



CITY OF FAIR OAKS RANCH
CITY COUNCIL REGULAR MEETING

Thursday, September 21, 2023 at 6:30 PM

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

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

AGENDA

OPEN MEETING

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

CITIZENS and GUEST FORUM

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

3. Citizens to be heard.

PRESENTATIONS.

4. Proclamation for Human Resources Professional Day.

Gregory C. Maxton, Mayor

CONSENT AGENDA

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

5. Approval of the August 29, 2023 Town Hall meeting minutes.

Christina Picioccio, TRMC, City Secretary

6. Approval of the September 7, 2023 Special City Council meeting minutes.

Christina Picioccio, TRMC, City Secretary

7. Approval of the September 7, 2023 Regular City Council meeting minutes.

Christina Picioccio, TRMC, City Secretary

8. Approval of the September 12, 2023 Special City Council meeting minutes.

Christina Picioccio, TRMC, City Secretary

9. Approval of the September 12, 2023 Special City Council meeting minutes.

Christina Picioccio, TRMC, City Secretary

- [10.](#) Approval of the second reading of an ordinance amending the City of Fair Oaks Ranch Code of Ordinances, Appendix A "Fee Schedule," Article A8.000 "Subdivision/Land Development Regulation Fees."

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

- [11.](#) Approval of a resolution authorizing execution of an Interlocal Agreement with the City of Boerne for Animal Control Services for FY 2023-24, expenditure of the required funds, and execution of all applicable documents by the City Manager.

Summer Fleming, Interim Director of Finance

CONSIDERATION/DISCUSSION ITEMS

- [12.](#) Consideration and possible action approving the second reading of an ordinance adopting the City budget for the fiscal year beginning October 1, 2023 and ending September 30, 2024.

Summer Fleming, Interim Director of Finance

- [13.](#) Consideration and possible action approving the second reading of an ordinance levying a property tax rate of 30.05 cents per \$100 taxable valuation on property in the City of Fair Oaks Ranch for the tax year 2023; and determining due and delinquent dates: and providing an effective date.

Summer Fleming, Interim Director of Finance

- [14.](#) Consideration and possible action approving a resolution ratifying the property tax rate reflected in the FY 2023-24 General Fund and Debt Service Fund budgets.

Summer Fleming, Interim Director of Finance

- [15.](#) Consideration and possible action approving a resolution authorizing a First Amendment to the 2008 Water Supply Agreement between the City of Fair Oaks Ranch and Mark J. Minahan, Sr. and Brenda S. Minahan for the reservation of water and other related matters, and authorizing the City Manager to execute the First Amendment.

Carole Vanzant, CPM, Assistant City Manager, Community Services

- [16.](#) Consideration and possible action approving a resolution authorizing the execution of the fourth amendment to the agreement between the City of Fair Oaks Ranch and the Guadalupe-Blanco River Authority for the Western Canyon Project.

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

- [17.](#) Consideration and possible action appointing Council Members as members or liaisons to various boards, committees, and commissions.

Gregory C. Maxton, Mayor

- [18.](#) Consideration and possible action approving a resolution to appoint members to fill places on the City of Fair Oaks Ranch Planning & Zoning Commission.

Christina Picioccio, TRMC, City Secretary

- [19.](#) Consideration and possible action approving a resolution to appoint members to fill places on the City of Fair Oaks Ranch Capital Improvement Advisory Committee.

Christina Picioccio, TRMC, City Secretary

- [20.](#) Consideration and possible action approving a resolution to appoint members to fill places on the City of Fair Oaks Ranch Municipal Development District Board of Directors.

Christina Picioccio, TRMC, City Secretary

- [21.](#) Consideration and possible action approving a resolution to appoint members to fill places on the City of Fair Oaks Ranch Zoning Board of Adjustment.

Christina Picioccio, TRMC, City Secretary

- [22.](#) Consideration and possible action approving a resolution to appoint members to fill places on the City of Fair Oaks Ranch Board of Appeals.

Christina Picioccio, TRMC, City Secretary

REPORTS FROM STAFF AND COMMITTEES

- [23.](#) 2023 Annular Eclipse.

John Ojeda, Lieutenant

REQUESTS AND ANNOUNCEMENTS

24. Announcements and reports by Mayor and Council Members.
25. Announcements by the City Manager.
26. Requests by Mayor and Council Members that items be placed on a future City Council agenda.

CONVENE INTO EXECUTIVE SESSION

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

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

27. To receive legal advice from Special Counsel and the City Attorney regarding the City's ground water rights.
28. Case No. 22-090-451; Vincent A. Caldarola, MD vs. City of Fair Oaks Ranch, Texas.
29. Discussion related to possible terms and conditions necessary to resolve disputes that have been the subject of ongoing litigation with the development commonly known as Boerne Ranch Estates, LLC, aka Fair Oaks Meadows.

Sec. 551.072 (Deliberation regarding real property)

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

Sec. 551.074 (Personnel Matters)

31. To deliberate and select finalists for the City's municipal court judges.

RECONVENE INTO OPEN SESSION

Discussion and possible action on items discussed in Executive Session.

ADJOURNMENT

Signature of Agenda Approval: s/Gregory C. Maxton

Gregory C. Maxton, Mayor

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

As per Texas Government Code 551.045, said Notice was posted by 6:30 PM, September 18, 2023 and remained so posted continuously for at least 72 hours before said meeting was convened.

The Fair Oaks Ranch Police Station is wheelchair accessible at the front main entrance of the building from the parking lot. Requests for special services must be received forty-eight (48) hours prior to the meeting time by calling the City Secretary's office at (210) 698-0900. Braille is not available. The City Council reserves the right to convene into Executive Session at any time regarding an issue on the agenda for which it is legally permissible; pursuant to Texas Government Code Chapter 551. Section 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices) and 551.087 (Economic Development).

Proclamation
The City of Fair Oaks Ranch
Office of the Mayor

WHEREAS, the Human Resources Department works hard each day to ensure that the City of Fair Oaks Ranch is staffed with high quality employees and that those employees have a good environment in which to work; and,

WHEREAS, the Human Resources Department is instrumental in recruiting, selecting, resourcing, and retaining quality; and,

WHEREAS, the Human Resources Department plays a key role in fostering satisfaction and loyalty among employees by allowing for professional growth and development and keeping employees informed about policies, working conditions, compensation, and benefits; and,

WHEREAS, the Human Resources Department monitors and manages current and future workforce trends, organizational culture, legal and legislative trends, and ethical and social responsibility; and,

WHEREAS, the Human Resources Department is an important part of City leadership and is vital to the overall productivity and efficiency of Fair Oaks Ranch’s workforce; and,

WHEREAS, the Human Resources Department is a valued and respected department that sustains the City’s most important asset—its people.

NOW, THEREFORE, I, Gregory C. Maxton, Mayor of the City of Fair Oaks Ranch, do hereby designate September 26, 2023, as Human Resources Professional Day. I urge all citizens to express their appreciation to our human resources team members for their dedication and commitment to Fair Oaks Ranch’s employees and residents.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City of Fair Oaks Ranch to be affixed this 21st day of September 2023.

Gregory C. Maxton, Mayor

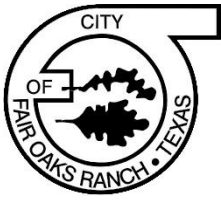
Christina Picioccio, TRMC
City Secretary

**CITY OF FAIR OAKS RANCH
TOWN HALL MINUTES
August 29, 2023, 6:30 PM
Spring Creek United Methodist Church
9200 Dietz Elkhorn Road
Fair Oaks Ranch, TX 78015**

A Town Hall meeting regarding the Dietz Elkhorn Construction Project and Multimodal Connectivity was held at the Spring Creek United Methodist Church. The following Council Members were present: Mayor Gregory C. Maxton, and Council Members: Keith Rhoden, Laura Koerner, and Scott Parker. No action occurred.

Gregory C. Maxton, Mayor

Christina Picioccio, TRMC, City Secretary



CITY OF FAIR OAKS RANCH
CITY COUNCIL SPECIAL MEETING

Tuesday, September 7, 2023, at 5:00 PM

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

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

MINUTES

OPEN MEETING

1. Roll Call - Declaration of a Quorum.

Council Present: Mayor Maxton and Council Members: Stroup, Rhoden, Koerner, and Parker.

Council Absent: Council Members Bliss and Muenchow

With a quorum present, the meeting was called to order at 5:01 PM.

2. Pledge of Allegiance – The pledge of Allegiance was led by Mayor Maxton.

Council Member Bliss joined the meeting at 5:02 PM.

CITIZENS and GUEST FORUM

3. There were no citizens to be heard.

CONVENE INTO EXECUTIVE SESSION

Pursuant to Section 551.101 of the Open Meetings Act, Texas Government Code, a quorum of the governing body hereby convenes into closed session:

City Council convened into Executive Session at 5:03 PM regarding:

Sec. 551.074 (Personnel Matters)

4. To conduct interviews, individually, of applicants for vacancies on various boards, commissions, and committees for the City of Fair Oaks Ranch.

RECONVENE INTO OPEN SESSION

Mayor Maxton reconvened into Open Session at 5:43 PM. No action was taken.

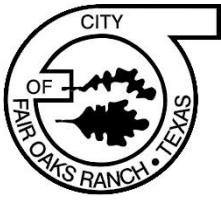
ADJOURNMENT

Mayor Maxton adjourned the meeting at 5:44 PM.

ATTEST:

 Gregory C. Maxton, Mayor

 Christina Picioccio, TRMC, City Secretary



CITY OF FAIR OAKS RANCH
CITY COUNCIL REGULAR MEETING

Thursday, September 7, 2023, at 6:30 PM

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

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

MINUTES

OPEN MEETING

1. Roll Call - Declaration of a Quorum

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

With a quorum present, the meeting was called to order at 6:31 PM.

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

CITIZENS and GUEST FORUM

3. Citizens to be heard.

Rhonda Nugent, resident, reflected on the recent fires in Hawaii and questioned what policies/practices that the City of Fair Oaks Ranch had in place in case of fire or other emergencies.

PRESENTATIONS

4. Police Chief James Kohler presented the Texas Law Enforcement Accreditation Program's re-accreditation certificate the Fair Oaks Ranch Police Department.
5. Mayor Maxton presented an Information Technology Professionals Day Proclamation and recognized the department's staff members.

CONSENT AGENDA

6. **Approval of the August 17, 2023, Regular City Council meeting minutes.**
7. **Approval of the second reading of an ordinance amending the City of Fair Oaks Ranch Unified Development Code (UDC), Chapter 1 - General Provisions, Chapter 2 - Review Authority and Procedures, and Chapter 3 - Applications and Permits.**
8. **Approval of a resolution reaffirming the City's Investment Policy.**
9. **Approval of Council Member Parker's absences from the September 21, 2023, and October 5, 2023, Regular City Council Meetings.**

MOTION: Made by Council Member Muenchow, seconded by Council Member Koerner, to approve the Consent Agenda.

VOTE: 7-0; Motion Passed.

PUBLIC HEARING

10. The City Council of the City of Fair Oaks Ranch, Texas will conduct a public hearing to receive public testimony on proposed amendments to the following chapters in the Unified Development Code (UDC):

Chapter 4: Zoning Districts and Use Regulations

Chapter 5: Subdivision Design Standards

- a) The Mayor opened the Public Hearing at 6:53 PM.
- b) Staff/consultant presentation of the proposed amendments to Chapters 4-5 of the UDC.
- c) City Council received citizen testimony for/against the proposed amendments.

The following residents spoke in opposition to the proposed amendments, specifically the language regarding restrictions on horses:

- | | |
|-------------------------------------|--------------------|
| • Al Schmidt (letter read by Mayor) | • John McCune |
| • Cheryl Pennington | • Keith Casey |
| • Shawna Verrett | • Rina Grona |
| • Vincent Gould | • Amber Chavez |
| • Gabriel Fuentes | • Mary Hutton |
| • Laura Okey | • Brynna Malley |
| • John Weir | • Robert Joyner |
| • Marshall Denney | • Jamie Murray |
| • Desi D’Orsogna | • Terri Katz |
| • Steve Aikens | • Leslie Abel |
| • Tim Taylor | • Bernadette Casey |
| • Nancy Logan | • Janice Fair |
| • Eric Mitchell | |

- d) Mayor closed public comments
- e) City Council discussed the amendments, inclusive of questions to staff/consultant
- f) Public Hearing was adjourned with no formal action at 8:12 PM.

CONSIDERATION/DISCUSSION ITEMS

11. Consideration and possible action approving the first reading of an ordinance amending the City of Fair Oaks Ranch Unified Development Code (UDC), Chapter 4: Zoning Districts and Use Regulations, and Chapter 5: Subdivision Design Standards.

MOTION 1: Made by Council Member Koerner, seconded by Council Member Bliss to send back the Planning & Zoning Commission UDC Chapters 4 & 5 for rework specifically to bring it back to its original version and to provide the changes required by law and/or recommendations driven specifically by things that are not working correctly.

VOTE: 7-0; Motion Passed.

Council recessed at 8:34 PM and resumed open session at 8:42 PM.

12. Consideration and possible action to approve the proposed Fiscal Year 2023-24 Municipal Development District (MDD) Budget.

MOTION: Made by Council Member Bliss, seconded by Council Member Muenchow, to approve the FY 2023-24 MDD Budget as presented.

VOTE: 7-0; Motion Passed.

13. Consideration and possible action approving a resolution authorizing the execution of an agreement with JF Petroleum Group for the construction and installation of a fuel tank.

MOTION: Made by Council Member Parker, seconded by Council Member Rhoden, to approve a resolution authorizing the execution of an agreement with JF Petroleum Group for \$78,250.00 with a 5% contingency in the amount of \$3,912.50 for a total value not to exceed \$82,162.50.

VOTE: 7-0; Motion Passed.

14. Consideration and possible action approving the first reading of an Ordinance amending the City of Fair Oaks Ranch Code of Ordinances Appendix A "Fee Schedule," Article A8.000 "Subdivision/Land Development Regulation Fees."

MOTION: Made by Council Member Stroup, seconded by Council Member Rhoden, to approve an ordinance amending the City of Fair Oaks Ranch Code of Ordinances Appendix A "Fee Schedule," Article A8.000 "Subdivision/Land Development Regulation Fees."

VOTE: 7-0; Motion Passed.

15. Consideration and possible action approving a resolution authorizing the execution of a work authorization with Kimley-Horn and Associates, Inc. for engineering services for the Wastewater Treatment Plant (WWTP) Phase 1 Expansion Project.

MOTION: Made by Council Member Rhoden, seconded by Council Member Koerner, to approve the resolution authorizing the execution of a work authorization with Kimley-Horn and Associates, Inc. for engineering services (30% Design) in support of the WWTP Phase 1 Expansion Project for \$183,908.00.

VOTE: 7-0; Motion Passed.

WORKSHOP

The Water Conservation Plan Workshop and Civic Center Workshop were taken out of order.

16. FY 2023-24 Budget Workshop.

Summer Fleming, Interim Director of Finance, led a workshop with Council on the FY 2023-24 Budget.

Council Member Muenchow left the meeting at 9:26 PM.

18. Civic Center Workshop.

Robert Lopez, AIA, Principle, Lopez Salas Architects, presented to Council a potential layout for the civic center based on the initial interviews with stakeholders and their required uses. Council provided approval to allow the start of the schematic design.

17. Water Conservation Plan Workshop.

Kelsey Delgado, Environmental Program Manager and Julio Colunga, Assistant Director of Public Works, provided a water conservation plan workshop.

REQUESTS AND ANNOUNCEMENTS

19. Announcements and reports by Mayor and Council Members.

Mayor Maxton spoke about water conservation and reminded that the City is in stage 2 drought contingency plan. Mayor Maxton encouraged residents to provide their input to two surveys on the City website; one regarding the reconstruction project on Dietz Elkhorn Road east of Fair Oaks Parkway and one regarding multimodal transportation.

20. Announcements by the City Manager.

Interim City Manager, Scott Huizenga, informed the Council regarding the following events. The next Household Hazardous Waste event will be Saturday, September 23, at Cibolo Creek Church. National Night Out is scheduled for Tuesday, October 3, 2023. The annual Trunk or Treat will be held at Fair Oaks Ranch Elementary on Saturday, October 28, 2023, in the back parking lot

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

None.

CONVENE INTO EXECUTIVE SESSION

City Council did not convene into Executive Session regarding:

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

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

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

24. Discussion related to possible terms and conditions necessary to resolve disputes that have been the subject of ongoing litigation with the development commonly known as Boerne Ranch Estates, LLC, aka Fair Oaks Meadows.

Sec. 551.072 (Deliberation regarding real property)

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

Sec. 551.074 (Personnel Matters)

- 26. **The City Council will meet in closed session pursuant to Texas Government Code Section 551.074, Personnel Matters, to deliberate the process and options for filling the vacancy of City Manager.**
- 27. **To perform the annual evaluation of the City Manager.**
- 28. **To perform the annual evaluation of the City Secretary.**

RECONVENE INTO OPEN SESSION

N/A

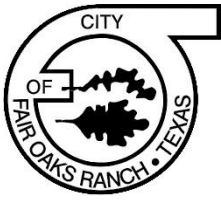
ADJOURNMENT

Mayor Maxton adjourned the meeting at 11:05PM

ATTEST:

Gregory C. Maxton, Mayor

Christina Picioccio, TRMC, City Secretary



CITY OF FAIR OAKS RANCH
CITY COUNCIL SPECIAL MEETING

Tuesday, September 12, 2023, at 4:30 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: Rhoden, Bliss, Koerner, and Parker.

Council Absent: Council Members Stroup and Muenchow

With a quorum present, the meeting was called to order at 4:33 PM.

2. Pledge of Allegiance – The pledge of Allegiance was led by Mayor Maxton.

CITIZENS and GUEST FORUM

3. There were no citizens to be heard.

CONVENE INTO EXECUTIVE SESSION

Pursuant to Section 551.101 of the Open Meetings Act, Texas Government Code, a quorum of the governing body hereby convenes into closed session:

City Council convened into Executive Session at 4:34 PM regarding:

Sec. 551.074 (Personnel Matters)

4. To conduct interviews, individually, of applicants for vacancies on various boards, commissions, and committees for the City of Fair Oaks Ranch.

RECONVENE INTO OPEN SESSION

Mayor Maxton reconvened into Open Session at 6:34 PM. No action was taken.

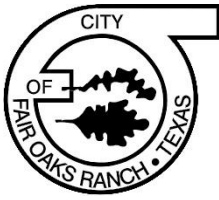
ADJOURNMENT

Mayor Maxton adjourned the meeting at 6:34 PM.

ATTEST:

 Gregory C. Maxton, Mayor

 Christina Picioccio, TRMC, City Secretary



CITY OF FAIR OAKS RANCH
CITY COUNCIL SPECIAL MEETING

Tuesday, September 12, 2023 at 6:30 PM

City Hall Council Chambers, 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, Bliss, and Parker

Council Absent: Council Members Koerner and Muenchow

With a quorum present, the meeting was called to order at 6:39 PM.

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

CITIZENS and GUEST FORUM

3. Citizens to be heard - None

PURPOSE OF SPECIAL CALLED MEETING

4. Conduct a Public Hearing on the Fiscal Year 2023-2024 Proposed Budget and Tax Rate.

- A. Mayor Maxton opened the public hearing at 6:41 PM and provided opening comments.
- B. Interim City Manager, Scott M. Huizenga, provided comments and expressed appreciation to both Council and staff for their work on the budget.
- C. Interim Director of Finance, Summer Fleming, provided to Council a presentation on the Proposed Budget and Tax Rate.
- D. The City Council received no citizen testimony.
- E. Mayor Maxton closed the Public Hearing at 6:54 PM.
- F. Council provided comments regarding the budget process.

5. Consideration and possible action approving the first reading of an ordinance adopting the City budget for fiscal year beginning October 1, 2023 and ending September 30, 2024.

MOTION: Made by Council Member Rhoden, seconded by Council Member Parker, to approve the FY 2023-24 Budget Ordinance.

VOTE: 5-0; Motion Passed as recorded:

Mayor Maxton – For; Council Member Stroup – For; Council Member Rhoden – For;
 Council Member Bliss - For; Council Member Parker – For.

6. Consideration and possible action approving the first reading of an ordinance levying a property tax rate of 30.05 cents per \$100 taxable valuation on property in the City of Fair Oaks Ranch for tax year 2023; and determining due and delinquent dates.

MOTION: Made by Council Member Bliss, seconded by Council Member Rhoden, to approve an ordinance levying a property tax rate of 30.05 cents per \$100 taxable value for tax year 2023; providing when taxes shall become due and delinquent; and providing an effective date.

VOTE: 5-0; Motion Passed as recorded:
Mayor Maxton – For; Council Member Stroup – For; Council Member Rhoden – For; Council Member Bliss - For; Council Member Parker – For.

7. Consideration and possible action approving a resolution adopting the FY 2023-24 Pay Schedule for General Government and Police Employees.

MOTION: Made by Council Member Stroup, seconded by Council Member Parker, to approve a resolution adopting the FY 2023-24 Pay Schedule for General Government and Police Employees.

VOTE: 5-0; Motion Passed.

CONSIDERATION/DISCUSSION ITEM

8. Discussion to determine potential council appointments for various boards, committees, and commissions.

Mayor Maxton led a discussion with Council regarding the various positions for Council Members to serve as representatives from the City Council and which liaison positions are necessary and which should not be considered. The discussion will continue at the next Council meeting on September 21, 2023, as well as the assignments to each.

CONVENE INTO EXECUTIVE SESSION

City Council convened into Executive Session at 7:23 PM regarding:

Sec. 551.074 (Personnel Matters)

9. To evaluate submission of qualifications and select finalists for the City's municipal court judges.

RECONVENE INTO OPEN SESSION

City Council reconvened into Open Session at 7:51 PM. No action was taken.

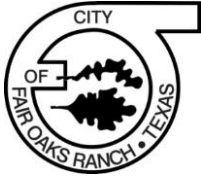
ADJOURNMENT

Mayor Maxton adjourned the meeting at 7:51 PM.

ATTEST:

Gregory C. Maxton, Mayor

Christina Picioccio, TRMC, City Secretary



CITY COUNCIL CONSENT ITEM
CITY OF FAIR OAKS RANCH, TEXAS
September 21, 2023

AGENDA TOPIC: Approval of the second reading of an ordinance amending the City of Fair Oaks Ranch Code of Ordinances Appendix A “Fee Schedule,” Article A8.000 “Subdivision/Land Development Regulation Fees.”

DATE: September 21, 2023

DEPARTMENT: Public Works & Engineering Services

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

PURPOSE:

On September 7, 2023, the City Council unanimously approved the first reading of an ordinance amending Appendix A “Fee Schedule,” Article A8.000 “Subdivision/Land Development Regulation Fees.” This consent item represents the second reading of that ordinance.

INTRODUCTION/BACKGROUND:

The City of Fair Oaks Ranch funds its operations through many different revenue sources. One of the sources of revenue is fees. The purpose of assessing fees is to charge the recipients of the services directly for the cost of providing those services, rather than having the cost of those direct services subsidized by other revenue sources. The City processes a considerable number of development-related applications and permits. These types of development-related applications and permits require extensive reviews of submittals by multiple staff members and consultants to ensure infrastructure standards and regulatory requirements are met. Staff performed an assessment of the current fees charged for the development-related applications to determine if the current fees adequately covered the cost incurred to review the applications. As part of the assessment, fee schedules of surrounding cities were also evaluated. The key findings are as follows:

- 1) Current fees do not cover the cost to review and process applications.
- 2) Current fees are significantly lower than that of surrounding cities.
- 3) The current fee schedule does not include all application and permit types required by the UDC.

According to the City’s Financial Management Policy, for services associated with a user fee or charge, the direct and indirect cost of that service will be offset by a fee where possible. In addition, it states an annual review of fees and charges will be conducted to ensure that fees provide adequate coverage of costs of service.

The current fee schedule, specifically the Code of Ordinances, Appendix A, Article A8.000 Subdivision/Land Development Regulation Fees, was last updated and adopted in November 2018.

The ordinance amending the fee schedule (**Exhibit A**) is attached. As noted during the first reading of the ordinance on September 7, 2023, corrections to the fee for “Development Plat” have been incorporated to reflect “\$600.00 + \$50.00 per acre.”

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

- 1. Aligns with Priority 1.4 to Develop Sustainable Financing Strategies aligned with service delivery expectations.
- 2. Complies with the City’s Financial Management Policy that an annual review of fees and charges is performed to ensure that fees provide adequate coverage of costs of service.
- 3. Ensures subdivision and land development fees are reasonable and equitable and cost of service is not subsidized by other revenue sources.
- 4. Sets fees and charges to meet the fiscal and policy goals and objectives of the City.

LONG-TERM FINANCIAL & BUDGETARY IMPACT:

The new and updated development-related fees will cover the cost of service. This includes staff labor, legal and consultant costs to process applications and permits, review plats, plans and supporting documentation, prepare public hearing or agenda consideration items, and inspect public infrastructure improvements to ensure compliance with applicable development requirements.

LEGAL ANALYSIS:

Legal has reviewed the ordinance and approved the ordinance as to form.

RECOMMENDATION/PROPOSED MOTION:

Consent Agenda - I move to approve the second reading of an ordinance amending the City of Fair Oaks Ranch Code of Ordinances Appendix A “Fee Schedule,” Article A8.000 “Subdivision/Land Development Regulation Fees.”

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 APPENDIX A “FEE SCHEDULE,” ARTICLE A8.000 “SUBDIVISION/LAND DEVELOPMENT REGULATION FEES” TO INCLUDE NEW AND UPDATED DEVELOPMENT-RELATED FEES; CONTAINING FINDINGS AND PROVISIONS RELATING TO THE SUBJECT; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, Appendix A “Fee Schedule” of the City’s Code of Ordinances, providing for fees assessed to cover the costs associated with the efficient operation of the City, was passed and approved on November 15, 2018; and,

WHEREAS, in accordance with the City’s Financial Management Policy, for services associated with a user fee or charge, the direct and indirect cost of providing that service will be offset by a fee where possible; and,

WHEREAS, City staff, after performing a review of the City’s Unified Development Code and Appendix A “Fee Schedule,” Article A8.000 “Subdivision/Land Development Regulation Fees,” have identified certain fees which do not cover the cost of service and other fees which are missing from the Schedule; and,

WHEREAS, City Council conducted a workshop on proposed development-related fee changes at their August 3, 2023 meeting; and,

WHEREAS, the fee schedule incorporates the 2023 Legislative H.B. 3492 related to municipal authority to impose certain value-based fees; and,

WHEREAS, the proposed fee changes meet the City Council’s desire that development-related fees cover the direct and indirect cost of reviewing and processing applications and permits; and,

WHEREAS, after careful consideration, the City Council finds that amending **Appendix A** “Fee Schedule,” Article A8.000 “Subdivision/Land Development Regulation Fees” is warranted.

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

- PART 1.** The City of Fair Oaks Ranch Code of Ordinances Appendix A “Fee Schedule,” Article A8.000 “Subdivision/Land Development Regulation Fees” is hereby amended as set forth in the attached **Exhibit A**.
- PART 2.** In accordance with Subchapter Z, Chapter 212, Local Government Code, Section 212.906, the fees imposed for reviewing or processing an engineering or construction plan or inspecting a public infrastructure improvement shall be annually published on the City of Fair Oaks Ranch website.
- PART 3.** 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 City Council.

- PART 4.** It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs, and sections of this ordinance be severable, and, if any phrase, clause, sentence, paragraph, or section of this ordinance shall be declared invalid by judgment or decree of any court of competent jurisdiction, such invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs, or sections of this ordinance and the remainder of this ordinance shall be enforced as written.
- PART 5.** That it is officially found, determined and declared that the meeting at which this Ordinance is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this ordinance, was given, all as required by Chapter 551, as amended, Texas Government Code.
- PART 6.** This ordinance shall take effect immediately from and after its second reading, passage and publication as may be required by governing law.
- PART 7.** The repeal or amendment of any ordinance or part of ordinances effectuated by the enactment of this ordinance shall not be construed as abandoning any action now pending under or by virtue of such ordinance or as discontinuing, abating, modifying, or altering any penalty accruing or to accrue or as affecting any rights of the City of Fair Oaks Ranch under any section or provisions of any ordinances in effect at the time of passage of this ordinance.
- PART 8.** The provisions of this ordinance shall be cumulative of all ordinances not repealed by this ordinance and ordinances governing or regulating the same subject matter as that covered herein.

PASSED and APPROVED on the first reading by the City Council of the City of Fair Oaks Ranch, Texas, on this 7th day of September 2023.

PASSED, APPROVED AND ADOPTED on the second and final reading by the City Council of the City of Fair Oaks Ranch, Texas, on this 21st day of September 2023.

Greg C. Maxton, Mayor

ATTEST:

APPROVED AS TO FORM:

Christina Picioccio, TRMC
City Secretary

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

Exhibit A

Appendix A "Fee Schedule," Article A8.000 "Subdivision/Land Development Regulation Fees" is hereby amended as follows:

[Deletions shown as strikethrough and additions shown as underscore]

ARTICLE A8.000 - Subdivision/Land Development Regulation Fees

- ~~(a) Vested rights verification letter\$100.00.~~
- ~~(b) Zoning verification letter\$100.00.~~
- ~~(c) Rezoning application\$600.00.~~
- ~~(d) Zoning board of adjustment variance/appeal application\$300.00.~~
- ~~(e) Replat\$600.00.~~
- ~~(f) Amending plat:~~
 - ~~— (1) Administratively\$250.00.~~
 - ~~— (2) Public hearing\$600.00.~~
- ~~(g) Subdivision plat (includes preliminary and final)\$600.00 + \$50.00 per lot.~~
- ~~(h) Vacation of subdivision plat\$200.00.~~
- ~~(i) Development plats\$600.00 + \$50.00 per acre.~~
- ~~(j) Plat extension\$150.00.~~
- ~~(k) County recordation feesActual as determined by the county clerk + federal mileage rate.~~
- ~~(l) Site plan\$100.00.~~
- ~~(m) Planned unit development:~~
 - ~~— (1) Plan review\$600.00 + \$50.00 per acre.~~
 - ~~— (2) Amendment\$600.00 + \$50.00 per acre.~~
- ~~(n) Specific use permit\$600.00 + \$50.00 per acre.~~
- ~~(o) Traffic impact analysis review feeActual cost of consultant.~~
- ~~(p) Variance application to subdivision/development regulations\$100.00~~

| | |
|--|---|
| <u>(a) Annexation (S1)</u> | <u>\$0.00</u> |
| <u>(b) Rezoning and Future Land Use Map, Thoroughfare Plan, and other Comprehensive Plan Amendments (S2)</u> | <u>\$850.00</u> |
| <u>(c) Special Use Permit (S3)</u> | <u>\$800.00 + \$50.00 per acre</u> |
| <u>(d) Planned Unit Development (S4)</u> | <u>\$2,000.00 + actual cost of legal review</u> |
| <u>(e) Planned Unit Development Amendment (substantial or non-substantial) (S4)</u> | <u>\$2,000.00 + actual cost of legal review</u> |
| <u>(f) Conservation Development Alternative (S5)</u> | <u>\$1,500.00</u> |
| <u>(g) Conservation Development Alternative Amendment (S5)</u> | <u>\$1,500.00</u> |
| <u>(h) Amending Plat (S6)</u> | <u>\$500.00</u> |
| <u>(i) Minor Plat (S7)</u> | <u>\$500.00</u> |
| <u>(j) Development Plat (S8)</u> | <u>\$600.00 + \$50.00 per acre</u> |
| <u>(k) Preliminary Plat (S10)</u> | <u>\$600.00 + \$50.00 per lot</u> |
| <u>(l) Final Plat (S11)</u> | <u>\$600.00 + \$50.00 per lot</u> |
| <u>(m) Replat (S12)</u> | <u>\$800.00 + \$50.00 per lot</u> |

Exhibit A

| | |
|---|--|
| (n) Plat Submittal Extension Request (letter) | 50% of original plat fee |
| (o) Construction Plans (S13)* | \$2,500.00 + \$50.00 per acre or lot whichever is greater |
| (p) Resubmittal Fee for Plats and Construction Plans (after second review) | \$500.00 |
| (q) Temporary Use Permit (S14) | \$100.00 |
| (r) Special Exception (S15) | \$650.00 |
| (s) Site Development Permit (S16) | \$150+\$25 per acre |
| (t) Floodplain Development Permit (S17) | |
| (1) Residential: | \$75.00 |
| (2) Commercial: | \$250.00 |
| (u) Stormwater Permit (S18) | |
| (1) Residential: | \$75.00 |
| (2) Commercial: | \$250.00 |
| (v) Certificate of Design Compliance (S19) | \$100.00 |
| (w) Variance (Judicial or Policy) (S20) | \$650.00 |
| (x) Appeal of Administrative Decision (letter) | \$650.00 |
| (y) Group Living Operation License (S22) | \$200.00 |
| (z) Grading/Clearance Permit (S23) | \$150.00 + \$25.00 per acre |
| (aa) County Recordation Fees (not included in plat fees) | Actual Fees + Federal Mileage |
| (ab) Traffic Impact Analysis Review Fee (letter) | \$500 + actual cost of consultant |
| (ac) Vacation of Subdivision Plat (letter) | \$200.00 |
| (ad) Vested Rights Verification Letter (letter) | \$300.00 + actual cost of legal review |
| (ae) Zoning Verification Letter (letter) | \$100.00 |
| OTHER RELATED FEES | |
| (af) Development Agreement | \$500.00 + actual cost of legal and consultants |
| (ag) Development Agreement Amendment | \$500.00 + actual cost of legal and consultants |
| (ah) Tree Preservation/Mitigation Plan Review and Inspection | \$200 + \$10 per acre |
| (ai) Tree Removal Fee in Lieu of Mitigation | |
| (1) Heritage: | \$200/circumference inch |
| (2) Legacy and Protected: | \$100/circumference inch |
| (3) Standard: | \$50/circumference inch |
| (aj) Tree Removal (without an approved plan) | \$250/circumference inch |
| (ak) Mail Notification (Per Mailed Notice) | Actual Cost |
| (al) Postage and shipping | Actual cost |
| (am) Home Occupation Certification | \$25.00 |
| (an) Floodplain plan review | \$1,500.00 |
| (ao) CLOMR | \$2,500.00 |
| (ap) LOMR without CLOMR | \$3,000.00 |
| (aq) LOMR with CLOMR | \$1,500.00 |
| (ar) LOMA | \$500.00 |
| (as) CLOMR-F & LOMR-F | \$250.00 |

Exhibit A

| | |
|--|---|
| (at) Flood zone verification letter | \$25.00 |
| (au) Engineering Fees (labor) | \$100 per hour or actual consultant cost |
| (av) Engineering Staff Fees (labor) | \$50 per hour |
| (aw) Weekend or After-hours Fees (labor) | 150% of the staff hourly rate |
| (ax) No inspection prior to installation | 200% of permit fee or staff fees whichever is greater |

Note: Corresponding application form number included in () where applicable.

* In accordance with Local Government Code, Chapter 212, Subchapter Z Miscellaneous Provisions, the City's Construction Plan fee reflects the estimated actual costs to review and process engineering and construction plans and inspect the public infrastructure improvements. A breakdown of the fee is shown below:

| | <u>Hourly Rate</u> | <u>Estimated # Hours</u> | <u>Fee</u> |
|----------------------------------|--------------------|-------------------------------|--------------------------------------|
| <u>Application Processing</u> | <u>\$50</u> | <u>2</u> | <u>\$100</u> |
| <u>Plan Review and Approval</u> | <u>\$100</u> | <u>24</u> | <u>\$2400</u> |
| <u>Inspection and Acceptance</u> | <u>\$50</u> | <u>1 hour per lot or acre</u> | <u>\$50 per lot or acre</u> |
| <u>TOTAL</u> | | | <u>\$2500 + \$50 per lot or acre</u> |



CITY COUNCIL CONSENT ITEM
CITY OF FAIR OAKS RANCH, TEXAS
September 21, 2023

AGENDA TOPIC: Approval of a resolution authorizing execution of an Interlocal Agreement with the City of Boerne for Animal Control Services for FY 2023-24, expenditure of the required funds, and execution of all applicable documents by the City Manager.

DATE: September 21, 2023

DEPARTMENT: Finance

PRESENTED BY: Consent - Summer Fleming, Interim Director of Finance

INTRODUCTION/BACKGROUND:

Fair Oaks Ranch Animal Control contracts annually with the City of Boerne Animal Service Facility. Facility use is limited to the boarding, releasing, and adoption services for all domestic animals (dog and cats) that are found within the jurisdiction of the City when the owner cannot be located by the end of the day. The City of Fair Oaks Ranch does not operate a kennel facility that is capable of housing domestic animals overnight. Due to this limitation, the City contracts with the City of Boerne Animal Services to house animals in a State-approved facility until the owner is located or the animal is released for adoption.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

Low cost of annual contract provides the needed services to our residents while simultaneously reducing costs that would be incurred by the City to run a State-approved facility and the staffing required for same.

LONG-TERM FINANCIAL & BUDGETARY IMPACT:

Agreement costs vary and are determined each year and are based on the number of animals brought into Boerne Animal Service facility by Fair Oaks Ranch employees from May 1st to April 30th. The agreement (**Exhibit A**) states the City of Fair Oaks Ranch is responsible for a minimum 10% of the total costs of 1.5 employees and the operational costs for the upcoming fiscal year. For FY 2023-24, the 10% allocation assigned to the City of Fair Oaks Ranch totals \$26,216.66, which is \$8,560.92 higher than the prior year’s allocation. The City has budgeted \$23,000 for the Animal Control Facility. Staff anticipates identifying savings during the year to cover the contract overage.

LEGAL ANALYSIS:

Approved as to form.

RECOMMENDATION/PROPOSED MOTION:

Consent Agenda - I move to approve a resolution authorizing execution of an Interlocal Agreement with the City of Boerne for Animal Control Services for FY 2023-24, expenditure of the required funds, and execution of all applicable documents by the City Manager.

A RESOLUTION

A RESOLUTION OF THE CITY OF FAIR OAKS RANCH, TEXAS AUTHORIZING EXECUTION OF AN INTERLOCAL AGREEMENT WITH THE CITY OF BOERNE FOR ANIMAL CONTROL SERVICES FOR FY 2023-24, EXPENDITURE OF THE REQUIRED FUNDS, AND EXECUTION OF ALL APPLICABLE DOCUMENTS BY THE CITY MANAGER

WHEREAS, the City of Fair Oaks Ranch, Texas, (the “City”) provides animal control services for the safety, protection, and wellbeing of its residents; and,

WHEREAS, the City does not operate a kennel facility that is capable of housing domestic animals overnight; and,

WHEREAS, in accordance with Chapter 791 of the Texas Local Government Code, the City may enter into an interlocal agreement with another local government to increase the efficiency and effectiveness of the City’s operations; and,

WHEREAS, the City of Boerne operates a State-approved facility capable of housing domestic animals overnight; and,

WHEREAS, the City has deemed it necessary to contract with the City of Boerne annually to provide the needed animal control services facility; and,

WHEREAS, the cost for this service for FY 2023-24 is \$26,216.66; and,

WHEREAS, the City Council of the City of Fair Oaks Ranch supports entering into an interlocal agreement with the City of Boerne for Animal Control Services and authorizes the execution of said agreement.

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

- Section 1.** The recitals contained in the preamble hereof 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 2.** The City Council hereby reaffirms its support of the interlocal agreement and authorizes the expenditure of the required funds.
- Section 3.** The City Council hereby authorizes the City Manager to execute an agreement with the City of Boerne in the amount of \$26,216.66 for Animal Control Services for FY 2023-24, to expend required funds, and to execute any and all applicable documents to effectuate this resolution.
- Section 4.** That it is hereby officially found and determined that the meeting at which this resolution is passed is open to the public and that public notice of the time, place and purpose of said meeting was given as required by law.
- Section 5.** This resolution shall be in force and effect from and after its final passage, and it is so resolved.

Section 6. This resolution is effective upon its passage and approval.

PASSED, APPROVED, and ADOPTED on the 21st day of September 2023.

ATTEST:

Gregory C. Maxton, Mayor
APPROVED AS TO FORM:

Christina Picioccio, TRMC, City Secretary

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

LETTER OF AGREEMENT

This Interlocal Agreement (“the Agreement”) is entered into by the City of Boerne, Texas and Fair Oaks Ranch, Texas for the use of the City of Boerne Animal Control Facility.

I. RECITALS

WHEREAS, CHAPTER 791 of the TEXAS GOVERNMENT CODE, also known as the INTERLOCAL COOPERATION ACT, authorizes all local governments to contract with each other to provide a governmental function or service that each party to the contract is authorized to perform individually and in which the contracting parties are mutually interested, such as police protection and public health and welfare; and

WHEREAS, the City of Boerne (“Boerne”) is a Home-Rule Municipal Corporation organized under the laws of Texas and is authorized to enter into this Agreement; and

WHEREAS, the City of Fair Oaks Ranch (“FOR”) is a Home-Rule Municipal Corporation organized under the laws of the State of Texas and is authorized to enter into this Agreement; and

WHEREAS, Boerne and FOR represent that each is independently authorized to perform the functions contemplated by this Agreement; and

WHEREAS, Boerne operates an Animal Control Facility located at 330 South Esser Road, Boerne, Texas 78006 (the “Facility”) for the purpose of providing a safe humane shelter for unwanted, stray, abused, and impounded animals in accordance with state and city regulations in a cost-efficient and effective manner and, thereby, protecting its citizens from the dangers and problems associated with free roaming animals; and

WHEREAS, FOR currently has a need for a Facility and is not equipped to render such shelter services; and

WHEREAS, each party has sufficient funds available from current revenues to perform the functions contemplated by this Agreement; and

WHEREAS, both Boerne and FOR find it mutually desirable to enter into this Agreement.

NOW, THEREFORE in consideration of the mutual benefits and promises each to the other made herein, the parties named above do hereby agree as follows:

II. BOERNE OBLIGATIONS

The services to be provided by Boerne to FOR are as follows:

1. Maintain, repair, control, regulate, administer, and operate the Facility as a complete animal shelter for the use and benefit of the Parties to this Agreement.
2. Retain in custody, on a temporary basis, animals taken into possession by the Parties to this Agreement. As used herein, the term “animals” shall mean dogs and cats. Should FOR need to impound an animal other than a dog or cat, FOR will contact Boerne to see if the Facility is able to house the type of animal being brought in and verify that the Facility has the type of food needed for the animal. If Boerne does not have food for the animal, FOR will be responsible for either bringing the correct food or will be invoiced by Boerne for the purchase of specialized food. An invoice will be provided with the Monthly Report.
3. Contract for and purchase all reasonably necessary supplies, equipment, materials, and services deemed reasonably necessary to operate the Facility.
4. Emergency animal pickup by Boerne Animal Control personnel when all authorized FOR Animal Control and Law Enforcement personnel is unavailable upon authorization from the Boerne City Manager, or their designee. The Facility is not required to accept impoundment of any animal from a FOR resident.
5. On the first day of each month, the Boerne Animal Control Department will compile a report of all FOR animals impounded at the facility during the preceding month and shall provide the report to FOR no later than the 10th day of each month.

III. FOR Obligations

1. FOR agrees and understands that the only person(s) authorized to bring an animal impounded from FOR to the Facility shall be a FOR Law Enforcement Officer or a FOR Animal Control Officer. In no event will the Facility accept any animal for impoundment from a FOR resident.
2. FOR agrees and understands that no animal impounded from FOR shall be released from the Facility to the owner of the animal without direction from FOR.
3. If a FOR animal is in need of reasonable medical attention, FOR agrees and understands that such FOR animal must be taken to a veterinary hospital by a FOR agent prior to bringing the FOR animal to the Facility. Boerne is under no obligation to impound an animal that it deems in need of medical attention, such determination is in the sole discretion of the Boerne Animal Control Officer[s].
4. Should any FOR animal need medical attention while impounded at the Facility, such cost for veterinary treatment shall be borne solely by FOR.
5. If a FOR animal is declared a ward of the Court due to abuse or neglect, the FOR animal must first be taken to a veterinary hospital for a complete medical examination prior to impoundment at the Facility.

6. FOR will create standards for the procedures desired to be implemented by Boerne concerning the length of time any FOR animal is impounded at the Facility. Such FOR created standards will include the length of time the FOR animal will be impounded before being available for adoption or humanely euthanized. After the holding period prescribed by the FOR standards, FOR shall surrender the animal to Boerne for a surrender fee of \$10.00. FOR is responsible to forward an Animal Surrender Notice to the COB at the end of the prescribed holding period. If FOR has not furnished COB an Animal Surrender Notice by Noon on the day following the end of the prescribed holding period, COB will assess a boarding fee of \$10.00 for each day FOR is delinquent in forwarding the Animal Surrender Notice to COB. Should the end of the holding period fall on a Saturday or Sunday, the Animal Surrender Notice will be due by Noon on Monday.
7. Owner-Surrendered Animals. Should FOR accept an Owner-Surrendered Animal for re-adoption, FOR will pay \$10.00 to COB per animal surrendered. COB reserves the right to reject any Owner-Surrendered Animal that displays aggression or is sick, injured, or elderly to the point that adoption is not an option. COB will not accept any Owner-Surrendered Animal for euthanasia. Owner-Surrendered Animals should be taken by the owner to the veterinarian for euthanasia purposes. Should FOR choose to accept Owner-Surrendered Animals for euthanasia purposes, FOR should contract with a veterinarian to perform this service.
8. In the event that any FOR animal impounded at the Facility is involved in a biting or scratching incident requiring the quarantine of the FOR animal, the FOR animal must be removed from the Facility by FOR within twenty-four hours for the duration of the quarantine period.

IV. CONSIDERATION

1. The operational costs of the Boerne Facility shall be shared by Boerne and FOR on a percentage basis, with FOR minimum percentage at 10%. This actual percentage shall be determined at the end of April each year, based on the number of animals impounded at the Facility from each Party during the previous twelve (12) month period. The operational costs are the total of 1.5 Boerne Facility employees' salary and benefits for the next fiscal year plus utilities, food, cleaning supplies, and building maintenance. Pursuant to this calculation, the amount due from FOR to Boerne is 10% of the operational costs of \$262,166.60 equaling \$26,216.66 or a monthly sum of \$2,184.72 over the period of this Agreement. Payment of FOR's proportionate share is due on the 15th day of each month if FOR elects to pay monthly. Should FOR elect to make one payment, such payment is due on the 15th day of the month following execution of this Agreement.
2. If an emergency animal pickup is made between 8:00 AM and 5:00 PM by COB personnel for a FOR animal per Section II.4. above, FOR shall pay a fee to the COB of \$35.00 per hour and an additional \$15.00 for each additional half hour, or any

portion thereof. After 5:00 PM, Boerne holidays and weekend, FOR shall pay \$50.00 per hour and an additional \$25.00 for each additional half hour, or any portion thereof. Boerne will provide FOR with an invoice listing all animals picked-up by Boerne personnel and impounded pursuant to this Section plus any associated fees therewith (including, but not limited to, any necessary medical treatment prior to and during impoundment per Section III.3). Payment of this additional invoice is due on or before the 15th day of the month following receipt of the invoice.

3. Boerne will provide FOR with an invoice listing all animals in need of medical attention while impounded at the Facility per Section III.4. Such invoice will list the necessary treatment received and the fees associated therewith. Payment of this additional invoice is due on or before the 15th day of the month following receipt of the invoice.
4. Boerne will provide FOR with an invoice listing all animals exceeding their length of time at the Facility per FOR established standards per Section III.6. Upon receipt of such invoice, FOR will immediately forward an Animal Surrender Notice to Boerne via facsimile or electronic mail. The original Animal Surrender Notice will be provided to Boerne with the accompanying fee on or before the 15th day of the month following receipt of the invoice.

V. TERM AND TERMINATION

1. This Agreement shall be effective as of October 1, 2023, and shall continue in force and effect for a period of twelve months and shall terminate September 30, 2024. The Agreement shall be reviewed by the Boerne City Council prior to each fiscal year.
2. Any party may terminate the Agreement by giving written notice; said termination to take effect within sixty (60) days after the notice is given.

Vi. GENERAL PROVISIONS

1. **Indemnification. Subject to the limitations as to liability and damages in the Texas Tort Claims Act and without waiving its governmental immunity, each Party agrees to hold harmless each other, its governing board, officers, agents and employees for any liability, loss, damages, claims or causes of action caused or asserted to have been caused directly or indirectly by any other Party to this Agreement, or any of its officers, agents or employees, or as the result of its performance, or any of its officers, agents or employees, under this Agreement.**
2. **Independent Contractor.** Boerne shall be solely responsible for the Facility. Boerne shall supply all materials, equipment, tools, transportation, and labor required for or reasonably incidental to the maintenance and care of the Facility. The City shall have

the sole obligation to employ, direct, control, supervise, manage, discharge and compensate all of the Boerne Animal Control Service employees.

3. Severability Clause. The Parties intend for the various provisions of this Agreement to be severable so that the invalidity, if any, of any one section (or more) shall not affect the validity of the remaining provisions or sections.
4. Public Information Act. Each Party agrees that it is a governmental body for purposes of the Public Information Act codified as Chapter 552 of the Texas Government Code and as such is required to release information in accordance with the Public Information Act.
5. This document may be executed in any number of original signature counterparts, each of which shall for all purposes be deemed an original, and all such counterparts shall constitute one and the same document. It is understood and agreed that this Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes.
6. Each Party has the full power and authority to enter into and perform this Agreement, and the person signing this Agreement on behalf of each party has been properly authorized and empowered to enter into this Agreement. The persons executing this Agreement hereby represent that they have authorization to sign on behalf of their respective entity.
7. This Agreement shall be interpreted in accordance with the laws of the State of Texas and in Kendall County, Texas.
8. This Agreement represents the entire agreement of the Parties and supersedes any verbal or written representations of, to or by the parties to each other.
9. Headings. The headings at the beginning of the various provisions of this Agreement have been included only in order to make it easier to locate the subject covered by each provision and are not to be used in construing this Agreement.
10. Notices to either Party shall be sufficient if sent in writing, postage pre-paid, registered or certified mail to the following:

Boerne
Ben Thatcher
City Manager
P.O. Box 1677
Boerne, TX 78006-1677
bthatcher@boerne-tx.gov
Fax: (830) 249-9264

FOR
Scott Huizenga
Interim City Manager
7286 Dietz Elkhorn
Fair Oaks Ranch, TX 78015
shuizenga@fairoaksranchtx.org
Fax: (210) 698-3565

Agreed to this the ____ day of _____, 2023.

Approved:
City of Boerne, Texas

Attest:

City Secretary

Approved:
City of Fair Oaks Ranch, Texas

Attest:

City Secretary



CITY COUNCIL CONSIDERATION ITEM
CITY OF FAIR OAKS RANCH, TEXAS
September 12, 2023

AGENDA TOPIC: Consideration and possible action approving the second reading of an ordinance adopting the City budget for fiscal year beginning October 1, 2023 and ending September 30, 2024

DATE: September 12, 2023

DEPARTMENT: Finance

PRESENTED BY: Summer Fleming, Interim Director of Finance

INTRODUCTION/BACKGROUND:

Texas Local Government Code Chapter 102 contains the requirements for adopting a municipal budget for home rule cities. Under this chapter, the City Manager serves as the budget officer and is responsible for preparing a municipal budget to cover the proposed expenditures of the municipal government for the succeeding year.

The proposed budget is required to be filed with the City Secretary before the 30th day before the date the Council makes its tax levy for the new fiscal year.

At the August 17, 2023, City Council meeting, the City Council voted to set September 12, 2023, as the Public Hearing date on the proposed budget and September 21, 2023, as the date to adopt the budget. The proposed budget was filed with the City Secretary on August 21, and all requirements of the local government code have been met.

The first reading of this ordinance was approved at the Special September 12, 2023 City Council meeting.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

1. Provides the citizens, the government, and the City staff with a financial plan for utilizing the City’s available funds during the upcoming fiscal year to accomplish the City’s goals and objectives.
2. Establishes priorities among City programs; defining the financial framework that will be used to periodically check the status of city operations.
3. Determines the level of taxation necessary to finance City programs.

LONGTERM FINANCIAL & BUDGETARY IMPACT:

See budgets presented in **Exhibit A**.

LEGAL ANALYSIS:

Reviewed and approved as to form.

RECOMMENDATION/PROPOSED MOTION:

I move to approve the second reading of the FY 2023-24 Budget Ordinance.

LGC 102.007 mandates a vote to adopt the budget must be a Record Vote

AN ORDINANCE

ADOPTING THE CITY OF FAIR OAKS RANCH ANNUAL BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2023 AND ENDING SEPTEMBER 30, 2024; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the City Manager submitted to the City Council a proposed budget for the next ensuing budget year, and filed the proposed budget with the City Secretary for public review pursuant to LGC §102.005; and,

WHEREAS, on August 17, 2023, the Council set September 12, 2023, as the date for the public hearing thereon and caused notice of such public hearing to be posted on the City’s website and published in the Boerne Star pursuant to LGC §102.006 and 102.0065; and,

WHEREAS, the public hearing was held on said date and all persons were then afforded an opportunity to appear and object to any or all items and estimates in the proposed budgets; and,

WHEREAS, pursuant to Local Government Code §102.007, the City Council, by passage of the Budget Ordinance shall adopt the budget for the ensuing fiscal year and appropriate such sums of money as the Council deems necessary to defray all expenditures of the City during the 2023-24 budget year.

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

SECTION 1. BUDGET.

- a. The City hereby approves and adopts the “FY 2023-24 Municipal Budget”, attached as **Exhibit A**, in all respects as the City’s annual budget for the fiscal year beginning October 1, 2023 and ending September 30, 2024.
- b. The City Manager may reallocate budget amounts within and between departmental accounts, but reallocation of amounts between funds must be approved by the City Council by ordinance. For purposes of this section the term “fund” refers to the Governmental Accounting definition of a fund (i.e. “General Fund”, “Utility Fund”, and “Debt Service Fund”).
- c. In accordance with LGC §102.008(a), the adopted budget shall be filed with the City Secretary; and a copy of the adopted budget including the cover page shall be posted on the City’s website.

SECTION 2. SEVERABILITY.

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 3. CONFLICT OF ORDINANCES.

Ordinances or parts of ordinances in conflict herewith are hereby repealed and are no longer of any force and effect.

SECTION 4. EFFECTIVE DATE.

This ordinance shall take effect on the first day of October 2023.

PASSED on first reading this 12th day of September, 2023 and recorded as follows:

| | FOR | AGAINST | ABSTAIN |
|--------------------------------|------------|----------------|----------------|
| Mayor Greg Maxton | | | |
| Council Member Stroup | | | |
| Council Member Rhoden | | | |
| Council Member Bliss | | | |
| Mayor Pro Tem Koerner | | | |
| Council Member Parker | | | |
| Council Member Muenchow | | | |

PASSED, APPROVED and ADOPTED on second reading, this the 21st day of September, 2023 and recorded as follows:

| | FOR | AGAINST | ABSTAIN |
|--------------------------------|------------|----------------|----------------|
| Mayor Greg Maxton | | | |
| Council Member Stroup | | | |
| Council Member Rhoden | | | |
| Council Member Bliss | | | |
| Mayor Pro Tem Koerner | | | |
| Council Member Parker | | | |
| Council Member Muenchow | | | |

Gregory C. Maxton, Mayor

ATTEST:

APPROVED AS TO FORM:

Christina Picioccio, TRMC, City Secretary

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

General Fund Revenue Summary

| Revenue Type | Actual 2020-21 | Actual 2021-22 | Adopted Budget 2022-23 | Projected 2022-23 | Proposed 2023-24 |
|----------------------|-------------------|-------------------|---------------------------|----------------------|---------------------|
| Taxes | 7,341,717 | 7,686,926 | 7,963,116 | 8,001,350 | 8,300,628 |
| Franchise Fees | 651,534 | 761,408 | 692,050 | 757,550 | 740,685 |
| Interest | 4,286 | 79,926 | 72,000 | 550,000 | 450,000 |
| Permits | 499,777 | 348,333 | 309,075 | 253,075 | 209,075 |
| Animal Control | 1,120 | 930 | 1,135 | 1,285 | 1,135 |
| Fines & Forfeitures | 139,753 | 174,573 | 176,300 | 186,550 | 176,465 |
| Fees & Services | 266,691 | 317,082 | 277,903 | 277,404 | 278,053 |
| Miscellaneous | 245,512 | 1,313,852 | 123,020 | 393,105 | 237,526 |
| Transfers | 287,339 | 58,907 | 125,000 | 298,280 | 272,500 |
| Total Revenue | 9,437,729 | 10,741,938 | 9,739,599 | 10,718,598 | 10,666,067 |

| General Fund Expenditure Summary | | | | | |
|---|-------------------|-------------------|---------------------------|----------------------|---------------------|
| Expenditure Type | Actual 2020-21 | Actual 2021-22 | Adopted Budget 2022-23 | Projected 2022-23 | Proposed 2023-24 |
| Personnel | | | | | |
| Salaries | 3,130,494 | 3,358,769 | 4,160,870 | 3,901,014 | 4,435,518 |
| Overtime | 69,615 | 89,651 | 41,296 | 90,171 | 43,581 |
| Taxes - Social Security | 190,016 | 204,231 | 248,369 | 239,533 | 275,418 |
| Taxes - Medicare | 45,293 | 48,465 | 58,085 | 56,648 | 64,947 |
| Taxes SUTA/FUTA | 13,869 | 1,390 | 5,364 | 565 | 5,454 |
| Workers Compensation | 52,766 | 74,812 | 108,212 | 108,385 | 114,140 |
| Retirement | 376,630 | 407,306 | 477,609 | 478,612 | 552,703 |
| Health Insurance | 398,983 | 497,595 | 600,355 | 578,799 | 666,615 |
| Uniform Allowance | 20,500 | 21,000 | 27,000 | 25,000 | 27,000 |
| Car Allowance | 7,200 | 7,200 | 7,200 | 7,200 | 7,200 |
| Allowance for Vacancies | - | - | - | - | (145,612) |
| Total Personnel Costs | 4,305,366 | 4,710,417 | 5,734,360 | 5,485,926 | 6,046,964 |
| Supplies, Maintenance & Operations | | | | | |
| Supplies and Consumables | 20,703 | 28,374 | 30,340 | 30,840 | 32,825 |
| Minor Equipment and Furniture | 36,086 | 49,740 | 49,770 | 35,831 | 46,340 |
| Fuel | 39,930 | 67,960 | 56,600 | 63,800 | 65,450 |
| Uniforms | 19,601 | 20,156 | 33,160 | 29,986 | 22,730 |
| Miscellaneous | 28,891 | 531 | 550 | - | - |
| Vehicle Maintenance/Repairs | 20,980 | 39,402 | 30,880 | 33,380 | 35,880 |
| Equipment Maintenance/Repairs | 12,826 | 13,968 | 14,500 | 14,500 | 15,500 |
| Building Maintenance/Repairs | 28,036 | 26,973 | 17,250 | 27,250 | 23,063 |
| Landscaping & Greenspace Maintenance | 3,847 | 6,373 | 5,500 | 5,500 | 15,500 |
| Street Maintenance | 503,531 | 951,877 | 1,038,000 | 1,086,771 | 870,000 |
| Drainage Work | 3,414 | 1,076 | 50,000 | 15,000 | 20,000 |
| Committees - Communications | - | 199 | 500 | 82 | 500 |
| Committees - Planning & Zoning | 58 | 58 | 500 | - | 500 |
| Committee - Board of Adjustments | - | 203 | 500 | - | 500 |
| Committee - Audit | - | - | 500 | - | 500 |
| Urban Wildlife | - | - | 500 | - | 500 |
| Court Technology | - | - | - | - | 2,823 |
| Court Security | 3,402 | 2,008 | 58,724 | 59,243 | 6,000 |
| Emergency Response | - | - | - | 436,482 | 500 |
| Total Supplies, Maintenance & Operations Costs | 721,305 | 1,208,898 | 1,387,774 | 1,838,664 | 1,159,111 |
| Services | | | | | |
| Professional Services | 998,720 | 1,213,859 | 1,277,449 | 1,312,244 | 1,457,175 |
| Dues/Subscriptions | 11,504 | 14,834 | 16,850 | 17,316 | 18,996 |
| Training/Seminars & Related Travel | 40,313 | 48,238 | 112,551 | 76,366 | 114,005 |
| Meetings and Related Travel | 3,014 | 5,621 | 22,823 | 10,875 | 22,000 |
| Elections | 50,956 | - | 7,000 | 16,580 | 32,000 |
| Investigations | 7,681 | 11,519 | 9,500 | 9,500 | 7,000 |
| Lease Training | 800 | - | 2,500 | 1,850 | 3,000 |
| Asset Forfeiture | - | - | - | 22,954 | - |
| Public Relations | 10,265 | 24,928 | 55,234 | 52,773 | 64,100 |

| Expenditure Type | Actual 2020-21 | Actual 2021-22 | Adopted Budget 2022-23 | Projected 2022-23 | Proposed 2023-24 |
|---|-------------------|-------------------|---------------------------|----------------------|---------------------|
| Employee Appreciation | 12,210 | 12,801 | 14,710 | 14,710 | 15,340 |
| Employment Costs | 8,322 | 2,467 | 2,975 | 2,975 | 2,675 |
| Recording/Reporting/History | 6,156 | 5,571 | 10,000 | 8,000 | 10,000 |
| Tech/Internet/Software | 171,558 | 174,317 | 197,440 | 240,607 | 309,812 |
| Total Services Costs | 1,321,500 | 1,514,155 | 1,729,032 | 1,786,750 | 2,056,103 |
| Shared Services | | | | | |
| Facility Contracts & Services | 62,949 | 80,087 | 86,985 | 72,461 | 176,555 |
| Postage | 2,870 | 3,176 | 5,625 | 4,625 | 5,625 |
| General Liability Insurance | 41,194 | 51,940 | 56,560 | 58,066 | 65,000 |
| Electricity | 36,660 | 44,754 | 40,000 | 42,500 | 44,000 |
| Phone/Cable/Alarms | 38,655 | 33,947 | 37,057 | 37,057 | 41,648 |
| Total Shared Services Costs | 182,328 | 213,904 | 226,227 | 214,709 | 332,828 |
| Capital Outlay & Transfers | | | | | |
| Furniture, Fixtures, Equipment & Vehicles | 316,341 | 158,542 | 196,950 | 448,624 | 514,111 |
| Transfer to Debt Service Fund 06 | - | - | - | - | - |
| Transfer to SAP Fund 02 | 182,000 | 1,236,222 | 3,442,995 | 3,442,995 | 813,526 |
| Transfer to Equip Repl Fund 31 | 290,493 | 275,185 | 354,495 | 354,495 | 301,945 |
| Total Capital Outlay & Transfers Costs | 788,834 | 1,669,949 | 3,994,440 | 4,246,114 | 1,629,582 |
| Total Departmental Budget | 7,319,332 | 9,317,323 | 13,071,833 | 13,572,163 | 11,224,588 |

| Governmental Strategic Projects Fund | | | | | |
|--|-------------------|-------------------|---------------------------|----------------------|---------------------|
| | Actual 2020-21 | Actual 2021-22 | Adopted Budget 2022-23 | Projected 2022-23 | Proposed 2023-24 |
| Beginning Fund Balance | 1,154,394 | 1,073,184 | 1,407,555 | 1,407,555 | 413,150 |
| <u>Revenues:</u> | | | | | |
| Transfer from General Fund | 182,000 | 1,236,222 | 3,442,995 | 3,442,995 | 813,526 |
| Total Revenue | 182,000 | 1,236,222 | 3,442,995 | 3,442,995 | 813,526 |
| <u>Financial Integrity</u> | | | | | |
| Stormwater Funding | 33,925 | - | - | - | - |
| <u>Responsible Growth Mangement</u> | | | | | |
| Tree Preservation and Oak Wilt Program | 6,452 | - | - | - | - |
| <u>Reliable and Sustainable Infrastructure</u> | | | | | |
| City Civic Center | 1,500 | - | 412,815 | 299,441 | - |
| City Hall Renovation | 33,413 | 376,825 | - | 661,819 | - |
| Long-term road condition analysis | 47,704 | - | - | - | - |
| Chartwell and Dietz Intersection | - | 352,393 | - | 98,126 | - |
| Post Oak Trail Widening | - | - | 875,000 | 875,000 | - |
| Dietz Elkhorn Reconstruction | - | - | 245,915 | 300,000 | 309,235 |
| Dietz Elkhorn Sidewalk | - | - | 41,282 | 150,000 | 300,000 |
| Battle Intense Sidewalk | - | - | 54,500 | 54,500 | - |
| Drainage CIP #5 Rolling Acres Trail | - | 14,262 | 606,000 | 250,000 | - |
| Drainage CIP #17 Silver Spur Trail | - | 12,841 | 601,000 | 28,796 | - |
| Drainage CIP #34 Tivoli Way | - | 23,428 | 456,000 | 1,200,000 | - |
| Drainage CIP #37 Turf Paradise Lane | - | - | 85,031 | 94,000 | - |
| Drainage CIP #61 Rockinghorse Lane | - | - | - | 29,609 | - |
| Bond Development Program | - | 52,031 | - | 147,969 | - |
| Drainage CIP #35 Chartwell Lane | - | - | - | - | 64,829 |
| Drainage CIP #15 Delta Dawn | - | - | - | - | 245,000 |
| <u>Public Health, Safety, and Welfare</u> | | | | | |
| Public Safety Command Structure Program Review | 38,713 | 895 | - | - | - |
| Fire Services Program Review | 8,206 | 1,128 | 18,000 | 73,775 | - |
| Emergency Medical Services Program Review | 2,606 | 1,128 | - | - | - |
| Fire Station #3 Upgrades | - | - | - | - | 150,000 |
| <u>Operational Excellence</u> | | | | | |
| Communications and Marketing Strategy | 9,391 | 27,471 | - | 42,139 | - |
| Records Management | - | 3,591 | - | 4,259 | - |
| IT Infrastructure projects | 69,763 | 24,835 | - | - | - |
| City Records Digitization Program | - | - | - | 22,967 | - |
| Agenda and Minutes Software program | 6,600 | - | - | - | - |
| Ticketing with GIS compatibility | - | 10,498 | - | - | - |
| Fuel Station | - | - | 50,000 | 65,000 | - |
| 3rd Party Scanning | - | - | 40,000 | 40,000 | - |
| <u>Capital Improvement</u> | | | | | |
| Furniture and Equipment (City Hall Renovation) | 4,938 | 524 | - | - | - |
| Total Expenditures | 263,210 | 901,851 | 3,485,543 | 4,437,400 | 1,069,064 |
| Total Change in Fund Balance | (81,210) | 334,371 | (42,548) | (994,405) | (255,538) |
| Ending Fund Balance | 1,073,184 | 1,407,555 | 1,365,007 | 413,150 | 157,612 |

| Vehicle and Equipment Replacement Fund | | | | | |
|--|-------------------|-------------------|---------------------------|----------------------|---------------------|
| | Actual 2020-21 | Actual 2021-22 | Adopted Budget 2022-23 | Projected 2022-23 | Proposed 2023-24 |
| Beginning Fund Balance | 869,615 | 872,769 | 1,089,047 | 1,089,047 | 1,145,262 |
| <u>Revenues:</u> | | | | | |
| Transfer from General Fund | 290,493 | 275,185 | 354,495 | 354,495 | 301,945 |
| Total Revenue | 290,493 | 275,185 | 354,495 | 354,495 | 301,945 |
| <u>Transfers</u> | | | | | |
| Transfer to General Fund for Capital | 287,339 | 58,907 | 125,000 | 298,280 | 260,000 |
| Total Expenditures | 287,339 | 58,907 | 125,000 | 298,280 | 260,000 |
| Total Change in Fund Balance | 3,154 | 216,278 | 229,495 | 56,215 | 41,945 |
| Ending Fund Balance | 872,769 | 1,089,047 | 1,318,542 | 1,145,262 | 1,187,207 |

| Street Bond Debt Service Fund | | | | | |
|--------------------------------------|---------------------------|---------------------------|-----------------------------------|------------------------------|-----------------------------|
| | Actual 2020-21 | Actual 2021-22 | Adopted Budget 2022-23 | Projected 2022-23 | Proposed 2023-24 |
| Beginning Fund Balance | 32,311 | 44,337 | 52,658 | 52,658 | 69,539 |
| Revenues: | | | | | |
| General Property-I & S | 557,682 | 545,404 | 545,768 | 559,410 | 539,997 |
| Delinquent Property | 2,932 | 8,161 | 5,000 | 3,000 | 3,500 |
| Penalty & Interest | 2,428 | 3,932 | 2,500 | 2,500 | 2,500 |
| Interest Income on Investments | 59 | 409 | 1,000 | 4,500 | 3,500 |
| Total Revenue | 563,101 | 557,906 | 554,268 | 569,410 | 549,497 |
| Expenditures: | | | | | |
| Bond Principal | 445,000 | 450,000 | 460,000 | 460,000 | 470,000 |
| Bond Interest Payable | 105,675 | 99,185 | 92,130 | 92,130 | 83,163 |
| Bond Agent Fees | 400 | 400 | 400 | 400 | 400 |
| Total Expenditures | 551,075 | 549,585 | 552,530 | 552,530 | 553,563 |
| Total Change in Fund Balance | 12,026 | 8,321 | 1,738 | 16,880 | (4,066) |
| Ending Fund Balance | 44,337 | 52,658 | 54,396 | 69,539 | 65,473 |

**Consolidated Utility Proposed Budget by Fund
Summary**

| | Water Operations | Wastewater Operations | Water Capital | Wastewater Capital | Utility Equip. Repl | Utility Fund Total |
|------------------------------------|---------------------|--------------------------|------------------|-----------------------|------------------------|-----------------------|
| Utility Revenues | 4,219,544 | 2,143,652 | | | | 6,363,196 |
| Utility Operating Expenses | | | | | | |
| Personnel | 1,039,193 | 1,022,211 | | | | 2,061,404 |
| Supplies, Maintenance & Operations | 2,438,840 | 543,513 | | | | 2,982,353 |
| Services | 117,142 | 67,592 | | | | 184,734 |
| Total Utility Operating Expenses | <u>3,595,175</u> | <u>1,633,316</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>5,228,491</u> |
| Operating Income/(Loss) | <u>624,369</u> | <u>510,336</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>1,134,705</u> |
| Capital Outlay | 552,500 | 237,500 | 240,000 | - | | 1,030,000 |
| Depreciation | 508,075 | 270,600 | | | | 778,675 |
| Asset Transfer for GAAP | (792,500) | (237,500) | | | | (1,030,000) |
| Debt Service Costs | 13,873 | 2,642 | | | | 16,515 |
| Transfers Out | 383,815 | 180,848 | | | 212,500 | 777,163 |
| Transfers In | (110,000) | (102,500) | (333,949) | (139,915) | (90,799) | (777,163) |
| Net Income/(Loss) | 68,607 | 158,746 | 93,949 | 139,915 | (121,701) | 339,516 |

Water Utility Fund Summary Proposed Budget

Exhibit A

Item #12.

| | Actual 2020-21 | Actual 2021-22 | Adopted Budget 2022-23 | Projected 2022-23 | Proposed 2023-24 |
|---------------------------------------|-------------------|-------------------|---------------------------|----------------------|---------------------|
| Water Revenues | 4,268,594 | 5,181,118 | 4,222,630 | 4,430,370 | 4,219,544 |
| Water Operating Expenses | | | | | |
| Personnel | 697,902 | 867,994 | 981,465 | 902,104 | 1,039,193 |
| Supplies, Maintenance & Operations | 1,581,782 | 2,002,730 | 2,200,766 | 2,413,741 | 2,438,840 |
| Services | 322,149 | 361,114 | 65,244 | 176,700 | 117,142 |
| Total Water Operating Expenses | 2,601,833 | 3,231,837 | 3,247,475 | 3,492,545 | 3,595,175 |
| Operating Income | 1,666,762 | 1,949,281 | 975,155 | 937,825 | 624,369 |
| Capital Outlay | - | 62,998 | 122,250 | 265,671 | 552,500 |
| Depreciation | 482,542 | 498,557 | 508,075 | 510,388 | 508,075 |
| Asset Transfer for GAAP | (253,310) | (641,967) | (666,391) | (911,351) | (792,500) |
| Debt Service Expense | 21,712 | 18,842 | 16,590 | 16,590 | 13,873 |
| Transfers Out | 853,883 | 605,716 | 635,522 | 415,522 | 383,815 |
| Transfers In | - | (62,998) | (114,750) | (201,848) | (110,000) |
| Net Income/(Loss) | 561,935 | 1,468,134 | 473,859 | 842,853 | 68,607 |

Water Utility Fund Revenue Proposed Budget

| | Actual 2020-21 | Actual 2021-22 | Adopted Budget 2022-23 | Projected 2022-23 | Proposed 2023-24 |
|-----------------------------|-------------------|-------------------|---------------------------|----------------------|---------------------|
| Water Revenues | | | | | |
| Water Revenue Residential | 2,862,052 | 3,774,441 | 2,852,897 | 3,052,897 | 2,928,832 |
| Rebate Program | - | - | - | - | - |
| Water Debt Service | 211,747 | 283,245 | 283,707 | 283,707 | 282,791 |
| Water Capital | 251,403 | 256,178 | 257,810 | 257,810 | 283,949 |
| Water Revenue Commercial | 168,361 | 159,633 | 179,592 | 169,592 | 168,665 |
| Water Contract Commercial | 158,357 | 172,604 | 177,360 | 177,360 | 177,354 |
| Water Revenue Non Potable | 6,610 | 78,477 | 18,691 | 18,691 | 77,500 |
| Water Service Connect Fees | 66,790 | 39,770 | 46,726 | 26,726 | 25,000 |
| Water Penalties | 16,589 | 46,768 | 34,753 | 39,753 | 34,753 |
| Water Impact Fees | 497,198 | 293,506 | 310,977 | 90,977 | 50,000 |
| Water Interest Income | 1,557 | 29,150 | 24,000 | 181,000 | 150,000 |
| Water-Bad Debts | (237) | (27) | (500) | (1,848) | (500) |
| Misc./Special Requests | 25 | 103 | 500 | 90,615 | 500 |
| Third Party Reimbursement | 5,972 | 13,353 | 6,917 | 6,917 | 8,500 |
| Permits/Variations | 1,025 | 1,175 | 1,200 | 700 | 1,200 |
| Credit Card Service Fee | 21,147 | 32,743 | 28,000 | 28,000 | 31,000 |
| Sale of Assets | - | - | - | 7,473 | - |
| Total Water Revenues | 4,268,594 | 5,181,118 | 4,222,630 | 4,430,370 | 4,219,544 |

Water Utility Fund Operating Expenses Proposed Budget

| | Actual 2020-21 | Actual 2021-22 | Adopted Budget 2022-23 | Projected 2022-23 | Proposed 2023-24 |
|--|-------------------|-------------------|---------------------------|----------------------|---------------------|
| Operating Expenses | | | | | |
| Service Salaries | 208,039 | 261,096 | 265,548 | 232,544 | 294,770 |
| Service Overtime | 14,722 | 8,102 | 4,339 | 9,806 | 8,102 |
| Service Taxes - FICA | 12,509 | 15,744 | 16,554 | 14,534 | 18,778 |
| Service Taxes - MEDICARE | 2,926 | 3,682 | 3,871 | 3,399 | 4,392 |
| Service Workers' Comp | 7,105 | 7,505 | 9,599 | 9,614 | 10,082 |
| Service Taxes - SUTA/FUTA | 1,236 | 140 | 473 | 40 | 518 |
| Service Retirement | 16,297 | 19,870 | 31,832 | 28,923 | 37,382 |
| Service Insurance | 38,167 | 48,734 | 52,364 | 45,178 | 60,093 |
| Water Service OPEB | 1,079 | 1,819 | - | - | - |
| Water Service Allowance for Vacancies | - | - | - | - | (14,738) |
| Administration Salaries | 305,228 | 389,286 | 450,057 | 418,377 | 465,943 |
| Administration Overtime | 211 | 181 | 181 | 411 | 186 |
| Administration Taxes - FICA | 17,605 | 21,781 | 27,746 | 24,968 | 28,783 |
| Administration Taxes - MEDICARE | 4,118 | 5,132 | 6,489 | 5,872 | 6,759 |
| Administration Workers' Comp | 1,421 | 1,847 | 1,525 | 1,527 | 1,462 |
| Administration Taxes - SUTA/FUTA | 1,435 | 81 | 504 | 51 | 504 |
| Administration Retirement | 22,727 | 27,652 | 53,356 | 50,021 | 57,532 |
| Administration Insurance | 41,574 | 52,810 | 57,027 | 56,836 | 62,703 |
| Administration OPEB | 1,505 | 2,531 | - | - | - |
| Administration Allowance for Vacancies | - | - | - | - | (4,058) |
| Uniforms | 4,082 | 5,145 | 6,720 | 6,720 | 7,110 |
| Power | 130,720 | 191,985 | 140,000 | 170,000 | 150,000 |
| Maintenance of Plants/Lines | 130,069 | 112,433 | 127,125 | 125,100 | 120,000 |
| Analysis Fees | 7,823 | 11,132 | 7,400 | 7,400 | 9,000 |
| Chemicals | 2,874 | 5,375 | 3,200 | 4,200 | 3,500 |
| City Management Fee | 159,769 | 209,258 | 161,427 | 170,927 | 167,618 |
| Equipment Maintenance | 12,524 | 19,938 | 13,875 | 13,875 | 15,900 |
| Equipment Gas & Oil | 9,588 | 13,843 | 11,500 | 15,500 | 15,000 |
| GBRA Water Fees | 923,967 | 1,205,020 | 1,425,536 | 1,527,447 | 1,557,453 |
| Equipment Lease | - | 1,337 | 690 | 1,380 | 1,000 |
| Tools & Minor Equipment | 12,790 | 5,495 | 16,875 | 10,562 | 11,125 |
| Training | 4,881 | 9,415 | 24,648 | 14,648 | 24,638 |
| Utilities & Radio | 19,447 | 23,118 | 21,897 | 21,897 | 27,705 |
| Signal & Telemetry | 162 | 162 | - | 34 | 1,536 |
| Water Building Maintenance | 5,351 | 4,881 | 9,630 | 9,630 | 11,380 |
| Supplies & Consumables | 2,249 | 2,236 | 1,750 | 2,600 | 2,200 |
| Vehicle Maintenance/Repair | 6,905 | 3,858 | 6,500 | 6,500 | 6,500 |
| Water Inventory Adjustment | - | 2,755 | - | - | - |
| Utilities & Telephone | 8,137 | 9,234 | 8,869 | 8,869 | 9,189 |
| Dues & Publications | 371 | 669 | 1,822 | 1,822 | 2,281 |
| Water Professional Services | 322,149 | 354,625 | 54,656 | 165,681 | 106,581 |
| Permit & Licenses | 8,146 | 8,441 | 8,683 | 8,683 | 8,883 |
| General Liability Insurance | 20,462 | 25,495 | 28,280 | 28,127 | 32,500 |

| | Actual 2020-21 | Actual 2021-22 | Adopted Budget 2022-23 | Proposed 2022-23 Exhibit A | Proposed 2023-24 | Item #12. |
|---------------------------------|-------------------|-------------------|---------------------------|---|---------------------|-----------|
| Office Supplies | 2,924 | 709 | 3,257 | 3,257 | 3,244 | |
| Travel & Meetings | 1,997 | 750 | 4,000 | 2,500 | 4,250 | |
| Software & Computer | 73,248 | 84,720 | 122,820 | 209,571 | 202,267 | |
| Recording/Reporting | 101 | 627 | 500 | 500 | 500 | |
| Postage | 450 | 595 | 938 | 938 | 938 | |
| Building/Equip Maintenance | - | 88 | 150 | - | 150 | |
| Conservation Ed & Newsletter | - | - | 1,370 | - | 1,370 | |
| Billing Statement Charges | 3,473 | 3,567 | 3,400 | 3,400 | 3,400 | |
| Billing Postage | 8,980 | 8,890 | 8,500 | 8,500 | 8,500 | |
| Copier Lease | - | 1,745 | 1,654 | 1,654 | 1,954 | |
| Public Relations | - | 2,937 | 4,000 | 4,431 | 4,000 | |
| Employment Costs | - | 324 | 1,480 | 1,480 | 1,330 | |
| Employee Appreciation | - | 3,228 | 5,108 | 5,108 | 5,231 | |
| Water Miscellaneous | 3,232 | 226 | 250 | - | 250 | |
| Credit Card Service Fee | 17,062 | 29,587 | 27,500 | 27,500 | 27,500 | |
| Total Operating Expenses | 2,601,833 | 3,231,837 | 3,247,475 | 3,492,545 | 3,595,175 | |

Water Utility Fund
Capital, Debt and Non-Cash Expenses
Proposed Budget

| | Actual 2020-21 | Actual 2021-22 | Adopted Budget 2022-23 | Projected 2022-23 | Proposed 2023-24 |
|---------------------------------------|-------------------|-------------------|---------------------------|----------------------|---------------------|
| Capital Outlays | | | | | |
| Operational Capital | - | - | 35,500 | 96,761 | 257,500 |
| Water Vehicle and Equipment Purchases | - | 62,998 | 86,750 | 168,910 | 295,000 |
| Total Capital Outlays | - | 62,998 | 122,250 | 265,671 | 552,500 |
| Debt Service | | | | | |
| Bond Water Issuance Fees | - | - | - | - | - |
| Bond Interest Cost | 21,712 | 18,842 | 16,590 | 16,590 | 13,873 |
| Tax Exempt Lease Interest | - | - | - | - | - |
| Total Debt Service | 21,712 | 18,842 | 16,590 | 16,590 | 13,873 |
| Non-Cash Adjustments | | | | | |
| Transfer to Veh/Equip Replace Fund | 45,000 | 56,032 | 66,735 | 66,735 | 49,866 |
| Transfer to Water Capital Fund | 808,883 | 549,684 | 568,787 | 348,787 | 333,949 |
| Transfer from ERF | - | (62,998) | (114,750) | (201,848) | (110,000) |
| Transfer of Assets to Balance Sheet | (253,310) | (641,967) | (666,391) | (911,351) | (792,500) |
| Water Service Depreciation | 482,542 | 498,557 | 508,075 | 510,388 | 508,075 |
| Total Non-Cash Adjustments | 1,083,115 | 399,307 | 362,456 | (187,289) | (10,610) |
| Total Non-Operating Expenses | 1,104,826 | 481,147 | 501,296 | 94,972 | 555,762 |

| Water Strategic and Capital Fund | | | | | |
|--------------------------------------|-------------------|-------------------|---------------------------|----------------------|---------------------|
| | Actual 2020-21 | Actual 2021-22 | Adopted Budget 2022-23 | Projected 2022-23 | Proposed 2023-24 |
| Beginning Fund Balance | 977,312 | 1,443,116 | 1,339,728 | 1,339,728 | 1,038,186 |
| <u>Transfers:</u> | | | | | |
| Grant Revenue | - | - | - | - | - |
| Transfer from Utility Fund | 808,883 | 549,684 | 568,787 | 348,787 | 333,949 |
| Total Transfers | 808,883 | 549,684 | 568,787 | 348,787 | 333,949 |
| <u>Capital Projects</u> | | | | | |
| Elevated Storage Tank | 62,890 | 5,310 | - | 50,000 | - |
| Plant 2 Hydro Tank & Variable Drives | 30,620 | 547,297 | - | 7,065 | - |
| Creek Crossing West Waterline | - | 18,281 | - | 144,196 | - |
| Elmo Davis Upgrades | - | - | 64,642 | - | - |
| Plant 5 Expansion | - | - | 229,499 | 15,000 | - |
| Scada Systems Upgrade | 159,800 | 43,215 | - | - | - |
| GIS Compatible Work Order System | - | 631 | - | - | - |
| Willow Wind/Red Bud Hill | - | - | - | 70,705 | - |
| Old Fredericksburg Rd | - | 8,080 | 250,000 | 291,920 | - |
| Rolling Acres Trail Rehab | - | - | - | 66,794 | - |
| Well 27 Upgrades | - | - | - | - | 60,000 |
| Well 31 Upgrades | - | - | - | - | 60,000 |
| Well 25 Upgrades | - | - | - | - | 60,000 |
| Well 28 Upgrades | - | - | - | - | 60,000 |
| <u>Non-Capital Projects</u> | | | | | |
| Water Rate Study | 50,095 | 19,930 | - | 4,649 | - |
| Water System EPA Risk Assessment | 39,674 | 10,326 | - | - | - |
| Total Expenditures | 343,079 | 653,072 | 544,141 | 650,329 | 240,000 |
| Total Change in Fund Balance | 465,803 | (103,388) | 24,646 | (301,542) | 93,949 |
| Ending Fund Balance | 1,443,116 | 1,339,728 | 1,364,374 | 1,038,186 | 1,132,135 |

Wastewater Utility Fund Summary

Exhibit A

Item #12.

Proposed Budget

| | Actual 2020-21 | Actual 2021-22 | Adopted Budget 2022-23 | Projected 2022-23 | Proposed 2023-24 |
|-------------------------------------|--------------------|-------------------|---------------------------|----------------------|---------------------|
| Wastewater Revenues | 1,415,841 | 2,615,796 | 1,348,525 | 1,395,991 | 2,143,652 |
| Wastewater Operating Expenses | | | | | |
| Personnel | 691,952 | 827,692 | 959,119 | 901,763 | 1,022,211 |
| Supplies, Maintenance & Operations | 597,685 | 706,247 | 658,612 | 644,969 | 543,513 |
| Services | 55,312 | 65,036 | 65,534 | 67,988 | 67,592 |
| Total Wastewater Operating Expenses | 1,344,949 | 1,598,974 | 1,683,265 | 1,614,720 | 1,633,316 |
| Operating Income | 70,892 | 1,016,822 | (334,740) | (218,729) | 510,336 |
| Capital Outlay | - | 45,013 | 155,700 | 207,182 | 237,500 |
| Depreciation | 266,664 | 261,466 | 270,600 | 270,600 | 270,600 |
| Asset Transfer for GAAP | (39,759) | (169,520) | (1,085,411) | (1,402,679) | (237,500) |
| Debt Service Expense | 4,136 | 3,589 | 3,160 | 3,160 | 2,642 |
| Transfers Out | 888,727 | 1,538,742 | 323,827 | 223,827 | 180,848 |
| Transfers In | - | (56,055) | (155,700) | (207,624) | (102,500) |
| Net Income/(Loss) | (1,048,874) | (606,413) | 153,084 | 686,805 | 158,746 |

Wastewater Utility Fund Revenue

Proposed Budget

| | Actual 2020-21 | Actual 2021-22 | Adopted Budget 2022-23 | Projected 2022-23 | Proposed 2023-24 |
|----------------------------------|-------------------|-------------------|---------------------------|----------------------|---------------------|
| Wastewater Revenues | | | | | |
| Sewer Revenue Residential | 939,310 | 961,737 | 967,112 | 967,112 | 1,709,775 |
| Sewer Debt Service | 40,831 | 54,320 | 54,620 | 54,620 | 54,077 |
| Sewer Capital | 95,042 | 97,305 | 97,842 | 97,842 | 107,915 |
| Sewer Revenue Commercial | 4,418 | 4,418 | 4,418 | 4,418 | 58,345 |
| Sewer Service Connect Fee | 44,800 | 25,900 | 31,248 | 21,248 | 23,000 |
| Sewer Penalties | 3,562 | 8,258 | 8,438 | 8,438 | 8,438 |
| Sewer Impact Fee | 285,883 | 193,727 | 166,745 | 66,745 | 32,000 |
| Sewer Impact Fee-S Bar Ranch | - | - | - | - | - |
| Sewer Interest Income | 1,509 | 25,913 | 18,000 | 175,000 | 150,000 |
| Sewer Bad Debt | (116) | (18) | (250) | (492) | (250) |
| Sewer Grant Revenue | - | 1,244,133 | - | - | - |
| SECO EECBG | - | - | - | - | - |
| Misc/Special Requests | 602 | 103 | 352 | 352 | 352 |
| Third Party Reimbursement | - | - | - | - | - |
| Sale of Assets | - | - | - | 708 | - |
| Grant Revenue | - | - | - | - | - |
| Total Wastewater Revenues | 1,415,841 | 2,615,796 | 1,348,525 | 1,395,991 | 2,143,652 |

Wastewater Utility Fund Operating Expenses
Proposed Budget

| | Actual 2020-21 | Actual 2021-22 | Adopted Budget 2022-23 | Projected 2022-23 | Proposed 2023-24 |
|--|-------------------|-------------------|---------------------------|----------------------|---------------------|
| Operating Expenses | | | | | |
| Service Salaries | 233,087 | 238,049 | 270,593 | 254,050 | 306,118 |
| Service Overtime | 17,868 | 9,116 | 4,432 | 10,778 | 8,430 |
| Service Taxes - FICA | 14,531 | 14,757 | 16,892 | 16,161 | 19,502 |
| Service Taxes - Medicare | 3,398 | 3,451 | 3,951 | 3,780 | 4,561 |
| Service Workers' Comp | 5,700 | 8,377 | 9,792 | 9,808 | 10,457 |
| Service Taxes - SUTA/FUTA | 1,486 | 136 | 473 | 45 | 518 |
| Service Retirement | 18,516 | 18,236 | 32,483 | 31,586 | 38,823 |
| Service Insurance | 36,489 | 39,252 | 44,798 | 38,568 | 51,630 |
| Sewer Service OPEB | 1,226 | 1,669 | - | - | - |
| Sewer Service Allowance for Vacancies | - | - | - | - | (15,305) |
| Administration Salaries | 277,716 | 384,087 | 432,549 | 400,883 | 447,540 |
| Administration Overtime | 92 | 181 | 181 | 411 | 186 |
| Administration Taxes - FICA | 15,999 | 21,267 | 26,662 | 23,882 | 27,642 |
| Administration Taxes - Medicare | 3,741 | 5,010 | 6,235 | 5,617 | 6,492 |
| Administration Workers' Comp | 751 | 1,322 | 1,468 | 1,470 | 1,407 |
| Administration Taxes - SUTA/FUTA | 1,309 | 78 | 477 | 49 | 477 |
| Administration Retirement | 20,633 | 27,032 | 51,270 | 47,934 | 55,261 |
| Administration Insurance | 38,042 | 53,196 | 56,863 | 56,743 | 62,530 |
| Administration OPEB | 1,367 | 2,474 | - | - | - |
| Administration Allowance for Vacancies | - | - | - | - | (4,058) |
| Uniforms | 3,469 | 5,438 | 5,025 | 5,025 | 5,335 |
| Power | 37,124 | 42,770 | 38,500 | 42,500 | 40,000 |
| Maintenance Of Plant/ Lines | 48,479 | 64,643 | 65,000 | 62,975 | 50,000 |
| Sludge Hauling | 269,334 | 323,451 | 225,000 | 187,193 | 25,000 |
| Analysis Fees | 23,823 | 18,248 | 27,000 | 27,000 | 27,000 |
| Chemicals | 15,768 | 14,614 | 16,500 | 17,500 | 32,500 |
| City Management Fee | 47,186 | 48,308 | 48,576 | 48,577 | 88,406 |
| Equipment Maintenance | 6,468 | 11,193 | 8,235 | 8,235 | 9,790 |
| Equipment Gas & Oil | 7,601 | 12,064 | 9,500 | 11,500 | 11,875 |
| Equipment Lease | 1,334 | 7,128 | 2,500 | 2,500 | 2,500 |
| Tools & Minor Equipment | 5,832 | 3,887 | 13,575 | 13,575 | 10,250 |
| Training | 3,042 | 7,760 | 24,099 | 21,599 | 24,064 |
| Utilities & Radios | 18,289 | 21,455 | 20,171 | 20,171 | 26,005 |
| Signal & Telemetry | 461 | 461 | - | 159 | 1,920 |
| Building Maintenance | 5,976 | 3,689 | 9,150 | 9,150 | 15,900 |
| Supplies & Consumables | 1,978 | 2,912 | 1,650 | 3,150 | 2,500 |
| Vehicle Maintenance & Repairs | 3,542 | 3,936 | 5,000 | 6,000 | 5,000 |
| Inventory Adjustment | - | 1 | - | - | - |
| Utilities/Telephone | 8,262 | 9,412 | 7,830 | 7,830 | 8,130 |
| Dues & Publications | 1,007 | 1,044 | 2,027 | 2,027 | 2,324 |
| Professional Fees | 55,312 | 58,940 | 55,156 | 57,181 | 57,081 |
| Permits & Licenses | 1,471 | 1,684 | 3,493 | 3,493 | 3,693 |
| Liability Insurance | 19,462 | 25,495 | 28,280 | 28,127 | 32,500 |

| | Actual 2020-21 | Actual 2021-22 | Adopted Budget 2022-23 | Projected 2022-23 Exhibit A | Projected 2023-24 |
|---------------------------------|-------------------|-------------------|---------------------------|--|----------------------|
| Office Supplies | 3,239 | 873 | 2,256 | 2,256 | 2,244 |
| Travel & Meetings | 1,676 | 697 | 4,000 | 2,000 | 4,250 |
| Software & Computers | 46,883 | 59,602 | 76,241 | 97,825 | 97,024 |
| Recording/Reporting | 101 | 418 | 350 | 350 | 350 |
| Sewer Postage | 450 | 548 | 600 | 600 | 600 |
| Adm Bldg/Equip. Maintenance | - | 88 | 150 | - | 150 |
| Billing Statement Charges | 3,473 | 3,567 | 3,500 | 3,500 | 3,500 |
| Billing Postage | 8,980 | 8,890 | 8,500 | 8,500 | 8,500 |
| Copier Lease | - | 1,745 | 1,654 | 1,654 | 1,954 |
| Public Relations | - | 2,937 | 4,000 | 4,429 | 4,000 |
| Employment Costs | - | 285 | 1,480 | 1,480 | 1,330 |
| Employee Appreciation | - | 2,873 | 4,898 | 4,898 | 5,181 |
| Miscellaneous | 2,977 | 226 | 250 | - | 250 |
| Total Operating Expenses | 1,344,949 | 1,598,974 | 1,683,265 | 1,614,720 | 1,633,316 |

Wastewater Utility Fund
Capital, Debt, and Non-Cash Expenses
Proposed Budget

Exhibit A

Item #12.

| | Actual 2020-21 | Actual 2021-22 | Adopted Budget 2022-23 | Projected 2022-23 | Proposed 2023-24 |
|--|-------------------|-------------------|---------------------------|----------------------|---------------------|
| Capital Outlays | | | | | |
| Operational Capital | - | 45,013 | 46,200 | 46,200 | - |
| Wastewater Equipment Purchases | - | - | 109,500 | 160,982 | 237,500 |
| Total Capital Outlays | - | 45,013 | 155,700 | 207,182 | 237,500 |
| Debt Service | | | | | |
| Bond Water Issuance Fees | - | - | - | - | - |
| Bond Interest Cost | 4,136 | 3,589 | 3,160 | 3,160 | 2,642 |
| Tax Exempt Lease Interest | - | - | - | - | - |
| Total Debt Service | 4,136 | 3,589 | 3,160 | 3,160 | 2,642 |
| Non-Cash Adjustments | | | | | |
| Transfer To Vehicle Repl. Fund | 45,000 | 27,707 | 59,240 | 59,240 | 40,933 |
| Transfer to Wastewater Capital Fund | 843,727 | 1,511,035 | 264,587 | 164,587 | 139,915 |
| Transfer from ERF | - | (56,055) | (155,700) | (207,624) | (102,500) |
| Asset Transfers to Balance Sheet | (39,759) | (169,520) | (1,085,411) | (1,402,679) | (237,500) |
| Sewer Service Depreciation | 266,664 | 261,466 | 270,600 | 270,600 | 270,600 |
| Total Non-Cash Adjustments | 1,115,631 | 1,574,633 | (646,684) | (1,115,876) | 111,448 |
| Total Capital, Debt, and Non-Cash | 1,119,767 | 1,623,235 | (487,824) | (905,534) | 351,590 |

Wastewater Strategic and Capital Fund

| | Actual 2020-21 | Actual 2021-22 | Adopted Budget 2022-23 | Projected 2022-23 | Proposed Budget 2023-24 |
|---------------------------------------|-------------------|-------------------|---------------------------|----------------------|----------------------------|
| Beginning Fund Balance | 345,309 | 1,087,394 | 2,257,004 | 2,257,004 | 1,221,445 |
| <u>Transfers:</u> | | | | | |
| Transfer from Reserves | - | - | - | - | - |
| Transfer from Utility Fund | 843,727 | 1,511,035 | 264,587 | 164,587 | 139,915 |
| Total Transfers | 843,727 | 1,511,035 | 264,587 | 164,587 | 139,915 |
| <u>Capital Projects</u> | | | | | |
| Solids Handling | 39,759 | 124,507 | - | 1,095,497 | - |
| Wastewater Treatment Plant Expansion | - | 186,404 | 929,711 | 100,000 | - |
| GIS Compatible Work Order System | - | 631 | - | - | - |
| | - | - | - | - | - |
| <u>Non-Capital Projects</u> | | | | | |
| Wastewater Rate Study | 50,095 | 19,930 | - | 4,649 | - |
| Impact Fee Study | - | - | - | - | - |
| Project Development | - | - | - | - | - |
| Wastewater System EPA Risk Assessment | 11,788 | 9,953 | - | - | - |
| Total Expenditures | 101,642 | 341,426 | 929,711 | 1,200,146 | - |
| Total Change in Fund Balance | 742,085 | 1,169,610 | (665,124) | (1,035,559) | 139,915 |
| Ending Fund Balance | 1,087,394 | 2,257,004 | 1,591,880 | 1,221,445 | 1,361,360 |

Utility Equipment and Vehicle Replacement ~~Exhibit~~ **Exhibit A** Proposed Budget

Item #12.

| | Actual 2020-21 | Actual 2021-22 | Adopted Budget 2022-23 | Projected 2022-23 | Proposed 2023-24 |
|--------------------------------------|-------------------|-------------------|---------------------------|----------------------|---------------------|
| Beginning Fund Balance | 796,405 | 886,405 | 851,091 | 851,091 | 567,594 |
| <u>Transfers In:</u> | | | | | |
| Transfer from Water Division | 45,000 | 56,032 | 66,735 | 66,735 | 49,866 |
| Transfer from Wastewater Division | 45,000 | 27,707 | 59,240 | 59,240 | 40,933 |
| Total Transfers In | 90,000 | 83,739 | 125,975 | 125,975 | 90,799 |
| <u>Transfers Out:</u> | | | | | |
| Transfer to Water for Purchases | - | 62,998 | 114,750 | 201,848 | 110,000 |
| Transfer to Wastewater for Purchases | - | 56,055 | 155,700 | 207,624 | 102,500 |
| Total Transfers Out | - | 119,053 | 270,450 | 409,472 | 212,500 |
| Total Change in Fund Balance | 90,000 | (35,314) | (144,475) | (283,497) | (121,701) |
| Ending Fund Balance | 886,405 | 851,091 | 706,616 | 567,594 | 445,893 |



**CITY COUNCIL CONSIDERATION ITEM
CITY OF FAIR OAKS RANCH, TEXAS
September 21, 2023**

AGENDA TOPIC: Consideration and possible action approving the second reading of an ordinance levying a property tax rate of 30.05 cents per \$100 taxable valuation on property in the City of Fair Oaks Ranch for tax year 2023; determining due and delinquent dates; and providing an effective date.

DATE: September 21, 2023

DEPARTMENT: Finance

PRESENTED BY: Summer Fleming, Interim Director of Finance

INTRODUCTION/BACKGROUND:

State law requires the City Council to adopt a tax rate to fund the adopted General Fund and Debt Service Fund budgets. At the August 17th City Council meeting, the Council authorized using 28.27 cents as the proposed 2023 M&O tax rate and a 2.29 cents 2023 I&S tax rate for a combined property tax rate of 30.56 cents per \$100 taxable valuation. All required notices were published in the newspaper and on the City's website. A Public Hearing was held September 12, 2023, to afford all citizens the opportunity to be heard on the proposed tax rate.

Through the budget process, the City has been able to balance the budget with a combined tax rate of 30.05 cents per \$100 taxable valuation, which is lower than the proposed maximum tax rate and is lower than the no-new-revenue rate.

The first reading of this ordinance was approved at the Special September 12, 2023 City Council meeting.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

1. Complies with state laws in setting the 2023 property tax rate.
2. Establishes the level of taxation necessary to finance City programs and pay for City debt approved in the fiscal year budget.

LONGTERM FINANCIAL & BUDGETARY IMPACT:

The total tax rate of 30.05 cents per \$100 taxable valuation has decreased from the prior year tax rate. Budgetary implications in terms of dollars are outlined in the Budget Document.

LEGAL ANALYSIS:

Reviewed and approved as to form.

RECOMMENDATION/PROPOSED MOTION:

I move to approve the second reading of an ordinance levying a property tax rate of 30.05 cents per \$100 taxable value for tax year 2023; providing when taxes shall become due and delinquent; and providing an effective date.

AN ORDINANCE

AN ORDINANCE LEVYING AD VALOREM TAXES FOR USE AND SUPPORT OF THE MUNICIPAL GOVERNMENT OF THE CITY OF FAIR OAKS RANCH, TEXAS FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2023 AND ENDING SEPTEMBER 30, 2024; PROVIDING WHEN TAXES SHALL BECOME DUE AND WHEN SAME SHALL BECOME DELINQUENT; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, on August 17, 2023, the City Council established a proposed ad valorem tax rate to support the proposed FY 2023-24 budget and set September 12, 2023, as the date for the public hearing thereon and caused notice of such public hearing to be posted pursuant to Local Government Code §140.010(e)(f) and (g); and,

WHEREAS, the public hearing was held on said date and all persons were then afforded an opportunity to appear and object to the proposed ad valorem tax rate; and,

WHEREAS, by ordinance the Council will approve the municipal budget for the fiscal year beginning October 1, 2023 and ending September 30, 2024; and

WHEREAS, it is necessary that an ordinance be passed levying an ad valorem tax on all property, both real and personal, within the corporate limits of the City of Fair Oaks Ranch, Texas in accordance with said budget and Texas Property Tax Code, §26.05(b).

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

SECTION 1. TAX LEVY.

- a. That there is hereby levied and there shall be collected for the use and support of the municipal government of the City of Fair Oaks Ranch (herein the “City”), upon all property, real, personal, and mixed, in the corporate limits of said City subject to taxation, a tax rate of **\$0.2776** on each \$100 taxable valuation of property, said tax being so levied for the maintenance and operations of the General Fund of the municipal government for FY 2023-24.
- b. That there is hereby levied and there shall be collected for the use and support of the municipal government of the City of Fair Oaks Ranch (herein the “City”), upon all property, real, personal, and mixed, in the corporate limits of said City subject to taxation, a tax rate of **\$0.0229** on each \$100 taxable valuation of property, said tax being so levied for the debt service principal and interest of the Debt Service Fund of the municipal government for FY 2023-24.
- c. **THIS TAX RATE WILL RAISE LESS TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR’S TAX RATE. THE TAX RATE WILL EFFECTIVELY BE LOWERED BY 1.5% AND WILL LOWER TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$4.23.**

SECTION 2. TAX PAYMENT DUE DATE AND DELINQUENT EFFECTIVE DATE.

- a. Unless the due date has been extended, taxes levied under this ordinance shall be due on October 1, 2023, and if not paid on or before January 31, 2024, shall immediately become delinquent.

b. Taxes shall become a lien upon the property against which assessed, and the Bexar County Tax Office as the collector of property taxes is hereby authorized and empowered to enforce the collection of such taxes according to the Constitution and laws of the State of Texas and ordinances of the City and shall, by virtue of the tax rolls, fix and establish a lien by levying upon such property, whether real or personal, for the payment of said taxes, penalty and interest, and, the interest and penalty collected from such delinquent taxes shall be apportioned to the general fund of the City. All delinquent taxes shall bear interest from date of delinquency at the rate as prescribed by state law.

SECTION 3. SEVERABILITY.

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 4. EFFECTIVE DATE

This ordinance shall take effect and be in force from the date after its passage.

PASSED and APPROVED on first reading this 12th day of September 2023 and recorded as follows:

| | FOR | AGAINST | ABSTAIN |
|--------------------------------|------------|----------------|----------------|
| Mayor Greg Maxton | | | |
| Council Member Stroup | | | |
| Council Member Rhoden | | | |
| Council Member Bliss | | | |
| Mayor Pro Tem Koerner | | | |
| Council Member Parker | | | |
| Council Member Muenchow | | | |

PASSED, APPROVED, AND ADOPTED on second reading this 21st day of September 2023 and recorded as follows:

| | FOR | AGAINST | ABSTAIN |
|--------------------------------|------------|----------------|----------------|
| Mayor Greg Maxton | | | |
| Council Member Stroup | | | |
| Council Member Rhoden | | | |
| Council Member Bliss | | | |
| Mayor Pro Tem Koerner | | | |
| Council Member Parker | | | |
| Council Member Muenchow | | | |

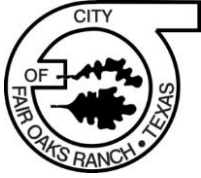
Gregory C. Maxton, Mayor

APPROVED AS TO FORM:

ATTEST:

Christina Picioccio, TRMC, City Secretary

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



CITY COUNCIL CONSIDERATION ITEM
CITY OF FAIR OAKS RANCH, TEXAS
September 21, 2023

AGENDA TOPIC: Consideration and possible action approving a resolution ratifying the property tax rate reflected in the FY 2023-24 General Fund and Debt Service Fund budgets.

DATE: September 21, 2023

DEPARTMENT: Finance

PRESENTED BY: Summer Fleming, Interim Director of Finance

INTRODUCTION/BACKGROUND:

The FY 2023-24 General Fund and Debt Service Fund budgets of the City of Fair Oaks Ranch raises more revenue from property taxes than in FY 2022-23. The total tax rate of 30.05 cents per \$100 valuation is a decrease from the total tax rate of FY 2022-23.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

Compliance with local government code chapter 102.007(c)

LONGTERM FINANCIAL & BUDGETARY IMPACT:

Refer to adopted budget

LEGAL ANALYSIS:

Reviewed and approved as to form

RECOMMENDATION/PROPOSED MOTION:

I move to approve a resolution ratifying the property tax rate reflected in the FY 2023-24 budget.

A RESOLUTION

A RESOLUTION OF THE CITY OF FAIR OAKS RANCH, TEXAS RATIFYING THE RECENTLY ADOPTED BUDGET THAT CONTAINS A PROPERTY TAX RATE THAT RAISES MORE TOTAL PROPERTY TAXES THAN THE PREVIOUS YEAR

WHEREAS, the City of Fair Oaks Ranch has adopted its Budget for FY 2023-24; and,

WHEREAS, the Budget as adopted raises more revenue from property taxes than was raised from property taxes in the previous year; and,

WHEREAS, Local Government Code 102.007 requires the City ratify the Budget by a separate vote.

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

Section 1. That in compliance with the requirements of Section 102.007(c) of the Texas Local Code, the City Council of the City of Fair Oaks Ranch does hereby in all things ratify the property tax increase reflected in the FY 2023-24 Budget which will require raising more revenue from property taxes than in the FY 2022-23 Budget.

Section 2. The recitals contained in the preamble hereof 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. 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 4. This resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 5. 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 6. It is officially found, determined, and declared that the meeting at which this resolution is adopted was open to the public and that 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 Chapter 551, Texas Government Code, as amended.

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 the 21st day of September 2023.

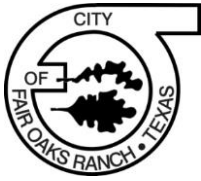
Gregory C. Maxton, Mayor

ATTEST:

APPROVED AS TO FORM:

Christina Picioccio, TRMC, City Secretary

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



CITY COUNCIL CONSIDERATION ITEM
CITY OF FAIR OAKS RANCH, TEXAS
September 21, 2023

AGENDA TOPIC: Consideration and possible action approving a resolution authorizing a First Amendment to the 2008 Water Supply Agreement between the City of Fair Oaks Ranch and Mark J. Minahan, Sr. And Brenda S. Minahan for the reservation of water and other related matters, and authorizing the City Manager to execute the First Amendment.

DATE: September 21, 2023

DEPARTMENT: Public Works

PRESENTED BY: Carole Vanzant, CPM, Asst City Manager, Community Services

INTRODUCTION/BACKGROUND:

On July 20, 2006, the City of Fair Oaks Ranch, under Ordinance 153, accepted the City of San Antonio’s release of 3,258 acres of its extraterritorial jurisdiction adjacent to the North, East, and Southwest of Fair Oaks Ranch city limits. To ensure future water availability to property owners in the area, the City entered into Water Supply Agreements with six owners in September 2008.

The Agreement with Mark Minahan (**Attachment 1**) states: *This Agreement shall become enforceable upon execution by the City and Owner. This Agreement shall terminate on the 15th anniversary of its execution unless extended by mutual agreement of the parties, or upon full build-out of the property.*

The Agreement was signed on September 22, 2008. On August 8, 2023, the City received a letter from Mr. Minahan requesting a 10-year term extension. For City Council’s consideration tonight is a First Amendment to the Agreement amending the terms for an additional 10 years.

LONGTERM FINANCIAL & BUDGETARY IMPACT:

1. Continued reservation and water capacity fees paid by the property owners.
2. Payment of the second installment of the Contribution in Aid of Construction.
3. Furthers Priority 3.1 of the Strategic Action Plan – Enhance and ensure continuity of reliable water resources in accordance with CCN obligations.

LEGAL ANALYSIS:

The Amendment was drafted by Mr. Minahan’s Attorney and approved to form by the City Attorney.

RECOMMENDATION/PROPOSED MOTION:

I move to approve a resolution authorizing a First Amendment to the 2008 Water Supply Agreement between the City of Fair Oaks Ranch and Mark J. Minahan, Sr. and Brenda S. Minahan and authorizing the City Manager to execute the Amendment.

A RESOLUTION

A RESOLUTION OF THE CITY OF FAIR OAKS RANCH CITY COUNCIL AUTHORIZING A FIRST AMENDMENT TO THE 2008 WATER SUPPLY AGREEMENT (“AGREEMENT”) BETWEEN THE CITY OF FAIR OAKS RANCH (“CITY”) AND MARK J. MINIHAN, SR. AND BRENDA S. MINAHAN (collectively, “OWNER”) FOR THE RESERVATION OF WATER AND OTHER RELATED MATTERS, AUTHORIZING THE CITY MANAGER TO EXECUTE THE FIRST AMENDMENT, PROVIDING A SEVERABILITY AND REPEAL CLAUSE, AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, the Owner owns a certain 40+/- acre tract of real property (“Property”) in the City of Fair Oaks Ranch more fully described as Exhibit A of the 2008 Water Supply Agreement; and,

WHEREAS, on September 22, 2008, the City and Owner entered into an Agreement (**Attachment 1**) memorializing certain agreements and commitments by each party with respect to the Owners planned development of its Property, including the provision of water services; and,

WHEREAS, the Agreement between the City and Owner expires on September 22, 2023; and,

WHEREAS, on August 17, 2023, the City Council passed and approved Resolution 2023-20 supporting the extension, by six months of the remaining 2008 Water Supply Agreements to secure long-term extensions; and,

WHEREAS, no development has occurred on the Property; and,

WHEREAS, no water line has been constructed to the Property; and,

WHEREAS, the Owner requested an amendment relative to terms to the Agreement; and,

WHEREAS, the City Council of the City of Fair Oaks Ranch has determined that an Amendment to the 2008 Water Supply Agreement is in the best interest of the customers of Fair Oaks Utilities.

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

- Section 1.** *A First Amendment* to the 2008 Water Supply Agreement for the reservation of water and other related matters to the Owner’s 40+/- acre tract of real property as further described in **Attachment 2** of the 2008 Water Supply Agreement, upon execution, is hereby approved.
- Section 2.** The City Manager is hereby authorized, on behalf of the City, to execute the Amendment in substantial form as **Attachment 2**, and such other ancillary instruments and documents as may be reasonably necessary to effectuate the intent of this Resolution.
- Section 3.** The recitals contained in the preamble hereof 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 4. 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 5. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 6. 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 7. It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and that 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 Chapter 551, Texas Government Code, as amended.

Section 8. This Resolution shall be in force and effect from and after its final passage, and it is so resolved.

PASSED, APPROVED and ADOPTED on the 21st day of September 2023.

Gregory C. Maxton, Mayor

ATTEST:

APPROVED AS TO FORM:

Christina Picioccio, TRMC, City Secretary

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

WATER SUPPLY AGREEMENT
CITY OF FAIR OAKS RANCH/MARK MINIAHAN DEVELOPMENT

This Water supply agreement ("Agreement") is made and entered into by and between Mark Minahan, its successors and assigns ("Owner") and the City of Fair Oaks Ranch, Texas, a municipal corporation ("City").

RECITALS

WHEREAS, Owner owns a certain 40+/- acre tract of real property (the "Property") more fully described in Exhibit "A" attached hereto and incorporated herein; and

WHEREAS, Owner will petition to have the Property annexed into the corporate limits of the City, prior to water service being provided to the property; and

WHEREAS, the City has requested that Owner enter into this Agreement to memorialize certain agreements and commitments by the Owner with respect to its planned development of the Property and the provision of water services to the Property; and

WHEREAS, Owner has requested that the City enter into this Agreement to memorialize certain agreements and commitments by the City with respect to the development of the Property and the provision of water services to the Property; and

NOW, THEREFORE, in consideration of the mutual benefits and promises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and Owner agree as follows:

I.
AUTHORITY AND TERM

A. Authority. The City's execution of this Agreement is authorized by The City Council of the City of Fair Oaks Ranch and constitutes a valid and binding obligation of the City. Owner's execution and performance of this Agreement constitutes a valid and binding obligation of Owner as the Owner proceeds with the development of the Property. The City acknowledges that Owner is acting in reliance upon the City's performance of its obligations under this Agreement in making its decision to commit substantial resources and money to the development of the Property.

B. Term. This Agreement shall become enforceable upon execution by the City and Owner. This Agreement shall terminate on the 15th anniversary of its execution unless extended by mutual agreement of the parties, or upon full build-out of the property.

II.
LAND USE PLAN

Consistent with the existing general land uses that exist within the City, Owner anticipates future development of the property. Some of the development shall include commercial along Ralph Fair Road with remaining land to be utilized in a manner consistent with the City's general land uses.

A. Lot Summarization. As of the date hereof, it is anticipated that the Property when developed will contain the following approximate types and sizes of lots to be allocated to the various builders:

A mixed use development consisting of single family lots with commercial development along Ralph Fair Road frontage not to exceed 26 LUE's

III. OBLIGATIONS OF THE PARTIES

For and in consideration of the mutual promises, covenants, obligations, and benefits described in this Water Supply Agreement, and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, Owner and The City agree as follows:

A. Potable Water Service. The City of Fair Oaks Ranch will provide treated water from the City's Water Production, Storage, and Distribution system; as such system may be expanded or modified from time to time. The water to be delivered may be from any source or combination of sources that may be available to the City including, without limitation, water from Canyon Reservoir under the City's Western Canyon Water supply contract and or from the City's Trinity Aquifer well fields.

B. Extension of Utilities. Owner will extend utilities from their connection site to be located at the south boundary to the north boundary of the property at its sole expense and pay for any increase in size of all the appurtenances necessary to provide utility service to the lots within the Property at the level required in the City of Fair Oaks Ranch Subdivision Ordinance.

C. Offsets and Credits. This Agreement shall constitute an application for offsets or credits for the Contributions in Aid of Construction, provided by the owner to facilitate utility service to the Property, against impact fees due for the property. The City shall credit the amount of the Contributions in Aid of Construction provided by the Owner against the amount of Impact Fees due for the property.

D. Water Service Capacity. The City agrees to reserve water service capacity to the Property for 26 Living Unit Equivalents ("LUE's), to support the single family and commercial lots. The City of Fair Oaks Ranch shall reserve 15 acre-feet of water to serve this development (Annual Reservation). The City shall provide an initial annual commitment (Capacity Reservation) of 3 acre-feet of water. The annual commitment may be increased in January of each year up to a maximum total of 15 acre-feet.

E. Water Replacement Charge. Upon execution of this Agreement, Owner shall pay to City of Fair Oaks Ranch a one-time charge ("Owner's Water Replacement Charge") equal to the product of Owner's Water Reservation (15 acre-feet) time \$275, or Four thousand one hundred twenty-five Dollars (\$4,125.00).

F. Contribution in Aid of Construction. Upon execution of this Agreement, Owner shall pay to City of Fair Oaks Ranch a one-time charge ("Owners Contribution in Aid of Construction") equal to the product of Property's total potential residential and commercial customers (26 LUE's) times \$1,669.58, or Forty three thousand four hundred nine dollars and eight cents (\$43,409.08). The

Contribution in Aid shall be payable in two (2) equal payments of \$21,704.54. The first installment shall be due and payable within ten (10) days after execution of this Agreement, and the second installment shall be due and payable within ten (10) days after the City awards a contract to construct the elevated storage tank. The Contribution in Aid shall be refunded to the developer pro rata on a quarterly basis for each LUE issued on the Property and receipt by the City of the Impact Fee in the amount of \$1,669.58 for such LUE.

G. Water Reservation fees. Owner shall, on or about the 30th day after the date of execution of this agreement, begin paying the monthly water reservation fee. Such fee shall be the monthly rate the City of Fair Oaks Ranch pays for the reservation of an acre foot of water for that year and shall be adjusted annually to be equal to the City of Fair Oaks Ranch's cost for the reservation of water necessary to provide for the development of the Property. This fee is equal to the product of 1/12th of the annual Reservation times the Firm Water Rate in effect during that month. The initial Owner's Water Reservation Charge will be \$125.00 per month based on the current rate of \$100 per acre-foot per year and the Owners annual reservation of 15 acre-feet per year. The Owner shall continue to pay said reservation fee until such time as all of the 26 LUE's within the Property have been developed and connected to the City's water system minus those LUE's which have been connected (water meter has been set for domestic use.) This shall continue until the development is complete.

H. Capacity Reservation Fees. Owner shall, on or about the 30th day after the date of execution of this agreement, begin paying the monthly Capacity Reservation fee. Such fee shall be the monthly rate the City of Fair Oaks Ranch pays for Capacity Reservation of an acre foot of water for that year and shall be adjusted annually to be equal to the City of Fair Oaks Ranch's cost for the reservation of water necessary to provide for the development of the Property. This fee is equal to the product of 1/12th of the annual Capacity Reservation times the Capacity Reservation Rate in effect during that month. The initial Owner's Capacity Reservation fee will be \$130.60 per month based on the current rate of \$522.41 per acre-foot per year and the Owners annual capacity reservation of 3 acre-feet per year. The Owner shall continue to pay said reservation fee until such time as all of the 26 LUE's within the Property have been developed and connected to the City's water system minus those LUE's which have been connected (water meter has been set for domestic use.) This shall continue until the development is complete.

I. Billing. The City will render bills to Owner once each month for the charges required to be paid by Owner pursuant to this Agreement. The City shall, until further notice, render such bills on or before the 10th day of each month and such bills shall be due and payable at the City's office indicated below by the 20th day of each month or fifteen (15) days after such bill is deposited into the United States mail, property stamped, addressed and postmarked to Owner, whichever is later. Owner shall make all payments in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts and shall make payment to the City of Fair Oaks Ranch at its office in the City of Fair Oaks Ranch, Texas, or a such other place as the City may from time to time designate by sixty (60) days written notice.

J. Delinquency in Payment. All amounts due and owing to the City by Owner shall, if not paid when due, bear interest at the maximum rate permitted by law, provided that such rate shall never be usurious. If any amount due and owing by Owner is placed with an attorney for collection by the City, Owner shall pay to the City, in addition to all other payments provided for by this Agreement, including interest, the City's collection expenses, including court costs and attorney's fees. Owner further agrees that the City may, at its option, discontinue taking some or all actions

to fulfill its obligations under this Agreement until all amounts due and unpaid are paid in full with interest as herein specified.

K. Final Plat Fee Adjustment. The City shall, upon receipt of the application for final plat, recalculate and adjust the Contribution in Aid of Construction, Water Reservation fees and the Capacity Reservation Fees to reflect the total number of LUE's to be platted on the Property. The Owner shall pay the above mentioned adjustments to the City within 30 days of final plat approval by the City.

L. Cooperation. The City agrees to reasonably cooperate with Owner in Owner's efforts to meet Owner's obligations set forth above and to assist Owner in preparing and entering into any and all instruments necessary to memorialize the future agreements of the parties pertaining to the development of the Property. The City agrees to use its efforts and if necessary its power of condemnation, at the Owner's expense, in order to facilitate serving City utilities to the boundary of this site.

IV. DISANNEXATION

It is expressly understood if the Owner submits a request for disannexation of the Property described in "Exhibit A" and the City Council honors said request, this Water supply agreement shall become null and void. All amounts paid by Owner pursuant to this Agreement shall be non-refundable.

V. MISCELLANEOUS

A. Mutual Assistance. City and Owner will do all things reasonably necessary or appropriate to carry out the terms and provisions of this Agreement, and to aid and assist each other in carrying out such terms and provisions.

B. Representations and Warranties. The City represents and warrants to Owner that this Agreement is within its authority, and that it is duly authorized and empowered to enter into this Agreement, unless otherwise ordered by a court of competent jurisdiction. Owner represents and warrants to City that it has the requisite authority to enter into this Agreement.

C. Default. If either the City or Owner should default in the performance of any obligations of this Agreement, the other party shall provide such defaulting party written notice of the default, and a minimum period of thirty (3) days to cure such default, prior to instituting an action for breach or pursuing any other remedy for default.

D. Entire Agreement. This Agreement contains the entire agreement between the parties, This Agreement may only be amended, altered or revoked by written instrument signed by the City and Owner.

E. Binding Effect. This Agreement shall be binding on and inure to the benefit of the parties, their respective successors and assigns.

F. Assignment. Owner, may assign all or part of its rights and obligations under this Agreement along with its pro rata share of the LUE's to a third party.

G. Notice. Any notice and or statement required and permitted to be delivered shall be deemed delivered by actual delivery, facsimile with receipt of confirmation, or by depositing the same in the United State mail, certified with return receipt requested, postage paid, addressed to the appropriate party at the following addresses:

Owner: Mark Minahan
P.O. Box 417
Boerne, Texas 78006
Ph. (830) 981-5537

City: City Administrator
City of Fair Oaks Ranch
7286 Dietz Elkhorn
Fair Oaks Ranch, Texas 78015
Ph: (210) 698-0900

Either party may designate a different address at any time upon written notice to the other party.

H. Interpretation. Each of the parties has been represented by counsel of their choosing in the negotiation and preparation of this Agreement. Regardless of which party prepared the initial draft of this Agreement, this Agreement shall, in the event of any dispute, however its meaning or application, be interpreted fairly and reasonably and neither more strongly for or against any party.

I. Applicable Law. This Agreement is made, and shall be construed and interpreted, under the laws of the State of Texas and venue shall lie in Kendall County, Texas.

J. Severability. In the event any provisions of this Agreement are illegal, invalid or unenforceable under present or future laws, and in that event, it is the intention of the parties that the remainder of this Agreement shall not be affected. It is also the intention of the parties of this Agreement that in lieu of each clause and provision that is found to be illegal, invalid or unenforceable, a provision be added to this Agreement which is legal, valid or enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

K. Paragraph Headings. The paragraph headings contained in this Agreement are for convenience only and will in no way enlarge or limit the scope or meaning of the various and several paragraphs.

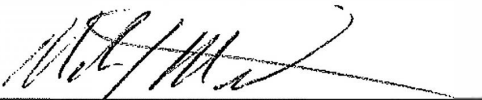
L. No Joint Venture. It is acknowledged and agreed by the parties that the terms of this Agreement are not intended to and shall not be deemed to create any partnership of joint venture among the parties. The City, its past and future officers, elected officials, employees and agents do not assume any responsibilities or liabilities to any third party in connection with the development of the Property.

M. Exhibits. The Exhibits attached hereto are incorporated by reference for all purposes.

EXECUTED in duplicate and, to be effective on 22 day of September, 2008.

Owner:

Mark Minahan

Signature: 
Mr. Mark Minahan

CITY:

CITY OF FAIR OAKS RANCH, TEXAS, a municipal corporation

Signature: 
Daniel E. Kasprowicz, Mayor

APPROVED as to form:


City Attorney

EXHIBITS:

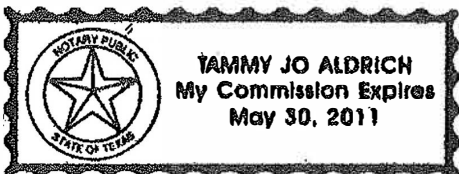
Exhibit A - Metes and Bounds Property Description (40 acres)

THE STATE OF TEXAS

COUNTY OF Brewer

BEFORE ME, the undersigned, a Notary Public in and for said State, on this day personally appeared Mark Minahan known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of Mark Minahan, and that he executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 22nd day of September, 2008.




Notary Public, The State of Texas

THE STATE OF TEXAS

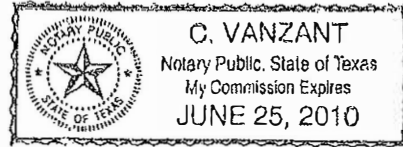
COUNTY OF BEXAR

BEFORE ME, the undersigned, a Notary Public in and for said State, on this day personally appeared Daniel E. Kasproicz known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the CITY OF FAIR OAKS RANCH, and that he executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 22 day of September, 2008.

P. Vanzant

Notary Public, The State of Texas



FIELD NOTES FOR 40.00 ACRES

BEING a 40.00 acre tract out of the 233.30 acre tract described in Volume 128, Page 331 of the Deed and Plat Records of Comal County, Texas and out of the Maria De La Luz Guerra Survey No. 172, Abstract No. 173 of Comal County, Texas and more particularly described by metes and bounds as follows:

BEGINNING at a found ½" iron rod in the southeast right-of-way of FM 3351 as described in Volume 659, Page 236 of the Deed Records of Comal County for the southwesterly corner of 1.82 acre right-of-way deed and the northeasterly corner of the 50.00 acre tract described in Volume 128, Page 331 of the Deed and Plat Records of Comal County, Texas;

THENCE South 00° 21' 48" East, a distance of 579.17 feet to a set mag nail for an angle point in the west line of the tract described in Volume 657, Page 520 and the east line of the 40.00 tract in this tract;

THENCE South 00° 01' 44" East, a distance of 1335.22 feet to a set iron rod at a fence corner for the southeast corner of this tract;

THENCE South 00° 00' 18" East, a distance of 610.62 feet to a set iron rod with a yellow cap marked "ACES" for the southeast corner of this 40.00 acre tract;

THENCE South 89° 59' 42" West, a distance of 692.92 feet to a set iron rod with a yellow cap marked "ACES" at the fence line for the southwest corner of this tract;

THENCE North 10° 55' 08" West, a distance of 1496.08 feet to the south right-of-way of FM 3351 with a ½" iron rod set at the edge of the right-of-way for the northwesterly corner of this tract;

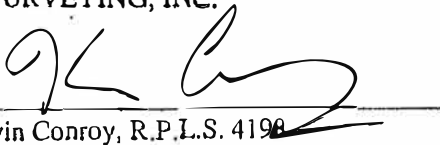
THENCE North 42° 23' 30" East, a distance of 985.75 feet with the southeasterly right-of-way of FM 3351 to a found iron rod for an angle point in this right-of-way;

THENCE North 48° 06' 08" East, a distance of 100.50 feet with the southeast right-of-way line of said Fm 3351 to a found iron rod for an angle point in this description;

THENCE North 42° 23' 30" East, a distance of 129.35 feet with a southeast right-of-way of said FM 3351 for an angle point in this description;

THENCE North 41° 18' 05" East, a distance of 220.15 feet along the right-of-way of FM 3351 to the POINT OF BEGINNING and containing 40.00 acre of land in Comal County, Texas.

ALAMO CONSULTING ENGINEERING
& SURVEYING, INC.



Kevin Conroy, R.P.L.S. 4198
April 5, 1999
Job No. 11543.00



First Amendment to Water Supply Agreement

This First Amendment to Water Supply Agreement (this "Amendment") effective as of September 22, 2008 (the "Effective Date") is entered into by and between by and between **MARK J. MINAHAN, SR. AND WIFE, BRENDA MINAHAN** (collectively, "Owner") and **THE CITY OF FAIR OAKS RANCH, TEXAS** (The "City").

RECITALS:

A. Owner and City entered into that certain Water Supply Agreement Dated September 22, 2008 (the "Contract") concerning 40.00 acres of land, more or less, located on Ralph Fair Road and being situated in Comal County, Texas (the "Property"), and as more particularly described and defined as in the original Contract, said Property also being described by metes and bounds herein on **Exhibit "A"**, attached hereto and incorporated herein for all purposes.

B. Owner and the City desire to enter into this Amendment to make a modification to the Contract.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Owner and the City hereby agree to amend the Contract as follows:

TERMS OF THIS AMENDMENT:

Section I (AUTHORITY AND TERM) on Page One is hereby wholly deleted and replaced with the following Section I:

I. AUTHORITY AND TERM

- A. **Authority.** The City's execution of this Agreement is authorized by The City Council of the City of Fair Oaks Ranch and constitutes a valid and binding obligation of the City. Owner's execution and performance of this Agreement constitutes a valid and binding obligation of Owner as the Owner proceeds with the development of the Property. The City acknowledges that Owner is acting in reliance upon the City's performance of its obligations under this Agreement in making its decision to commit substantial resources and money to the development of the Property.
- B. **Term.** This Agreement shall become enforceable upon execution by the City and Owner. This Agreement shall terminate on the 30th anniversary of its execution (September 22, 2038) unless extended by mutual agreement of the parties, or upon full build-out of the property.

[END OF AGREED-TO MODIFICATION]

Due Authorization. The parties hereby represent and warrant to one another that the person executing this Amendment on behalf of said party has been duly authorized to execute and deliver this Amendment and this Amendment is binding on said party in accordance with the terms hereof.

No Further Amendments; Ratification. Except as specifically amended hereby, the terms and conditions of the Contract remain the same and unchanged and the Contract is hereby ratified and confirmed and is in full force and effect. The Contract, as amended herein, may only be further amended or modified by a written instrument signed by Owner and City.

Counterparts. This Amendment may be executed simultaneously in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Electronic Signatures. The use of electronically transmitted signatures (whether by facsimile or email) in place of original signatures on this Amendment is expressly allowed. The parties intend to be bound by the signatures on the electronically transmitted document, are aware that the other parties will rely on the electronically transmitted signatures, and hereby waive any defenses to the enforcement of the terms of this Amendment based on the form of signature.

Successors and Assigns. This Amendment shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective successors and permitted assigns.

Defined Terms. Unless otherwise defined herein, capitalized terms used herein and otherwise not defined herein shall have the meanings set forth in the Contract.

IN WITNESS WHEREOF, the undersigned have executed this Amendment to be effective as of the Effective Date, the same being the date first written above.

[Signatures on the following pages.]

[Remainder of page intentionally left blank.]

Signed and Acknowledged by Owner and City as of the dates to follow below, but Effective as of the Effective Date.

OWNER:

By: _____
Mark J. Minahan, Sr.

By: _____
Brenda S. Minahan

Date Signed: _____

Acknowledgment

STATE OF TEXAS §

COUNTY OF _____ §

This instrument was acknowledged before me on this _____ day of _____, 2023, by **Mark J. Minahan, Sr.** and wife, **Brenda S. Minahan.**

Notary Public, State of Texas

[City's Signature and Acknowledgment to follow on the next page.]

CITY OF FAIR OAKS RANCH, TEXAS
A MUNICIPAL CORPORATION

By: _____
Scott Huizenga

Its: Interim City Manager

Date Signed: _____

Acknowledgment

STATE OF TEXAS §

COUNTY OF _____ §

This instrument was acknowledged before me on this _____ day of _____, 2023, by Scott Huizenga, the Interim City Manager of the **City of Fair Oaks Ranch, Texas**, a Municipal Corporation, acting for and on behalf of said City.

Notary Public, State of Texas

[Exhibit "A" to follow]

Exhibit "A"

FIELD NOTES FOR 40.00 ACRES

BEING a 40.00 acre tract out of the 233.30 acre tract described in Volume 128, Page 331 of the Deed and Plat Records of Comal County, Texas and out of the Maria De La Luz Guerra Survey No. 172, Abstract No. 173 of Comal County, Texas and more particularly described by metes and bounds as follows:

BEGINNING at a found ½" iron rod in the southeast right-of-way of FM 3351 as described in Volume 659, Page 236 of the Deed Records of Comal County for the southwesterly corner of 1.82 acre right-of-way deed and the northeasterly corner of the 50.00 acre tract described in Volume 128, Page 331 of the Deed and Plat Records of Comal County, Texas;

THENCE South 00° 21' 48" East, a distance of 579.17 feet to a set mag nail for an angle point in the west line of the tract described in Volume 657, Page 520 and the east line of the 40.00 tract in this tract;

THENCE South 00° 01' 44" East, a distance of 1335.22 feet to a set iron rod at a fence corner for the southeast corner of this tract;

THENCE South 00° 00' 18" East, a distance of 610.62 feet to a set iron rod with a yellow cap marked "ACES" for the southeast corner of this 40.00 acre tract;

THENCE South 89° 59' 42" West, a distance of 692.92 feet to a set iron rod with a yellow cap marked "ACES" at the fence line for the southwest corner of this tract;

THENCE North 10° 55' 08" West, a distance of 1496.08 feet to the south right-of-way of FM 3351 with a ½" iron rod set at the edge of the right-of-way for the northwesterly corner of this tract;

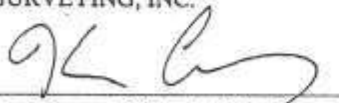
THENCE North 42° 23' 30" East, a distance of 985.75 feet with the southeasterly right-of-way of FM 3351 to a found iron rod for an angle point in this right-of-way;

THENCE North 48° 06' 08" East, a distance of 100.50 feet with the southeast right-of-way line of said Fm 3351 to a found iron rod for an angle point in this description;

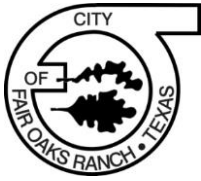
THENCE North 42° 23' 30" East, a distance of 129.35 feet with a southeast right-of-way of said FM 3351 for an angle point in this description;

THENCE North 41° 18' 05" East, a distance of 220.15 feet along the right-of-way of FM 3351 to the POINT OF BEGINNING and containing 40.00 acre of land in Comal County, Texas.

ALAMO CONSULTING ENGINEERING
& SURVEYING, INC.


Kevin Conroy, R.P.L.S. 4198
April 5, 1999
Job No. 11543.00





CITY COUNCIL CONSIDERATION ITEM
CITY OF FAIR OAKS RANCH, TEXAS
September 21, 2023

AGENDA TOPIC: Consideration and possible action approving a resolution authorizing the execution of the fourth amendment to the agreement between the City of Fair Oaks Ranch and the Guadalupe-Blanco River Authority for the Western Canyon Project.

DATE: September 21, 2023

DEPARTMENT: Public Works

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

INTRODUCTION/BACKGROUND:

On February 10, 2000, the City of Fair Oaks Ranch and the Guadalupe-Blanco River Authority (GBRA) entered into an agreement relating to the development, permitting, financing, construction and operation of a regional water supply project to serve our City and other GBRA customers. This project, known as the Western Canyon Project, provides treated surface water from the Canyon Lake Reservoir to the City’s delivery point at Water Plant 5. Purchased water from GBRA is a vital source for our City and currently makes up 56% of the potable water distributed to Fair Oaks Ranch Utility customers.

There have been three amendments to this agreement. These past amendments increased the City’s raw water reservation, increased the City’s annual commitment, and provided clarification that the City must notify GBRA of the amount of treated water that will be needed during the following year on or before December 31st of each calendar year.

Adopted in May 2019, the City’s Water, Wastewater and Reuse Master Plan identifies short, intermediate and long-term water system capital improvement projects. One of the intermediate-term projects is construction of Water Plant #6 and a new GBRA Delivery Point to serve Zones A and B (**see Figure 5-1 attached**). Although the site location has not been finalized, it is known that a second GBRA delivery point will eventually be needed.

This fourth amendment (**Exhibit A**) to the agreement amends the following articles and sections:

- Article I Definitions - Expands the definition of “Point of Delivery” to allow for additional Points of Delivery.
- Section 2.7 Extensions or Other Modifications of Project – Allows GBRA or City to extend Project infrastructure to support additional Points of Delivery subject to cited conditions.
- Section 3.6 Maximum Delivery Rate and Pressure – If the Project is extended to additional Points of Delivery, the aggregate amount of water delivered shall not exceed the agreed upon Daily Commitment (millions of gallons per day) or Maximum Instantaneous Delivery Rate (gallons per minute).

Staff supports these changes and recommends approval of the amendment for reasons listed below. A copy of the original agreement and past amendments (**Exhibit B**) is attached for reference.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

- Supports Priority 3.1 of the Strategic Action Plan to Enhance and Ensure Continuity of Reliable Water Resources in Accordance with CCN Obligations.
- Enables future infrastructure improvements identified in the Water, Wastewater and Reuse Master Plan.
- Increases utility operational resiliency by establishing additional Points of Delivery and the ability to adjust the amount of water taken at each Point of Delivery to meet changes in demand over time.

LONGTERM FINANCIAL & BUDGETARY IMPACT:

N/A

LEGAL ANALYSIS:

The Amendment is approved as to form and legality by the City Attorney.

RECOMMENDATION/PROPOSED MOTION:

I move to approve a resolution authorizing the execution of the Fourth Amendment to the agreement between the City of Fair Oaks Ranch and the Guadalupe-Blanco River Authority for the Western Canyon Project, execution of all applicable documents by the City Manager, and establishing an effective date.

A RESOLUTION

A RESOLUTION OF THE CITY OF FAIR OAKS RANCH CITY COUNCIL AUTHORIZING EXECUTION OF THE FOURTH AMENDMENT (“AMENDMENT”) TO THE AGREEMENT BETWEEN THE CITY OF FAIR OAKS RANCH (“CITY”) AND THE GUADALUPE-BLANCO RIVER AUTHORITY (“GBRA”) FOR THE WESTERN CANYON PROJECT, EXECUTION OF ALL APPLICABLE DOCUMENTS BY THE CITY MANAGER, AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, on February 10, 2000, the City and GBRA entered into the 2000 Agreement relating to the development, permitting, design, financing, construction and operation of a water supply project to serve the City and other parties; and,

WHEREAS, pursuant to the 2000 Agreement, the Parties agreed that the Raw Water Reservation amount is 1,400 acre-feet of water per year (“AFY”) and the Annual Commitment is 800 AFY; and,

WHEREAS, on November 1, 2006, the City and GBRA entered into the First Amendment to the 2000 Agreement to, among other things, increase the Raw Water Reservation amount up to 1,600 AFY and the Annual Commitment up to 840 AFY delivered at a rate of 0.75 million gallons per day (“MGD”); and,

WHEREAS, on September 23, 2008, the City and GBRA entered into the Second Amendment to the 2000 Agreement, to among other things, increase the Raw Water Reservation amount up to 1,850 AFY and the Annual Commitment up to 890 AFY delivered at a rate of 0.795 MGD; and,

WHEREAS, on January 30, 2012, the City and GBRA entered into the Third Amendment to the 2000 Agreement, to among other things, increase the Annual Commitment to 942 AFY delivered at a rate of 0.795 MGD; and,

WHEREAS, on May 2, 2019, the City approved an ordinance adopting the Water, Wastewater and Reuse Master Plan; and,

WHEREAS, the Water, Wastewater and Reuse Master Plan identifies the need for an additional GBRA delivery point to serve pressure zones A and B; and,

WHEREAS, the City Council of the City of Fair Oaks Ranch has determined that an Amendment to the Agreement is warranted as it further enhances and ensures continuity of reliable water resources in accordance with the City’s CCN obligations.

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

Section 1. The Fourth Amendment to the Agreement between the City of Fair Oaks Ranch, Texas and the Guadalupe-Blanco River Authority, as further described in **Exhibit A**, is hereby approved.

Section 2. The City Manager is hereby authorized, on behalf of the City, to execute the Amendment, in substantial form as **Exhibit A**, and such other ancillary instruments and documents as may be reasonably necessary to effectuate the intent of this Resolution.

Section 3. The recitals contained in the preamble hereof 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 4. 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 5. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 6. 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 7. It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and that 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 Chapter 551, Texas Government Code, as amended.

Section 8. This Resolution shall be in force and effect from and after its final passage, and it is so resolved.

PASSED, APPROVED and ADOPTED on the 21st day of September 2023.

Gregory C. Maxton, Mayor

ATTEST:

APPROVED AS TO FORM:

Christina Picioccio, TRMC, City Secretary

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

**FOURTH AMENDMENT TO AGREEMENT BETWEEN
CITY OF FAIR OAKS RANCH, TEXAS AND
GUADALUPE-BLANCO RIVER AUTHORITY**

The Fourth Amendment (this “Fourth Amendment”) to the Agreement between the City of Fair Oaks Ranch, Texas and the Guadalupe-Blanco River Authority dated February 10, 2000 (the “2000 Agreement”) is made and entered into as of this _____ day of _____, 2023, but effective March 1, 2023, by and between the City of Fairs Oaks Ranch, Texas (the “City” or “Participant”) and the Guadalupe-Blanco River Authority (“GBRA”), collectively (the “Parties”).

WHEREAS, on February 10, 2000 the City and GBRA entered into the 2000 Agreement relating to the development, permitting, design, financing, construction and operation of a water supply project to serve the City and other parties; and

WHEREAS, pursuant to the 2000 Agreement, the Parties agreed that the Raw Water Reservation amount is 1,400 acre-feet of water per year (“AFY”) and the Annual Commitment is 800 AFY; and

WHEREAS, on November 1, 2006, the City and GBRA entered into the First Amendment to the 2000 Agreement to, among other things, increase the Raw Water Reservation amount up to 1,600 AFY and the Annual Commitment up to 840 AFY delivered at a rate of 0.75 million gallons per day (“MGD”); and

WHEREAS, on September 23, 2008, the City and GBRA entered into the Second Amendment to the 2000 Agreement, to among other things, increase the Raw Water Reservation amount up to 1,850 AFY and the Annual Commitment up to 890 AFY delivered at a rate of 0.795 MGD; and

WHEREAS, on January 30, 2012, the City and GBRA entered into the Third Amendment to the 2000 Agreement, to among other things, increase the Annual Commitment to 942 AFY delivered at a rate of 0.795 MGD; and

NOW, THEREFORE, in consideration of the foregoing recitals and of the mutual benefits and provisions hereinafter contained in this Fourth Amendment, the Parties agree to amend, modify and change certain sections of the 2000 Agreement as amended, as follows. All other terms and conditions of the 2000 Agreement, as amended, not expressly amended by this Fourth Amendment shall continue in full force.

Article I Point of Delivery is amended in its entirety to read as follows:

“Point of Delivery” means the point or points on the Project’s treated water conveyance system at which treated water is to be delivered to Participant, as such point or points is identified in Section 3.2 of this Agreement. All references hereinafter to a Point of Delivery shall also include additional Points of Delivery of Participant, if any.

Section 2.7 Extensions or Other Modifications of Project is amended in its entirety to read as follows:

(a) GBRA may extend, expand, maintain, repair, improve, upgrade or otherwise modify the Project from time to time, as it determines to be necessary or desirable. Participant shall not be liable under this Agreement for any portion of the costs of construction of new facilities in addition to those facilities initially constructed as the Initial Project, except replacement facilities or facilities that are necessary or desirable to maintain the Plant Initial Daily Capacity or comply with applicable state or federal laws, rules and regulations relating to the supply of potable water. Participant shall be liable for its share of Operation and Maintenance Expenses of the Project as it may exist at any time, based on the Plant Daily Capacity at that time and the amount of treated water actually delivered to Participant during that month, as set forth in this Agreement.

(b) GBRA, or Participant at GBRA’s request, may extend the Project from time to time to provide for additional Points of Delivery. All Project extensions planned and performed pursuant to this subsection (b) shall be:

- (1) constructed in a free and unobstructed easement or fee simple parcel of land, acquired by Participant or by GBRA at Participant’s request, and at a location mutually agreeable to the Parties,
- (2) constructed based upon plans and specifications approved by GBRA,
- (3) inspected by GBRA during and at the completion of the Project extension to assure compliance with GBRA approved plans and specifications,
- (4) funded by the Participant such that all Project extension costs including but not limited to the costs of installation, materials, Supervisory Control and Data Acquisition equipment, water meter(s), land, land rights, title insurance, and other land closing expenditures are fully paid by Participant,
- (5) conveyed to GBRA upon their completion and acceptance, inclusive of all of Participant’s title and interest thereto, with such conveyance being in a form acceptable to GBRA, and
- (6) owned and operated by GBRA, up to but not beyond the water meter at the Point of Delivery

Section 3.6 Maximum Delivery Rate and Pressure is amended in its entirety to read as follows:

(a) GBRA shall not be obligated to deliver treated water to Participant at any time during any calendar year at a rate in excess of that rate, expressed gallons per minute, calculated by multiplying the Daily Commitment (in mgd) in effect for that year by 694.44 (the "Maximum Instantaneous Delivery Rate"). Further, GBRA shall not be obligated to deliver treated water to Participant at any time during any calendar year at a pressure in excess of TCEQ requirements.

(b) If the Project is extended to one or more additional Points of Delivery pursuant to Section 2.7(b), GBRA and the Participant shall mutually determine, from time to time, the then current Daily Commitment water amounts and Maximum Instantaneous Delivery Rates for each respective Point of Delivery. In all cases:

- (1) the aggregate amount of water delivered to all Points of Delivery each day shall not exceed the Daily Commitment as defined in Section 3.5,
- (2) the aggregate water delivery rates to all Points of Delivery shall not exceed the Maximum Instantaneous Delivery Rate as defined in subsection (a) of this Section, and
- (3) the water delivery amounts and water delivery rates at each respective Point of Delivery shall not exceed the Project's operating capacities, as such capacities are determined by GBRA in its sole discretion.

IN WITNESS WHEREOF, this Fourth Amendment is executed as of the date first written above, but effective March 1, 2023, on behalf of the City and GBRA by their respective authorized officers, in multiple counterparts, each of which shall constitute an original.

CITY OF FAIR OAKS RANCH

By: _____

Name/Title: _____

Date: _____

GUADALUPE-BLANCO RIVER AUTHORITY

By: _____

Darrell Nichols, General Manager/CEO

Date: _____

STATE OF TEXAS §
 §
COUNTY OF GUADALUPE §

BEFORE ME, the undersigned, a Notary Public in and for said State, on this day personally appeared Darrell Nichols, General Manager and CEO of the GUADALUPE-BLANCO RIVER AUTHORITY, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the GUADALUPE-BLANCO RIVER AUTHORITY, a conservation district and political subdivision, and that he executed the same as the act of such entity for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the ____ day of _____, 2023.

Notary Public
The State of Texas

Notary Seal
&
I.D. No. _____

STATE OF TEXAS §
 §
COUNTY OF _____ §

BEFORE ME, the undersigned, a Notary Public in and for said State, on this day personally appeared _____, _____ of the CITY OF FAIR OAKS RANCH, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the CITY OF FAIR OAKS RANCH, and that he/she executed the same as the act of such entity for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the ____ day of _____, 2023.

Notary Public
The State of Texas

Notary Seal
&
I.D. No. _____

1000-25
R

COPY

**THIRD AMENDMENT TO AGREEMENT BETWEEN
CITY OF FAIR OAKS RANCH, TEXAS AND
GUADALUPE-BLANCO RIVER AUTHORITY**

This Third Amendment (this "Third Amendment") to the Agreement between the City of Fair Oaks Ranch, Texas and the Guadalupe-Blanco River Authority dated February 10, 2000 (the "2000 Agreement") is made and entered into as of this ____ day of _____, 2012, but effective January 1, 2012, by and between the City of Fair Oaks Ranch, Texas (the "City" or "Participant") and the Guadalupe-Blanco River Authority (the "GBRA").

WHEREAS, on February 10, 2000 the City and GBRA entered into the 2000 Agreement relating to the development, permitting, design, financing, construction and operation of a water supply project to serve the City and other parties; and

WHEREAS, pursuant to the 2000 Agreement, the parties agreed that the Raw Water Reservation amount is 1,400 acre-feet of water per year and the initial Annual Commitment is 800 acre-feet of water per year; and

WHEREAS, on November 1, 2006, the City and GBRA entered into the First Amendment to the 2000 Agreement to, among other things, increase the Raw Water Reservation amount up to 1,600 acre-feet per year and the Annual Commitment up to 840 acre-feet per year delivered at a rate of 0.75 million gallons per day; and

WHEREAS, on September 23, 2008, the City and GBRA entered into the Second Amendment to the 2000 Agreement to, among other things, increase the Raw Water Reservation amount up to 1,850 acre-feet per year and the Annual Commitment up to 890 acre-feet per year delivered at a rate of 0.795 million gallons per day; and

WHEREAS, the City desires that the 2000 Agreement, as amended, be amended to increase the Annual Commitment an additional 52 acre-feet per year; and

NOW, THEREFORE, in consideration of the foregoing recitals and of the mutual benefits and provisions hereinafter contained in this Third Amendment, the City and GBRA agree to amend, modify, and change certain sections of the 2000 Agreement as amended, as follows. All other terms and conditions of the 2000 Agreement, as amended, not expressly amended by this Third Amendment shall continue in full force.

Section 3.4 Annual Commitment, is amended in its entirety to read as follows:

- (a) GBRA shall not be required under any circumstances to supply an amount of treated potable water to the Participant during any calendar year in excess of the annual commitment in effect for the Participant during that year (the "Annual Commitment"). The Annual Commitment for treated potable water to be supplied to the Participant shall be nine hundred forty two (942) acre-feet per year delivered at a rate of (0.795) million gallons per day ("mgd"), subject to adjustments set forth in subsection (b), below.

- (b) Each calendar year, Participant shall notify GBRA of the amount of treated water (expressed in acre-feet per year) that will be needed by Participant during the following year on or before December 31. The amount shall be the actual use for the preceding year, the contracted Annual Commitment for the preceding year or an amount stated by the Participant, whichever is greater; provided, however, under no circumstances shall the Annual Commitment for any year exceed 1,850 acre-feet less treatment and delivery losses, unless otherwise agreed to by the Parties in writing.

IN WHITNESS WHEREOF, this Third Amendment is executed as of the date first written above, but effective January 1, 2012, on behalf of the City and GBRA by their respective authorized officers, in multiple counterparts, each of which shall constitute an original.

CITY OF FAIR OAKS RANCH, TEXAS

By: 

Cheryl Landman

GUADALUPE-BLANCO RIVER AUTHORITY

By: 

W.E. West, Jr., General Manager

APPROVED

LEGAL OCW

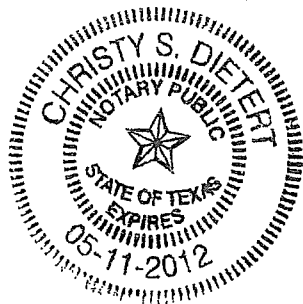
THE STATE OF TEXAS §
 §
COUNTY OF GUADALUPE §

BEFORE ME, the undersigned, a Notary Public in and for said State, on this day personally appeared W.E. West, Jr., known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the GUADALUPE-BLANCO RIVER AUTHORITY, a conservation district and political subdivision, and that he executed the same as the act of such conservation district and political subdivision for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 20th day of January, 2012.

Christy S. Diert
Notary Public
The State of Texas

(Seal)



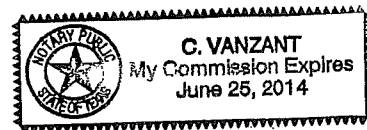
THE STATE OF TEXAS §
 §
COUNTY OF BEXAR §

BEFORE ME, the undersigned, a Notary Public in and for said State, on this day personally appeared Cheryl Landman, Mayor of City of Fair Oaks Ranch, Texas, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that she executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 30 day of January, 2012.

C. Vanzant
Notary Public
The State of Texas

(Seal)



Second Amendment to Agreement Between City of Fair Oaks Ranch, Texas
and Guadalupe-Blanco River Authority

This Second Amendment (this "Second Amendment") to the Agreement between the City of Fair Oaks Ranch, Texas and the Guadalupe-Blanco River Authority dated February 10, 2000 (the "2000 Agreement") is made and entered into as of this 23RD day of SEPTEMBER, 2008, by and between the City of Fair Oaks Ranch, Texas (the "City" or "Participant") and the Guadalupe-Blanco River Authority (the "GBRA").

WHEREAS, on February 10, 2000 the City and GBRA entered into the 2000 Agreement relating to the development, permitting, design, financing, construction and operation of a water supply project to serve the City and other parties; and

WHEREAS, pursuant to the 2000 Agreement, the parties agreed that the Raw Water Reservation amount is 1,400 acre-feet of water per year and the initial Annual Commitment is 800 acre-feet of water per year; and

WHEREAS, on November 1, 2006, the City and GBRA entered into the First Amendment to the 2000 Agreement to, among other things, increase the Raw Water Reservation amount up to 1,600 acre-feet per year and the Annual Commitment up to 840 acre-feet per year delivered at a rate of 0.75 million gallons per day; and

WHEREAS, the City desires that the 2000 Agreement, as amended, be amended to increase the Raw Water Reservation amount and the Annual Commitment and additionally GBRA and the City desire that the 2000 Agreement, as amended, be amended in other respects relating to the City's payment obligations to GBRA; and

WHEREAS, on December 7, 2006, the City and the City of Bulverde ("Bulverde") entered into a Texas Water Code, § 13.248 Service Agreement ("§ 13.248 Service Agreement") wherein the City and Bulverde agreed to dual certification whereby the City and Bulverde would each be authorized to provide retail water service to a 1402.25 acre tract of land located within Bulverde's CCN No. 12864 and located within the City's extraterritorial jurisdiction.

NOW, THEREFORE, in consideration of the foregoing recitals and of the mutual benefits and provisions hereinafter contained in this Second Amendment, the City and GBRA agree to add new sections to the 2000 Agreement, as amended, and to amend, modify, and change certain sections of the 2000 Agreement, as amended, as follows. All other terms and conditions of the 2000 Agreement, as amended, not expressly amended by this Second Amendment shall continue in full force and effect.

Section 3.3 Raw Water Reservation is amended in its entirety to read as follows:

The Raw Water Reservation is the amount of raw water that GBRA agrees to reserve for diversion, treatment, and delivery to Participant in any calendar year for the purposes provided in this Agreement, unless otherwise agreed to in writing

by the Parties. Subject to Section 3.4 below, the Raw Water Reservation to Participant shall be 1,850 acre-feet per year. The raw water may be from any source or combination of sources that may be available to GBRA, including the permitted yield of Canyon Reservoir. GBRA shall be under no obligation under this Agreement or otherwise to reserve or supply any raw water for use by the Participant in addition to the Raw Water Reservation for those purposes or any other purpose.

Section 3.4 Annual Commitment, is amended in its entirety to read as follows:

- (a) GBRA shall not be required under any circumstances to supply an amount of treated potable water to the Participant during any calendar year in excess of the annual commitment in effect for the Participant during that year (the "Annual Commitment"). The Annual Commitment for treated potable water to be supplied to the Participant initially shall be eight hundred ninety (890) acre-feet per year delivered at a rate of (0.795) million gallons per day ("mgd"), subject to adjustments set forth in subsection (b), below.
- (b) Each calendar year, Participant shall notify GBRA of the amount of treated water (expressed in acre-feet per year) that will be needed by Participant during the following year on or before December 31. The amount shall be the actual use for the preceding year, the contracted Annual Commitment for the preceding year or an amount stated by the Participant, whichever is greater; provided, however, under no circumstances shall the Annual Commitment for any year exceed 1,850 acre-feet less treatment and delivery losses, unless otherwise agreed to by the Parties in writing.

Section 4.3 Agreement Conditioned Upon Permitting, is amended by adding new subsection (b)(4) to read as follows:

- (4) approval by the Texas Commission on Environmental Quality ("TCEQ") of the Texas Water Code § 13.248 Service Agreement between the City and Bulverde dated December 7, 2006.

New Section 5.12 Replacement Fee Charge is added to the 2000 Agreement, as amended, to read as follows:

In accordance with the requirements of Section 8.10, Participation Criteria, of the 2000 Agreement, as amended, City agrees to pay GBRA a one-time Replacement Fee Charge of \$275 per acre-foot on the 250 acre-feet per year increase of the Raw Water Reservation amount. This Replacement Fee Charge of \$68,750 shall be paid to GBRA by the City within ten (10) business days after the Effective Date of this Second Amendment.

IN WITNESS WHEREOF, this Second Amendment is executed as of the date first written above on behalf of the City and GBRA by their respective authorized officers, in multiple counterparts, each of which shall constitute an original. The "Effective Date" of this Second Amendment shall be date on which TCEQ's approval of the § 13.248 Service Agreement is final and non-appealable.

CITY OF FAIR OAKS RANCH, TEXAS

By: Daniel E. Kasprovic
Daniel E. Kasprovic, Mayor

GUADALUPE-BLANCO RIVER AUTHORITY

By: William E. West, Jr.
William E. West, Jr., General Manager

THE STATE OF TEXAS §
 §
COUNTY OF GUADALUPE §

APPROVED

LEGAL Bew

BEFORE ME, the undersigned, a Notary Public in and for said State, on this day personally appeared William E. West, Jr., known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the GUADALUPE-BLANCO RIVER AUTHORITY, a conservation district and political subdivision, and that he executed the same as the act of such conservation district and political subdivision for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 23rd day of September, 2008.

Christy S. Diert
Notary Public
The State of Texas

(Seal)



THE STATE OF TEXAS §
 §
COUNTY OF Bexar §

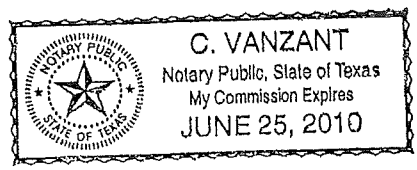
BEFORE ME, the undersigned, a Notary Public in and for said State, on this day personally appeared Daniel E. Kasprovicz, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 2 day of Sept, 2008.

C. Vanzant

Notary Public
The State of Texas

(Seal)



Kathleen Hartnett White, *Chairman*
Larry R. Soward, *Commissioner*
Martin A. Hubert, *Commissioner*
Glenn Shankle, *Executive Director*



JAN 29 2007

CITY OF FAIR OAKS RANCH

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

January 23, 2007

Guadalupe-Blanco River Authority
Attn: Fred M. Blumberg
933 East Court Street
Seguin, TX 78155

Re: Filing of Amendment to Water Supply Contract, TCEQ No. 12095A
City of Fair Oaks Ranch

Dear Mr. Blumberg:

The Amendment to the Water Supply Contract between the Guadalupe-Blanco River Authority and the City of Fair Oaks Ranch has been accepted for filing. The Agreement meets the filing requirements of 30 Texas Administrative Code §295.101 and §297 Sub-Chapter J.

Please note that for correspondence and reporting purposes this contract is being identified as Water Supply Contract TCEQ No. 12095A.

Term: 31 years, beginning November 1, 2006 and ending December 31, 2037

Use: Municipal, 1600 acre-feet per year

Source: Canyon Reservoir

Supplier: Guadalupe-Blanco River Authority

Supplier's Water Right: Certificate of Adjudication No. 18-2074D

If you have any questions concerning this matter *please feel free to contact me* at (512) 239-2270 or at talleman@tceq.state.tx.us.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom Allemand".

Tom Allemand, MS - MC 160
Project Manager
Water Rights Permitting Team
Water Supply Division

cc: City of Fair Oaks Ranch

Exhibit B
RECEIVED

JAN 29 2007

CITY OF FAIR OAKS RANCH

Kathleen Hartnett White, *Chairman*
Larry R. Soward, *Commissioner*
Martin A. Hubert, *Commissioner*
Glenn Shankle, *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

January 23, 2007

Guadalupe-Blanco River Authority
Attn: Fred M. Blumberg
933 East Court Street
Seguin, TX 78155

Re: Filing of Water Supply Contract, TCEQ No. 12095
City of Fair Oaks Ranch

Dear Mr. Blumberg:

The Water Supply Contract between the Guadalupe-Blanco River Authority and the City of Fair Oaks Ranch has been accepted for filing. The Agreement meets the filing requirements of 30 Texas Administrative Code §295.101 and §297 Sub-Chapter J.

Please note that for correspondence and reporting purposes this contract is being identified as Water Supply Contract TCEQ No. 12095.

- Term:** 37 years, beginning February 10, 2000 and ending December 31, 2037
- Use:** Municipal, 1400 acre-feet per year
- Source:** Canyon Reservoir
- Supplier:** Guadalupe-Blanco River Authority
- Supplier's Water Right:** Certificate of Adjudication No. 18-2074D

If you have any questions concerning this matter *please feel free to contact me* at (512) 239-2270 or at talleman@tceq.state.tx.us.

Sincerely,

Tom Allemand, MS - MC 160
Project Manager
Water Rights Permitting Team
Water Supply Division

cc: City of Fair Oaks Ranch

First Amendment to Agreement Between City of Fair Oaks Ranch, Texas
and Guadalupe-Blanco River Authority

This First Amendment (this "First Amendment") to the Agreement between the City of Fair Oaks Ranch, Texas and the Guadalupe-Blanco River Authority dated February 10, 2000 (the "2000 Agreement") is made and entered into as of this 1st day of November, 2006, the "Effective Date" by and between the City of Fair Oaks Ranch, Texas (the "City" or "Participant") and the Guadalupe-Blanco River Authority (the "GBRA").

WHEREAS, on February 10, 2000 the City and GBRA entered into the 2000 Agreement relating to the development, permitting, design, financing, construction and operation of a water supply project to serve the City and other parties; and

WHEREAS, pursuant to the 2000 Agreement, the parties agreed that the Raw Water Reservation amount is 1,400 acre-feet of water per year and the initial Annual Commitment is 800 acre-feet of water per year; and

WHEREAS, the City desires that the 2000 Agreement be amended to increase the Raw Water Reservation and the Annual Commitment and GBRA and the City desire that the 2000 Agreement be amended in other respects.

NOW, THEREFORE, in consideration of the foregoing recitals and of the mutual benefits and provisions hereinafter contained in this First Amendment, the City and GBRA agree to add new sections to the 2000 Agreement and to amend, modify, and change certain sections of the 2000 Agreement as follows. All other terms and conditions of the 2000 Agreement not expressly amended by this First Amendment shall continue in full force and effect.

Section 3.3 Raw Water Reservation is amended in its entirety to read as follows:

The Raw Water Reservation is the amount of raw water that GBRA agrees to reserve for diversion, treatment, and delivery to Participant in any calendar year for the purposes provided in this Agreement, unless otherwise agreed to in writing by the Parties. Subject to Section 3.4 below, the Raw Water Reservation to Participant shall be 1,600 acre-feet per year. The raw water may be from any source or combination of sources that may be available to GBRA, including the permitted yield of Canyon Reservoir. GBRA shall be under no obligation under this Agreement or otherwise to reserve or supply any raw water for use by the Participant in addition to the Raw Water Reservation for those purposes or any other purpose.

Section 3.4 Annual Commitment, is amended in its entirety to read as follows:

- (a) GBRA shall not be required under any circumstances to supply an amount of treated potable water to the Participant during any calendar year in excess of the annual commitment in effect for the Participant during that

year (the "Annual Commitment"). The Annual Commitment for treated potable water to be supplied to the Participant initially shall be eight hundred forty (840) acre-feet per year delivered at a rate of (0.75) million gallons per day (mgd), subject to adjustments set forth in subsection (b), below.

- (b) Each calendar year, Participant shall notify GBRA of the amount of treated water (expressed in acre-feet per year) that will be needed by Participant during the following year on or before December 31. The amount shall be the actual use for the preceding year, the contracted Annual Commitment for the preceding year or an amount stated by the Participant, whichever is greater; provided, however, under no circumstances shall the Annual Commitment for any year exceed 1,600 acre-feet less treatment and delivery losses, unless otherwise agreed to by the Parties in writing.

New Section 8.10 Participation Criteria is added to the 2000 Agreement to read as follows:

This Agreement is subject to and the parties hereto agree to comply with the Participation Criteria for Treated Water Service from the Western Canyon Regional Treated Water Supply System (May 9, 2005) initially approved by the GBRA Board of Directors on May 18, 2005, as such criteria may be amended by the GBRA Board of Directors from time to time.

New Section 8.11 Charges for Expansion of Initial Project is added to the 2000 Agreement to read as follows:

The City acknowledges that the Initial Project was financed with proceeds of a series of Bonds issued prior to the City entering into this First Amendment (the "Initial Water Project Bonds"). Pursuant to the Bond Resolution, which authorized the issuance of the Initial Bonds and contracts entered into by GBRA with other customers at the time the Initial Bonds were issued (the "Original Water Customers"), each Original Water Customer that enters into an agreement with GBRA to receive additional treated water from the Initial Project after the delivery of the Initial Water Project Bonds, including the City, is obligated to pay its pro rata portion of the Annual Debt Service Requirement and the Annual Miscellaneous Bond Requirement related to the Initial Water Project Bonds consistent with the purchase of additional treated water. The City further acknowledges that entering into this First Amendment by the City and other Customers will cause GBRA to expand, extend, and otherwise modify the Initial Project. Therefore, for purposes of paying debt service on Bonds issued to finance the expansion, extension or otherwise the modification of the Initial Project, the City agrees that GBRA shall be authorized to set rates for the City under the terms of this First Amendment in a manner deemed necessary and appropriate by GBRA, in its sole discretion, which will be sufficient to collect

from the City amounts that aggregate (i) the appropriate portion of the Annual Debt Service Requirement and Annual Miscellaneous Bond Requirement on the Initial Water Project Bonds, and (ii) all or an appropriate pro rata portion of the Annual Debt Service Requirement and Annual Miscellaneous Bond Requirement on all additional Bonds issued by GBRA for purposes of expanding, extending or otherwise modifying the Initial Project to accommodate the treated water requirements of the City. Therefore, the City acknowledges that contractual obligations GBRA has with the Original Water Customers and other factors may result in GBRA setting rates for the City's Annual Debt Service Requirement and Annual Miscellaneous Bond Requirement, which exceed the rates set by GBRA for the Original Water Customers who have not purchased additional treated water from the Water Project. Further, City understands and agrees that the obligation to make payments related to the Annual Debt Service Requirement is a take or pay obligation that must be paid whether any water is received or not. The charge to recover the Annual Debt Service Requirement take or pay obligation will be the City's appropriate portion of such Requirement as described above and will be based upon the City's then current Annual Commitment as it compares to the then current annualized Plant Daily Capacity expressed in number of acre feet per year.

New Section 8.12 References to Western Canyon Project is added to the 2000 Agreement to read as follows:

The Parties agree that references in this Agreement to the Initial Project or Initial Treated Water Supply Project, and at times referred to as the Western Canyon Regional Treated Water Supply System, Western Canyon Regional Treated Water Supply Project, Western Canyon Treated Water Supply System and Western Canyon Treated Water Supply Project ("Western Canyon Project") also includes extensions, expansions, maintenance, repairs, improvements, upgrades, and other modifications to the Western Canyon Project. The Parties further agree that all references in this Agreement to the Initial Daily Capacity and the Initial Monthly Capacity means the current capacity as certified by the GBRA General Manager after any extensions, expansions, improvements, upgrades, or other modifications.

IN WITNESS WHEREOF, this First Amendment is executed as of the date first written above on behalf of the City and GBRA by their respective authorized officers, in multiple counterparts, each of which shall constitute an original.

CITY OF FAIR OAKS RANCH, TEXAS

By:  _____

GUADALUPE-BLANCO RIVER AUTHORITY

By: *William E. West, Jr.*
William E. West, Jr., General Manager

THE STATE OF TEXAS §
 §
COUNTY OF GUADALUPE §

BEFORE ME, the undersigned, a Notary Public in and for said State, on this day personally appeared William E. West, Jr., known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the GUADALUPE-BLANCO RIVER AUTHORITY, a conservation district and political subdivision, and that he executed the same as the act of such conservation district and political subdivision for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 26th day of October, 2006.



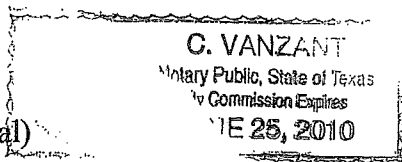
(Seal)

Christy S. Diertert
Notary Public
The State of Texas

THE STATE OF TEXAS §
 §
COUNTY OF Bexar §

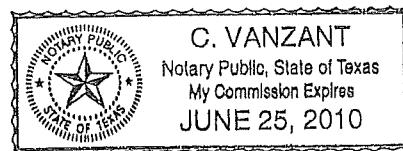
BEFORE ME, the undersigned, a Notary Public in and for said State, on this day personally appeared *C. Vanzant*, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 19 day of October, 2006.



(Seal)

C. Vanzant
Notary Public
The State of Texas



**REGIONAL WATER SUPPLY PROJECT
FOR PORTIONS OF
COMAL, KENDALL AND BEXAR COUNTIES**

COPY

**AGREEMENT BETWEEN
CITY OF FAIR OAKS RANCH, TEXAS
AND
GUADALUPE-BLANCO RIVER AUTHORITY**

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**AGREEMENT BETWEEN
CITY OF FAIR OAKS RANCH, TEXAS
AND
GUADALUPE-BLANCO RIVER AUTHORITY**

This Agreement Between City of Fair Oaks Ranch, Texas and Guadalupe-Blanco River Authority (this Agreement) is made and entered into as of the 10th day of FEBRUARY 2000, by and between the CITY OF FAIR OAKS RANCH, TEXAS (Participant), and 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.

RECITALS

This Agreement provides for the development, permitting, design, financing, construction and operation of a treated water supply project to serve portions of Comal, Kendall and Bexar Counties.

The development of a treated surface water supply is important to meet the current and future water needs of residents within GBRA's ten-county statutory service area, which includes Comal and Kendall Counties. The development of a surface water supply project to serve portions of Comal and Kendall Counties can also serve as part of a larger regional system which provides water supplies to meet future demands in a portion of Bexar County.

Participant's certificated service area includes areas within Kendall, Comal and Bexar Counties. Less than 50% of Participant's certificated area lies within Bexar County, and GBRA has determined that the supply of water by GBRA for use within Participant's certificated area should be on the same terms and conditions as the supply for use in areas that lie entirely within GBRA's ten-county statutory service area.

GBRA and Participant recognize that there is a need in Bexar County and surrounding areas for substantial amounts of treated water from additional sources, to supplement the available supply of water from the Edwards Aquifer.

Section 2(d) of the GBRA Act, Chapter 75, Acts of the 43rd Legislature, 1933, as amended (formerly codified at Article 8280-106, V.T.C.S.), provides, in part, that

...[GBRA] shall not enter into any agreement which contemplates or results in the removal from the watershed of the Guadalupe and Blanco Rivers and their tributaries of any surface water of [GBRA] necessary to supply the reasonably foreseeable future water requirements for municipal uses during the next ensuing fifty-year period within such watershed, except on a temporary, interim basis; ...

Based on current forecasts of demand for water in the Guadalupe River Basin, GBRA has concluded that surface waters from the Guadalupe River Basin can be made available for use in that portion of Participant's certificated service area that lies within Bexar County on a long-term basis.

GBRA holds the right to store water in and use water from Canyon Reservoir under Certificate of Adjudication No. 18-2074C. This Agreement sets forth terms and conditions agreed upon by Participant and GBRA relating to the diversion and treatment of raw water from Canyon Reservoir, and the conveyance and delivery to Participant of that treated water.

GBRA and Participant anticipate that GBRA will enter into contracts with other entities for the supply of treated water from the project. This Agreement further contains certain terms and conditions relating to the supply of treated water to such other entities.

AGREEMENT

For and in consideration of the mutual promises, covenants, obligations, and benefits described in this Agreement, and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, GBRA and Participant agree as follows:

ARTICLE I

DEFINITIONS

"Acre-Foot" means that volume defined by an area of one acre, one foot deep. One acre-foot of water equals 325,851 gallons.

"Annual Commitment" for any calendar year means the maximum amount of treated water that GBRA shall be obligated to deliver to Participant during that year as specified in Section 3.4 of this Agreement.

"Annual Debt Service Requirement" means the total principal and interest scheduled to come due on all Bonds during each twelve month period ending on August 31 of each year, plus a debt service coverage factor as determined by GBRA and provided by the Bond Resolution but not to exceed 10% of such principal and interest unless GBRA and Participant mutually agree upon a greater percentage, less interest to be paid out of Bond proceeds as permitted by the applicable Bond Resolution, if any.

"Annual Operation and Maintenance Requirement" means the total amount budgeted by GBRA for each twelve month period ending on August 31 of each year to pay all estimated Operation and Maintenance Expenses for the Project.

"Annual Miscellaneous Bond Requirements" means the total amount determined by GBRA for each twelve month period ending on August 31 of each year to be required to pay the following:

- (1) the amount of any debt service reserve and contingency funds required to be established and maintained by the provisions of the Bond Resolution which are not otherwise provided from proceeds of Bonds;
- (2) an amount in addition thereto sufficient to restore any deficiency in any of such funds required to be accumulated and maintained by the provisions of the Bond Resolution;
- (3) any amounts due under a reimbursement agreement between GBRA and any credit facility provider providing a credit facility issued to cause the balance on deposit in any debt service reserve funds to satisfy the requirements of the Bond Resolution; and
- (4) any charges of the bank or banks where the Bonds are payable.

“Bonds” means all bonds and other obligations issued and outstanding from time to time by GBRA to finance or refinance the costs of construction, acquisition, repair, improvements and upgrading related to the Initial Project including, without limitation of the generality of the foregoing, any costs necessary or desirable to maintain the Plant Initial Daily Capacity and comply with applicable laws, rules and regulations relating to the supply of potable water.

“Bond Resolution” means the resolution or resolutions approved by the Board of Directors of GBRA which authorize the issuance of each series of Bonds, including all amendments related thereto.

“Daily Commitment” in effect for any calendar year means the maximum amount of treated water that GBRA shall be obligated to deliver to Participant on a constant basis over any 24-hour period during that year, as specified in Section 3.5 of this Agreement.

“District-Wide Raw Water Rate” at any time is the rate charged by GBRA at that time for stored water from Canyon Reservoir for use within GBRA’s ten-county statutory district. The present rate is \$61.00 per acre-foot per year.

“GBRA’s Application to Amend the Canyon Certificate” means that certain application filed by GBRA with the TNRCC identified in Section 4.2 of this Agreement, as such application may be amended by GBRA.

“Initial Project” means the surface water supply project described in Section 2.1 of this Agreement, as such project is further defined, constructed, upgraded and maintained pursuant to the terms of this Agreement.

“Interim Supply Termination Date” means the expiration date of the term of this Agreement, as defined in Section 7.1 of this Agreement.

“Mgd” means million gallons per day.

“Operation and Maintenance Expenses” means all costs and expenses of operation and maintenance of the Project, including (for greater certainty but without limiting the generality of the foregoing) repairs and replacements which are not paid from a special fund created in the Bond Resolutions or other Project debt instruments, employee salaries, benefits and other expenses, the cost of utilities, the costs of supervision, engineering, accounting, auditing, legal services, other services, supplies, charges by GBRA for administrative and general expenses, and equipment necessary for proper operation and maintenance of the Project.

“Other Participant” means another customer of GBRA’s for the supply of treated water from the Project, regardless of when GBRA and the customer enter into the contract for the supply of such water.

“Participant’s Debt Service Component” means the component of the price for treated water to be paid by the Participant as determined and described in Section 5.3 of this Agreement.

“Participant’s Debt Service Percentage” for any month means the quotient, expressed as a percentage, equal to the Participant’s Required Monthly Treated Water Purchase for that month, divided by the Plant Initial Monthly Capacity for that month.

“Participant’s Raw Water Component” means the component for the charge for raw water to be paid by the Participant as determined and described in Section 5.6 of this Agreement.

“Participant’s Miscellaneous Bond Requirements Component” means the component of the price for treated water to be paid by the Participant as determined and described in Section 5.5 of this Agreement.

“Participant’s Operation and Maintenance Component” means the component of the price for treated water to be paid by the Participant as determined and described in Section 5.4 of this Agreement.

“Participant’s Operation and Maintenance Percentage” for any month means the quotient, expressed as a percentage, equal to the amount of treated water actually delivered to Participant during that month, divided by the Plant Current Monthly Capacity for that month.

“Participant’s Raw Water Charges Commencement Month” means the month defined in Section 5.6(a) of the Agreement.

“Participant’s Required Monthly Raw Water Purchase” for any month means the amount of raw water that the Participant is obligated to pay for that month, as specified in Section 5.1(b) of this Agreement.

“Participant’s Required Monthly Treated Water Purchase” for any month means the amount of treated water from the Project that the Participant is obligated to pay for that month, as specified in Section 5.1(a) of this Agreement.

“Plant” means the water treatment plant that is included as part of the Project, described generally in Section 2.1 of this Agreement.

“Plant Current Monthly Capacity” for any month means the Plant Daily Capacity during that month, times the number of days during that month.

“Plant Daily Capacity” at any time means the amount of water which the Plant is designed to treat on an average daily basis, based on standards that exist at that time, expressed in terms of million gallons per day, as certified by the General Manager of GBRA and provided in writing to the Participant and all Other Participants or, if GBRA determines that the entire amount should not be committed, the portion of such amount that GBRA determines should be committed.

“Plant Initial Daily Capacity” means the appropriate Plant Daily Capacity for the Initial Project, as determined by GBRA pursuant to Section 2.4 of this Agreement.

“Plant Initial Monthly Capacity” for any month means the Plant Initial Daily Capacity times the number of days during that month.

“Point of Delivery” means the point on the Project’s treated water conveyance system at which treated water is to be delivered to Participant, as such point is identified in Section 3.2 of this Agreement.

“Point of Diversion” means the point on the perimeter of Canyon Reservoir at which raw water to which Participant is entitled under this Agreement is diverted for supply to the Plant under this Agreement, as such point is identified in Section 2.1 of this Agreement.

“Project” at any time means the Initial Project, together with any and all extensions, expansions or other modifications, as it or they exist at that time.

“Project Management Committee” means the committee established pursuant to Section 6.1 of this Agreement.

“Raw Water Reservation” means the maximum amount of raw water that GBRA shall be obligated to reserve for diversion, treatment and delivery to Participant in any calendar year as specified in Section 3.3 of this Agreement.

“TNRCC” means the Texas Natural Resource Conservation Commission.

ARTICLE II

DESIGN, CONSTRUCTION AND OPERATION OF THE PROJECT

Section 2.1 Description of the Initial Project.

The Initial Project will consist of facilities for the diversion of raw water from Canyon Reservoir, a water treatment plant (the "Plant"), facilities to convey the raw water after diversion from Canyon Reservoir to the Plant, and facilities to convey treated water from the Plant for use in areas within portions of Comal, Kendall and Bexar Counties. The scope and capacity of the Initial Project will depend upon which other entities enter into contracts with GBRA for the supply of treated water before the design of the Initial Project is finalized as set forth in this Agreement, the amounts of water contracted to be supplied to each, and other factors such as the timing and outcome of GBRA's applications for permits, amendments to permits or other governmental authorizations required for the Initial Project or portions thereof. In any case, the Initial Project may also include storage and other facilities necessary or desirable for the supply of treated water to GBRA's customers. The Initial Project also includes all lands and interests in lands necessary or desirable for the construction, operation and maintenance of Initial Project facilities. The Initial Project is further described by the map and facility plan attached as Exhibit 1 showing the general location of the point of diversion from Canyon Reservoir and the routings of treated water conveyance facilities.

Section 2.2 GBRA Responsibilities.

(a) GBRA shall be responsible for the design, permitting, financing, construction, operation and maintenance of the Initial Project.

(b) GBRA will select and retain all legal, financial, engineering and other consultants that GBRA determines are necessary or desirable for GBRA to satisfy its obligations under this Agreement. GBRA shall consult with and seek advice from the Project Management Committee with respect to GBRA's selection of any consultant.

Section 2.3 Ownership of Project.

(a) Except as provided otherwise in subsection (b), below, GBRA shall own all facilities, lands and interests in land comprising the Project.

(b) If the Project extends into Bexar County, then GBRA may transfer title to any facilities, lands and interests in lands within Bexar County comprising a portion of the Project to one or more Other Participants who may be so entitled pursuant to the terms of its or their contracts with GBRA.

Section 2.4 Preliminary Design and Cost Estimate.

(a) After GBRA is satisfied that all other potential customers have had a reasonable opportunity to enter into contracts with GBRA for the supply of treated water from the Initial Project, GBRA will determine whether sufficient contractual commitments have been made to supply water for use within Comal and Kendall Counties to justify proceeding at that time with an Initial Project.

If GBRA determines that sufficient contractual commitments have not been made to supply water for use within Comal and Kendall Counties, then GBRA shall have the right to terminate this Agreement by giving Participant written notice of termination and after consultation with Participant to review and consider alternatives for delivery of treated water. If GBRA determines that sufficient contractual commitments have been made to supply water for use within Comal and Kendall Counties, then GBRA will give Participant written notification of that determination, and it will determine the appropriate Plant Initial Daily Capacity, taking into account the total amount of water required to be treated and delivered under this Agreement and all other contracts that have been entered into at that time with Other Participants, as well as any other information that GBRA considers relevant. GBRA will then prepare a preliminary design and cost estimate of the Initial Project, and will provide copies to Participant and all Other Participants. GBRA shall then proceed with final design, acquisition, construction and financing of the Initial Project.

(b) Participant shall have the right to terminate this Agreement by giving GBRA written notice of termination within 30 days after GBRA delivers the preliminary design and cost estimate of the Initial Project to Participant pursuant to subsection (a) of this Section.

(c) If GBRA determines for any reason, at any time before GBRA sells any of its Bonds under this Agreement, that there are not sufficient contractual commitments in effect at that time to supply water for use within Comal and Kendall Counties to justify proceeding at that time with an Initial Project, then GBRA shall have the right to terminate this Agreement by giving Participant written notice of termination. The reason or reasons for such a determination may include, without limitation, any contract for the supply of treated water from the Project for use within Comal or Kendall Counties being terminated for any reason.

(d) If this Agreement is terminated by either GBRA or Participant, the parties agree to meet at mutually convenient times and places in an effort to identify and evaluate other potential alternative supplies of water for Participant.

Section 2.5 Preparation of Plans and Specifications; Competitive Bids.

GBRA shall cause plans, specifications and contract documents for construction of all facilities comprising the Initial Project to be prepared as soon as practicable after GBRA is authorized to proceed with final design and construction of the Initial Project pursuant to Section 2.4 of this Agreement. Plans and specifications for any portion of the Initial Project shall be subject to approval by the GBRA General Manager, after consultation with the Project Management Committee. Any significant change in the Initial Project from the description of the Initial Project set forth in Section 2.1 and Exhibit 1 shall be subject to the approval of the Project Management

Committee. After the required approval or approvals of plans and specifications for any portion of the Initial Project, GBRA will advertise for competitive bids for construction of that portion and GBRA shall determine which construction bid or bids to accept.

Section 2.6 Financing of Project.

(a) After GBRA determines that there are sufficient contractual commitments to proceed with the Initial Project, GBRA may finalize the terms and conditions (including maturity) of GBRA's Bonds necessary to finance the design, acquisition, construction and testing of all facilities, lands and interests in lands comprising the portion of the Initial Project being constructed. GBRA shall prepare such data, materials and documents as may be necessary to facilitate the sale and delivery of the Bonds, and Participant agrees to furnish GBRA with such data, projections and related information as may reasonably be required by GBRA in the sale of the Bonds in compliance with all applicable laws, rules and regulations. In addition to the amounts paid under the construction contract or contracts, the proceeds of the Bonds will also be used to pay additional costs such as Initial Project development costs (including, without limitation, preliminary engineering costs, employee salaries, benefits and other expenses, legal, and other advisory fees, charges by GBRA for administrative and general expenses, insurance premiums, if any, and any other costs incurred in developing and pursuing information, contracts and permit applications related directly to the Initial Project), land acquisition costs, interest during construction, employee salaries, benefits and other expenses, printing costs, engineering, legal, financial and other advisory fees, charges by GBRA for administrative and general expenses, insurance premiums, if any, and any other costs incurred in the issuance of the Bonds and in the design, acquisition, construction and testing of the facilities, lands, and interests in lands comprising the Initial Project.

(b) GBRA shall be authorized from time to time to issue Bonds to refund outstanding Bonds or otherwise refinance costs of the Initial Project. Such refunding Bonds may be issued without further approval from the Participant if the issuance of such Bonds does not result in an increase in the total debt service requirements to be paid by the Participant or extend the final maturity of all Bonds then outstanding.

Section 2.7 Extensions or Other Modifications of Project.

GBRA may extend, expand, maintain, repair, improve, upgrade or otherwise modify the Project from time to time, as it determines to be necessary or desirable. Participant shall not be liable under this Agreement for any portion of the costs of construction of new facilities in addition to those facilities initially constructed as the Initial Project, except replacement facilities or facilities that are necessary or desirable to maintain the Plant Initial Daily Capacity or comply with applicable state or federal laws, rules and regulations relating to the supply of potable water. Participant shall be liable for its share of Operation and Maintenance Expenses of the Project as it may exist at any time, based on the Plant Daily Capacity at that time and the amount of treated water actually delivered to Participant during that month, as set forth in this Agreement.

Section 2.8 Additional Customers.

GBRA may enter into contracts with new Other Participants to supply treated water from the Project, and may amend existing contracts with Other Participants to supply greater or lesser amounts of treated water from the Project, at any time and from time to time, so long as GBRA's obligations to Participant under this Agreement continue to be satisfied.

ARTICLE III**SUPPLY OF TREATED WATER****Section 3.1 Diversion, Treatment and Delivery of Water to Participant.**

After completion of construction of the Initial Project, GBRA shall divert from Canyon Reservoir at the Point of Diversion and convey to the Plant raw water, and treat such water and convey and deliver treated water to Participant at the Point of Delivery in amounts and at delivery rates as may be requested by Participant, subject to the limitations provided in this Agreement.

Section 3.2 Point of Delivery.

(a) The Point of Delivery for all treated water supplied by GBRA to Participant under this Agreement shall be as shown on Exhibit 1.

(b) Participant shall take all steps necessary to prevent backflow of water supplied by GBRA, or any flow of any other water or other substance, from Participant's system to the Project at the Point of Delivery. If Participant fails to install, operate or maintain any facilities needed for such purpose within 60 days after GBRA gives Participant notice to do so, then GBRA may design, install, construct, maintain and operate such facilities, and Participant shall be solely responsible for the costs thereby incurred by GBRA.

Section 3.3 Raw Water Reservation.

The Raw Water Reservation is the maximum amount of raw water that GBRA shall be obligated to reserve for diversion, treatment and delivery to Participant in any calendar year. The Raw Water Reservation shall be 1,400 acre-feet per year.

Section 3.4 Annual Commitment.

(a) The Annual Commitment for any calendar year is the maximum amount of treated water that GBRA shall be obligated to deliver to Participant during that year. The Annual Commitment initially shall be 0.71 million gallons per day (800 acre-feet per year), subject to increases as set forth in subsection (b), below.

(b) Participant may from time to time request that the Annual Commitment be increased commencing January 1 of a specified year, up to an amount not to exceed the Raw Water

Reservation, by giving GBRA a written request for such increase before December 1 immediately preceding the January 1 on which the increase is requested to take effect. The Annual Commitment shall be increased commencing the specified January 1 as requested by Participant up to, but not to exceed, the Raw Water Reservation. The Annual Commitment in effect at any time shall continue in effect through the term of this Agreement unless and until it is increased pursuant to this subsection (b), and it may never be decreased without the written agreement of GBRA.

Section 3.5 Daily Commitment.

The maximum amount of treated water that GBRA shall be obligated to deliver to Participant over any 24-hour period (the "Daily Commitment") in effect for any calendar year shall be the Annual Commitment for that year divided by 365.

Section 3.6 Maximum Delivery Rate and Pressure.

GBRA shall not be obligated to deliver treated water to Participant at any time during any calendar year at a rate in excess of that rate, expressed in gallons per minute, calculated by multiplying the Daily Commitment (in mgd) in effect for that year by 694.44. GBRA shall not be obligated to deliver treated water to Participant at any time during any calendar year at a pressure in excess of TNRCC requirements.

Section 3.7 Purpose of Use.

All water delivered by GBRA to Participant under this Agreement shall be used for municipal and domestic purposes only, as such purposes of use are defined by the Rules of the TNRCC.

Section 3.8 Place of Use.

All water delivered by GBRA to Participant under this Agreement shall be used exclusively within the certificated service area of Participant as such certificated area may be modified from time to time, and Participant may not use, or supply or resell for use, any water delivered by GBRA to Participant under this Agreement outside Participant's certificated area unless, and except to the extent that, Participant obtains GBRA's prior written approval for use outside such service area. Participant's current certificated area is defined as set forth in Exhibit 2. Participant is not prohibited from selling water from a different source.

Section 3.9 Allocation of Water During Drought.

During severe drought conditions as defined in the GBRA Water Conservation Plan or Drought Contingency Plan, or as revised by any water conservation or drought contingency plan adopted by GBRA, or in any other condition when water cannot be supplied to meet the demands of all customers, the water to be distributed shall be divided among all customers of stored water from Canyon Reservoir pro rata, according to the amount each may otherwise be entitled to under their respective contracts with GBRA, subject to reasonable conservation and drought management

plans and requirements based on particular purposes of use of the water, so that preference is given to no one and everyone suffers alike. Commencement of a drought shall be initially defined as a period of 45 consecutive days when the inflow to Canyon Reservoir is 90 cfs average or less. GBRA may redefine commencement of a drought so long as the definition applies to all customers uniformly.

Section 3.10 Conservation.

GBRA and Participant each agrees to provide to the maximum extent practicable for the conservation of water, and each agrees that it will operate and maintain its facilities in a manner that will prevent waste of water. Participant further agrees to implement water conservation and drought management plans applicable to the use of treated water from the Project that, at a minimum, comply with all minimum standards that may be required or recommended by the Texas Water Development Board (the "TWDB"), the TNRCC or GBRA. Such standards may include, but shall not be limited to, conservation rate incentives or surcharges to be imposed by Participant on its customers for use of water in excess of amounts that are determined by the TWDB, the TNRCC or GBRA to be adequate for essential indoor domestic uses.

Section 3.11 Water Quality.

(a) The sole source of raw water for the Project will be untreated water in Canyon Reservoir at the Point of Diversion. GBRA agrees to use reasonable diligence and care in treating water diverted from Canyon Reservoir at the Plant, as it may be expanded or otherwise modified by GBRA, and GBRA will use its best efforts to deliver to Participant water of quality that meets or exceeds the standards of the TNRCC or any other applicable regulatory agency for potable water.

(b) GBRA shall periodically collect samples of treated water delivered to Participant and other customers and cause same to be analyzed consistent with guidelines established by the TNRCC using the then-current edition of Standard Methods for Examination of Water and Wastewater as published by the American Water Works Association and others.

Section 3.12 Measurement of Water.

(a) GBRA shall provide, operate, maintain, and read one or more meters which shall record treated water taken by Participant at the Point of Delivery. GBRA shall also provide, operate, maintain, and read one or more meters which shall record treated water taken by Other Participants receiving treated water from the Project at the points of delivery for them. GBRA shall also provide, operate, maintain, and read one or more meters which shall record the total amount of raw water diverted at Canyon Reservoir at the Point of Diversion and conveyed to the Plant. All meters shall be conventional types of approved meter(s).

(b) For all purposes under this Agreement, the amount of raw water diverted from Canyon Reservoir by GBRA and conveyed to the Plant for Participant during any period of time shall be the greater of the following amounts:

- (1) the amount of treated water delivered to Participant during that period of time, as measured at the Point of Delivery; or
- (2) an amount of water determined by allocating the total amount of raw water diverted during that period of time, as measured at the Point of Diversion, pro rata, based on the amounts of treated water delivered to Participant and each Other Participant during that period of time.

(c) GBRA shall keep accurate records of all measurements of water required under this Agreement, and the measuring device(s) and such records shall be open for inspection at all reasonable times. Measuring devices and recording equipment shall be accessible for adjusting and testing and the installation of check meter(s). If requested in writing and not less than once in each calendar year, GBRA shall calibrate its water meter(s) that records treated water taken by Participant at the Point of Delivery. GBRA shall give Participant notice of the date and time when any such calibration is to be made and, if a representative of Participant is not present at the time set, calibration and adjustment may proceed in the absence of any representative of Participant.

(d) If upon any test of the water meter(s), the percentage of inaccuracy of such metering equipment is found to be in excess of five percent (5%), registration thereof shall be corrected for a period extending back to the time when such inaccuracy began, if such time is ascertainable. If such time is not ascertainable, then registration thereof shall be corrected for a period extending back one-half (½) of the time elapsed since the last date of calibration, but in no event further back than period of six (6) months. If any meter(s) that record treated water taken by Participant at the Point of Delivery are out of service or out of repair so that the amount of water delivered cannot be ascertained or computed from the reading thereof, the water delivered through the period such meters(s) are out of service or out of repair shall be estimated and agreed upon by GBRA and Participant upon the basis of the best data available, and, upon written request, GBRA shall install new meters or repair existing meters. If GBRA and Participant fail to agree on the amount of water delivered during such period, the amount of water delivered may be estimated by:

- (1) correcting the error if the percentage of the error is ascertainable by calibration tests or mathematical calculation; or
- (2) estimating the quantity of delivery by deliveries during the preceding periods under similar conditions when the meter or meters were registering accurately.

Section 3.13 Title to Water.

Title to and responsibility for all water supplied hereunder shall be in GBRA from the Point of Diversion to the Point of Delivery, at which point title to and responsibility for such water shall pass to Participant.

ARTICLE IV

PERMITTING AND OTHER REGULATORY REQUIREMENTS**Section 4.1 Applicable Laws and Regulations.**

This Agreement is subject to all applicable federal, state, and local laws and any applicable ordinances, rules, orders, and regulations of any local, state, or federal governmental authority having jurisdiction. This Agreement is specifically subject to all applicable sections of the Texas Water Code and the rules of the TNRCC, or any successor agency.

Section 4.2 Cooperation.

Participant agrees to cooperate with GBRA in pursuing all permits and approvals that GBRA determines to be necessary or desirable for the Project, to complete and file all required reports, and to comply with all applicable laws, rules and regulations. Without limiting the generality of and in addition to the foregoing, Participant expressly agrees to support the granting, in whole, of that certain application filed by GBRA with the TNRCC on August 29, 1997, for various amendments to Certificate of Adjudication No. 18-2074C, as such application may be amended by GBRA ("GBRA's Application to Amend the Canyon Certificate").

Section 4.3 Agreement Conditioned upon Permitting.

(a) GBRA's obligations under this Agreement are expressly conditioned upon GBRA obtaining the necessary permits, amendments to permits, licenses and other governmental authorizations to allow GBRA to construct and operate the Initial Project and supply treated water to Participant for use within Participant's service area as provided herein.

(b) Without limiting the generality of the condition set forth in subsection (a), above, and in addition to that condition, GBRA's obligations under this Agreement are expressly conditioned upon:

- (1) the granting, in whole, of GBRA's Application to Amend the Canyon Certificate;
- (2) confirmation by the TNRCC in its order granting the amendment that neither the inflows authorized to be stored in Canyon Reservoir nor the total amount of water authorized to be used from Canyon Reservoir will be reduced in any way during any period of time, solely because water from Canyon Reservoir is being supplied from the Project for use in Bexar County; and
- (3) confirmation by the TNRCC in its order granting the amendment that the terms, conditions and guidelines for allocation during drought set forth in Section 3.9, above, will apply notwithstanding the fact that water from Canyon Reservoir is being supplied from the Project for use in Bexar County.

(c) If the TNRCC does not enter an order granting, in whole, GBRA's Application to Amend the Canyon Certificate and containing the confirmation provisions required pursuant to subsection (b), above, before January 1, 2001, or if it enters such an order before January 1, 2001 but the order does not become final and not appealable before that date, then GBRA and Participant each shall have the right, on that date or at any time thereafter, but only for so long as no such final and not appealable order of the TNRCC exists, to terminate this Agreement by giving written notice of termination to the other party.

Section 4.4 Development Within Participant's Service Area.

Participant agrees that the supply of water to Participant under this Agreement for use on any lands shall be conditioned on compliance, in the design, construction and operation of any building, facility, development or other improvement on such lands or other use of or activities on such lands or the treatment, disposal or reuse of wastewater generated on such lands, with all federal, state and local laws, rules and regulations relating to (i) protection of the quality of groundwaters or surface waters; (ii) recharge of aquifers; or (iii) drainage and flood control. Participant further agrees that it will not supply any water supplied to Participant under this Agreement for use on any lands if and for so long as there is any material non-compliance, in the design, construction or operation of any building, facility, development or other improvement on such lands or other use of or activities on such lands or the treatment, disposal or reuse of wastewater generated on such lands, with any such laws, rules or regulations. At GBRA's request from time to time, Participant shall demonstrate to GBRA its compliance with the requirements of this Section 4.4. If Participant fails to comply with the requirements of this Section 4.4 with respect to Participant's supply of water for use on any lands, then GBRA shall provide Participant with written notice of such failure to comply, and Participant shall have 60 days thereafter to correct such non-compliance. If Participant fails to correct such non-compliance within such time, GBRA shall have available all remedies allowed by law.

ARTICLE V

CHARGES FOR WATER

Section 5.1 Participant's Required Monthly Water Purchase.

(a) Participant's Required Monthly Treated Water Purchase for each month during any calendar year shall be 1/12th of the Annual Commitment for that year. Participant agrees to pay GBRA each month for Participant's Required Monthly Treated Water Purchase, in accordance with paragraphs (1) and (3) of Section 5.2, below, whether or not such amount, or any of it, is taken by Participant.

(b) Participant's Required Monthly Raw Water Purchase for each month during any calendar year shall be 1/12th of the Raw Water Reservation. Participant agrees to pay GBRA each month for Participant's Required Monthly Raw Water Purchase, in accordance with paragraph (4) of Section 5.2, below, whether or not such amount, or any of it, is taken by Participant.

Section 5.2 Charges.

The amount to be paid by Participant to GBRA each month under this Agreement shall be the sum of the following four components:

- (1) Participant's Debt Service Component and Coverage;
- (2) Participant's Operation and Maintenance Component;
- (3) Participant's Miscellaneous Bond Requirements Component; and
- (4) Participant's Raw Water Component.

Section 5.3 Participant's Debt Service Component.

(a) Subject to the provisions of subsection (b), below, Participant's Debt Service Component for any month shall equal one-twelfth (1/12) of the product of the Annual Debt Service Requirement for that year multiplied by Participant's Debt Service Percentage for that month.

(b) If a debt service reserve fund is established by GBRA in the bond resolution to secure payment of debt service on the Bonds, the money on deposit in such debt service reserve fund will be used to pay the final debt service requirements on the Bonds when the remaining total outstanding debt service requirements on the Bonds equals the amount of money on deposit in such debt service reserve fund.

(c) All funds received by GBRA from Participant's Debt Service Component which constitute payment of the debt service coverage factor as a component of the Annual Debt Service Requirement shall be deposited by GBRA into a separate account, or shall be accounted for separately by GBRA, from all other funds received under this Agreement. Funds on deposit in such account may be used by GBRA in support of its "Water Resource Division" (of which the Project is or will be a part) for any of the following purposes: (1) paying the cost of improvements, enlargements, extensions, additions, replacements, or other capital expenditures related to the Water Resource Division, (2) paying the costs of unexpected or extraordinary repairs or replacements in connection with the Water Resource Division, (3) paying any bonds, loans or other obligations of the Water Resource division, or (4) for any other lawful purpose related to the cost of operations of the Water Resource Division.

Section 5.4 Participant's Operation and Maintenance Component.

Participant's Operation and Maintenance Component for any month shall equal one-twelfth (1/12) of the product of the Annual Operation and Maintenance Requirement for that year multiplied by Participant's Operation and Maintenance Percentage for that month.

Section 5.5 Participant's Miscellaneous Bond Requirements Component.

Participant's Miscellaneous Bond Requirements Component for any month shall equal one-twelfth (1/12) of the product of the Annual Miscellaneous Bond Requirements for that year multiplied by Participant's Debt Service Percentage for that month.

Section 5.6 Participant's Raw Water Component.

(a) Participant's Raw Water Component shall be zero until the month in which GBRA gives Participant written notice pursuant to Section 2.4(a) of this Agreement of GBRA's determination that sufficient contractual commitments have been made to supply water for use within Comal and Kendall Counties to justify proceeding with an Initial Project ("Participant's Raw Water Charges Commencement Month").

(b) Participant's Raw Water Component for each month beginning with Participant's Raw Water Charges Commencement Month, through the earlier of December 2000 or the month in which an order of the TNRCC granting, in whole, GBRA's Application to Amend the Canyon Certificate becomes final and not appealable, shall equal one-half of the product of Participant's Required Monthly Raw Water Purchase for each month times the District-Wide Raw Water Rate in effect that month.

(c) Participant's Raw Water Component for each month beginning the earlier of January 2001 or the month immediately following the month in which an order of the TNRCC granting, in whole, GBRA's Application to Amend the Canyon Certificate becomes final and not appealable, through December 31, 2037, shall equal the product of Participant's Required Monthly Raw Water Purchase for each month times the District-Wide Raw Water Rate in effect that month; provided, however, that if Participant's payments under this subsection (c) extend for more than 36 months before commencement of delivery of treated water to Participant, then Participant's Raw Water Component beginning the 37th month through the month immediately preceding the month in which delivery commences shall equal one-half of the product of Participant's Required Monthly Raw Water Purchase each month times the District-Wide Raw Water Rate in effect that month until water is delivered to Participant and thereafter Participant shall pay the District-Wide Raw Water Rate.

(d) If the Interim Supply Termination Date is extended beyond December 31, 2037 pursuant to the terms of Section 7.1, below, then Participant's Raw Water Component for each month beginning January, 2038, shall equal the product of Participant's Required Monthly Raw Water Purchase for each month times the Extension Raw Water Rate in effect that month as established pursuant to Section 7.1(e).

(e) The District-Wide Raw Water Rate and the Extension Raw Water Rate may be changed by the GBRA Board of Directors at any time and from time to time, with notice 60 days in advance to Participant.

(f) GBRA shall have the right to use all funds received by GBRA from Participant during any year under this Agreement that are for raw water, and all other funds received by GBRA from Participant during any year under this Agreement that are in excess of requirements for that year for the Initial Project and Bond Resolution requirements (including, without limitation, all funds received pursuant to the debt coverage factor determined by GBRA as part of the Annual Debt Service Requirement) for any purpose or purposes desired by GBRA consistent with GBRA's statutory powers and duties.

Section 5.7 Payments by Participant Unconditional.

GBRA and Participant recognize that the Bonds will be payable from and secured by a pledge of the sums of money to be received by GBRA from Participant under this Agreement and from other customers under similar contracts. In order to make the Bonds marketable at the lowest available interest rate, it is to the mutual advantage of GBRA and Participant that Participant's obligation to make the payments required hereunder be, and the same is hereby, made unconditional. All sums payable hereunder to GBRA shall, so long as any part of the Bonds are outstanding and unpaid, be paid by Participant without set-off, counterclaim, abatement, suspension or diminution except as otherwise expressly provided herein; and so long as any part of the Bonds are outstanding and unpaid, this Agreement shall not terminate, nor shall Participant have any right to terminate this Agreement nor be entitled to the abatement of any payment or any reduction thereof nor shall the obligations hereunder of Participant be otherwise affected for any reason, it being the intention of the parties that so long as any portion of the Bonds are outstanding and unpaid, all sums required to be paid by Participant to GBRA shall continue to be payable in all events and the obligations of Participant hereunder shall continue unaffected, unless the requirement to pay the same shall be reduced or terminated pursuant to an express provision of this Agreement.

Section 5.8 Operating Expense of Participant; Source of Payments from Participant.

(a) The parties agree and Participant represents and covenants that all moneys required to be paid by Participant under this Agreement shall constitute an operating expense of Participant's water and wastewater system ("Participant's System") as authorized by the Constitution and laws of the State of Texas.

(b) All payments required to be made by Participant to GBRA under this Agreement shall be payable from the income of Participant's System. GBRA shall never have the right to demand payment by Participant of any obligations assumed by or imposed upon it under or by virtue of this Agreement from any funds raised or to be raised by taxation and Participant's obligation under this Agreement shall never be construed to be a debt of Participant of such kind as to require it under the Constitution and laws of the State of Texas to levy and collect a tax to discharge such obligation.

Section 5.9 Participant's Covenant to Maintain Sufficient Income.

Participant agrees to fix and maintain rates and collect charges for the facilities and services provided by Participant's System as will be adequate to permit Participant to make prompt payment

of all expenses of operating and maintaining Participant's System, including payments under this Agreement and to make prompt payment of the interest on and principal of any bonds or other obligations of Participant payable, in whole or in part, from the revenues of Participant's System. Participant further agrees to comply with all of the provisions of the ordinances, resolutions, orders or indentures authorizing its bonds or other obligations which are payable, in whole or in part, from the revenues of Participant's System.

Section 5.10 Billing.

GBRA will render bills to Participant once each month for the payments required by this Article. GBRA shall, until further notice, render such bills on or before the 10th day of each month and such bills shall be due and payable at GBRA's office indicated below by the 20th day of each month or fifteen (15) days after such bill is deposited into the United States mail, properly stamped, addressed and postmarked to Participant, whichever is later. GBRA may, however, by sixty (60) days written notice change the monthly date by which it shall render bills, and all bills shall thereafter be due and payable ten (10) days after such date or fifteen (15) days after such bill is deposited into the United States mail, properly stamped, addressed and postmarked to Participant, whichever is later. Participant shall make all payments in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts and shall make payment to GBRA at its office in the City of Seguin, Texas, or at such other place as GBRA may from time to time designate by sixty (60) days written notice.

Section 5.11 Delinquency in Payment.

All amounts due and owing to GBRA by Participant shall, if not paid when due, bear interest at the maximum rate permitted by law, provided that such rate shall never be usurious. If any amount due and owing by Participant is placed with an attorney for collection by GBRA, Participant shall pay to GBRA, in addition to all other payments provided for by this Agreement, including interest, GBRA's collection expenses, including court costs and attorney's fees. Participant further agrees that GBRA may, at its option, discontinue delivering treated water to Participant until all amounts due and unpaid are paid in full with interest as herein specified. Any such discontinuation shall not, however, relieve Participant of its unconditional obligation to make the payments required hereunder, as provided by Section 5.7 of this Agreement.

ARTICLE VI

PROJECT REPRESENTATION

Section 6.1 Project Management Committee.

An advisory committee (the "Project Management Committee") will be established and maintained for so long as the Project is in operation, to provide advice to GBRA with respect to the Project and Project-related actions proposed to be taken by GBRA including, without limitation, advice to GBRA with respect to GBRA's preparation of any operating plans for the Project. GBRA

and each municipal customer shall each have one representative on the Project Management Committee. Each non-municipal customer that contracts and pays for an initial Annual Commitment of at least 500 acre-feet per year shall have a representative on the Project Management Committee. GBRA's representative shall be designated by GBRA's General Manager and shall be the Chairman of the Project Management Committee. Participant's representative shall be designated by Participant's City Council. The Project Management Committee shall meet at least twice a year as called by GBRA.

Section 6.2. Budgets, Audits, and Records.

GBRA will provide the Project Management Committee with the first annual Project budget four months prior to Project start-up, and it will thereafter provide subsequent annual Project budgets. The Project budgets will include all Operation and Maintenance Expenses, debt service, and capital improvements. GBRA will also submit annual audited financial statements of GBRA to the Project Management Committee.

ARTICLE VII

TERM OF AGREEMENT, EXTENSION, AND RIGHTS AFTER TERMINATION

Section 7.1 Term and Extension of Term.

(a) This Agreement shall be effective as of the date first written above and, unless it is terminated earlier pursuant to its terms, shall continue in effect until the Interim Supply Termination Date (as such date is defined initially under subsection (c), below, or as it may be extended pursuant to subsections (d), (e) or (f), below), on which date this Agreement shall terminate.

(b) From and after the Interim Supply Termination Date, Participant shall have no right to be supplied any water, and GBRA shall have no obligation to supply any water to Participant.

(c) The Interim Supply Termination Date shall be December 31, 2037, unless such date is extended pursuant to subsections (d), (e) or (f), below.

(d) If all of the Project Debt Instruments (including principal and interest) for the Initial Project will not be fully paid by the Interim Supply Termination Date, then GBRA shall have the right, at any time before such date, to extend the Interim Supply Termination Date to December 31 of the year in which the Project Debt Instruments are to be paid. Any extension by GBRA pursuant to this subsection shall be effective as of the date that GBRA gives Participant written notice of the extension.

(e) During the month of January 2037, GBRA shall give Participant written notice of the "Extension Raw Water Rate" to be utilized in calculating Participant's Raw Water Component to be paid by Participant if the Interim Supply Termination Date is extended beyond December 31, 2037. If GBRA fails to give Participant timely written notice of the Extension Raw Water Rate as

set forth above in this subsection (e), then the Extension Raw Water Rate for each month beginning January 2038 shall be the District-Wide Raw Water Rate in effect that month. If Participant desires to extend the Interim Supply Termination Date, then it shall give GBRA, after January 31, 2037 and by not later than June 30, 2037, written notice of extension. If Participant gives GBRA timely written notice of extension, then the Interim Supply Termination Date shall be extended to December 31, 2057.

(f) If the Interim Supply Termination Date is extended to December 31, 2057 pursuant to subsection (e), above, then during the month of January 2057, GBRA shall give Participant written notice of the "Extension Raw Water Rate" to be utilized in calculating Participant's Raw Water Component to be paid by Participant if the Interim Supply Termination Date is extended beyond December 31, 2057. If GBRA fails to give Participant timely written notice of the Extension Raw Water Rate as set forth above in this subsection (f), then the Extension Raw Water Rate for each month beginning January 2058 shall be the District-Wide Raw Water Rate in effect that month. If Participant desires to extend the Interim Supply Termination Date, then it shall give GBRA, after January 31, 2057 and by not later than June 30, 2057, written notice of extension. If Participant gives GBRA timely written notice of extension, then the Interim Supply Termination Date shall be extended to December 31, 2077. Any extension thereafter shall be by mutual agreement of the parties.

Section 7.2 Rights after Termination.

Except as specifically provided otherwise in this Agreement, all of the rights and obligations of the parties under this Agreement shall terminate upon termination of this Agreement, except that such termination shall not affect any rights or liabilities accrued prior to such termination.

ARTICLE VIII

OTHER PROVISIONS

Section 8.1 Waiver and Amendment.

Failure to enforce or the waiver of any provision of this Agreement or any breach or nonperformance by Participant or GBRA shall not be deemed a waiver by GBRA or Participant of the right in the future to demand strict compliance and performance of any provision of this Agreement. No officer or agent of GBRA or Participant is authorized to waive or modify any provision of this Agreement. No modifications to or rescission of this Agreement may be made except by a written document signed by GBRA's and Participant's authorized representatives.

Section 8.2 Remedies.

It is not intended hereby to specify (and this Agreement shall not be considered as specifying) an exclusive remedy for any default, but all such other remedies (other than termination) existing at law or in equity may be availed of by either party hereto and shall be cumulative.

Section 8.3 Force Majeure.

If for any reason of force majeure, either GBRA or Participant shall be rendered unable, wholly or in part, to carry out its obligations under this Agreement, other than the obligation of Participant to make the payments required under the terms of this Agreement, then if the party shall give notice of the reasons in writing to the other party within a reasonable time after the occurrence of the event, or cause relied on, 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 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, orders or actions of any kind of government of the United States or of the State of Texas, or any civil or military authority, insurrections, riots, epidemics, land slides, 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 (accident or intentional), and any inability on the part of GBRA to deliver treated water on account of any other cause not reasonably within the control of GBRA.

Section 8.4 Non-Assignability.

Participant may not assign this Agreement without first obtaining the written consent of GBRA.

Section 8.5 Entire Agreement.

This Agreement constitutes the entire agreement between GBRA and Participant and supersedes any prior understanding or oral or written agreements between GBRA and Participant respecting the subject matter of this Agreement.

Section 8.6 Severability.

The provisions of this Agreement are severable and if, for any reasons, any one or more of the provisions contained in the Agreement shall be held to be invalid, illegal or unenforceable in any respect, the invalidity, illegality or unenforceability shall not affect any other provision of this Agreement and this Agreement shall remain in effect and be construed as if the invalid, illegal or unenforceable provision had never been contained in the Agreement.

Section 8.7 Captions.

The sections and captions contained herein are for convenience and reference only and are not intended to define, extend or limit any provision of this Agreement.

Section 8.8 No Third Party Beneficiaries.

This Agreement does not create any third party benefits to any person or entity other than the signatories hereto, and is solely for the consideration herein expressed.

Section 8.9 Notices.

All notices, payments and communications ("Notices") required or allowed by this Agreement shall be in writing and be given by depositing the notice in the United States mail postpaid and registered or certified, with return receipt requested, and addressed to the party to be notified. Notice deposited in the mail in the previously described manner shall be conclusively deemed to be effective from and after the expiration of three (3) days after the notice is deposited in the mail. For 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:

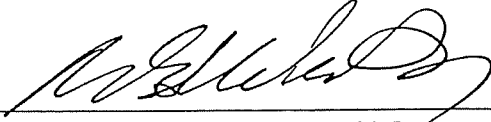
Guadalupe-Blanco River Authority
Attention: General Manager
933 E. Court Street
Seguin, Texas 78155

And for Participant:

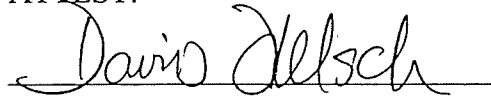
Either party may change its address by giving written notice of the change to the other party at least fourteen (14) days before the change becomes effective.

In witness whereof, the parties hereto, acting under the authority of the respective governing bodies, have caused this Agreement to be duly executed in multiple counterparts, each of which shall constitute an original.

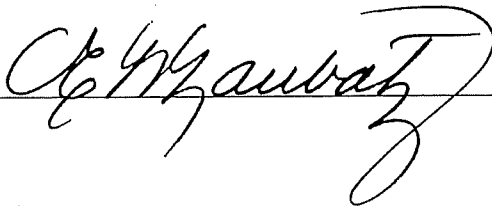
GUADALUPE-BLANCO RIVER AUTHORITY

By: 
William E. West, Jr., General Manager

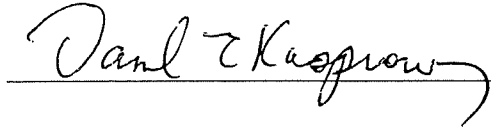
ATTEST:



CITY OF FAIR OAKS RANCH, TEXAS

By: 

ATTEST:



THE STATE OF TEXAS §

COUNTY OF GUADALUPE §

BEFORE ME, the undersigned, a Notary Public in and for said State, on this day personally appeared William E. West, Jr., known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the GUADALUPE-BLANCO RIVER AUTHORITY, a conservation district and political subdivision, and that he executed the same as the act of such conservation district and political subdivision for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 11th day of January, ~~19~~ 2000



(Seal)

Christy S. Dietert
Notary Public

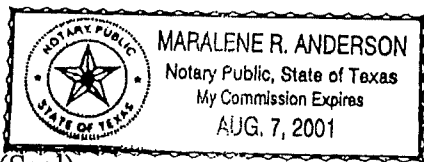
The State of Texas

THE STATE OF TEXAS §

COUNTY OF Bexar §

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared Erwin S. Saubatz, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 10th day of February, ~~199~~ 2000

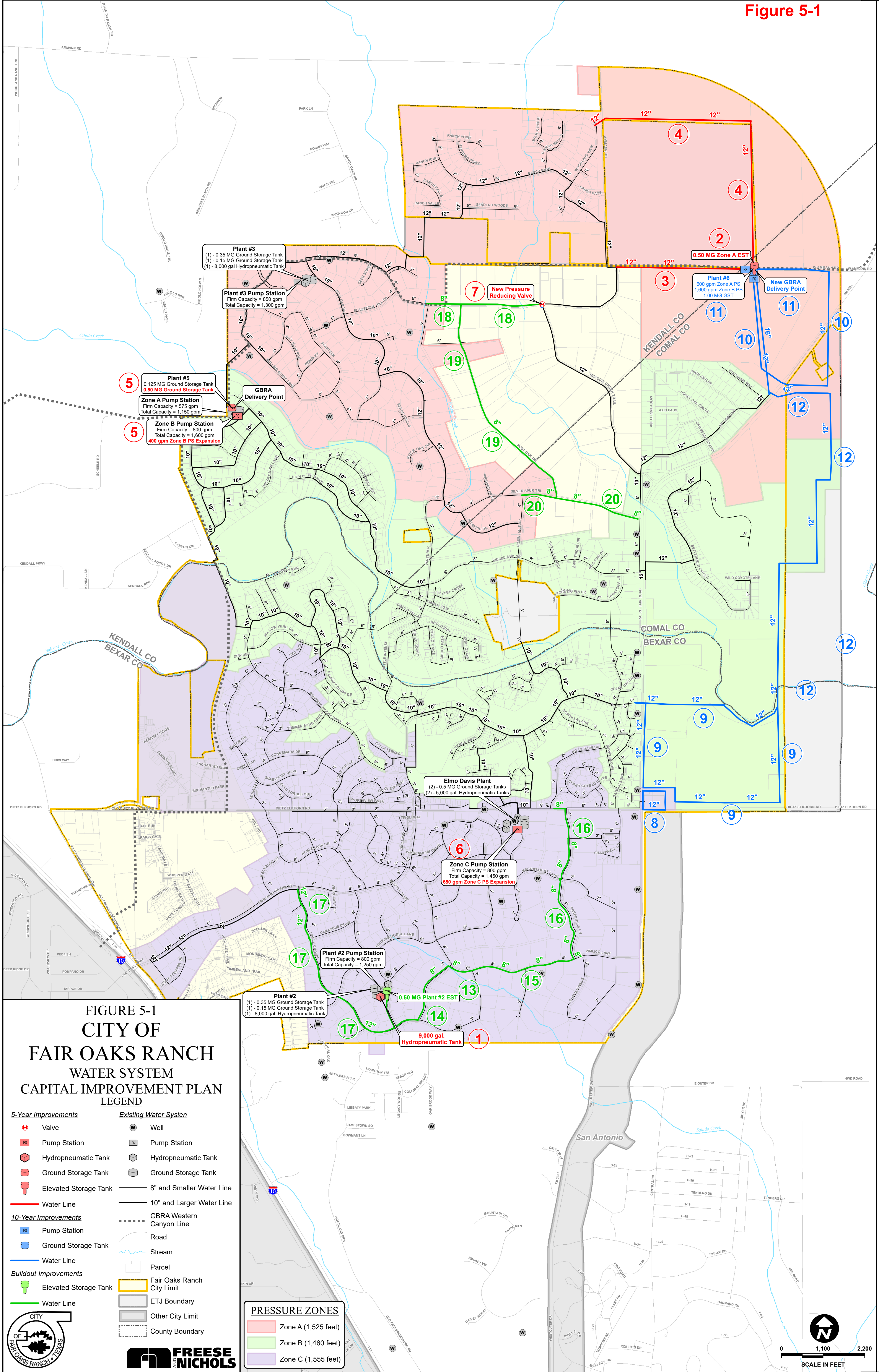


(Seal)

Maralene R. Anderson
Notary Public

The State of Texas

Figure 5-1

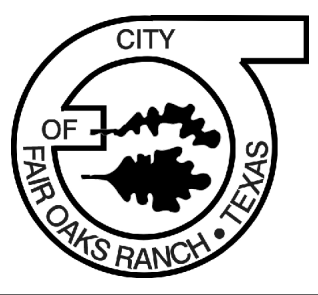


**FIGURE 5-1
CITY OF
FAIR OAKS RANCH
WATER SYSTEM
CAPITAL IMPROVEMENT PLAN
LEGEND**

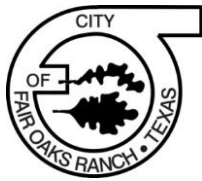
- | | |
|------------------------------|------------------------------|
| 5-Year Improvements | Existing Water System |
| Valve | Well |
| Pump Station | Pump Station |
| Hydropneumatic Tank | Hydropneumatic Tank |
| Ground Storage Tank | Ground Storage Tank |
| Elevated Storage Tank | 8" and Smaller Water Line |
| Water Line | 10" and Larger Water Line |
| 10-Year Improvements | GBRA Western Canyon Line |
| Pump Station | Road |
| Ground Storage Tank | Stream |
| Water Line | Parcel |
| Buildout Improvements | Fair Oaks Ranch City Limit |
| Elevated Storage Tank | ETJ Boundary |
| Water Line | Other City Limit |
| | County Boundary |

PRESSURE ZONES

- Zone A (1,525 feet)
- Zone B (1,460 feet)
- Zone C (1,555 feet)



0 1,100 2,200
SCALE IN FEET



**CITY COUNCIL CONSIDERATION ITEM
CITY OF FAIR OAKS RANCH, TEXAS
September 21, 2023**

AGENDA TOPIC: Consideration and possible action appointing Council Members as members or liaisons to various boards, committees, and commissions
DATE: September 21, 2023
DEPARTMENT: City Council
PRESENTED BY: Gregory C. Maxton, Mayor

INTRODUCTION/BACKGROUND:

Our City Council appoints council members to serve on several boards or committees. Many of these appointments are to serve as a member of the board or committee. As a member, the council member is an active participant of the group and contributes and votes with all other members to accomplish the goals of the board or committee. As a liaison, a council member’s primary role is to serve as a contact person and facilitate communications between the designated board or committee and City Council. A liaison has no voting privileges and no authority related to the board or committee they are assigned to.

The City Council reviewed the various appointment opportunities at the September 12, 2023 Special City Council meeting. Tonight’s agenda item is to make these appointments. As per discussion at the September 12, 2023 meeting, these appointments will be reviewed annually and will occur post-election, in June.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

- 1. As a member, provides council member participation in several areas where boards and committees impact our city operations.
- 2. As a member or as a liaison, provides a means to gain information which can be reported back to all council members during our council meetings, keeping council and residents informed of the actions of the committees and boards.

LONGTERM FINANCIAL & BUDGETARY IMPACT:

N/A

LEGAL ANALYSIS:

N/A

RECOMMENDATION/PROPOSED MOTION:

I move to approve the attachment (**Attachment A**) assigning council members as members or liaisons to the following boards, committees, and commissions:

Audit Committee Members

- 1. Keith Rhoden (New)
- 2. Greg Maxton (Current)
- 3. Chesley Muenchow (Current)

Branding Committee Members

- 1. Laura Koerner (Current)
- 2. Scott Parker (Current)
- 3. Michelle Bliss (Current)

Municipal District Development Board

- 1. Keith Rhoden (New)
- 2. Laura Koerner (Current)

Wildlife Education Committee Members

- 1. Michelle Bliss (Current)
- 2. Scott Parker (Current)
- 3. Chesley Muenchow (Current)

Liaison to Capital Improvements Advisory Committee

- 1. Emily Stroup (Current)

Court Security Committee

- 1. Emily Stroup (Current)

Emergency Management Committee

- 1. Gregory C. Maxton (Current)
- 2. Laura Koerner (Current)
- 3. Scott Parker (Current)

Others:



CITY COUNCIL CONSIDERATION ITEM
CITY OF FAIR OAKS RANCH, TEXAS
September 21, 2023

AGENDA TOPIC: Consideration and possible action approving a resolution to appoint members to fill places on the City of Fair Oaks Ranch Planning & Zoning Commission.

DATE: September 21, 2023

DEPARTMENT: City Secretary

PRESENTED BY: Christina Picioccio, TRMC, City Secretary

INTRODUCTION/BACKGROUND:

At the May 18, 2023 City Council meeting, the City Secretary reviewed the process of appointing/reappointing members to the City’s Boards and Commissions. The Planning and Zoning Commission (P&Z) is comprised of seven members serving three-year staggered terms. Four of those positions will be vacant due to terms ending on September 30, 2023.

The City Secretary’s office contacted the incumbents for Places 5, 6, and 7 to ask their interest in continuing to serve. Commissioner at Place 3 had previously provided notice that he no longer wished to serve. Dale Pearson, Place 6 and Lamberto “Bobby” Balli, Place 7 expressed interest in continuing to serve. To generate new applicants, notices and applications were posted on the City website as well as social media forums. The application deadline was August 9, 2023. Five applications were received from residents interested in serving on the P&Z Commission.

Following the application window, at their August 17, 2023 regular meeting, the Council elected to interview only the new candidates. Interviews were held on September 12, 2023

The resolution for consideration tonight is to fill Places 3, 5, 6, and 7.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

Having all the Board’s seats filled ensures community input as citizen decisions influences and preserves the community’s values.

LONG-TERM FINANCIAL & BUDGETARY IMPACT:

N/A

LEGAL ANALYSIS:

Approved as to form.

RECOMMENDATION/PROPOSED MOTION:

I move to approve a resolution appointing _____ to Place 3, appointing _____ to Place 5, and appointing/reappointing _____ to Place 6 and appointing/reappointing _____ to Place 7 on the City of Fair Oaks Ranch Planning and Zoning Commission.

A RESOLUTION

A RESOLUTION OF THE CITY OF FAIR OAKS RANCH APPOINTING MEMBERS TO FILL PLACES 3, 5, 6, AND 7 ON THE FAIR OAKS RANCH PLANNING AND ZONING COMMISSION

WHEREAS, on March 5, 2018, under Ordinance 2018-03, the Fair Oaks Ranch City Council established the City of Fair Oaks Ranch Planning and Zoning Commission, an advisory commission; and,

WHEREAS, municipal regulatory authority regarding municipal zoning, including the requirement of appointing members to a Zoning Commission, is found in the Texas Local Government Code, Chapter 211; and,

WHEREAS, Section 3.04 of the City Charter provides the Mayor shall appoint, upon nomination by majority vote of the City Council, the members of Planning and Zoning Commission; and,

WHEREAS, the terms for Places 3, 5, 6, and 7 of the Planning and Zoning Commission will expire on September 30, 2023; and,

WHEREAS, two members (Places 3 and 5) have indicated they no longer desire to serve on the Planning and Zoning Commission; and,

WHEREAS, the City Council received applications of interest and conducted interviews in September 2023; and,

WHEREAS, the City Council deems it necessary to appoint members to fill Places 3, 5, 6, and 7 expired terms on the Commission.

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

Section 1. The recitals contained in the preamble hereof 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 2. The City Council hereby finds that the following qualified citizen volunteers are appointed to serve on the City of Fair Oaks Ranch Planning and Zoning Commission, effective October 1, 2023;

| | | |
|---------|-------|-----------------------------|
| Place 3 | _____ | Term: 10/1/2023 – 9/30/2026 |
| Place 5 | _____ | Term: 10/1/2023 – 9/30/2026 |
| Place 6 | _____ | Term: 10/1/2023 – 9/30/2026 |
| Place 7 | _____ | Term: 10/1/2023 – 9/30/2026 |

Section 3. That it is hereby officially found and determined that the meeting at which this resolution is passed is open to the public and that public notice of the time, place and purpose of said meeting was given as required by law.

Section 4. This resolution shall be in force and effect from and after its final passage, and it is so resolved

PASSED and APPROVED this 21st day of September, 2023.

Gregory C. Maxton, Mayor

ATTEST:

Christina Picioccio, TRMC, City Secretary

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



CITY COUNCIL CONSIDERATION ITEM
CITY OF FAIR OAKS RANCH, TEXAS
September 21, 2023

AGENDA TOPIC: Consideration and possible action approving a resolution to appoint members to fill places on the City of Fair Oaks Ranch Capital Improvement Advisory Committee.

DATE: September 21, 2023

DEPARTMENT: City Secretary

PRESENTED BY: Christina Picioccio, TRMC, City Secretary

INTRODUCTION/BACKGROUND:

At the May 18, 2023, City Council meeting, the City Secretary reviewed the process of appointing/reappointing members of the City’s Boards and Commissions. The Capital Improvement Advisory Committee (CIAC) is a nine-member committee with three-year terms. Three of those positions will be vacant due to terms ending on September 30, 2023. Chapter 395 of the Texas Local Government Code specifies that no fewer than 40% of the CIAC members must be representatives of the real estate development or building industries. Two of the three incumbents with terms expiring contribute to meeting that requirement.

The City Secretary’s office contacted the incumbents for Places 7, 8, and 9 to ask their interest in continuing to serve. Ben Koerner, Place 7 and Chris Weigand, Place 9 expressed interest in continuing to serve and one declined (this one member did contribute to the real estate development/building industry percentage).

To generate new applicants, notices and applications were posted on the City website as well as social media forums. The application deadline was August 9, 2023. Four applications were received from residents interested in serving on the CIAC.

Following the application window, at their August 17, 2023, regular meeting, the Council elected to interview only the new candidates. Interviews were held on September 7, 2023, and September 12, 2023.

The resolution for consideration tonight is to fill places 7, 8, and 9.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

Having all the Board’s seats filled ensures community input as citizen decisions influences and preserves the community’s values.

LONG-TERM FINANCIAL & BUDGETARY IMPACT:

N/A

LEGAL ANALYSIS:

Approved as to form.

RECOMMENDATION/PROPOSED MOTION:

I move to approve a resolution appointing/reappointing _____ to Place 7, appointing _____ to Place 8, and appointing/reappointing _____ to Place 9 on the City of Fair Oaks Ranch Capital Improvement Advisory Committee.

A RESOLUTION

A RESOLUTION OF THE CITY OF FAIR OAKS RANCH APPOINTING MEMBERS TO FILL PLACES 7, 8, AND 9 ON THE CITY OF FAIR OAKS RANCH CAPITAL IMPROVEMENT ADVISORY COMMITTEE

WHEREAS, under Ordinance No. 145.0, the Fair Oaks Ranch City Council established the City of Fair Oaks Ranch Impact Fee Advisory Committee; providing for the appointments of its members by City Council, by Resolution; and

WHEREAS, pursuant to Local Government Code 395.058(a), the City Council of the City of Fair Oaks Ranch resolved (Res 82.5) on February 16, 2006 to rename the Impact Fee Advisory Committee to Capital Improvements Advisory Committee (CIAC); and

WHEREAS, the Committee serves in an advisory capacity and is established to follow the duties and functions set forth in Texas Local Government Code 395.058(c) and City of Fair Oaks Ranch Ordinance No. 145.0; and

WHEREAS, the City Council created staggered terms for consistency throughout all City Boards and Commissions in 2020; and,

WHEREAS, the terms for Places 7, 8, and 9 of the CIAC will expire on September 30, 2023; and,

WHEREAS, two members (Places 7 and 9) indicated they desired to continue serving on the Capital Improvement Advisory Committee; and,

WHEREAS, the City Council deems it necessary to appoint members to fill Place 7, 8, and 9 on the Capital Improvements Advisory Commission.

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

Section 1. The recitals contained in the preamble hereof 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 2. The City Council hereby finds that the following qualified citizen volunteers are appointed to serve on the City of Fair Oaks Ranch Capital Improvement Advisory Committee, effective October 1, 2023;

| | | |
|---------|-------|-----------------------------|
| Place 7 | _____ | Term: 10/1/2023 – 9/30/2026 |
| Place 8 | _____ | Term: 10/1/2023 – 9/30/2026 |
| Place 9 | _____ | Term: 10/1/2023 – 9/30/2026 |

Section 3. That it is hereby officially found and determined that the meeting at which this resolution is passed is open to the public and that public notice of the time, place and purpose of said meeting was given as required by law.

Section 4. This resolution shall be in force and effect from and after its final passage, and it is so resolved.

PASSED, APPROVED and ADOPTED this 21st day of September, 2023.

Gregory C. Maxton, Mayor

ATTEST:

APPROVED AS TO FORM:

Christina Picioccio, TRMC, City Secretary

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



CITY COUNCIL CONSIDERATION ITEM
CITY OF FAIR OAKS RANCH, TEXAS
September 21, 2023

AGENDA TOPIC: Consideration and possible action approving a resolution to appoint members to fill places on the City of Fair Oaks Ranch Municipal Development District Board of Directors

DATE: September 21, 2023

DEPARTMENT: City Secretary

PRESENTED BY: Christina Picioccio, TRMC, City Secretary

INTRODUCTION/BACKGROUND:

At the May 18, 2023, City Council meeting, the City Secretary reviewed the process of appointing/reappointing members of the City’s Boards and Commissions. The Municipal Development District (MDD) Board of Directors is comprised of seven members serving two-year staggered terms. Three of those positions will be vacant due to terms ending on September 30, 2023, and one position, held by a city council member ending September 30, 2024, is vacant as he did not seek reelection.

The City Secretary’s office contacted the incumbents for Places 3, 6, and 7 to ask their interest in continuing to serve. David Fairhurst, Place 3 and Steven Robertson, Place 7 expressed interest in continuing to serve.

To generate new applicants, notices and applications were posted on the city website as well as social media forums. The application deadline was August 9, 2023. Three applications were received from residents interested in serving on the MDD Board.

Following the application window, at their August 17, 2023 regular meeting, the Council elected to interview only the new candidates. Interviews were held on September 12, 2023.

The resolution for consideration tonight is to fill Places 3, 6, and 7 and to appoint a replacement for Council Member Elizondo, Place 1.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

Having all the Board’s seats filled ensures community input as citizen decisions influences and preserves the community’s values.

LONG-TERM FINANCIAL & BUDGETARY IMPACT:

N/A

LEGAL ANALYSIS:

Approved as to form.

RECOMMENDATION/PROPOSED MOTION:

I move to approve a resolution appointing/reappointing _____ to Place 3, appointing _____ to Place 6, and appointing/reappointing _____ to Place 7 and _____ as the City Council Representative on the City of Fair Oaks Ranch Municipal Development District Board of Directors.

A RESOLUTION

A RESOLUTION OF THE CITY OF FAIR OAKS RANCH APPOINTING DIRECTORS TO FILL PLACES 1, 3, 6, AND 7 ON THE CITY OF FAIR OAKS RANCH MUNICIPAL DEVELOPMENT DISTRICT BOARD OF DIRECTORS

WHEREAS, as authorized by Texas Local Government Code §377.021, and, upon the favorable results of the May 7, 2011, City of Fair Oaks Ranch election, the Fair Oaks Ranch Municipal Development District (MDD) was created and the imposition of a sales and use tax of one-half of one percent in the district’s boundaries was approved; and,

WHEREAS, on August 8, 2011, the City Council of the City of Fair Oaks Ranch adopted Ordinance 2011-08 creating the District’s Board of Directors and providing for the appointments of its Directors by City Council, by Resolution; and,

WHEREAS, the City Council created staggered terms for consistency throughout all City Boards and Commissions in 2020; and,

WHEREAS, Place 3, Place 6, and Place 7 terms on the MDD Board of Directors has expired; and,

WHEREAS, the Place 1 Council Seat is vacant; and,

WHEREAS, two members, Place 3 and Place 7 indicated they desired to continue serving on the Fair Oaks Ranch Municipal Development District Board of Directors; and,

WHEREAS, the City Council deems it necessary to appoint members to fill Places 1 (Council), 3, 6 and 7 expired or vacant terms on the Board of Directors.

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

Section 1. The recitals contained in the preamble hereof 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 2. The City Council hereby finds that the following qualified citizen volunteers are appointed to serve on the City of Fair Oaks Ranch Municipal Development District Board of Directors, effective October 1, 2023;

| | | |
|-----------------|-------|-----------------------------|
| Place 1 Council | _____ | Term: 10/1/2023 – 9/30/2025 |
| Place 3 | _____ | Term: 10/1/2023 – 9/30/2025 |
| Place 6 | _____ | Term: 10/1/2023 – 9/30/2025 |
| Place 7 | _____ | Term: 10/1/2023 – 9/30/2025 |

Section 3. That it is hereby officially found and determined that the meeting at which this resolution is passed is open to the public and that public notice of the time, place and purpose of said meeting was given as required by law.

Section 4. This resolution shall be in force and effect from and after its final passage, and it is so resolved.

PASSED, APPROVED and ADOPTED this 21st day of September, 2023.

ATTEST:

Gregory C. Maxton, Mayor

Christina Picioccio, TRMC, City Secretary

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



**CITY COUNCIL CONSIDERATION ITEM
CITY OF FAIR OAKS RANCH, TEXAS
September 21, 2023**

AGENDA TOPIC: Consideration and possible action approving a resolution to appoint members to fill places on the City of Fair Oaks Ranch Zoning Board of Adjustment.
DATE: September 21, 2023
DEPARTMENT: City Secretary
PRESENTED BY: Christina Picioccio, TRMC, City Secretary

INTRODUCTION/BACKGROUND:

At the May 18, 2023, City Council meeting, the City Secretary reviewed the process of appointing/reappointing members of the City’s Boards and Commissions. The Zoning Board of Adjustment is a seven-member board with two-year terms. Three of those positions will be vacant due to terms ending on September 30, 2023.

The City Secretary’s office contacted the incumbents for Places 1, 4, & an Alternate position to ask their interest in continuing to serve. Michael Rey-Place 1, Jonathan Lisenby-Place 4, and Roderick Terrell-Alternate expressed interest in continuing to serve.

To generate new applicants, notices and applications were posted on the City website as well as social media forums. The application deadline was August 9, 2023. Two applications were received from residents interested in serving on the ZBOA.

Following the application window, at their August 17, 2023 regular meeting, Council elected to interview only the new candidates. Interviews were held on September 7, 2023 and September 12, 2023.

The resolution for consideration tonight is to fill places 1, 4, and the Alternate position.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

Having all the Board’s seats filled ensures community input as citizen decisions influences and preserves the community’s values.

LONG-TERM FINANCIAL & BUDGETARY IMPACT:

N/A

LEGAL ANALYSIS:

Approved as to form.

RECOMMENDATION/PROPOSED MOTION:

I move to approve a resolution appointing/reappointing _____ to Place 1, appointing/reappointing _____ to Place 4, and appointing/reappointing _____ to the Alternate position on the City of Fair Oaks Ranch Zoning Board of Adjustment.

A RESOLUTION

A RESOLUTION OF THE CITY OF FAIR OAKS RANCH APPOINTING MEMBERS TO FILL PLACES ON THE CITY OF FAIR OAKS RANCH ZONING BOARD OF ADJUSTMENT

WHEREAS, on June 21, 2018, under Ordinance 2018-05, the City Council of the City of Fair Oaks Ranch amended the city’s Code of Ordinances, Chapter 14 by adopting zoning districts and zoning regulations in the City of Fair Oaks Ranch; and,

WHEREAS, Chapter 14, Section 14.01.004, entitled, “Zoning Board of Adjustment” (ZBOA), provides for the structure, procedure, and duties of a Zoning Board of Adjustment (“the Board”); and,

WHEREAS, the City Council created staggered terms for consistency throughout all City Boards and Commissions in 2020; and,

WHEREAS, the terms for Place 1, 4, and an Alternate Position will expire on September 30, 2023; and,

WHEREAS, four members (Place 1, 4, and an Alternate Position) indicated that they desired to continue serving on the Zoning Board of Adjustment; and,

WHEREAS, the City Council deems it necessary to appoint at a minimum, Place 1, 4, and an Alternate on the Zoning Board of Adjustment.

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

Section 1. The recitals contained in the preamble hereof 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 2. The City Council hereby finds that the following qualified citizen volunteers are appointed to serve on the City of Fair Oaks Ranch Zoning Board of Adjustment, effective October 1, 2023;

| | | |
|-----------|-------|-----------------------------|
| Place 1 | _____ | Term: 10/1/2023 – 9/30/2025 |
| Place 4 | _____ | Term: 10/1/2023 – 9/30/2025 |
| Alternate | _____ | Term: 10/1/2023 – 9/30/2025 |

Section 3. That it is hereby officially found and determined that the meeting at which this resolution is passed is open to the public and that public notice of the time, place and purpose of said meeting was given as required by law.

Section 4. This resolution shall be in force and effect from and after its final passage, and it is so resolved.

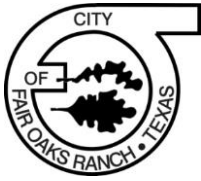
PASSED, APPROVED and ADOPTED this 21st day of September, 2023.

Gregory C. Maxton, Mayor

ATTEST:

Christina Picioccio, TRMC, City Secretary

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



**CITY COUNCIL CONSIDERATION ITEM
CITY OF FAIR OAKS RANCH, TEXAS
September 21, 2023**

AGENDA TOPIC: Consideration and possible action approving a resolution to appoint members to fill places on the City of Fair Oaks Ranch Board of Appeals.
DATE: September 21, 2023
DEPARTMENT: City Secretary
PRESENTED BY: Christina Picioccio, TRMC, City Secretary

INTRODUCTION/BACKGROUND:

At the May 18, 2023, City Council meeting, the City Secretary reviewed the process of appointing/reappointing members to the City’s Boards and Commissions. The Building Code Board of Appeals (BCBOA) is a four-member board (3 regular & 1 alternate) with three-year staggered terms. Places 1 & 3 expire on September 30, 2023. The requirement to serve on the Board of Appeals is by **“experience and training to pass on matters pertaining to building construction and are not employees of the jurisdiction”**.

The City Secretary’s office contacted the incumbents for Place 1 and 3 and they indicated that they are no longer willing to serve on the Board. To generate new applicants, notices and applications were posted on the City website as well as social media forums. The application deadline was August 9, 2023. Two applications have been received to serve on this board and the Alternate Member expressed interest in being moved into a regular place.

Following the application window, at their August 17, 2023, regular meeting staff reminded Council that this Board has yet to meet since its inception and recommended that due to the limited number of applications received, it may best to fill the more active boards and at a minimum only appoint one seat of the BCBOA (not Alternate). Interviews to fill these positions were held on September 12, 2023.

Tonight, the Council will determine if the Alternate Member will be assigned to a Regular Place (maintaining his appointment term deadline of September 30, 2025). Further, the Council will consider appointing one or two new members whose terms will end September 30, 2026 (Place 1, Place 3 or Alternate).

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

To appoint members to hear and resolve appeals from the determinations of the building official for the City. Having all the Board’s seats filled ensures community input as citizen decisions influences and preserves the community’s values.

LONG-TERM FINANCIAL & BUDGETARY IMPACT:

N/A

LEGAL ANALYSIS:

Approved as to form.

RECOMMENDATION/PROPOSED MOTION:

I move to approve a resolution appointing our Alternate Member to Place _____, _____
to Place _____, and _____ as Alternate on the City of Fair Oaks Ranch Board of
Appeals.

A RESOLUTION

A RESOLUTION OF THE CITY OF FAIR OAKS RANCH APPOINTING MEMBERS TO FILL PLACES ON THE CITY OF FAIR OAKS RANCH BOARD OF APPEALS

WHEREAS, on November 19, 2015, under Ordinance 2015-11, the Fair Oaks Ranch City Council established the City of Fair Oaks Ranch Board of Appeals to hear and resolve appeals from the determinations of the building official for the City; providing for the appointments of its members by City Council, by resolution;

WHEREAS, the City Council created staggered terms for consistency throughout all City Boards and Commissions in 2020; and,

WHEREAS, the terms for Place 1 and 3 will expire on September 30, 2023; and,

WHEREAS, both members (Place 1 and Place 3) indicated that they did not desire to continue serving on the Board of Appeals; and,

WHEREAS, the member serving in the Alternate position indicated interest in being appointed to a regular place on the Board; and,

WHEREAS, the City Council deems it necessary to appoint at a minimum, Place 1 and 3 on the Board of Appeals.

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

Section 1. The recitals contained in the preamble hereof 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 2. The City Council hereby finds that the following qualified citizen volunteers are appointed to serve on the City of Fair Oaks Ranch Board of Appeals, effective October 1, 2023;

| | | |
|-----------|-------|-----------------------------|
| Place 1 | _____ | Term: 10/1/2023 – 9/30/2026 |
| Place 3 | _____ | Term: 10/1/2023 – 9/30/2026 |
| Alternate | _____ | Term: 10/1/2023 – 9/30/2026 |

Section 3. That it is hereby officially found and determined that the meeting at which this resolution is passed is open to the public and that public notice of the time, place and purpose of said meeting was given as required by law.

Section 4. This resolution shall be in force and effect from and after its final passage, and it is so resolved.

PASSED, APPROVED and ADOPTED this 21st day of September, 2023.

Gregory C. Maxton, Mayor

ATTEST:

Christina Picioccio, TRMC, City Secretary

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

2023 ANNULAR ECLIPSE



When & Where?

- Fair Oaks Ranch, Texas
- October 14, 2023
 - Partial Eclipse Begins at 10:23am
 - Annularity begins at 11:52am
 - Maximum begins at 11:54am
 - Annularity ends at 11:56
 - Partial eclipse ends at 1:33pm



2023 PATH OF ANNULARITY



Eclipses AS A

NASA's Lunar Reconnaissance Orbiter and NASA's Solar Dynamics Observatory provide the location of the Moon's shadow. The planetary positions are from the JPL Solar System Dynamics Development Ephemeris 421. The Earth's limb is from the JPL Marble: Next Generation series. The Earth at night imagery from NASA's Earth Observing Satellites.

2024 Total Solar Eclipse
Monday, April 8, 2024

Scientific Visualization Studio (SVS), in partnership with the NASA Visualization Activation Team (NASA VACT), is the lead for this portfolio. © 2023 NASA Goddard Space Flight Center



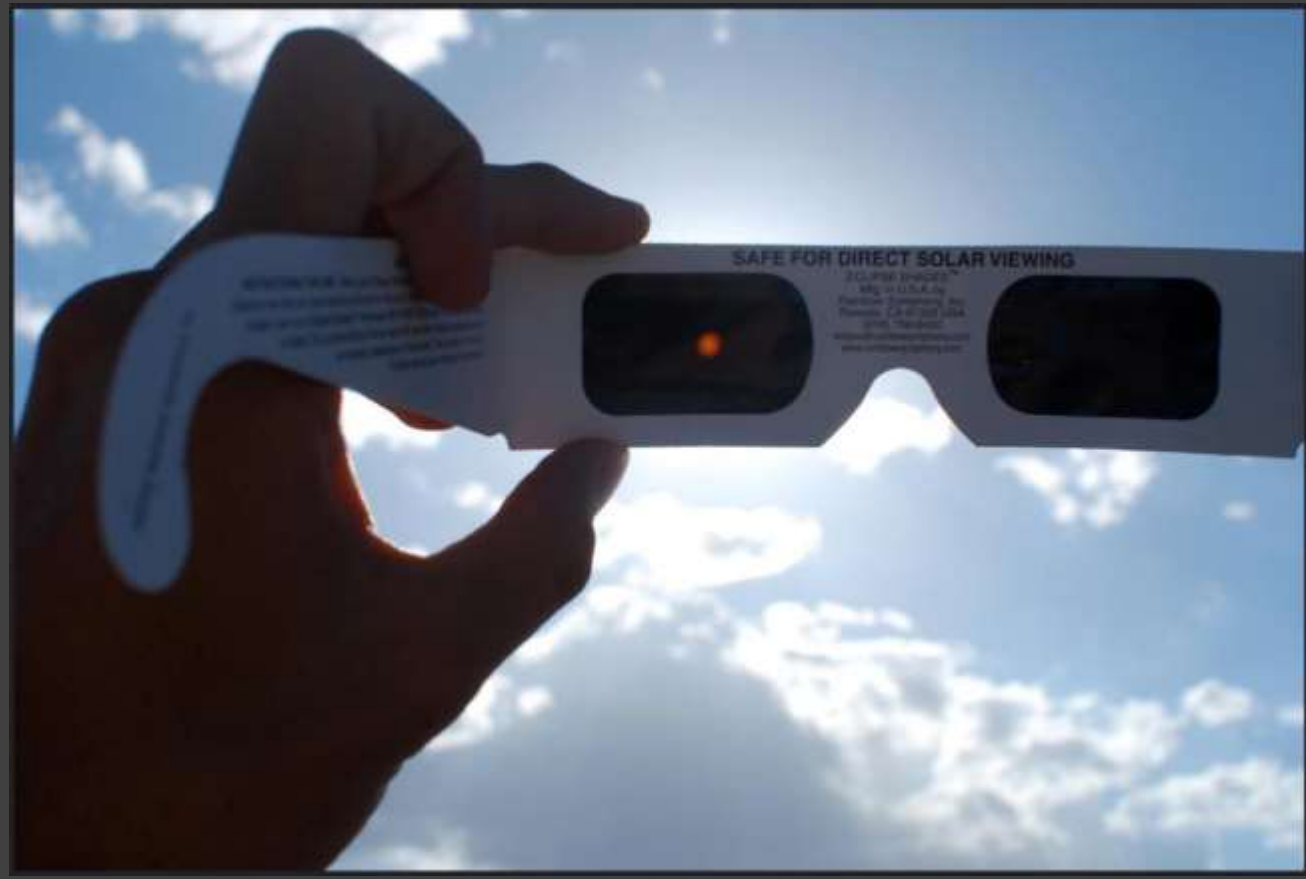
Find More: solarsystem.nasa.gov/eclipses

SAFETY CONSIDERATIONS

- If you plan to park in a public area, please remember to park legally, not block the roadway and be aware of traffic.
- If you are watching an entire eclipse, you may be in direct sunlight for hours. Remember to wear sunscreen, a hat, and protective clothing to prevent skin damage.
- Bring an umbrella or chairs and plenty of water to stay hydrated and avoid issues with heat exposure.
- It could be crowded, so please be considerate to those around you.
- At NO time is it safe to look directly at the sun without special glasses or a solar filter

SAFETY GLASSES

- DON'T LOOK DIRECTLY AT THE SUN WITHOUT SAFE SOLAR FILM GLASSES (ECLIPSE GLASSES)
- REGULAR SUNGLASSES ARE **NOT** SAFE FOR VIEWING THE SUN.
- SAFE SOLAR VIEWERS ARE MUCH DARKER AND MUST COMPLY WITH THE *ISO 12312-2* INTERNATIONAL STANDARD.
- LOOKING THROUGH A TELESCOPE, BINOCULARS, UNFILTERED CAMERA OR OTHER OPTICAL DEVICES IS **NOT** RECOMMENDED.



Important information and locations of safe areas



- Fair Oaks Ranch PD is working together with Boerne PD for a safe event
- Boerne Hospital will be on standby with extra personnel.
- Bexar County is aware of the event but are not activating their EOC
- Boerne Police Department will have all employees working: Police Officers, extra medical personnel and extra dispatchers.
- Fair Oaks Elementary school will be a staging area for Helicopter Medevac extraction location if needed in the area for the Fire Department.
- ESD 4 will be on standby to assist in our city.
- Cibolo Creek Church has informed us that people can use their parking lot to have a safe place to see the Eclipse.

National Aeronautics and
Space Administration



ANNULAR ECLIPSE THROUGH THE EYES OF NASA

SATURDAY, OCTOBER 14, 2023

ECLIPSE



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