewalk curb	54,500	-	-	-	-	
3.5.5	Develop plan for a civic center building and campus	412,815					
PUBLIC HEALTH, SAFETY, AND WELFARE							
4.2.1	Develop a standards of cover and utilization study	18,000					
OPERATIONAL EXCELLENCE							
5.3.3b	3rd Party Scanning of City Records	40,000					
5.3.12	Implement Fuel Station for City Fleet Vehicles	50,000					
5.5.31	IT Penetration Testing						
Total Needed to Fund Projects		3,485,543	841,992	1,609,436	1,609,436	55,275	127,993

 Indicates Deferred Project

FY 2024-28 Strategic Plan - PAYGO Scenario

		2029	2030	2031	2032
RELIABLE AND SUSTAINABLE INFRASTRUCTURE					
3.3.2	Drainage 7840 Silver Spur Trail (Drainage CIP # 17)				
3.3.3	Drainage 29010 Tivoli Way (Drainage CIP #34)				
3.3.5	Drainage 8410 Noble Lark Dr. (CIP# 36)	223,066	-		
3.3.6	Drainage 29314 Sumpter Drive (CIP# 32)	61,829	159,333	-	
3.3.7	Drainage 7967 Turf Paradise Lane (Drainage CIP #37)				
3.3.9	Drainage 7820 Rolling Acres Trail (Drainage CIP #5)				
3.3.11	Drainage Ammann Road Low Water Cross (CIP# 1)	506,892	506,892	-	
3.3.12	Drainage 8426 Triple Crown (CIP# 41)	56,450	145,473	-	-
3.3.13	Drainage 7420 Rolling Acres Trail (CIP#6)	103,869	103,869	275,914	275,914
3.3.14	Drainage 8472 Rolling Acres Trail (CIP# 2)	61,829.00	159,333	-	
3.3.15	Drainage 31988 Scarteen (CIP# 44)	61,829	-	-	
3.3.16	Drainage 7644 Pimlico Lane (CIP# 46)	61,829	-	-	
3.3.17	Drainage 8040 Rolling Acres Trail (CIP# 4)	61,829	159,333	-	
3.3.18	Drainage 7740 Pimlico Lane (CIP# 42)	24,732	63,733	-	
3.3.19	Drainage 32030 Scarteen (CIP# 53)	61,829	159,333	-	
3.3.20	Drainage 8312 Triple Crown (CIP #43)	61,829	159,333	-	
3.3.22	Drainage 28907 Chartwell Lane (CIP #35)	61,829	159,333	-	
3.3.23	Drainage 8622 Delta Dawn (CIP# 15)	61,829	159,333	-	
3.3.24	Drainage 8037 Rock Oak Circle (CIP# 58)	63,733	-		
3.4.10	Dietz Elkhorn Roadway reconstruction				
3.4.11	Ammann Rd Roadway reconstruction	365,286	360,786	2,405,239	2,405,239
3.4.12	Rolling Acres Roadway reconstruction	325,510	4,665,635		
3.4.13	Post Oak Tr Roadway reconstruction, TxDOT Grant				
3.4.14	Connect sidewalk between both Elkhorn Ridge subdivision				
3.4.15	Battle Intense Reconstructing sidewalk curb				
3.5.5	Develop plan for a civic center building and campus				
PUBLIC HEALTH, SAFETY, AND WELFARE					
4.2.1	Develop a standards of cover and utilization study				
OPERATIONAL EXCELLENCE					
5.3.3b	3rd Party Scanning of City Records				
5.3.12	Implement Fuel Station for City Fleet Vehicles				
5.5.31	IT Penetration Testing	40,000			
Total Needed to Fund Projects		2,265,999	6,961,719	2,681,153	2,681,153

 Indicates Deferred Project

FY 2024-28 Estimated Tax Rates PAYGO Scenario

	<u>Current FY 22-23</u>	<u>FY 23-24</u>	<u>FY 24-25</u>	<u>FY 25-26</u>	<u>FY 26-27</u>	<u>FY 27-28</u>
Tax Rate/\$100 Valuation						
General Fund (M&O)	0.3023	0.2844	0.2676	0.2638	0.2600	0.2563
Debt Service Fund (I&S)	0.0268	0.0238	0.0216	0.0206	0.0195	0.0186
Total Tax Rate	0.3291	0.3083	0.2893	0.2844	0.2795	0.2750
Total Taxable Valuation	2,109,584,004	2,320,542,404	2,552,596,645	2,680,226,477	2,814,237,801	2,954,949,691
M&O Tax Rate/\$100 Valuation	0.3023	0.2844	0.2676	0.2638	0.2600	0.2563
Total M&O Levy	6,377,272	6,600,477	6,831,494	7,070,596	7,318,067	7,574,199
% Increase in M&O Levy		3.50%	3.50%	3.50%	3.50%	3.50%
Total Taxable Valuation	2,109,584,004	2,320,542,404	2,552,596,645	2,680,226,477	2,814,237,801	2,954,949,691
I&S Tax rate/\$100 Valuation	0.0268	0.0238	0.0216	0.0206	0.0195	0.0186
Total I&S Levy	565,959	553,163	552,475	550,950	548,575	550,888
Total Levy (100%)	\$ 6,943,232	\$ 7,153,639	\$ 7,383,969	\$ 7,621,546	\$ 7,866,642	\$ 8,125,087
Yr. over Yr. increase (decrease)	\$	210,408	\$ 230,329	\$ 237,577	\$ 245,096	\$ 258,445
Ave Home Taxable Value	566,488	623,137	685,450	719,723	755,709	793,495
Average Tax Bill	\$ 1,864	\$ 1,921	\$ 1,983	\$ 2,047	\$ 2,112	\$ 2,182

Scenario 2: Bond Program

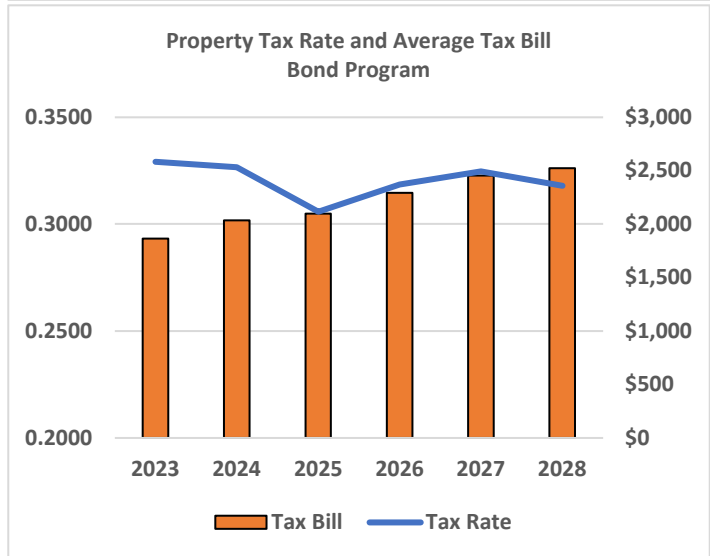
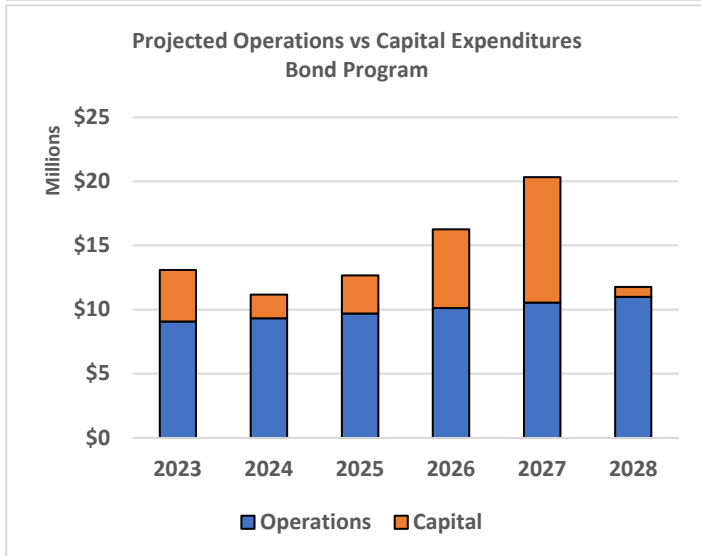
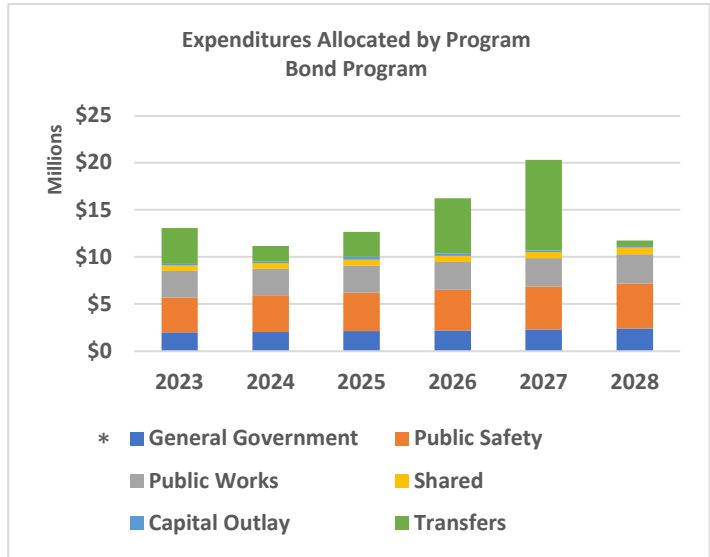
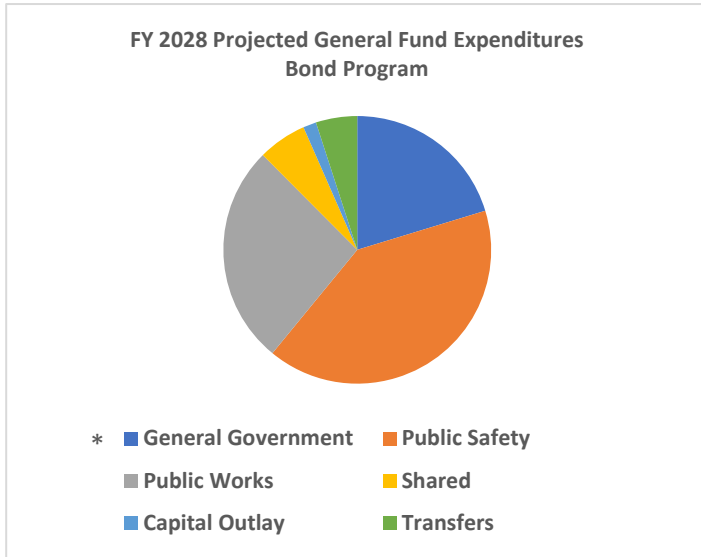
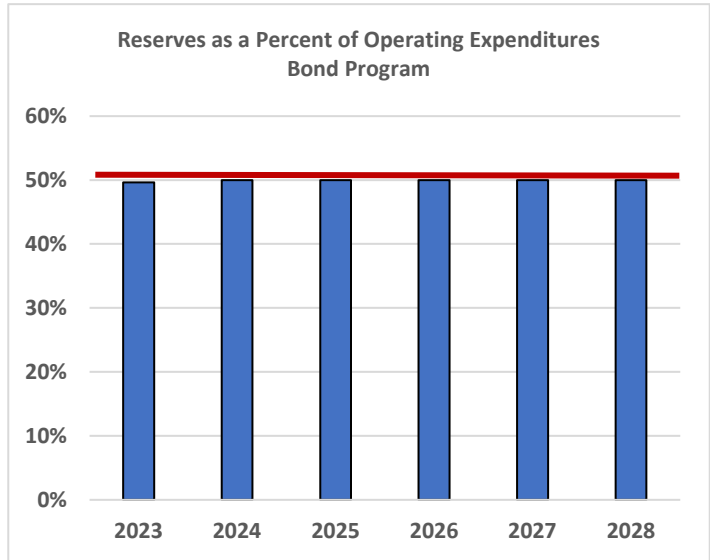
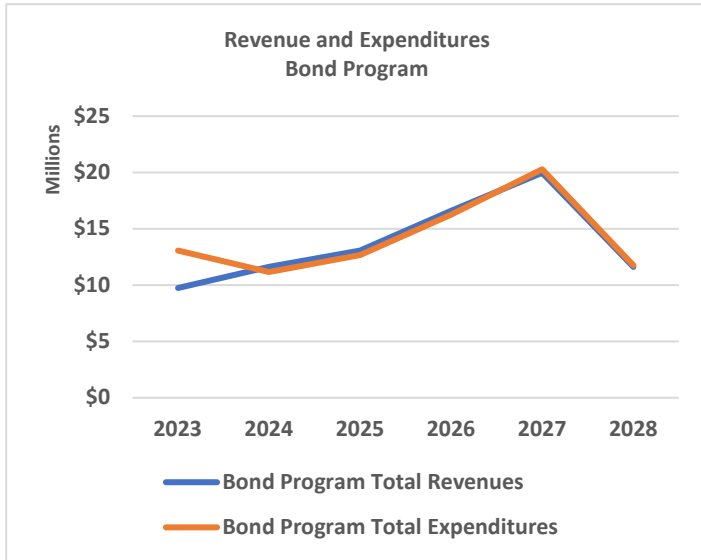
Assumptions

All Baseline Assumptions

Plus:

Incorporating an \$18 million bond program disbursed in three tranches,
with 20 year terms at 3.5% interest.

Bond Program Scenario Dashboard



*General Government: Admin, City Sec, HR, Finance, IT and Municipal Court
Shared: IT shared services and Non-Departmental shared

Public Works: Maintenance, Building Codes and Engineering
Transfers include General Fund transfers to the Strategic Projects and ERF Fund:

FY 2024-28 Financial Plan Bond Program Scenario by Program

	2023 <i>Budgeted</i>	2023 <i>Projected</i>	2024	2025	2026	2027	2028
GENERAL FUND - BOND PROGRAM							
Beginning Fund Balance	8,780,175	8,780,175	5,907,078	6,353,337	6,767,951	7,099,836	6,763,928
Revenue							
PROPERTY TAX	6,204,433	6,204,433	6,656,302	6,888,156	7,128,108	7,376,442	7,633,450
MIXED BEVERAGE	25,000	25,000	25,250	25,503	25,758	26,015	26,275
SALES TAX	1,733,683	1,733,683	1,785,693	1,839,264	1,894,442	1,951,275	2,009,814
BANK/INVESTMENT INTEREST	72,000	372,000	73,080	74,176	75,289	76,418	77,564
FRANCHISE FEES	692,050	731,050	702,431	712,967	723,662	734,517	745,534
PERMITS	309,075	309,075	313,711	318,417	323,193	328,041	332,962
ANIMAL CONTROL	1,135	1,135	1,152	1,169	1,187	1,205	1,223
FINES & FORFEITURES	176,300	176,465	178,945	181,629	184,353	187,118	189,925
FEES & SERVICES	277,903	277,903	282,072	286,303	290,597	294,956	299,380
MISCELLANEOUS	110,505	176,655	108,509	110,136	111,788	113,465	115,167
SCHOOL CROSSING GUARD	10,665	10,665	10,825	10,987	11,152	11,319	11,489
LEOSE PROCEEDS	1,850	1,850	1,850	1,850	1,850	1,850	1,850
POLICE SEIZED PROCEEDS	-	235	-	-	-	-	-
Transfer In							
CAPITAL REPLACEMENT	125,000	286,549	108,925	295,975	244,145	105,475	165,138
GO BOND			1,359,003	2,322,825	5,556,871	8,761,301	-
Total Revenue	9,739,599	10,306,698	11,607,747	13,069,357	16,572,395	19,969,398	11,609,772
Expenditures by Program							
General Government							
PERSONNEL	1,476,669	1,467,452	1,543,295	1,613,010	1,685,897	1,762,101	1,841,772
SUPPLIES & OPERATIONS	74,429	74,429	32,520	33,044	33,577	34,119	34,671
PROFESSIONAL SERVICES	437,221	446,901	444,704	459,822	475,606	492,086	509,296
Public Safety							
PERSONNEL	2,816,482	2,880,389	2,942,014	3,073,187	3,210,259	3,353,497	3,503,183
SUPPLIES & OPERATIONS	113,100	114,673	111,942	116,099	120,435	124,958	129,677
PROFESSIONAL SERVICES	772,944	772,294	862,647	916,137	986,415	1,062,261	1,144,118
Public Works							
PERSONNEL	1,296,015	1,260,474	1,354,354	1,415,347	1,479,116	1,545,787	1,615,493
SUPPLIES & OPERATIONS	1,196,095	1,244,866	1,190,042	1,193,205	1,196,449	1,199,778	1,203,193
PROFESSIONAL SERVICES	321,427	321,462	256,836	268,252	280,212	292,742	305,870
Shared Services							
PERSONNEL	145,194	-	151,728	158,555	165,690	173,147	180,938
SUPPLIES & OPERATIONS	4,150	4,150	4,222	4,295	4,370	4,447	4,525
PROFESSIONAL SERVICES	423,667	424,310	432,673	450,046	468,202	487,179	507,017
Total Operating Expenditures	9,077,393	9,011,400	9,326,977	9,701,002	10,106,230	10,532,102	10,979,753

	2023 <i>Budgeted</i>	2023 <i>Projected</i>	2024	2025	2026	2027	2028
GENERAL FUND - BOND PROGRAM							
Capital Outlay							
GENERAL GOVERNMENT	15,000	15,000	20,000	21,000	36,105	23,153	24,310
PUBLIC SAFETY	149,950	268,090	120,000	120,000	120,000	120,000	125,000
PUBLIC WORKS	32,000	87,814	25,000	179,408	110,796	-	39,970
SHARED SERVICES	-	-	-	-	-	-	-
Transfers Out							
TRANSFER TO CAP IMP FUND 02	3,442,995	3,442,995	1,359,003	2,322,825	5,556,871	9,319,543	275,914
TRANSFER TO VEH/EQUIP FUND 31	354,495	354,495	310,508	310,508	310,508	310,508	310,508
Total Expenditures	13,071,833	13,179,795	11,161,488	12,654,743	16,240,510	20,305,305	11,755,455
Excess (deficiency) of revenues over (under) expenditures	(3,332,234)	(2,873,097)	446,259	414,614	331,885	(335,908)	(145,683)
Ending Fund Balance	5,447,941	5,907,078	6,353,337	6,767,951	7,099,836	6,763,928	6,618,245
Restricted Reserves	97,606	97,606	97,606	97,606	97,606	97,606	97,606
Legal Reserve	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Unallocated Reserve Balance	795,014	795,014	1,083,105	1,310,707	1,439,978	891,134	521,626
Operating Reserve Balance	4,505,321	4,505,321	4,663,489	4,850,501	5,053,115	5,266,051	5,489,876
Percent of Operating Expenditures	49.6%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%

FY 2024-28 Financial Plan Bond Program Scenario by Category

	2023 <i>Budgeted</i>	2023 <i>Projected</i>	2024	2025	2026	2027	2028
GENERAL FUND - BOND PROGRAM							
Beginning Fund Balance	8,780,175	8,780,175	5,907,078	6,353,337	6,767,951	7,099,836	6,763,928
Revenue							
PROPERTY TAX	6,204,433	6,204,433	6,656,302	6,888,156	7,128,108	7,376,442	7,633,450
MIXED BEVERAGE	25,000	25,000	25,250	25,503	25,758	26,015	26,275
SALES TAX	1,733,683	1,733,683	1,785,693	1,839,264	1,894,442	1,951,275	2,009,814
BANK/INVESTMENT INTEREST	72,000	372,000	73,080	74,176	75,289	76,418	77,564
FRANCHISE FEES	692,050	731,050	702,431	712,967	723,662	734,517	745,534
PERMITS	309,075	309,075	313,711	318,417	323,193	328,041	332,962
ANIMAL CONTROL	1,135	1,135	1,152	1,169	1,187	1,205	1,223
FINES & FORFEITURES	176,300	176,465	178,945	181,629	184,353	187,118	189,925
FEES & SERVICES	277,903	277,903	282,072	286,303	290,597	294,956	299,380
MISCELLANEOUS	110,505	176,655	108,509	110,136	111,788	113,465	115,167
SCHOOL CROSSING GUARD	10,665	10,665	10,825	10,987	11,152	11,319	11,489
LEOSE PROCEEDS	1,850	1,850	1,850	1,850	1,850	1,850	1,850
POLICE SEIZED PROCEEDS	-	235	-	-	-	-	-
Transfer In							
CAPITAL REPLACEMENT	125,000	286,549	108,925	295,975	244,145	105,475	165,138
GO BOND			1,359,003	2,322,825	5,556,871	8,761,301	-
Total Revenue	9,739,599	10,306,698	11,607,747	13,069,357	16,572,395	19,969,398	11,609,772

Expenditures by Category

Personnel							
SALARIES	4,160,870	4,064,264	4,348,109	4,543,774	4,748,244	4,961,915	5,185,201
OVERTIME	41,296	59,659	43,084	45,010	47,023	49,126	51,324
PAYROLL TAXES	311,818	314,738	325,689	340,182	355,324	371,145	387,676
WORKERS' COMP INSURANCE	108,212	79,469	109,835	111,483	113,155	114,852	116,575
RETIREMENT	477,609	487,303	499,101	521,561	545,031	569,558	595,188
HEALTH INSURANCE	600,355	568,681	630,373	661,891	694,986	729,735	766,222
UNIFORM ALLOWANCE	27,000	27,000	28,000	29,000	30,000	31,000	32,000
CAR ALLOWANCE	7,200	7,200	7,200	7,200	7,200	7,200	7,200
Supplies, Maintenance and Operations							
SUPPLIES & CONSUMABLES	30,340	30,340	30,947	31,566	32,197	32,841	33,498
MINOR EQUIPMENT & FURNITURE	49,770	51,343	44,225	45,110	46,012	46,932	47,871
FUEL	56,600	56,600	59,273	62,077	65,018	68,102	71,338
UNIFORMS	33,160	33,160	28,300	28,839	29,389	29,950	30,522
MISCELLANEOUS	550	550	550	550	550	550	550
COMMITTEES	2,500	2,500	2,538	2,576	2,614	2,653	2,693
COURT SECURITY BUILDING	58,724	58,724	6,090	6,181	6,274	6,368	6,464
VEHICLE MAINTENANCE/REPAIRS	30,880	30,880	32,124	33,424	34,783	36,204	37,690

	2023 <i>Budgeted</i>	2023 <i>Projected</i>	2024	2025	2026	2027	2028
GENERAL FUND - BOND PROGRAM							
EQUIPMENT MAINTENANCE/REPAIRS	14,500	14,500	13,260	13,525	13,796	14,072	14,353
BUILDING MAINTENANCE/REPAIRS	17,250	17,250	16,595	16,927	17,265	17,611	17,963
LANDSCAPING & GREENSPACE MAINT	5,500	5,500	5,610	5,722	5,837	5,953	6,072
STREET MAINTENANCE	1,038,000	1,086,771	1,038,760	1,039,535	1,040,326	1,041,132	1,041,955
DRAINAGE WORK	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Professional Services							
PROFESSIONAL SERVICES	1,277,449	1,277,449	1,299,604	1,375,457	1,469,224	1,569,740	1,677,508
DUES/SUBSCRIPTIONS	16,850	16,885	17,131	17,418	17,710	18,008	18,312
TRAINING/SEMINARS & TRAVEL	112,551	112,551	114,662	116,815	119,012	121,252	123,537
MEETINGS & RELATED TRAVEL	22,823	22,923	23,043	23,268	23,498	23,732	23,970
PUBLIC RELATIONS & EVENTS	55,234	55,234	56,234	57,253	58,293	59,354	60,436
EMPLOYEE APPRECIATION	14,710	14,710	14,938	15,171	15,408	15,651	15,898
ELECTIONS	7,000	16,580	14,000	14,000	14,000	14,000	14,000
RECORDING / REPORTING	10,000	10,000	10,000	10,000	10,000	10,000	10,000
EMPLOYMENT COSTS	2,975	2,975	3,035	3,095	3,157.09	3,220.24	3,284.64
INVESTIGATIONS	9,500	9,500	9,690	9,884	10,081	10,283	10,489
LEOSE TRAINING	2,500	1,850	1,850	1,850	1,850	1,850	1,850
Shared Services							
FACILITY CONTRACTS & SERVICES	86,985	86,985	83,334	87,501	91,876	96,470	101,293
TECH/INTERNET/SOFTWARE MAINT	197,440	197,440	207,312	217,678	228,561	239,990	251,989
POSTAGE	5,625	5,625	5,738	5,852	5,969	6,089	6,210
GENERAL LIABILITY INSURANCE	56,560	57,203	57,691	58,845	60,022	61,222	62,447
ELECTRICITY	40,000	40,000	40,800	41,616	42,448	43,297	44,163
PHONE/CABLE/ALARMS	37,057	37,057	37,798	38,554	39,325	40,112	40,914
Total Operating Expenditures	9,077,393	9,011,400	9,326,977	9,701,002	10,106,230	10,532,102	10,979,753
Capital Outlay							
FURNITURE, FIXTURES & EQUIP	196,950	370,904	165,000	320,408	266,901	143,153	189,280
Transfers Out							
TRANSFER TO CAP IMP FUND 02	3,442,995	3,442,995	1,359,003	2,322,825	5,556,871	9,319,543	275,914
TRANSFER TO VEH/EQUIP FUND 31	354,495	354,495	310,508	310,508	310,508	310,508	310,508
Total Expenditures	13,071,833	13,179,795	11,161,488	12,654,743	16,240,510	20,305,305	11,755,455
Excess (deficiency) of revenues over (under) expenditures	(3,332,234)	(2,873,097)	446,259	414,614	331,885	(335,908)	(145,683)
Ending Fund Balance	5,447,941	5,907,078	6,353,337	6,767,951	7,099,836	6,763,928	6,618,245
Restricted Reserves	97,606	97,606	97,606	97,606	97,606	97,606	97,606
Legal Reserve	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Unallocated Reserve Balance	795,014	795,014	1,083,105	1,310,707	1,439,978	891,134	521,626
Operating Reserve Balance	4,505,321	4,505,321	4,663,489	4,850,501	5,053,115	5,266,051	5,489,876
Percent of Operating Expenditures	49.6%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%

FY 2024-28 Strategic Plan - Bond Program Scenario

		2023	2024	2025	2026	2027	2028
RELIABLE AND SUSTAINABLE INFRASTRUCTURE							
3.3.2	Drainage 7840 Silver Spur Trail (Drainage CIP # 17)	601,000	-	-	-	-	-
3.3.3	Drainage 29010 Tivoli Way (Drainage CIP #34)	456,000	-	-	-	-	-
3.3.5	Drainage 8410 Noble Lark Dr. (CIP# 36)	-	-	-	-	223,066	-
3.3.6	Drainage 29314 Sumpter Drive (CIP# 32)	-	-	-	61,829	159,333	-
3.3.7	Drainage 7967 Turf Paradise Lane (Drainage CIP #37)	85,031	232,757	-	-	-	-
3.3.8	Drainage 7900 Fair Oaks Parkway (Drainage CIP #30)	-	-	-	-	-	-
3.3.9	Drainage 7820 Rolling Acres Trail (Drainage CIP #5)	606,000	-	-	-	-	-
3.3.11	Drainage Ammann Road Low Water Cross (CIP# 1)		55,275	55,275	506,892	506,892	-
3.3.12	Drainage 8426 Triple Crown (CIP# 41)		56,450	145,473	-	-	-
3.3.13	Drainage 7420 Rolling Acres Trail (CIP#6)	-	-	103,869	103,869	275,914	275,914
3.3.14	Drainage 8472 Rolling Acres Trail (CIP# 2)	-	-	-	61,829	159,333	-
3.3.15	Drainage 31988 Scarteen (CIP# 44)	-	-	23,993	61,829	-	-
3.3.16	Drainage 7644 Pimlico Lane (CIP# 46)	-	-	23,993	61,829	-	-
3.3.17	Drainage 8040 Rolling Acres Trail (CIP# 4)	-	-	-	61,829	159,333	-
3.3.18	Drainage 7740 Pimlico Lane (CIP# 42)	-	-	-	24,732	63,733	-
3.3.19	Drainage 32030 Scarteen (CIP# 53)	-	-	-	61,829	159,333	-
3.3.20	Drainage 8312 Triple Crown (CIP #43)	-	-	-	61,829	159,333	-
3.3.22	Drainage 28907 Chartwell Lane (CIP #35)	-	-	-	61,829	159,333	-
3.3.23	Drainage 8622 Delta Dawn (CIP# 15)	-	-	-	61,829	159,333	-
3.3.24	Drainage 8037 Rock Oak Circle (CIP# 58)	-	-	-	24,732	63,733	-
3.4.10	Dietz Elkhorn Roadway reconstruction	245,915	241,416	1,609,436	1,609,436	-	
3.4.11	Ammann Rd Roadway reconstruction	-	365,286	360,786	2,405,239	2,405,239	
3.4.12	Rolling Acres Roadway reconstruction	-	-	-	325,510	4,665,635	
3.4.13	Post Oak Tr Roadway reconstruction, TxDoT Grant	875,000	-	-	-	-	
3.4.14	Connect sidewalk between Elkhorn Ridge subdivision	41,282	367,819	-	-	-	
3.4.15	Battle Intense Reconstructing sidewalk curb.	54,500	-	-	-	-	
3.5.5	Develop plan for a civic center building and campus	412,815					
PUBLIC HEALTH, SAFETY, AND WELFARE							
4.2.1	Develop a standards of cover and utilization study	18,000					
OPERATIONAL EXCELLENCE							
5.3.3b	3rd Party Scanning of City Records	40,000					
5.3.12	Implement Fuel Station for City Fleet Vehicles	50,000					
5.5.31	IT Penetration Testing		40,000				
Total Needed to Fund Projects		3,485,543	1,359,003	2,322,825	5,556,871	9,319,543	275,914

FY 2024-28 Estimated Tax Rates Bond Program Scenario

	<u>Current FY 22-23</u>	<u>FY 23-24</u>	<u>FY 24-25</u>	<u>FY 25-26</u>	<u>FY 26-27</u>	<u>FY 27-28</u>
Tax Rate/\$100 Valuation						
General Fund (M&O)	0.3023	0.2844	0.2676	0.2638	0.2600	0.2563
Debt Service Fund (I&S)	0.0268	0.0420	0.0382	0.0547	0.0645	0.0615
Total Tax Rate	0.3291	0.3265	0.3058	0.3185	0.3245	0.3178
Total Taxable Valuation	2,109,584,004	2,320,542,404	2,552,596,645	2,680,226,477	2,814,237,801	2,954,949,691
M&O Tax Rate/\$100 Valuation	0.3023	0.2844	0.2676	0.2638	0.2600	0.2563
Total M&O Levy	6,377,272	6,600,477	6,831,494	7,070,596	7,318,067	7,574,199
% Increase in M&O Levy		3.50%	3.50%	3.50%	3.50%	3.50%
Total Taxable Valuation	2,109,584,004	2,320,542,404	2,552,596,645	2,680,226,477	2,814,237,801	2,954,949,691
I&S Tax rate/\$100 Valuation	0.0268	0.0420	0.0382	0.0547	0.0645	0.0615
Total I&S Levy	565,959	975,329	974,641	1,465,644	1,815,074	1,817,387
Total Levy (100%)	\$ 6,943,232	\$ 7,575,806	\$ 7,806,135	\$ 8,536,240	\$ 9,133,141	\$ 9,391,586
Yr. over Yr. increase (decrease)	\$	632,574	\$ 230,329	\$ 730,105	\$ 596,901	\$ 258,445
Ave Home Taxable Value	\$ 566,488	\$ 623,137	\$ 685,450	\$ 719,723	\$ 755,709	\$ 793,495
Average Tax Bill	\$ 1,864	\$ 2,034	\$ 2,096	\$ 2,292	\$ 2,453	\$ 2,522



CITY COUNCIL REPORT

CITY OF FAIR OAKS RANCH, TEXAS

April 20, 2023

AGENDA TOPIC: Investment Report for Quarter Ended March 31, 2023

DATE: April 20, 2023

DEPARTMENT: Finance

PRESENTED BY: Rosie G. Vela, Finance Director

INTRODUCTION/BACKGROUND:

Pursuant to Texas Government Code Section 2256.023 and the City's Investment Policy Section 12, the Investment Officer is required, on a quarterly basis, to prepare and submit to City Council a written report of investment transactions that have occurred since the previous report and the market value of the current investments.

The attached presentation is being made to comply with the reporting requirements for the quarter ended March 31, 2023.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

Frequent review and reporting of the City's assets and investment vehicles is both prudent and necessary to confirm the City's investment portfolio is being managed according to the Investment Policy.

LONGTERM FINANCIAL & BUDGETARY IMPACT:

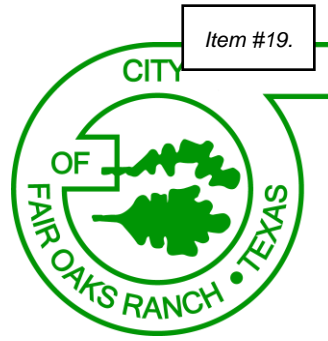
The investment portfolio shall be managed in accordance with the objectives specified in the Investment Policy (safety, liquidity, diversification, and yield). The portfolio should attain a market rate of return considering investment risk and liquidity needs.

LEGAL ANALYSIS:

No legal analysis required.

RECOMMENDATION/PROPOSED MOTION:

This presentation is for informational purposes only and to comply with requirements under Texas Government Code Section 2256.023 and the City's Investment Policy.



Quarterly Investment Report

Presented by Rosie G. Vela, Director of Finance
April 20, 2023



Investment Inventory

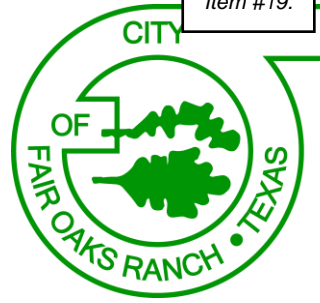
Security	Avg. Yield	Beginning Balance	Transfers In/(Out)	Interest Earnings	Ending Balance	Ending Market Value	Weighted Avg Maturity*
TexPool	4.45%	\$7,975,312	(\$6,286,660)	\$39,793	\$1,728,445	\$1,728,445	16 days
TexPool Prime	4.68%	\$7,009,544	(\$1,600,000)	\$76,463	\$5,486,007	\$5,486,007	22 days
Texas CLASS	4.73%	\$5,001,239	\$9,500,000	\$136,416	\$14,637,655	\$14,637,655	38 days
Total	4.62%	\$19,986,095	\$1,613,340	\$252,672	\$21,852,107	\$21,852,107	

* Per the City's investment policy, the City will not directly invest in securities maturing more than 13 months from the date of purchase. Reserve funds may be invested in securities up to 2 years.

This report complies with the City's Investment Policy Section 9 and 11, and Texas Government Code Section 2256.023.

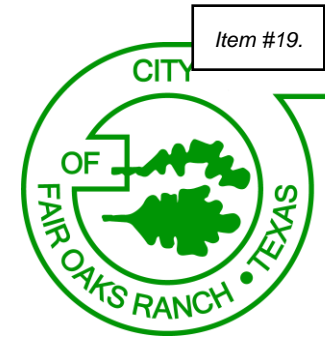
Rosie Vela

Investment Officer

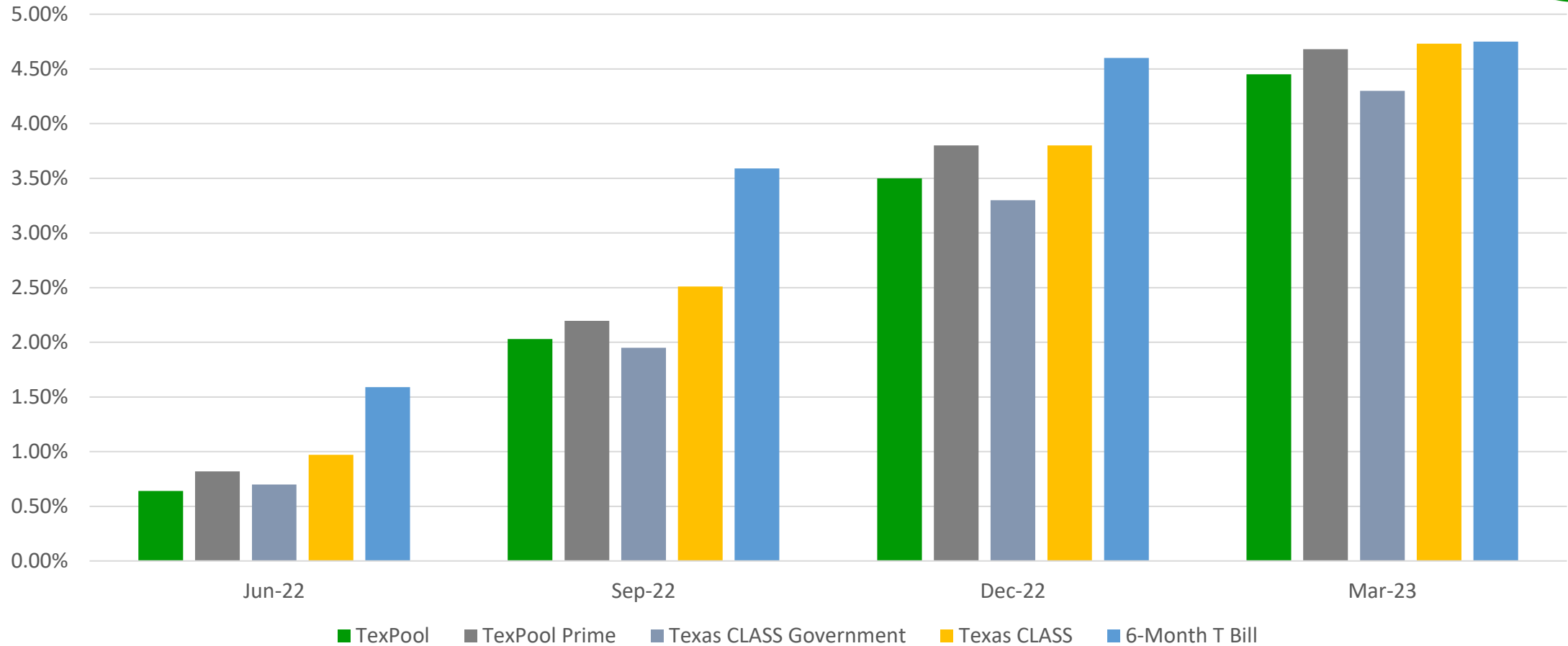


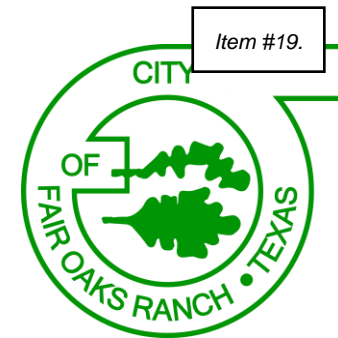
Comparative Rates (Quarterly Average)

Investment	Quarter Ended 6/30/22	Quarter Ended 9/30/22	Quarter Ended 12/31/22	Quarter Ended 3/31/23
TexPool	0.64%	2.03%	3.50%	4.45%
TexPool Prime	0.82%	2.20%	3.80%	4.68%
Texas CLASS Government	0.70%	1.95%	3.30%	4.30%
Texas CLASS	0.97%	2.51%	3.80%	4.73%
3 Month T-bill	1.09%	2.67%	4.04%	4.63%
6 Month T-bill	1.60%	3.15%	4.41%	4.75%
2 Year Treasury Note	2.92%	4.22%	4.41%	4.06%
CDARS 6 Month CD	1.22%	1.97%	2.96%	4.12%



Comparative Rates (Quarterly Average)





Questions?