

CITY OF FAIR OAKS RANCH CITY COUNCIL REGULAR MEETING

Thursday, July 17, 2025 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 (Q3 - April 2025 through June 2025): William Poole, Wastewater Supervisor

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

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

5. Approval of the July 3, 2025 Regular City Council meeting minutes

Christina Picioccio, TRMC, City Secretary

6. Approval of the second reading of an ordinance amending the City of Fair Oaks Ranch Code of Ordinances, Chapter 9 Personnel, Article 9.03 Police Department, Section 9.03.004 Chief of Police

Jim Williams, MBA, ICMA-CM, Assistant City Manager

7. Approval of the second reading of an ordinance approving a first amendment to the 2024 franchise agreement with Frontier Texas Ventures I, LLC for the collection, hauling, and disposal of municipal solid waste and recyclable materials in the City of Fair Oaks Ranch

Jim Williams, MBA, ICMA-CM, Assistant City Manager

- [8.](#) Approval of a resolution reappointing the Fair Oaks Ranch Municipal Court Presiding and Alternate Judges for two years beginning October 1, 2025 and ending September 30, 2027; authorizing the expenditure of the required funds; and authorizing the execution of any and all applicable documents by the City Manager to effectuate the resolution

Clayton Hoelscher, Procurement Manager
Ricardo Bautista, Court Administrator

PUBLIC HEARING

- [9.](#) Public Hearing on proposed amendments to land use assumptions, capital improvement plans, and water and wastewater impact fees
- A. Mayor opens the public hearing
 - B. Staff report and consultant presentation on proposed amendments
 - C. City Council receives public testimony for/against the proposed amendments to land use assumptions, capital improvement plans, and water and wastewater impact fees
 - D. Mayor closes the public hearing
 - E. City Council may discuss the proposed amendments to land use assumptions, capital improvement plans, and water and wastewater impact fees

Grant Watanabe, P.E., CFM, Director of Public Works & Engineering Services
Jessica Vassar, P.E., Freese and Nichols, Inc.

CONSIDERATION/DISCUSSION ITEMS

- [10.](#) Consideration and possible action approving the first reading of an ordinance amending the City of Fair Oaks Ranch Code of Ordinances, Chapter 13 Utilities, Article 13.08 Water and Wastewater Impact Fees, to include amendments to land use assumptions, capital improvement plans, and water and wastewater impact fees; and providing for an effective date

Grant Watanabe, P.E., CFM, Director of Public Works & Engineering Services

- [11.](#) Consideration and possible action approving a resolution authorizing an Official Notice of Sale to issue Certificates of Obligation in the amount of \$7,930,000 for water and wastewater projects; and providing an effective date

Summer Fleming, CGFO, Director of Finance

WORKSHOP

- [12.](#) City Water Supply and Demand Projections and GBRA WaterSECURE Project

Grant Watanabe, P.E., CFM, Director of Public Works & Engineering Services
R. Brian Perkins, P.E., Guadalupe-Blanco River Authority

REPORTS FROM STAFF AND COMMITTEES13. ClearPlans Capital Project Tracker Demo

Kelsey Delgado, CISEC, Project Manager

REQUESTS AND ANNOUNCEMENTS

14. Announcements and reports by Mayor and Council Members

15. Announcements by the City Manager

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

ADJOURNMENT

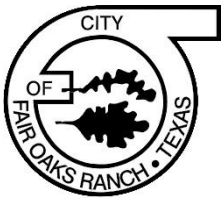
Signature of Agenda Approval: s/Gregory C. Maxton

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, July 14, 2025 and remained so posted continuously for at least 72 hours before said meeting was convened. A quorum of various boards, committees, and commissions may attend the City Council meeting

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).



CITY OF FAIR OAKS RANCH
CITY COUNCIL REGULAR MEETING

Thursday, July 03, 2025 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, Rhoden, Olvera, Pearson, Parker, and Swarek

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

Resident Carol Willoughby asked the City Council to consider increasing the current tax exemption for residents 65 years of age and older.

Resident Steve Browne asked the City Council to consider using MDD grant funds to start a project that encourages rainwater harvesting by residents and even a city-sized rainwater collection system to alleviate the burden of a drought.

PRESENTATIONS

4. Introduction of Police K9 Vox

Chief of Police Todd Smith introduced new K9 Police Officer Vox to the community.

CONSENT AGENDA

5. Approval of the June 19, 2025 Regular City Council meeting minutes

6. Approval of the second reading of an ordinance of the City Council of the City of Fair Oaks Ranch, Texas providing for the extension of the Fair Oaks Ranch city limits by the annexation of a +/- 344.6-acre tract of land within Comal and Kendall County, Texas generally located north and east of Ammann Road and east of the Stone Creek Ranch subdivision; and providing for an effective date

7. **Approval of a resolution authorizing the execution of an agreement with M5 Utilities, LLC for the Rolling Acres Trail and Willow Wind/Red Bud Hill Water Line Replacement Project, expenditure of the required funds, and execution of all applicable documents by the City Manager**

MOTION: Made by Council Member Rhoden, seconded by Council Member Pearson, to approve the Consent Agenda.

VOTE: 7 - 0; Motion Passed

PUBLIC HEARINGS

8. **Reconvene the Public Hearing from June 19, 2025, concerning the creation of the Post Oak Public Improvement District, pursuant to the provisions of Chapter 372 of the Texas Local Government Code**

- A. Mayor reconvened the public hearing at 6:49 PM
- B. Assistant City Manager Jim Williams summarized the petition's background and explained the next steps to complete creation of the Public Investment District.
- C. City Council did not receive public testimony for or against the proposed creation of the Post Oak Development Public Improvement District.
- D. Mayor Maxton closed the public hearing at 6:51 PM
- E. The City Council did not discuss the proposed creation of the Post Oak Development Public Improvement District further

CONSIDERATION/DISCUSSION ITEMS

9. **Consideration and possible action approving a resolution authorizing and creating the Post Oak Development Public Improvement District**

MOTION: Made by Council Member Swarek, seconded by Council Member Olvera, to approve a resolution authorizing and creating the Post Oak Development Public Improvement District.

VOTE: 7 - 0; Motion Passed

10. **Consideration and possible action approving the first reading of an ordinance amending the City of Fair Oaks Ranch Code of Ordinances, Chapter 9 Personnel, Article 9.03 Police Department, Section 9.03.004 Chief of Police**

MOTION: Made by Council Member Parker, seconded by Council Member Rhoden, to approve the first reading of an ordinance amending the City of Fair Oaks Ranch Code of Ordinances, Chapter 9 Personnel, Article 9.03 Police Department, Section 9.03.004 Chief of Police.

VOTE: 7 - 0; Motion Passed

11. Consideration and possible action approving the first reading of an ordinance approving a first amendment to the 2024 franchise agreement with Frontier Texas Ventures I, LLC for the collection, hauling, and disposal of municipal solid waste and recyclable materials in the City of Fair Oaks Ranch

MOTION: Made by Council Member Olvera, seconded by Council Member Parker, to approve the first reading of an ordinance approving a first amendment to the 2024 franchise agreement with Frontier Texas Ventures I, LLC for the collection, hauling, and disposal of municipal solid waste and recyclable materials in the City of Fair Oaks Ranch.

VOTE: 7 - 0; Motion Passed

City Manager Scott Huizenga asked City Council to address the workshop item on Vestal Park due to the consultant from Evergreen Solutions being delayed by traffic. The Council agreed to adjust the agenda order.

WORKSHOP

14. Vestal Park Culvert Design Options

Manager of Engineering Services Lee Muñoz led a workshop with Council and presented three options for the Vestal Park culvert. Council directed staff to proceed with Option 3—patch repairs to be performed by City staff at minimal cost—and to remove the project from the Capital Improvement Plan (CIP).

CONSIDERATION/DISCUSSION ITEMS

12. Consideration and possible action approving a resolution establishing the target market position for the City's Compensation Plan

MOTION: Made by Council Member Swarek, seconded by Council Member Pearson, to approve a resolution adopting the 50th percentile as the market placement for the City's compensation plan.

VOTE: 7 - 0; Motion Passed

WORKSHOP

13. FY 2025-26 Budget Workshop: Municipal Court, Capital and Strategic Projects, and Utilities

Director of Finance Summer Fleming provided a brief overview of the proposed budget after which the following employees provided more details for each of their departments and answered questions of Council and meeting attendees:

- Ricardo Bautista, Municipal Court Administrator
- Grant Watanabe, P.E., CFM, Director of Public Works & Engineering Services

Council Member Swarek left the meeting at 8:23 PM and returned at 8:26 PM.

15. Flock Safety Automated License Plate Reader (ALPR)

Chief of Police Todd Smith led a workshop where he provided an overview of Automated License Plate Readers (ALPRs), including their purpose, potential uses, and those who would have access to the system. He also explained the benefits of the City gaining access to information shared by other entities that use the Flock system.

REQUESTS AND ANNOUNCEMENTS**16. Announcements and reports by Mayor and Council Members**

Council Member Rhoden recognized his grandsons Kayden and Max Rhoden, who are visiting the council meeting.

Mayor Maxton reminded residents to attend the annual 4th of July celebration on Friday in partnership with the Fair Oaks Ranch Country Club. A fireworks/laser show is planned to begin after 9:00 PM although residents and their guests are invited to arrive as early as 6:00 PM to enjoy music and food trucks leading up to the display. The Mayor also reminded residents that the deadline to apply for a City Committee or Board is August 1, 2025. He urged anyone with questions to contact the City Secretary's Department.

17. Announcements by the City Manager

N/A

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

N/A

ADJOURNMENT

Mayor Maxton adjourned the meeting at 8:55 PM.

ATTEST:

Gregory C. Maxton, Mayor

Christina Picioccio, TRMC, City Secretary



CITY COUNCIL CONSENT ITEM

CITY OF FAIR OAKS RANCH, TEXAS

AGENDA TOPIC: Approval of the second reading of an ordinance amending the City of Fair Oaks Ranch Code of Ordinances, Chapter 9 Personnel, Article 9.03 Police Department, Section 9.03.004 Chief of Police

DATE: July 17, 2025

DEPARTMENT: Administration

PRESENTED BY: Consent Item: Jim Williams, MBA, ICMA-CM, Assistant City Manager

INTRODUCTION/BACKGROUND:

Section 9.03.004 of the City Code of Ordinances currently states that the Mayor appoints the Police Chief, subject to confirmation by the City Council. However, this provision became outdated in 2017 when the City adopted a Home Rule Charter and transitioned to a Council-Manager form of government.

Under the Home Rule Charter, the responsibility for appointing, suspending, and removing City staff, unless otherwise specified in the Charter, rests with the City Manager. As such, this ordinance proposes to amend Section 9.03.004 by removing the obsolete language related to the Mayor's appointment and Council confirmation of the Police Chief.

All other provisions within Section 9.03.004 will remain unchanged. This amendment ensures consistency between the City Code and the governance structure established in the Home Rule.

The first reading of this ordinance was approved by City Council on July 3, 2025.

Attached is the proposed ordinance for City Council's approval.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

- Aligns with duties of the City Manager provisions in the City Charter.
- Aligns with the City's Strategic Action Plan pillars of Operational Excellence.

LONGTERM FINANCIAL & BUDGETARY IMPACT:

None

LEGAL ANALYSIS:

Ordinance approved as to form.

RECOMMENDATION/PROPOSED MOTION:

Consent Item: I move to approve the second reading of an ordinance amending the City of Fair Oaks Ranch Code of Ordinances, Chapter 9 Personnel, Article 9.03 Police Department, Section 9.03.004 Chief of Police.

AN ORDINANCE

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FAIR OAKS RANCH, TEXAS, AMENDING THE FAIR OAKS RANCH CODE OF ORDINANCES CHAPTER 9 PERSONNEL, ARTICLE 9.03 POLICE DEPARTMENT, SECTION 9.03.004 CHIEF OF POLICE OF THE CITY OF FAIR OAKS RANCH CODE OF ORDINANCES; PROVIDING FOR REPEALING AND SEVERABILITY CLAUSES; AND AN EFFECTIVE DATE

WHEREAS, in May 2017, the citizens of Fair Oaks Ranch voted to adopt the City of Fair Oaks Ranch Home Rule Charter, and

WHEREAS, prior to adoption of the Home Rule Charter, the Police Chief was appointed by the Mayor and confirmed by the City Council, and

WHEREAS, the Home Rule Charter established a “Council-Manager” form of municipal government, and

WHEREAS, in accordance with the Home Rule Charter, the City Manager has the authority to appoint, suspend, or remove City employees, except as otherwise specified in the Charter, and

WHEREAS, it is necessary from time to time to update the City Code to ensure alignment with applicable federal, state, and local laws, as well as to reflect current practices.

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

Section 1. The Fair Oaks Ranch Code of Ordinances Chapter 9 Personnel Article 9.03 Police Department Section 9.03.004 Chief of Police is hereby amended as show in **Exhibit A**.

Section 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.

Section 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.

Section 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.

Section 5. 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.

- Section 6.** If any provision of this ordinance or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this ordinance and the application of such provision to other persons and circumstances shall nevertheless be valid, and the City hereby declares that this ordinance would have been enacted without such invalid provision.
- Section 7.** All ordinances, or parts thereof, which are in conflict or inconsistent with any provision of this ordinance are hereby repealed to the extent of such conflict, and the provisions of this ordinance shall be and remain controlling as to the matters ordained herein.
- Section 8.** This ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.
- Section 9.** This ordinance shall take effect immediately from and after its second reading, passage and any publication requirements as may be required by governing law.

PASSED and APPROVED on first reading by the City Council of the City of Fair Oaks Ranch, Texas, on this 3rd day of July 2025.

PASSED, APPROVED, and ADOPTED on second and final reading by the City Council of the City of Fair Oaks Ranch, Texas, on this 17th day of July 2025.

Gregory C. Maxton, Mayor

ATTEST:

APPROVED AS TO FORM:

Christina Picioccio, TRMC
City Secretary

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

EXHIBIT A

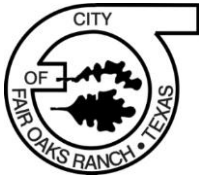
Chapter 9 Personnel; Article 9.03 Police Department; Section 9.03.004 Chief of Police is hereby amended as follows:

[Deletions shown as strikethrough and Additions shown as underscore]:

(a) The Police Department of the City shall consist of the Chief of Police and such members as the City Council may provide.

~~(b) The Chief of Police shall be appointed by the mayor and confirmed by the City Council.~~

(b) ~~(c)~~ The Chief of Police shall carry out the functions of the police department relating to public safety and enforcement of ordinances, state and federal laws; organize the Police Department of the City in conformity with the laws of the state and ordinances of the City; and shall promulgate policies, procedures, rules, directives and orders for the administration of the department, including but not limited to, discipline within the department.



CITY COUNCIL CONSENT ITEM

CITY OF FAIR OAKS RANCH, TEXAS

AGENDA TOPIC: Approval of the second reading of an ordinance approving a first amendment to the 2024 franchise agreement with Frontier Texas Ventures I, LLC for the collection, hauling, and disposal of municipal solid waste and recyclable materials in the City of Fair Oaks Ranch

DATE: July 17, 2025

DEPARTMENT: Administration

PRESENTED BY: Consent Item: Jim Williams, MBA, ICMA-CM, Assistant City Manager

INTRODUCTION/BACKGROUND:

The City entered into a franchise agreement with Frontier Texas Ventures I, LLC (Frontier Waste) in August 2024 for the collection, hauling and disposal of municipal solid waste and recyclable materials in the City. Service started with Frontier Waste in October 2024.

Since the commencement of the contract, staff have become aware of confusing contract terms regarding procedures that residents follow when scheduling their bulk or brush pick up. Currently, residents need to contact Frontier Waste “no later than the end of the business day prior to the scheduled collection day.” This language is confusing in three ways:

1. There’s no practicable way for residents to know what the scheduled collection day is for bulk or brush pick up until after they contact Frontier Waste,
2. Residents often believe the “scheduled collection day” is their garbage and recyclable collection day, when it is likely that bulk and brush pick up will likely be on a different day than the regular, weekly garbage and recycling pick up, and
3. Residents have routinely called Frontier Waste by close of business the day prior to the day they would like to have a scheduled pick up, only to find out that Frontier Waste has no available capacity for that day, leading to confusion, disappointment and unmet expectations.

Staff discussed the problem with Frontier Waste and determined the best course of action is for residents to call Frontier Waste not later than 5:00 p.m. the Friday before the monthly bulk and brush pick up week. Frontier Waste and the resident needing service can coordinate a more precise pick-up day for bulk or brush, resulting in better communication and improved service delivery. This course of action will require a contract amendment.

Bulk and brush pick up will continue to be the last full week of each month. Residents may continue to schedule up to one bulk pick up per month and up to two brush pick ups per year. All other provisions in the 2024 franchise agreement remain unchanged.

The first reading of this ordinance was approved by City Council on July 3, 2025.

Attached as **Exhibit A** is the proposed amendment. For reference, attached as **Exhibit B** is the 2024 franchise agreement.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

- Aligns with the City's Strategic Action Plan pillars of Operational Excellence.

LONGTERM FINANCIAL & BUDGETARY IMPACT:

None

LEGAL ANALYSIS:

Ordinance approved as to form.

RECOMMENDATION/PROPOSED MOTION:

Consent Item: I move to approve the second reading of an ordinance approving a first amendment to the 2024 franchise agreement with Frontier Texas Ventures I, LLC for the collection, hauling, and disposal of municipal solid waste and recyclable materials in the City of Fair Oaks Ranch.

AN ORDINANCE

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FAIR OAKS RANCH, TEXAS, APPROVING A FIRST AMENDMENT TO THE 2024 FRANCHISE AGREEMENT WITH FRONTIER TEXAS VENTURES I, LLC FOR THE COLLECTION, HAULING, AND DISPOSAL OF MUNICIPAL SOLID WASTE AND RECYCLABLE MATERIALS IN THE CITY OF FAIR OAKS RANCH; PROVIDING FOR REPEALING AND SEVERABILITY CLAUSES; AND AN EFFECTIVE DATE

WHEREAS, on August 25, 2024, the City entered into a franchise agreement with Frontier Texas Ventures I, LLC, (Frontier Waste) for the collection, hauling, and disposal of municipal solid waste and recyclable materials in the City, and

WHEREAS, the 2024 franchise agreement between the City and Fronier Waste is attached as **Exhibit B**, and

WHEREAS, staff identified confusing contract terms regarding resident scheduling of bulk items and brush pick up, and

WHEREAS, staff and Frontier Waste agree that service to residents can be improved with a modification to the contract language regarding scheduling for bulk items and brush pick up, and

WHEREAS, the proposed contract amendment is attached hereto as **Exhibit A**.

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

Section 1. The *First Amendment* to the 2024 Franchise Agreement for the collection, hauling, and disposal of municipal solid waste and recyclable materials as described in **Exhibit A** is approved. The City Manager is hereby authorized to execute the Amendment with Frontier Texas Ventures I, LLC, attached as **Exhibit A**, and to execute any and all applicable documents to effectuate this ordinance.

Section 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.

Section 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.

Section 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.

Section 5. 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.

Section 6. If any provision of this ordinance or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this ordinance and the application of such provision to other persons and circumstances shall nevertheless be valid, and the City hereby declares that this ordinance would have been enacted without such invalid provision.

Section 7. All ordinances, or parts thereof, which are in conflict or inconsistent with any provision of this ordinance are hereby repealed to the extent of such conflict, and the provisions of this ordinance shall be and remain controlling as to the matters ordained herein.

Section 8. This ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 9. This ordinance shall take effect immediately from and after its second reading, passage and any publication requirements as may be required by governing law.

PASSED and APPROVED on first reading by the City Council of the City of Fair Oaks Ranch, Texas, on this 3rd day of July 2025.

PASSED, APPROVED, and ADOPTED on second and final reading by the City Council of the City of Fair Oaks Ranch, Texas, on this 17th day of July 2025.

Gregory C. Maxton, Mayor

ATTEST:

APPROVED AS TO FORM:

Christina Picioccio, TRMC
City Secretary

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

EXHIBIT A**AMENDMENT # 1**

The Franchise Agreement fully executed on August 15, 2024 is being modified to reflect changes for notifying the Service Provide for bulky and brush collections. No other changes to the scope of services or terms and conditions are being made. The modifications are shown below and shall supersede the previously existing language.

SECTION 7. BULKY ITEMS; BRUSH.

A. Pre-Arranged Bulky Collections. The Service Provider will collect Bulky Items from Residential Units once per month, as designated by the Service Provider; provided, that (i) the Residential Units requiring such collections notify the Service Provider before 5:00 P.M. the Friday before the designated pickup week ~~no later than the end of the Business Day prior to the scheduled collection day~~, and (ii) the Bulky Items (A) are placed at the curbside no later than 7:00 a.m. on the scheduled collection day, and (B) do not exceed 300 pounds per household pick up White Goods containing refrigerants will not be collected by the Service Provider unless such White Goods have been certified in writing by a professional technician to have had all such refrigerants removed. Bulky Items will be collected during the last full week of the month. The City, at its sole discretion, may elect to alter the Citywide collection in lieu of individually scheduled collections.

B. Pre-Arranged Brush Collections. The Service Provider will collect loose brush from Residential Units twice per Contract Year, as designated by the Service Provider; provided, that (i) the Residential Units requiring such collections notify the Service Provider before 5:00 P.M. the Friday before the designated pickup week, ~~no later than the end of the Business Day prior to the scheduled collection day~~ and (ii) the loose brush (A) is placed at the curbside no later than 7:00 a.m. on the scheduled collection day and (B) do not exceed twenty (20) cubic yards in total volume per collection per Residential Unit. Brush will be collected during the last full week of the month. The City, at its sole discretion, may elect to alter the Citywide collection in lieu of individually scheduled collections.

EXHIBIT A

PASSED AND APPROVED BY THE CITY OF FAIR OAKS RANCH CITY COUNCIL
MEETING AT A TIME AND PLACE IN COMPLETE CONFORMITY WITH THE OPEN
MEETING LAWS OF THE STATE OF TEXAS AND ALL OTHER APPLICABLE LAWS THIS
____ DAY OF _____, 2025.

FRONTIER TEXAS VENTURES I, LLC

CITY OF FAIR OAKS RANCH, TX

By: _____

By: _____

Name: John Gustafson

Name: Scott M. Huizenga

Title: President

Title: City Manager

ATTEST:

By: _____

Name: Christina Picioccio

Title: City Secretary

**EXCLUSIVE FRANCHISE AGREEMENT
FOR THE COLLECTION, HAULING, RECYCLING AND DISPOSAL OF
MUNICIPAL SOLID WASTE AND RECYCLABLE MATERIALS
IN THE CITY OF FAIR OAKS RANCH, TEXAS**

OCTOBER 1, 2024

**EXCLUSIVE FRANCHISE AGREEMENT
FOR THE COLLECTION, HAULING, RECYCLING AND DISPOSAL OF
MUNICIPAL SOLID WASTE AND RECYCLABLE MATERIALS
IN THE CITY OF FAIR OAKS RANCH, TEXAS**

STATE OF TEXAS

COUNTIES OF BEXAR, COMAL AND KENDALL

THIS EXCLUSIVE FRANCHISE AGREEMENT (this "Agreement") is made and entered into as of October 1, 2024, by and between Frontier Texas Ventures I, LLC, a Delaware limited liability company doing business in Texas as "Frontier Waste Solutions" (the "Service Provider"), and the City of Fair Oaks Ranch, Texas (the "City").

WHEREAS, the City, subject to the terms and conditions set forth herein and the ordinances and regulations of the City, desires to grant to the Service Provider the exclusive franchise, license and privilege to collect, haul and recycle or dispose of Municipal Solid Waste and Recyclable Materials (as such terms are defined herein) Brush and Bulky items, Household Hazardous items, Recyclables, and Wastewater Sludge and Screening (as such terms are defined herein) within the City's corporate limits.

NOW, THEREFORE, in consideration of the premises and the mutual promises, covenants and agreements set forth herein, the Service Provider and the City hereby agree as follows:

SECTION 1. DEFINED TERMS.

The following terms, as used herein, will be defined as follows:

Brush Items – Brush includes personally-trimmed and severed parts of all domestically cultivated trees and shrubbery that do not exceed twenty (20) cubic yards in total volume per residential collection.

Bulky Items - Bulky Items consist of household items such as appliances with Freon removed, household fixtures, furniture, yard equipment with gas removed, mattresses, and other similar Items. Items have no size limitations but are limited to a weight limit of 300 pounds per household pick up. Does not include Construction and Demolition Waste.

Brush and Bulky Items Curbside Pick-Up – The scheduled collection and disposal of curbside Brush and Bulky Items.

Business Day - Any day that is not a Saturday, a Sunday, or other day on which banks are required or authorized by law to be closed in the City.

City – The City of Fair Oaks Ranch.

City Facilities – All municipal-owned buildings located at 7286 Dietz Elkhorn (City Hall Complex), 30955 Meadow Creek Trail (Fire Station), 7895 Fair Oaks Parkway (Fire Station), and the Wastewater Treatment Plant on No Le Hache Road and any future facilities.

City Manager – The Fair Oaks Ranch City Manager or authorized designee.

Collection - Unless defined a Holiday under this Agreement, Service Provider shall provide one curbside Municipal Solid Waste collection and one curbside Recyclable Material collection per week, for each Residential Unit located within the City. The Recyclable Material curbside collection will occur on the same day as normal curbside Municipal Solid Waste. Such collection services must be provided between the hours of 7:00 A.M. and 7:00 P.M.

Construction and Demolition Waste - Solid Waste resulting from construction or demolition activities or that is directly or indirectly the by-product of such activities, including, but not limited to, cartons, concrete, excelsior, gypsum board, metal, paper, plastic, rubber and wood products. Construction and Demolition Waste does not include Hazardous Waste, Household Hazardous Waste, Municipal Solid Waste, Recyclable Materials or Brush and Bulky Items.

Container – Any receptacle, including, but not limited to, Roll-Offs and Rollouts, provided to the City by the Service Provider and utilized by a Residential Unit for collecting Municipal Solid Waste or Recyclable Materials. Containers are designed to hold between ninety-five (95) gallons and forty (40) cubic yards of Solid Waste. Commercial metal receptacles, used at City Facilities, are designed to be lifted and emptied mechanically.

Contract Year – Any one-year period of time from October 1 to September 30 during the term of this Agreement.

Dead Animal Collection – The collection and disposal of dead animals stored in the City’s storage cooler.

Hazardous Waste - Waste defined as, or of a character or in sufficient quantity to be defined as, a Hazardous Waste by the Resource Conservation and Recovery Act, as amended, or by Texas law with respect thereto, or a “toxic substance” as defined in the Toxic Substance Control Act, as amended, or any regulations with respect thereto, or any reportable quantity of a “hazardous substance” as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, or any regulations with respect thereto.

Handicapped Residential Unit - Any residential dwelling that is inhabited by persons, all of whom are physically handicapped to the extent that they are unable to place Municipal Solid Waste or Recyclable Materials at the curbside, and that generates and accumulates Municipal Solid Waste and Recyclable Materials.

Holidays - The following days:

- (1) New Year's Day (January 1st)
- (2) Memorial Day
- (3) Independence Day (July 4th)

- (4) Labor Day
- (5) Thanksgiving Day
- (6) Christmas Day (December 25th).

Household Hazardous Waste - Any solid waste generated in a household by a consumer which, except for the exclusion provided in 40 Code of Federal Regulations (CFR) §261.4(b)(1), would be classified as a hazardous waste under 40 CFR Part 261

Landfill - Any facility or area of land receiving Municipal Solid Waste and operating under the regulation and authority of the Texas Commission on Environmental Quality ("TCEQ") within the State of Texas, or the appropriate governing agency for landfills located outside the State of Texas. Includes sanitary landfills permitted or approved by all appropriate governmental agencies having jurisdiction and requiring such licenses, franchises, permits or approvals to receive for processing or final disposal Municipal Solid Waste and dead animals.

Monthly Residential Rate – Monthly fee charged by the Service Provider to all single-family residential receiving solid waste collection, disposal and recycling services authorized by City Council.

Municipal Solid Waste - Solid Waste resulting from or incidental to residential, municipal and community, commercial, institutional, or recreational activities, or manufacturing, mining, or agricultural operations. Municipal Solid Waste does not include Construction and Demolition Waste, Hazardous Waste or Household Hazardous Waste.

Recycling and Recycling Facility- Recycling shall mean a process by which Recyclable Materials are collected, sorted, processed, or prepared into marketable commodities for manufacturing into new products. Recycling Facility shall mean a facility where Recyclable Materials are sorted and processed.

Recyclable Materials -

- (a) Newspapers, magazines, and catalogs, and other paper items such as mail, paper bags or other paper;
- (b) Glass bottles and jars (excluding mirrors, windows, ceramics and other glass products);
- (c) Metal cans composed of tin, steel or aluminum (excluding scrap metal); and
- (d) Plastic containers including all varieties of the types designated as #1, #2, #3, #4, #5 and #7.

Recycling Container – A Container of approximately 95 gallons of capacity and provided by the Service Provider to any Residential Unit and City Facilities for the collection of Recyclable Materials.

Residential Unit - Any residential dwelling that is designed for, and inhabited by, a single person or family unit that generates and accumulates Municipal Solid Waste and Recyclable Materials.

Roll-Off - A metal Container with twenty (20) cubic yards to forty (40) cubic yards of capacity.

RollOut - A wheeled rigid plastic Container with ninety-five (95) gallons of capacity.

Screenings - That floating and suspended matter, both organic and inorganic, that is removed from the wastewater entering the treatment plant by the mechanically cleaned coarse screens.

Service Provider – The person, corporation, partnership, or legal entity performing the services provided for under this Agreement.

Solid Waste - As defined by the Texas Health and Safety Code, Chapter 363 Municipal Solid Waste Section 363.004 (19) whether such waste is mixed with or constitutes Recyclable Materials.

Special Waste - Special Waste is any Solid Waste at City locations which, because of its physical characteristics, chemical make-up, or biological nature requires either special handling, disposal procedures including liquids for solidification at the Landfill, documentation, and/or regulatory authorization, or poses an unusual threat to human health, equipment, property, or the environment. Special Waste includes, but is not limited, to sludge from the City's wastewater treatment plants and animal carcasses. Special Waste must conform in all respects with a Service Provider-approved Special Waste Profile. Special Waste does not include any Hazardous Waste.

Special Waste Profile – Service Provider's form of documentation, as provided as an Attachment to the Agreement, that the City must complete, and Service Provider must approve, with respect to any Special Waste prior to Service Provider's acceptance of such Special Waste.

Unacceptable Waste - Means highly flammable substances, Hazardous Waste, liquid wastes, certain pathological and biological wastes, explosives, toxic materials, radioactive materials, material that the disposal facility is not authorized to receive and/or dispose of, and other materials deemed by Texas or federal law, to be dangerous or threatening to health or the environment, or which cannot be legally accepted at the applicable disposal facility. Household Hazardous Waste collected by Provider does not necessarily constitute Unacceptable Waste.

Wastewater Sludge - The accumulated solids separated from the wastewater during processing. That portion of settled solids from the final clarifiers removed from the wastewater treatment processes to the solids drying beds or other solids handling facilities.

White Good - Any item consisting of household items such as appliances with Freon removed, hot water heaters, sinks, household fixtures, furniture, yard equipment with gas removed, and mattresses. Does not include Construction and Demolition Waste.

SECTION 2. EXCLUSIVE FRANCHISE GRANT.

The City hereby grants to the Service Provider, in accordance with the City's ordinances and regulations governing the collection, hauling, recycling and disposal of Municipal Solid Waste and Recyclable Materials, the exclusive franchise, license and privilege to collect, haul and recycle

or dispose of Municipal Solid Waste and Recyclable Materials over, upon, along and across the City's present and future streets, alleys, bridges and public properties, within the City's corporate limits. In order to maintain the exclusive franchise in favor of the Service Provider contained herein, the City shall take appropriate legal action pursuant to the City's Code of Ordinances, Chapter 13, Section 13.02.001.

SECTION 3. OPERATIONS.

A. Scope of Operations. It is expressly understood and agreed that the Service Provider will collect, haul and recycle or dispose of all Municipal Solid Waste and Recyclable Materials (as provided herein) (i) generated and accumulated by Residential Units, and (ii) placed within Containers by those Residential Units receiving the services of the Service Provider (or otherwise generated and accumulated in the manner herein provided by those Residential Units), all within the City's corporate limits, including any territories annexed by the City during the term of this Agreement, subject to applicable law (the "Services").

B. Nature of Operations. The City hereby grants to the Service Provider, in accordance with the City's ordinances and regulations governing the collection, hauling and recycling or disposal of Municipal Solid Waste and Recyclable Materials, the title to all Municipal Solid Waste and Recyclable Materials collected, hauled and recycled or disposed of by the Service Provider over, upon, along and across the City's present and future streets, alleys, bridges and public properties. All title to and liability for materials excluded from this Agreement shall remain with the generator of such materials.

C. Disposal. All Municipal Solid Waste shall be disposed of at a Landfill.

D. Right of Refusal. Service Provider may, in its sole discretion, reject any Unacceptable Waste. If Unacceptable Waste is discovered before it is collected by Service Provider, Service Provider may refuse to collect the entire Container.

E. Legal Compliance. Service Provider shall be required to follow all applicable local, state and federal laws and regulation pertaining to the provision of the services detailed herein, including but not limited to those related to safety. Service Provider shall acquire title to the materials when such materials are loaded into its vehicle; provided, however, that when Service Provider is providing disposal services only and not collection services, Service Provider shall acquire title when the materials are delivered to its premises. Title to and liability for any Unacceptable Waste shall at no time pass to the Service Provider.

SECTION 4. RESIDENTIAL UNIT COLLECTIONS.

A. Residential Units. The Service Provider will collect Municipal Solid Waste once per week and Recyclable Materials once per week from Residential Units; provided, that (i) such Municipal Solid Waste and Recyclable Materials are placed in Containers provided by the Service Provider, and (ii) such Containers are placed within five (5) feet of the curbside or right of way adjacent to the Single-Family Residential Unit no later than 7:00 a.m. on the scheduled collection day. The Recyclable Materials curbside collection shall occur on the same day as the curbside Municipal

Solid Waste collection. Collection services must be provided between the hours of 7:00 A.M. and 7:00 P.M.

B. Excess or Misplaced Municipal Solid Waste. The Service Provider shall only be responsible for collecting, hauling and recycling or disposing of Municipal Solid Waste and Recyclable Materials placed inside the Containers provided by the Service Provider. Municipal Solid Waste and Recyclable Materials in excess of the Containers' limits, or placed outside or adjacent to the Containers, will not be collected by the Service Provider. However, such excess or misplaced Municipal Solid Waste and Recyclable Materials may be collected on occasion and within reason due to Holidays or other extraordinary circumstances as determined by the Service Provider in its sole discretion. If the excess or misplaced Municipal Solid Waste and/or Recyclable Materials continues, the Service Provider shall require the Residential Unit to utilize an additional Container so that the excess or misplaced Municipal Solid Waste and/or Recyclable Materials will be regularly contained. The Service Provider shall be compensated for these additional Services as provided for in Section 9 hereto.

C. Handicapped Residential Units. Notwithstanding anything to the contrary contained herein, the Service Provider agrees to assist Handicapped Residential Units with house-side collection of their Containers; provided, that the Service Provider receives prior written notice from the Handicapped Residential Unit of such special need. The Service Provider shall not be responsible for any other modifications and accommodations required by the Americans with Disabilities Act or any other applicable law or regulation in connection with the services provided hereunder to Residential Units.

D. Household Hazardous Waste Collection. The Service Provider will collect Household Hazardous Waste from Residential Units once per month, as designated by the Service Provider; provided, that the Household Hazardous Waste (i) is placed on the porch/doorstep no later than 7:00 a.m. on the scheduled collection day, (ii) is reasonably contained in a box or bag provided by the Service Provider, and (iii) the Residential Unit notifies the Service Provider of the need for such collection at least 7 days prior to the scheduled collection day for such Household Hazardous Waste. The Service Provider shall only be responsible for collecting, hauling and disposing of Household Hazardous Waste from those Residential Units that have complied with this Section 4.D.

The Service Provider will accept the following items for collection as Household Hazardous Waste:

- Aerosol products
- Ammunition, home use fireworks
- Antifreeze
- Auto fluids
- Ballasts (non-PCB & PCB)
- Batteries – auto, sump, power tool & household sizes
- Blacktop sealer - oil based
- Cleaning products
- Cooking Oil
- Fire Extinguishers

- Fluorescent bulbs (tubes and CFLs)
- Gasoline & oil/gas mixtures
- HID (headlight bulbs)
- Hobby & photo chemicals
- Lawn chemicals
- Mercury containing Devices (thermostats, etc.)
- Motor oil
- Oxygen tanks
- Paint (Oil-based paints, stains, varnishes; and Latex Paint)
- Pesticides, poisons, herbicides, insecticides
- Pharmaceuticals/medications
- Pool chemicals
- Propane tanks
- Resins, Glues, Adhesives
- Smoke Detectors
- Solvents

The Service Provider will not accept the following items for collection as Household Hazardous Waste:

- Acetylene cylinders
- Biological or medical waste
- Business generated waste
- Foam cylinders (Part A/Part B)
- Explosives
- MAPP gases
- Radioactive Material
- Syringes/needles
- Farm machinery oil

Each Household Hazardous Waste collection per month shall be limited as follows:

- Fluorescent light bulbs: Minimum 1, Maximum 8.
- Used motor oils or antifreeze: Minimum 1 gallon, Maximum 2 gallons.
- Paints and supplies; Pool & Household Chemicals: Minimum 1 gallon, Maximum 5 gallons.
- Household Cleaners; Pesticides & Fertilizers: Minimum 1 item, Maximum 8 items.
- Household Batteries: Minimum 1, Maximum 20.

Acceptable Items are subject to change.

SECTION 5. RECYCLING EDUCATION PROGRAM.

The Service Provider shall implement, as part of the contract proposal price, maintain and manage a public education program to promote participation in the City's recycling program, including providing educational material to Residential Units regarding acceptable Recyclable Materials.

The educational material, at a minimum, shall be sent once each Contract Year to all Residential Units.

SECTION 6. SPECIAL COLLECTIONS AND SERVICES.

A. The Service Provider will provide, at no cost to the City, the following Containers to collect Municipal Solid Waste at certain municipal locations within the City as set forth below:

- City Hall Complex – collected in fifteen (15) 95-gallon Rollouts and a four-yard commercial dumpster at a frequency of once (1) per week on the same day of the week as the collection of Residential Units.
- Fire Stations – collected in four (4) 95-gallon Rollouts at a frequency of once (1) per week on the same day of the week as the collection of Residential Units.

Wastewater Treatment Plant – collected in (10) 96-gallon Rollouts and one (1) 20-yard Roll-Off and one (1) 30-yard Roll-Off at a frequency of twice weekly on the same day of the week as the collection of Residential Units.

B. Dead animals shall be collected at and disposed from the City-owned storage cooler on each date the Service Provider provides Municipal Solid Waste Collection services under this Agreement.

C. Christmas trees shall be collected annually by no later than January 15 of each year.

D. Storm damage and debris produced by strong winds, rain, hail, lightning, flooding, tornadoes, or other turbulent weather that is identified at the City Manager's discretion, acting reasonably, that requires clean-up and disposal on City-owned property shall be performed within 48 hours written request from the City Manager.

E. Wastewater Sludge and Screenings removal and disposal:

- a. Wastewater Sludge – Collected in a 30-yard Roll-Off Container at a frequency of twice (2) per week.
- b. Screenings - Collected in four (4) 96-gallon wheeled, drainable, plastic waste wheelers at a frequency of twice (2) per week.

F. Special Waste Profile If services include Special Waste, the City shall utilize the Service Provider's Special Waste Profile, signed by the City employee who is responsible for environmental compliance, containing a complete and accurate description of the waste stream, including the generating process and chemical and physical characteristics.

- a. Upon successful conclusion of the waste characterization approval process, the City shall thereafter update the Special Waste Profile (1) upon request of Service Provider or (2) immediately upon any change in the composition, generating process or

- characteristics of the waste. The City agrees, upon written request of Service Provider, to provide a Special Waste Profile or, in Service Provider's discretion, a representative sample and full analytical characterization of any Special Waste to Service Provider or others in connection with the proper management of the Special Waste.
- b. The City warrants that it has sufficient knowledge and information to ensure that the Special Waste Profile provided is true and correct at the time of tender of every load of Special Waste and that each load of Special Waste tendered for management by the Service Provider (1) shall be fully and precisely described in a Special Waste Profile; (2) shall conform to the information provided in the Special Waste Profile; and (3) shall not contain any Hazardous Waste or Unacceptable Waste.
 - c. The City will use best efforts and will provide information to the best of its knowledge.

SECTION 7. BULKY ITEMS; BRUSH.

A. Pre-Arranged Bulky Collections. The Service Provider will collect Bulky Items from Residential Units once per month, as designated by the Service Provider; provided, that (i) the Residential Units requiring such collections notify the Service Provider no later than the end of the Business Day prior to the scheduled collection day, and (ii) the Bulky Items (A) are placed at the curbside no later than 7:00 a.m. on the scheduled collection day, and (B) do not exceed 300 pounds per household pick up White Goods containing refrigerants will not be collected by the Service Provider unless such White Goods have been certified in writing by a professional technician to have had all such refrigerants removed. Bulky Items will be collected during the last full week of the month. The City, at its sole discretion, may elect to alter the Citywide collection in lieu of individually scheduled collections.

B. Pre-Arranged Brush Collections. The Service Provider will collect loose brush from Residential Units twice per Contract Year, as designated by the Service Provider; provided, that (i) the Residential Units requiring such collections notify the Service Provider no later than the end of the Business Day prior to the scheduled collection day and (ii) the loose brush (A) is placed at the curbside no later than 7:00 a.m. on the scheduled collection day and (B) do not exceed twenty (20) cubic yards in total volume per collection per Residential Unit. Brush will be collected during the last full week of the month. The City, at its sole discretion, may elect to alter the Citywide collection in lieu of individually scheduled collections.

C. The Service Provider shall only be responsible for collecting, hauling, and recycling or disposing of Bulky Items and Brush from those Residential Units that have complied with this Section 7.

D. Negotiated Collections. It is understood and agreed that the service provided under this Section 7 does not include the collection of Bulky Items comprised of Construction and Demolition Waste, or any materials resulting from remodeling, general property clean-up or clearing of property for the preparation of construction. However, the Service Provider may

negotiate an agreement on an individual basis with the owner or occupant of a Residential Unit regarding the collection of such items by utilizing the Service Provider's Roll-Off Services.

SECTION 8. TITLE TO EQUIPMENT.

Notwithstanding anything to the contrary contained herein, it is expressly understood and agreed that all equipment, including, but not limited to, Containers, provided by the Service Provider in connection with the Services, shall at all times remain the property of the Service Provider.

SECTION 9. RATES AND FEES.

Subject to adjustment, as provided in Section 10 hereof, the rates and fees to be charged and received by the Service Provider are as follows:

A. Single-Family Residential Unit Services. For the Services provided to Single-Family Residential Units pursuant to this Agreement located within the City's corporate limits, the Service Provider shall initially charge \$28.47 per month for each Single-Family Residential Unit utilizing one (1) Roll-Out for the collection of Municipal Solid Waste and one (1) Roll-Out for the collection of Recyclable Materials, plus the following additional amounts per month for each additional Roll-Out utilized by such Single-Family Residential Unit and an additional \$15.00 per month for each additional Roll-Out utilized by a Single-Family Residential Unit. Any Single-Family Residential Unit that needs the replacement of any Roll-Out that is lost, stolen, damaged or destroyed by the Single-Family Residential Unit will be charged \$60.00 for the cost of such Roll-Out, plus a \$25.00 delivery fee. Total monthly residential rate includes collection and disposal costs for the services under this Agreement.

B. Storm Debris. In the event the Service Provider provides special or storm related debris collection and disposal services for the City, the Service Provider shall receive \$185.00 per truck hour for all time spent providing such services and \$50.00 for each cubic yard of material collected in connection with such services. The City is not obligated to use Service Provider and may use any provider of their choice for this service. This does not include debris collection and disposal located on City-owned properties (see Section 6.D).

C. Fees. For additional fees, see Sections 10.D and 15.A. and B.

SECTION 10. RATE ADJUSTMENT.

A. CPI-U Adjustment. Beginning on October 1, 2025, and on each subsequent anniversary date of this Agreement, the Service Provider shall have the right, in its sole discretion and upon giving prior notice to the City, to increase the rates set forth in Section 9 hereof (the "Initial Rates") in accordance with the CPI-U. As used herein, "CPI-U" shall mean the revised Consumer Price Index rate for garbage and trash collection in U.S. city average, all urban consumers, not seasonally adjusted, based on the latest available figures from the Department of Labor's Bureau of Labor Statistics (the "Bureau"). The CPI-U used will be the CPI-U published by the Bureau during the month ninety (90) days preceding the adjustment under this Section 10.A. The amount of the increase under this Section 10.A. shall be equal to the percentage that the CPI-U has increased

over the previous twelve (12) month period; provided, that such increase shall not be more than four percent (4%) in any given year.

B. Operating Cost Adjustment. In addition to the rate adjustments provided for in Section 10.A., at any time during the term of this Agreement, the Service Provider may petition the City for additional rate and price adjustments at reasonable times on the basis of material or unusual changes in its cost of operations not otherwise the basis of any other rate adjustments herein. At the time of any such petition, the Service Provider shall provide the City with documents and records in reasonable form and sufficient detail to reasonably establish the necessity of any requested rate adjustment. The City shall place the requested adjustment before the City Council, as appropriate by law, at its next regularly scheduled meeting for their consideration. The City shall not unreasonably withhold, condition, or delay its consent to any requested rate increase. In the event the City fails or refuses to consent to any such requested rate increase and the Service Provider can demonstrate that such rate increase is necessary to offset the Service Provider's increased costs in connection with performing the services under this Agreement not otherwise offset by any previous rate adjustments hereunder, the Service Provider may, in its sole discretion, terminate this Agreement upon a two hundred and seventy (270) day written notice to the City.

C. Landfill Cost Adjustment. The parties acknowledge that the Municipal Solid Waste covered by this Agreement will be disposed of by the Service Provider at a Landfill(s) chosen by the Service Provider in its sole discretion (the "Initial Landfill(s)"). In the event that the Service Provider is unable to use the Initial Landfill(s) due to reasons out of its control, the Service Provider shall have the right, in its sole discretion, to dispose of the Municipal Solid Waste covered by this Agreement at another Landfill of its choosing.

D. Governmental Fees. The parties acknowledge that the rates herein include all applicable fees, taxes or similar assessments incurred under federal, state and local laws, rules and ordinances (excluding sales taxes and taxes imposed on income) (the "Fees"). The parties acknowledge and understand that the Fees may vary from time to time, and, in the event any of such Fees are increased or additional Fees are imposed subsequent to the effective date of this Agreement, the parties agree that the rates herein shall be immediately increased by the amount of any such increase in Fees or additional Fees.

SECTION 11. EXCLUSIONS.

Notwithstanding anything to the contrary contained herein, this Agreement shall not cover the collection, hauling, recycling or disposal of any Hazardous Waste, animal or human, dead animals, auto parts, used tires, concrete, dirt, gravel, rock or sand from any Container provided by the Service Provider located at any Residential Unit; provided, however, that the Service Provider and the owner or occupant of a Residential Unit may negotiate an agreement on an individual basis regarding the collection, hauling or disposal of Construction and Demolition Waste, auto parts, used tires, concrete, dirt, gravel, rock or sand by utilizing the Service Provider's Roll-Off Services.

SECTION 12. TERM OF AGREEMENT.

The initial term of this Agreement shall be for a period of five (5) years, commencing on October 1, 2024 and concluding on September 30, 2029 (the “Initial Term”). At the expiration of the Initial Term of this Agreement, the City, shall have the option to renew this Agreement for up to two (2) additional two (2) year terms. Both parties, in writing, shall agree to each extension, 180 days prior to the end of each term. There is no guarantee to the Service Provider that the City will exercise this option to continue this Agreement beyond the initial five-year period.

SECTION 13. ASSIGNMENT.

This Agreement shall not be assignable or otherwise transferable by the Service Provider without the prior written consent of the City; provided, however, that the Service Provider may assign this Agreement to any affiliate or subsidiary of the Service Provider or to any person or entity succeeding to all or substantially all of the Service Provider’s assets (whether by operation of law, merger, consolidation or otherwise) without the City’s consent.

SECTION 14. ENFORCEMENT.

During the term of this Agreement and any extension thereof, the City agrees to place before the City Council for their consideration, any revisions to existing City Codes governing solid waste requested by Service Provider, provided that such request is consistent with state law. The City shall take any action reasonably necessary to prevent any other solid waste collection company from conducting business in violation of the exclusive franchise granted herein. If the Service Provider experiences recurring problems of damage or destruction to or theft of the Containers provided by the Service Provider pursuant to this Agreement, the Service Provider may, prior to replacing or repairing such Containers, require security deposits from the Residential Units utilizing such Containers. To the maximum extent allowed by applicable law, the City also hereby grants to the Service Provider the right of ingress and egress from and upon the property of Residential Units for the purposes of rendering the Services contemplated hereby.

SECTION 15. PROCESSING, BILLING AND FEES.

A. Residential Monthly Statement. On a quarterly basis, in advance, the Service Provider agrees to bill and collect the rates and fees charged under Section 9 hereto plus an additional five percent (5%) franchise fee (the “Franchise Fee”) from all Residential Units within the City’s corporate limits. Within thirty (30) days following the end of each quarter during the Term, the Service Provider will remit to the City all Franchise Fees collected by the Service Provider during such quarter, along with a report indicating the number and rate of Residential Units who paid the Franchise Fee during such quarter (the “Quarterly Statements”). The City may inspect the books of the Service Provider upon reasonable notice to ensure the accuracy of the Quarterly Statements.

B. Taxes. In addition to the amounts billed and collected by the Service Provider under Section 15.A., the Service Provider shall be responsible for collecting, remitting and paying any and all sales, use and service taxes assessed or payable in connection with the Services.

C. Unpaid Rates/Fees. The Service Provider may, in its discretion, suspend services to any Residential Unit that is not current in its payment of the rates and fees under this Agreement.

D. Recyclable Sales. Within thirty (30) days following the end of each quarter, the Service Provider shall remit to the City an amount equal to fifty percent (50%) of the net proceeds received by the Service Provider during such quarter from the sale of all Recyclable Materials collected from the Residential Units.

SECTION 16. SPILLAGE.

It is understood and agreed that the Service Provider shall not be required to clean up, collect or dispose of any loose or spilled Municipal Solid Waste or Recyclable Materials not caused by the Service Provider's rendering of the Services, or be required to collect and dispose of any excess Municipal Solid Waste or Recyclable Materials placed outside of the Containers by any Residential Unit. The Service Provider may report the location of such conditions to the City so that the City can issue proper notice to the owner or occupant of the Residential Unit instructing the owner or occupant to properly contain such Municipal Solid Waste Recyclable Materials. Should excess Municipal Solid Waste or Recyclable Materials continue to be placed outside of the Containers, the Service Provider shall require the Residential Unit to increase the frequency of collection of such Municipal Solid Waste Recyclable Materials or require the Residential Unit to utilize a Container with sufficient capacity so that the excess Municipal Solid Waste Recyclable Materials will be regularly contained. The Service Provider shall be compensated for these additional Services as provided for in Section 9 hereof and shall be entitled to receive an extra collection charge for each additional Container requiring an extra collection.

SECTION 17. NON-COLLECTION NOTICE AND FOLLOW-UP.

A. Notice from the Service Provider. It is specifically understood and agreed that where the owner or occupant of a Residential Unit fails to timely place a Container as directed in Section 4 hereof, or is otherwise in violation of the City's ordinances and regulations, the Service Provider's reasonable rules adopted hereunder or the provisions of this Agreement relating to the nature, volume or weight of Municipal Solid Waste or Recyclable Materials to be removed, the Service Provider may refrain from collecting all or a portion of such Municipal Solid Waste or Recyclable Materials and will notify the City within eight (8) hours thereafter of the reason for such non-collection. The Service Provider will also provide written notice to the Residential Unit of the reason for such non-collection, unless such non-collection is the result of the Residential Unit's failure to timely place the Containers or Brush or Bulky Items out for collection. Such written notice shall be attached to the Container or the uncollected Municipal Solid Waste, shall indicate the nature of the violation and shall indicate the correction required in order that such Municipal Solid Waste or Recyclable Materials may be collected. An email will also be sent to customers who have provided a valid email address to the Service Provider.

B. Notice from a Residential Unit. When the Service Provider is notified by an owner or occupant of a Residential Unit that Municipal Solid Waste or Recyclable Materials has not been removed from such Residential Unit and where no notice of non-collection or a change in collection schedule has been received by the City from the Service Provider, or the Service

Provider has failed to collect Municipal Solid Waste or Recyclable Materials from the Residential Unit without cause, as supported by notice as described herein, then the Service Provider will use all reasonable efforts to collect such Municipal Solid Waste or Recyclable Materials on the day a collection order is requested by the owner or occupant; provided, however, that if the Service Provider fails to make such collection on the same day that a collection order is requested, the Service Provider shall make such collection no later than 12:00 p.m. on the following Business Day, and there shall be no charge to the Service Provider for any such original non-collection or late collection so long as the Service Provider makes such collection within such time.

SECTION 18. HOURS OF SERVICE.

For all the Services provided hereunder, the Service Provider's hours of service shall be between 7:00 a.m. to 7:00 p.m., Monday through Friday. The Service Provider will not be required to provide service on weekends or Holidays except during natural disasters or emergencies, and may, at its sole discretion, observe Holidays during the term of this Agreement; provided, however, that the Service Provider shall provide such services on the immediately following business day. If the Holiday is on a Thursday or Friday, Service Provider will collect on Saturday.

SECTION 19. CUSTOMER SERVICE.

The Service Provider agrees to field all inquiries and complaints for Residential Units relating to the collection, hauling, recycling and disposal of Municipal Solid Waste, Recyclable Materials, Brush and Bulky Items, and Household Hazardous Waste.

SECTION 20. COMPLIANCE WITH APPLICABLE LAWS.

The Service Provider shall comply with all applicable federal and state laws regarding the collection, hauling, recycling and disposal of Municipal Solid Waste and Recyclable Materials, including existing and future laws that may be enacted, as well as any regulations reasonably passed by the City that are not in derogation of this Agreement. Nothing in this Agreement shall be construed in any manner to abridge the City's right to pass or enforce necessary police and health regulations for the reasonable protection of its inhabitants. The City shall have the right to make reasonable inspections of the Service Provider in order to ensure compliance with this Section 20.

SECTION 21. VEHICLES AND EQUIPMENT.

Service Provider furnished equipment, such as Containers shall remain as Provider's property. Customers, including the City may be liable for loss or damage to such equipment (except for normal wear and tear and for loss or damage resulting from Service Provider's handling of the equipment). Customers shall use the equipment only for its proper and intended purpose and shall not overload (by weight or volume), move or alter the equipment. Customers shall provide safe,

unobstructed access to the equipment on the scheduled collection day. Provider may charge an additional fee for any additional collection service required by the failure to provide access.

Service Provider shall provide and maintain a fleet of solid waste collection vehicles sufficient in number and capacity to perform the work and render the service required under this Agreement. All collection vehicles shall be washed and deodorized once per week and always kept in good condition and repair. The trucks used in the collection of garbage shall be all metal, with completely enclosed "packer" type bodies that are designed and manufactured for the collection of garbage and rubbish. Said collection vehicles shall have Provider's name and telephone numbers not less than two (2) inches in height on each vehicle.

Collection vehicles shall always carry a shovel and a broom or rake, to be used for collection of spilled refuse. Vehicles shall be equipped with two-way communications for constant contact, during operations, with the local office of the company and with a camera.

Vehicles shall be protected at all times while in transit to prevent the blowing or scattering of waste materials onto the City's public streets, or properties adjacent thereto.

SECTION 22. DUE CARE.

The Service Provider shall exercise due care and caution in providing the Services so that the City's public and private property, including streets and parking areas, will be protected and preserved.

SECTION 23. PERSONNEL AND PERFORMANCE STANDARDS.

The Service Provider shall not deny employment to any person on the basis of race, creed or religion, and will ensure that all federal and state laws pertaining to salaries, wages and operating requirements are met or exceeded. The Service Provider, its agents, servants and employees shall perform the Services in a courteous, competent and professional manner. During the term of this Agreement and any extension thereof, the Service Provider shall be responsible for the actions of its agents, servants and employees while such agents, servants and employees are acting within the scope of their employment or agency.

SECTION 24. INSURANCE COVERAGE.

Pursuant to this Agreement, the Service Provider shall carry the following types of insurance in an amount equal to or exceeding the limits specified below:

<u>Coverage</u>	<u>Limits of Liability</u>
(1) Worker's Compensation	Statutory
(2) Employer's Liability	\$500,000
(3) Commercial General Liability	\$1,000,000 per occurrence, \$2,000,000 in the aggregate,

	combined single limit for Bodily Injury and Property Damage Liability
(4) Automobile Liability	\$2,000,000 per occurrence combined single limit for Bodily Injury and Property Damage Liability
(5) Pollution Legal Liability	\$2,000,000 each loss
(6) Excess or Umbrella	\$5,000,000 per occurrence

Subcontractor: In the case of work sub-letted, the Service Provider shall require subcontractors working under the direction of the Service Provider to carry and maintain the same workers compensation and liability insurance required of the Service Provider.

To the extent permitted by law, any or all of the insurance coverage required by this Section 24 may be provided under a plan(s) of self-insurance, including coverage provided by the Service Provider's parent corporation. The Service Provider shall furnish the City with a certificate of insurance verifying the insurance coverage required by this Section 24 each year, or at any time coverage is renewed. The insurance required by this Agreement shall be written by a 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.

Service Provider shall secure the following for the benefit of the City with respect to the above required insurance, so that the City shall:

- Be identified as an additional insured on all policies except Worker Compensation Policy;
- Be provided with thirty-(30) days advance notice in writing of cancellation in any policy;
- Be provided with Certificates of Insurance evidencing the above required insurance pursuant to this Agreement, and thereafter with certificates evidencing renewals or replacement of said policies of insurance; and
- Be provided with waiver of Subrogation on Workers Compensation in favor of the City.

SECTION 25. PERFORMANCE SECURITY.

Service Provider shall deliver to City a performance bond in the amount equal to one hundred percent (100%) of the annual value of the Agreement, executed by a good and sufficient corporate surety eligible to conduct business in Texas, and conditioned that Service Provider shall well, truly, and faithfully perform its obligations under this Agreement and shall satisfy all claims and demands of any kind incurred under the Agreement, including, but not limited to, the payment of all amounts owed by Service Provider to City or landfills, and Service Provider shall fully indemnify and save harmless City from all costs and damage which City may suffer by Service Provider's failure to pay such amounts owed and shall reimburse and repay City all outlay and expense which City may incur in making good any such payment default, then the obligation shall

be void; otherwise, to remain in full force and effect. Said performance bond will be renewed annually for the term of the Agreement. The performance bond shall be in a form reasonably acceptable to City. Service Provider shall pay any and all premiums for the bond. A certificate from the surety showing that the bond premiums are paid in full shall be submitted to City on an annual basis for the Term of the Agreement.

SECTION 26. SAVINGS PROVISION.

In the event that any term or provision of this Agreement shall be determined by a court of competent jurisdiction to be invalid or unenforceable, this Agreement shall, to the extent reasonably possible, remain in force as to the balance of its terms and provisions as if such invalid term or provision were not a part hereof.

SECTION 27. TERMINATION.

Any failure by the Service Provider or its successors and assigns to observe the terms and conditions of this Agreement shall, if continuing or persisting without remedy for more than thirty (30) days after the receipt of due written notice from the other party, constitute grounds for forfeiture and immediate termination of all the defaulting party's rights under this Agreement, and all such rights shall become null and void. If successive and substantial violations (including prior cured violations) persist within any contract year, the City may terminate the Agreement at the end of such contract year.

SECTION 28. FORCE MAJEURE.

The performance of this Agreement may be suspended, and the obligations hereunder excused in the event and during the period that such performance is prevented by a cause or causes beyond reasonable control of such party. The performance of this Agreement will be suspended, and the obligations hereunder excused only until the condition preventing performance is remedied. Such conditions shall include, but not be limited to, acts of God, acts of war, accident, explosion, fire, flood, riot, sabotage, acts of terrorists, unusually severe weather, lack of adequate fuel, or judicial or governmental laws or regulations.

SECTION 29. GOVERNING LAW.

This Agreement shall be governed in all respects, including as to validity, interpretation and effect, by the internal laws of the State of Texas, without giving effect to the conflict of laws rules thereof. The parties hereby irrevocably submit to the jurisdiction of the courts of the State of Texas and the Federal courts of the United States located in Bexar County, Texas.

SECTION 30. NOTICES.

Any notices required or permitted to be delivered hereunder shall be in writing and shall be deemed to be delivered when deposited in the United States mail, postage prepaid, certified mail, return receipt requested, addressed to the respective party at the address set forth below:

If to the City:

City of Fair Oaks Ranch 7286 Dietz Elkhorn
Fair Oaks Ranch, TX 78015
Attn: City Manager

If to the Service Provider:

Frontier Waste Solutions
P.O. Box 1283
Hillsboro, TX 76645
Attn: Vice President

or such other addresses as the parties may hereafter specify by written notice and delivered in accordance herewith.

SECTION 31. ATTORNEYS' FEES.

The prevailing party in any dispute between the parties arising out of the interpretation, application or enforcement of any provision hereof shall be entitled to recover all of its reasonable attorneys' fees and costs for any cause of action arising out of this Agreement, including without limitation costs and attorneys' fees related to or arising out of any trial or appellate proceedings.

SECTION 32. INDEPENDENT CONTRACTOR.

Service Provider acknowledges that it is an independent contractor of the City and is not an employee, agent, official or representative of the City. Service Provider shall not represent, either expressly or through implication, that Service Provider 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 Service Provider.

SECTION 33. CUMULATIVE REMEDIES.

Pursuit of the remedies described in herein shall not preclude pursuit of any other remedies provided in this Agreement or any other remedies provided by law, nor shall pursuit of any remedy provided in this Agreement constitute a waiver of any amount or performance due from the other party under this Agreement or of any damages accruing by reason of the violation of its term, provisions and covenants. No waiver of any violations shall be deemed or construed to constitute a waiver of any other violation or other breach of any the terms, provisions and covenants contained in this Agreement, and forbearance to enforce one or more of the remedies as provided on an event of default shall not be deemed or construed to constitute a waiver of such default or of any other remedy provided for in this Agreement.

SECTION 34. INDEMNITY

The Service Provider must indemnify, hold harmless and defend the City, its officers, agents and employees, from and against liability for any and all claims, liens, suits, demands, and/or actions for damages, injuries to persons (including death), property damage (including loss of use), and

expenses, including court costs and attorneys' fees and other reasonable costs arising out of or resulting from the Service Provider's work and/or activities conducted in connection with or incidental to this Agreement and from any liability arising out of or resulting from the intentional acts or negligence, including all such causes of action based upon common, constitutional, or statutory law, or based in whole or in part upon the negligent or intentional acts or omissions of Service Provider, including but not limited to its officers, agents, employees, subcontractors, licensees and invitees.

Service Provider must at all times exercise reasonable precautions on behalf of, and be solely responsible for, the safety of its officers, agents, employees, subcontractors, licensees and invitees, as well as their property, while in the vicinity where the work is being done. It is expressly understood and agreed that the City shall not be liable or responsible for the negligence of the Service Provider including but not limited to its officers, agent, employees, subcontractors, licensees and invitees.

Further, the City assumes no responsibility or liability for harm, injury, or any damaging events which are directly or indirectly attributable to premises defects which may now exist or which may hereafter arise upon the premises.

However, the Service Provider shall not be liable for any legal proceedings, claims, demands, damages, costs, liabilities, losses or expenses (including, but not limited to, attorneys' fees) caused by the willful misconduct or negligent act or omission of the City, its agents, directors, employees, officers and servants.

SECTION 35. DISCLOSURES, CONFLICTS AND DISPUTE RESOLUTION

Service Provider represents that it is in compliance with the applicable filing and disclosure requirements of Chapter 176 of the Texas Local Government Code, Conflicts of Interest Questionnaire, Chapter 2252, Texas Government Code, and Form 1295, Certificate of Interested Parties, online filing with the Texas Ethics Commission.

This Agreement will be governed by the provisions of Subchapter I, Chapter 271, Tex. Local Gov't Code, regarding the obligations of the parties for any disputes arising hereunder.

SECTION 36. MANDATORY CONDITIONS FOR GOVERNMENT CONTRACTS

When applicable, 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 that it; (i) does not boycott Israel; (ii) will not boycott Israel during the term of the contract; (iii) does not boycott energy companies; (iv) will not boycott energy companies during the term of the contract; (v) does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association; and (vi) will not discriminate during the term of the contract against a firearm entity or firearm trade association (Texas Government Code, Chapter 2271.002; 2274.002).

Service Provider hereby verifies that it does not boycott Israel, and agrees that, during the term of this agreement, will not boycott Israel as this term is defined in the Texas Government Code, Section 808.001, as amended. Service Provider hereby verifies that it does not boycott energy

companies, and agrees that, during the term of this agreement, will not boycott energy companies as this term is defined in Texas Government Code, Section 809.001, as amended. Service Provider hereby verifies that it does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association, and agrees that, during the term of this agreement, will not discriminate against a firearm entity or firearm trade association as those terms are defined in Texas Government Code, Section 2274.001, as amended.

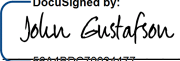
Further, Service Provider hereby certifies that it is not a company identified under Texas Government Code, Section 2252.152 as a company engaged in business with Iran, Sudan, or Foreign Terrorist Organizations.

[SIGNATURE PAGE TO FOLLOW]

37. ACCEPTANCE.

PASSED AND APPROVED BY THE CITY OF FAIR OAKS RANCH CITY COUNCIL MEETING AT A TIME AND PLACE IN COMPLETE CONFORMITY WITH THE OPEN MEETING LAWS OF THE STATE OF TEXAS AND ALL OTHER APPLICABLE LAWS THIS 15 DAY OF August, 2024.

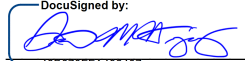
FRONTIER TEXAS VENTURES I, LLC

By: 
36A4BDC70034477...

Name: John Gustafson

Title: President


CITY OF FAIR OAKS RANCH, TX

By: 
48B670FFA492487...

Name: Scott M. Huizenga

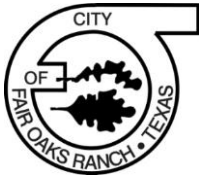
Title: City Manager

ATTEST:

By: 
A2A65C5036E748E...

Name: Christina Picioccio

Title: City Secretary



CITY COUNCIL CONSENT ITEM

CITY OF FAIR OAKS RANCH, TEXAS

AGENDA TOPIC: Approval of a resolution reappointing the Fair Oaks Ranch Municipal Court Presiding and Alternate Judges for two years beginning October 1, 2025 and ending September 30, 2027; authorizing the expenditure of the required funds; and authorizing the execution of any and all applicable documents by the City Manager to effectuate the resolution

DATE: July 17, 2025

DEPARTMENT: Municipal Court

PRESENTED BY: Consent Item: Clayton Hoelscher, Procurement Manager
Ricardo Bautista, Court Administrator

INTRODUCTION/BACKGROUND:

Government Code Chapter 29 Municipal Courts Section 29.004 (a) states the judges and alternate judges of the municipal court in a home-rule city are selected under the municipality's charter provisions relating to the election or appointment of judges. City Charter Chapter V Departmental and Administrative Organization Section 5.03 Municipal Court mandates the City Council shall appoint, by the affirmative vote of a majority of the voting membership of the Council, Municipal Judges of the Municipal Court. The Judges shall:

- Shall be competent, duly qualified attorneys licensed and practicing for at least two (2) years in the State of Texas; and
- Shall receive compensation as determined by the City Council

In lieu of employing our municipal judges, the City has historically contracted judicial services. In 2023, the City published a Request for Qualifications (RFQ) seeking firms and individuals interested in providing judicial services. The City Council appointed Mr. Darrell Dullnig as the Presiding Municipal Court Judge and Mr. Frank Dickson as the Alternate Municipal Court Judge. Their current terms expire on September 30, 2025. Each has expressed a desire to continue serving the City in their current roles. The proposed resolution provides for their re-appointment and authorizes the execution of any or all applicable documents to effectuate the resolution.

Staff recommends approving the reappointment of Judge Darrell Dullnig as the presiding judge and Frank Dickson as the alternate judge to the Fair Oaks Ranch Municipal Court for a two-year term. This will provide continuity of judicial services without operational disruptions.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

- Complies with state statute and the City Charter.
- Supports Strategic Action Plan Pillar 5 Operational Excellence.
- Ensures that criminal and civil offenses are addressed.
- Ensures continuity in services without disruption to our operations.

LONGTERM FINANCIAL & BUDGETARY IMPACT:

The FY 2025-26 Budget allocates funding for Municipal Court judicial services.

LEGAL ANALYSIS:

Resolution approved as to form by legal.

RECOMMENDATION/PROPOSED MOTION:

Consent Item: I move to approve a resolution reappointing the Fair Oaks Ranch Municipal Court Presiding and Alternate Judges for two years beginning October 1, 2025 and ending September 30, 2027, authorizing the expenditure of the required funds, and authorizing the City Manager to execute any and all applicable documents to effectuate the resolution.

A RESOLUTION

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FAIR OAKS RANCH, TEXAS REAPPOINTING THE FAIR OAKS RANCH MUNICIPAL COURT PRESIDING AND ALTERNATE JUDGES FOR TWO YEARS BEGINNING OCTOBER 1, 2025 AND ENDING SEPTEMBER 30, 2027; AUTHORIZING THE EXPENDITURE OF THE REQUIRED FUNDS; AND AUTHORIZING THE EXECUTION OF ANY AND ALL APPLICABLE DOCUMENTS BY THE CITY MANAGER TO EFFECTUATE THE RESOLUTION

WHEREAS, Government Code Chapter 29 states municipal court judges and alternates in a home-rule city are selected under the City Charter provisions relating to appointment of judges, and

WHEREAS, Chapter V Section 5.03 of the City of Fair Oaks Ranch Home Rule Charter mandates the City Council shall appoint, by affirmative vote of a majority of the voting membership of the Council, such as Municipal Judges of the Municipal Court, as may be necessary, and

WHEREAS, the presiding judge and alternate judge agreements expire September 30, 2025, and

WHEREAS, both judges have expressed a desire to continue serving the City in their current roles, and

WHEREAS, the FY2025-26 budget allocates funding for Municipal Court judicial services, and

WHEREAS, the City Council of the City of Fair Oaks Ranch finds continuity in judicial services without disruption to the Fair Oaks Ranch Municipal Court operations is warranted.

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

- Section 1** The City Council hereby reappoints Darrell Dullnig as the Presiding Judge and Frank Dickson as the Alternate Judge to the Fair Oaks Ranch Municipal Court for two years beginning October 1, 2025 and ending September 30, 2027, authorizes the expenditure for judicial services, and authorizes the City Manager to execute any and all applicable documents to effectuate this resolution (**Exhibit A and B**, respectively).
- Section 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 resolution for all purposes and are adopted as a part of the judgment and findings of the Council.
- Section3.** If any provision of this resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the City Council hereby declares that this resolution would have been enacted without such invalid provision.
- Section 4.** That it is officially found, determined, and declared that the meeting at which this resolution 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 resolution, was given, all as required by Chapter 551, as amended, Texas Government Code.

- Section 5.** All resolutions or parts thereof, which are in conflict or inconsistent with any provision of this resolution are hereby repealed to the extent of such conflict, and the provision of this resolution shall be and remain controlling as to the matters resolved herein.
- Section 6.** This resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.
- Section 7.** This resolution shall be in force and effect from and after its final passage, and it is so resolved.

PASSED, APPROVED, and ADOPTED on this 17th day of July 2025.

Gregory C. Maxton, Mayor

ATTEST:

APPROVED AS TO FORM:

Christina Picioccio, TRMC
City Secretary

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



7286 Dietz Elkhorn · Fair Oaks Ranch, Texas 78015 · (210) 698-0900 · (866) 258-2505

The Honorable Judge Darrell Dullnig
Presiding Judge, City of Fair Oaks Ranch Municipal Court

Re: Municipal Court Presiding Judge Engagement Letter (Renewal)

Dear Honorable Judge Dullnig:

On behalf of the City of Fair Oaks Ranch, I am pleased to inform you the City wishes to renew your agreement as Presiding Municipal Judge for an additional term of two (2) years. Your current term is set to expire on September 30, 2025, and the renewed term will begin on October 1, 2025 and conclude on September 30, 2027. No other changes to the original agreement (Exhibit A) are being made.

The City appreciates your service to the community and your willingness to serve as an extension of our team.

Respectfully,

Scott M. Huizenga
City Manager

Cc: Christina Picioccio, City Secretary

Exhibit A

Item #8.



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EXECUTED on _____.

CITY:

CONTRACTOR:

By: _____

By: _____

Name: Scott M. Huizenga

Title: City Manager

Name: Darrell Dullnig

Title: Presiding Municipal Court Judge



7286 Dietz Elkhorn · Fair Oaks Ranch, Texas 78015 · (210) 698-0900 · (866) 258-2505

September 25, 2023

The Honorable Judge Darrell Dullnig
Presiding Judge, City of Fair Oaks Ranch Municipal Court

Re: Municipal Court Presiding Judge Engagement Letter

Dear Judge Dullnig:

Please allow me this opportunity to express my deep appreciation for your willingness to serve as the City of Fair Oaks Ranch Presiding Municipal Court Judge. A resolution officially reappointing you to a two-year term beginning October 1, 2023 is scheduled for City Council consideration at the September 21, 2023 Regular meeting. The meeting will be held in the City Hall Council Chambers at 6:30 p.m. You and your family are welcome to attend. Our City Secretary, Christina Picioccio, will be contacting you to schedule time to administer your oath of office.

This Engagement Letter is being provided to establish a formal agreement for your services as the Presiding Judge of the City of Fair Oaks Ranch Municipal Court. This **AGREEMENT**, effective as of the 1st day of October, 2023, between the City of Fair Oaks Ranch and having its principal place of business at 7286 Dietz Elkhorn, Fair Oaks Ranch, TX 78015 (the "City"); and Darrell Dullnig, (the "Contractor") (collectively referred to as the "Parties").

In consideration of the promises and other good and valuable consideration (the sufficiency and receipt of which are hereby acknowledged) the Parties agree as follows:

Services

- Preside over all sessions of Municipal Court, including all docket calls, hearings, pre-trial conferences, initial appearances, show cause hearings, non-jury and jury trials and any and all matters before the Court pertaining to Class C Misdemeanor violations. The Judge will also preside over other violations and matters within the jurisdiction of the Court. A General Docket shall be held at least once per month on the first Thursday of every month from 9:00 a.m. until complete. The General Docket day may be changed as deemed necessary by the City Council, the City Manager, or by mutual agreement between the Contractor and the City Manager.



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- Issue and sign capias, capias pro fines, judgments, orders, and other related administrative paperwork prepared by Municipal Court staff. The Contractor shall close final dispositions on a routine basis.
- Availability to sign documents and meet with Court staff on an as-needed basis.
- Availability to perform magistrate duties at the Kendall County Jail on Class C Misdemeanor offenses occurring in Fair Oaks Ranch, if needed.
- Availability to accept and review blood warrant applications from the City of Fair Oaks Ranch Police Department for any offense occurring in Fair Oaks Ranch, inclusive of mandatory/discretionary request associated with applicable accident/fatality cases.
- In partnership with the City Manager and Municipal Court staff, annually review and if warranted, recommend changes to City operations associated with the Judicial Administration of the Court.
- Adhere to all applicable local, state, and federal laws and canons of judicial conduct.
- At City's discretion, abuse of absence requests may result in termination as prescribed in Section 5.03 of the City of Fair Oaks Ranch Home Rule Charter.
- Alternate Judge will be called to preside over any court session, including the General Docket as described above, in the absence of the Presiding Judge. While sitting for the Presiding Judge, the Alternate Judge shall have all powers and duties of the office.
- By mutual agreement, the parties may schedule additional court days for hearings, bench trials, jury trials, or other needs when the regular General Docket is not sufficient.

Compensation and Term

- As full compensation for services provided, the Contractor shall be paid at the rate of \$3,000 per month.
- Should the Alternate Judge preside over a General Docket, the compensation of the Contractor shall be reduced by an amount equivalent to the compensation to the Alternate Judge.
- Payment will be made upon receipt of invoice at acctspayable@fairoaksranchtx.org. 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.

Exhibit A

EXHIBIT A

Item #8.



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- The City agrees, at its discretion, to budget and pay for the reasonable travel and subsistence for professional and official travel, meetings and occasions adequate to continue the professional development of Contractor. The City further agrees to budget for and pay for the travel and subsistence expenses for Contractor for short courses, institutes and seminars that are necessary for her professional development and for the good of the City and as reasonably necessary and within budget limitations. The City reserves the right to limit such attendance in the event of budget limitations or other priorities it identifies if in the best interests of the City.
- The Term of this Agreement is for a two-year period beginning October 1, 2023 (the "Commencement Date") and ending at the close of the City's normal business hours on September 30, 2025. Subject to approval by the City Council, the term of this Agreement may be extended.
- Termination- (a) The City Council may terminate this Agreement as prescribed in Section 5.03 of the City of Fair Oaks Ranch Home Rule Charter. (b) If Contractor terminates this Agreement by voluntary resignation, Contractor shall give the City Council no less than 90 days' notice in writing in advance unless the Council agrees otherwise.
- Entire Agreement-This Agreement contains the entire agreement between the parties, superseding in all respects any and all prior oral or written agreements or understandings pertaining to the services of the Contractor by the City and shall be amended or modified only by written instrument signed by both of the parties hereto.

In conclusion, I would like to reiterate my appreciation for your willingness to serve as an extension of our team.

Respectfully,

Scott M. Huizenga
Interim City Manager

Cc: Christina Picioccio, City Secretary



7286 Dietz Elkhorn · Fair Oaks Ranch, Texas 78015 · (210) 698-0900 · (866) 258-2505

The Honorable Judge Frank Dickson
Alternate Judge, City of Fair Oaks Ranch Municipal Court

Re: Municipal Court Alternate Judge Engagement Letter (Renewal)

Dear Judge Dickson:

On behalf of the City of Fair Oaks Ranch, I am pleased to inform you that the City wishes to renew your agreement as Alternate Municipal Judge for an additional term of two (2) years. Your current term is set to expire on September 30, 2025, and the renewed term will begin on October 1, 2025 and conclude on September 30, 2027. No other changes to the original agreement (Exhibit A) are being made.

The City appreciates your service to the community and your willingness to serve as an extension of our team.

Respectfully,

Scott M. Huizenga
City Manager

Cc: Christina Picioccio, City Secretary



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EXECUTED on _____.

CITY:

CONTRACTOR:

By: _____

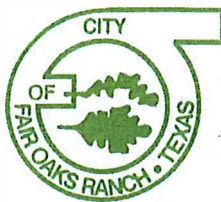
By: _____

Name: Scott M. Huizenga

Title: City Manager

Name: Frank Dickson

Title: Alternate Municipal Court Judge



7286 Dietz Elkhorn · Fair Oaks Ranch, Texas 78015 · (210) 698-0900 · (866) 258-2505

October 6, 2023

Frank Dickson

Re: Alternate Municipal Court Judge Engagement Letter

Dear Judge Dickson:

This Engagement Letter is being provided to establish a formal agreement for your services as the City of Fair Oaks Ranch Alternate Municipal Court Judge. This **AGREEMENT**, effective as of the 1st day of October, 2023, between the City of Fair Oaks Ranch and having its principal place of business at 7286 Dietz Elkhorn, Fair Oaks Ranch, TX 78015 (the "City"); and Frank Dickson, (the "Contractor") (collectively referred to as the "Parties").

In consideration of the promises and other good and valuable consideration (the sufficiency and receipt of which are hereby acknowledged) the Parties agree as follows:

Services

- Alternate Judge will be called to preside over any court session in the absence of the Presiding Judge. While sitting for the Presiding Judge, the Alternate Judge shall have all powers and duties of the office such as presiding over all sessions of Municipal Court, including all docket calls, hearings, pre-trial conferences, initial appearances, show cause hearings, non-jury and jury trials and any and all matters before the Court pertaining to Class C Misdemeanor violations. The Alternate Judge will also preside over other violations and matters within the jurisdiction of the Court. A General Docket is typically held on the first Thursday of every month from 9:00 a.m. until complete. The General Docket day may be changed as deemed necessary by the City Council, the City Manager, or by mutual agreement between the Contractor and the City Manager.
- Issue and sign subpoenas, warrants, capias, capias pro fines, judgments, orders, and other related administrative paperwork prepared by Municipal Court staff.
- Availability to come to the Municipal Court on a weekly / as need basis to sign documents and meet with Court staff.
- Availability to participate in the local Magistrate rotation.
- Adhere to all applicable local, state, and federal laws and canons of judicial conduct.



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Compensation and Term

- As full compensation for services provided, the Contractor shall be paid at the rate of \$150 per hour plus reimbursement for travel “at cost” with no “mark-up” with all related mileage charged by multiplying the actual miles traveled by the then current IRS rate. Unless approved by the City Manager at the time of invoicing, Contractor shall charge travel from the principal place of business as referenced in this Agreement. Payment will be made upon receipt of invoice at acctspayable@fairoaksranchtx.org. 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.
- The Term of this Agreement is for a two-year period beginning October 1, 2023 (the “Commencement Date”) and ending at the close of the City’s normal business hours on September 30, 2025. Subject to approval by the City Council, the term of this Agreement may be extended.
- Termination- (a) The City Council may terminate this Agreement as prescribed in Section 5.03 of the City of Fair Oaks Ranch Home Rule Charter. (b) If Contractor terminates this Agreement by voluntary resignation, Contractor shall give the City Council no less than 90 days' notice in writing in advance unless the Council agrees otherwise.
- Entire Agreement-This Agreement contains the entire agreement between the parties, superseding in all respects any and all prior oral or written agreements or understandings pertaining to the services of the Contractor by the City and shall be amended or modified only by written instrument signed by both of the parties hereto.



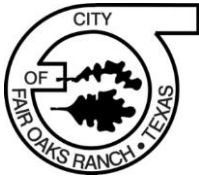
7286 Dietz Elkhorn · Fair Oaks Ranch, Texas 78015 · (210) 698-0900 · (866) 258-2505

In conclusion, I would like to reiterate my appreciation for your willingness to serve as an extension of our team.

Respectfully,

Scott M. Huizenga
Interim City Manager

Cc: Christina Picioccio, City Secretary



CITY COUNCIL PUBLIC HEARING CITY OF FAIR OAKS RANCH, TEXAS

AGENDA TOPIC: Public Hearing on proposed amendments to land use assumptions, capital improvement plans, and water and wastewater impact fees

DATE: July 17, 2025

DEPARTMENT: Public Works

PRESENTED BY: Grant Watanabe, P.E., CFM, Director of Public Works & Engineering Services
Jessica Vassar, P.E., Freese and Nichols, Inc.

INTRODUCTION/BACKGROUND:

An impact fee is defined as “a charge or assessment imposed by a political subdivision against new development in order to generate revenue for funding or recouping costs of capital improvements or facility expansions necessitated by and attributable to the new development.”

On September 5, 2024, the City Council approved a resolution authorizing the execution of a work authorization with Freese and Nichols, Inc. to conduct a water and wastewater impact fee update. In accordance with Texas Local Government Code §395.052, a political subdivision imposing an impact fee shall update the land use assumptions (LUA) and capital improvement plan (CIP) at least every five years. The City’s water and wastewater impact fees were last updated and adopted on March 5, 2020, and, therefore, are due for an update in 2025. This process requires a public hearing on proposed amendments to the City’s LUA, CIP and impact fees prior to adoption.

The 2025 Impact Fee Report prepared by Freese and Nichols, Inc. is attached as **Exhibit A**. For the 10-year planning window (2025 to 2035) used for impact fee calculation, the report includes the following projections:

- Growth of 713 new water connections and 398 wastewater connections
- Growth of 758 water LUEs and 412 wastewater LUEs
- Increase in average daily water demand from 1.63 to 1.98 million gallons per day
- Increase in average wastewater flow from 0.32 to 0.38 million gallons per day
- Total water system impact fee eligible project costs of \$31,856,390 (includes five existing and 15 proposed projects as shown in Exhibit A, page 3-6)
- Total wastewater system impact fee eligible project costs of \$8,200,882 (includes one existing and four proposed projects as shown in Exhibit A, page 3-7)

The current adopted impacts fees are \$8,670.33 per water LUE and \$6,068.64 per wastewater LUE. Based on the growth projections and impact fee eligible project cost estimates, the maximum allowable 2025 impact fees are calculated to be \$21,013.00 per water LUE and \$9,943.00 per wastewater LUE. It should be noted that these numbers represent the maximum allowable impacts fees and lower amounts may be adopted. A comparison of the City’s current and proposed impact fees to surrounding cities is included in the report for reference.

PUBLIC HEARING:

The sequence for conducting the public hearing is shown on the meeting agenda.

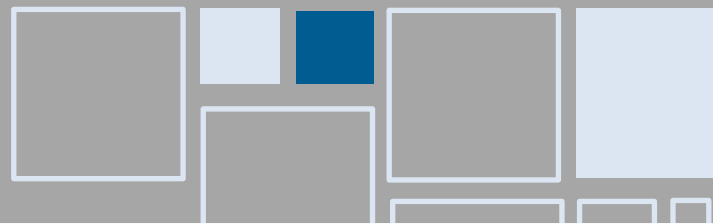
NEXT STEPS:

The City Council will consider the first reading of an ordinance amending the City of Fair Oaks Ranch Code of Ordinances, Chapter 13 Utilities, Article 13.08 Water and Wastewater Impact Fees, later in the agenda.



CITY OF FAIR OAKS RANCH

WATER & WASTEWATER IMPACT FEE REPORT



2 0 2 5

PREPARED BY:

Freese and Nichols, Inc.
10431 Morado Circle, Suite 300
Austin, Texas 78759
512-617-3100

Water & Wastewater Impact Fee Report

June 2025



6/16/2025

Jessica B. Vassar

FREESE AND NICHOLS, INC.
TEXAS REGISTERED
ENGINEERING FIRM
F-2144

CITY OF FAIR OAKS RANCH
7286 Dietz Elkhorn Road
Fair Oaks Ranch, TX 78015

FREESE AND NICHOLS, INC.
10431 Morado Circle #300
Austin, TX 78759
(512)-617-3100

FNI PROJECT #: FA019551



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Appendix A	Water System Project Cost Estimates
Appendix B	Wastewater System Project Cost Estimates

ES EXECUTIVE SUMMARY

1.0 BACKGROUND

In September 2024, the City of Fair Oaks Ranch, Texas, authorized Freese and Nichols, Inc. (FNI) to perform an impact fee analysis on the City's water and wastewater systems. The purpose of this report is to document the methodology used in the development and calculation of water and wastewater impact fees for the City of Fair Oaks Ranch. The methodology used herein satisfies the requirements of the Texas Local Government Code Section 395 for the establishment of water and wastewater impact fees.

2.0 LAND USE ASSUMPTIONS

Population and land use are important elements in the analysis of water and wastewater systems. Water demands and wastewater flows depend on the population served by the systems and determines the sizing and location of system infrastructure. A thorough analysis of historical and projected populations, along with future land use, provides the basis for projecting future water demands and wastewater flows. The planning period for this impact fee update is from 2025-2035.

Growth projections were developed using development data provided by City staff. This includes existing connection totals along with projected 2035 connection totals based on land use assumptions adopted in the *Water, Wastewater, and Reuse Master Plan Report*. **Table ES-1** presents the growth projections for the City of Fair Oaks Ranch water and wastewater service areas.

Table ES-1 Growth Projections

Year	Water Connections	Wastewater Connections
2025	3,255	2,004
2035	3,968	2,402

3.0 CAPITAL IMPROVEMENTS PLAN

An impact fee capital improvements plan (CIP) was developed for the City of Fair Oaks Ranch based on the land use assumptions adopted by the City. The recommended improvements will provide the required capacity and reliability to meet projected water demands and wastewater flows through 2035. **Tables ES-2** and **ES-3** display the water demand and wastewater flow projections for the City of Fair Oaks Ranch. Flows are shown in million gallons per day (mgd). These projections were the basis for determining the location and size of the CIP projects.

Table ES-2 Projected Water Demands

Year	Average Day Demand (mgd)	Maximum Day Demand (mgd)	Peak Hour Demand (mgd)
2025	1.63	4.07	8.14
2035	1.98	4.96	9.92

Table ES-3 Projected Wastewater Flows

Year	Average Annual Daily Flow (mgd)	Peak Wet Weather Flow (mgd)
2025	0.32	1.12
2035	0.38	1.35

4.0 IMPACT FEE ANALYSIS

The previous impact fee ordinance was adopted in September 2020. This ordinance set the water impact fee for a single-family meter at \$8,670 and the wastewater impact fee for a single-family meter at \$6,069, for a combined impact fee of \$14,739. As part of this study, the maximum allowable impact fees have been calculated to reflect the updated land use assumptions and capital improvements. For existing or proposed projects, the impact fee is calculated as a percentage of the project cost, based on the portion of the project's capacity required to serve development projected to occur between 2025 and 2035. The total projected cost includes the projected capital improvement cost to serve 10-year development, the projected finance cost for

the capital improvements, and the consultant cost for preparing and updating the Capital Improvement Plan. A 5% interest rate was used to calculate financing costs. **Table ES-4** displays the updated maximum allowable impact fee per service unit for both water and wastewater.

Table ES-4 Maximum Allowable Impact Fees

Service	Maximum Allowable Impact Fee per Service Unit
Water	\$21,013
Wastewater	\$9,943
Total	\$30,956

1.0 BACKGROUND

Chapter 395 of the Texas Local Government Code requires an impact fee analysis before impact fees can be created and assessed. Chapter 395 defines an impact fee as “a charge or assessment imposed by a political subdivision against new development in order to generate revenue for funding or recouping the costs of capital improvements or facility expansions necessitated by and attributable to the new development.” In September 2001, Senate Bill 243 amended Chapter 395 thus creating the current procedure for implementing impact fees. Chapter 395 identifies the following items as impact fee eligible costs:

- Construction contract price
- Surveying and engineering fees
- Land acquisition costs
- Fees paid to the consultant preparing or updating the capital improvements plan (CIP)
- Projected interest charges and other finance costs for projects identified in the CIP

Chapter 395 also identifies items that impact fees cannot be used to pay for, such as:

- Construction, acquisition, or expansion of public facilities or assets other than those identified on the capital improvements plan
- Repair, operation, or maintenance of existing or new capital improvements
- Upgrading, updating, expanding, or replacing existing capital improvements to serve existing development in order to meet stricter safety, efficiency, environmental, or regulatory standards
- Upgrading, updating, expanding, or replacing existing capital improvements to provide better service to existing development
- Administrative and operating costs of the political subdivision

- Principal payments and interest or other finance charges on bonds or other indebtedness, except as allowed above

In September 2024, the City of Fair Oaks Ranch, Texas (City), authorized Freese and Nichols, Inc. (FNI) to perform an impact fee analysis on the City's water and wastewater systems. The purpose of this report is to document the methodology used in the development and calculation of water and wastewater impact fees for the City of Fair Oaks Ranch. The methodology used herein satisfies the requirements of the Texas Local Government Code Section 395 for the establishment of water and wastewater impact fees. **Table 1-1** provides a list of abbreviations used in this report.

Table 1-1 List of Abbreviations

Abbreviation	Full Nomenclature
AADF	Average Annual Daily Flow
AWWA	American Water Works Association
CIP	Capital Improvements Plan
EST	Elevated Storage Tank
ETJ	Extra-territorial Jurisdiction
FNI	Freese and Nichols, Inc.
GBRA	Guadalupe-Blanco River Authority
gpCd	Gallons per Connection per Day
gpd	Gallons per Day
gpm	Gallons per Minute
GST	Ground Storage Tank
LS	Lift Station
MG	Million Gallons
mgd	Millions of Gallons per Day
PS	Pump Station
SAWS	San Antonio Water System
WWTP	Wastewater Treatment Plant









2.0 LAND USE ASSUMPTIONS

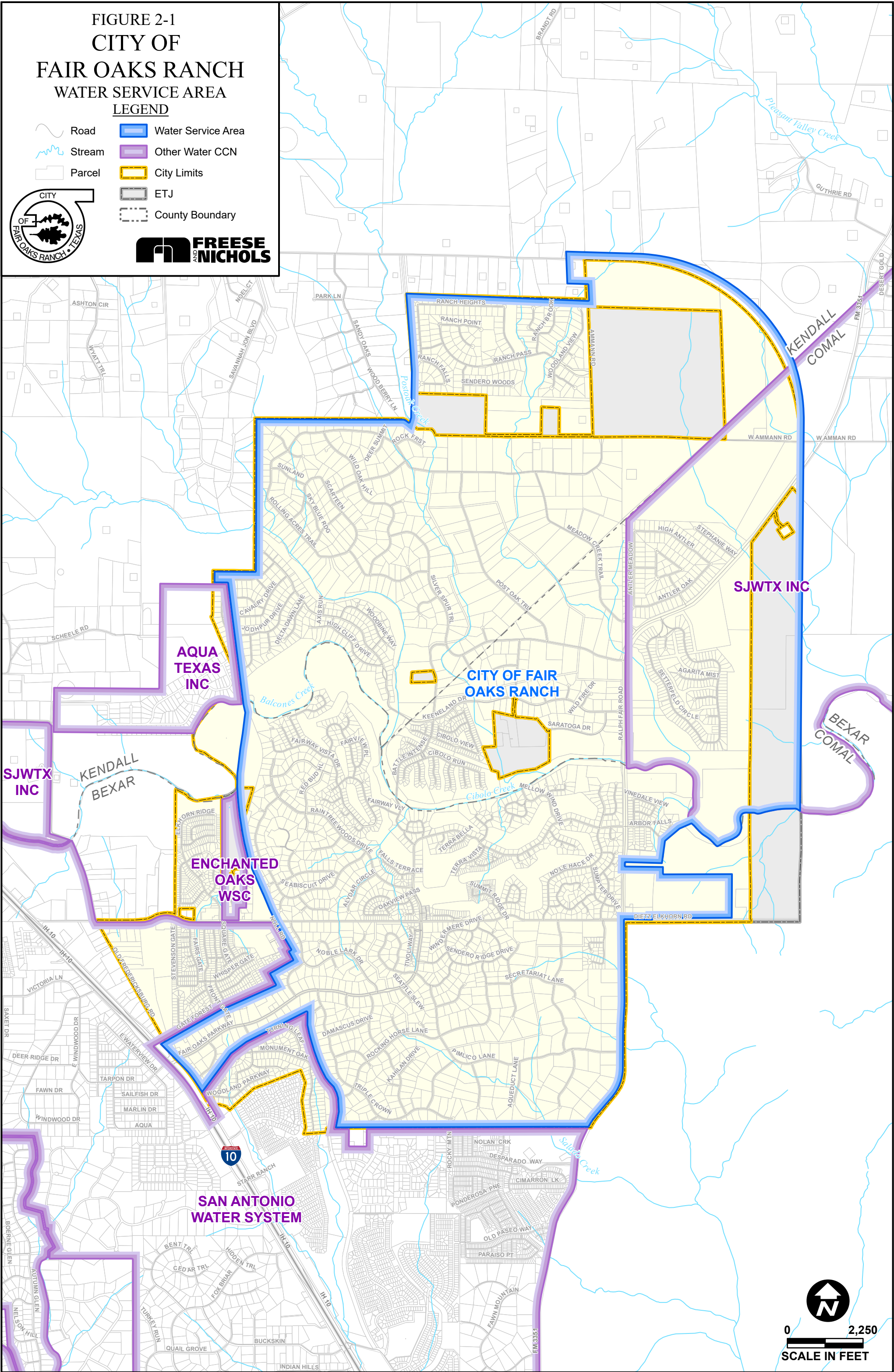
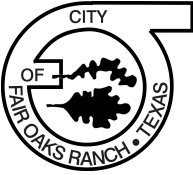
Population and land use are important elements in the analysis of water and wastewater systems. Water demands and wastewater flows depend on the population served by the systems and determines the sizing and location of system infrastructure. A thorough analysis of historical and projected populations, along with land use, provides the basis for projecting future water demands and wastewater flows.

2.1 Service Area

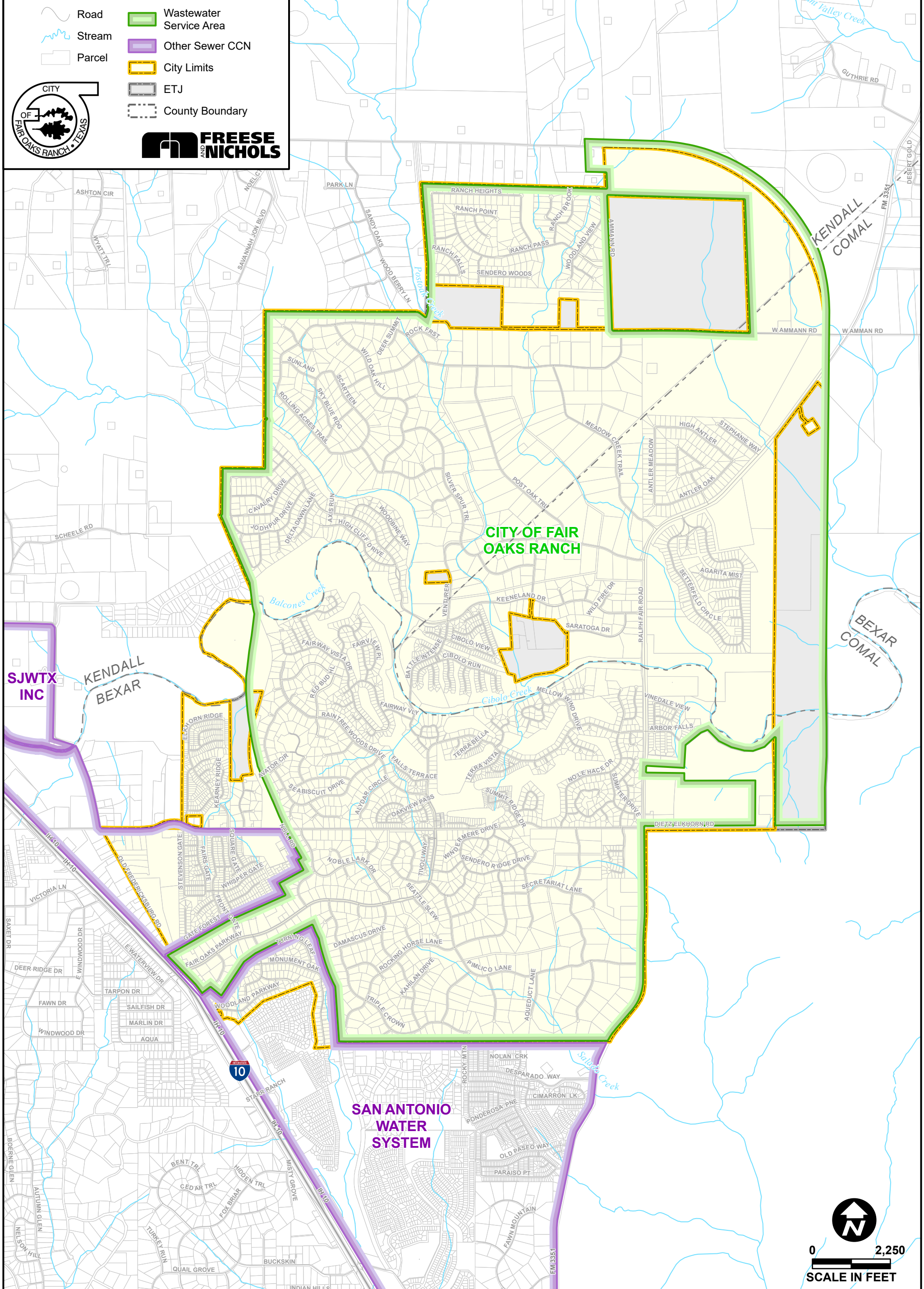
The City of Fair Oaks Ranch's water and wastewater services areas are defined separately. The difference between the water and wastewater service areas is due to some portions of the City being served by on-site septic systems. The water service area includes most of the City Limits and extra-territorial jurisdiction (ETJ) with exclusions for areas served by San Antonio Water System (SAWS) or Camp Bullis. The wastewater service area includes a portion within the City Limits, as well as ETJ on the east side of the city. **Figures 2-1** and **2-2** illustrate water and wastewater service areas, respectively.

FIGURE 2-1
CITY OF
FAIR OAKS RANCH
WATER SERVICE AREA
LEGEND

-  Road
-  Stream
-  Parcel
-  Water Service Area
-  Other Water CCN
-  City Limits
-  ETJ
-  County Boundary



LEGEND



2.2 Growth Projections


Land use assumptions for the City were based on the City's adopted future land use plan. The location and timing of growth was provided by City staff and assumes a 2% annual growth rate for water connections over the next 10 years. Shapefiles of future land use, timing of development, and overall population projections were provided by the City. A map showing future land use is provided in **Figure 2-3**. **Table 2-1** presents the connection projections for the City of Fair Oaks Ranch water and wastewater service areas.


Table 2-1 Water and Wastewater Growth Projections

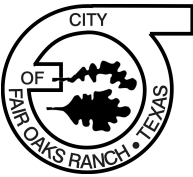
Year	Water Connections	Wastewater Connections
2025	3,255	2,004
2035	3,968	2,402


In addition to the total number of connections, it is important to know where the connections will be located to determine the timing and sizing of infrastructure. Future connections were distributed by parcel based on the future land use and known development areas. **Figure 2-4** and **2-5** show the water and wastewater connection projections by parcel, respectively.


FIGURE 2-3
CITY OF
FAIR OAKS RANCH
FUTURE LAND USE
LEGEND


 Road


 Stream




 Parcel

 City Limits

 ETJ

 County Boundary



FUTURE LAND USE

-  Civic & Community Facilities
-  Existing Parks and Open Space
-  Existing Residential
-  Logistics
-  Mixed Use Village
-  Neighborhood Commercial
-  Neighborhood Residential
-  Parks and Open Space
-  Rural Residential

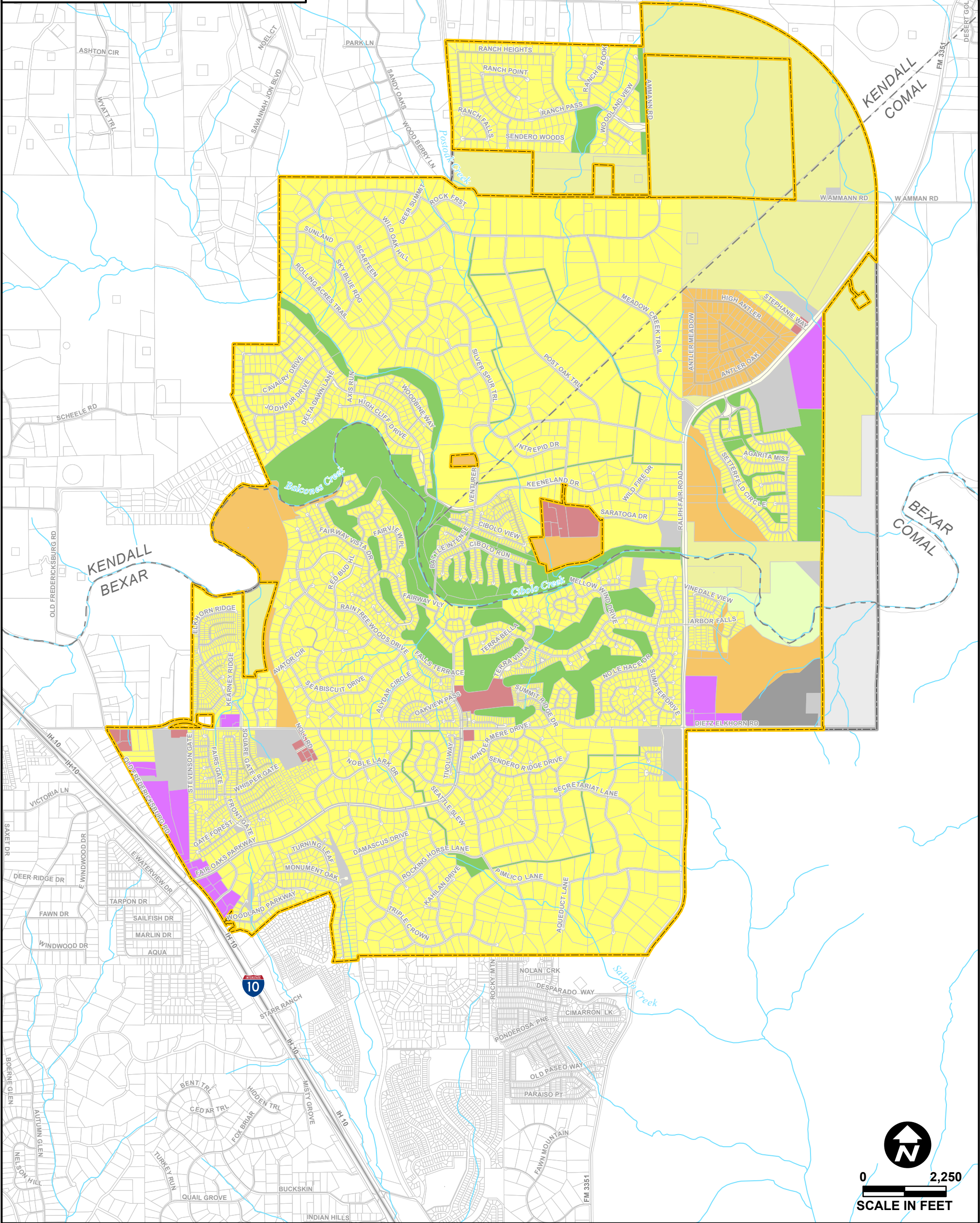


FIGURE 2-4
CITY OF
FAIR OAKS RANCH
WATER CONNECTIONS
BY PARCEL
LEGEND

- Parcel with Existing Water Connection

Parcel with 10 Year Water Connection

Parcel with Future Water Connection
- Road

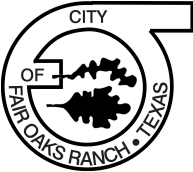
Stream

Parcel

City Limits

ETJ

County Boundary



FREESE AND NICHOLS

Subdivision Unit ID
2025 Connections (3,255)
2035 Connections (3,968)
Buildout Connections (4,750)

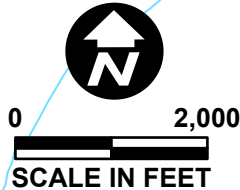
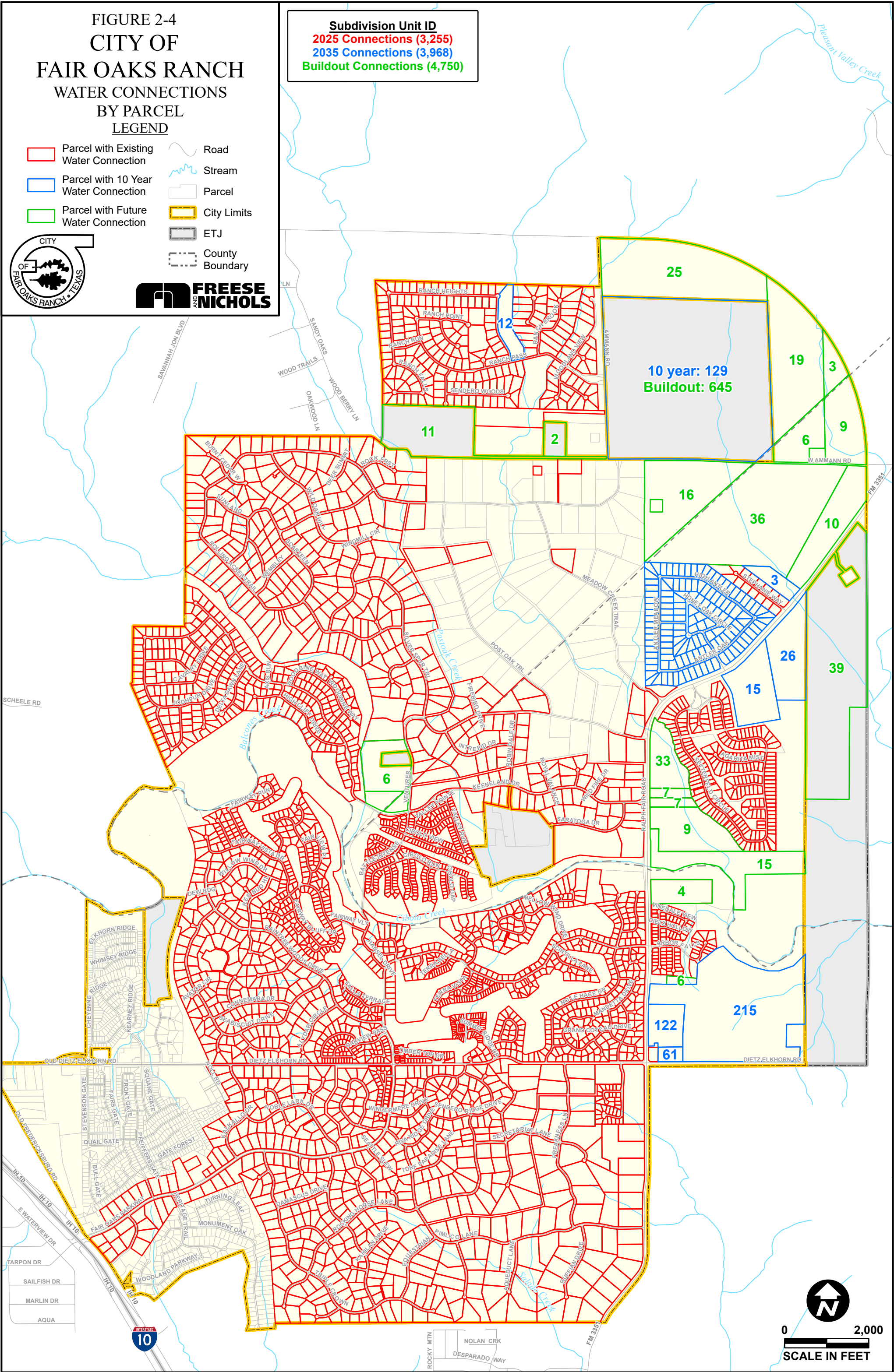


FIGURE 2-5
CITY OF
FAIR OAKS RANCH
WASTEWATER CONNECTIONS
BY PARCEL
LEGEND

Subdivision Unit ID
2025 Connections (2,004)
2035 Connections (2,402)
Buildout Connections (2,483)

- Parcel with Existing Wastewater Connection

Parcel with 10 Year Wastewater Connection

Parcel with Future Wastewater Connection
- Road

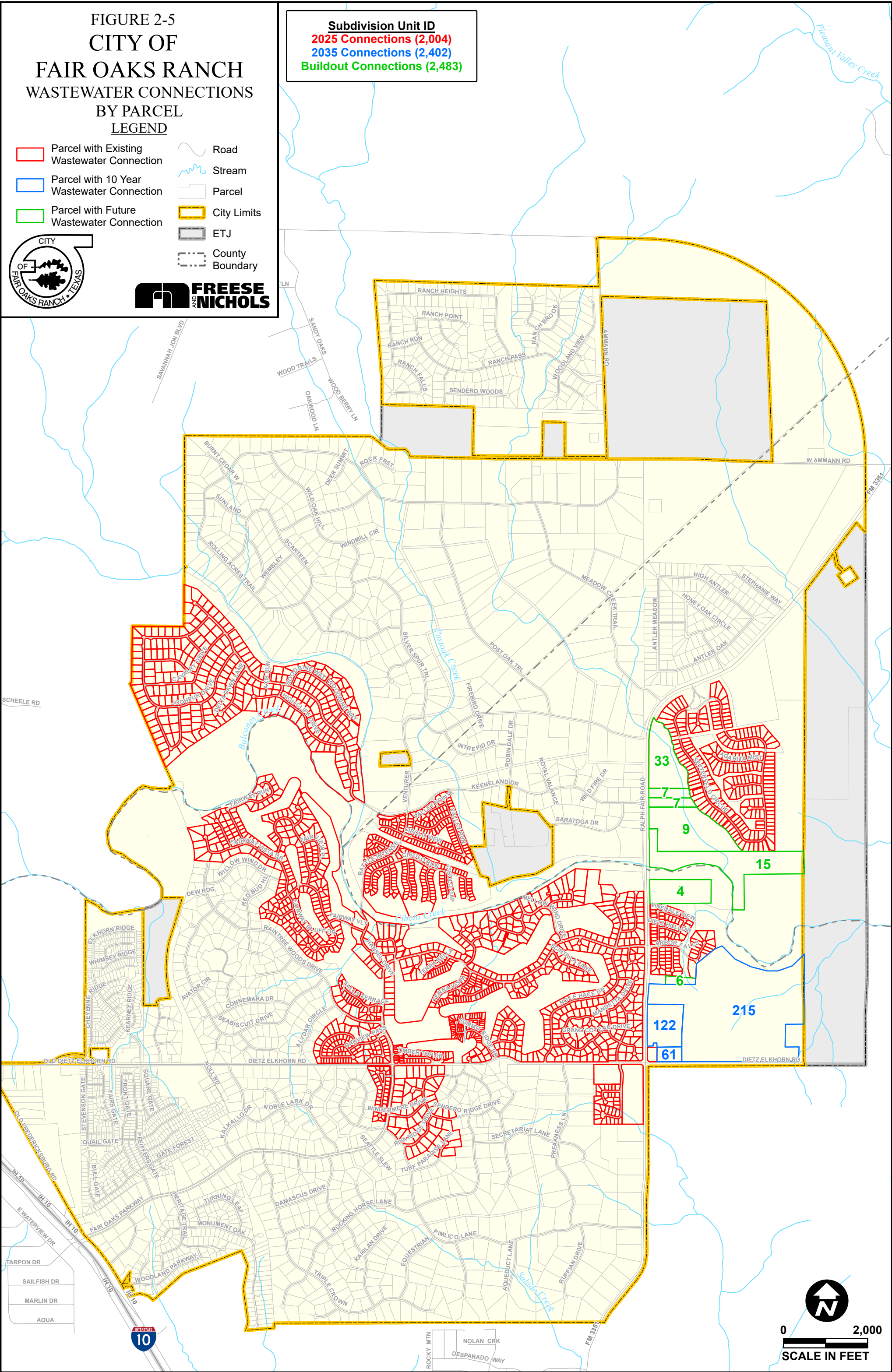
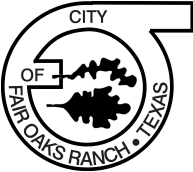
Stream

Parcel

City Limits

ETJ

County Boundary



3.0 CAPITAL IMPROVEMENTS PLAN


An impact fee capital improvements plan (CIP) was developed for the City of Fair Oaks Ranch based on the land use assumptions presented in the previous section. The recommended improvements will provide the required capacity to meet projected water demands and wastewater flows through 2035 and are based on the CIP adopted by the City in the 2019 *Water, Wastewater, and Reuse Master Plan Report* by FNI.


3.1 Existing Water and Wastewater Systems


The City of Fair Oaks Ranch water system consists of three independent pressure zones, a network of water lines ranging in diameter from 2 inches to 12 inches, seven ground storage tanks (GST), five pump stations (PS), 30 active groundwater wells, and a wholesale supply connection to GBRA's Western Canyon transmission main. The three pressure zones, A, B, and C, represent the north, central, and southern regions of the water system, respectively. **Figure 3-1** presents the existing water system.


The wastewater collection system consists of seven lift stations (LS) and associated force mains, a wastewater treatment plant (WWTP), and a network of gravity mains 4 inches to 16 inches. The City of Fair Oaks Ranch owns and operates one WWTP with a permitted capacity of 0.5 mgd annual average day flow (AADF). **Figure 3-2** presents the existing wastewater system.


FIGURE 3-1
CITY OF FAIR OAKS RANCH
EXISTING WATER SYSTEM
LEGEND


-  Well


 Pump Station



 Hydropneumatic Tank


 Ground Storage Tank


 GBRA Western Canyon Line


 8" and Smaller Water Line


 10" and Larger Water Line


 Water Service Area
-  Road

 Stream

 Parcel

 County

 City Limits

 ETJ

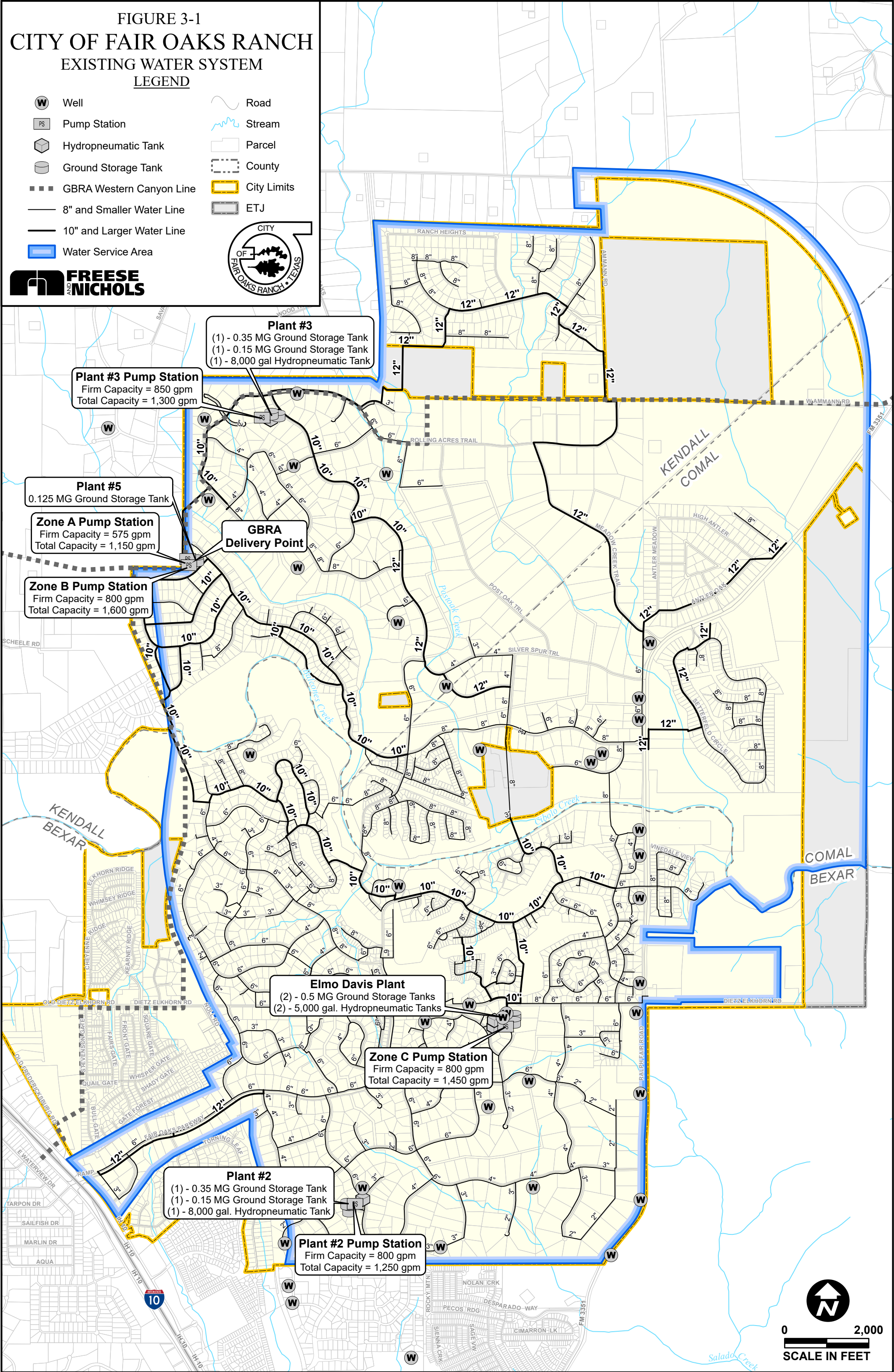
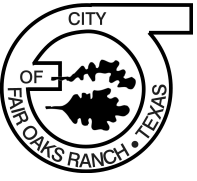







FIGURE 3-2
CITY OF
FAIR OAKS RANCH
EXISTING WASTEWATER SYSTEM
LEGEND


**Lift Station**


**Wastewater Treatment Plant**


**Force Main**


**8" and Smaller Gravity Main**


**10" and Larger Gravity Main**


**Road**


**Stream**


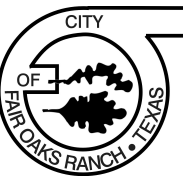
**Parcel**

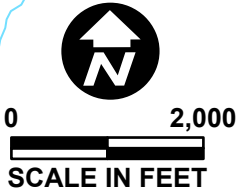
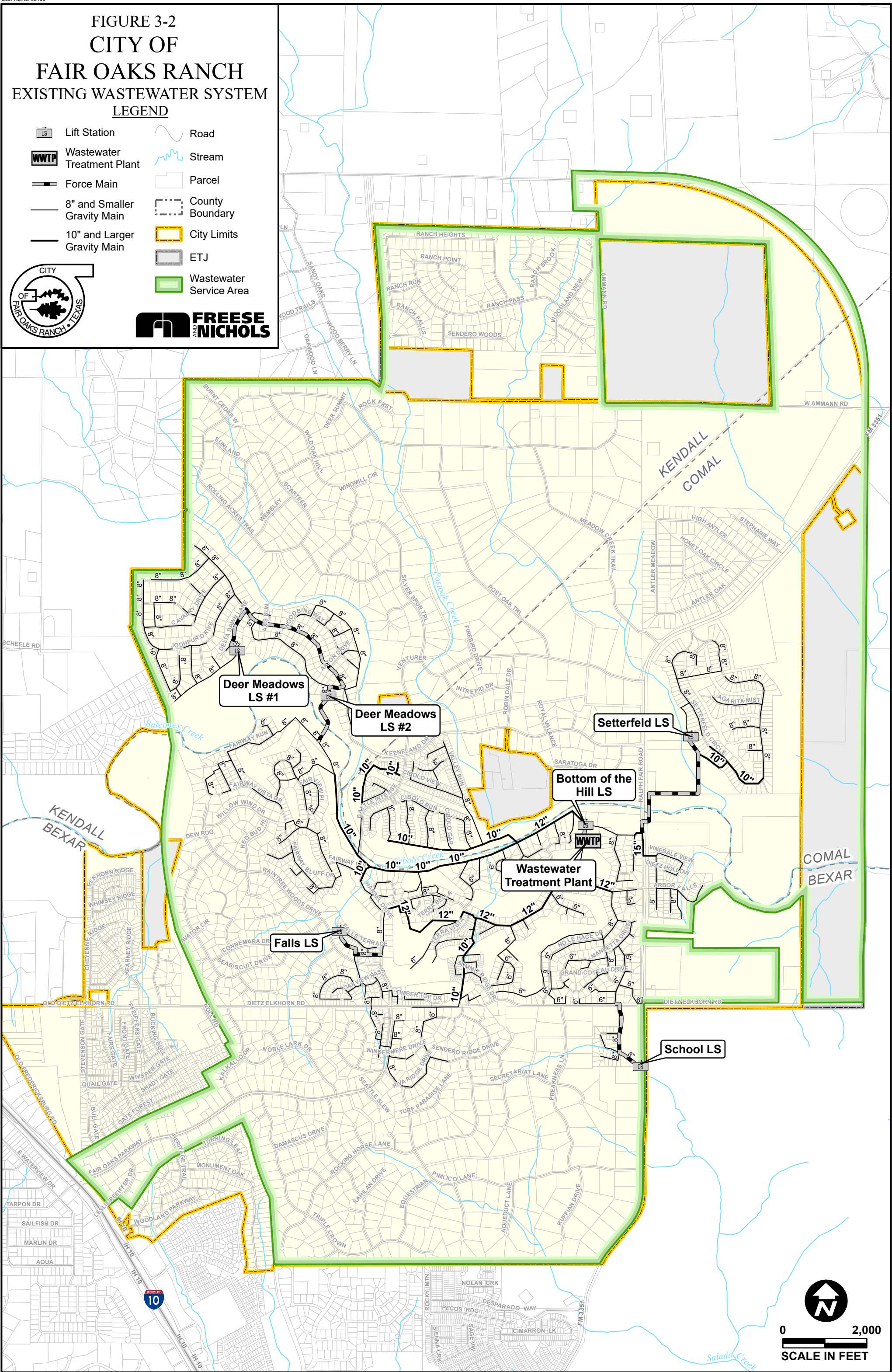
**County Boundary**

**City Limits**

**ETJ**

**Wastewater Service Area**





3.2 Water Demand and Wastewater Load Projections

The population and land use data were used to develop future water demands and wastewater flows based on a projected average day per capita use and peaking factors. These projections were the basis for determining the location and size of the CIP projects. The design criteria used to project water demands was developed as part of the 2019 *Water, Wastewater, and Reuse Master Plan Report* by FNI. The water demands used a design residential per connection usage of 500 gallons per connection per day (gpCd), a maximum day to average day peaking factor of 2.50, and a peak hour to maximum day peaking factor of 2.00. Wastewater flows used 160 gpCd for average annual daily flow and a wet weather peaking factor of 3.5 **Table 3-1** presents the projected water demands, and **Table 3-2** presents the projected wastewater flows for the City of Fair Oaks Ranch.

Table 3-1 Projected Water Demands

Year	Average Day Demand (mgd)	Maximum Day Demand (mgd)	Peak Hour Demand (mgd)
2025	1.63	4.07	8.14
2035	1.98	4.96	9.92

Table 3-2 Projected Wastewater Flows

Year	Average Annual Daily Flow (mgd)	Peak Wet Weather Flow (mgd)
2025	0.32	1.12
2035	0.38	1.35

3.3 Water and Wastewater System Improvements

The water and wastewater system improvements were developed as part of the 2019 Water, Wastewater, and Reuse Master Plan adopted by the City. The recommended water and wastewater improvements provide the required capacity to meet projected water demands and wastewater flows. A summary of the costs for each of the projects required for the growth period used in the impact fee analysis for both the water and wastewater systems are shown in **Table 3-4** and **Table 3-5**, respectively. The costs are in 2025 dollars and include an allowance for

engineering, surveying, and contingencies. Detailed cost estimates for the proposed water and wastewater system projects are included in **Appendix A** and **Appendix B**, respectively. The timing and location of future growth were used to determine the utilization of each water and wastewater project. **Tables 3-5** and **3-6** show a current percent utilization as the portion of a project's capacity required to serve existing development. It is not included in the impact fee analysis. The 2035 percent utilization is the portion of the project's capacity that will be required to serve the projected growth in 2035. The portion of a project's total cost that is used to serve development projected to occur from 2025 through 2035 is calculated as the total actual cost multiplied by the percent utilization. Only this portion of the cost can be used in the impact fee analysis. The proposed water system projects are shown on **Figure 3-3**. Proposed wastewater projects are shown on **Figure 3-4**.

Water & Wastewater Impact Fee Report
City of Fair Oaks Ranch



Table 3-3 Water System Impact Fee Eligible Projects

	Description of Project	Percent Utilization			Costs Based on 2025 Dollars			
		2025	2035	10-year Utilization	Capital Cost	Financing Cost	Total Project Cost	Impact Fee Eligible Cost
EXISTING ELIGIBLE								
A	12-inch Parallel Along Rolling Acres Trail	40%	48%	8%	\$114,107	\$60,298	\$174,405	\$13,952
B	12-inch Along Meadow Creek Trail	60%	78%	18%	\$24,773	\$13,091	\$37,864	\$6,815
C	12-inch Line Near Meadow Creek Trail and FM 3351	15%	94%	79%	\$936,527	\$494,889	\$1,431,416	\$1,130,819
D	9,000-Gallon Plant #2 Hydropneumatic Tank (Zone C)	93%	100%	7%	\$642,558	\$339,547	\$982,105	\$68,747
E	Impact Fee Study	0%	100%	100%	\$36,000	\$19,023	\$55,023	\$55,023
PROPOSED ELIGIBLE								
1	12-inch Corley Tract Line (Zone B)	20%	94%	74%	\$1,715,600	\$906,575	\$2,622,175	\$1,940,409
2	0.5-MG Plant 5 Ground Storage Tank (Zone A/B)	92%	94%	2%	\$3,300,000	\$1,743,820	\$5,043,820	\$100,876
3	0.5-MG Zone A Elevated Storage Tank (Zone A)	64%	69%	5%	\$8,779,400	\$4,639,300	\$13,418,700	\$670,935
4	400-gpm Plant #5 Zone B Pump Station Expansion (Zone B)	92%	94%	2%	\$646,400	\$341,577	\$987,977	\$19,760
5	50,000 gallon Ground Storage Tank (Zone C)	95%	100%	5%	\$374,300	\$197,791	\$572,091	\$28,605
6	12-inch West Ammann Road Water Line (Zone A)	0%	48%	48%	\$1,203,900	\$636,177	\$1,840,077	\$883,237
7	16-inch Plant #6 Discharge Water Lines (Zone B)	20%	94%	74%	\$3,812,200	\$2,014,482	\$5,826,682	\$4,311,744
8	Pressure Reducing Valve at Rolling Acres Trail and Meadow Creek Trail (Zone B)	0%	94%	94%	\$132,000	\$69,753	\$201,753	\$189,648
9	8-inch Water Line at Dietz Elkhorn Road and Ralph Fair Road (Zone C)	0%	100%	100%	\$481,600	\$254,492	\$736,092	\$736,092
10	Plant #6 and New GBRA Delivery Point (Zone A/B)	20%	78%	58%	\$11,816,700	\$6,244,302	\$18,061,002	\$10,475,381
11	12-inch Northeast Water Lines (Zone A)	0%	48%	48%	\$3,972,800	\$2,099,348	\$6,072,148	\$2,914,631
12	650-gpm Elmo Davis Pump Station Expansion (Zone C)	95%	100%	5%	\$1,050,300	\$555,010	\$1,605,310	\$80,266
13	12-inch Southeastern Water Lines (Zone B)	20%	94%	74%	\$4,093,100	\$2,162,918	\$6,256,018	\$4,629,453
14	12-inch Northeast Water Lines (Zone A)	0%	10%	10%	\$3,160,100	\$1,669,892	\$4,829,992	\$482,999
15	12-inch ETJ Water Line (Zone B)	20%	75%	55%	\$3,707,900	\$1,959,366	\$5,667,266	\$3,116,997
Total Capital Improvements Cost					\$50,000,265	\$26,421,652	\$76,421,917	\$31,856,390

* Utilization in 2025 on Proposed Projects indicates a portion of the project that will be used to address deficiencies within the existing system, and therefore are not eligible for impact fee cost recovery for future growth.

** Financing costs calculated assuming a 5% interest rate over a 20-year term

Table 3-4 Wastewater System Impact Fee Eligible Projects

	Description of Project	Percent Utilization			Costs Based on 2025 Dollars			
		2025	2035	10-year Utilization	Capital Cost	Financing Cost	Total Project Cost	Impact Fee Eligible Cost
EXISTING ELIGIBLE								
A	Impact Fee Study	0%	100%	100%	\$36,000	\$19,023	\$55,023	\$55,023
PROPOSED ELIGIBLE								
1	8-inch Gravity Line and Decommission Falls Lift Station	99%	100%	1%	\$722,400	\$381,738	\$1,104,138	\$11,041
2	Expansion of Wastewater Treatment Plant	0%	100%	100%	\$4,100,000	\$2,166,564	\$6,266,564	\$6,266,564
3	8-inch Gravity Line east of Ralph Fair Road	0%	100%	100%	\$557,100	\$294,388	\$851,488	\$851,488
4	15-inch Gravity Line west of Ralph Fair Road	28%	96%	68%	\$985,000	\$520,504	\$1,505,504	\$1,016,765
Total Capital Improvements Cost					\$6,400,500	\$3,382,218	\$9,782,718	\$8,200,882

* Utilization in 2025 on Proposed Projects indicates a portion of the project that will be used to address deficiencies within the existing system, and therefore are not eligible for impact fee cost recovery for future growth.

** Financing costs calculated assuming a 5% interest rate over a 20-year term.

FIGURE 3-3 CITY OF FAIR OAKS RANCH WATER SYSTEM IMPACT FEE CAPITAL IMPROVEMENTS PLAN LEGEND

Proposed Impact Fee Eligible

- Valve
- Pump Station
- Ground Storage Tank
- Elevated Storage Tank
- Water Line

Existing Impact Fee Eligible

- Hydropneumatic Tank
- Water Line

Existing Water System

- Well
- Pump Station
- Hydropneumatic Tank
- Ground Storage Tank

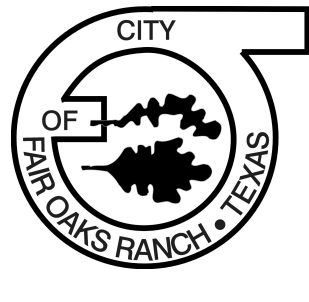
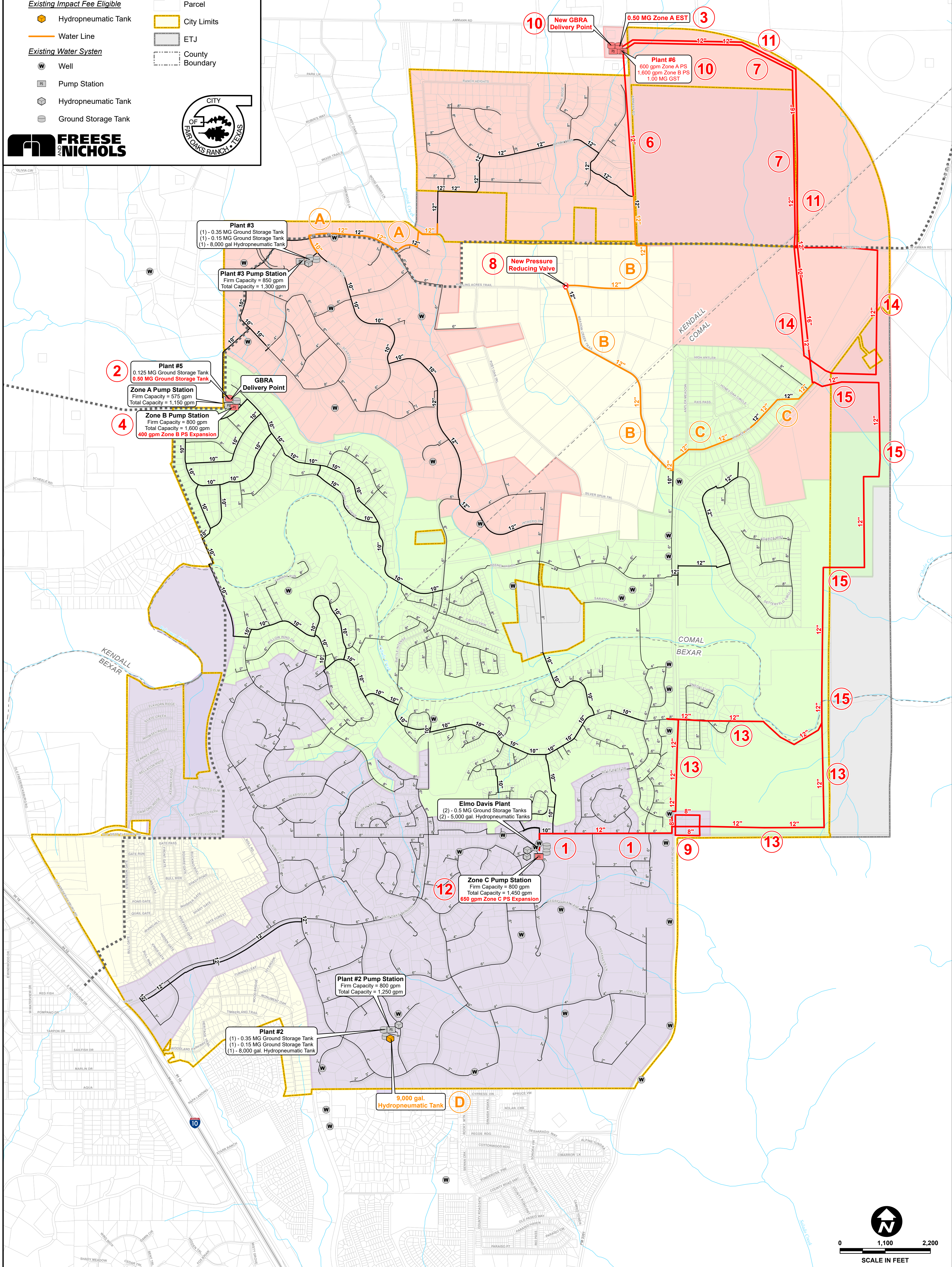
- 8" and Smaller Water Line
- 10" and Larger Water Line
- GBRA Western Canyon Line
- Road
- Stream
- Parcel
- City Limits
- ETJ
- County Boundary

5 Plant #4 - 50,000 gal tank**E** Impact Fee StudyPRESSURE ZONES

Zone A (1,525 feet)

Zone B (1,460 feet)

Zone C (1,555 feet)




**FREESE
NICHOLS**


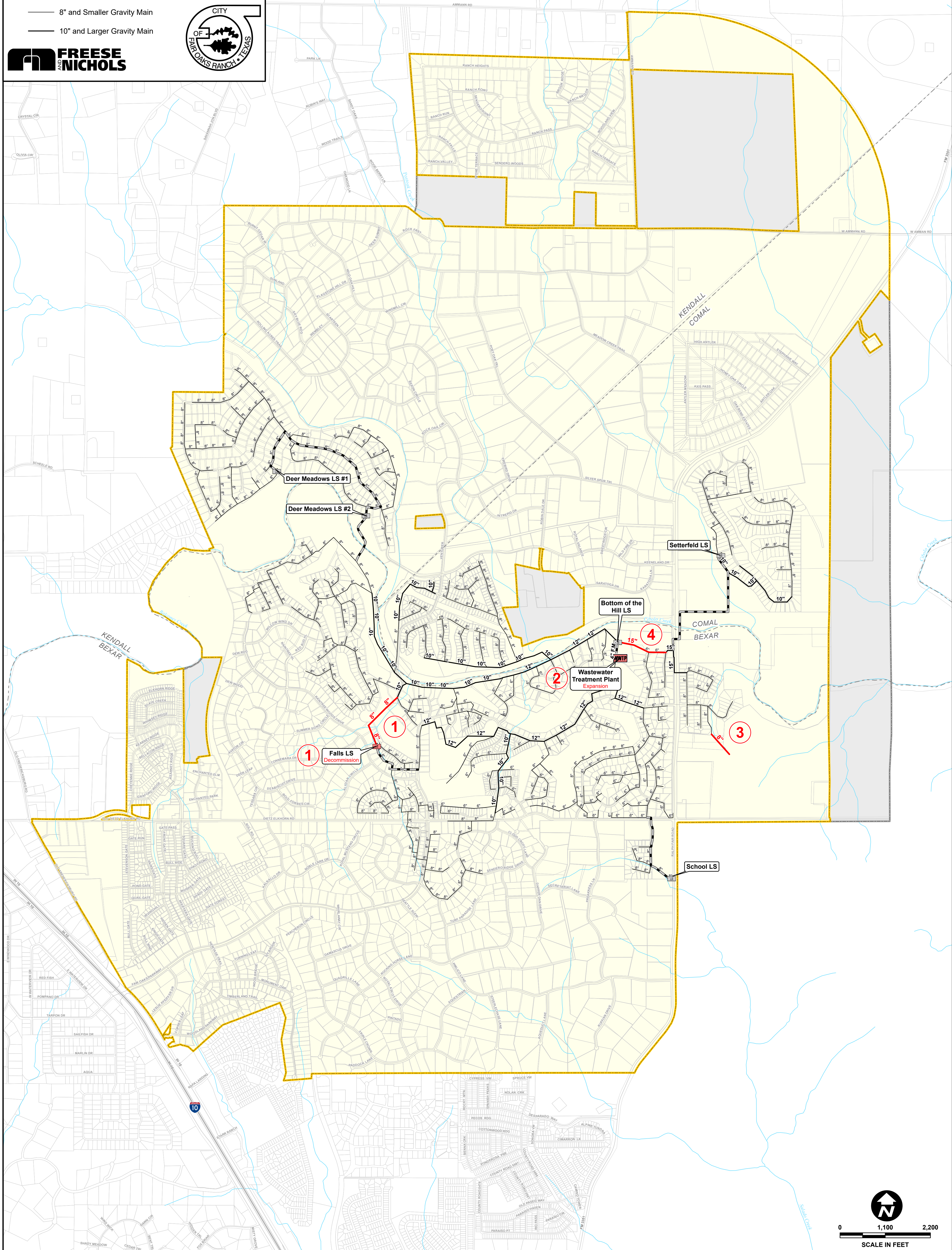
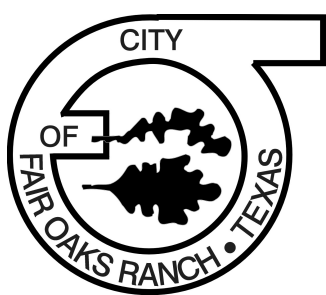
0 1,100 2,200
SCALE IN FEET

A Impact Fee Study

Proposed Impact Fee Eligible

- ### Existing Wastewater System

-  Lift Station
-  Force Main
- 8" and Smaller Gravity Main
- 10" and Larger Gravity Main



4.0 IMPACT FEE ANALYSIS

The previous impact fee ordinance was adopted in September 2020. This ordinance set the water impact fee for a single-family meter at \$8,670 and the wastewater impact fee for a single-family meter at \$6,069, for a combined impact fee of \$14,739. As part of this study, the maximum allowable impact fees have been calculated to reflect the updated land use assumptions and capital improvements. The impact fee analysis involves determining the utilization of existing and proposed projects required as defined by the capital improvement plan to serve all future development through 2035. For existing or proposed projects, the impact fee is calculated as a percentage of the project cost, based upon the percentage of the project's capacity required to serve development projected to occur between 2025 and 2035. Capacity serving existing development cannot be charged to impact fees. Based upon these updated calculations, the City may elect to revise the impact fee collection rate and update the 2020 ordinance.

4.1 Service Units

According to Chapter 395 of the Texas Local Government code, the maximum impact fee may not exceed the amount determined by dividing the cost of capital improvements required by the total number of service units attributed to new development during the impact fee eligibility period. A water service unit is defined as the service equivalent to a water connection for a single-family residence. The City of Fair Oaks Ranch does not directly meter wastewater flows and bills for wastewater services based on the customer's water consumption. Therefore, a wastewater service unit is defined as the wastewater service provided to a customer with a water connection for a single-family residence.

The service associated with public, commercial, and industrial connections is converted into service units based upon the capacity of the meter used to provide service. The number of service units required to represent each meter size is based on the safe maximum operating capacity of the appropriate meter type. The City primarily uses displacement meters for sizes 2-inch and smaller. Compound meters are used for sizes greater than 2 inches. American Water Works Association (AWWA) Manual M6 (November 2018) was used to determine the safe

maximum operating capacity. The service unit equivalent for each meter size used by the City is listed in **Table 4-1**.

Table 4-1 Service Unit Equivalencies

Meter Size	Type	Maximum Flow (gpm)	Service Unit Equivalents
3/4"	Displacement	25	1.0
1"	Displacement	40	1.6
1 1/2"	Displacement	50	2.0
2"	Compound	160	6.4
3"	Compound	320	12.8
4"	Compound	500	20.0
6"	Compound	1,000	40.0
8"	Compound	1,600	64.0

Typically, in the City of Fair Oaks Ranch, single-family residences are served with 3/4-inch water meters. Larger meters represent public, commercial, and industrial water use. The City provided data that included the meter size of each active water meter as of September 2024. The water and wastewater service units for 2025 and the projected service units for 2035 are presented in **Table 4-2** and **4-3**, respectively.

Table 4-2 Water Service Units

Meter Size	2025			2035			Growth in Service Units
	Number of Meters	Service Unit Equivalent	Service Units	Number of Meters	Service Unit Equivalent	Service Units	
3/4"	2,913	1.0	2,913	3,551	1.0	3,551	638
1"	341	1.6	546	416	1.6	666	120
1 1/2"	0	2.0	0	0	2.0	0	0
2"	0	6.4	0	0	6.4	0	0
3"	1	12.8	13	1	12.8	13	0
4"	0	20.0	0	0	20.0	0	0
6"	0	40.0	0	0	40.0	0	0
8"	0	64.0	0	0	64.0	0	0
Total	3,255	-	3,472	3,968	-	4,230	758

Table 4-3 Wastewater Service Units

Meter Size	2025			2035			Growth in Service Units
	Number of Meters	Service Unit Equivalent	Service Units	Number of Meters	Service Unit Equivalent	Service Units	
3/4"	1,882	1.0	1,882	2,256	1.0	2,256	374
1"	121	1.6	194	145	1.6	232	38
1 1/2"	0	2.0	0	0	2.0	0	0
2"	0	6.4	0	0	6.4	0	0
3"	1	12.8	13	1	12.8	13	0
4"	0	20.0	0	0	20.0	0	0
6"	0	40.0	0	0	40.0	0	0
8"	0	64.0	0	0	64.0	0	0
Total	2,004	-	2,089	2,402	-	2,501	412

4.2 Maximum Impact Fee Calculations

Texas Government Code Chapter 395 outlines the procedures and requirements for calculating maximum allowable impact fees to recover costs associated with capital improvement projects needed due to growth over a 10-year period. Chapter 395 also requires a plan that addresses possible duplication of payments for capital improvements. This plan can either provide a credit for the portion of revenues generated by new development that is used for the payment of eligible improvements, including payment of debt, or reduce the total eligible projects costs by 50 percent. The City of Fair Oaks Ranch has selected to utilize the reduction of the total eligible project costs by 50 percent to determine the maximum allowable impact fees.

Chapter 395 of the Texas Local Government Code states that the maximum impact fee may not exceed the amount determined by dividing the cost of capital improvements required by the total number of service units attributed to new development during the impact fee eligibility period less the credit to account for water and wastewater revenues used to finance capital improvement plans.

The total projected costs include the projected capital improvement costs to serve 10-year development through 2035, the projected finance cost for the capital improvements, and the consultant cost for preparing and updating the Capital Improvement Plan. **Tables 4-4 and 4-5**

Water & Wastewater Impact Fee Report
City of Fair Oaks Ranch



display a summary of maximum allowable impact fees for water and wastewater, respectively. A comparative chart showing impact fees in other nearby cities is presented on **Figure 4-1**.

Table 4-4 Maximum Allowable Water Impact Fee Calculation

Water Impact Fee	
Total Eligible Impact Fee Costs	\$31,856,390
Growth in Service Units	758
Maximum Water Impact Fee per Service Unit ⁽¹⁾	\$42,027
Impact Fee Credit per Service Unit ⁽²⁾	\$21,013
Maximum Allowable Water Impact Fee ⁽³⁾	\$21,013

(1) Total Eligible Costs divided by the Growth in Service Units.

(2) Credit is 50% of Maximum Water Impact Fee per Service Unit.

(3) Maximum Allowable Water Impact Fee is Maximum Water Impact Fee minus the Impact Fee Credit per Service Unit.

Table 4-5 Maximum Allowable Wastewater Impact Fee Calculation

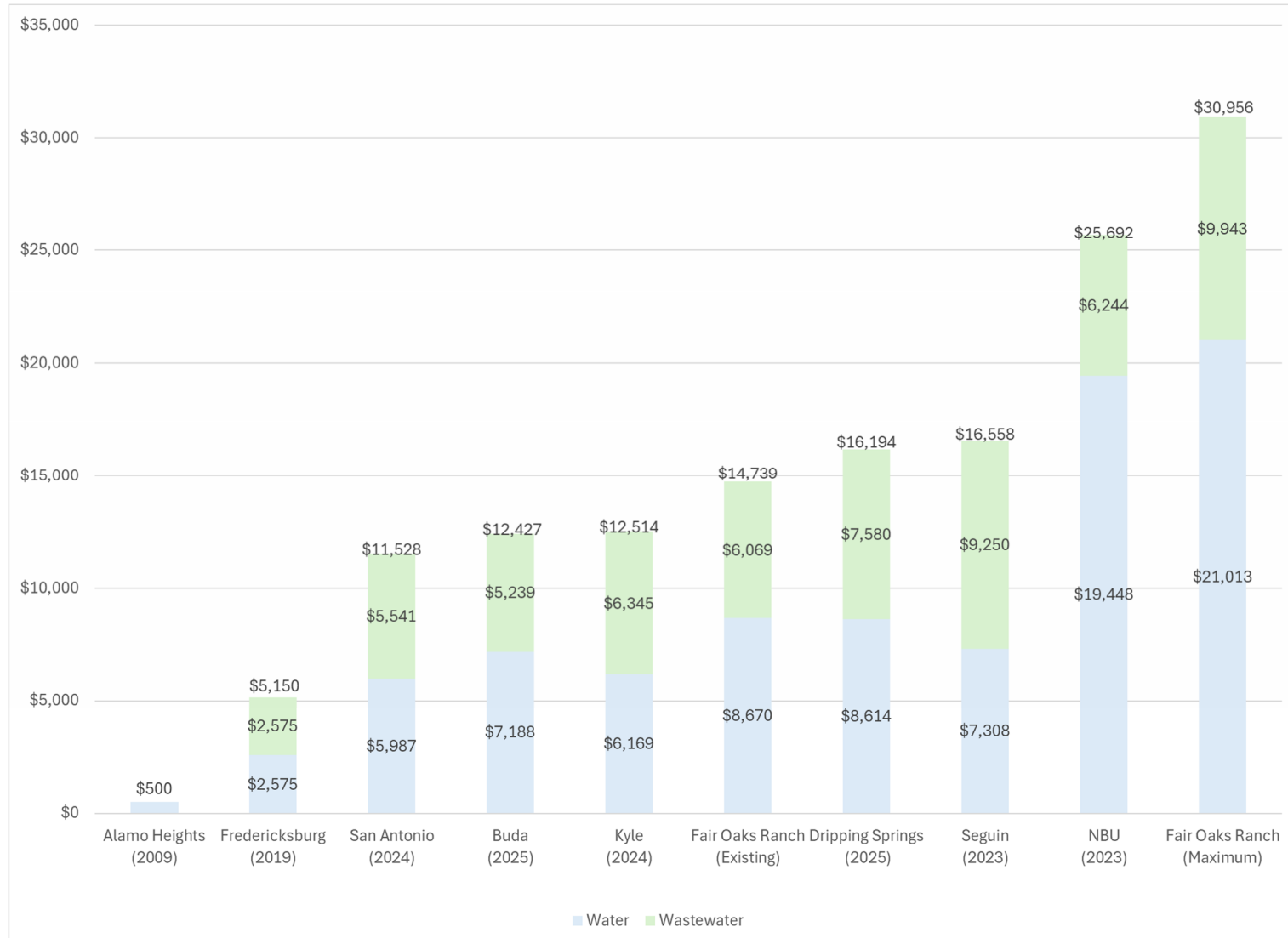
Wastewater Impact Fee	
Total Eligible Impact Fee Costs	\$8,200,882
Growth in Service Units	412
Maximum Water Impact Fee per Service Unit ⁽¹⁾	\$19,886
Impact Fee Credit per Service Unit ⁽²⁾	\$9,943
Maximum Allowable Wastewater Impact Fee ⁽³⁾	\$9,943

(1) Total Eligible Costs divided by the Growth in Service Units.

(2) Credit is 50% of Maximum Wastewater Impact Fee per Service Unit.

(3) Maximum Allowable Wastewater Impact Fee is Maximum Wastewater Impact Fee minus the Impact Fee Credit per Service Unit.

Figure 4-1 Water and Wastewater Impact Fee per Service Unit Comparison



Appendix A

Water System Project Cost Estimates

City of Fair Oaks Ranch



Capital Improvement Cost Estimate

April 2025

Construction Project Number: 1

Phase: 2035

Project Name: **12-inch Corley Tract Line (Zone B)**

Project Description:

This project consists of a new 12-inch water line extended to the Corley Tract.

Project Drivers:

This project will serve growth in Zone B.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	12" WL & Appurtenances	5,700	LF	\$ 228	\$ 1,299,600
SUBTOTAL:					\$ 1,299,600
CONTINGENCY				20%	\$ 260,000
SUBTOTAL:					\$ 1,559,600
ENG/SURVEY				10%	\$ 156,000
SUBTOTAL:					\$ 1,715,600
Estimated Project Total:					\$ 1,715,600

City of Fair Oaks Ranch



Capital Improvement Cost Estimate

April 2025

Construction Project Number: 2

Phase: 2035

Project Name: **0.5-MG Zone A Ground Storage Tank (Zone B)**

Project Description:

This project consists of a new 0.5 MG Zone B ground storage tank at Plant 5.

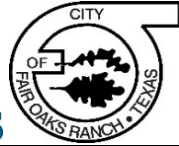
Project Drivers:

This project will provide ground storage capacity in Zone B.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	0.5 MG Ground Storage Tank	1	LS	\$ 2,500,000	\$ 2,500,000
				SUBTOTAL:	\$ 2,500,000
				CONTINGENCY	20%
					\$ 500,000
				SUBTOTAL:	\$ 3,000,000
				ENG/SURVEY	10%
					\$ 300,000
				SUBTOTAL:	\$ 3,300,000
Estimated Project Total:					\$ 3,300,000

City of Fair Oaks Ranch



Capital Improvement Cost Estimate

April 2025

Construction Project Number: 3

Phase: 2035

Project Name: **0.5-MG Zone A Elevated Storage Tank (Zone A)**

Project Description:

This project consists of a new 0.5 MG Zone A elevated storage tank at the north City limit near the Kendall County line.

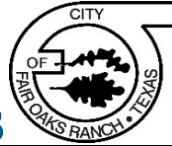
Project Drivers:

This project will provide elevated storage capacity in Zone A.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	0.5 MG Elevated Storage Tank	1	LS	\$ 8,779,378	\$ 8,779,378
				SUBTOTAL:	\$ 8,779,400
				CONTINGENCY	0%
					\$ -
				SUBTOTAL:	\$ 8,779,400
				ENG/SURVEY	0%
					\$ -
				SUBTOTAL:	\$ 8,779,400
Estimated Project Total:					\$ 8,779,400

City of Fair Oaks Ranch



Capital Improvement Cost Estimate

April 2025

Construction Project Number: 4

Phase: 2035

Project Name: **400-gpm Plant #5 Zone B Pump Station Expansion (Zone B)**

Project Description:

This project consists of a 400 gpm expansion at the Plant #5 Zone B Pump Station. This project will increase the firm capacity from 800 gpm to 1,200 gpm.

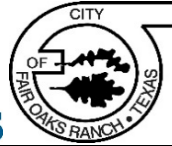
Project Drivers:

This project will provide additional distribution pumping capacity in Zone B.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	Pump Station - Expansion 400 gpm	1	LS	\$ 489,600	\$ 489,600
				SUBTOTAL:	\$ 489,600
				CONTINGENCY	20%
				SUBTOTAL:	\$ 587,600
				ENG/SURVEY	10%
				SUBTOTAL:	\$ 646,400
Estimated Project Total:					\$ 646,400

City of Fair Oaks Ranch



Capital Improvement Cost Estimate

April 2025

Construction Project Number: 5

Phase: 2035

Project Name: **50,000 gallon Ground Storage Tank (Zone C)**

Project Description:

This project consists of a new 50,000 gallon ground storage tank at Plant 4 to serve Zone C.

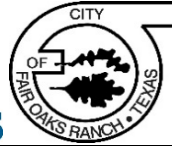
Project Drivers:

The project will provide ground storage in Zone C.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	50,000 gal Ground Storage Tank	1	LS	\$ 283,500	\$ 283,500
				SUBTOTAL:	\$ 283,500
				CONTINGENCY	20%
				SUBTOTAL:	\$ 340,200
				ENG/SURVEY	10%
				SUBTOTAL:	\$ 374,300
Estimated Project Total:					\$ 374,300

City of Fair Oaks Ranch



Capital Improvement Cost Estimate

April 2025

Construction Project Number: 6

Phase: 2035

Project Name: **12-inch West Ammann Road Water Line (Zone A)**

Project Description:

This project consists of a new 12-inch water line that serves the new Elevated Storage Tank in Zone A.

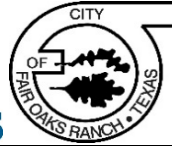
Project Drivers:

This project will serve growth in Zone A.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	12" WL & Appurtenances	4,000	LF	\$ 228	\$ 912,000
		SUBTOTAL:			\$ 912,000
		CONTINGENCY		20%	\$ 182,400
		SUBTOTAL:			\$ 1,094,400
		ENG/SURVEY		10%	\$ 109,500
		SUBTOTAL:			\$ 1,203,900
Estimated Project Total:					\$ 1,203,900

City of Fair Oaks Ranch



Capital Improvement Cost Estimate

April 2025

Construction Project Number: 7

Phase: 2035

Project Name: **16-inch Plant #6 Discharge Water Lines (Zone B)**

Project Description:

This project consists of a new 16-inch water line that serve Zone B.

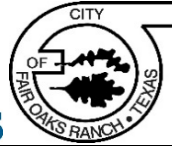
Project Drivers:

This project will serve growth in Zone B.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	16" WL & Appurtenances	9,500	LF	\$ 304	\$ 2,888,000
				SUBTOTAL:	\$ 2,888,000
				CONTINGENCY	20%
				SUBTOTAL:	\$ 3,465,600
				ENG/SURVEY	10%
				SUBTOTAL:	\$ 3,812,200
Estimated Project Total:					\$ 3,812,200

City of Fair Oaks Ranch



Capital Improvement Cost Estimate

April 2025

Construction Project Number: 8

Phase: 2035

Project Name: **Pressure Reducing Valve at Rolling Acres Trail and Meadow Creek Trail (Zone B)**

Project Description:

This project consists of a new pressure reducing valve at the intersection of Rolling Acres Trail and Meadow Creek Trail.

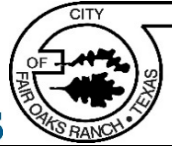
Project Drivers:

This project will provide increased redundancy in Zone B.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	Pressure Reducing Valve Station	1	LS	\$ 100,000	\$ 100,000
				SUBTOTAL:	\$ 100,000
				CONTINGENCY	20%
					\$ 20,000
				SUBTOTAL:	\$ 120,000
				ENG/SURVEY	10%
					\$ 12,000
				SUBTOTAL:	\$ 132,000
Estimated Project Total:					\$ 132,000

City of Fair Oaks Ranch



Capital Improvement Cost Estimate

April 2025

Construction Project Number: 9

Phase: 2035

Project Name: **8-inch Water Line at Dietz Elkhorn Road and Ralph Fair Road (Zone C)**

Project Description:

8-inch Water Line at Dietz Elkhorn Road and Ralph Fair Road (Zone C)

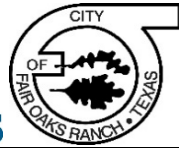
Project Drivers:

This project will provide additional production and distribution capacity in Zones A and B.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	8" WL & Appurtenances	2,400	LF	\$ 152	\$ 364,800
				SUBTOTAL:	\$ 364,800
				CONTINGENCY	20%
				SUBTOTAL:	\$ 437,800
				ENG/SURVEY	10%
				SUBTOTAL:	\$ 481,600
Estimated Project Total:					\$ 481,600

City of Fair Oaks Ranch



Capital Improvement Cost Estimate

April 2025

Construction Project Number: 10

Phase: 2035

Project Name: **Plant #6 and New GBRA Delivery Point (Zone A/B)**

Project Description:

This project consists of a new Plant #6 at the intersection of West Ammann Road and the Comal County Line. It will include a 600 gpm Zone A Pump Station, a 1,600 gpm Zone B Pump Station, and a 1.0 MG Ground Storage Tank. This project will create a new delivery point from GBRA.

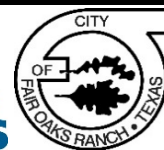
Project Drivers:

This project will provide additional production and distribution capacity in Zones A and B.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	PS - New 600 gpm and 1,600 gpm	1	LS	\$ 4,752,000	\$ 4,752,000
2	1.0 MG Ground Storage Tank	1	LS	\$ 4,000,000	\$ 4,000,000
3	Meter Vault for GBRA Delivery Point	1	LS	\$ 200,000	\$ 200,000
SUBTOTAL:					\$ 8,952,000
CONTINGENCY				20%	\$ 1,790,400
SUBTOTAL:					\$ 10,742,400
ENG/SURVEY				10%	\$ 1,074,300
SUBTOTAL:					\$ 11,816,700
Estimated Project Total:					\$ 11,816,700

City of Fair Oaks Ranch



Capital Improvement Cost Estimate

April 2025

Construction Project Number: 11

Phase: 2035

Project Name: **12-inch Northeast Water Lines (Zone A)**

Project Description:

This project consists of a new 12-inch water line northeast of Ammann Road.

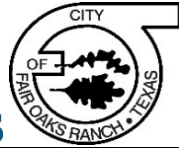
Project Drivers:

This project will provide additional production and distribution capacity in Zone A.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	12" WL & Appurtenances	13,200	LF	\$ 228	\$ 3,009,600
				SUBTOTAL:	\$ 3,009,600
				CONTINGENCY	20%
					\$ 602,000
				SUBTOTAL:	\$ 3,611,600
				ENG/SURVEY	10%
					\$ 361,200
				SUBTOTAL:	\$ 3,972,800
Estimated Project Total:					\$ 3,972,800

City of Fair Oaks Ranch



Capital Improvement Cost Estimate

April 2025

Construction Project Number: 12

Phase: 2035

Project Name: **650-gpm Elmo Davis Pump Station Expansion (Zone C)**

Project Description:

This project consists of a 650 gpm expansion at the Elmo Davis Pump Station. This project will increase the firm capacity from 800 gpm to 1,450 gpm.

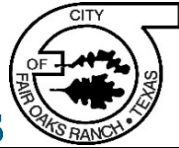
Project Drivers:

This project will provide additional distribution pumping capacity in Zone C.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	Pump Station - Expansion 650 gpm	1	LS	\$ 795,600	\$ 795,600
				SUBTOTAL:	\$ 795,600
				CONTINGENCY	20%
					\$ 159,200
				SUBTOTAL:	\$ 954,800
				ENG/SURVEY	10%
					\$ 95,500
				SUBTOTAL:	\$ 1,050,300
Estimated Project Total:					\$ 1,050,300

City of Fair Oaks Ranch



Capital Improvement Cost Estimate

April 2025

Construction Project Number: 13

Phase: 2035

Project Name: **12-inch Southeastern Water Lines (Zone B)**

Project Description:

This project consists of a new 12-inch looped water line northeast of the intersection of Dietz Elkhorn Road and Ralph Fair Road.

Project Drivers:

This project will serve growth in Zone B.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	12" WL & Appurtenances	13,600	LF	\$ 228	\$ 3,100,800
SUBTOTAL:					\$ 3,100,800
CONTINGENCY				20%	\$ 620,200
SUBTOTAL:					\$ 3,721,000
ENG/SURVEY				10%	\$ 372,100
SUBTOTAL:					\$ 4,093,100
Estimated Project Total:					\$ 4,093,100

City of Fair Oaks Ranch



Capital Improvement Cost Estimate

April 2025

Construction Project Number: 14

Phase: 2035

Project Name: **12-inch Northeast Water Lines (Zone A)**

Project Description:

This project consists of a new 12-inch water line that flows between the Zone A proposed Elevated Storage Tank and the northeast part of the City.

Project Drivers:

This project will serve growth in Zone A.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	12" WL & Appurtenances	10,500	LF	\$ 228	\$ 2,394,000
		SUBTOTAL:			\$ 2,394,000
		CONTINGENCY		20%	\$ 478,800
		SUBTOTAL:			\$ 2,872,800
		ENG/SURVEY		10%	\$ 287,300
		SUBTOTAL:			\$ 3,160,100
Estimated Project Total:					\$ 3,160,100

City of Fair Oaks Ranch



Capital Improvement Cost Estimate

April 2025

Construction Project Number: 15

Phase: 2035

Project Name: **12-inch ETJ Water Line (Zone B)**

Project Description:

This project consists of a new 12-inch water line that serves the area east of the city limits in Zone B.

Project Drivers:

This project will serve growth in Zone B.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	12" WL & Appurtenances	12,320	LF	\$ 228	\$ 2,808,960
SUBTOTAL:					\$ 2,809,000
CONTINGENCY				20%	\$ 561,800
SUBTOTAL:					\$ 3,370,800
ENG/SURVEY				10%	\$ 337,100
SUBTOTAL:					\$ 3,707,900
Estimated Project Total:					\$ 3,707,900

Appendix B

Wastewater System Project Cost Estimates

City of Fair Oaks Ranch



Capital Improvement Cost Estimate

April 2025

Construction Project Number: 1

Phase: 2035

Project Name: **8-inch Gravity Line and Decommission Falls Lift Station**

Project Description:

Decommission the Falls Lift Station and extend an 8-inch gravity line to existing 10-inch line along Battle Intense.

Project Drivers:

This project removes a lift station from service to reduce future maintenance.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	Lift Station - Decomm	1	LS	\$ 250,000	\$ 250,000
2	8" Pipe	1,730	LF	\$ 144	\$ 249,120
3	48" Diameter Manhole	4	EA	\$ 12,000	\$ 48,000
				SUBTOTAL:	\$ 547,200
				CONTINGENCY	20%
					\$ 109,500
				SUBTOTAL:	\$ 656,700
				ENG/SURVEY	10%
					\$ 65,700
				SUBTOTAL:	\$ 722,400
Estimated Project Total:					\$ 722,400

City of Fair Oaks Ranch



Capital Improvement Cost Estimate

April 2025

Construction Project Number: 2

Phase: 2035

Project Name: **Expansion of Wastewater Treatment Plant**

Project Description:

Expand existing WWTP to meet future growth.

Project Drivers:

This project will expand the existing WWTP to meet growth.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	WWTP Expansion	1	EA	\$ 4,100,000	\$ 4,100,000
				SUBTOTAL:	\$ 4,100,000
				CONTINGENCY	0%
					\$ -
				SUBTOTAL:	\$ 4,100,000
				ENG/SURVEY	0%
					\$ -
				SUBTOTAL:	\$ 4,100,000
Estimated Project Total:					\$ 4,100,000

City of Fair Oaks Ranch



Capital Improvement Cost Estimate

April 2025

Construction Project Number: 3

Phase: 2035

Project Name: **8-inch Gravity Line east of Ralph Fair Road**

Project Description:

A new 8-inch gravity line east of Ralph Fair Road.

Project Drivers:

This project will serve new development.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	8" Pipe	2,430	LF	\$ 144	\$ 349,920
2	48" Diameter Manhole	6	EA	\$ 12,000	\$ 72,000
				SUBTOTAL:	\$ 422,000
				CONTINGENCY	20%
				SUBTOTAL:	\$ 506,400
				ENG/SURVEY	10%
				SUBTOTAL:	\$ 557,100
Estimated Project Total:					\$ 557,100

City of Fair Oaks Ranch



Capital Improvement Cost Estimate

April 2025

Construction Project Number: 4

Phase: 2035

Project Name: **15-inch Gravity Line west of Ralph Fair Road**

Project Description:

A new 15-inch gravity line west of Ralph Fair Road.

Project Drivers:

This project will serve new development.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	15" Pipe	2,430	LF	\$ 270	\$ 656,100
2	60" Diameter Manhole	6	EA	\$ 15,000	\$ 90,000
				SUBTOTAL:	\$ 746,100
				CONTINGENCY	20%
				SUBTOTAL:	\$ 895,400
				ENG/SURVEY	10%
				SUBTOTAL:	\$ 985,000
Estimated Project Total:					\$ 985,000

P R E S E N T A T I O N

City of Fair Oaks Ranch

Water and Wastewater Impact Fee Update



July 17, 2025

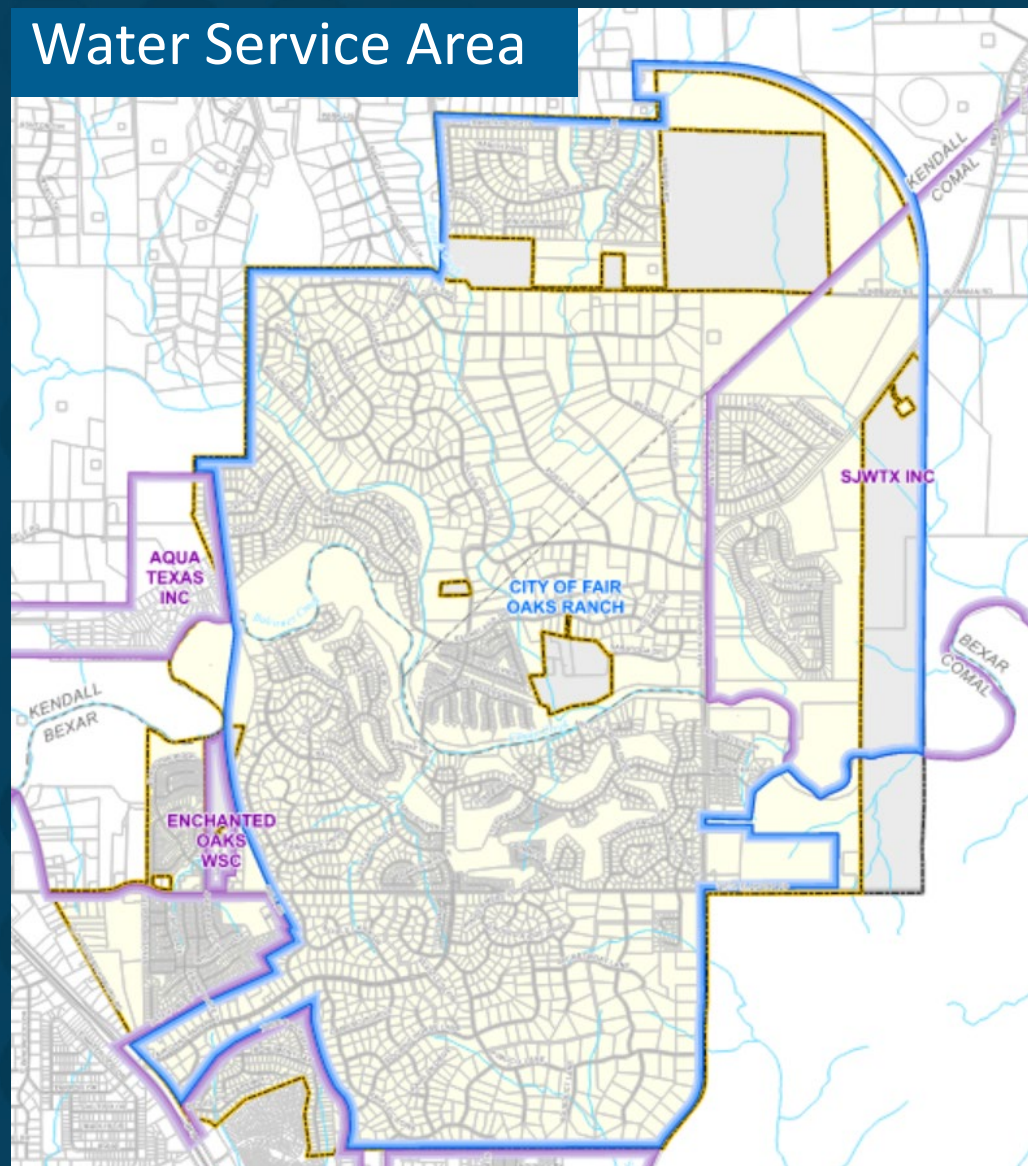
Impact Fee Process

Item #9.

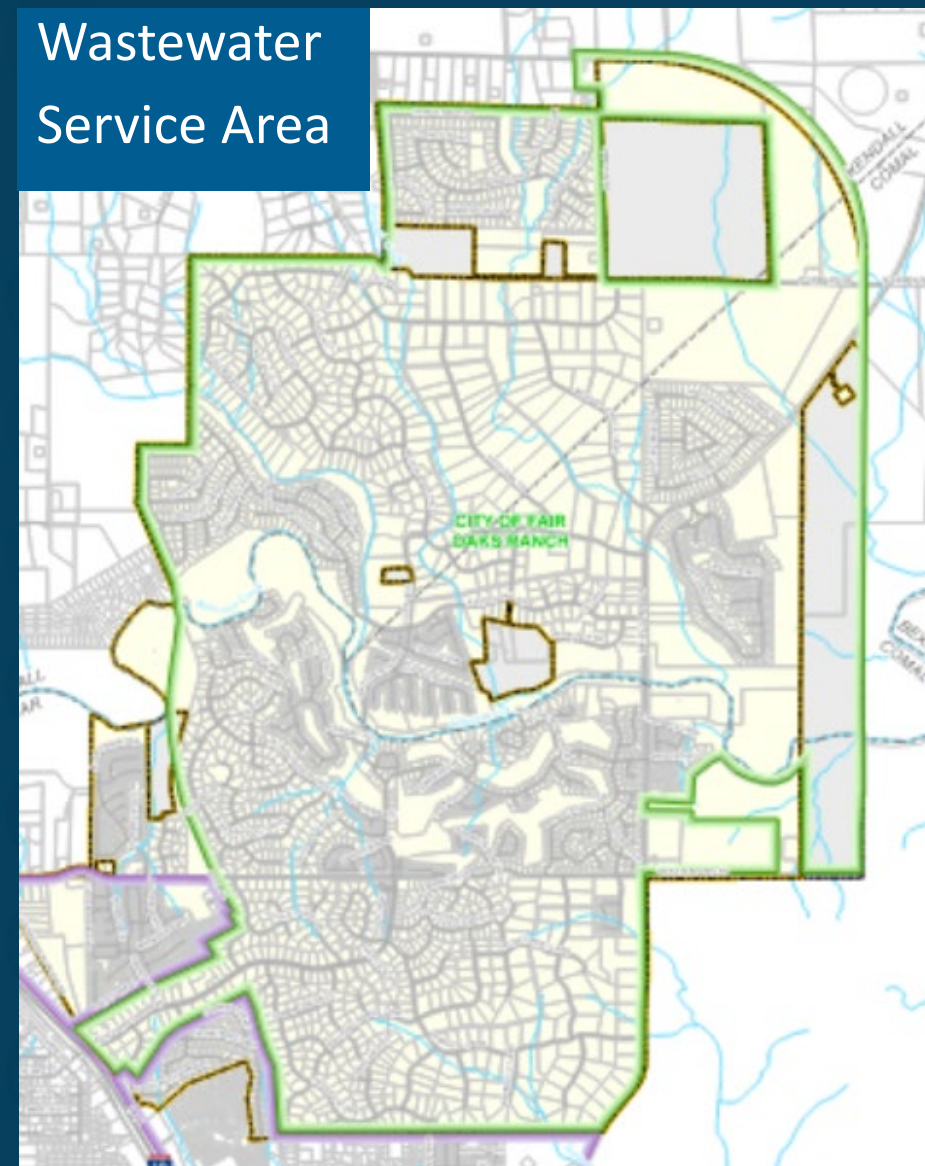


Service Areas

Water Service Area

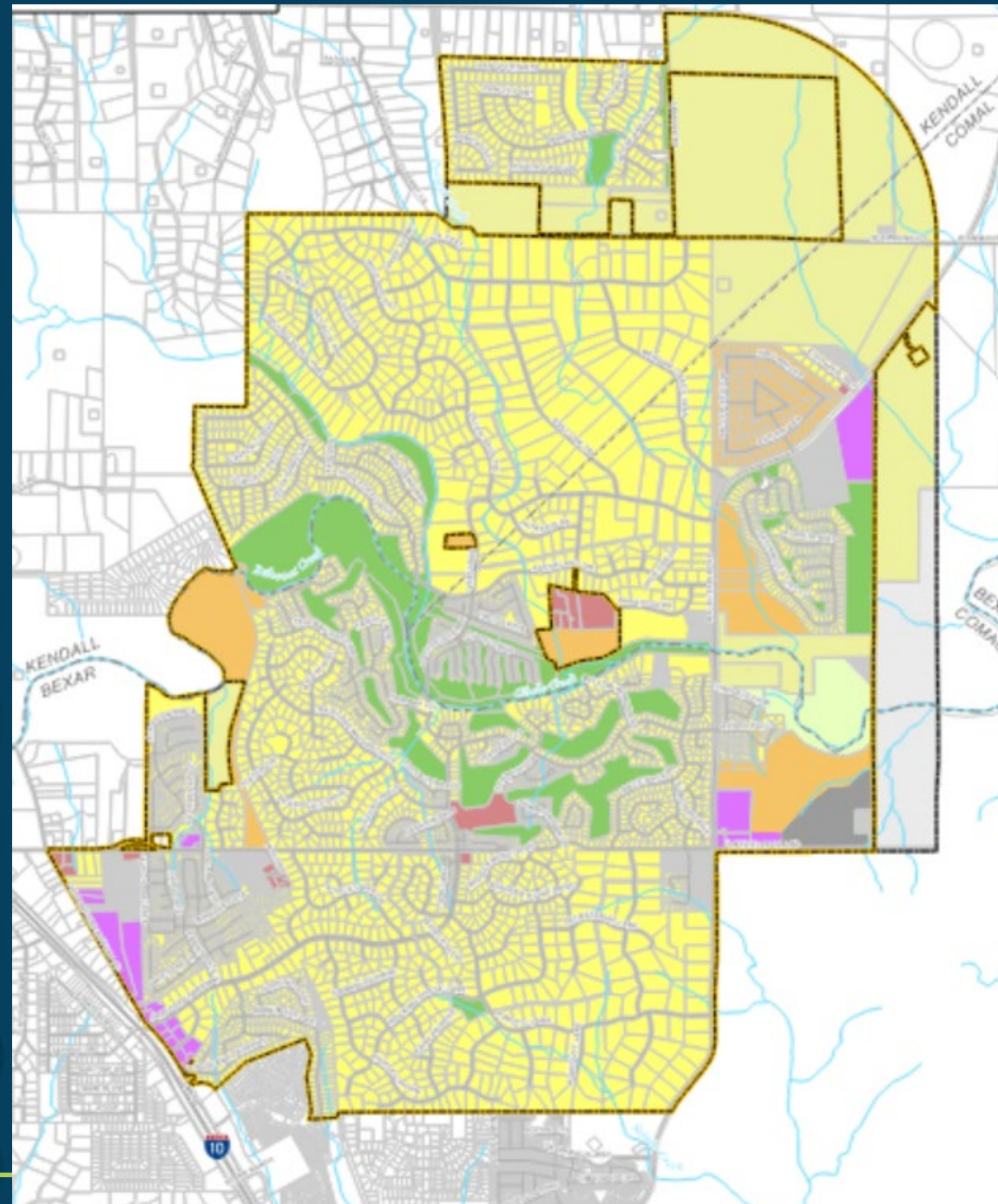


Wastewater Service Area



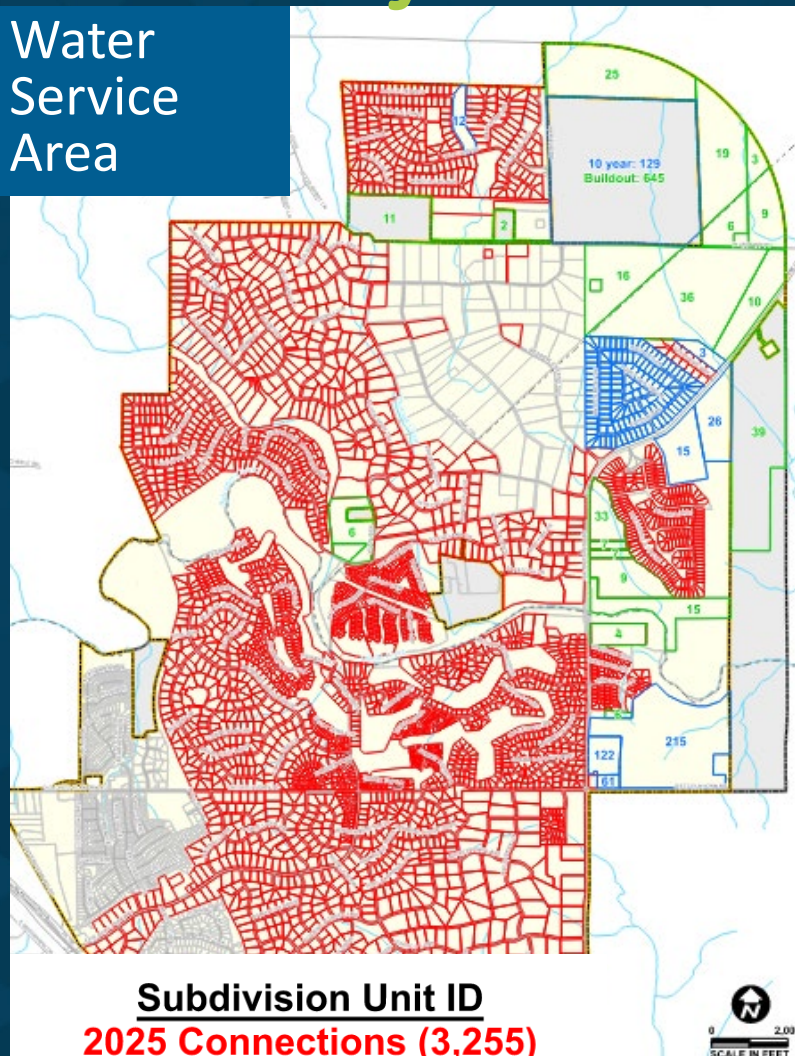
Future Land Use

FUTURE LAND USE



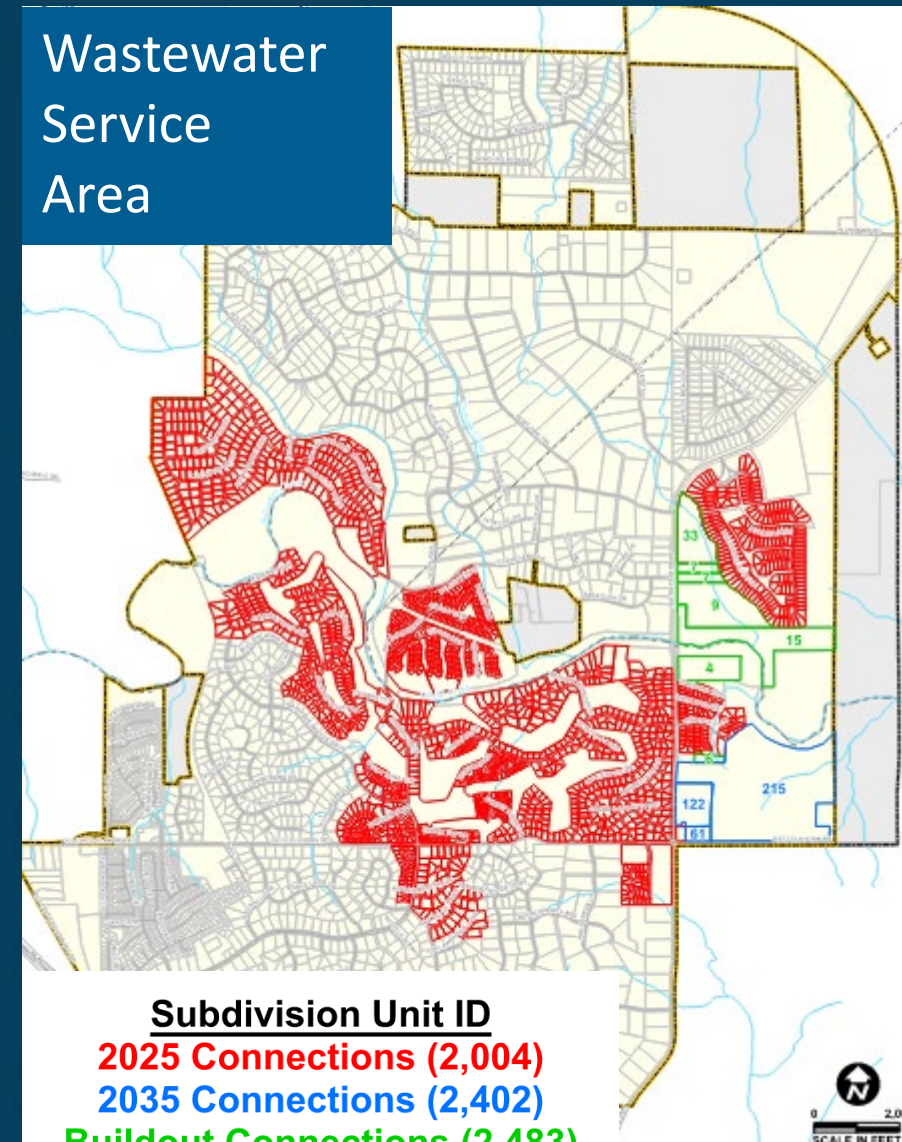
Growth Projections

Water Service Area



Subdivision Unit ID
2025 Connections (3,255)
2035 Connections (3,968)
Buildout Connections (4,750)

Wastewater Service Area



Subdivision Unit ID
2025 Connections (2,004)
2035 Connections (2,402)
Buildout Connections (2,483)

Growth Projections

Year	Water Service Area Connections	Wastewater Service Area Connections
2025	3,255	2,004
2035	3,968	2,402

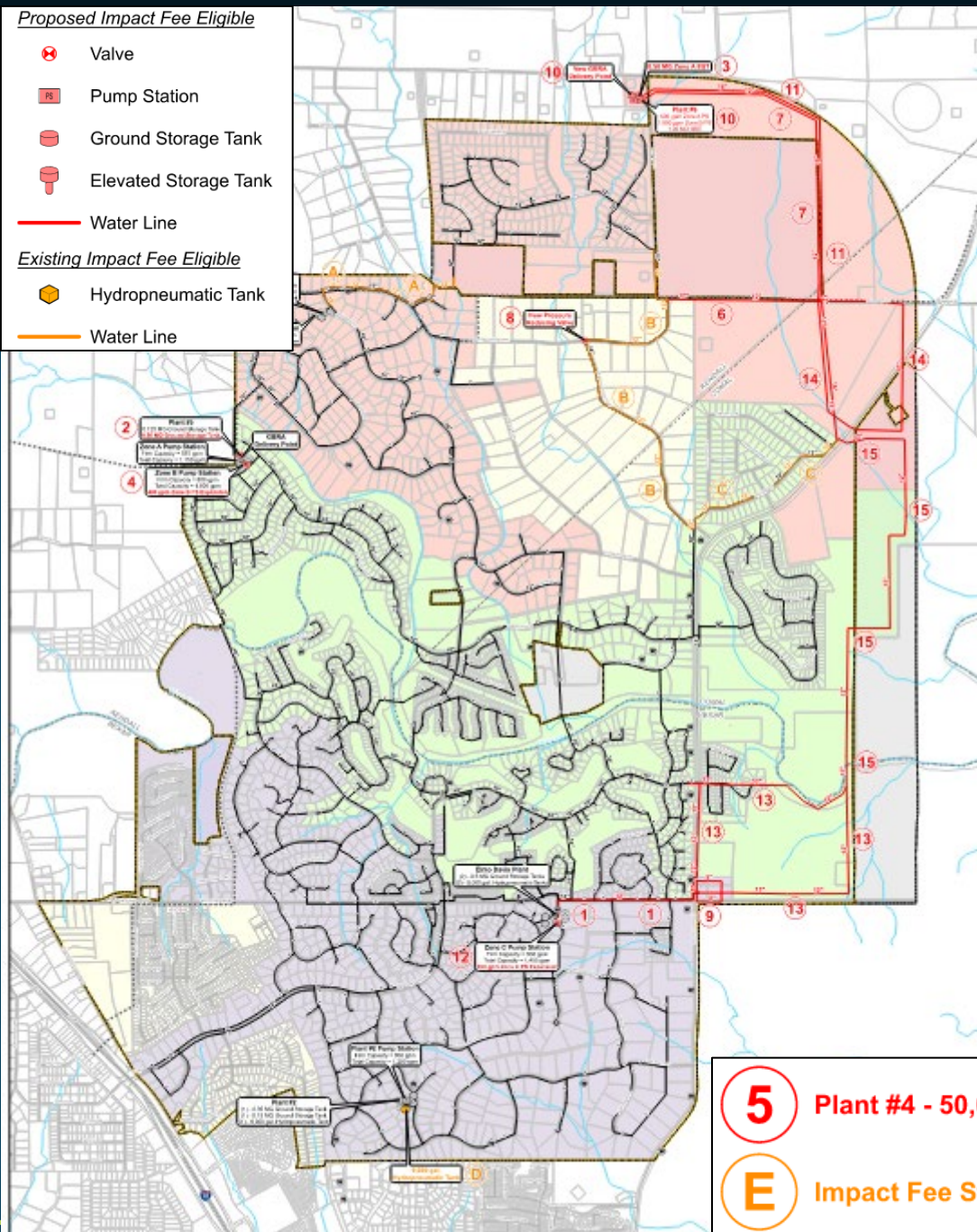
Water Demand Projections

Year	Average Day Demand (MGD)	Maximum Day Demand (MGD)	Peak Hour Demand (MGD)
2025	1.63	4.07	8.14
2035	1.98	4.96	9.92

Wastewater Flow Projections

Year	Average Annual Daily Flow (MGD)	Peak Wet Weather Flow (MGD)
2025	0.32	1.12
2035	0.38	1.35

Water Impact Fee CIP



Wastewater Impact Fee CIP

Item #9.

Proposed Impact Fee Eligible



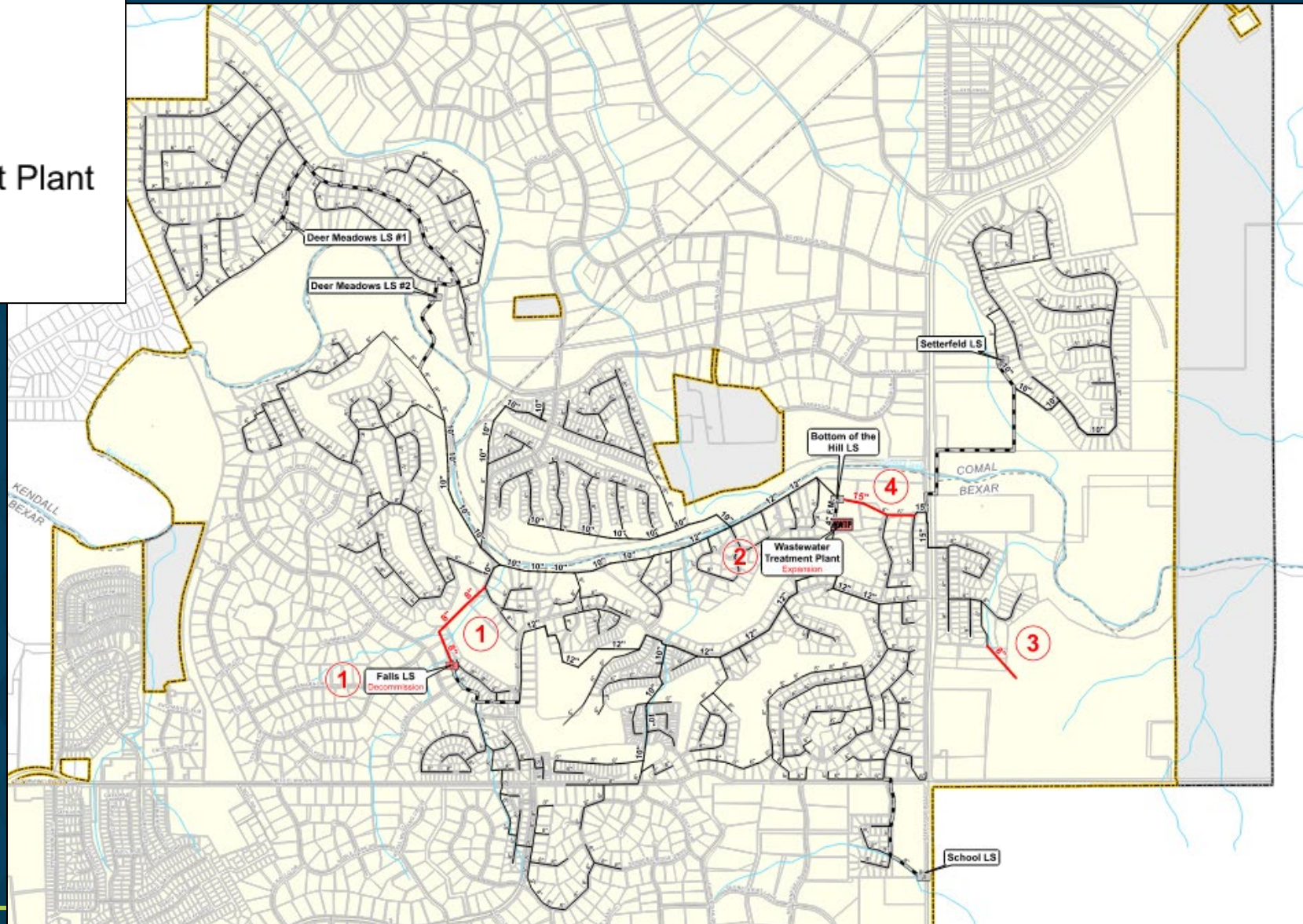
Lift Station



Wastewater Treatment Plant



Gravity Main



Impact Fee Calculation

- Impact Fees Calculated by Dividing Eligible CIP/Growth in Service Units
- For Fair Oaks Ranch, the Service Unit is the Living Unit Equivalent (LUE)
- Credit of 50% applied as required by LGC Chapter 395
- Fee collected can be less than maximum

$$\text{Impact Fee Per Service Unit} = \frac{\text{Eligible CIP Cost}}{\text{New Service Units}}$$

Living Unit Equivalents (LUE)

Meter Size	Type	Maximum Flow (gpm)	Living Unit Equivalent
3/4"	Displacement	25	1.0
1"	Displacement	40	1.6
1 1/2"	Displacement	50	2.0
2"	Compound	160	6.4
3"	Compound	320	12.8
4"	Compound	500	20.0
6"	Compound	1,000	40.0
8"	Compound	1,600	64.0

Water LUE Growth

Item #9.

Meter Size	2025			2035			Growth in LUEs
	Number of Meters ⁽¹⁾	Living Unit Equivalent ⁽²⁾	Total LUEs	Number of Meters	Living Unit Equivalent ⁽²⁾	Total LUEs	
3/4"	2,913	1.0	2,913	3,551	1.0	3,551	638
1"	341	1.6	546	416	1.6	666	120
1 1/2"	0	2.0	0	0	2.0	0	0
2"	0	6.4	0	0	6.4	0	0
3"	1	12.8	13	1	12.8	13	0
4"	0	20.0	0	0	20.0	0	0
6"	0	40.0	0	0	40.0	0	0
8"	0	64.0	0	0	64.0	0	0
Total	3,255	-	3,471	3,968	-	4,229	758

Wastewater LUE Growth

Item #9.

Meter Size	2025			2035			Growth in LUEs
	Number of Meters ⁽¹⁾	Living Unit Equivalent ⁽²⁾	Total LUEs	Number of Meters	Living Unit Equivalent ⁽²⁾	Total LUEs	
3/4"	1,882	1.0	1,882	2,256	1.0	2,256	374
1"	121	1.6	194	145	1.6	232	38
1 1/2"	0	2.0	0	0	2.0	0	0
2"	0	6.4	0	0	6.4	0	0
3"	1	12.8	13	1	12.8	13	0
4"	0	20.0	0	0	20.0	0	0
6"	0	40.0	0	0	40.0	0	0
8"	0	64.0	0	0	64.0	0	0
Total	2,004	-	2,088	2,402	-	2,501	412

Water Impact Fee

Item #9.

	Description of Project	Percent Utilization			Costs Based on 2025 Dollars			
		2025	2035	10-year Utilization	Capital Cost	Financing Cost	Total Project Cost	Impact Fee Eligible Cost
EXISTING ELIGIBLE								
A	12-inch Parallel Along Rolling Acres Trail	40%	48%	8%	\$114,107	\$60,298	\$174,405	\$13,952
B	12-inch Along Meadow Creek Trail	60%	78%	18%	\$24,773	\$13,091	\$37,864	\$6,815
C	12-inch Line Near Meadow Creek Trail and FM 3351	15%	94%	79%	\$936,527	\$494,889	\$1,431,416	\$1,130,819
D	9,000-Gallon Plant #2 Hydropneumatic Tank (Zone C)	93%	100%	7%	\$642,558	\$339,547	\$982,105	\$68,747
E	Impact Fee Study	0%	100%	100%	\$36,000	\$19,023	\$55,023	\$55,023
PROPOSED ELIGIBLE								
1	12-inch Corley Tract Line (Zone B)	20%	94%	74%	\$1,715,600	\$906,575	\$2,622,175	\$1,940,409
2	0.5-MG Plant 5 Ground Storage Tank (Zone A/B)	92%	94%	2%	\$3,300,000	\$1,743,820	\$5,043,820	\$100,876
3	0.5-MG Zone A Elevated Storage Tank (Zone A)	64%	69%	5%	\$8,779,400	\$4,639,300	\$13,418,700	\$670,935
4	400-gpm Plant #5 Zone B Pump Station Expansion and 0.5-MG GST (Zone B)	92%	94%	2%	\$646,400	\$341,577	\$987,977	\$19,760
5	50,000 gallon Ground Storage Tank (Zone C)	95%	100%	5%	\$374,300	\$197,791	\$572,091	\$28,605
6	12-inch West Ammann Road Water Line (Zone A)	0%	48%	48%	\$1,203,900	\$636,177	\$1,840,077	\$883,237
7	16-inch Plant #6 Discharge Water Lines (Zone B)	20%	94%	74%	\$3,812,200	\$2,014,482	\$5,826,682	\$4,311,744
8	Pressure Reducing Valve at Rolling Acres Trail and Meadow Creek Trail (Zone B)	0%	94%	94%	\$132,000	\$69,753	\$201,753	\$189,648
9	8-inch Water Line at Dietz Elkhorn Road and Ralph Fair Road (Zone C)	0%	100%	100%	\$481,600	\$254,492	\$736,092	\$736,092
10	Plant #6 and New GBRA Delivery Point (Zone A/B)	20%	78%	58%	\$11,816,700	\$6,244,302	\$18,061,002	\$10,475,381
11	12-inch Northeast Water Lines (Zone A)	0%	48%	48%	\$3,972,800	\$2,099,348	\$6,072,148	\$2,914,631
12	650-gpm Elmo Davis Pump Station Expansion (Zone C)	95%	100%	5%	\$1,050,300	\$555,010	\$1,605,310	\$80,266
13	12-inch Southeastern Water Lines (Zone B)	20%	94%	74%	\$4,093,100	\$2,162,918	\$6,256,018	\$4,629,453
14	12-inch Northeast Water Lines (Zone A)	0%	10%	10%	\$3,160,100	\$1,669,892	\$4,829,992	\$482,999
15	12-inch ETJ Water Line (Zone B)	20%	75%	55%	\$3,707,900	\$1,959,366	\$5,667,266	\$3,116,997
Total Capital Improvements Cost					\$50,000,265	\$26,421,652	\$76,421,917	\$31,856,390
10-year Growth in LUEs							→	758
Maximum Impact Fee per LUE							→	\$42,027
Maximum Allowable Impact Fee per LUE (50% Credit)							→	\$21,013

* Utilization in 2025 on Proposed Projects indicates a portion of the project that will be used to address deficiencies within the existing system, and therefore are not eligible for impact fee cost recovery for future growth.

** Financing costs calculated assuming a 5% interest rate over a 20-year term.

Wastewater Impact Fee

Item #9.

	Description of Project	Percent Utilization			Costs Based on 2025 Dollars			
		2025	2035	10-year Utilization	Capital Cost	Financing Cost	Total Project Cost	Impact Fee Eligible Cost
EXISTING ELIGIBLE								
A	Impact Fee Study	0%	100%	100%	\$36,000	\$19,023	\$55,023	\$55,023
PROPOSED ELIGIBLE								
1	8-inch Gravity Line and Decommission Falls Lift Station	99%	100%	1%	\$722,400	\$381,738	\$1,104,138	\$11,041
2	Expansion of Wastewater Treatment Plant	0%	100%	100%	\$4,100,000	\$2,166,564	\$6,266,564	\$6,266,564
3	8-inch Gravity Line east of Ralph Fair Road	0%	100%	100%	\$557,100	\$294,388	\$851,488	\$851,488
4	15-inch Gravity Line west of Ralph Fair Road	28%	96%	68%	\$985,000	\$520,504	\$1,505,504	\$1,016,765
Total Capital Improvements Cost					\$6,400,500	\$3,382,218	\$9,782,718	\$8,200,882
10-year Growth in LUEs							→	412
Maximum Impact Fee per LUE							→	\$19,886
Maximum Allowable Impact Fee per LUE (50% Credit)							→	\$9,943

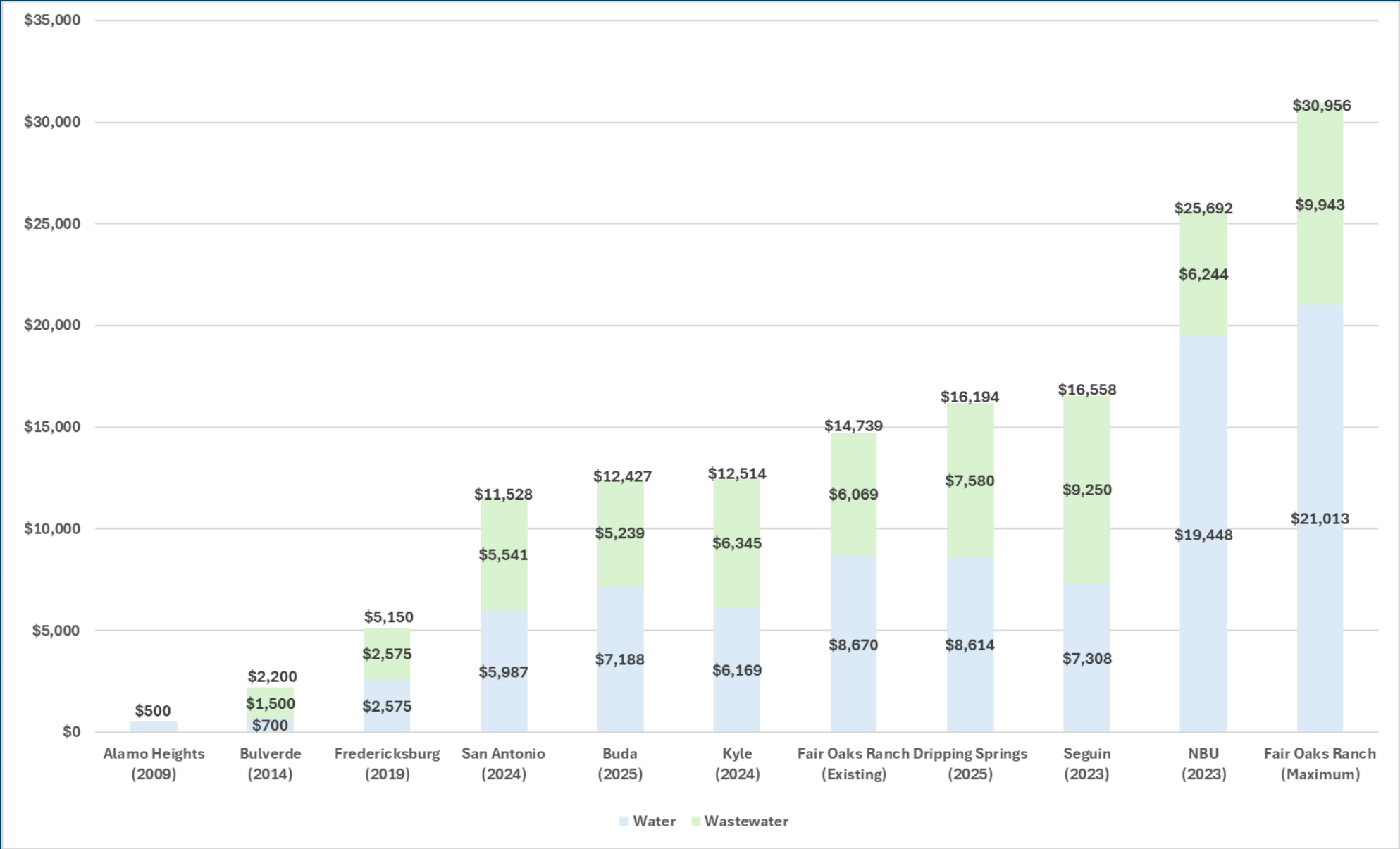
* Utilization in 2025 on Proposed Projects indicates a portion of the project that will be used to address deficiencies within the existing system, and therefore are not eligible for impact fee cost recovery for future growth.

** Financing costs calculated assuming a 5% interest rate over a 20-year term.

Impact Fee Summary

	Water	Wastewater
Total Eligible Impact Fee Costs	\$31,856,390	\$8,200,882
Growth in LUEs	758	412
Maximum Impact Fee per LUE	\$42,027	\$19,886
Maximum Allowable Impact Fee	\$21,013	\$9,943

Benchmarking



Project Schedule

- CIAC Workshop #1 (March 20)
- CIAC Workshop #2 and Recommendation (April 8)
- Resolution to set the Date for the Public Hearing (June 5)
- Public Hearing and Ordinance 1st Reading (July 17)
- Ordinance 2nd Reading (August 7)

Questions and Discussion

Water and Wastewater Impact Fee Update





CITY COUNCIL CONSIDERATION ITEM

CITY OF FAIR OAKS RANCH, TEXAS

AGENDA TOPIC: Consideration and possible action approving the first reading of an ordinance amending the City of Fair Oaks Ranch Code of Ordinances, Chapter 13 Utilities, Article 13.08 Water and Wastewater Impact Fees, to include amendments to land use assumptions, capital improvement plans, and water and wastewater impact fees; and providing for an effective date

DATE: July 17, 2025

DEPARTMENT: Public Works

PRESENTED BY: Grant Watanabe, P.E., CFM, Director of Public Works & Engineering Services

INTRODUCTION/BACKGROUND:

In accordance with Texas Local Government Code §395.052, a political subdivision imposing an impact fee shall update the land use assumptions (LUA) and capital improvement plan (CIP) at least every five years. The City's water and wastewater impact fees were last updated and adopted on March 5, 2020, and, therefore, are due for an update in 2025.

The 2025 Impact Fee Report prepared by Freese and Nichols, Inc. is attached to the related public hearing agenda item. For the 10-year planning window (2025 to 2035) used for impact fee calculation, the report includes the following projections:

- Growth of 713 new water connections and 398 wastewater connections
- Growth of 758 water LUEs and 412 wastewater LUEs
- Increase in average daily water demand from 1.63 to 1.98 million gallons per day
- Increase in average wastewater flow from 0.32 to 0.38 million gallons per day
- Total water system impact fee eligible project costs of \$31,856,390 (includes five existing and 15 proposed projects as shown in the report, page 3-6)
- Total wastewater system impact fee eligible project costs of \$8,200,882 (includes one existing and four proposed projects as shown in the report, page 3-7)

The current adopted impacts fees are \$8,670.33 per water LUE and \$6,068.64 per wastewater LUE. Based on the growth projections and impact fee eligible project cost estimates, the maximum allowable 2025 impact fees are calculated to be \$21,013.00 per water LUE and \$9,943.00 per wastewater LUE. It should be noted that these numbers represent the maximum allowable impacts fees and lower amounts may be adopted. A comparison of the City's current and proposed impact fees to surrounding cities is included in the report for reference.

On April 8, 2025, the Capital Improvements Advisory Committee (CIAC) reviewed and discussed the updated LUA, CIP and proposed water and wastewater impact fees. The committee recommended approval of the updated LUA, CIP and maximum allowable impact fees and provided written comments in their semi-annual report to the City Council on June 5. A copy of their report is attached (**Exhibit A**).

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

- Supports Priority 1.4 Develop Sustainable Financing Strategies Aligned with Service Delivery Expectations of the Strategic Action Plan.
- Supports Priority 3.1 Enhance and Ensure Continuity of Reliable Water Resources of the Strategic Action Plan.
- Supports Priority 3.2 Enhance and Ensure Continuity of Reliable Wastewater Treatment of the Strategic Action Plan.

LONGTERM FINANCIAL & BUDGETARY IMPACT:

Impact fees are a tool that cities can use to recoup some of the costs of capital improvements or facility expansions necessitated by and attributable to new development. Put more simply, impact fees require new developments to pay some costs that new development places on city infrastructure.

LEGAL ANALYSIS:

The City Attorney has reviewed the ordinance and approved it 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 13 Utilities, Article 13.08 Water and Wastewater Impact Fees, to include amendments to land use assumptions, capital improvement plans, and water and wastewater impact fees; and providing for an effective date.

EXHIBIT A

**Capital Improvements Advisory Committee Semi-Annual Report
and
Recommendations Regarding Proposed Land Use Assumptions,
Capital Improvement Plans and Impact Fees**

Overview:

To partially pay for the extension of Water and Wastewater systems attributable to new development, the City of Fair Oaks Ranch has opted to charge impact fees as allowed under Texas Governmental Code Title 12, Subtitle C, Chapter 395 (Code).

The Code requires the governing body (the City) to appoint a Capital Improvements Advisory Committee (CIAC) to serve in an advisory capacity to:

- 1. Advise and assist the City in adopting land use assumptions;
- 2. Review the capital improvements plan and file written comments;
- 3. Monitor and evaluate implementation of the capital improvements plan;
- 4. File semiannual reports with respect to the progress of the capital improvements plan and report to the City any perceived inequities in implementing the plan or imposing the impact fee; and
- 5. Advise the City of the need to update or revise the land use assumptions, capital improvements plan, and impact fee.

The City's CIAC, as appointed by the City Council, is composed of nine members of the community with four being members from the development, real estate or building industry as required by the Code. The committee members are:

Paul Mebane, Chair (At Large)	Jamin Kazarian (At Large)
Chris Weigand, Vice Chair (Real Estate)	Joe DeCola (Real Estate)
Gary Miller (At Large)	Ben Koerner (At Large)
Marcus Garcia (Development)	Dana Green (Development)
Harold Prasatik (At Large)	

The current Impact Fees were adopted in 2020. Late last year, the City hired the engineering firm of Freese and Nichols, Inc. to update the City's Land Use Assumptions, Capital Improvement Plans, and to calculate the maximum allowed Impact Fees under the provisions of the Code.

The CIAC met in March and April 2025 to receive and discuss the Freese and Nichols' draft Water & Wastewater Impact Fee Report. Presented in the report are proposed updates to the City's LUA, CIP and calculations resulting in a Maximum Allowable Water Impact Fee of \$21,013 and a Maximum Allowable Wastewater Impact Fee of \$9,943, for a combined total of \$30,958.

EXHIBIT A**CIAC Findings and Recommendations:**

1. The CIAC finds that the proposed updates to the Land Use Assumptions and Capital Improvement Plan are based on sound assumptions, including more realistic growth rates than assumed in past plans and reports.
2. The CIAC finds that Freese & Nichols used sound engineering practices and complied with the requirements under the Code in their calculation of the Maximum Allowable Impact Fees.
3. The CIAC recommends that the City Council adopt the Maximum Allowable Impact Fees as calculated by Freese & Nichols. Accordingly, the following Impact Fees changes are recommended:
 - Water Impact Fee increased from the current \$8,670 to \$21,013
 - Wastewater Impact Fee increased from the current \$6,069 to \$9,943

The next semi-annual CIAC meeting is scheduled for September 16, 2025.

Signed: Paul Mebane

Date: May 28, 2025

Paul Mebane, CIAC Chairperson

AN ORDINANCE

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FAIR OAKS RANCH, TEXAS, AMENDING THE CITY OF FAIR OAKS RANCH CODE OF ORDINANCES, CHAPTER 13 “UTILITIES”, ARTICLE 13.08 “WATER AND WASTEWATER IMPACT FEES” TO INCLUDE AMENDMENTS TO LAND USE ASSUMPTIONS, CAPITAL IMPROVEMENT PLANS, AND WATER AND WASTEWATER IMPACT FEES; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, Texas Local Government Code Chapter 395 governs the financing of capital improvements required by new development in municipalities, counties, and certain other local governments; and

WHEREAS, the City has imposed impact fees against new development to generate revenue for funding or recouping costs of capital improvements or facility expansions necessitated by and attributable to new development since 1999; and

WHEREAS, a political subdivision imposing an impact fee shall update the land use assumptions (LUA) and capital improvement plan (CIP) at least every five years, and where the last update occurred on March 5, 2020; and

WHEREAS, on September 5, 2024, the City Council authorized the execution of a work authorization with Freese and Nichols, Inc., a qualified, professional engineering firm, to update the City’s LUA, CIP and calculate water and wastewater impact fees; and

WHEREAS, on April 8, 2025, the Capital Improvements Advisory Committee reviewed the updates and recommended approval of the proposed amendments to the LUA, CIP, and water and wastewater impact fees; and

WHEREAS, the City Council has received the proposed amendments to the LUA, CIP and water and wastewater impact fees and conducted a public hearing to receive public testimony on the amendments in accordance with Texas Local Government Code Chapter 395; and

WHEREAS, the City Council finds it in the best interest of the City to approve the proposed amendments to the LUA, CIP and water and wastewater impact fees.

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

- Section 1.** Chapter 13 “Utilities”, Article 13.08 “Water and Wastewater Impact Fees” is hereby amended as set forth in the attached **Exhibit A**.
- Section 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.
- Section 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.

- Section 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.
- Section 5.** 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.
- Section 6.** If any provision of this ordinance or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this ordinance and the application of such provision to other persons and circumstances shall nevertheless be valid, and the City hereby declares that this ordinance would have been enacted without such invalid provision.
- Section 7.** All ordinances, or parts thereof, which are in conflict or inconsistent with any provision of this ordinance are hereby repealed to the extent of such conflict, and the provisions of this ordinance shall be and remain controlling as to the matters ordained herein.
- Section 8.** This ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.
- Section 9.** This ordinance shall take effect immediately from and after its second reading, passage and any publication requirements as may be required by governing law.

PASSED and APPROVED on first reading by the City Council of the City of Fair Oaks Ranch, Texas, on this 17th day of July 2025.

PASSED, APPROVED, and ADOPTED on second and final reading by the City Council of the City of Fair Oaks Ranch, Texas, on this 7th day of August 2025.

Gregory C. Maxton, Mayor

ATTEST:

APPROVED AS TO FORM:

Christina Picioccio, TRMC
City Secretary

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

EXHIBIT A

Chapter 13 “Utilities,” Article 13.08 “Water and Wastewater Impact Fees” is hereby amended as follows:

[Deletions shown as strikethrough and additions shown as underscore]

Sec. 13.08.008 Fees Per Service Unit

The impact fees per living unit equivalent (LUE) for water and wastewater shall be assessed according to the following tables:

<u>Ordinance 2025-XX Impact Fees Effective August 7, 2025</u>				
<u>Meter Size</u>	<u>LUE Equivalent</u>	<u>Maximum Water Impact Fee</u>	<u>Maximum Wastewater Impact Fee</u>	<u>Combined Maximum Impact Fee</u>
<u>3/4" Displacement</u>	<u>1.0</u>	<u>\$21,013.00</u>	<u>\$9,943.00</u>	<u>\$30,956.00</u>
<u>1" Displacement</u>	<u>1.6</u>	<u>\$33,620.80</u>	<u>\$15,908.80</u>	<u>\$49,529.60</u>
<u>1-1/2" Displacement</u>	<u>2.0</u>	<u>\$42,026.00</u>	<u>\$19,886.00</u>	<u>\$61,912.00</u>
<u>2" Compound</u>	<u>6.4</u>	<u>\$134,483.20</u>	<u>\$63,635.20</u>	<u>\$198,118.40</u>
<u>3" Compound</u>	<u>12.8</u>	<u>\$268,966.40</u>	<u>\$127,270.40</u>	<u>\$396,236.80</u>
<u>4" Compound</u>	<u>20.0</u>	<u>\$420,260.00</u>	<u>\$198,860.00</u>	<u>\$619,120.00</u>
<u>6" Compound</u>	<u>40.0</u>	<u>\$840,520.00</u>	<u>\$397,720.00</u>	<u>\$1,238,240.00</u>
<u>8" Compound</u>	<u>64.0</u>	<u>\$1,344,832.00</u>	<u>\$636,352.00</u>	<u>\$1,981,184.00</u>
<u>Safe maximum operation capacity is based on AWWA Manual M6 (November 2018)</u>				

<u>Ordinance 2020-04 Impact Fees Effective March 5, 2020</u>				
<u>Meter Size</u>	<u>LUE Equivalent</u>	<u>Maximum Water Impact Fee</u>	<u>Maximum Wastewater Impact Fee</u>	<u>Combined Maximum Impact Fee</u>
<u>3/4" Displacement</u>	<u>1.0</u>	<u>\$8,670.33</u>	<u>\$6,068.64</u>	<u>\$14,738.97</u>
<u>1" Displacement</u>	<u>1.6</u>	<u>\$13,872.53</u>	<u>\$9,709.82</u>	<u>\$23,582.35</u>
<u>1-1/2" Displacement</u>	<u>2.0</u>	<u>\$17,340.66</u>	<u>\$12,137.28</u>	<u>\$29,477.94</u>
<u>2" Compound</u>	<u>6.4</u>	<u>\$55,490.11</u>	<u>\$38,839.30</u>	<u>\$94,329.41</u>
<u>3" Compound</u>	<u>12.8</u>	<u>\$110,980.22</u>	<u>\$77,678.59</u>	<u>\$188,658.82</u>

EXHIBIT A

4" Compound	20.0	\$173,406.60	\$121,372.80	\$294,779.40
6" Compound	40.0	\$346,813.20	\$242,745.60	\$589,558.80
8" Compound	64.0	\$554,901.12	\$388,392.96	\$943,294.08
Safe maximum operation capacity is based on AWWA Manual M6 (November 2018)				

Ordinance 2014-18 Impact Fees Effective December 19, 2014				
Meter Size	LUE Equivalent	Maximum Water Impact Fee	Maximum Wastewater Impact Fee	Combined Maximum Impact Fee
3/4" Displacement	1.00	\$5,400.00	\$1,550.00	\$6,950.00
1" Displacement	1.67	\$9,018.00	\$2,588.50	\$11,606.50
1-1/2" Displacement	3.33	\$17,982.00	\$5,161.50	\$23,143.50
2"	5.33	\$28,782.00	\$8,261.50	\$37,043.50
3" Compound	10.70	\$57,780.00	\$16,585.00	\$74,365.00
3" Turbine	11.70	\$63,180.00	\$18,135.00	\$81,315.00
4" Compound	16.70	\$90,180.00	\$25,885.00	\$116,065.00
4" Turbine	20.00	\$108,000.00	\$31,000.00	\$139,000.00
6" Compound	33.30	\$179,820.00	\$51,615.00	\$231,435.00
6" Turbine	41.70	\$225,180.00	\$64,635.00	\$289,815.00
8" Compound	53.30	\$287,820.00	\$82,615.00	\$370,435.00
8" Turbine	60.00	\$324,000.00	\$93,000.00	\$417,000.00
Safe maximum operating capacity is based on AWWA Standards C700 and C702				

Ordinance 145.0 Impact Fees Effective January 15, 2004				
Meter Size	LUE Equivalent	Maximum Water Impact Fee	Maximum Wastewater Impact Fee	Combined Maximum Impact Fee
3/4" Displacement	1	\$1,669.58	\$1,006.95	\$2,676.53
1" Displacement	1.67	\$2,788.20	\$1,681.61	\$4,469.81
1-1/2" Displacement	3.33	\$5,559.70	\$3,353.14	\$8,912.84

EXHIBIT A

2" Displacement	5.42	\$9,049.12	\$5,457.67	\$14,506.79
2" Compound	5.42	\$9,049.12	\$5,457.67	\$14,506.79
3" Compound	10.63	\$17,747.64	\$10,703.88	\$28,451.51
3" Turbine	11.67	\$19,484.00	\$11,751.11	\$31,235.11
4" Compound	16.67	\$27,831.90	\$16,785.86	\$44,617.76
4" Turbine	17.50	\$29,217.65	\$17,621.63	\$46,839.28
6" Compound	33.33	\$55,647.10	\$33,561.64	\$89,208.74
6" Turbine	45.83	\$76,516.85	\$46,148.52	\$122,665.37
8" Compound	54.17	\$90,441.15	\$54,546.48	\$144,987.63
8" Turbine	66.67	\$111,310.90	\$67,133.36	\$178,444.26
Safe maximum operating capacity is based on AWWA Manual M22 (1975 T-5.6,5.7,5.8)				

Ordinance 131.0 Wastewater Impact Fees Effective June 1, 1999				
Ordinance 134.0 Water Impact Fees Effective December 7, 1999				
Meter Size	LUE Equivalent	Maximum Water Impact Fee	Maximum Wastewater Impact Fee	Combined Maximum Impact Fee
3/4"	1	\$960.00	\$1,028.00	\$1,988.00
1"	2.5	\$2,399.00	\$1,028.00	\$3,427.00
1-1/2"	4.998	\$4,798.00	\$1,028.00	\$5,826.00
2"	7.996	\$7,676.00	\$1,028.00	\$8,704.00
3"	17.4906	\$16,791.00	\$1,028.00	\$17,819.00
Safe maximum operating capacity recommended by AWWA				

EXHIBIT A

Division 2. Water Facilities Fees

Sec. 13.08.041 Water Service Area

The boundaries of the water service area may be amended from time to time, and new water service areas may be delineated, pursuant to the procedures set forth in V.T.C.A., Local Government Code, ch. 395 and its successors. (Ordinance 145.0, Sec. 2.01, adopted 1/15/04)

Sec. 13.08.042 Land Use Assumptions ~~Plan~~

The land use assumptions ~~plan~~ for the City for water impact fee calculation purposes, prepared by Freese and Nichols, Inc. and dated June 2025, ~~facilities approved by the City Council on June 21, 2018~~, is hereby adopted and incorporated herein by reference.

Sec. 13.08.043 Water Capital Improvements Plan

(a) The water capital improvements plan for the City for impact fee calculation purposes, prepared by Freese and Nichols, Inc. and dated ~~January 2020~~ June 2025 is hereby adopted, and incorporated herein by reference and filed in the City Secretary's Office.

(b) The water capital improvements plan may be amended from time to time pursuant to the procedures set forth in V.T.C.A., Local Government Code, ch. 395 and its successors.

Secs. 13.08.044 - 13.08.070 Reserved

Division 3. Wastewater Facilities Fees

Sec. 13.08.071 Wastewater Service Area

The boundaries of the wastewater service area may be amended from time to time, and new wastewater service areas may be delineated, pursuant to the procedures set forth in V.T.C.A., Local Government Code, ch. 395 and its successors. (Ordinance 145.0, Sec. 3.01, adopted 1/15/04)

Sec. 13.08.072 Land Use Assumptions ~~Plan~~

The land use assumptions ~~plan~~ for the City for wastewater impact fee calculation purposes, prepared by Freese and Nichols, Inc. and dated June 2025, ~~facilities approved by the City Council on June 21, 2018~~, is hereby adopted and incorporated herein by reference.

Sec. 13.08.073 Wastewater Capital Improvements Plan

(a) The wastewater capital improvements plan for the ~~Ceity~~ City for impact fee calculation purposes, prepared by Freese and Nichols, Inc. and dated ~~January 2020~~ June 2025, is hereby adopted, and incorporated herein by reference and filed in the City Secretary's Office.

(b) The wastewater capital improvements plan may be amended from time to time pursuant to the procedures set forth in V.T.C.A., Local Government Code, ch. 395 and its successors.



CITY COUNCIL CONSIDERATION ITEM
CITY OF FAIR OAKS RANCH, TEXAS

AGENDA TOPIC: Consideration and possible action approving a resolution authorizing an Official Notice of Sale to issue Certificates of Obligation in the amount of \$7,930,000 for water and wastewater projects; and providing an effective date

DATE: July 17, 2025

DEPARTMENT: Finance

PRESENTED BY: Summer Fleming, CGFO, Director of Finance

INTRODUCTION/BACKGROUND:

The City Council has previously approved multiple Capital Improvement Plans (CIPs), including the 5-Year Water, Wastewater, and Reuse CIP in October 2021, and the FY 2022–27 Drainage CIP in January 2022. During the FY 2024–25 budget process, the Council also reviewed the FY 2025–29 Proposed CIPs and approved select projects for funding.

To support water and wastewater improvements, the City Council authorized a series of Certificates of Obligation (COs) for water and wastewater projects, starting in September 2024, with additional issuances planned for 2025 and 2026.

On June 5, 2025, the City Council approved a resolution authorizing the publication of a Notice of Intention to issue \$9,545,000 in COs for water, wastewater, and drainage projects. This fulfilled the legal notice requirement ahead of the planned sale. While the original plan included debt funding for drainage projects, a recent decision has freed up savings in the Strategic Projects Fund from a scheduled project. As a result, staff recommends funding the two remaining FY 2025-26 drainage projects through available appropriations in the Strategic Projects Fund. Future drainage needs can still be addressed through operating or debt funding during the planned CO issuance in September 2026 if necessary.

With this updated recommendation, the proposed issuance amount is reduced to \$7,930,000 and will fund only water and wastewater projects.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

- Supports Priority 1.4 to Develop Sustainable Financing Strategies Aligned with Service Delivery Expectations of the Strategic Action Plan.
- Supports Priority 3.1 to Enhance and Ensure Continuity of Reliable Water Resources in Accordance with CCN Obligations.
- Supports Priority 3.2 to Enhance and Ensure Continuity of Reliable Wastewater Treatment in Accordance with CCN Obligations.

One important benefit of using debt to fund the capital budget is that each generation of utility users or taxpayers pays for its use of capital facilities. Other advantages are that user fees or tax rates can be maintained at consistent levels and projects can be started as they are needed rather than delayed until sufficient funds for their construction are accumulated.

LONGTERM FINANCIAL & BUDGETARY IMPACT:

Long-term financial impacts are based on the City’s proposed project schedule provided to SAMCO Capital for debt issuance over a five-year period. SAMCO recommends three issuances totaling \$18 million to fund water and wastewater projects. The first series, totaling \$3.7 million, was issued in September 2024 and structured to keep the utility debt service fee stable over the term. The second series, planned for 2025, totals \$7.93 million and will fund ongoing projects as well as two new projects included in the proposed FY 2025-26 budget.

The water debt service fee and wastewater debt service fee will be calculated annually during the budget process by dividing the annual debt service payment by the number of water and wastewater connections on July 1 of each year. Revenue earned from the water debt service fee would pay the debt service for water projects and revenue earned from the wastewater debt service fee will be used to pay the debt service for wastewater projects. The estimated Water Debt Service Fee would go from \$23.85 in FY 2024-25 to \$23.89 in FY 2025-26, and the estimated Wastewater Debt Service fee would go from \$17.03 to \$16.91.

LEGAL ANALYSIS:

Approved as to form.

RECOMMENDATION/PROPOSED MOTION:

I move that the City Council adopt a resolution authorizing a Notice of Sale to issue Certificates of Obligation in the amount of \$7,930,000 for water and wastewater projects.

A RESOLUTION

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FAIR OAKS RANCH, TEXAS
AUTHORIZING AN OFFICIAL NOTICE OF SALE TO ISSUE CERTIFICATES OF
OBLIGATION IN THE AMOUNT OF \$7,930,000 FOR WATER AND WASTEWATER
PROJECTS; AND PROVIDING AN EFFECTIVE DATE**

WHEREAS, the City Council has adopted Capital Improvement Plans (CIPs) for water, wastewater, roadways, and drainage projects, and

WHEREAS, during the FY 2024-25 budget process, the City Council authorized a series of Certificates of Obligation to fund water and wastewater improvements, with the first issuance in September 2024 and additional issuances planned for 2025 and 2026, and

WHEREAS, on June 5, 2025, the City Council adopted a resolution authorizing the publication of a Notice of Intention to issue Certificates of Obligation in an amount not to exceed \$9,545,000 for water, wastewater, and drainage projects, in accordance with statutory requirements, and

WHEREAS, staff recommends using available Strategic Projects Fund appropriations to fund drainage projects in FY 2025-26, reducing the need for issuing Certificates of Obligation for planned drainage projects, and

WHEREAS, the City Council has determined that issuing and selling Certificates of Obligation in the amount of \$7,930,000 is necessary and is in the best interest of the City to fund critical water and wastewater infrastructure improvements.

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

- Section 1.** The City Manager and Director of Finance are hereby authorized to approve and direct the posting of a Notice of Sale by the City’s financial advisors, SAMCO Capital, for the issuance of Certificates of Obligation in the amount of \$7,930,000.
- Section 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 resolution for all purposes and are adopted as a part of the judgment and findings of the City Council.
- Section 3.** If any provision of this resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the City Council hereby declares that this resolution would have been enacted without such invalid provision.
- Section 4.** That it is officially found, determined, and declared that the meeting at which this resolution 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 resolution, was given, all as required by Chapter 551, as amended, Texas Government Code.

- Section 5.** All resolutions or parts thereof, which are in conflict or inconsistent with any provision of this resolution are hereby repealed to the extent of such conflict, and the provision of this resolution shall be and remain controlling as to the matters resolved herein.
- Section 6.** This resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.
- Section 7.** This resolution shall be in force and effect from and after its final passage, and it is so resolved.

PASSED, APPROVED, and ADOPTED on this 17th day of July 2025.

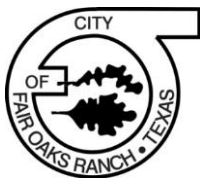
Gregory C. Maxton, Mayor

ATTEST:

APPROVED AS TO FORM:

Christina Picioccio, TRMC
City Secretary

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



CITY COUNCIL WORKSHOP

CITY OF FAIR OAKS RANCH, TEXAS

AGENDA TOPIC: City Water Supply and Demand Projections and GBRA WaterSECURE Project

DATE: July 17, 2025

DEPARTMENT: Public Works

PRESENTED BY: Grant Watanabe, P.E., CFM, Director of Public Works & Engineering Services
R. Brian Perkins, P.E., Guadalupe-Blanco River Authority

INTRODUCTION/BACKGROUND:

With drought conditions persisting across south-central Texas, and Canyon Lake water levels reaching the lowest level this year since the dam was constructed in 1964, concern has risen regarding the future of the City’s water supply resources. To reassure residents that the City is not running out of water, staff will present City water supply and demand projections along with an overview of the Guadalupe-Blanco River Authority (GBRA) WaterSECURE project. The WaterSECURE project is a potential future water source for the City and other utilities in our region, leveraging Lower Guadalupe River surface water rights owned by GBRA. The project requires extensive infrastructure, including a large water treatment plant, multiple pump and booster stations, aquifer storage and recovery facility, and over 250 miles of pipeline, costing almost \$5.9 billion.

The City currently provides water service to 3,262 residential and non-residential customers, which is projected to grow to 4,528 customers at buildout based on land use assumptions (LUA). An interactive LUA map and dashboard are available to the public on the City’s website (<https://fairoaksranch.maps.arcgis.com/apps/dashboards/0c3923c7fc104ab3910b06e823d11f6e>) which provides the real-time status of all existing, permitted, and future water and wastewater connections. As of July 2, 2025, there were 3,262 existing water connections, 26 permitted connections (lots with approved construction permits), and 1,240 future connections. The number of future connections is estimated based on zoning, existing utility service agreements and planned connections for undeveloped parcels identified in the City’s Water, Wastewater and Reuse Master Plan. Based on connection growth assumptions of 2% per year (2025-2035), 1% per year (2035-2045), and 0.5% per year (2045-buildout), it is projected the City will reach buildout in the 2052 timeframe.

Over the past 10 years, customer demand has ranged from 150,000 gallons (0.46 acre-feet) to 202,000 gallons (0.62 acre-feet) per connection per year. The average demand during this period was 172,700 gallons (0.53 acre-feet) per connection per year. An acre-foot of water is equivalent to 325,851 gallons. To be conservative, the highest demand year (0.62 acre-feet per connection per year) was used to calculate future demand projections. Based on this, the total customer demand is estimated to be 2,805 acre-feet at buildout.

From a supply perspective, the City owns and operates 30 potable wells which pump groundwater from the Trinity aquifer. Over the past 10 years, well production has ranged from approximately

500 to 950 acre-feet per year. For planning purposes, staff have determined the firm capacity of the wells to be 750 acre-feet. The firm capacity is a conservative estimate of the water that can be reliably produced, even during periods of extended drought or with several wells offline due to pump failure. The City also has a long-term contract with GBRA to purchase treated surface water from Canyon Lake. Under the contract, the City has a reserved capacity of 1,850 acre-feet, of which only 1,344 acre-feet is delivered currently. The City may increase the amount of water delivered to the reserved amount. Looking forward, SAWS long-term contract with GBRA is expected to expire in the 2038 timeframe, providing an opportunity for the reallocation of SAWS reserved capacity to other existing GBRA wholesale customers on a pro-rata basis. The City's share of the reallocation is approximately 400 acre-feet.

Considering the firm capacity of the City's wells (750 acre-feet), the current GBRA reserved capacity (1,850 acre-feet), and the future GBRA reallocation (400 acre-feet), the total water supply available to the City is projected to be 3,000 acre-feet. This supply projection exceeds the City's demand projection at buildout by 195 acre-feet and provides an additional buffer to reassure residents that the City is not running out of water.

Staff seek direction from City Council on whether to participate in the WaterSECURE Project. While the associated cost is significant, securing an additional water supply offers several potential benefits, as outlined below. If the City desires to participate in the Project, an MOU (**Exhibit A**) is required, with a formal Water Supply Agreement executed by March 2026. Depending on the direction given, staff may place the MOU on a future agenda for consideration.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

- Supports Priority 3.1 Enhance and Ensure Continuity of Reliable Water Resources of the Strategic Action Plan.
- Provides future flexibility to consider expansion of the City's water service area to manage surrounding growth, zoning changes deemed beneficial to the City, or compliance with potential legislative changes related to development

LONGTERM FINANCIAL & BUDGETARY IMPACT:

Participation in GBRA's WaterSECURE project is costly due to the extensive infrastructure needed to deliver water to the south-central Texas region. As an example, the estimated capital debt service cost for acquiring 300 acre-feet per year (270,000 gallons per day) would be between \$1,143,374 and \$1,581,834 per year, which does not include operation and maintenance costs. Several debt scenarios (**Exhibit B**) were provided by GBRA for comparison.

EXHIBIT A**MEMORANDUM OF UNDERSTANDING****BETWEEN
GUADALUPE-BLANCO RIVER AUTHORITY AND
CITY OF FAIR OAKS RANCH**

This Memorandum of Understanding (“MOU”) is made by and between the Guadalupe-Blanco River Authority (“GBRA”), a conservation and reclamation district and political subdivision of the State of Texas created pursuant to Article XVI, Section 59 of the Texas Constitution by special act of the Legislature, formerly compiled at Article 8280-106, Vernon’s Annotated Civil Statutes and City of Fair Oaks Ranch (“City”) pursuant to the Interlocal Cooperation Act, Chapter 791, Texas Government Code, to be effective on the date of the last signatory of this MOU (“Effective Date”). GBRA and City may be referred to herein individually as a “Party” or collectively as the “Parties”.

RECITALS

WHEREAS, GBRA is a conservation and reclamation district created under the authority of Article XVI, Section 59 of the Texas Constitution, consisting of that part of the State of Texas that is located within the boundaries of the Counties of Hays, Comal, Guadalupe, Caldwell, Gonzales, DeWitt, Victoria, Kendall, Refugio and Calhoun; and

WHEREAS, City is a Home Rule municipal government under the authority the Texas Local Government Code, located within the boundaries of the Counties of Bexar, Comal, and Kendall ; and

WHEREAS, GBRA currently provides wholesale raw and treated water to customers throughout its jurisdictional boundaries through the development of multiple regional projects and a project currently under construction; and

WHEREAS, GBRA is working with communities to develop additional water supplies to address growth, resiliency, and drought, and continues to actively collaborate with communities in GBRA’s jurisdictional boundaries to identify needs and implement regional water supply solutions for those communities (the “Participant Group”). Beginning in 2023, GBRA began to undertake preliminary engineering to determine new water supply options, projects, and combinations thereof that may meet the water needs of entities within the Participant Group. The resulting determination was that Participant Group members which are located in or south of Victoria County, Texas would receive raw water, while all other contracting Participant Group members would receive treated, potable water; and

WHEREAS, the results of the preliminary engineering determined that a combined raw and treated water project based on existing GBRA owned run-of-river water rights, when combined with new river diversion facilities, one or more off-channel reservoirs, aquifer storage and recovery, water treatment, delivery facilities, and integration of brackish and fresh groundwater (hereinafter

EXHIBIT A

collectively referred to as the “WaterSECURE Initiative” or “WaterSECURE”), is the best option to meet a portion of the firm water needs of members of the Participant Group, as well as the firm, water needs of other entities, including City; and

WHEREAS, GBRA has provided preliminary costing information for the WaterSECURE Initiative to City.

AGREEMENT

For and in consideration of the mutual promises, obligations and benefits described in this MOU, the sufficiency of which is hereby acknowledged, GBRA and City agree as follows:

MOU SCOPE

1. **PURPOSE.** GBRA shall provide City the opportunity to participate in and receive water from the WaterSECURE Initiative that has available or uncommitted water supplies. GBRA will work with City to develop and execute treated water supply agreements and any other agreements that may be required to construct, expand, extend, and add infrastructure and deliver water to Participants, in the event that City decides to participate as a customer in the WaterSECURE Initiative. Participation in the WaterSECURE Initiative shall be based upon contract terms which are the same or substantially similar to those offered to other similarly situated participants.
2. **PROJECT PARTICIPATION.** City has identified that it desires to participate in the WaterSECURE Initiative at [REDACTED] acre-foot per year of treated water.
3. **COLLABORATION.** The Parties have and will continue to collaborate on and share water information that is focused on information currently available, as well as information about the Participant’s projected short-term and long-term water demands, availability, supply needs, timing, and location to assist with the sizing of GBRA’s WaterSECURE Initiative.
4. **OBJECTIVE.** The Parties agree that this MOU is intended to indicate City’s specific water supply needs and a commitment by City to continue to collaborate with GBRA on the WaterSECURE Initiative. The identified Project Participation amount by the Participant is not binding and will be used only for project planning purposes. Any future water supply agreement that may be required to deliver water from the WaterSECURE Initiative to City will identify the rights, duties, and obligations of the Parties relating to the quantity of water to be produced if City decides to participate as a customer in the WaterSECURE Initiative. GBRA will develop such an agreement to participate in the WaterSECURE Initiative and plans to provide a draft agreement to City prior to September 1, 2025.

EXHIBIT A

GENERAL PROVISIONS

5. **WORK PRODUCT OWNERSHIP.** The Parties shall retain ownership, right, title and interest in all written materials and information prepared, produced, and otherwise shared pursuant to this MOU.
6. **PARTICIPATION IN SIMILAR ACTIVITIES.** The Parties agree that this MOU shall not restrict either Party from participating in similar activities with other public or private agencies, organizations and individuals.
7. **DENIAL OF PARTNERSHIP.** The Parties are independent entities and are not agents, partners, joint venture participants or otherwise responsible for the acts, omission, or conduct of the other Party.
8. **APPLICABLE LAW.** The Parties agree that this MOU shall be governed by and construed in accordance with the laws of the State of Texas without regard to its conflict of law provisions.
9. **SEVERABILITY.** The Parties agree that whenever possible, each provision of this MOU shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision hereof shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this MOU.
10. **ENTIRE AGREEMENT.** The Parties agree that this MOU constitutes the entire agreement among and between the Parties relating to the WaterSECURE Initiative and supersedes any prior oral or written agreement among and between the Parties concerning the WaterSECURE Initiative.
11. **TERMINATION.** This MOU shall begin on the Effective Date and shall terminate upon the earlier of (1) April 30, 2026, or (2) the execution of a WaterSECURE Initiative Water Supply Agreement between GBRA and City, or (3) upon thirty (30) days following the prior written notice of termination provided by either Party.
12. **AMENDMENTS.** This MOU shall be subject to change or modification only with the mutual written consent of the governing bodies of each of the Parties.
13. **FORCE MAJEURE.** If for any reason of force majeure, either Party is rendered unable, wholly or in part, to carry out its obligations under this Agreement, then that Party shall give notice of the reasons in writing to the other Party within a reasonable time after the occurrence of the force majeure event. The obligation of the Party giving the notice, so far as it is affected by the force majeure, shall be suspended during the continuance of the

EXHIBIT A

inability then claimed, but for no longer period. The term “force majeure” as used in this Agreement shall mean acts of God, strikes, lockouts, or other industrial disturbances, acts of public enemy, order or actions of any kind of government of the United States or the State of Texas, or any civil or military authority, insurrection, riots, epidemics, pandemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraints of government and people, civil disturbances, explosions, breakage or accident to dams, machinery, pipelines, canals, or other structures, partial or entire failure of water supply including pollution (accidental or intentional), and any other cause not reasonably within the control of GBRA or Customer.

14. **ASSIGNMENT.** This MOU shall not be assignable by either Party without the prior written consent of the other Party.
15. **THIRD PARTIES.** This MOU shall be for the sole and exclusive benefit of the Parties and shall not be construed to confer any benefit or right upon any third party.
16. **NOTICES.** For the purposes of notice, the addresses of and the designated representative for receipt of notice for each of the Parties shall be as follows:

For GBRA:

Guadalupe-Blanco River Authority
Attn: General Manager/CEO
2225 E. Common Street
New Braunfels, TX 78130

For City:

City of Fair Oaks Ranch
Attn: City Manager
7286 Dietz Elkhorn
Fair Oaks Ranch, TX 78015

Executed in duplicate originals on the dates shown below.

Guadalupe-Blanco River Authority

City of Fair Oaks Ranch

By: _____
Darrell Nichols, General Manager/CEO

By: _____
Scott M. Huizenga, City Manager

Date: _____

Date: _____

EXHIBIT B**Estimated Annual Debt Service Costs**

Total Project Cost =

\$5,878,767,510

Unit

0.27 MGD

Date:

7/3/2025

Fiscal Year	<u>Scenario 1</u>	<u>Scenario 2</u>	<u>Scenario 3</u>	<u>Scenario 4</u>
	30-Year Level Debt Service w/ Deferred Payments until 2035	40-Year Level Debt Service w/ Deferred Payments until 2035	30-Year Debt Service w/ Ramp-Up Payments beginning in 2028, Leveling in 2035	40-Year Debt Service w/ Ramp-Up Payments beginning in 2028, Leveling in 2035
8/15/2028	\$0	\$0	\$13,823	\$14,668
8/15/2029	\$0	\$0	\$37,955	\$40,335
8/15/2030	\$0	\$0	\$90,306	\$96,151
8/15/2031	\$0	\$0	\$163,861	\$174,662
8/15/2032	\$0	\$0	\$251,067	\$267,758
8/15/2033	\$0	\$0	\$359,603	\$383,690
8/15/2034	\$0	\$0	\$466,997	\$498,408
8/15/2035	\$1,581,857	\$1,412,367	\$1,340,154	\$1,143,368
8/15/2036	\$1,581,846	\$1,412,372	\$1,340,143	\$1,143,358
8/15/2037	\$1,581,841	\$1,412,365	\$1,340,147	\$1,143,361
8/15/2038	\$1,581,843	\$1,412,378	\$1,340,154	\$1,143,358
8/15/2039	\$1,581,843	\$1,412,356	\$1,340,147	\$1,143,365
8/15/2040	\$1,581,840	\$1,412,388	\$1,340,161	\$1,143,372
8/15/2041	\$1,581,846	\$1,412,355	\$1,340,144	\$1,143,342
8/15/2042	\$1,581,834	\$1,412,353	\$1,340,156	\$1,143,370
8/15/2043	\$1,581,855	\$1,412,357	\$1,340,149	\$1,143,350
8/15/2044	\$1,581,843	\$1,412,366	\$1,340,135	\$1,143,362
8/15/2045	\$1,581,846	\$1,412,359	\$1,340,154	\$1,143,374
8/15/2046	\$1,581,832	\$1,412,374	\$1,340,150	\$1,143,345
8/15/2047	\$1,581,849	\$1,412,351	\$1,340,137	\$1,143,363
8/15/2048	\$1,581,846	\$1,412,359	\$1,340,149	\$1,143,368
8/15/2049	\$1,581,841	\$1,412,350	\$1,340,150	\$1,143,363
8/15/2050	\$1,581,839	\$1,412,358	\$1,340,148	\$1,143,360
8/15/2051	\$1,581,845	\$1,412,364	\$1,340,153	\$1,143,353
8/15/2052	\$1,581,829	\$1,412,371	\$1,340,171	\$1,143,363
8/15/2053	\$1,581,832	\$1,412,357	\$1,340,144	\$1,143,368
8/15/2054	\$1,581,867	\$1,412,365	\$1,340,149	\$1,143,367
8/15/2055	\$1,581,857	\$1,412,343	\$1,340,143	\$1,143,343
8/15/2056	\$1,581,843	\$1,412,351	\$1,340,144	\$1,143,351
8/15/2057	\$1,408,754	\$1,412,361	\$1,210,612	\$1,143,355
8/15/2058	\$1,209,881	\$1,412,367	\$1,052,793	\$1,143,351
8/15/2059	\$813,657	\$1,412,369	\$722,303	\$1,143,366
8/15/2060	\$447,306	\$1,412,350	\$404,180	\$1,143,345
8/15/2061	\$215,876	\$1,412,362	\$197,241	\$1,143,348
8/15/2062	\$0	\$1,412,380	\$0	\$1,143,375
8/15/2063	\$0	\$1,412,341	\$0	\$1,143,372
8/15/2064	\$0	\$1,412,335	\$0	\$1,143,376
8/15/2065	\$0	\$1,412,369	\$0	\$1,143,349
8/15/2066	\$0	\$1,412,347	\$0	\$1,143,340
8/15/2067	\$0	\$1,260,613	\$0	\$1,036,404
8/15/2068	\$0	\$1,084,918	\$0	\$904,331
8/15/2069	\$0	\$732,356	\$0	\$624,172
8/15/2070	\$0	\$404,230	\$0	\$351,444
8/15/2071	\$0	\$195,674	\$0	\$172,270
8/15/2072	\$0	\$0	\$0	\$0



Water Supply and Demand Projections



Item #12.

Grant Watanabe, P.E., CFM
Director of Public Works & Engineering Services

Agenda



- GBRA WaterSECURE Overview
- City Water System Overview
- Land Use Assumptions (LUA)
- Historical Demand
- Current and Future Demand Projections
- Current and Future Supply Sources
 - City Wells
 - GBRA Western Canyon Allocation
 - SAWS Interconnect
 - GBRA WaterSECURE Project
- Discussion

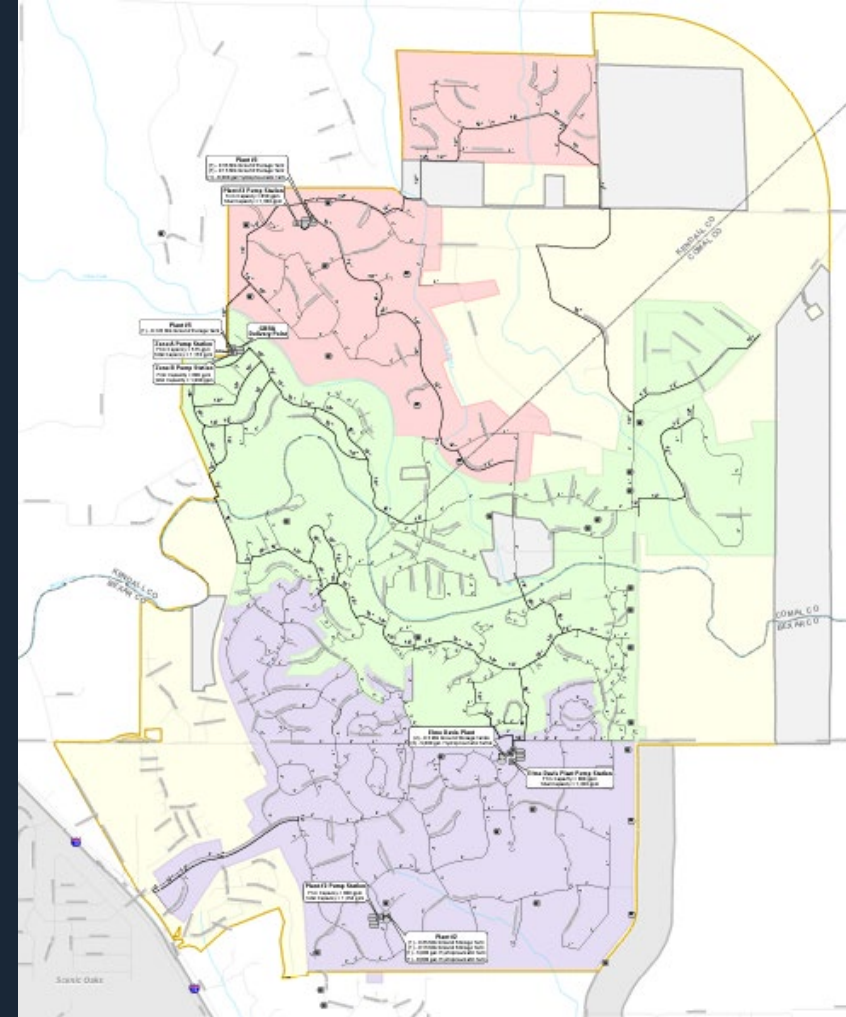
GBRA WaterSECURE Project



- Future water source leveraging lower Guadalupe River surface water rights owned by GBRA
- Initial water delivery by 2033/2034, full water delivery by 2040
- Extensive infrastructure needed, including large water treatment plant, multiple pump stations, aquifer storage and recovery facility and 250 miles of pipeline
- Estimated capital cost of \$5.9 billion, not including maintenance and operational costs
- GBRA requires MOUs with participating entities, with formal Water Supply Agreements executed by March 2026

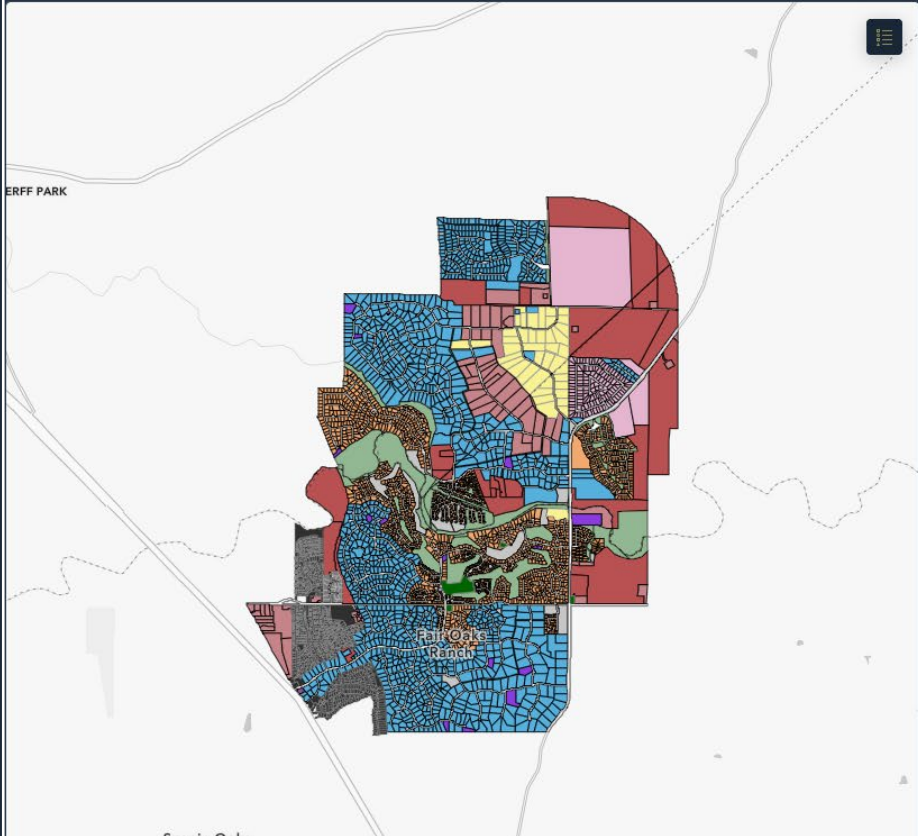
City Water System Overview

- Much of the City's water infrastructure was originally built in the 1970's. It now includes:
 - 3 pressure zones
 - 5 water plants
 - 30 potable water wells
 - 10 irrigation wells
 - 85 miles of water mains
- Currently serves 3,261 water customers



Land Use Assumptions



City of Fair Oaks Ranch Land Use Assumptions		County All	Utilities All	Parcel Status All	Subdivision All	Unit All
 <p>As of July 2, 2025</p>		*Subject to change		Water Connections		Sewer Connections
		Existing - Residential		3,209		2,019
		Existing - Non-Residential		53		15
		Permitted (New Homes)		26		5
		Vacant (No Permit)		163		38
		Total		3,451		2,077
		Future (Reserved)		458		0
		Future (Planned)*		1,077		568
		BUILD OUT (%)		73%		77%
				SAWS		Enchanted Oaks
						Private Well / No Provider
		Existing		999		20
		Permitted		7		0
		Vacant (No Permit)		5		6
		Total		1,011		20

Historical Demand



Item #12.

Year	Purchased Water (acre-ft)	Potable Wells (acre-ft)	Total Potable Demand (acre-ft)	Total Metered Consumption (acre-ft)	# Water Connections	Demand per Connection (acre-ft)	Consumption per Connection (acre-ft)	Gallons per Connection per Day	Gallons per Capita per Day
2024	1,237	508	1,745	1,567	3,245	0.54	0.48	431	156
2023	1,214	608	1,822	1,684	3235	0.56	0.52	465	168
2022	1,087	898	1,985	1,865	3205	0.62	0.58	519	188
2021	970	543	1,514	1,365	3169	0.48	0.43	385	139
2020	1,027	759	1,786	1,643	3100	0.58	0.53	473	171
2019	999	585	1,584	1,426	3007	0.53	0.47	423	153
2018	874	498	1,373	1,335	2962	0.46	0.45	402	145
2017	908	706	1,614	1,483	2912	0.55	0.51	455	164
2016	903	491	1,394	1,266	2858	0.49	0.44	395	143
2015	842	521	1,364	1,286	2776	0.49	0.46	413	149
HIGH						0.62	0.58	519	188
AVERAGE						0.53	0.49	436	157
LOW						0.46	0.43	385	139

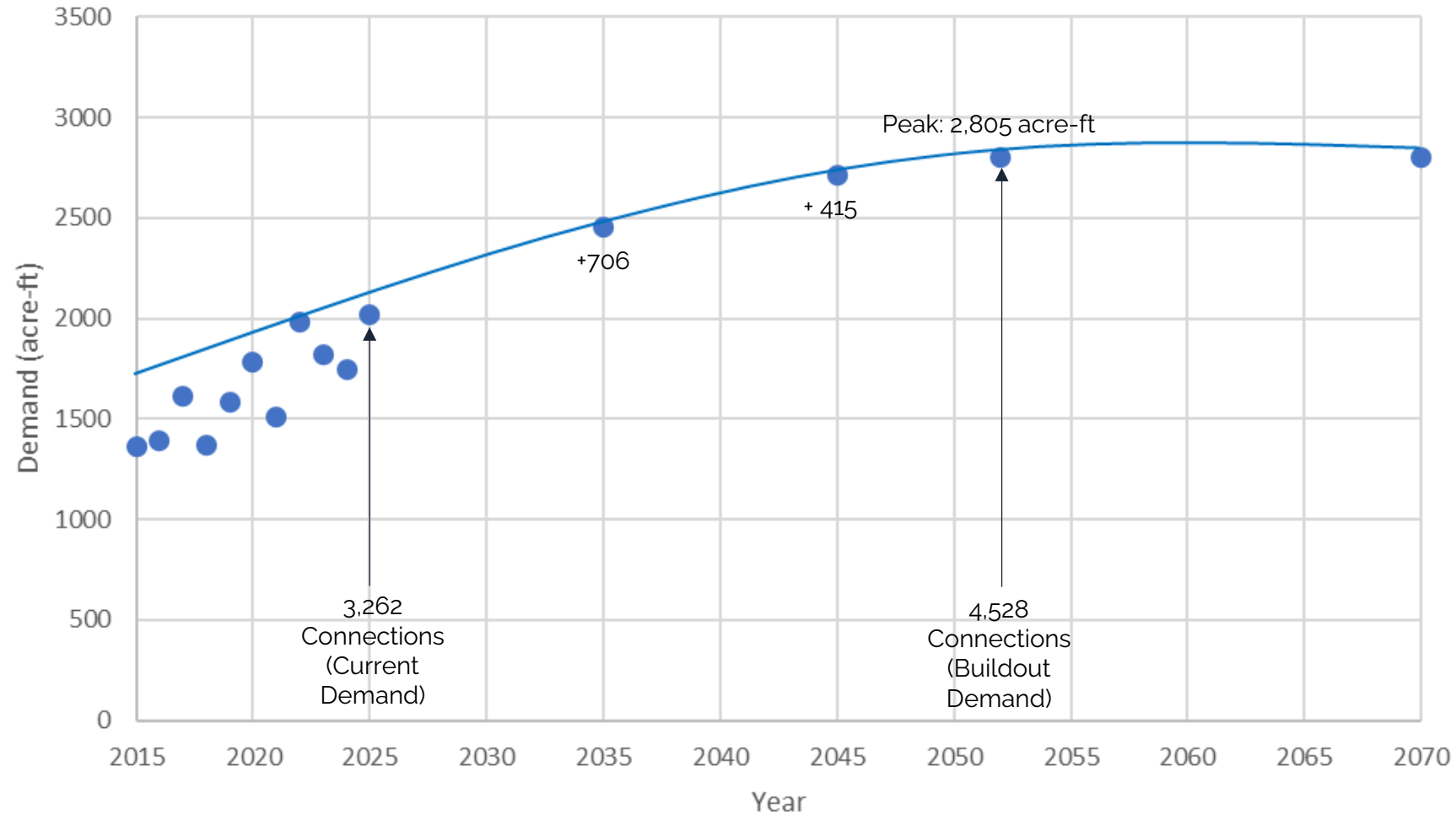
Demand Projections

- Current Connections: 3,262
- Growth Assumptions:
 - 2025-2035: 2% per year (706 new connections)
 - Oak Bend Subdivision
 - Post Oak Subdivision
 - Corley Tract
 - FM 3351 Mixed Use Parcel
 - Other smaller developments
 - 2035-2045: 1% per year (415 new connections)
 - 2045-Buildout: 0.5% per year (145 new connections)
- Projected Buildout Connections: 4,528
- Projected Buildout Year: 2052

Demand Projections



Item #12.



Supply Sources

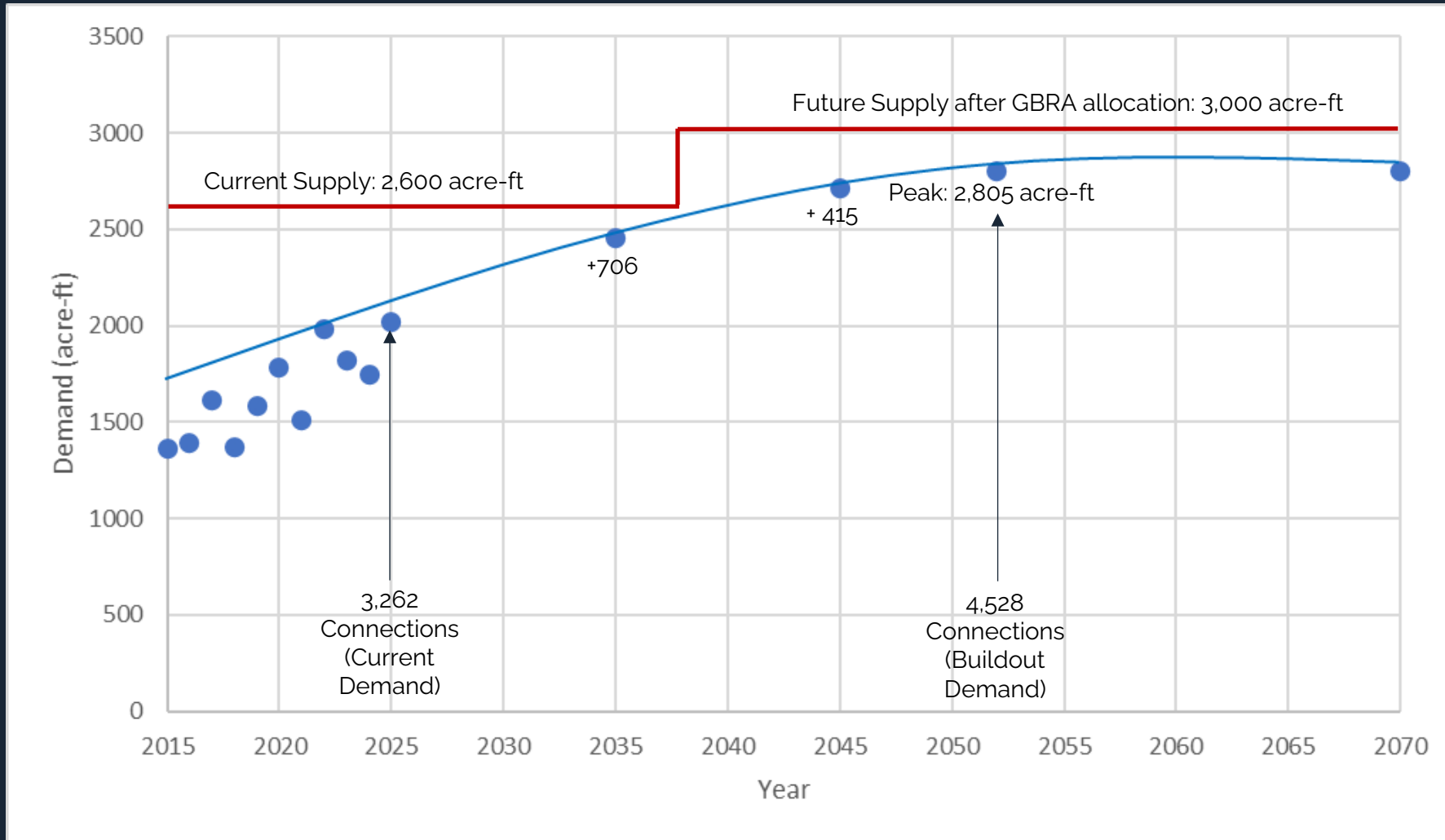
Current Supply Sources (2,600 acre-ft)

- City-owned Potable wells
 - Annual Production: 500-950 acre-ft
 - Firm Capacity: 750 acre-ft
- GBRA Contract
 - Current Purchase: 1344 acre-ft
 - Contract Reservation: 1850 acre-ft

Minimum Future Supply Needed (~205 acre-ft)

- GBRA
 - Available in 2038 timeframe (~400 acre-ft)
 - WaterSECURE Project (~300 acre-ft)
- SAWS
 - Subject to completion of SAWS interconnect project and wholesale service agreement approval by SAWS Board

Demand and Supply Projections



Discussion



- Current supply (2,600 acre-ft) and anticipated supply (400 acre-ft) meets minimum buildout requirement (2,805 acre-ft)
- High confidence in receiving 400 acre-ft allocation from GBRA in the 2038 timeframe
- Additional supply is costly but provides future flexibility to consider or comply with:
 - Expansion of water service area beyond that identified in the City's Water, Wastewater and Reuse Master Plan to manage surrounding growth
 - Zoning changes deemed beneficial to the City
 - Potential legislative changes related to development
- GBRA MOU required for WaterSECURE participation, with formal Water Supply Agreement executed by March 2026

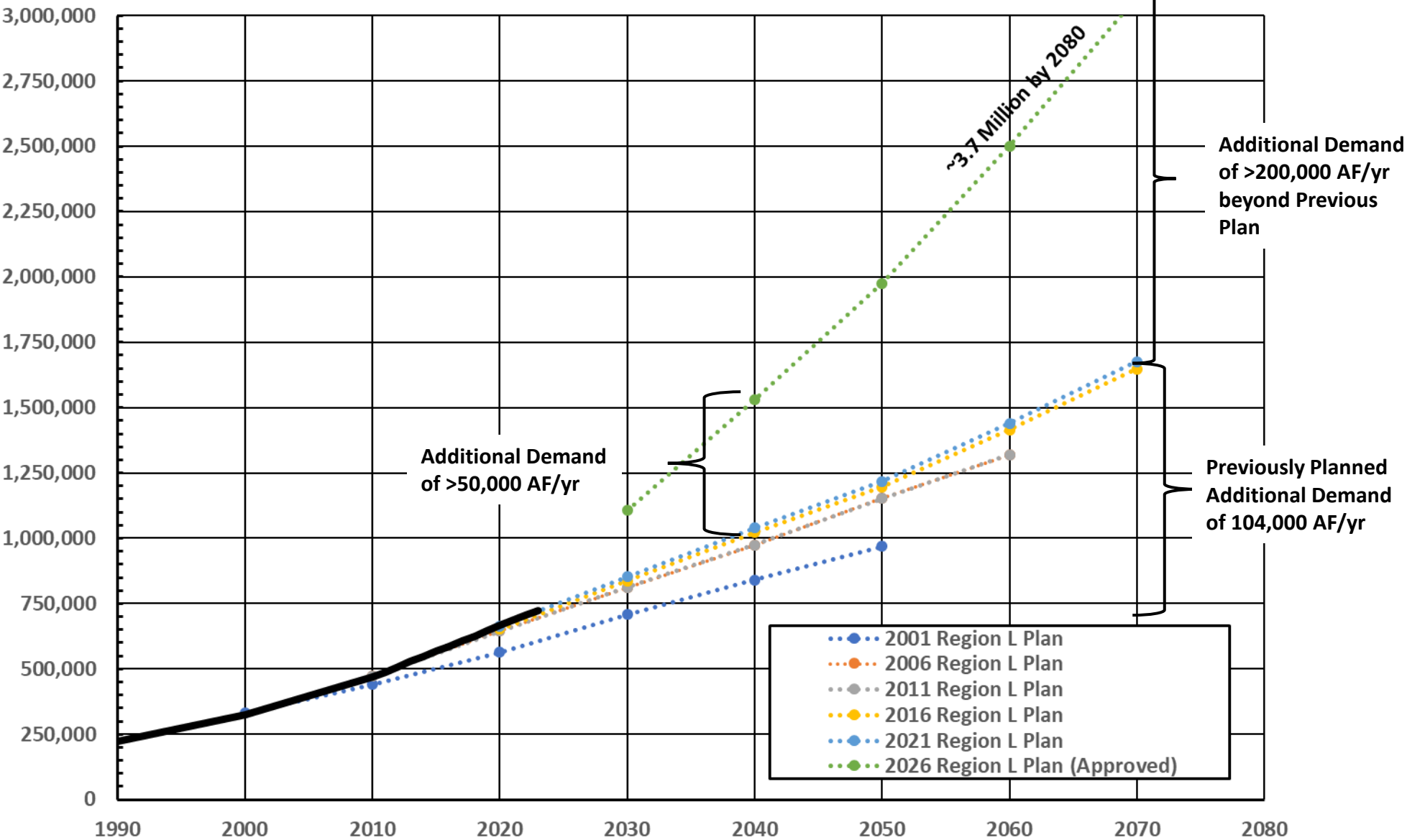


Your Trusted
Water Resource

Changes in Population Projections

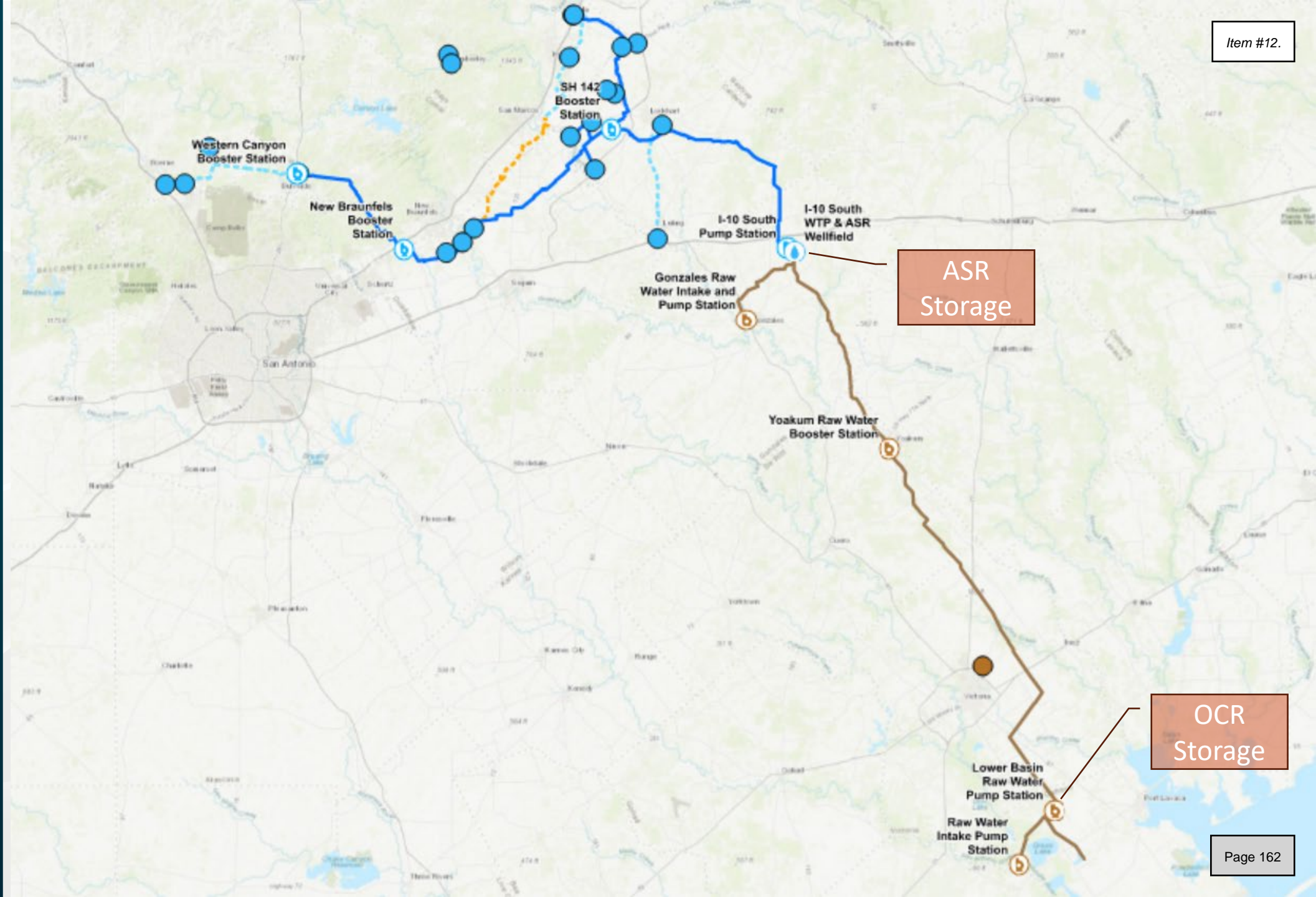


Population of Caldwell, Comal, Guadalupe, Hays, and Kendall Counties



WaterSECURE Timeline

- Late Summer 2023: Draft Population Projections from TWDB
- Fall 2023: Informal Discussions between GBRA and Utilities
- Dec 2023 thru Mar 2025: Black & Veatch – Feasibility Study
- Apr/May 2025: Utility Meetings w/ Results of Feasibility Study
- May 2025: Draft MOUs



Project Implementation

Project Elements

- Lower Basin Infrastructure, OCR, and Raw Water Transmission
- WTP & Treated Water Transmission
- Mid-Basin Raw Water Infrastructure
- Development/Implementation of ASR

Water Delivery Timing



- 60 MGD online by 2033/2034
- Additional 30 MGD online early 2040s

F.O.R: 300 AF/yr (0.27 MGD)

- 200 AF/yr
- 100 AF/yr

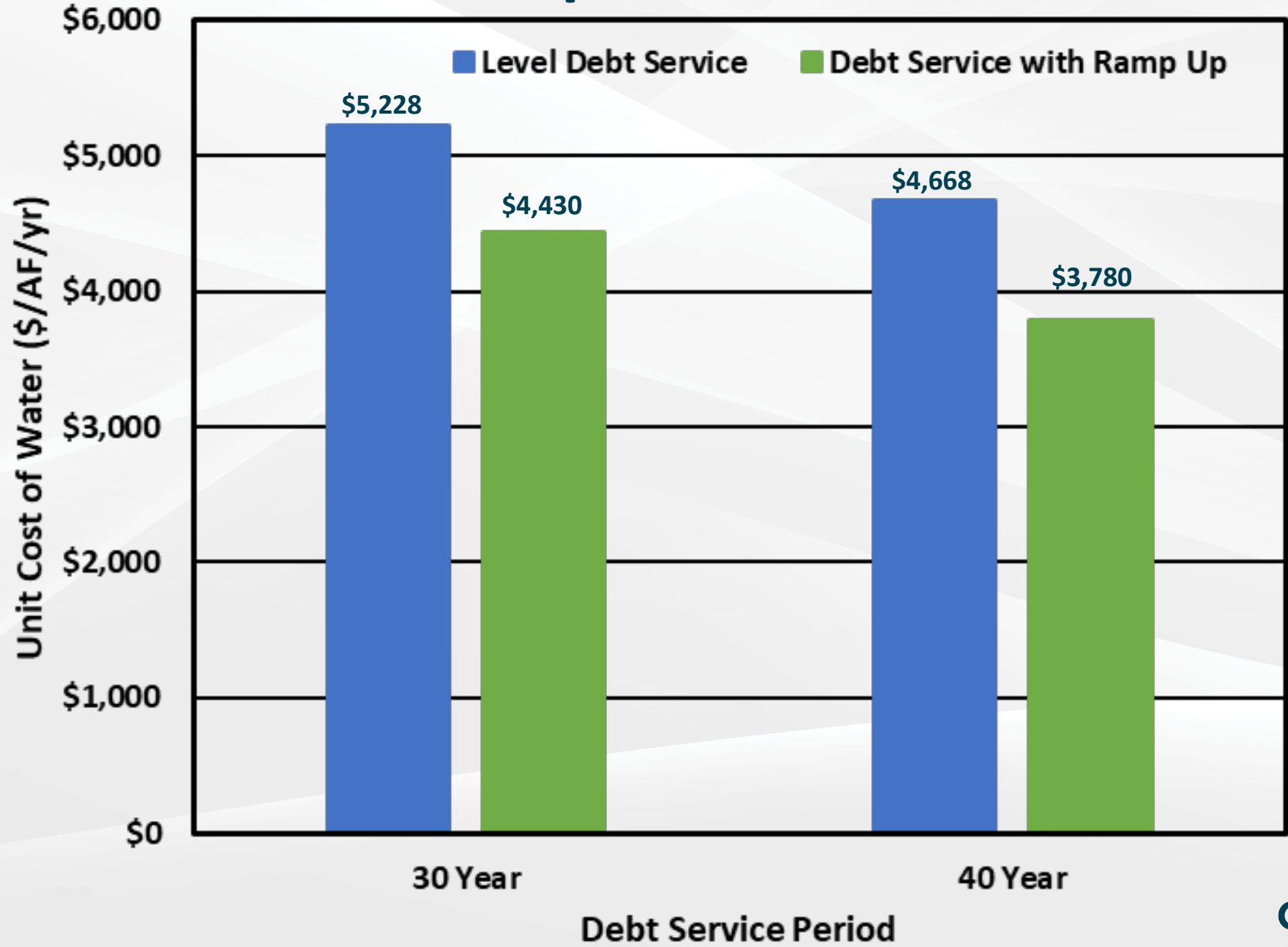
WaterSECURE Capital Costs: IH35/TX130

	Demand (MGD)	Demand (AF/yr)	Capital Cost (2025 \$)	Capital Cost per AF (2025 \$)
Lower Basin Raw Water Diversion	129.1	144,670	\$441,774,000	\$3,054
Lower Basin Reservoir	129.1	144,670	\$1,088,598,000	\$7,525
Upriver Transmission	76.8	86,024	\$1,503,977,000	\$17,483
"Local Water" Infrastructure	72.9	81,655	\$2,844,419,000	\$34,835
Total			\$5,878,768,000	\$62,896

WaterSECURE
IH35/TX130



WaterSECURE Capital Costs: Financed

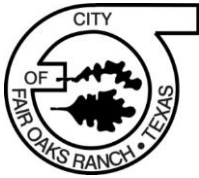


Level = No Payments until 2035

Ramp Up = Debt begins 2028; Ramps up to 2035

Next Steps

- Jun/Jul 2025: Execute MOUs
- Aug 2025 thru Feb 2026: Contract Negotiations
- Oct 2025: Procure Program Manager
- Mar 2026: Execute Water Supply Agreements
- Q1 2026: SWIFT Application and/or Other Funding
- Jun 2026: Design Kick-Off
- 2028: Construction Begins
- 2033/2034: Initial Water Delivery



CITY COUNCIL REPORT

CITY OF FAIR OAKS RANCH, TEXAS

AGENDA TOPIC: ClearPlans Capital Project Tracker Demo
DATE: July 17, 2025
DEPARTMENT: Public Woks
PRESENTED BY: Kelsey Delgado, CISEC, Project Manager

INTRODUCTION/BACKGROUND:

City staff has begun utilizing a new program through ClearGov called the Capital Project Tracker. This product allows for project tracking that integrates with the City's capital budget. The Capital Project Tracker is aimed at providing project status and financial updates for internal and external users. Staff is working toward launching the public facing side of the Capital Tracker, replacing the projects tab on the city's Transparency Center, in the near future.

The purpose of this report is to provide a live demonstration of the new project tracking tool by providing an overview of two ongoing city projects, Rolling Acres Trail and Willow Wind/ Redbud Hill Waterline Replacement and the Getaway Feature. Screen captures of the public facing side will also be provided to showcase what the new site will look like once launched.

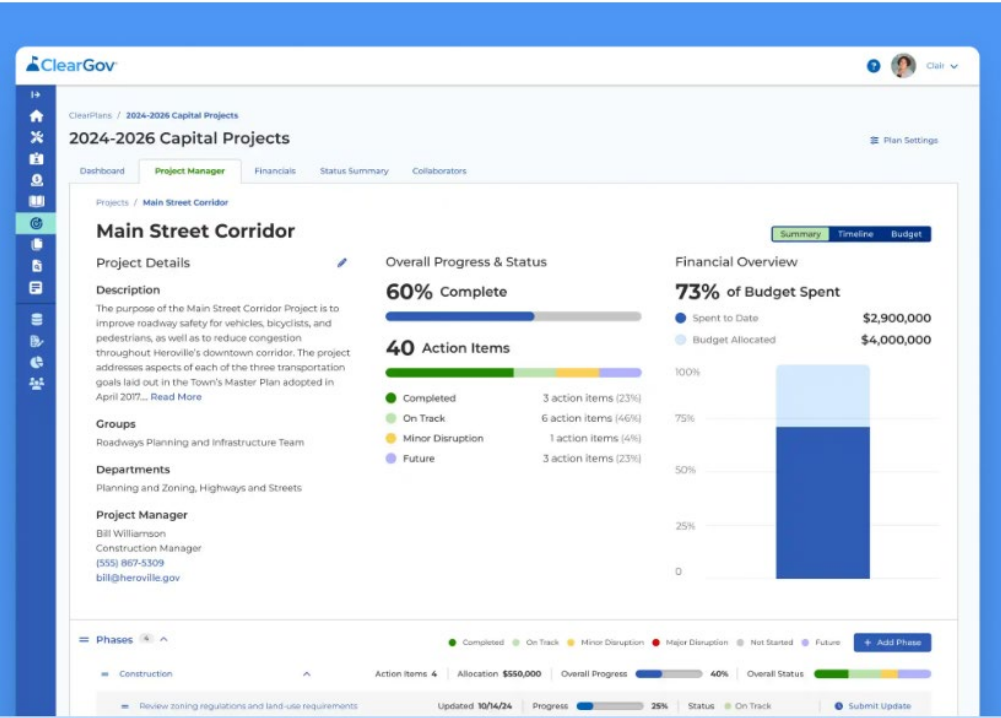
POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

- Supports Strategic Action Plan Pillar 3 Reliable and Sustainable Infrastructure.
- Supports Strategic Action Plan Pillar 5 Operational Excellence.
- Allows for easy access to project status and progress updates.

LONGTERM FINANCIAL & BUDGETARY IMPACT:

N/A

Big ideas. Clear progress.



ClearPlans Capital Project Tracker Demo

July 17, 2025



Item #13.

Kelsey Delgado, CISEC
Project Manager



ClearPlans Capital Project Tracker Demo



Powered by



Search projects



Last Update: Jul 2, 2025

Last Update: Jul 2, 2025

Last Update: Jul 2, 2025

Last Update: Jul 2, 2025

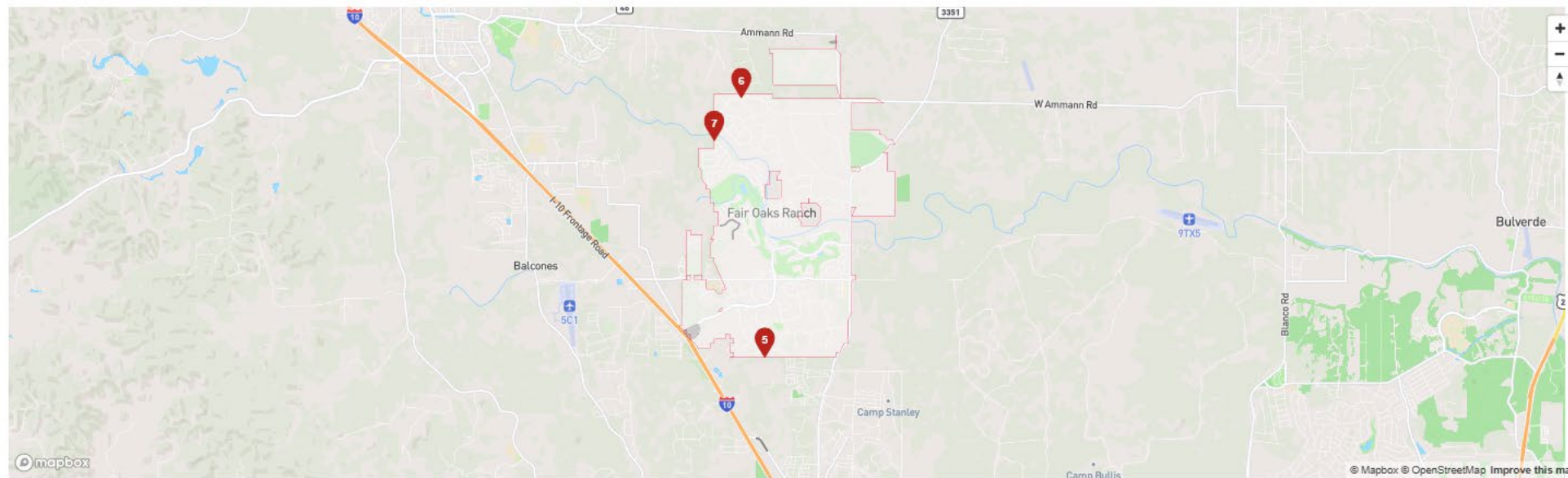
Last Update: Jul 2, 2025

Last Update: Jul 2, 2025

Last Update: Jul 2, 2025

Last Update: Jul 2, 2025

Stay connected and informed about the latest projects shaping the future of Fair Oaks Ranch, TX.



City of Fair Oaks Ranch | Capital Projects / Willow Wind Drive/Red Bud Hill Water Line (29R)

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ClearGov

Overview Timeline Financials Photos Documents

Overview

Subscribe to

Project Details

Duration

Oct 1, 2022 - Sep 30, 2025

Description

This project will address aging water mains that are known to be in poor condition. This water main has a history of main breaks (approximately 8-12 main breaks since 2016). Replacing these mains will reduce operation and maintenance costs to the City for repairs, avoid disruptions to residents, and reduce total water loss. This project could be considered in conjunction with Project 28R (Rolling Acres Trail Water Line Rehabilitation) since they are similar in nature. If this project is not comp... [Show More](#)



Project Manager

Kelsey Delgado
Project Manager
2106980900
kdelgado@fairoaksranchtx.org

Project Progress

21% Complete

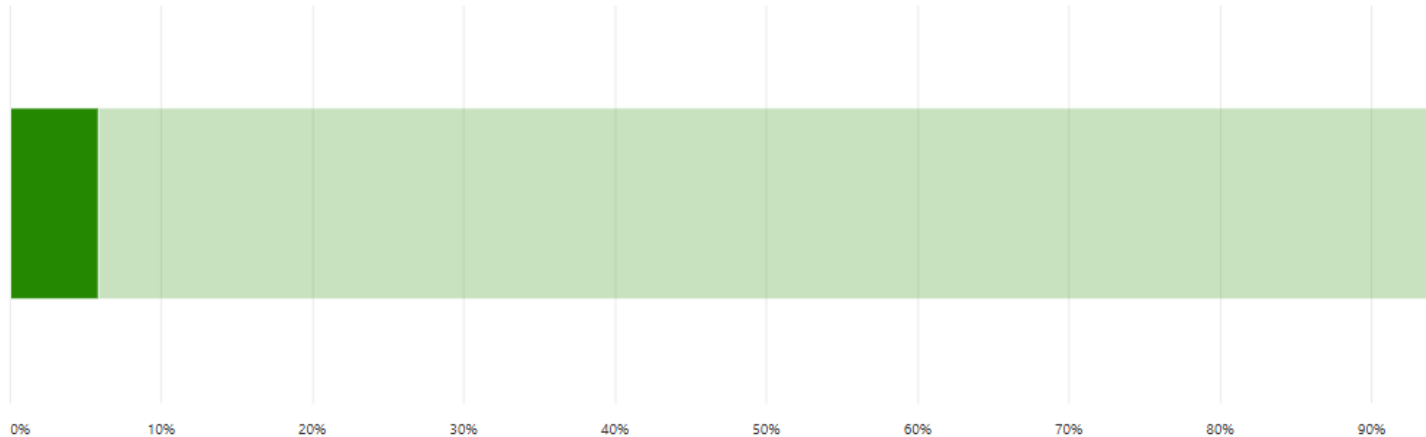


Financial Overview

View Financials

6% of Budget Spent

Spent to Date \$59,403 Budget Allocated \$1,009,915



Overall Progress

2023

2024

sign

Completed

Mar 1 - Apr 15

[View Details](#)

- ✕ Procurement

Overview

Action Items

Updates

Search action items

Advertise RFP

Complete Updated: May 28, 2025

Complete. RFP closed May 27

Review Bids and Select Contractor

On Track Updated: May 28, 2025

4 bids received. Cost range from \$1.24 - \$1.5million

Review Bids and Select Contractor

On Track Updated: May 28, 2025

Evaluation Board established: Kelsey, Clayton, Tom, Will, & Lee

Review Bids and Select Contractor

Complete Updated: Jun 24, 2025

Evaluation Board selected M5 as the best valued proposal. Contract amount: \$1.25million

Project Award to City Council

On Track Updated: Jun 23, 2025

Project Award Scheduled for July 3rd

Project Award to City Council

On Track Updated: Jun 24, 2025

Project Award Docs uploaded to Municode as a Consent Item

