

CITY OF FAIR OAKS RANCH
CITY COUNCIL REGULAR MEETING

Thursday, May 06, 2021 at 6:30 PM
Via Zoom Videoconference

AGENDA

VIRTUAL MEETING NOTICE

There exists a public health emergency related to the COVID-19 VIRUS that necessitates a meeting of the city council to take place via video conference pursuant to government code chapters 551.127, as modified by executive order of the Governor.

Zoom Videoconference Link: <https://www.zoomgov.com/j/1605181254>

Phone in number: US: +1 669 254 5252 or +1 646 828 7666 or 833 568 8864 (Toll Free)

Webinar ID: 160 518 1254

If you wish to address the City Council via telephone, please select *9 on your phone, this will place you in a queue for speaking. At the appropriate time, the City Secretary will call upon each individual separately. *6 will unmute your phone to allow you to speak.

OPEN MEETING

Roll Call - Declaration of a Quorum.

CITIZENS and GUEST FORUM

*If you wish to address the City Council, select *9 on your phone; this will place you in a queue for speaking. At the appropriate time the City Secretary will call upon each individual separately. Select *6 to unmute your phone to speak. 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.*

1. Citizens to be Heard.

PRESENTATIONS

- [2.](#) Police Week and Peace Officers Memorial Day Proclamation.
- [3.](#) National Public Works Week Proclamation.

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.

- [4.](#) Approval of the March 29, 2021 Special City Council meeting minutes.

Christina Picioccio, City Secretary

5. Approval of the April 15, 2021 Regular City Council meeting minutes.

Christina Picioccio, City Secretary

6. Approval of the second reading of an Ordinance amending the City's Code of Ordinances, Chapter 13, Article 13.06 Water Conservation Plan.

Melissa Castro, Environmental Project Manager

CONSIDERATION/DISCUSSION ITEMS

7. Consideration and possible action accepting Council Member Hartpence's resignation from the City of Fair Oaks Ranch City Council.

Requested by Steve Hartpence, Council Member, Place 3

8. Consideration and possible action approving a Resolution supporting the Camp Bullis Sentinal Landscape designation.

Melissa Castro, Environmental Project Manager

9. Consideration and possible action authorizing the City Manager to sign a Construction Agreement with Intermountain Slurry Seal for the city's Annual Street Maintenance and Repair Program.

Julio Colunga, Public Works Superintendent

REPORTS FROM STAFF/COMMITTEES/COUNCIL

10. Comprehensive Internal Controls Framework Implementation Project Update.

Sarah Buckelew, CPA, Finance Director
Jenny Che, RSM Consultant

11. Monthly Finance Update.

Sarah Buckelew, CPA, Finance Director

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:

12. To receive legal advice and to receive and deliberate an offer of settlement for claims made on behalf of a real property owner against the City's operation of well K-2.
13. Cause No. 2018-CI-00202; the City of Fair Oaks Ranch, Texas vs. Edward I. Hill, Robert E. Heckendorn, Craig M. Luitjen, Roger Fuentes, Wesley A. Pieper, Esther W. Hicks, William A. McDowell, Yolanda D. Ayala, PG Pfeiffer Ranches LLC, Maureen Pfeiffer Stevenson Family Trust.

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

RECONVENE INTO OPEN SESSION

Discussion and possible action on items discussed in Executive Session.

ADJOURNMENT

Requests for City topic needing additional information/research; or, potential consideration for a future agenda

Signature of Agenda Approval: s/Tobin E. Maples

Tobin E. Maples, City Manager

I, Christina Picioccio, 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, May 3, 2021 and remained so posted continuously for at least 72 hours before said meeting was convened.

The Fair Oaks Ranch City Hall is wheelchair accessible at the side 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 Congress and President of the United States have designated May 15, 2021 as Peace Officers Memorial Day, and the week in which it falls as Police Week; and,

WHEREAS, the members of the Fair Oaks Ranch Police Department play an essential role in safeguarding the rights and freedoms of the citizens of the City of Fair Oaks Ranch; and,

WHEREAS, it is important that all citizens know and understand the problems, duties and responsibilities of their police department, and that members of our police department recognize their duty to serve the people by safeguarding life and property, by protecting them against violence or disorder, and by protecting the innocent against deception and the weak against oppression or intimidation; and,

WHEREAS, the police department of the City of Fair Oaks Ranch has grown to be modern and scientific law enforcement agency which unceasingly provides a vital public service.

NOW, THEREFORE, I, Mayor Garry Manitzas call upon all citizens of the City of Fair Oaks Ranch and upon all patriotic, civil and educational organizations to observe the week of May 9, 2021 as Police Week with appropriate ceremonies in which all of our people may join in commemorating police officers, past and present, who by their faithful and loyal devotion to their responsibilities have rendered a dedicated service to their communities and, in doing so, have established for themselves an enviable and enduring reputation for preserving the rights and security of all citizens.

I FURTHER call upon all citizens of Fair Oaks Ranch to observe May 15th, as Peace Officers Memorial Day to honor those peace officers who, through their courageous deeds, have lost their lives or have become disabled in the performance of duty.

WITNESS MY HAND AND SEAL THIS 6th DAY OF MAY, 2021

Garry Manitzas, Mayor

Christina Picioccio, City Secretary

Proclamation

The City of Fair Oaks Ranch

Office of the Mayor

WHEREAS, public works professionals focus on infrastructure, facilities and services that are of vital importance to sustainable and resilient communities and to the public health, high quality of life and well-being of the people of the City of Fair Oaks Ranch; and,

WHEREAS, these infrastructure, facilities and services could not be provided without the dedicated efforts of public works professionals, who are engineers, managers and employees at all levels of government and the private sector, who are responsible for rebuilding, improving and protecting our nation's transportation, water supply, water treatment and solid waste systems, public buildings, and other structures and facilities essential for our citizens; and,

WHEREAS, it is in the public interest for the citizens, civic leaders and children in the City of Fair Oaks Ranch to gain knowledge of and to maintain a progressive interest and understanding of the importance of public works and public works programs in their respective communities; and,

WHEREAS, the year 2021 marks the 60th annual National Public Works Week sponsored by the American Public Works Association/Canadian Public Works Association be it now,

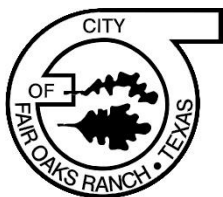
WHEREAS, the efficiency of the qualified and dedicated personnel who staff public works departments is materially influenced by the people's attitude and understanding the importance of the work they perform.

NOW, THEREFORE, I, Garry Manitzas, Mayor of the City of Fair Oaks Ranch, do hereby designate the week May 16 – 22, 2021 as National Public Works Week; I urge all citizens to join with representatives of the American Public Works Association/Canadian Public Works Association and government agencies in activities, events and ceremonies designed to pay tribute to our public works professionals, engineers, managers and employees and to recognize the substantial contributions they make to protecting our national health, safety, and quality of life.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City of Fair Oaks Ranch to be affixed this 6th day of May, 2021.

Garry Manitzas, Mayor

Christina Picioccio, City Secretary



CITY OF FAIR OAKS RANCH
CITY COUNCIL SPECIAL MEETING

Monday, March 29, 2021 at 2:00 PM
Via Zoom Videoconference

MINUTES

OPEN MEETING

Council Present: Mayor Manitzas and Mayor Pro Tem Elizondo

Council Members: Havard, Hartpence, Koerner, Patel, and Maxton

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

CITIZENS and GUEST FORUM

1. There were no citizens to be heard.

PURPOSE OF SPECIAL CALLED MEETING

2. **Post event review of the City's response to the February 2021 winter storm.**

City Council received a post event review of the City's response to the February 2021 winter storm from several staff members.

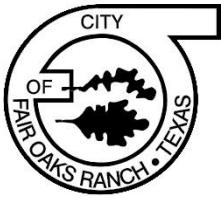
ADJOURNMENT

Mayor Manitzas adjourned the meeting at 4:14 PM.

ATTEST:

Garry Manitzas, Mayor

Christina Picioccio, City Secretary



CITY OF FAIR OAKS RANCH
CITY COUNCIL REGULAR MEETING
 Thursday, April 15, 2021 at 6:30 PM
 Via Zoom Videoconference

MINUTES

OPEN MEETING

Council Present: Mayor Manitzas and Mayor Pro Tem Elizondo

Council Members: Havard, Hartpence, Koerner, Patel, and Maxton

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

The pledge of allegiance was led by Council Member Koerner.

CITIZENS and GUEST FORUM

1. There were no citizens to be heard.

PRESENTATIONS

2. Joanna Merrill, Director of Human Resources and Communications recognized Employees of the Year for 2020, Steven J. Fried, Water Supervisor and Brian R. Le Jeune, IT Manager.

CONSENT AGENDA

3. **Approval of the April 1, 2021 Regular City Council meeting minutes.**
4. **Approval of the second reading of an Ordinance allowing for landscape irrigation systems for leak appeal consideration and for ratifying the temporary waiving of plumbing permit requirements for repairs resulting from the February 2021 winter storm.**
5. **Consideration and possible action recommending the approval of a Preliminary Plat request from SA Front Gate, LLC for Front Gate Unit 7 proposing 20 single-family residential lots, generally located on the south side of Van Raub Elementary School and north of Fair Oaks Parkway, City of Fair Oaks Ranch, Texas.**

MOTION: Made by Council Member Maxton, seconded by Mayor Pro Tem Elizondo, to approve the Consent Agenda.

VOTE: 7-0; Motion Passed

CONSIDERATION/DISCUSSION ITEMS

Mayor Pro Tem Elizondo asked to have item 12 moved up to the beginning of the Consideration Section.

12. **Consideration and possible action to accept a Kendall County Citizen's Law Enforcement Academy Alumni Association (KCCLEAAA) Grant to FORPD.**

MOTION: Made by Council Member Koerner, seconded by Council Member Maxton, to accept the grant from the Kendall County Citizens Law Enforcement Academy Alumni Association in the amount of actual expenses, not to exceed \$3,500, to the Police Department for the purpose of five Officers attending the 2021 Women of Law Enforcement Conference.

VOTE: 7-0; Motion Passed

6. Consideration and possible action authorizing the City Manager to develop a Strategic Action Plan for the Dietz Elkhorn Road Corridor.

MOTION: Made by Council Member Patel, seconded by Council Member Koerner, to authorize the City Manager to engage our General Engineering Consultant to develop a Strategic Action Plan for the Dietz Elkhorn Rd Corridor based on the direction provided by City Council today.

VOTE: 7-0; Motion Passed

7. Consideration and possible action approving the first reading of an Ordinance amending the City's Code of Ordinances, Chapter 13, Article 13.06 Water Conservation Plan.

MOTION: Made by Council Member Patel, seconded by Mayor Pro Tem Elizondo, to approve the First Reading of an Ordinance amending the City's Code of Ordinances, Chapter 13, Article 13.06 relative to water conservation.

VOTE: 7-0; Motion Passed

8. Consideration and possible action approving a Resolution authorizing the City Manager to submit an application for and to accept Federal Funds from the Federal Emergency Management Agency related to DR-4586.

MOTION: Made by Mayor Pro Tem Elizondo, seconded by Council Member Maxton, to approve a Resolution authorizing the submission of a grant application for and acceptance of the payment for Federal Emergency Management Agency Funds related to disaster declaration DR-4586, and authorizing the City Manager to execute documents and take actions to facilitate such acceptance.

VOTE: 6-1; Motion Passed. Council Member Hartpence voted nay.

9. Consideration and possible action approving a Resolution authorizing the City to submit a grant application and accept payment of Federal Funds related to the American Rescue Plan Act of 2021.

MOTION: Made by Council Member Patel, seconded by Council Member Hartpence, to approve a Resolution authorizing the submission of a grant application for and acceptance of the payment for Federal Funds related to the American Rescue Plan Act of 2021, and authorizing the City Manager to execute documents and take actions to facilitate such acceptance.

VOTE: 6-1; Motion Passed. Council Member Hartpence voted nay.

10. Consideration and possible action authorizing the City Manager to sign a Professional Service Agreement with Matrix Consulting Group for a Police Standards of Cover and Utilization Study.

MOTION: Made by Mayor Pro Tem Elizondo, seconded by Council Member Koerner, to authorize the City Manager to sign a Professional Services Agreement for the Police Utilization Study with Matrix Consultants at a not to exceed cost of \$39,500.00, utilizing \$14,500 from the current years' surplus to fund the budget overage.

VOTE: 5-2; Motion Passed. Council Members Hartpence and Patel voted nay. Council Member Patel requested that the minutes note she wanted a spending cap of \$25,000 as proposed in the budget.

11. Consideration and possible action authorizing the City Manager to sign a Professional Service Agreement with Emergency Services Consulting International for a Fire and EMS Standards of Cover and Utilization Study.

MOTION: Made by Council Member Koerner, seconded by Council Member Patel, to authorize the City Manager to sign a Professional Services Agreement for the Fire and EMS Study with Emergency Services Consulting International at a not to exceed cost of \$49,960.00.

VOTE: 6-1; Motion Passed. Council Member Hartpence voted nay.

13. Consideration and possible action to adopt Phase 1 branding deliverables for the City of Fair Oaks Ranch's Municipal Offices.

MOTION: Made by Mayor Pro Tem Elizondo, seconded by Council Member Patel, to authorize the City Council to adopt the proposed Phase 1 deliverables regarding core values, mission statement, and vision statement.

VOTE: 6-1; Motion Passed. Council Member Hartpence voted nay.

REPORTS FROM STAFF/COMMITTEES/COUNCIL

14. Leon Springs Volunteer Fire Department Recognition.

Council Member Koerner relayed to Council that at a meeting of the Bexar County ESD 4 Board meeting, the City was honored during a recognition ceremony with Leon Springs Volunteer Fire Department for supporting the public water event during the winter storm. The City was presented a plaque and was displayed on camera by City Manager Tobin Maples.

15. Fire Services Contract.

City Manager, Tobin Maples, provided an update on the negotiation of a short-term contract with ESD 4 to maintain the same level of service we received from the Leon Springs Volunteer Fire Department until the Standards of Cover and Utilization Study can be completed.

16. Upcoming Budget Process and Budget Calendar

Sarah Buckelew, Finance Director, reviewed the budget calendar and asked Council to work with the City Secretary to coordinate the dates for the portion of the budget process that involves Council participation.

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:

17. To receive legal advice and to receive and deliberate an offer of settlement for claims made on behalf of a real property owner against the City's operation of well K-2.
18. Cause No. 2018-CI-00202; the City of Fair Oaks Ranch, Texas vs. Edward I. Hill, Robert E. Heckendorn, Craig M. Luitjen, Roger Fuentes, Wesley A. Pieper, Esther W. Hicks, William A. McDowell, Yolanda D. Ayala, PG Pfeiffer Ranches LLC, Maureen Pfeiffer Stevenson Family Trust.
19. To receive legal advice from Special Counsel and the City Attorney regarding the City's ground water rights.
20. Update on the pending police Administrative Hearing for a Report of Separation regarding former officer Richard Davila, and other matters in connection therewith.

RECONVENE INTO OPEN SESSION

N/A

ADJOURNMENT

Mayor Manitzas adjourned the meeting at 9:36 PM.

ATTEST:

Garry Manitzas, Mayor

Christina Picioccio, City Secretary



CITY COUNCIL CONSIDERATION ITEM
CITY OF FAIR OAKS RANCH, TEXAS
May 6, 2021

AGENDA TOPIC: Approval of the second reading of an Ordinance amending the City's Code of Ordinances, Chapter 13, Article 13.06 Water Conservation Plan

DATE: May 6, 2021

DEPARTMENT: Public Works

PRESENTED BY: Melissa Castro, Environmental Project Manager

INTRODUCTION/BACKGROUND:

In the state of Texas, water conservation has become an essential part in ensuring public water purveyors meet future water demand. It is important that water utilities focus on the efficiency of their supply operations while promoting water efficiency to their customers. This is accomplished by setting conservation goals; implementing best management practices; and engaging the community through public education.

On January 7, 2020, City Council held a discussion and provided guidance to city staff for the development of an amending ordinance relative to water conservation. Based on said discussion, the following revisions were made (shown in *italics* under Exhibit A):

Section 13.06.002 – Added a brief utility profile as required by Title 30 Texas Administrative Code Chapter 288 to include current number of service connections and types of properties serviced;

Section 13.06.003 – Updated water conservation goals to correspond with the recommendation made by the Water Conservation Implementation Task Force (coordinated by the Texas Water Development Board) and to provide a five-year and ten-year goal relative to per capita water consumption;

Section 13.06.006(c) – Added drip irrigation as a method of landscape irrigation to be permitted at any time;

Section 13.06.006(d)(6) – Added an exclusionary statement for newly built residential homes and commercial establishments to obtain a watering permit during drought conditions;

Section 13.06.007(a)(3) and (4) – Added the use of non-recirculation systems at automatic car washing or commercial laundry facilities and non-recycling decorative water fountains as prohibited activities considered to be wasteful;

Section 13.06.007(b)(3) – Added the use of pressure washing equipment for household purposes as an excluded event under prohibition of water waste; and

Sections 13.06.011 and 13.06.012 – Updated sections relative to leak detection and record management to better represent current departmental practices.

The first reading of this Ordinance was approved at the April 15, 2021 City Council meeting. During said meeting, Council Member Patel commented on multiple items in need of clarification:

- Section 13.06.001 and associated whereas statements – Clarification on the water conservation plan's intended audience being Fair Oaks Ranch Utilities customers;

- Section 13.06.003 – Clarification on the feasibility of reaching an overall target goal of 140 gallons of per capita consumption by 2070;
- Section 13.06.005 (a) – Clarification on the types / variants of authorized turfgrass to be installed on all new residential and commercial development;
- Section 13.06.007 (a)(3) – Clarification on the addition of non-recycling decorative water fountains as a prohibited event of water usage; and
- Section 13.06.008 – Clarification on potentially expanding water conservation education to residents that are not Fair Oaks Ranch Utilities customers.

Please note that a motion was not made to formally edit the ordinance prior to the approval of the first reading.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

The City's water conservation ordinance, as well as potential amendments, strive to ensure that current and future residents of the City have a safe and adequate water supply for domestic use, sanitation and fire protection.

LONGTERM FINANCIAL & BUDGETARY IMPACT:

N/A

LEGAL ANALYSIS:

Legal review completed on March 31, 2021.

RECOMMENDATION/PROPOSED MOTION:

I move to approve the Second Reading of an Ordinance amending the City's Code of Ordinances, Chapter 13, Article 13.06 relative to water conservation.

AN ORDINANCE

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FAIR OAKS RANCH AMENDING THE CODE OF ORDINANCES, CHAPTER 13 UTILITIES, ARTICLE 13.06 WATER CONSERVATION PLAN; PROVIDING FOR SEVERABILITY AND REPEAL CLAUSES; PROVIDING FOR A PENALTY NOT EXCEEDING \$500 PER VIOLATION PER DAY FOR NONCOMPLIANCE; AND PROVIDING FOR AN IMMEDIATE EFFECTIVE DATE.

WHEREAS, the City wishes to promote the efficient and responsible use of water resources; and

WHEREAS, the City is committed to ensuring that current and future residents of the City have a safe and adequate water supply for domestic use, sanitation and fire protection; and

WHEREAS, the City seeks to comply with Title 30 of the Texas Administrative Code, Part 1, Chapter 288, Subchapter A, Rule 288.2 which requires the City to review and update its water conservation plan; and

WHEREAS, the City Council hereby finds and deems it necessary to amend Chapter 13, Article 13.06 to provide updated provisions relative to water conservation.

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

- PART 1. Chapter 13 Utilities, Article 13.06 Water Conservation Plan is hereby amended as set forth in the attached Exhibit "A".
- PART 2. That the recitals contained in the preamble hereto are hereby found to be true and such recitals are hereby made a part of this Ordinance for all purposes and are adopted as a part of the judgment and findings of the Council.
- PART 3. It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs, and sections of this Ordinance be severable, and, if any phrase, clause, sentence, paragraph, or section of this Ordinance shall be declared invalid by judgment or decree of any court of competent jurisdiction, such invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs, or sections of this Ordinance and the remainder of this Ordinance shall be enforced as written.
- PART 4. That it is officially found, determined and declared that the meeting at which this Ordinance is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Ordinance, was given, all as required by Chapter 551, as amended, Texas Government Code.
- PART 5. A penalty provision section is established in Section 13.06.016 of the attached Exhibit "A."
- 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 first reading this the 15th day of April, 2021.

PASSED, APPROVED and ADOPTED on second reading this the 6th day of May, 2021.

Garry Manitzas, Mayor

ATTEST:

APPROVED AS TO FORM:

Christina Picioccio, City Secretary

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

Exhibit A

Chapter 13 “Utilities” Article 13.06 “Water Conservation Plan” is hereby amended as follows:

DELETE:

Article 13.06 Water Conservation Plan

Sec. 13.06.001 Policy, purpose and intent

- (a) ~~The City is very aware that the water resources it depends on for its municipal water supply are limited and, to ensure that current and future residents of the city have a safe and adequate water supply for domestic use, sanitation and fire protection, the city council directed that this WCP be developed. The city is primarily residential, with garden, midrange and upper-level housing and mini-ranchettes. Potable water history has shown that the primary driver of summer water demand is landscape watering. This WCP will concentrate on that dimension of our environment but will address other areas presented by the state water development board’s Water Conservation Best Management Practices Guide.~~
- (b) ~~Water service to future annexed properties may be provided by a retail water purveyor other than the city’s utility. The purveyors will receive a copy of the City of Fair Oaks Ranch WCP.~~
- (c) ~~The City Manager or his designee is hereby authorized and directed to implement the applicable provisions of this WCP to protect public health, safety, and welfare.~~

Sec. 13.06.002 Water conservation goals

~~Since 1998, the city experienced dramatic swings in municipal use in gallons per capita per day (GCPD). The average historical GCPD from 2005–2001 [2011] is 205. The city’s target goal is to reach 160 GCPD. This average GCPD goal shall be reached by 2060 to correspond with the state’s water plan for future supplies.~~

Sec. 13.06.003 Definitions

~~Aesthetic water use. Water use for ornamental or decorative purposes such as fountains, reflecting pools, decorative ponds and water gardens.~~

~~Athletic fields. A sports playing field, the essential feature of which is turfgrass, used primarily for organized sports for schools, professional sports, or sanctioned league play.~~

~~Automatic irrigation controller. A device that automatically activates and deactivates an irrigation system at times selected by the operator.~~

~~Billing period. That calendar period during which usage is measured.~~

~~Commercial and institutional water use. Water use which is integral to the operations of commercial and nonprofit establishments and governmental entities such as retail establishments, hotels and motels, restaurants, country clubs, associations and office buildings.~~

Conservation. Those practices, techniques, and technologies that reduce the consumption of water, reduce the loss or waste of water, improve efficiency in the use of water or increase the recycling and reuse of water so that a supply is conserved and made available for future or alternative uses.

Customer. Any person, individual, partnership, company, corporation, association, organization or other legal entity using water supplied by Fair Oaks Ranch Utilities.

Drip irrigation. An irrigation system (drip, porous, pipe, etc.) that applies water at predetermined, controlled, low-flow levels directly to the roots of the plant.

FORU. Fair Oaks Ranch Utilities, the city-owned water and wastewater system.

Golf course. An irrigated and landscaped playing area made up of greens, tees, fairways, roughs and related areas used for the playing of golf.

Handheld hose. A hose physically held by one person, fitted with a manual or automatic shutoff nozzle.

Hose-end sprinkler. A sprinkler that applies water to landscape plants that is piped through a flexible, movable hose.

Impervious hardscape. Patios, pathways and other areas where firm footing is desired, constructed in such a way that does not allow water to penetrate the ground.

Irrigation system. A system with fixed pipes and emitters or heads that apply water to landscape plants or turfgrass, including, but not limited to, in-ground and permanent irrigation systems.

Landscape irrigation use. Water used for the irrigation and maintenance of landscaped areas, whether publicly or privately owned, including residential and commercial lawns, gardens, athletic fields, golf courses, parks, rights-of-way and medians.

Municipal use in gallons per capita per day (GCPD). The total average daily amount of water diverted or pumped for treatment for potable use by a public water supply system. The calculation is made by dividing the water diverted or pumped for treatment for potable use by population served. Indirect reuse volumes shall be credited against total diversion volumes for the purpose of calculating gallons per capita per day for targets and goals.

Pervious hardscape. Patios, pathways and other areas where firm footing is desired, constructed in such a way that allows for water to penetrate the ground. Examples include flagstone set in sand and wood plank decks, but exclude concrete slab patios and sidewalks or pavers set with mortar and generally defined as impervious.

Positive shutoff. A valve that is held in a closed position by system pressure until overridden by an outside force.

~~Rain sensor. A functioning device that detects the presence of precipitation and automatically interrupts an irrigation cycle and inhibits future irrigation cycles by means of an adjustable reset delay.~~

~~Recycled water. Domestic or municipal wastewater which has been treated to a quality suitable for a beneficial use in accordance with applicable law.~~

~~Requestor. A customer who requests a variance and/or permit under this plan.~~

~~Soaker hose. A perforated or permeable garden-type flexible hose or pipe that is laid above ground that provides irrigation at a slow and constant rate; and is not considered drip irrigation.~~

~~Summer dormancy. The ability of turfgrass to survive without water for a period of sixty consecutive days.~~

~~Turfgrass. Perennial ground cover plants and grasses that are adapted to regular mowing and foot traffic through management.~~

~~Water flow restrictor. An orifice or other device through which water passes at a restricted rate.~~

~~Xeriscape. A landscape consisting of a maximum of 50% turfgrass, with the remaining percentage of landscape incorporating low water use plants and/or pervious hardscape.~~

~~Zonal irrigation system. An irrigation system that segregates by station areas of shrubs, ground cover, bedding plants, and turf to accommodate a diversity of watering requirements.~~

Sec. 13.06.004 Landscape design and installation

- ~~(a) Summer dormancy drought tolerant grasses are the only authorized turfgrasses to be installed on all new construction and renovation projects.~~
- ~~(b) All automatic irrigation systems are to be equipped with rain sensors.~~
- ~~(c) The use of drip irrigation systems is encouraged. Water conservation features such as sprinkler heads that emit large drops rather than fine mist and sprinkler layouts that limit the impact of overspray and wind dispersion are required.~~
- ~~(d) Turfgrass and the associated irrigation system (if provided) are to be confined to an area within fifty five (55) feet of the footprint of the main residence. The turfgrass layout and the irrigation system installation may be adjusted to consider topography, easements, rights-of-way, and other factors that would present impractical irrigation design problems. The adjusted turfgrass and irrigation system installation shall not exceed the total area defined by the fifty five foot perimeter around the main residence.~~
- ~~(e) Turfgrass installed during or associated with new construction and/or replacement shall have a base minimum of 4" of topsoil under the turfgrass.~~

- ~~(f) All in-ground irrigation systems installed are to be zonal irrigation systems and require a permit pursuant to chapter 3; Building Regulations of this code.~~

Sec. 13.06.005 Landscape watering management

- ~~(a) Irrigation of landscaped areas with hose-end sprinklers, soaker hoses, or automatic irrigation systems shall be prohibited at all times between the hours of 10 a.m. and 8 p.m.~~
- ~~(b) Irrigation of landscaped areas with hose-end sprinklers, soaker hoses, or automatic irrigation systems shall be limited to once a week between the hours of midnight to 10 a.m. and 8 p.m. to midnight on the authorized watering day according to the following schedule (No weekend watering):~~

Street Address Ending in:	Authorized Watering Day:
0 or 1	Monday
2 or 3	Tuesday
4 or 5	Wednesday
6 or 7	Thursday
8 or 9	Friday

- ~~(c) Irrigation of landscaped areas is permitted at any time by means of a handheld hose with a positive cutoff device, or a faucet-filled bucket or watering can of five (5) gallons or less.~~

~~(d) Lawn watering permits.~~

- ~~(1) Newly planted lawns may not be watered at any time other than those hours and days allowed for all other landscaping except by a permit issued by the city manager and/or his designee.~~
- ~~(2) The permit application shall be completed by the owner of the property and shall be accompanied by written documentation specifying type of turfgrass and planting date.~~
- ~~(3) The permit shall be posted so as to be readily visible and not more than 20 feet from the street.~~
- ~~(4) The permit will be valid for thirty (30) days from the date of issuance. Upon the approval of the city manager or his designee, additional permit(s) may be granted.~~
- ~~(5) The permit allows additional watering day(s) outside the requester's authorized watering day, during the hours of midnight to 10 a.m. and 8 p.m. to midnight. No weekend watering is allowed.~~
- ~~(6) No permits will be issued when the drought contingency plan (stages 1, 2, or 3) is in effect.~~
- ~~(7) Permit fee(s) shall be paid in such amount as specified in the fee schedule in appendix A to this code and shall be submitted with the permit application.~~

~~(e) Additional management controls.~~

- ~~(1) The following uses of water are defined as "waste of water" and are prohibited:~~

~~A. Allowing water to run off into a gutter, ditch, or drain; or~~

~~B. Failing to repair a controllable leak.~~

~~(2) Exclusions to this provision include:~~

~~A. Washing of a car, boat, RV or motorized vehicle if a 5-gallon bucket or handheld hose equipped with a positive cutoff device is used; or~~

~~B. Operation of an automatic sprinkler system for the purpose of maintenance and testing.~~

~~(3) Additional restrictions apply during drought stages 1, 2, and 3 as outlines in the city's drought contingency plan.~~

Sec. 13.06.006 Public education and information

~~(a) FORU may use various media to educate the public and report on demand volumes, programs, conservation successes, weather concerns, facts, major projects, etc. These means may include but are not necessarily limited to the city's website, FORHA newsletter, and bill inserts with monthly water/sewer statements.~~

~~(b) FORU's staff will investigate other water conservation methods, costs and benefits.~~

Sec. 13.06.007 Enforcement; penalty

~~(a) No person shall allow the use of water from FORU for residential, commercial, agricultural, governmental, or any other purpose in a manner contrary to any provision of this article. A culpable mental state is not required for a violation of this article, and need not be proved.~~

~~(b) Any person who violates a provision of this plan is guilty of a misdemeanor and, upon conviction, shall be punished by a fine per violation as provided in Section 1.01.009 of this code. Each day that one or more of the provisions in this article is violated shall constitute a separate offense.~~

Sec. 13.06.008 Appeal procedure

~~(a) FORU customers may appeal the staff's interpretation and application of the provisions of this article, but not this article itself, to the city manager or his designated representative upon written application. Said application shall identify the section of this article that is allegedly misinterpreted or incorrectly applied, the circumstances of the error, specific supporting data, receipts, statements, and like pertinent documentation in support of the customer's complaint and the desired corrective action.~~

~~(b) The city manager shall place the appeal and supporting data on the next regular scheduled city council meeting agenda.~~

~~(c) The city council decision will be provided to the requesting party within 5 business days following the meeting and is final.~~

Sec. 13.06.009 Variances

- ~~(a) The city council, may, in writing, grant a temporary variance for existing water uses otherwise prohibited under this article if it is determined that failure to grant such variance would cause an emergency condition adversely affecting health, sanitation, or fire protection for the public or the person requesting such variance and if one or more of the following conditions are met:~~
 - ~~(1) Compliance with this article cannot be technically accomplished.~~
 - ~~(2) Alternative methods can be implemented which will achieve the same level of reduction in water use.~~
- ~~(b) Persons requesting an exemption from the provisions of this article shall file a petition for variance with a nonrefundable variance fee (per the fee schedule in appendix A to this code) with the city. Petitions for variances shall be reviewed by the city manager or his designated representative and shall include the following:~~
 - ~~(1) Name and address of the petitioner(s).~~
 - ~~(2) Purpose of water use.~~
 - ~~(3) Specific provision(s) of the plan from which the petitioner is requesting relief.~~
 - ~~(4) Detailed statement as to how the specific provision of the plan adversely affects the petitioner or what damage or harm will occur to the petitioner or others if the petitioner complies with this article.~~
 - ~~(5) Description of the relief requested.~~
 - ~~(6) Period of time for which the variance is sought.~~
 - ~~(7) Alternative water use restrictions or other measures the petitioner is taking or proposes to take to meet the intent of this plan and the compliance date.~~
 - ~~(8) Other pertinent information.~~
- ~~(c) Variance process.~~
 - ~~(1) The city manager or his designee shall forward a recommendation for granting or denying the variance to the city council for final action. Variances recommended by the city manager shall be subject to the following conditions, unless waived or modified by the city council:~~
 - ~~A. Variances granted shall include a timetable for compliance.~~
 - ~~B. Variances granted shall expire when the provision is no longer in effect, unless the petitioner has failed to meet specified requirements.~~
 - ~~(2) No variance shall be retroactive or otherwise justify any violation of this plan occurring prior to the issuance of the variance.~~

Sec. 13.06.010 Water rate structure

The city's water rate structure utilizes an increasing block structure of steps. The rates increase significantly as account demand exceeds the base rate. Current rates are found in the fee schedule in appendix A to this code.

Sec. 13.06.011 Reservoir systems operations plan

The City does not own, maintain, or operate a reservoir system.

Sec. 13.06.012 Leak detection, repair and water loss accounting

(a) ~~The city serves customers in varying environments such as garden homes, residential lots less than one (1) acre, estate lots greater than one (1) acre and ranchettes up to fifteen (15) acres. FORU customers are our primary eyes and ears and should notify the system when they observe an unusual water event. Other methods of detection are:~~

~~(1) The utility billing clerk reviews all meter readings for inconsistencies such as a dramatic increase in monthly water use. Meter rereads are directed at all suspected cases and, if the reading is accurate, a call is made to the customer, who is advised that they may have some problem.~~

~~(2) All utility operators have multiple duties which require travel throughout the system. They check for consistencies and performance of the system, and investigate when problems are detected. Sometimes, a water leak is discovered. They respond by informing the customer or contacting their supervisor. All city system leaks are handled as rapidly as resources allow and are assigned the highest priority.~~

~~(b) Water loss accounting has been since the city's 1997 purchase of the system. The monthly and annual cumulative reports of production and gallons sold are reviewed.~~

Sec. 13.06.013 Record management system

~~(a) The utility record system used for billing and recordkeeping by FORU provides daily, monthly and annual reports such as:~~

~~(1) Number of residential and commercial bills.~~

~~(2) Total billing and consumption for residential and commercial accounts.~~

~~(3) Top users by month.~~

~~(4) Total consumption and billing by rate step for residential and commercial accounts.~~

~~(b) Computer spreadsheets have been developed such that:~~

~~(1) Total groundwater produced per day is developed by daily manual well meter readings which are input to mechanized reports which record, total and calculate maximums, minimums, daily average for the month and average usage per connection.~~

~~(2) Comparisons are calculated between current month, past month and previous year same month.~~

~~(c) FORU's account categories are limited to residential and commercial. The city does not serve any industrial or agricultural irrigation accounts.~~

~~Sec. 13.06.014 Metering accuracy~~

~~FORU will provide and ensure that its meters measuring groundwater and surface water diversions will meet the +/- 95% accuracy goal.~~

~~Sec. 13.06.015 Universal metering~~

~~All water connections shall be metered. Meter testing/repair and replacement will be accomplished as recommended by the American Water Works Association.~~

~~Sec. 13.06.016 Control of unaccounted-for uses~~

~~Water operators will be observant of irregularities as they perform their daily assignments. Drivers of water trucks using fire hydrants to fill their vehicles will be asked to present their bulk water use authorization. Main distribution routes will be inspected monthly to identify if unauthorized connections exist. Monthly meter readings will be monitored to identify any suspicious occurrences.~~

~~Sec. 13.06.017 Regional water planning~~

~~The service area of the city is located within the South Central Texas Water Planning Group, Region 1, who will be provided a copy of this WCP.~~

ADD:

Article 13.06 Water Conservation Plan

Sec. 13.06.001 Policy, purpose and intent

- (a) Promote the efficient and responsible use of the City's water resources;
- (b) Ensure that current and future residents of the City have a safe and adequate water supply for domestic use, sanitation and fire protection; and
- (c) Comply with Title 30 of the Texas Administrative Code, Part 1, Chapter 288, Subchapter A, Rule 288.2 which requires the City to review and update its water conservation plan.

Sec. 13.06.002 Utility profile

Fair Oaks Ranch Utilities ("FORU") currently provides water to approximately 3,100 connections within its service area. The City serves customers in varying environments such as garden homes, residential lots less than one (1) acre, estate lots greater than one (1) acre, and ranchettes.

Sec. 13.06.003 Water conservation goals

The average historical municipal use in gallons per capita per day ("GPCD") from 2010–2019 is 188. The five-year goal is a reduction in per capita water consumption at 180 GPCD. The ten-year goal is a further reduction in per capita water consumption at 175 GPCD. The City's overall target goal is to reach 140 GPCD by 2070 to correspond with the recommendation made by the Water Conservation Implementation Task Force (coordinated by the Texas Water Development Board).

Sec. 13.06.004 Definitions

Customer. Any person, individual, partnership, company, corporation, association, organization or other legal entity using water supplied by Fair Oaks Ranch Utilities.

Drip irrigation system. An irrigation system (drip, porous, pipe, etc.) that applies water at predetermined, controlled, low-flow levels directly to the root of the plant.

Drought tolerance. Ability of a plant, turfgrass, or shrub to tolerate a drought period.

FORU. Fair Oaks Ranch Utilities, the city-owned water and wastewater system.

Handheld hose. A physically-held hose fitted with a manual or automatic shutoff nozzle.

Hose-end sprinkler. A sprinkler that applies water to landscaped areas that is piped through a flexible, movable hose.

Irrigation system. A system with fixed pipes and emitters or heads that apply water to landscape plants or turfgrass, including, but not limited to, in-ground and permanent irrigation systems.

Landscape irrigation use. Water used for the irrigation and maintenance of landscaped areas, whether publicly or privately owned, including residential and commercial lawns, gardens, athletic fields, golf courses, parks, rights-of-way and medians.

Municipal use in gallons per capita per day (GPCD). The total average daily amount of water diverted or pumped for treatment for potable use by a public water supply system. The calculation is made by dividing the water diverted or pumped for treatment for potable use by population served.

Perennial. Plants which are expected to live longer than two years.

Positive shutoff. A valve that is held in a closed position by system pressure until overridden by an outside force.

Rain sensor. A functioning device that detects the presence of precipitation and automatically interrupts an irrigation cycle and inhibits future irrigation cycles by means of an adjustable reset delay.

Soaker hose. A perforated or permeable garden-type flexible hose or pipe that is laid above-ground that provides irrigation at a slow and constant rate; and is not considered drip irrigation.

Turfgrass. Perennial ground cover plants and grasses that are adapted to regular mowing and foot traffic through management.

Water conservation. Practices, techniques, and technologies that reduce the consumption of water, reduce the loss or waste of water, improve efficiency in the use of water, or increase the recycling and reuse of water so that a supply is conserved and made available for future or alternative uses.

Zonal irrigation system. An irrigation system that segregates by station areas of shrubs, ground cover, bedding plants, and turf to accommodate a diversity of watering requirements.

Sec. 13.06.005 Landscape design and installation

- (a) Drought tolerant grasses shall be the only authorized turfgrasses to be installed on all new construction and renovation projects.
- (b) The following water conservation features are required for all automatic irrigation systems:
 - (1) Rain sensors;
 - (2) Sprinkler heads that emit large drops rather than fine mist; and
 - (3) A design layout that limits the impact of overspray and wind dispersion.
- (c) Turfgrass and associated irrigation systems shall be confined to an area within fifty-five (55) feet of the footprint of the main residence or commercial establishment. Layouts may be adjusted to consider topography, easements, rights-of-way, and other factors that would present impractical irrigation design problems, but shall not exceed the total area defined by the fifty-five-foot perimeter around the main residence or commercial establishment.
- (d) Turfgrass installed during or associated with new construction and/or replacement shall have a 4-inch base minimum of topsoil.
- (e) All newly installed in-ground irrigation systems are to be zonal irrigational systems and require a permit and subsequent inspection pursuant to Chapter 3 Building Regulations of the City's Code of Ordinances.

Sec. 13.06.006 Landscape watering management

- (a) Irrigation of landscaped areas with hose-end sprinklers, soaker hoses, or automatic irrigation systems shall be limited to once a week between the hours of midnight to 10 a.m. and 8 p.m. to midnight on the authorized watering day according to the following schedule:

Street Address Ending in:	Authorized Watering Day:
0 or 1	Monday
2 or 3	Tuesday
4 or 5	Wednesday
6 or 7	Thursday
8 or 9	Friday

- (b) Irrigation of landscaped areas with hose-end sprinklers, soaker hoses, or automatic irrigation systems shall be prohibited during weekends (Saturday and Sunday) without exception.

- (c) *Irrigation of landscaped areas is permitted at any time, including weekends, by means of a handheld hose with a positive shutoff nozzle, a properly functioning drip irrigation system, or a faucet-filled bucket or watering can of five (5) gallons or less.*
- (d) Landscape watering permits.
 - (1) Newly planted lawns may not be watered at any time other than the schedule designated in Section 13.06.006(a) except by a permit issued by the City Manager or his/her designee.
 - (2) The permit application shall be completed by the property owner and include documentation specifying the type of landscape application and/or installation.
 - (3) Permit fee shall be paid in such amount as specified in the City's Master Fee Schedule, found in Appendix A of the City's Code of Ordinances.
 - (4) All permits shall be valid for thirty (30) days from the date of issuance. Additional permits may be granted upon request and require approval by the City Manager or his/her designee.
 - (5) All permits shall be posted and readily visible from the street.
 - (6) Landscape watering permits shall not be issued when the City's drought contingency plan is in effect. Exclusions apply to newly built residential homes and commercial establishments.

Sec. 13.06.007 Prohibition of water waste

- (a) The following events of water use are considered wasteful and are prohibited:
 - (1) Allowing water to runoff into streets, alleys, gutters, ditches, public rights-of-ways, or a stormwater drainage system;
 - (2) Failing to repair a controllable leak;
 - (3) *Use of a non-recycling decorative water fountain; and*
 - (4) *Use of a non-recirculation system at automatic car washing or commercial laundry facilities.*
- (b) Exclusions to this provision include the following:
 - (1) Operation of an automatic irrigation system for the purpose of maintenance and testing;
 - (2) Washing of a car, boat, recreational vehicle, or motorized vehicle using a 5-gallon bucket or handheld hose equipped with a positive shutoff nozzle; and
 - (3) *Use of pressure washing equipment for household purposes.*
- (c) Additional restrictions shall apply during drought stages 1, 2, and 3 as outlined in the City's Drought Contingency Ordinance.

Sec. 13.06.008 Public education and information

FORU may use various media to educate the public and inform customers of potential incentive programs and conservation successes. These means may include, but are not limited to, the City's website, social media platforms, and bill inserts in conjunction with monthly utility statements.

Sec. 13.06.009 Water rate structure

The City's water rate structure utilizes an increasing block rate structure. The rates increase as account demand exceeds the base rate. Current rates are established in the City's Master Fee Schedule, found in Appendix A of the City's Code of Ordinances

Sec. 13.06.010 Reservoir systems operations plan

The City does not own, maintain, or operate a reservoir system.

Sec. 13.06.011 Leak detection, repair and water loss accounting

- (a) *FORU customers are urged to notify the system when they observe an unusual water event. Other methods of detection include the following:*
 - (1) *A review of meter readings for inconsistencies in water use. If needed, a service call is made based on the individual case to advise the customer of the issue.*
 - (2) *System performance checks completed by utility operators. Detected leaks are assigned high priority and are addressed appropriately.*
- (b) *Water loss accounting practices include the review of monthly and annual cumulative reports of production and gallons sold.*

Sec. 13.06.012 Record management system

- (a) *The utility record system used for billing and recordkeeping by FORU provides daily, monthly and annual reports such as:*
 - (1) *Number of residential and commercial accounts;*
 - (2) *Total billing and consumption for residential and commercial accounts; and*
 - (3) *Total billing and consumption by rate step for residential and commercial accounts.*
- (b) *Additional records include the following:*
 - (1) *Total groundwater production data (maximums, minimums, and daily averages);*
 - (2) *Total groundwater comparison data (current month, past month, previous year same month, calendar year and fiscal year); and*
 - (3) *Total wastewater reclamation data.*
- (c) *FORU's account categories are limited to residential - single family, residential - multi-family, institutional and commercial. The City does not currently serve any industrial or agricultural accounts.*

Sec. 13.06.013 Metering accuracy

FORU will provide and ensure that meters measuring groundwater and surface water diversions will meet a +/- 5% accuracy goal.

Sec. 13.06.014 Universal metering

All water connections shall be metered. Meter testing, repair, and replacement will occur in accordance with the manufacturer's instructions.

Sec. 13.06.015 Regional water planning

A copy of this Ordinance shall be provided to Region 1 of the South-Central Texas Water Planning Group. All water purveyors, other than Fair Oaks Ranch Utilities, operating within the city limits of Fair Oaks Ranch will also be provided a copy.

Sec. 13.06.016 Enforcement; penalty

- (a) The City Manager or his/her designee is hereby authorized and directed to implement the applicable provisions of this water conservation plan to protect public health, safety and welfare.
- (b) No person shall allow the use of water from FORU for residential, commercial, agricultural, governmental, or any other purpose in a manner contrary to any provision of this article. A culpable mental state is not required for a violation of this article and need not be proved.
- (c) Any person who violates a provision of this plan is guilty of a misdemeanor and, upon conviction, shall be punished by a fine per violation as provided in Section 1.01.009 of the City's Code of Ordinances. Each day that one or more of the provisions in this article is violated shall constitute a separate offense.

Sec. 13.06.017 Appeal procedure

- (a) FORU customers may appeal the staff's interpretation and application of the provisions of this article, but not this article itself, to the City Manager or his/her designated representative upon written application. Said application shall identify the section of this article that is allegedly misinterpreted or incorrectly applied, the circumstances of the error, specific supporting data, receipts, statements, and like pertinent documentation in support of the customer's complaint and the desired corrective action.
- (d) The City Manager shall place the appeal and supporting data on the next regular scheduled city council meeting agenda.
- (e) The City Council decision will be provided to the requesting party within five (5) business days following the meeting and is considered final.



CITY COUNCIL CONSIDERATION ITEM
CITY OF FAIR OAKS RANCH, TEXAS
May 6, 2021

AGENDA TOPIC: Consideration and possible action accepting Council Member Hartpence's resignation as from the City of Fair Oaks Ranch City Council.

DATE: May 6, 2021

DEPARTMENT: City Council

PRESENTED BY: Requested by Steve Hartpence, Council Member, Place 3

INTRODUCTION/BACKGROUND:

See attached email from Council Member Hartpence.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

Not provided

LONG-TERM FINANCIAL & BUDGETARY IMPACT:

Not provided

LEGAL ANALYSIS:

Not provided

RECOMMENDATION/PROPOSED MOTION:

Not provided

Christina Picioccio

From: Steve Hartpence
Sent: Sunday, May 2, 2021 4:47 PM
To: Garry Manitzas; Christina Picioccio; Daniel Santee; Tobin Maples
Subject: I am resigning my Council seat today.

Effective today, May 2, 2021, I resign from the Fair Oaks Ranch City Council.

Steve Hartpence

Sent from my Galaxy



CITY COUNCIL CONSIDERATION ITEM
CITY OF FAIR OAKS RANCH, TEXAS
May 6, 2021

AGENDA TOPIC: Consideration and possible action approving a resolution supporting the Camp Bullis Sentinel Landscape designation

DATE: May 6, 2021

DEPARTMENT: Public Works

PRESENTED BY: Melissa Castro, Environmental Project Manager

INTRODUCTION/BACKGROUND:

On March 18, 2021, Fair Oaks Ranch City Council was presented an overview of the Sentinel Landscape Program by Col. Larry Dotson of the Alamo Area Council of Governments ("AACOG").

Sentinel Landscape is a component of the Department of Defense Readiness and Environmental Protection Integration ("REPI") Program that aims to protect and preserve the natural and working character of land around military bases. This program, which is non-regulatory and completely voluntary, is shared between the Department of Defense, the Department of Agriculture, and the Department of Interior which together form the Federal Coordinating Committee ("FCC"). Currently, the FCC has designated seven Sentinel Landscapes in the United States.

Shared community equities within a Sentinel Landscape include the following:

- Air Quality
- Aquifer Protection
- Carbon Sequestration
- Compatible Development
- Dark Skies
- Farm and Agriculture Lands Conservation
- Flood Mitigation
- Game Management
- Military Mission Sustainment
- Parks, Trails & Open Spaces
- Character of the Texas Hill Country
- Water Quality / Water Availability

Camp Bullis has proven to be a vital component of Joint Base San Antonio ("JBSA"), and with this designation could not only potentially bring additional resources to the regional economy, but could help in organizing stakeholders to collaborate on the preservation of surrounding natural and working lands to sustain its military mission.

As of March 30, 2021, AACOG has successfully submitted a pre-proposal to the REPI Office in Washington, D.C. in hopes of receiving an invitation to submit a formal proposal for designation.

The sole purpose of this proposed resolution is to support Camp Bullis in its efforts to achieve the Sentinel Landscape designation and to continue our complimentary efforts through the City's current ordinances of water conservation, outdoor lighting, open space dedication, and tree and habitat protection. Please note that this resolution does not commit the City of Fair Oaks Ranch to revise current policies or to engage in financial contributions.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

- Help preserve the unique character of the Texas Hill Country
- Lead to a more effective and collaborative use of public funding
- Support existing state conservation and land protection programs
- Improve communication between partner organizations and local communities
- Lead to greater voluntary landowner participation

LONGTERM FINANCIAL & BUDGETARY IMPACT:

None

LEGAL ANALYSIS:

Approved to form on April 15, 2021.

RECOMMENDATION/PROPOSED MOTION:

I move to approve a Resolution supporting the Camp Bullis Sentinel Landscape designation.

A RESOLUTION

OF THE CITY OF FAIR OAKS RANCH SUPPORTING THE CAMP BULLIS SENTINEL LANDSCAPE

- WHEREAS,** Camp Bullis is a vital component of Joint Base San Antonio (JBSA), providing state-of-the-art training facilities for JBSA's 266 mission partners in support of the National Defense Strategy of the United States; and
- WHEREAS,** Camp Bullis contributed \$41 billion to the Texas economy in 2019, primarily to the benefit of communities in south central Texas; and
- WHEREAS,** The effectiveness and viability of Camp Bullis as a military training site depends on dark sky conditions for night time exercises, the unique rugged character of Texas Hill Country, and the conservation of vital natural resources; and
- WHEREAS,** The federal Sentinel Landscape Partnership, a joint program of the U.S. Department of Agriculture, Department of Defense, and Department of the Interior, exists to protect defense facilities from land use that is incompatible with military's mission by designating Sentinel Landscapes in which private landowners are connected with voluntary state and federal assistance programs that provide tax reductions, agricultural loans, disaster relief, education opportunities, technical aid, and funding for conservation easements; and
- WHEREAS,** A Sentinel Landscape designation for Camp Bullis would promote common goals of clean water and future abundance of the Edwards, Trinity and Glen Rose aquifers for our citizens; and
- WHEREAS,** A Sentinel Landscape designation would support existing conservation and protection programs such as Texas Farm and Ranch Lands Conservation Program and Edwards Aquifer Protection Program; and
- WHEREAS,** A Sentinel Landscape designation for Camp Bullis would foster federal, state, and local intergovernmental resource sharing for the purposes of conservation and creation of parks, nature preserves and other public open spaces.

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

1. Supports the regional goal of achieving a Sentinel Landscape designation for Camp Bullis at both the state and federal level;
2. Supports the goals of Sentinel Landscape through, for example, the implementation of ordinances relative to water conservation, outdoor lighting, open space dedication, and tree and habitat protection;
3. Supports the Alamo Area Council of Governments (AACOG) and the partners of the Camp Bullis Sentinel Landscape consortium, and advocates for the recognition of a Sentinel Landscape by the State of Texas and other local city and county jurisdictions; and
4. Instructs the City Secretary to provide this signed resolution to AACOG for its use and permanent record.

PASSED and APPROVED on this 6th day of May, 2021.

Garry Manitzas, Mayor

ATTEST:

Christina Picioccio, City Secretary

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



CITY COUNCIL CONSIDERATION ITEM
CITY OF FAIR OAKS RANCH, TEXAS
May 6, 2021

AGENDA TOPIC: Consideration and possible action authorizing the City Manager to sign a Construction Agreement with Intermountain Slurry Seal for the city's Annual Street Maintenance and Repair Program

DATE: May 6, 2021

DEPARTMENT: Public Works

PRESENTED BY: Julio Colunga, Public Works Superintendent

INTRODUCTION/BACKGROUND:

The City has long relied on the chip seal maintenance method for its annual Street Maintenance and Repair Program due to its quick cure time, generally low cost, and effectiveness at preserving pavement. Although this method contains many positive characteristics, a common concern from residents is that it makes it difficult for pedestrians to enjoy the roadways. Immediately after initial application and as the chip seal wears, loose aggregate accumulates on the road. This problem is exacerbated on curbed streets which tend to have a greater number of pedestrians, causing challenges for pedestrians on the roadways.

Accordingly, an alternate method for roadway preservation known as Micro Surfacing was specified on curbed streets for this year's Street Maintenance and Repair Program bid. This road preservation method is completed with high-quality aggregates combined with polymer-modified asphalt emulsion to create a long-lasting, high-performance wearing course. It carries similar pavement preservation characteristics as the chip seal but does not include large aggregate to wear off in the future. Micro surfacing carries a higher comparative cost to the chip seal and is a widely used method.

This year's annual road maintenance project follows the current 8-year plan. The roads shown in the attached map had half the streets resurfaced in 2010, with the remaining half resurfaced in 2014. The roads resurfaced in 2010 were postponed from 2018 to 2021 to incorporate all the streets in this area into one project. Combining the streets into one project allows for contract savings and less inconvenience to the residents. Staff is working on a future roadway capital improvement plan that includes enhancements to the current roadway maintenance project.

The City has an Interlocal Agreement with Bexar County, allowing us to take advantage of their bid pricing. The lowest bidding contractor from the Bexar County competitive bid for this project is Intermountain Slurry Seal:

Company Name	Bid Amount
Intermountain Slurry Seal	\$461,736.25

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

The annual Street Maintenance and Repair Program aims to apply the most effective preventative maintenance procedure to each City street on an eight-year cycle. The specific treatments seal the road's surface to protect the base layer from water infiltration, which could lead to failure of the road surface and ultimately higher repair costs in the future.

LONGTERM FINANCIAL & BUDGETARY IMPACT:

The City budgeted \$430,000 under Street Maintenance (01-642-254) for this year's Street Maintenance and Repair Program. Staff recommends the budget overage of \$54,817.06 be funded from the current years' anticipated surplus.

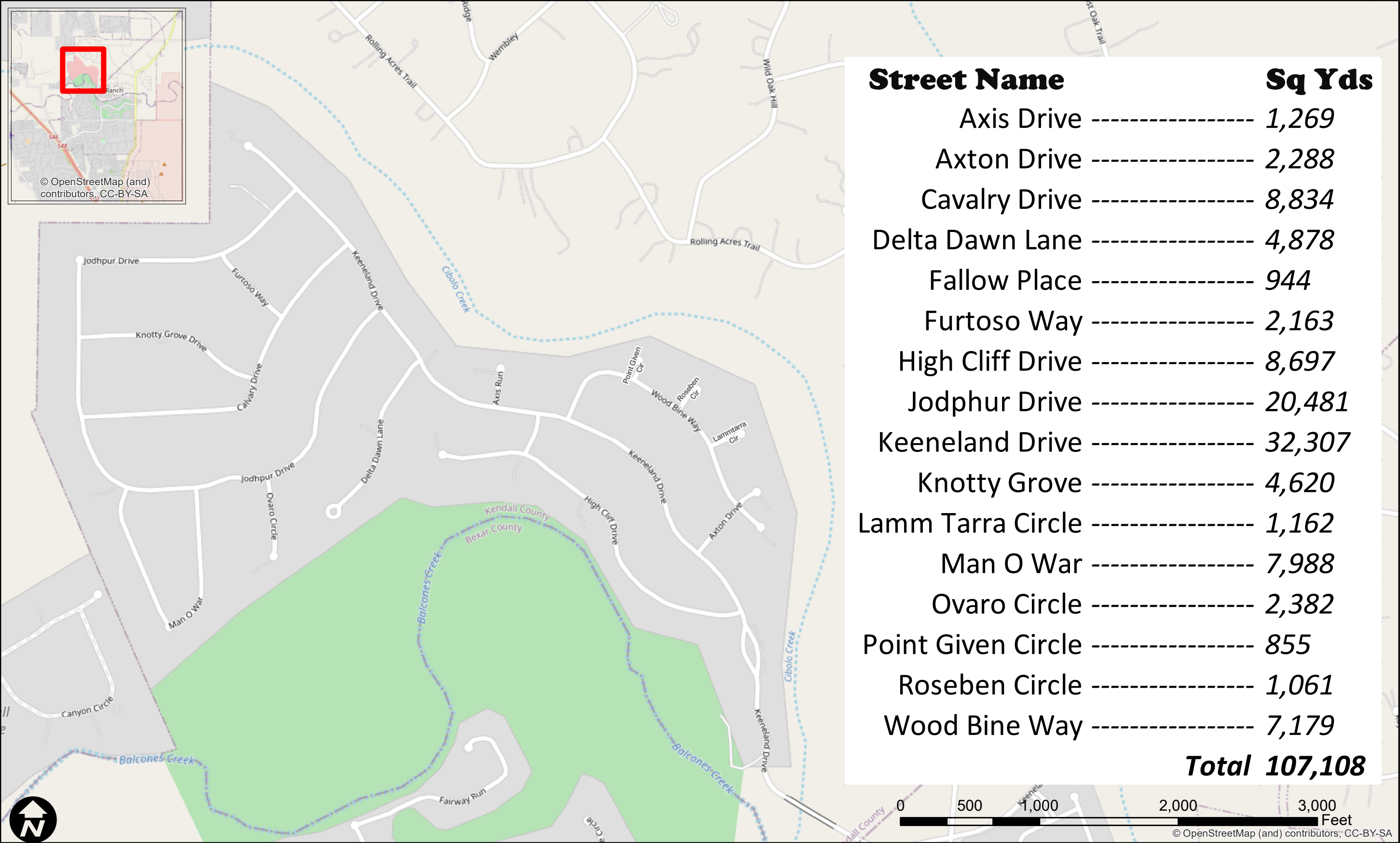
LEGAL ANALYSIS:

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

RECOMMENDATION/PROPOSED MOTION:

I move to accept the Intermountain Slurry Seal bid in the amount of \$461,736.25 with a 5% contingency in the amount of \$ 23,080.81 for a value not to exceed \$ 484,817.06 and authorize the City Manager to sign the construction agreement

Deer Meadow Estates Subdivision



CITY OF FAIR OAKS RANCH
CONSTRUCTION AGREEMENT

THE STATE OF TEXAS §
 §
 KENDALL COUNTY §

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

Section 1. Duration. This Agreement shall become effective upon the date of the final signature affixed hereto and shall remain in effect until satisfactory completion of the Scope of Work unless terminated as provided for in this Agreement.

Section 2. Scope of Work.

(A) Contractor shall perform the Work as more particularly described in the Scope of Work attached hereto as Exhibit "A". The work as described in the Scope of Work constitutes the "Project".

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

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

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

Section 3. Compensation.

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

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

(C) *Reimbursable Expenses:* Any and all reimbursable expenses related to the Project shall be included in the scope of Work (Exhibit A) and accounted for in the total contract amount.

Section 4. Time of Completion.

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

than a prorated payment for necessary, timely, and conforming work done by Contractor prior to the time of termination. The Project shall be completed for inspection and acceptance by the City on or before September 30, 2021.

Section 5. Insurance.

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

Contractor shall maintain the following limits and types of insurance:

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

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

Automobile Liability Insurance: Contractor shall carry and maintain during the term of this Agreement, automobile liability insurance with either a combined limit of at least \$1,000,000 per occurrence for bodily injury and property damage or split limits of at least \$1,000,000 for bodily injury per person per occurrence and \$1,000,000 for property damage per occurrence. Coverage shall include all owned, hired, and non-owned motor vehicles used in the performance of this contract by the Contractor or its employees.

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

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

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

Section 6. Miscellaneous Provisions.

(A) **Subletting.** The Contractor shall not sublet or transfer any portion of the work under this Agreement or any Scope of Work issued pursuant to this Agreement unless specifically approved in writing by the City, which approval shall not be unreasonably withheld. Subcontractors shall comply with all provisions of this Agreement and the applicable Scope of Work. The approval or

acquiescence of the City in the subletting of any work shall not relieve the Contractor of any responsibility for work done by such subcontractor.

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

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

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

(E) *Force Majeure.* If the performance of any covenant or obligation to be performed hereunder by any party is delayed as a result of circumstances which are beyond the reasonable control of such party (which circumstances may include, without limitation, pending litigation, acts of God, war, acts of civil disobedience, fire or other casualty, shortage of materials, adverse weather conditions [such as, by way of illustration and not of limitation, severe rain storms or below freezing temperatures, or tornados] labor action, strikes or similar acts, moratoriums or regulations or actions by governmental authorities), the time for such performance shall be extended by the amount of time of such delay, but no longer than the amount of time reasonably occasioned by the delay. The party claiming delay of performance as a result of any of the foregoing force majeure events shall deliver written notice of the commencement of any such delay resulting from such force majeure event not later than seven (7) days after the claiming party becomes aware of the same, and if the claiming party fails to so notify the other party of the occurrence of a force majeure event causing such delay and the other party shall not otherwise be aware of such force majeure event, the claiming party shall not be entitled to avail itself of the provisions for the extension of performance contained in this subsection.

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

Section 7. Termination.

(A) This Agreement may be terminated:

- (1) By the mutual agreement and consent of both Contractor and City;
- (2) By either party, upon the failure of the other party to fulfill its obligations as set forth in either this Agreement or a Scope of Work issued under this Agreement;
- (3) By the City, immediately upon notice in writing to the Contractor, as consequence of the failure of Contractor to perform the Work contemplated by this Agreement in a timely or satisfactory manner;
- (4) By the City, at will and without cause upon not less than thirty (30) days written notice to the Contractor.

(B) If the City terminates this Agreement pursuant to subsection 7(A)(2) or (3), above, the Contractor shall not be entitled to any fees or reimbursable expenses other than the fees and reimbursable expenses then due and payable as of the time of termination and only then for those Work that have been timely and adequately performed by the Contractor considering the actual costs incurred by the Contractor in performing work to date of termination, the value of the work that is nonetheless usable to the City, the cost to the City of employing another Contractor to complete the work required and the time required to do so, and other factors that affect the value to the City of the work performed at time of termination. In the event of termination not the fault of the Contractor, the Contractor shall be compensated for all basic, special, and additional Work actually performed prior to termination, together with any reimbursable expenses then due.

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

Section 9. Notices. Any notice required or desired to be given from one party to the other party to this Agreement shall be in writing and shall be given and shall be deemed to have been served and received (whether actually received or not) if (i) delivered in person to the address set forth below; (ii) deposited in an official depository under the regular care and custody of the United States Postal Service located within the confines of the United States of America and sent by certified mail, return receipt requested, and addressed to such party at the address hereinafter specified; or (iii) delivered to such party by courier receipted delivery. Either party may designate another address within the confines of the continental United States of America for notice, but until written notice of such change is actually received by the other party, the last address of such party designated for notice shall remain such party's address for notice.

Section 10. No Assignment. Neither party shall have the right to assign that party's interest in

this Agreement without the prior written consent of the other party.

Section 11. Severability. If any term or provision of this Agreement is held to be illegal, invalid or unenforceable, the legality, validity or enforceability of the remaining terms or provisions of this Agreement shall not be affected thereby, and in lieu of each such illegal, invalid or unenforceable term or provision, there shall be added automatically to this Agreement a legal, valid or enforceable term or provision as similar as possible to the term or provision declared illegal, invalid or unenforceable.

Section 12. Waiver. Either City or the Contractor shall have the right to waive any requirement contained in this Agreement that is intended for the waiving party's benefit, but, except as otherwise provided herein, such waiver shall be effective only if in writing executed by the party for whose benefit such requirement is intended. No waiver of any breach or violation of any term of this Agreement shall be deemed or construed to constitute a waiver of any other breach or violation, whether concurrent or subsequent, and whether of the same or of a different type of breach or violation.

Section 13. Governing Law; Venue. This Agreement and all of the transactions contemplated herein shall be governed by and construed in accordance with the laws of the State of Texas. The provisions and obligations of this Agreement are performable in Kendall County, Texas such that exclusive venue for any action arising out of this Agreement shall be in Kendall County, Texas.

Section 14. Paragraph Headings; Construction. The paragraph headings contained in this Agreement are for convenience only and shall in no way enlarge or limit the scope or meaning of the various and several paragraphs hereof. Both parties have participated in the negotiation and preparation of this Agreement and this Agreement shall not be construed either more or less strongly against or for either party.

Section 15. Binding Effect. Except as limited herein, the terms and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, devisees, personal and legal representatives, successors and assigns.

Section 16. Gender. Within this Agreement, words of any gender shall be held and construed to include any other gender, and words in the singular number shall be held and construed to include the plural, unless the context otherwise requires.

Section 17. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

Section 18. Exhibits. All exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.

Section 19. Entire Agreement. It is understood and agreed that this Agreement contains the entire agreement between the parties and supersedes any and all prior agreements,

arrangements or understandings between the parties relating to the subject matter. No oral understandings, statements, promises or inducements contrary to the terms of this Agreement exist. This Agreement cannot be changed or terminated orally.

Section 20. Relationship of Parties. Nothing contained in this Agreement shall be deemed or construed by the parties hereto or by any third party to create the relationship of principal and agent or of partnership or of joint venture or of any association whatsoever between the parties, it being expressly understood and agreed that no provision contained in this Agreement nor any act or acts of the parties hereto shall be deemed to create any relationship between the parties other than the relationship of independent parties contracting with each other solely for the purpose of effecting the provisions of this Agreement.

Section 21. Right To Audit. City shall have the right to examine and audit the books and records of Contractor with regards to the work described in Exhibit A, or any subsequent changes, at any reasonable time. Such books and records will be maintained in accordance with generally accepted principles of accounting and will be adequate to enable determination of: (1) the substantiation and accuracy of any payments required to be made under this Agreement; and (2) compliance with the provisions of this Agreement.

22. Dispute Resolution. In accordance with the provisions of Subchapter I, Chapter 271, TEX. LOCAL GOV'T CODE, the parties agree that, prior to instituting any lawsuit or other proceeding arising from a dispute under this agreement, the parties will first attempt to resolve the dispute by taking the following steps: (1) A written notice substantially describing the nature of the dispute shall be delivered by the dissatisfied party to the other party, which notice shall request a written response to be delivered to the dissatisfied party not less than 5 days after receipt of the notice of dispute. (2) If the response does not reasonably resolve the dispute, in the opinion of the dissatisfied party, the dissatisfied party shall give notice to that effect to the other party whereupon each party shall appoint a person having authority over the activities of the respective parties who shall promptly meet, in person, in an effort to resolve the dispute. (3) If those persons cannot or do not resolve the dispute, then the parties shall each appoint a person from the highest tier of managerial responsibility within each respective party, who shall then promptly meet, in person, in an effort to resolve the dispute.

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

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

EXECUTED on _____.

CITY:

CONTRACTOR:

By: _____

By: _____

Name: Tobin Maples, AICP

Name: _____

Title: City Manager

Title: _____

ADDRESS FOR NOTICE:

CITY

CONTRACTOR

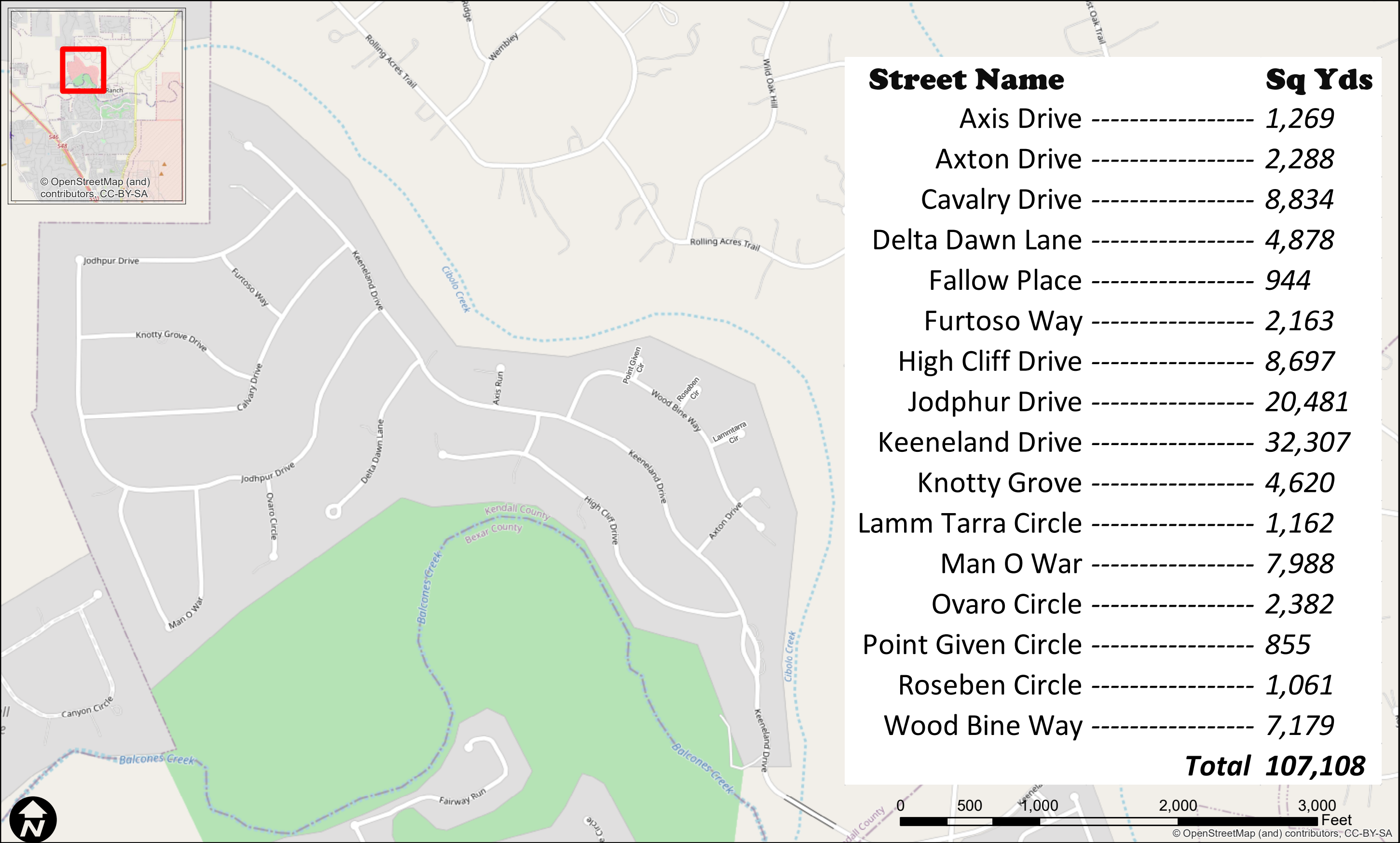
City of Fair Oaks Ranch
Attn: Tobin Maples, AICP
7286 Dietz Elkhorn
Fair Oaks Ranch, TX 78015

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

Exhibit “A” Scope of Services

**Pricing utilized from initial Agreement and renewal between
Intermountain Slurry Seal, Inc. and Bexar County immediately
following project map.**

Deer Meadow Estates Subdivision



Item Number: 18
(for Continuation use only)*approved*

AGENDA COORDINATION FORM

Bexar County Commissioners Court

Type of Agenda Item (Choose one): Ceremonial ☐ Special Presentation ☐ Time Certain ☐ Consent ☒ Individual ☐			
Sponsoring Office/Department: <u>Purchasing Department</u>		Recipient Agency / Individual Name: <u>Renee Greene, Director</u>	
Contact Person: <u>Jonathan Preiss, CTPM</u>	Phone Number: <u>210-335-2030</u>	Court Date Requested: <u>January 26, 2021</u>	
Presenter: <u>Patricia Torres, Purchasing Agent</u>	Phone Number: <u>210-335-2291</u>	Deadline for Action: <u>January 26, 2021</u>	
Audio / Visual Presentation: Y ☐ N ☒		PowerPoint? Y ☐ N ☒	
Official/Department Head Signature: <u>Patricia Torres</u>		ADA Assistance Required (type): <u>N/A</u>	
		Small, Minority, Women-owned Business Enterprise (SMWBE): Impact: Y ☐ N ☒	

CAPTION:

Awarding the renewal of a requirements contract to **Intermountain Slurry Seal, Inc.** at the same pricing, terms, and conditions to provide for the purchase of Micro-surfacing sealant materials and services in the estimated annual amount of \$400,000.00 for a one-year period, beginning February 11, 2021 and ending January 31, 2022, and providing for three additional one-year renewal options, as requested by the Public Works Department; and authorizing the Purchasing Agent to execute a contract renewal in accordance with the terms of the original contract if provided for in each fiscal year appropriated budget, authorizing the Purchasing Agent to execute and file the appropriate award documents for record.

ESTIMATED PRESENTATION TIME:

None

BACKGROUND:

This contract action provides for the renewal of the contract and establishes the pricing and terms and conditions for the purchase of Micro-surfacing sealant materials and services on a requirements contract basis for a one-year period and provides three one-year renewal options as requested by the Public Works Department. This material will be used in the repair of County roads through leveling treatments to fill ruts, or extend the life of existing pavement surfaces, while providing a premium wearing surface.

According to the U.S. Bureau of Labor Statistics Producer Price Index (PPI), for Asphalt Paving Materials, Emulsified Asphalt the PPI has decreased by 2% since the initial contract award in February 2020. The incumbent has agreed to renew with no change in price, terms or conditions. In the previous fiscal year, Public Works spent approximately \$343,779.95 for the purchase of Micro-surfacing sealant materials and services with Intermountain Slurry Seal, Inc. and estimate spending up to \$400,000.00 in the next twelve (12) months.

This is the first of four available, optional one-year renewal periods.

RECOMMENDED MOTION:

Awarding the renewal of a requirements contract to Intermountain Slurry Seal, Inc. at the same pricing, terms, and conditions to provide for the purchase of Micro-surfacing sealant materials and services in the estimated annual amount of \$400,000.00 for a one-year period, beginning February 11, 2021 and ending January 31, 2022, and providing for three additional one-year renewal options, as requested by the Public Works Department; and authorizing the Purchasing Agent to execute a contract renewal in accordance with the terms of the original contract if provided for in each fiscal year appropriated budget, authorizing the Purchasing Agent to execute and file the appropriate award documents for record.

Item Number: _____
(for Comm Ct use only)**FISCAL ASSESSMENT: APPLICABLE** Yes ☒ No ☐ Fiscal Note ☐

1	Is this a revenue or expense?	Revenue ☐	Expense ☒
2	Dollar amount of revenue or expense associated with item?	\$ 400,000	
3	Is this a budgeted revenue or expense?	Yes ☒	No ☐
4	Does this item require additional staff?	Yes ☐	No ☒
5	Will this increase your current budget?	Yes ☐	No ☒
6	Impact on future Budget? If Yes, Explain in Comments.	Yes ☐	No ☒
7	Current End-of-Year Expenditure Estimate-for impacted Object Code(s)?	\$ 1,500,000	
8	If an expense, what is the current Object Code budget amount?	\$ 1,500,000	
9	If an expense, are sufficient funds currently budgeted in the Object Code?	Yes ☒	No ☐
10	If an expense, are sufficient funds currently budgeted in the Appropriation Unit?	Yes ☒	No ☐
11	List impacted offices or departments or note if countywide:	Public Works Department	
12	Company:	207 – County Road & Bridge	
13	Accounting Unit:	5043 – Admin	
14	Account:	52316 – Repairs & Maintenance – Roads & Bridges	
15	If this is a grant, what is the estimated amount of program income?	N/A	
16	If this is a grant, what is the amount of Grantor funding?	N/A	
17	If this is a grant, what is the required County cash match?	N/A	
18	If this is a grant, what is the required County in-kind/allocation match?	N/A	
19	If this is a grant, was item approved by the Grant Review Committee?	Yes ☐	No ☐
20	Comments: This is a request for approval of a requirements contract between the County and Intermountain Slurry Seal, Inc in the total estimated annual amount of \$450,000 for the purpose of providing micro surfacing sealant materials and services. Repairs & Maintenance – Roads & Bridges is a budgeted line item within the County Road & Bridge operational budget with a total budget of \$1,500,000, \$73,168 expensed, \$111,513 encumbered, and \$1,315,320 remaining. This requirements contract has an annual cost to the County in the estimated amount of \$400,000 and will be utilized on an as needed basis. The materials and services provided by Intermountain Slurry Seal, Inc. will allow the Public Works Department to complete repairs and maintenance of County maintained roads. This contract will have the option of three additional one (1) year renewals. Sufficient funding exists for the approval of this item.		
21	Coordinated by: <u>Jonathan Preiss, CTPM</u> Verified By: <u>Blake Meneley 1/12/2021</u>		



Bexar County

Contract Amendment # 1

BUYER	VENDOR
Referred to as "COUNTY" Bexar County Purchasing Department 1103 South Frio, Purchasing Suite San Antonio, Texas 78207 Attention: Jonathan Preiss Telephone No: 210-335-2030 Fax No: 210-335-2219 E-mail Address: jonathan.preiss@bexar.org Contract No: 346	Referred to as "Vendor" INTERMOUNTAIN SLURRY SEAL, INC 520 NORTH 400 WEST NORTH SALT LAKE, UT 84054 NATHAN NIEMANN 972-353-6236 nate.niemann@gcinc.com Tax Id: 870307259 Supplier No: 7550

HIGHLIGHT INFORMATION

Contract Purpose:	Emulsions	Expiration Date:	January 31, 2022
Effective Date:	February 11, 2020	Contract Subtype:	PURCHASING FORMAL
Contract Type:	GOODS/SERVICES	Contract	OFF LINE COURT APPROVAL
Contract Classification:	DEPARTMENTAL	Subclassification:	

This section applies to modifications to contracts.

The above numbered Contract is modified as set forth below.

☒ This Supplemental Agreement is entered into pursuant to the Authority of General Provisions, Option to Renew

☒ CONTRACTOR IS REQUIRED TO SIGN THIS DOCUMENT AND RETURN.

DESCRIPTION OF CHANGES:

a.) This contract is for the purchase of emulsion materials and service for the maintenance of streets and highways on a requirements basis for the Bexar County Public Works Department and is hereby extended for the period of February 11, 2020 through January 31, 2022 with no change to current prices, or terms and conditions.

b.) This is the first of four (4) options to renew available to be executed and is hereby exercised.

Except as provided herein, all terms and conditions of the document referenced above remain unchanged and in full force and effect.

Approved by Commissioners Court.

Date:

Agenda Item No:

Bexar County
Purchasing Department
1103 South Frio, Purchasing Suite
San Antonio, TX 78207

INTERMOUNTAIN SLURRY SEAL, INC
520 NORTH 400 WEST

NORTH SALT LAKE UT
84054
^972-353-6236

Authorized Signature

Nathan Niemann
Authorized Signature

Printed Name

Nathan Niemann

Printed Name

Title

Project Manger

Title

Date

1/4/2021

Date



Bexar County

PURCHASING AGREEMENT

BUYER		VENDOR	
Referred to as "COUNTY"		Referred to as "Vendor"	
Bexar County Purchasing Department 1103 South Frio, Purchasing Suite San Antonio, Texas 78207		INTERMOUNTAIN SLURRY SEAL, INC 520 NORTH 400 WEST NORTH SALT LAKE, UT 84054 NATHAN NIEMANN 972-353-6236 nate.niemann@gcinc.com	
Attention:	Jonathan Preiss	Tax Id:	870307259
Telephone No:	210-335-2030	Attention:	NATHAN NIEMANN
Fax No:	210-335-2219	Supplier No:	7550
E-mail Address:	Jonathan.preiss@bexar.org		
Contract No:	346		

HIGHLIGHT INFORMATION			
Contract Purpose:	Emulsions	Expiration Date:	January 31, 2021
Effective Date:	February 11, 2020	Contract Subtype:	PURCHASING FORMAL
Contract Type:	GOODS/SERVICES	Contract	OFF LINE COURT
Contract Classification:	DEPARTMENTAL	Subclassification:	APPROVAL

TERMS AND CONDITIONS APPLICABLE TO INVITATION FOR BID (IFB)

- a) **EXAMINE SPECIFICATIONS**
Thoroughly examine the drawings, specifications, schedule, instructions, and all other event documents/attachments.
- b) **INVESTIGATE CONDITIONS**
Make all investigations necessary to become familiar with conditions that affect the bid, such as but not limited to, plant and facilities for delivery of material and equipment. No plea of ignorance by the bidder as a result of failure to investigate or examine conditions or failure to fulfill details of the contractual documents will be accepted as a basis for varying the requirements of COUNTY or changing the compensations due.
- c) **LEGAL REQUIREMENTS**
COUNTY contracts are subject to all legal requirements of county, state or federal statutes and regulations. Laws of the State of Texas apply to this agreement and venue for any dispute in Bexar County, Texas.
- d) **USE OF IFB EVENT**
Provide all required information on the attached forms and specifications in this event. Telegraphic, fax, or e-mail submissions WILL NOT BE ACCEPTED. Electronic submission via the supplier portal is preferred, but hard copies will be accepted. By submitting a response, bidder affirms that no alteration of any kind has been made to this event.
- e) **UNIT PRICE VS EXTENSIONS**
Provide unit price(s). Where there is disagreement in the unit and extension prices, the unit price shall govern.
- f) **ALTERNATE BIDS**
Alternate bids cannot be considered unless specifically invited and authorized by the event.
- g) **DELIVERY TIME**
Show bidder's proposed delivery time. Include weekends and holidays in counting days or months.
- h) **TAXES**
Do not include federal taxes or State of Texas limited sales excise and use taxes in bid prices since COUNTY is exempt from payment of these taxes. (Sec 151.309 Tax Code)

i) **F.O.B. POINT**

Include cost of freight to destination(s) shown in the unit price(s) in the bid. Only F.O.B. destination bids will be considered.

j) **BIDDER RESPONSIVENESS**

All bids must be current and final at the time of opening in order to be considered responsive. No bid will be accepted for consideration and no award will be made, if at the time of opening, anything contained therein is contingent upon or subject to any outstanding matter. Such outstanding matter includes, but is not limited to, any review, certification, or approval by any party that has not been received.

k) **SUBMISSION OF BID DOCUMENTS**

County will not accept responses submitted by telephone, FAX transmission or e-mail in response to this event. Electronic submission via the supplier portal is preferred, but hard copies will be accepted.

If a hard copy bid is submitted, bidder must submit three (3) original signed bids and an electronic copy of the entire bid on a CD /or USB drive. Bid must be submitted in a sealed envelope. The BID/Event number and the submittal deadline should be clearly shown in the lower left hand corner of the envelope; in addition, the name and the return address of the bidder should be clearly visible.

BID DOCUMENTS MAY ONLY BE SUBMITTED IN THE FOLLOWING WAYS AND TO THE FOLLOWING LOCATIONS:

1) Physically delivered to the Bexar County Purchasing Department, 1103 South Frio, Purchasing Suite, San Antonio, Texas 78207.

AND/OR

2) Submitted electronically through the Bexar County Purchasing Supplier Portal.

<https://myebids.bexar.org/Improc/SourcingSupplier/controller.servlet?dataarea=Improc&context.session.key.SupplierGroup=100>

ANY BID DOCUMENTS NOT SUBMITTED TO EITHER OF THESE TWO LOCATIONS ON TIME WILL BE RETURNED UNOPENED AND WILL NOT BE CONSIDERED.

l) **DELINQUENT TAX/BANKRUPTCY**

Bidder certifies that bidder is a duly qualified, capable, and otherwise bondable business entity. Bidder further certifies that the Company, Corporation or Partnership does not owe any back taxes within COUNTY. No award will be made to a person/entity owing back taxes within COUNTY. Additionally, if taxes become delinquent after an award has been made to bidder, that fact may constitute cause for cancellation of this contract.

m) **COPYRIGHTS/PATENTS**

Bidder warrants that all applicable patents and copyrights which may exist on items bid have been adhered to. Further, bidder warrants that COUNTY shall not be liable for any infringement of those rights. Such rights granted COUNTY shall apply for the duration of the contract or for the life of the equipment or supplies purchased. COUNTY agrees not to sell, convey, barter, or otherwise extend the use or exclusive rights granted herein to anyone other than COUNTY employees for official use as described in this contract. COUNTY will not knowingly or intentionally violate any patent, license or copyright applicable to items sold hereunder.

n) **EMPLOYMENT PRACTICES**

Bidder warrants that upon execution of a contract with COUNTY bidder will not engage in employment practices which have the effect of discriminating against employees or prospective employees on the basis of age, race, color, religion, national origin handicap or sex. Bidder agrees to submit reports as COUNTY may require to assure compliance. Furthermore, COUNTY, its contractors, contractor's subcontractors and suppliers, as well as all vendors of goods, equipment, and services, shall not discriminate on the basis of age, race, color, religion, national origin, handicap, or sex in the award and/or performance of contracts. All vendors, suppliers, professionals, and contractors doing business, or anticipating doing business with COUNTY shall support, encourage, and implement affirmative steps toward the goal of establishing equal opportunity for all of the citizens of COUNTY.

o) **SUBSTITUTE BRAND BID**

Bidder certifies that any substitute brand bid upon matches the performance and essential characteristics of the item in the purchase description and agrees to replace it in the event it does not conform. All information, brochures, specifications, etc., necessary to determine the alternate item conforms to that stated in the purchase description must be attached with each bid.

p) **BID PRICE HELD FIRM**

Bidder warrants that the bid price will be held firm and subject to acceptance by Commissioners Court for a period of sixty (60) calendar days from event closing date, unless specifically authorized in the terms and conditions of the event or such longer period indicated in the bid.

q) **CONTINGENCY FEES**

Bidder warrants that bidder employs or retains no person or entity to solicit or secure this contract where bidder has agreed to pay a commission, percentage, brokerage, or CONTINGENCY FEE, except for bidder's bona fide employees or bidder's bona fide established commercial or selling agencies that bidder maintains as a regular course of business. Violation is cause for COUNTY to

annul the contract without liability or, at its discretion, to deduct consideration from the contract price for the full amount of the commission, percentage, brokerage, or contingent fee.

- r) **COLLUSION**
Bidder affirms that any response to this bid does not include any preparation in collusion with any other bidder. Further, bidder affirms that the contents of any response as to prices, terms or conditions of said response have not been communicated in any manner to any other person engaged in this type of business prior to the official closing of this event.
- s) **OVERCHARGES**
Bidder hereby assigns to COUNTY any and all claims for overcharges associated with this contract which arise under the antitrust laws of the United States, 15 USCA Section 1 et seq., and which arise under the antitrust laws of the State of Texas, Tex. Bus. & Com. Code, Section 15.01, et seq.
- t) **NON-RESTRICTIVE SPECIFICATIONS**
Intent is to solicit bids on common commercially available items rather than restrictive specifications. See "Event Clarification" for method and timing required for any request for clarification or objection to this event.
- u) **CATALOG REFERENCES**
Any catalog or manufacturer's reference used in describing an item is merely descriptive and not restrictive unless otherwise noted and is used only to indicate type and quality of material. Bidder is required to state exactly what bidder intends to furnish. Otherwise, bidder shall be required to furnish items as specified.
- v) **"OR EQUAL"**
The term "OR EQUAL", if used, identifies a commercially produced item which has all the essential performance characteristics of the brand name stated in the item description. Bids submitted on an "OR EQUAL" item must identify the brand name and model number offered. If a brand name and model number is not indicated, bidder must provide the exact brand name and model number specified in the item description.
- w) **NEW UNUSED ITEMS**
Bid material must be new and unused unless otherwise specified in this event. Remanufactured or reconditioned do not qualify as new.
- x) **WITHDRAWAL OF BIDS**
Bids may not be withdrawn after the time set for the event closing unless approved by Commissioners Court.
- y) **LATE BIDS/MODS**
Bid or a modification to bid is LATE if it is not submitted by the time set for event closing and will not be accepted.
- z) **EVENT CLARIFICATION**
If bidder needs clarification or has any question as to the true meaning of specifications or any other document in the event, bidder's concerns must be submitted in writing to the County Purchasing Agent on or before ten (10) days prior to the scheduled event closing of bids. Late requests will not be honored. Timely requests will be interpreted or otherwise clarified by issuance of an amendment to the event distributed to all who received a notification of the event. No other interpretations or clarifications will be provided prior to award. Contact the buyer/contract specialist for any questions.
- aa) **PROMPT PAYMENT DISCOUNTS**
Prompt payment discounts WILL NOT BE CONSIDERED in determining low bid and making award. Prompt Payment Discounts offered by bidder and earned by COUNTY will be taken. For the purpose of computing the DISCOUNT PERIOD for payments, time will begin upon satisfactory delivery of goods and/or submission of acceptable invoice, whichever is later. Partial payments will not be made unless specifically requested and approved by COUNTY prior to award of contract.
- bb) **PAYMENT FORM**
PAYMENTS shall be made by check or warrant by COUNTY upon satisfactory delivery and acceptance of items and submission of INVOICE to the address below for orders placed by the County Purchasing Agent or as indicated on Delivery Orders placed by other authorized agencies:

BEXAR COUNTY AUDITOR
ACCOUNTS PAYABLE
101 W. NUEVA, SUITE 800
SAN ANTONIO, TEXAS 78205-3445
Telephone: (210) 335-2301
Fax: (210) 335-2996
E-mail: aufrontdesk@bexar.org

- cc) **PROMPT PAYMENT ACT**
PROMPT PAYMENT ACT applies (69th Legis-Reg session, ch 82 and ch 614 para 2) which provides that payments be made within thirty (30) calendar days. It provides for a Twelve percent (12%) interest penalty to be added at time of payment for late payments. Penalty does not apply if federal grant, contract, regulation, or statute prevents timely payments with federal funds.

Vendors must pay vendor's suppliers the same Twelve percent (12%) interest on bills that miss the deadlines. Subcontractors must pay suppliers within ten (10) calendar days after payment is received by the subcontractor. Vendors must apply for interest payments if vendor believes interest was due but not paid. For computing the period before penalty accrues, count the day after either of the following, whichever is later: Satisfactory and acceptable delivery or performance has been completed or correct and proper invoice is received at the designated place. COUNTY has twenty-one (21) days in which to notify vendor of erroneous invoice or shipment/services. Disputes will be decided at an administrative hearing or in a court of jurisdiction. The prevailing side may collect interest and reasonable attorney's fees. Payments are deemed made on payment postmark date or date of electronic transmission. Partial payments will not be made unless specifically authorized in the contract.

dd) **F.O.B. POINT**

See "F.O.B. Point" for F.O.B. terms. Title and risk of loss of the goods shall not pass to COUNTY until receipt and acceptance takes place at the F.O.B. point. Contractor will be responsible for delivering to the destination(s) shown in the schedule (or in more detail in resultant orders), unloading, unpacking or uncrating, setting-up, and removing all cartons or packing materials from the final destination at Contractor's expense, as applicable.

ee) **VARIATION IN QUANTITY**

No VARIATION IN QUANTITY of any item called for in this contract will be accepted unless such variation has been caused by conditions of loading, shipping, packing, or allowances in manufacturing processes and then only to the extent, if any, specified elsewhere in this contract.

ff) **INSPECTION AND ACCEPTANCE**

The receiving department shall INSPECT AND ACCEPT any and all deliveries made and reject those items which are damaged or which do not conform to Item Descriptions. The awardee shall be responsible for the proper labeling, packing, and delivery to final destination, including replacement of rejected deliveries.

gg) **WARRANTIES AND GUARANTEES**

Copies of WARRANTIES AND GUARANTEES equal to or better than those given the bidder's most favored customer will be submitted to the County Purchasing Agent at the address below. Fax or e-mail submissions are acceptable with reference to the respective IFB event number.

BEXAR COUNTY PURCHASING DEPARTMENT
COUNTY PURCHASING AGENT
1103 SOUTH FRIO
PURCHASING SUITE
SAN ANTONIO, TX 78207
Fax: (210) 335-2219
E-mail: purchasing1@bexar.org

hh) **OFFICIALS NOT TO BENEFIT**

NO COUNTY OFFICER, EMPLOYEE OR ELECTED OFFICIAL SHALL BENEFIT from this contract. Individual may not hold a share or interest in its proceeds. If the award is to a corporation, however, the provision does not apply to minority stockholders of publicly traded corporations.

ii) **GRATUITIES**

NO GRATUITIES (in the form of entertainment, gifts or otherwise) may be offered or given by bidder or awardee or any of bidder's or awardee's agents or representatives to any COUNTY officer or employee for the purpose of securing a contract or securing favorable treatment in the award or amendment of a contract or to determinations concerning performance of the contract. Violation is cause for termination of the contract by written notice by COUNTY followed by an opportunity for a hearing. The facts of Commissioners Court findings can be an issue for review by any competent court. Contractual remedies that apply to BREACH of contract apply if terminated under this provision. A penalty of exemplary damages in an amount determined by Commissioners Court of not less than three (3) nor more than ten (10) times the cost incurred by the violator in providing any gratuity, in addition to any other damages to which COUNTY is entitled by law, is recoverable.

jj) **ASSIGNMENT OF CLAIMS**

In a contract award exceeding Five Thousand Dollars (\$5,000.00) payment may be assigned to a bank, trust company or other financial institution, including any Federal lending agency by prior written approval and authorization from Commissioners Court through the County Purchasing Agent. Payment by COUNTY can be made only to one party. Assignments that do not conform to these terms will not be recognized. A fee of One Hundred Dollars (\$100.00) will be charged, payable to BEXAR COUNTY for administrative costs. Then modification to the contract will reflect the payee change.

kk) **NOVATION AGREEMENTS**

If awardee changes name or ownership (NOVATION), awardee must notify the County Purchasing Agent immediately. The change must be approved by Commissioners Court before any change can be recognized in the contract. A fee of One Hundred Dollars (\$100.00) per contract payable to BEXAR COUNTY for administrative costs is required. Then the contract will be modified to reflect the change.

ll) **FORCE MAJEURE**

Neither party can be held responsible for losses of any kind as a result of causes not within their control, if reasonable diligence has

been exercised to prevent the loss or delay.

m) PROTESTS, DISPUTES AND APPEALS

A contract may not be awarded to a bidder who is not the lowest dollar bidder meeting specifications unless, before the award, each lower bidder is given notice of the proposed award and is given an opportunity to appear before Commissioners Court and present evidence concerning each lower bidder's responsibility.

(i) Protests before award must be submitted in writing to the County Purchasing Agent and shall be heard by Commissioners Court prior to award.

(ii) Protests after award must be submitted in writing to the County Purchasing Agent within ten (10) calendar days after notification of such award. The County Purchasing Agent routinely will forward a written reply to the protester within ten (10) calendar days from receipt thereof. If the protester is not satisfied with the reply of the County Purchasing Agent, the protester may appeal the decision within ten (10) calendar days after receipt thereof to the County Purchasing Agent outlining in detail the exact point(s) of disagreement. Should the matter not be resolved to the satisfaction of the bidder/contractor, the appeal will be submitted to Commissioners Court. The appellant shall then have the right to be heard in open court by Commissioners Court.

(iii) The County Purchasing Agent shall act as COUNTY representative in the issuance and administration of this contract and shall issue and receive all documents, notices, and correspondence. Such documents, notices, and correspondence not issued by or received by the County Purchasing Agent shall be null and void.

(iv) The decision of Commissioners Court shall be final and conclusive and shall be binding upon all parties concerned, appealable in a court of competent jurisdiction in Bexar County and in accordance with the laws of the State of Texas.

nn) TERMINATION FOR DEFAULT

Failure of the awardee to perform any of the provisions of this contract shall constitute a breach of contract in which case COUNTY may require corrective action within ten (10) days from date of receipt of written notice citing the exact nature of such breach. Failure to take corrective action or failure to provide a written reply within the prescribed ten (10) days shall constitute a default of contract. Contractor shall be given a thirty (30) day period within which to show cause as to why the contract should not be terminated for default. Commissioners Court may take whatever action as its interest may appear resulting from such notice. All notices for corrective action, breach, default or show cause shall be issued by the County Purchasing Agent and all replies shall be made in writing to the County Purchasing Agent at the address below. Notices issued by or to anyone other than the County Purchasing Agent shall be null and void, and shall be considered as not having been issued or received. If defaulted, the contractor shall be liable for liquidated damages, if any, as stipulated elsewhere in this contract. COUNTY reserves the right to enforce the performance of this contract in any manner prescribed by law in the event of breach or default of this contract and may contract with another party with or without solicitation of bids or further negotiations. At a minimum, Contractor shall be required to pay any difference in the cost of securing the products or services covered by this contract or compensate for any loss to COUNTY should it become necessary to contract with another source because of Contractor's default, plus reasonable administrative costs and attorney's fees.

BEXAR COUNTY PURCHASING DEPARTMENT
COUNTY PURCHASING AGENT
1103 SOUTH FRIO
PURCHASING SUITE
SAN ANTONIO, TX 78207

oo) PUBLIC INTEREST TERMINATION

If it is in the PUBLIC INTEREST TO TERMINATE the contract, Commissioners Court reserves the right to do so. If terminated for the public good, all costs directly attributable to work done or supplies obtained in preparation for completion or compliance with the contract prior to termination will be paid. Costs which are recoverable in the normal course of business or which can be mitigated through the sale of supplies or inventories are excluded. In the event COUNTY pays for supplies or materials, such supplies and materials shall become the property of COUNTY and shall be delivered to the F.O.B. point shown in the contract or as designated by the County Purchasing Agent. No anticipated profits are payable.

pp) PRE-AWARD SURVEY

After event opening and prior to award, COUNTY reserves the right to make a PRE-AWARD SURVEY of any or all bidder's facilities and equipment to be used in the performance of work under this event. Bidder agrees to allow all reasonable requests for inspection with two (2) days advance notice. Failure to allow such an inspection is cause for rejection of bids as non-responsive. COUNTY reserves the right to reject facilities or equipment as a result of this survey. In addition, bidder's reputation relating to quality of performance may also be used for purposes of evaluating bidder's suitability for award of this event. Additionally, bidder may be required to make appropriate financial data available for review. An acceptable review would result in the data being returned. Should the data be the basis for a determination of non-responsibility then the data would be presented to Commissioners Court and filed for record.

qq) OWNERSHIP OF DOCUMENTS

Any paper or electronic document(s) created pursuant to this agreement shall become the property of COUNTY and COUNTY shall have a special right of access to the document(s) whether provided to COUNTY or retained by bidder.

rr) **AWARD CRITERIA**

Award will be made to the responsible bidder who submits the lowest and best bid and most advantageous to COUNTY, price and other factors considered. When payments are to be made to COUNTY, award will be made to the highest bidder. After approval by Commissioners Court, award will be made by the County Purchasing Agent signing and attaching the award portion of the successful bid and delivering it to the successful bidder. No contract exists until the signed document is delivered.

ss) **"ALL OR NONE" BIDS**

COUNTY reserves the right to accept any item or group of items offered, unless the bidder qualifies the bid by specific limitations. The bid can be on an "ALL OR NONE" basis if wording in the bid so states and if all items solicited are included in the bid.

tt) **REJECTION OF BIDS**

COUNTY may reject a bid (or all bids) if not satisfactory to Commissioners Court. COUNTY also reserves the right to waive minor informalities or irregularities in any bid.

uu) **TIE-BREAKER**

Ties will be broken by consideration of delivery time or delivery schedule.

vv) **RESIDENT ADVANTAGE**

Texas provides no advantage to resident bidders in the award process. However, bids from another state where that state favors its residents will be evaluated by adding the same differential to the bid that would be required for a non-resident bid to be awardable in bidder's resident state (for example, how much lower a Texas firm must be in that state than one of their resident bids in order to be the awardee).

ww) **OTHER FACTORS**

-) Other factors may be considered in determining the successful bid when applicable. Such factors include, but are not limited to, administrative cost for a multiple award calculated at Five Hundred Dollars (\$500.00) per award, cost of any test(s) or inspection(s), cost of delivery to final destination under unusual circumstances, warranties and guarantees, delivery or performance period, and ability to deliver or perform.

SMALL, MINORITY & WOMEN-OWNED BUSINESS ENTERPRISE (SMWBE) PROGRAM

a) **SMWBE PROGRAM GOALS**

The purpose of the Bexar County Small, Minority and Women Owned Business Enterprise (SMWBE) Program is to establish minimum goals for all procurement dollars for County Offices, Departments, Funded Entities and Facilities in the areas of Commodities, Equipment, Professional and Personnel Services, Maintenance and Construction are spent with minority and women owned business enterprises and with small business enterprises. Bexar County is committed to increasing the involvement of SMWBEs in the procurement process. It is the intent of the County to afford small, minority and women-owned businesses a fair opportunity to compete for all Bexar County contracts.

b) **BEXAR COUNTY STATEMENT OF VENDOR RESPONSIBILITIES**

1. The vendor will comply with the following criteria:

A. To the extent practical and consistent with standard and prudent industry practices, vendors are encouraged to divide the contract work into the smallest feasible portions to allow for maximum SMWBE subcontractor participation.

B. Notify SMWBEs in writing when SMWBE opportunities are available, allowing sufficient time for effective participation of the work the vendor plans to subcontract. The notification shall include, but is not limited to the following:

- (1) Provide information concerning the intended subcontracting work;
- (2) Provide bonding and insurance requirements that the SMWBE Subcontractor will be required to fulfill; and
- (3) Provide a point of contact (name, title, phone number, and address, etc.) within the vendor's organization that can answer any question a SMWBE may have concerning the project.

2. Provide SMWBEs that are genuinely interested in the project with adequate information about the project (i.e. plans & specifications, scope of work, etc.) and any other information that will prove beneficial to the SMWBE.

3. Provide written notice/explanation to the SMWBE Program Office (www.bexar.org/smwbe) when a SMWBE Subcontractor's bid or price quotation/proposal is rejected, unless another SMWBE was selected to perform the same job.

4. For those vendors that experience difficulty in locating certified SMWBEs a list will be provided to the vendor by the SMWBE Program Office. In order for the SMWBE Program Office to supply the list, vendors must provide the following in regards to the project:

- A. a detailed description of work to be subcontracted to SMWBEs (i.e. electrical, concrete, mechanical, general labor, etc.);
- B. the estimated dollar amount of the work to be subcontracted to SMWBEs; and
- C. bonding and insurance requirements the SMWBE subcontractor will be required to fulfill.

GENERAL PROVISIONS

a) **SCOPE OF CONTRACT-REQUIREMENTS**

This is a firm fixed-price, estimated quantity contract calling for delivery of the products or services identified in the Schedule of Items/Services at the stated prices submitted by the bidder. Upon acceptance of a bid by Bexar County Commissioners Court and issuance of a Contract Award by the County Purchasing Agent, Bidder shall be obligated to deliver the products at the stated prices, within the time specified, and in accordance with all Terms and Conditions and General Provisions contained herein as specified in individual delivery orders. The quantities stated in the Schedule of Items/Services are the best estimates of COUNTY's needs for a one (1) year supply. They represent a realistic estimate based on past consumption for purposes of securing a bid price. The quantities are not firm and are not hereby ordered or called for. Actual requirements will be stated through issuance of individual Delivery Orders against the contract, and no obligation to pay for any quantities shall be deemed to exist unless or until such orders are issued. Delivery Schedule listed by bidders within this IFB event shall apply to the individual Delivery Orders.

(a) COUNTY is obligated to pay for such orders above and to order all its requirements against this contract for which award has been made. COUNTY is not obligated to order products not covered by this contract and is free to secure those requirements from other sources in accordance with applicable purchasing statutes.

(b) Delivery Orders or Purchasing Card transactions may be issued. All delivery orders are subject to the terms and conditions of this contract. In the event of conflict between a Delivery Order and this contract, the contract shall control.

(c) If mailed, a delivery order is considered "issued" when COUNTY deposits the order in the mail. Orders may also be issued orally or by fax.

(d) If COUNTY's requirements do not result in orders in the quantities described as "ESTIMATED" in the Schedule, that fact shall not constitute the basis for an equitable price adjustment.

(e) If COUNTY urgently requires delivery of any quantity of an item before the earliest date that delivery may be specified under this contract, and if the Contractor will not accept an order providing for the accelerated delivery, COUNTY may acquire the urgently required goods or services from another source.

(f) Any order issued during the effective period of this contract and not completed within that period shall be completed by the Contractor within the time specified in the order. The contract shall govern the Contractor's and COUNTY's rights and obligations with respect to that order to the same extent as if the order were completed during the contract's effective period.

(g) The County reserves the right to selectively and individually compete requirements for unusually large quantities prior to or in lieu of placing an order under this contract. This limitation would be reserved for those situations where the requirement exceeds Twenty-five percent (25%) of the total annual estimated requirement.

b) **TERM OF CONTRACT**

This contract will commence upon award through January 31, 2020. This contract shall remain in full force and effect until all goods and services authorized have been satisfactorily delivered or performed.

c) **OPTION TO RENEW**

This contract may be extended provided all terms and conditions, except for the contract period being extended or any price redetermination as authorized elsewhere in this contract, remain unchanged and in full force and effect. Option, if exercised, is to be executed in the form of a Modification/Supplemental Agreement to be issued not sooner than ninety (90) days prior to expiration of this contract nor later than the final day of the contract period. This Option to Renew requires the mutual agreement of both parties. Refusal by either party to exercise this Option to Renew shall require this contract to expire on the original or mutually agreed date. The normal renewal period shall be in one (1) year increments. The total period of this contract, including all renewals as a result of exercising this option may not exceed a maximum combined period of (64) months.

d) **CHANGES-TRANSPORTATION SERVICES**

The County Purchasing Agent may at any time, by written order, and without notice to the sureties, if any, make changes within the general scope of this contract in any one of the following:

- (a) Specifications.
- (b) Work or services.
- (c) Place of origin.
- (d) Place of delivery.
- (e) Tonnage to be shipped.

(f) Amount of County-furnished property.

If any such change causes an increase or decrease in the cost of or time required for performance of any part of the work under this contract, whether or not changed by the order, the County Purchasing Agent shall make an equitable adjustment in the contract price, the delivery schedule or both, and shall modify the contract. The Contractor must submit any "proposal for adjustment" under this clause within thirty (30) days from the date of receipt of the written order. However, if the County Purchasing Agent decides that the facts justify it, the County Purchasing Agent may receive and act upon a proposal submitted before final payment of the contract. If the Contractor's proposal includes the cost of property made obsolete or excess by the change, COUNTY shall have the right to prescribe the manner of disposition of the property. Failure to agree to any adjustment shall be a dispute under the Disputes and Appeals clause. However, nothing in this clause shall excuse the Contractor from proceeding with the contract as changed.

e) **PRICE REDETERMINATION**

Prices of individual items may be renegotiated prior to the execution of the Option to Renew provision of the General Provisions. Prices of individual items may be reduced at any time; however, increases will only be effective on anniversary date of this contract. Price increases of individual items will be held to no more than Seven percent (7%) per item, above the previously established price.

f) **DELIVERY POINT**

Delivery of all items or services under this contract shall be FREE ON BOARD (F.O.B.) to final destination(s) or delivery order will identify other F.O.B. Point located at multiple locations throughout Bexar County.

(VARIOUS LOCATIONS)

g) **DESIGNATED COUNTY HOLIDAYS**

No deliveries or services will be required or accepted, unless specific prior arrangements have been made, on designated holidays. The website address below contains the approved holiday schedule for the current fiscal year.

<http://www.bexar.org/County/Holidays/holiday.html>

h) **INSURANCE AND LIABILITY**

During the period of this contract, Contractor shall maintain at Contractor's expense, insurance with limits not less than those prescribed below. With respect to required insurance, Contractor shall;

(i) Name Bexar County as additional insured and Certificate Holder, as its interests may appear.

(ii) Provide COUNTY a waiver of subrogation in favor of Bexar County.

(iii) Provide COUNTY with a thirty (30) day advance written notice of cancellation or material change to said insurance.

(iv) Provide the County, Bexar County Purchasing Department, 1103 South Frio, San Antonio, Texas 78207 a Certificate of Insurance evidencing required coverage within ten (10) days after receipt of Notice of Award.

(v) Provide the County, Risk Management Division, 101 W. Nueva, Suite 901, San Antonio, TX 78205 a Certificate of Insurance evidencing required coverage within ten (10) days after receipt of Notice of Award.

RESPONDENT shall procure, pay for, and maintain during the term of this Agreement; submit a certificate of insurance reflecting coverage as follows:

A. Commercial general liability insurance of ONE MILLION DOLLARS (\$1,000,000.00), aggregate coverage, with FIVE HUNDRED THOUSAND DOLLARS (\$500,000.00) each occurrence. County shall be named as an additional insured on this policy.

B. Commercial automobile liability insurance of ONE MILLION DOLLARS (\$1,000,000.00), combined single limit, covering all owned/leased, hired, and non-owned autos. County shall be named as an additional insured on this policy.

C. Statutory workers' compensation insurance for all employees of RESPONDENT with a waiver of subrogation in favor of COUNTY.

RESPONDENT shall provide COUNTY with Certificates of Insurance and copies of endorsements prior to the execution of this Agreement evidencing that the stated coverages have been obtained.

RESPONDENT is responsible for all premiums and deductibles under all of the insurance policies required by this section.

When there is a cancellation, non-renewal or material change in coverage which is not made pursuant to a request by County, RESPONDENT shall notify the County of such and shall give such notices not less than thirty (30) days prior to the change, if RESPONDENT knows of said change in advance, or ten (10) days' notice after the change, if RESPONDENT did not know of the change in advance. Such notice must be accompanied by a replacement Certificate of Insurance. All notices shall be given to the

County at the following addresses with a copy of this Agreement:

Bexar County Risk Manager
101 W. Nueva Street, Suite 901
San Antonio, Texas 78205

In addition to any other remedies, COUNTY may have upon RESPONDENT's failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, COUNTY shall have the right to order RESPONDENT to stop work hereunder, and withhold any payment(s) which become due to RESPONDENT hereunder until RESPONDENT demonstrates compliance with the requirements hereof.

Nothing herein shall be construed as limiting in any way the extent to which RESPONDENT may be held responsible for payments of damages to persons or property resulting from RESPONDENT's or its subcontractor's performance of the work covered under this Agreement.

It is agreed that RESPONDENT's insurance shall be deemed primary and non-contributory with respect to any insurance or self-insurance carried by COUNTY for liability of RESPONDENT arising out of operation under this Agreement.

RESPONDENT agrees to require, by written contract, that all subcontractors providing services under this Agreement obtain the same insurance coverages required of RESPONDENT, and provide a certificate of insurance and endorsement that names the RESPONDENT and the COUNTY as additional insureds.

i) **INDEMNITY AGAINST LOSS**

COUNTY does not assume any liability to third parties nor will COUNTY reimburse the Contractor for Contractor's liability to a third party with respect to loss due to death, bodily injury, or damage to property resulting in any way from the performance of this contract or any subcontract hereunder, and Contractor further agrees to provide the defense for, and indemnify and hold COUNTY harmless from any and all claims, suits, causes of action, and liability, arising in connection with this contract.

j) **FUNDING**

Funds for payment on this contract have been provided through the COUNTY budget approved by Bexar County Commissioners Court for this fiscal year only. State of Texas statutes prohibit the obligation and expenditure of public funds beyond the fiscal year for which a budget has been approved. However, the cost of items or services covered by this contract is considered a recurring requirement and is included as a standard and routine expense of COUNTY to be included in each proposed budget within the foreseeable future. Bexar County Commissioners Court expects this to be an integral part of future budgets to be approved during the period of this contract except for unanticipated needs or events which may prevent such payments against this contract. However, COUNTY cannot guarantee the availability of funds and enters into this contract only to the extent such funds are made available. The Fiscal Year for COUNTY extends from October 1st of each calendar year to September 30th of the next calendar year.

k) **ADMINISTRATION**

Political subdivisions other than COUNTY may place orders against this contract provided they are located within COUNTY, require delivery within COUNTY and issue written orders making reference to this contract and are authorized by the Bexar County Purchasing Agent to place orders. These subdivisions are a recognized political subdivision authorized by state statutes to set and collect taxes. Contractor is prohibited from making deliveries against this contract to other political subdivisions without the express consent of the Bexar County Purchasing Agent.

Payment for and administration of orders issued against this contract shall be the responsibility of the agency issuing such orders, except that COUNTY, through the Bexar County Purchasing Agent, shall be responsible for the enforcement of this contract and shall have the exclusive right to exercise any and all contractual remedies or options, including the right to Terminate for Default or for the Public Good.

l) **AMENDMENT**

No provision of the contract shall be deemed waived, amended, or MODIFIED unless such change is IN WRITING AND SIGNED by both parties.

m) **BID ACCEPTANCE PERIOD**

No provision of the contract shall be deemed waived, amended, or MODIFIED unless such change is IN WRITING AND SIGNED by both parties.

Notwithstanding "Termination for Default" of the Terms and Conditions, all bids shall remain in effect and subject to acceptance for a period of 60 days from event closing date. Bids citing a shorter period may be rejected as non-responsive.

n) **EVALUATION**

It is the intent of COUNTY to solicit bids on the most common commercially available items. Because items included herein are produced and/or sold in different packing, packaging, weights, sizes, containers and volumes, each item will be evaluated on the basis of the value not the lowest unit price. Bids for different sizes or packaging will be considered, provided they are within acceptable tolerances. To ensure those differences are properly evaluated, COUNTY will convert each item bid to the lowest measurable unit and make award to that bidder whose bid provides the highest value. Bidders must show the exact packaging for each item bid. Questions concerning packaging variations must be addressed at least ten (10) days before RFP event closing date.

No changes will be made after that deadline.

o) **PRICES**

All prices in this event shall be complete showing where applicable, all charges relative to the delivery, installation, maintenance, repair, removal, etc. No additional payments shall be made by COUNTY unless such additional payments appear in the bid submitted herein.

p) **PRIOR AGREEMENTS SUPERSEDED**

The written contract is the SOLE AGREEMENT between the parties and supersedes any prior understanding or written or oral agreement on the subject matter.

q) **PARTIAL PAYMENTS**

Partial payments may be considered as measurable elements of the work are completed or specific quantities are delivered. Any work completed or items delivered must be in accordance with all terms and conditions in the contract. The contract in its entirety must be completed in the quantities of units specified in the event. Therefore, partial payment does not relieve the contractor from completing the entire contract. Reference "Terms and Conditions - Payment Form" for other payment terms.

r) **SPECIAL NOTE REGARDING EVENT CLOSING**

The number of items included in this event and the anticipated volume of responses render impractical an oral reading of every line item bid in every bid at the time of event closing. At a minimum, bidder's name and total amount of bid shall be read aloud. Subsequent to event closing, a bid abstract listing all bidder responses will be prepared and made available for inspection to all interested parties prior to the final evaluation and determination of award(s).

s) **TESTS**

Deliveries of material(s) under this contract are subject to test(s) ensuring compliance with specifications. All tests shall be made as per method used by the American Society of Testing Materials by an independent testing laboratory selected by COUNTY unless otherwise specified. When test analysis shows material meets specifications, COUNTY will pay for said test(s). When test analysis shows material does not meet specifications, Contractor shall bear all costs associated with such test(s).

t) **MATERIAL SAFETY DATA SHEETS**

Bidder must provide with bid a material safety data sheet (MSDS) for each of the products bid.

u) **NOTICE TO ALL BIDDERS - TWCC**

The Texas Workers Compensation Commission (TWCC) has adopted Rule 110.110 effective with all bids advertised September 1, 1994 and this does affect your bid on this project.

The TWCC has stated that if statutory requirements for workers compensation insurance coverage are not being met, Rule 110.110 is designed to achieve compliance from both contractors and government entities. This affects all parties on this project.

Providing false or misleading certificates of coverage, failing to provide or maintain required coverage, or failing to report any change that materially affects the coverage may subject the contractor(s) or other persons providing services on this project to legal penalties. This affects bidder's subcontractors.

Please read carefully and prepare bid in full compliance with TWCC Rule 110.110. Failure to provide the required certificates upon submission of a bid could result in bidder being declared non-responsive.

According to TWCC, 'This rule does not create any duty or burden on anyone which the law does not establish. Therefore, COUNTY should not experience any increase in cost because of the need to comply with the Texas Workers Compensation laws.

Contract Lines				
Item Number	Vendor Item	Item Description	UOM	Unit Price
MICROSURFACING	MICROSURFACING	Emulsion	TN	286.5000

This contract issued pursuant to award made by Commissioners Court.

Date: 02/11/2020

Agenda Item No.: 25

Bexar County

Purchasing Department
1103 South Frio, Purchasing Suite
San Antonio, Texas 78207

INTERMOUNTAIN SLURRY SEAL, INC

520 NORTH 400 WEST

NORTH SALT LAKE UT
84054
^972-353-6236


Authorized Signature

Patricia Torres
Printed Name

Interim Purchasing Agent
Title
2/24/2020
Date


Authorized Signature

GARY R. PRICE
Printed Name

Vice President
Title
2/14/2020
Date

Exhibit "B"

REQUIREMENTS FOR ALL INSURANCE DOCUMENTS

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

INSTRUCTIONS FOR COMPLETION OF INSURANCE DOCUMENT

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

1. The City of Fair Oaks Ranch shall be named as an additional insured with respect to General Liability and Automobile Liability **on a separate endorsement.**
2. A waiver of subrogation in favor of The City of Fair Oaks Ranch shall be contained in the Workers Compensation and all liability policies and must be provided **on a separate endorsement.**
3. All insurance policies shall be endorsed to the effect that The City of Fair Oaks Ranch will receive at least thirty (30) days written notice prior to cancellation or non-renewal of the insurance.
4. All insurance policies, which name The City of Fair Oaks Ranch as an additional insured, must be endorsed to read as primary and non-contributory coverage regardless of the application of other insurance.
5. **Chapter 1811 of the Texas Insurance Code, Senate Bill 425 82(R) of 2011, states that the above endorsements cannot be on the certificate of insurance. Separate endorsements must be provided for each of the above.**
6. All insurance policies shall be endorsed to require the insurer to immediately notify The City of Fair Oaks Ranch of any material change in the insurance coverage.
7. All liability policies shall contain no cross liability exclusions or insured versus insured restrictions.
8. Required limits may be satisfied by any combination of primary and umbrella liability insurances.
9. Contractor may maintain reasonable and customary deductibles, subject to approval by The City of Fair Oaks Ranch.
10. Insurance must be purchased from insurers having a minimum AmBest rating of B+.
11. All insurance must be written on forms filed with and approved by the Texas Department of Insurance. (ACORD 25 2010/05). Coverage must be written on an occurrence form.
12. Contractual Liability must be maintained covering the Contractors obligations contained in the contract. Certificates of Insurance shall be prepared and executed by the insurance company or its authorized agent and shall contain provisions representing and warranting all endorsements and insurance coverages according to requirements and instructions contained herein.
13. Upon request, Contractor shall furnish The City of Fair Oaks Ranch with certified copies of all insurance policies.
14. A valid certificate of insurance verifying each of the coverages required above shall be issued directly to the City of Fair Oaks Ranch within ten (10) business days after contract award and prior to starting any work by the successful Contractor's insurance agent of record or insurance company. Also, prior to the start of any work and at the same time that the Certificate of Insurance is issued and sent to the City of Fair Oaks Ranch, all required endorsements identified in sections A, B, C and D, above shall be sent to the City of Fair Oaks Ranch. The certificate of insurance and endorsements shall be sent to:

**City of Fair Oaks Ranch
Attn: Clayton Hoelscher, Procurement Manager
7286 Dietz Elkhorn
Fair Oaks Ranch, Texas 78015**

Exhibit "C"

Evidence of Insurance



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 04/22/2021
Item #9.

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must have **ADDITIONAL INSURED** provisions or be endorsed. If **SUBROGATION** IS **WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER LIC #0C36861 1-415-403-1491 Alliant Insurance Services, Inc. 100 Pine Street, 11th Floor San Francisco, CA 94111		CONTACT NAME: Kimberly Leikam PHONE (A/C, No. Ext): 415-403-1491 E-MAIL ADDRESS: kleikam@alliant.com FAX (A/C, No): 415-874-4818	
INSURED Intermountain Slurry Seal, Inc. 813-367-9629 585 West Beach Street Watsonville, CA 95076		INSURER(S) AFFORDING COVERAGE INSURER A: VALLEY FORGE INS CO INSURER B: TRANSPORTATION INS CO INSURER C: INSURER D: INSURER E: INSURER F:	
		NAIC # 20508 20494	

COVERAGES

CERTIFICATE NUMBER: 62013271

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR ☒ Contractual Liability ☒ XCU Hazards GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☒ PRO-JECT ☒ LOC OTHER:	X	X	GL2074978689	10/01/20	10/01/23	EACH OCCURRENCE \$ 2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 2,000,000 MED EXP (Any one person) \$ Nil PERSONAL & ADV INJURY \$ 2,000,000 GENERAL AGGREGATE \$ 10,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
A	☒ AUTOMOBILE LIABILITY ☒ ANY AUTO ☐ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS ☒ HIRED AUTOS ONLY ☒ NON-OWNED AUTOS ONLY ☒ Contractual	X	X	BUA2074978692	10/01/20	10/01/23	COMBINED SINGLE LIMIT (Ea accident) \$ 2,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	☐ UMBRELLA LIAB ☐ EXCESS LIAB DED RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	N/A	WC274978644 (AOS/Stop Gap) WC274978630 (CA) WC274978658 (NY) WC274978661 (MT,WI,HI)	10/01/20 10/01/20 10/01/20 10/01/20	10/01/21 10/01/21 10/01/21 10/01/21	☒ PER STATUTE E.L. EACH ACCIDENT \$ 2,000,000 E.L. DISEASE - EA EMPLOYEE \$ 2,000,000 E.L. DISEASE - POLICY LIMIT \$ 2,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Job #:1650 - 2021 Microsurfacing Project
The City of Fair Oaks Ranch is named additional insured per the attached forms. This insurance is primary and non-contributory.

GL Per ISO Form CG0001 10/01; AL Per ISO Form CA0001 10/13

CERTIFICATE HOLDER

CANCELLATION

1650 City of Fair Oaks Ranch Clayton Hoelscher, Procurement Manager 7286 Dietz Elkhorn Fair Oaks Ranch, TX 78015 USA	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
---	---

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SUPPLEMENT TO CERTIFICATE OF INSURANCE

DATE

04/22/2021

NAME OF INSURED: Intermountain Slurry Seal, Inc.

The named insured reserves its rights to provide any additional coverages under the policies above to only those expressly negotiated for by contract.



CITY COUNCIL STAFF REPORT ITEM

CITY OF FAIR OAKS RANCH, TEXAS

May 6, 2021

AGENDA TOPIC: Comprehensive Internal Controls Framework Implementation Project Update

DATE: May 6, 2021

DEPARTMENT: Finance, Audit Committee

PRESENTED BY: Jenny Che, Audit Manager, RSM
 Sarah Buckelew, CPA, Finance Director
 Audit Committee Members: Garry Manitzas, Roy Elizondo, Greg Maxton

INTRODUCTION/BACKGROUND:

The purpose of this presentation is to provide an update on the Internal Controls Implementation Project (Strategic Action Plan Project #1.1.3). During the course of 2020, a thorough examination of the City's internal controls was conducted by the audit firm, RSM. The following scope areas were examined to determine if controls were in place that would allow management or employees to prevent or detect and correct financial statement errors in a timely manner.

The following 10 areas were reviewed: Preparation of Court, Accounts Payable, Cash and Cash disbursements, Human resources, Payroll, Procurement, equipment and consumables, inventory, and utility billing and receivables.

Of the 73 controls identified, 53 controls were in place. Of these 53 controls, the auditor recommended actions for 8 to further strengthen the risk management/control activities to be more in line with "leading practices". The remaining 20 controls were identified as gaps that will be put into place with appropriate documentation.

During Q1 of 2021, RSM assisted the City with Internal controls training and assignment of control ownership to City staff. The majority of gaps have been assigned and put into place, with a few outstanding, but with a plan to put into place by the end of the fiscal year.

For ongoing maintenance of this framework, RSM will be conducting an annual evaluation of the internal control framework and adherence to the controls. The implementation of these reviews is consistent with the practices that would be in place for an organization with an internal audit function. The evaluation for the current fiscal year will be taking place in June or July.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

The City Council has stated that Financial Integrity is a top priority in the City's Strategic Plan over the next several years. An effective internal control framework is an essential part of the financial integrity of an organization. Through the Strategic Action Plan process, Council approved and authorized the project to design and implement a comprehensive internal control framework.

Completion of this project, and ongoing assessment of adherence to the framework accomplishes Financial Integrity Strategic Action Plan item #1.1.3.

LONGTERM FINANCIAL & BUDGETARY IMPACT:

A formal internal controls framework serves as a safeguard against financial statement risks and provides reasonable assurance that assets are safeguarded and financial information is materially accurate. A formal internal control framework and regular assessments also provides the groundwork for compliance with rigorous Federal grant requirements and maintaining the city's credit rating. As a condition of receiving federal awards, non-federal entities agree to comply with laws regulation, and the provisions of grant agreements and contracts, and to maintain internal control to provide reasonable assurance of compliance with these requirements accept grants particularly Federal grants. It also serves as continued support for the City's high bond rating of AA+.

LEGAL ANALYSIS:

None required.

RECOMMENDATION/PROPOSED MOTION:

No formal action is required.

CITY OF FAIR OAKS RANCH

Risk and Controls – Gap Analysis



May 6, 2021

Executive Summary

Purpose: The primary objective of the project is to help City of Fair Oaks Ranch with the documentation of processes and development of key controls.

Scope Areas:

- Preparation of court
- Accounts payable
- Cash and cash disbursements
- Human resource and payroll
- Procurement
- Equipment and consumables
- Inventory
- Utility billing and receivables
- Entity level controls

Scope:

- Understanding the current environment and high risk areas
- Understanding the usage of current key information systems
- Understanding the current and potential future state processes
- Documenting key controls related to the process areas in the risk and control matrix
- Documentation a gap analysis for any gaps in internal controls
- Providing controls training to process owners

Overall Rating (Appendix —Rating Definitions)				
Area of Focus	Gaps	Improvement Opportunity	Total Observations	Total Controls
Information Technology	3	1	4	4
Preparation of Court	4	2	6	12
Procure to Pay	2	2	4	11
Cash Receipt	1	1	2	7
Human Resource and Payroll	1	1	2	12
Inventory	3	0	3	5
Equipment	2	0	2	9
Utility Billing and Receivables	3	0	3	11
Entity Level Controls	1	1	2	2
Total	20	8	28	73

Summary:

- Improvement opportunities indicate areas where there are controls but are not documented or evidenced.
- Gaps include actions recommended to create and put in place risk management/control activities to mitigate high and moderate risks.

Rating Scorecard

Area Identified	G	I
Information Technology		
User Access Reviews	1	
Implementing IT Systems for Purchase Orders and Inventory Management	1	
Granting User Access	1	
Manual Interface Files		1
Preparation of Court		
Case Jacket Checklist		1
Three Way Match of Court Payments		1
Management Review of Case Status Changes	1	
Standing Orders	1	
Warrants from Kendall County	1	
Warrant Payments from Kendall County	1	
Procure to Pay		
Procurement System	1	
Procurement Policy		1
Accounts Payable	1	
Wires and ACHs		1

G = Gaps

I = Improvement Opportunity

3

Area Identified	G	I
Cash Receipt		
Documentation of Cash Receiving, Handling, and Monitoring		1
AR Aging Reports	1	
Human Resource and Payroll		
Personnel Files	1	
Payroll Controls		1
Inventory		
Inventory Policy	1	
Receiving Control	1	
Inventory Adjustments	1	
Equipment		
Physical Security	1	
Physical Asset Review	1	
Utility Billing and Receivables		
New Account Set-up	1	
Monthly Reporting	1	
Cash Receipts/Write-offs	1	
Entity Level Controls		
Polices and Procedures		1
Ethics and Fraud Training	1	

Appendix: Rating Definitions

Rating	Rating Definition
Gap	• Actions recommended to create and put in place risk management/ control activities to mitigate high and moderate risks. The observation prevents a high or moderate risk (i.e. impact on financial statements, internal control environment or business operations) to the organization for the topic reviewed and/or is of high or moderate importance to business success/achievement of goals.
Process Improvement	• Actions recommended to further strengthen the risk management/ control activities and to be more in line with 'Leading Practices' • Actions recommended to create and put in place risk management/ control activities to mitigate low risks. The observation prevents a low risk (i.e. impact on financial statements, internal control environment or business operations) to the organization for the topic reviewed and/or is of moderate importance to business success/achievement of goals.

RSM US LLP

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CITY COUNCIL STAFF REPORT ITEM
CITY OF FAIR OAKS RANCH, TEXAS
May 6, 2021

AGENDA TOPIC: Monthly Financial Update
DATE: May 6, 2021
DEPARTMENT: Finance
PRESENTED BY: Sarah Buckelew, CPA, Finance Director

INTRODUCTION/BACKGROUND:

Purpose of this presentation is to review the City's financial condition and projections for this year's financial results.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

Discussion/presentation item only. Refer to presentation.

LONGTERM FINANCIAL & BUDGETARY IMPACT:

Discussion/presentation item only. Refer to presentation.

LEGAL ANALYSIS:

No formal action is required.

RECOMMENDATION/PROPOSED MOTION:

No formal action is required.

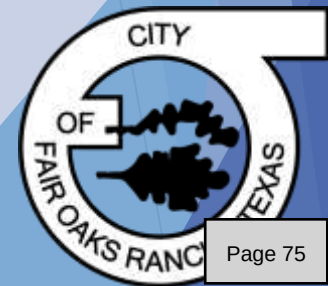
Monthly Financial Update and Quarterly Investment Report

City of Fair Oaks Ranch

May 6, 2021



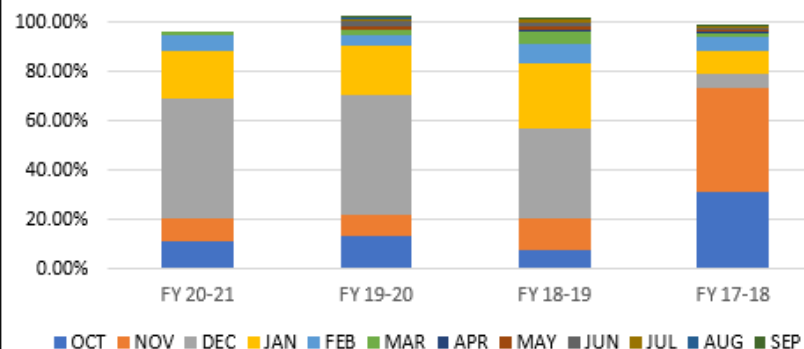
General Fund



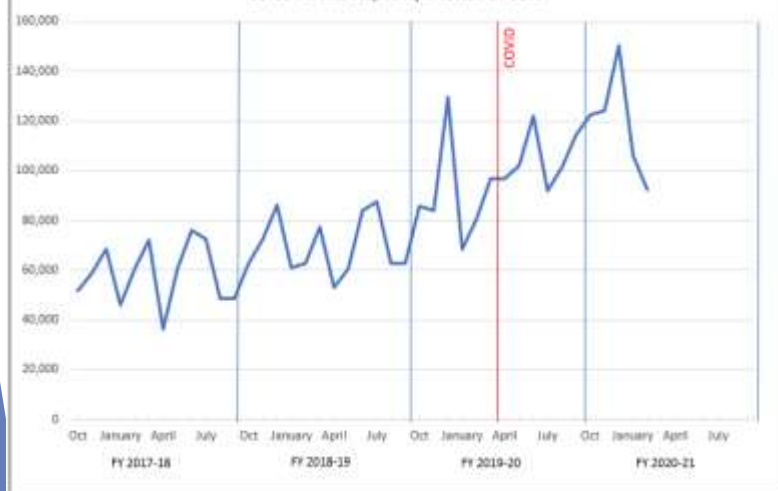
General Fund Highlights Through Mar 31

- ▶ 96.3% of Budgeted Ad Valorem Tax levy collected through March.
- ▶ 82.6% of Budgeted Sales Tax Revenue collected through February sales.
- ▶ Sales Tax collections are \$147,356 higher this year from the same time last year.
- ▶ New Residential Home permits continues to rise.

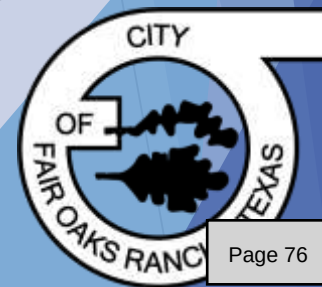
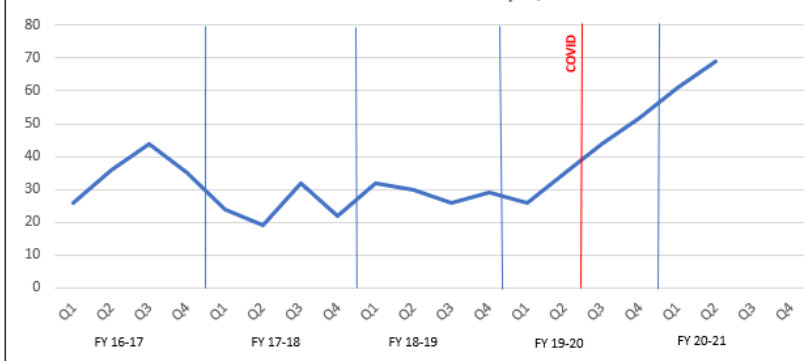
Historical % of Property Tax Collected by Month



Sales Tax Receipts by Month of Sale



New Residential Homes by Quarter



General Operations Year-to-Date Summary

March 31, 2021

50% of Fiscal Year

Item #11.

	Original Budget	Budget Adjustments	Amended Budget	Projection	Amended Budget vs Projection		Year-to Date Actual	Percent of Budget	Budget Balance
Revenues:									
Taxes	6,161,691	423,237	6,584,928	6,732,284	147,356 (a)		6,091,750	92.5%	(493,178)
Franchise Fees	632,700	-	632,700	628,700	(4,000)		178,440	28.2%	(454,260)
Interest	69,000	-	69,000	20,000	(49,000) (b)		3,450	5.0%	(65,550)
Permits	242,750	-	242,750	274,554	31,804 (c)		251,665	103.7%	8,915
Animal Control	3,400	-	3,400	3,400	-		275	8.1%	(3,125)
Fines & Forfeitures	100,263	-	100,263	110,263	10,000 (d)		63,481	63.3%	(36,782)
Fees & Services	268,711	-	268,711	267,911	(800)		139,414	51.9%	(129,297)
Miscellaneous Income	18,400	-	18,400	146,586	128,186 (e)		119,778	651.0%	101,378
Transfers	240,000	165,648	405,648	362,642	(43,006) (f)		244,638	60.3%	(161,010)
Total Available Resources	7,736,915	588,885	8,325,800	8,546,340	220,540		7,092,891	85.19%	(1,232,909)
Expenditures:									
Personnel	4,751,988	110,372	4,862,360	4,316,813	(545,547) (g)		1,977,432	40.67%	2,884,928
Supplies, Maintenance & Operations	702,325	20,464	722,789	741,325	18,536 (h)		107,437	14.86%	615,351
Professional Services	1,243,318	61,120	1,304,438	1,305,263	825		584,415	44.80%	720,023
Shared Services	371,466	29,750	401,216	386,949	(14,267) (i)		214,414	53.44%	186,802
Capital Outlay	240,000	177,827	417,827	374,821	(43,006) (f)		255,981	61.26%	161,846
Debt Service	-	-	-	-	-		-	0.00%	-
Transfers & Non-Cash Adjustments	442,993	15,000	457,993	457,993	-		457,993	100.00%	-
Total Expenditures	7,752,090	414,533	8,166,623	7,583,164	(583,459)		3,597,672	44.05%	4,568,951
Transfer to 6 month Reserve	157,251	-	157,251	157,251	-		160,597		
Allocated Fund Balance	(184,539)	-	(184,539)		184,539				
Restricted Fund Balance	12,113	-	12,113	(7,960)	(20,073)		2,743		
Use of Fund Balance	-	-	-	(16,823)	(16,823)		(16,823)		
Change in Unallocated Fund Balance	-	-	-	830,708	830,708		3,348,702		
Surplus/(Deficit)	-	-	-	-	-		-		

NOTES

(a) Sales Tax collections are \$147,356 higher this year from the same time last year.

(b) Decreased projection for interest revenue based on current rates.

(c) Projection includes an increase in New Residential and Commercial based on year-to-date actuals.

(d) Increased court fines projection based on current collections.

(e) Projection includes a prior year refund for WebEx, disposal of a patrol vehicle and expected COVID-19 relief funds.

(f) Projection decreased for Public Safety Building HVAC contract less than budgeted.

(g) Updated projection to include vacancies for 2 Police Sergeants, Public Works Director, IT Tech and routine turnover. There are 15 positions currently vacant at the City. This projection of savings may increase if the City continues to have difficulty filling positions. This savings line is earmarked for use by City Council's direction only.

(h) Projection includes COVID-19 related supplies not budgeted; will be receiving relief funds to offset.

(i) Received more favorable rates for Liability insurance premiums than budgeted (City Hall renovation and Civic Center not yet placed in service)

Why is there a General Fund Unallocated Fund balance from prior year?

Prior Year Unallocated Fund Balance 2019-20

Council took action in early Q2 2020 to freeze hiring and slow down or stop projects in response to the onset of the COVID pandemic, and seeing the financial impact to surrounding cities. At the same time, residents increased online spending instead of visiting brick-and-mortar establishments. This led to much higher sales tax revenues than originally forecasted. Additionally, as part of the year end close, Council took action to close this surplus out to unallocated fund balance in the anticipation that there were projects that would need to be started back up.

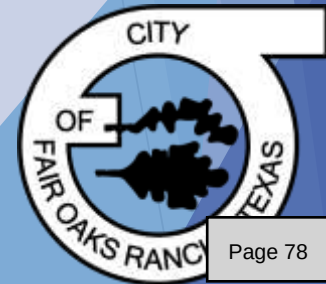
Prior Year surplus \$1.3M - Primary drivers

Revenues were \$820k higher than budget:

Surplus Sales Taxes	\$421k	From online sales
Surplus Property Taxes	\$112k	Levy was higher than budget due to outstanding valuation disputes that were resolved
Permits	\$157k	Higher residential permits, and commercial permit for storage facility on I-10
COVID reimbursement	\$50k	Grant Proceeds
Franchise Fees	\$75k	Telecom Franchise Fee impact of SB1152 didn't impact us as much as expected

Expenses were \$530 less than budget:

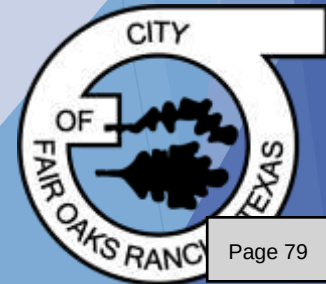
Personnel Savings	\$400k	Savings due to turnover and then hiring freezes due to COVID
General Liab. Ins	\$47k	Delay in the City Hall renovation and Civic Center Project
Equip. Purchases	\$40k	Delay in purchasing PD vehicles due to COVID supply chain issues offset by overage on street sweeper
Prof. Services	\$140k	Decrease legal fees due to fewer meetings and projects, savings in training/meetings/travel due to COVID
COVID Expenses	\$(90k)	Higher expense for COVID expenditures - partially offset by grant above



Reminder of General Fund Unallocated Fund balance from prior year, current year budget surplus, and uses under consideration

▶ Projected 2019-20 Unallocated Fund Balance	\$1,309,007
▶ Expected Remaining COVID Grant Reimbursements	\$ 98,320
▶ Projected 2020-21 Surplus	<u>\$ 830,708</u>
▶ Projected Available for Projects	\$2,238,035

<u>Uses under consideration</u>	<u>Estimate</u>
• Annual Street Maintenance	TBD
• Drainage Repair at Rocking Horse	\$100,000
• Phase 1 Stormwater Projects	\$2.14 M
• 1 month operating expense	\$603,663
• Fire protection contract	under negotiation
• Reduction in the M&O tax rate	\$170k per \$0.01/\$100 valuation reduction



General Fund Strategic and Capital Projects

March 31, 2021

50% of Fiscal Year

	Budget	Budget Amendment	Amended Budget	Projection	Year-to-Date Actual	Percent of Budget	Budget Balance
Beginning Fund Balance	1,006,190		1,154,394	1,154,394	1,154,394		1,006,190
<u>Revenues:</u>							
Grant Funding	600,000		600,000	600,000	-	0%	600,000
Transfer from General Fund	152,500	15,000	167,500	167,500	167,500	100%	-
Total Revenue	752,500	15,000	767,500	767,500	167,500	21.8%	600,000
<u>Financial Integrity</u>							
Stormwater Funding	-	77,729	77,729	42,225	17,225	22%	60,504
Grants & Utilities Reporting	10,000		10,000	10,000	-	0%	10,000
Stormwater Utility Cost Center	50,000		50,000	-	-	0%	50,000
Total Financial Integrity	60,000	77,729	137,729	52,225	17,225		120,504
<u>Responsible Growth Management</u>							
City Right of Way Beautification	10,000		10,000	10,000	-	0%	10,000
Tree Preservation and Oak Wilt Program	15,000		15,000	15,000	3,318	22%	11,682
Total Responsible Growth Management	25,000	-	25,000	25,000	3,318		21,682
<u>Reliable & Sustainable Infrastructure</u>							
Long-term Road Cond Analysis	-	32,754	32,754	39,880	39,880	122%	(7,126)
City Civic Center	600,000		600,000	600,000	-	0%	600,000
City Campus Renovation	436,729		436,729	436,729	2,850	1%	433,879
Total Reliable & Sustainable Infrastructure	1,036,729	32,754	1,069,483	1,076,609	42,730		1,026,754

See Note
below

Note regarding Funding of the Civic Center:

Grant funding from the Municipal Development District has been made available in the amount not to exceed \$600,000 for this project. Funding from the Municipal Development District comes from Sales Tax Revenue.

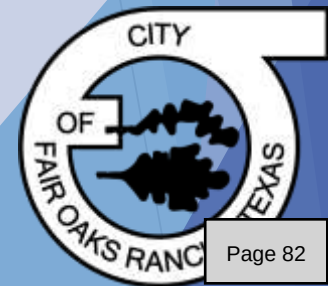
General Fund Strategic and Capital Projects

March 31, 2021

50% of Fiscal Year

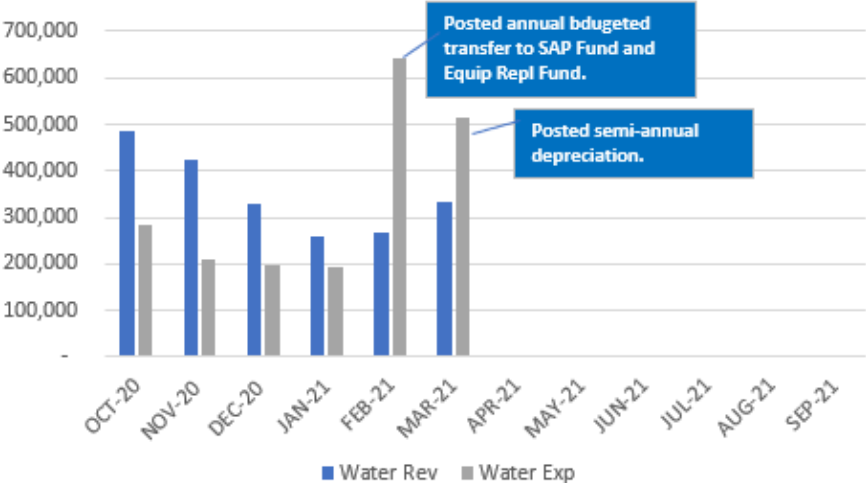
	Budget	Budget Amendment	Amended Budget	Projection	Year-to-Date Actual	Percent of Budget	Budget Balance
<u>Public Health, Safety and Welfare</u>							
PS Command Structure Review	25,000		25,000	25,000	108	0%	24,892
Fire Services Program Review	25,000		25,000	25,000	108	0%	24,892
EMS Program Review	25,000		25,000	25,000	108	0%	24,892
Total Public Health, Safety and Welfare	75,000	-	75,000	75,000	324		74,676
<u>Operational Excellence</u>							
Employee Handbook	-	3,034	3,034	3,034	-	0%	3,034
Communications & Mktg Strategy	29,000		29,000	29,000	5,023	17%	23,978
Records Management	-	7,850	7,850	7,850	-	0%	7,850
IT Risk Analysis	166,185		166,185	166,185	69,763	42%	96,422
City Records Digitization	26,000		26,000	26,000	-	0%	26,000
Agenda and Minutes Software Program	10,000		10,000	10,000	-	0%	10,000
Ticketing with GIS Compatibility	12,500		12,500	12,500	-	0%	12,500
Total Operational Excellence	243,685	10,884	254,569	254,569	74,786		179,783
<u>Capital Outlays</u>							
Personal Property	261,000	4,239	265,239	265,239	4,559	2%	260,681
Total Capital Outlays	261,000	4,239	265,239	265,239	4,559		260,681
Total Expenditures	1,701,414	125,606	1,827,020	1,748,642	142,941	7.8%	1,684,079
(Use of)/Carryforward of Fund Balance	(948,914)	(110,606)	(1,059,520)	(981,142)	24,559	-2.3%	(1,084,079)
Ending Fund Balance	57,276	(110,606)	94,874	173,252	1,178,953		(77,889)

Enterprise Fund

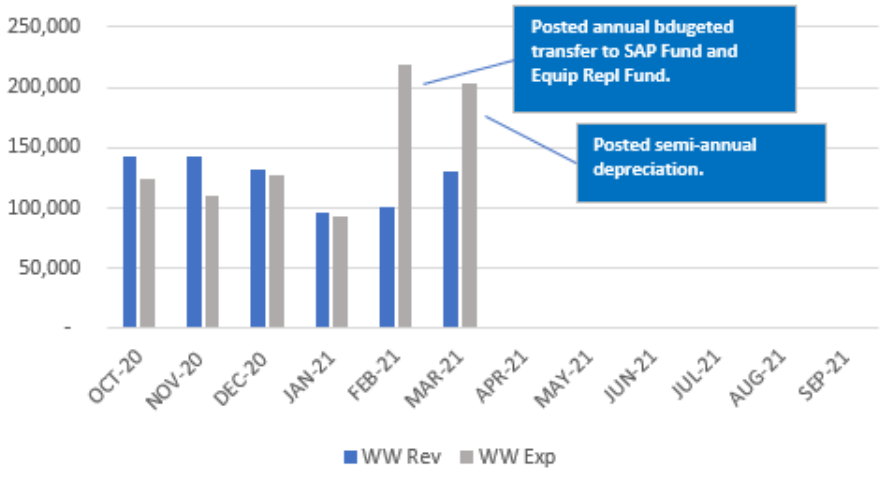


Enterprise Fund Highlights

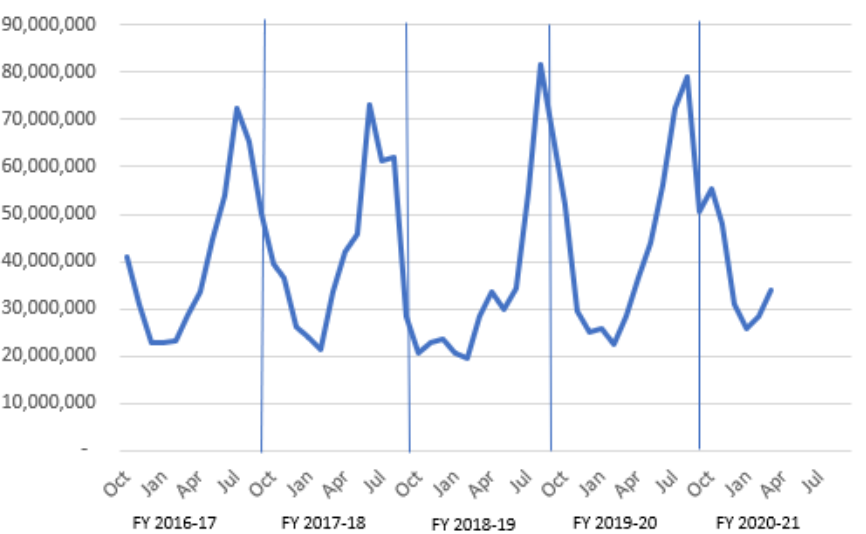
Water Utility Revenue and Expenses



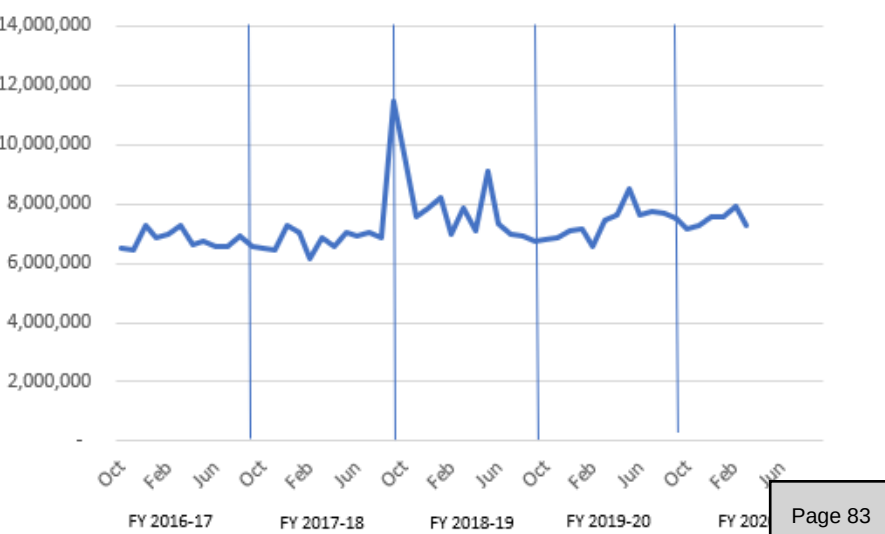
Wastewater Utility Revenue and Expenses



Water Billed Consumption (gallons)



Wastewater Treated (gallons)



Combined Utilities
March 31, 2021
50% of Fiscal Year

	Original Budget	Budget Amendments	Amended Budget	Projection	Amended Budget vs Projection		Year-to-Date Actual	Percent of Budget	Budget Balance
Revenues	5,402,116	-	5,402,116	5,522,757	120,641	(a)	2,842,473	52.6%	(2,559,642)
Operating Expenses			-						
Personnel	1,546,010	-	1,546,010	1,379,490	(166,520)	(b)	650,495	42.1%	895,515
Supplies, Maintenance & Operations	2,458,988	-	2,458,988	2,367,344	(91,644)	(c)	1,038,665	42.2%	1,420,323
Services	217,604	-	217,604	265,011	47,407	(d)	194,974	89.6%	22,630
Total Operating Expenses	4,222,602	-	4,222,602	4,011,846	(210,756)		1,884,134		2,338,468
Operating Income	1,179,513	-	1,179,513	1,510,911	331,398		958,339		(221,174)
Capital Outlay	1,610,838	173,790	1,784,628	1,787,716	3,088		240,893	13.5%	1,543,735
Debt Service Expense	81,040	-	81,040	21,824	(59,216)	(e)	9,552	11.8%	71,488
Transfers & Non-Cash	(290,069)	(15,000)	(305,069)	(473,659)	(168,590)	(f)	519,135	-170.2%	(824,204)
Net Income/(Loss)	(222,293)	(158,790)	(381,086)	175,031	397,323		188,760		569,845

Notes:

- (a) Projection includes increase in Impact Fee revenue due to increase in rate and development.
- (b) Updated projection to include vacancies for Public Works Director, IT Tech, and routine turnover.
- (c) Projection decreased for Stormwater Utility expenses.
- (d) Projection includes increase for water rights legal and professional fees.
- (e) Projection includes updated bond interest for refinance of capital lease.
- (f) Projection updated to reflect capitalizable project costs transferred to the Balance Sheet per GAAP.

Water Utility Fund Summary

March 31, 2021

50% of Fiscal Year

Item #11.

	Budget	Budget Amendment	Amended Budget	Projection	Year-to-Date Actual	Percent of Budget	Budget Balance	
Water Revenues	3,951,644	-	3,951,644	4,169,834	2,097,732	53.1%	(1,853,912)	Projection includes increase in Impact Fee revenue due to increase in rate and development.
Water Operating Expenses								
Personnel	836,075	-	836,075	692,410	336,050	40.2%	500,025	Updated projection to include vacancies for Public Works Director, IT Tech, and routine turnover.
Supplies, Maintenance & Operations	1,733,967	-	1,733,967	1,737,048	740,443	42.7%	993,524	
Services	117,908	-	117,908	182,908	160,085	135.8%	(42,177)	Water rights legal and professional fees not budgeted.
Total Water Operating Expenses	2,687,950	-	2,687,950	2,612,366	1,236,578		1,451,372	
Operating Income	1,263,694	-	1,263,694	1,557,468	861,154		(402,540)	
Capital Outlay	1,219,588	173,790	1,393,378	1,393,378	236,031	16.9%	1,157,347	See Schedule Below
Debt Service Expense	68,074	-	68,074	18,332	8,024	11.8%	60,050	Projection updated bond interest for refinance of capital lease.
Transfers & Non-Cash	(407,046)	(30,000)	(437,046)	(605,636)	363,146	-83.1%	(800,192)	Asset transfer to B/S once all invoices are in.
Net Income/(Loss)	383,078	(143,790)	239,288	751,394	253,953		14,665	

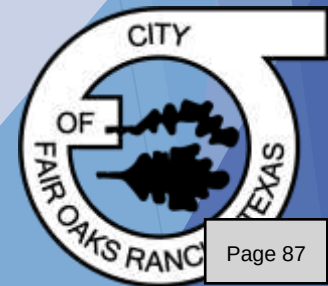
	Budgeted	Budget Amendment	Amended Budget	Projected	Actual	Budget Balance	Notes
Water CIP							
North Elevated Storage Tank	323,528	158,790	482,318	482,318	55,017	427,301	PY unspent budget rolled forward for this project.
Creek Crossings West Waterline	245,000	-	245,000	245,000	2,659	242,341	
Plant 2 HydroTank	364,810	-	364,810	364,810	28,565	336,245	
Improve Use of SCADA Data	150,000	9,800	159,800	159,800	143,820	15,980	
GIS Compatible Work Order System	6,250	-	6,250	6,250	-	6,250	
Utility Rate Study	75,000	-	75,000	75,000	-	75,000	
EPA Risk Assessment	50,000	(9,800)	40,200	40,200	5,971	34,229	
	1,214,588	158,790	1,373,378	1,373,378	236,031	1,137,347	
Water Operations							
Utility lights	5,000	-	5,000	5,000	-	5,000	
Towable Manlift	-	15,000	15,000	15,000	-	15,000	PY budgeted purchases to be made this year due to supply chain issues.
	5,000	15,000	20,000	20,000	-	20,000	
Total Capital Outlay	1,219,588	173,790	1,393,378	1,393,378	236,031	1,157,347	

Wastewater Utility Fund Summary
March 31, 2021
50% of Fiscal Year

	Budget	Budget Amendment	Amended Budget	Projection	Year-to-Date Actual	Percent of Budget	Budget Balance	
Wastewater Revenues	1,168,461	-	1,168,461	1,352,923	744,741	63.7%	(423,720)	Projection includes increase in Impact Fee revenue due to increase in rate and development.
Wastewater Operating Expenses								
Personnel	709,936	-	709,936	687,081	314,446	44.3%	395,490	Updated projection to include vacancies for Public Works Director, IT Tech, and routine turnover.
Supplies, Maintenance & Operations	673,994	-	673,994	630,297	298,221	44.2%	375,773	
Services	82,103	-	82,103	82,103	34,889	42.5%	47,214	
Total Wastewater Operating Expenses	1,466,033	-	1,466,033	1,399,480	647,556		818,477	
Operating Income	(297,572)	-	(297,572)	(46,557)	97,185		394,757	
Capital Outlay	391,250	-	391,250	394,338	4,861	1.2%	386,389	See Schedule Below
Debt Service Expense	12,966	-	12,966	3,492	1,528	11.8%	11,438	Projection updated bond interest for refinance of capital lease.
Transfers & Non-Cash	206,977	-	206,977	206,977	155,989	75.4%	50,989	
Net Income/(Loss)	(908,765)	-	(908,765)	(651,364)	(65,193)		843,572	

	Budgeted	Budget Amendment	Amended Budget	Projection	YTD Actual	Budget Balance	Notes
Wastewater CIP Fund							
Digester Planning	-	-	-	3,088	3,088	(3,088)	PY unspent budget rolled forward for this project.
Future WWTP	200,000	-	200,000	200,000	-	200,000	
GIS Compatible Work Order System	6,250	-	6,250	6,250	-	6,250	
Utility Rate Analysis	75,000	-	75,000	75,000	-	75,000	
EPA Risk Assessment	50,000	-	50,000	50,000	1,774	48,226	
	331,250	-	331,250	334,338	4,861	326,389	
Wastewater Operations							
Replacement Pump	5,000	-	5,000	5,000	-	5,000	
Replacement Pump	5,000	-	5,000	5,000	-	5,000	
Replacement Pump	5,000	-	5,000	5,000	-	5,000	
Pump	45,000	-	45,000	45,000	-	45,000	
	60,000	-	60,000	60,000	-	60,000	
Total budgeted purchases	391,250	-	391,250	394,338	4,861	386,389	
	-	-	-	-	-	-	

Investment Report



Investment Report Q1 2021

Investment Inventory 1/1/2021 - 3/31/2021

Governmental Fund Investments							
Security	Yield	Beg Bal	Transfers In/Out	Interest Earnings	Ending Bal	Ending Market	Weighted Avg Maturity
Pool (Texpool 004) General	0.040%	15,009,261	644,775	1,804	15,655,839	15,655,839	33 days
Pool (Texpool 007) Debt Service	0.040%	8,560	(8,095)	6	471	471	33 days
TOTAL		15,017,821	636,680	1,810	15,656,311	15,656,311	-

Utility Fund Investments							
Security	Yield	Beg Bal	Transfers In/Out	Interest Earnings	Ending Bal	Ending Market	Weighted Avg Maturity
Pool (Texpool 001) Utility	0.040%	1,135,452	-	132	1,135,584	1,135,584	33 days
Pool (Texpool 002) Water Cap	0.040%	179,396	-	21	179,417	179,417	33 days
Pool (Texpool 003) Sewer Cap	0.040%	84,311	-	10	84,321	84,321	33 days
Pool (Texpool 005) 1997 CO	0.040%	-	-	-	-	-	33 days
TOTAL		1,399,159	-	163	1,399,322	1,399,322	-

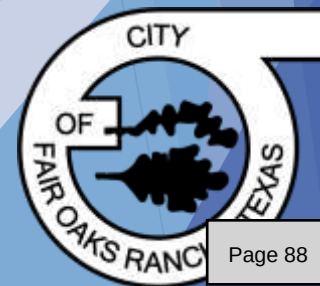
This report is in compliance with the City's Investment Policy Section 9 and 11 and Texas Government Code Section 2256.023.

Transfers In/Out

Transfers out of TexPool accounts represent vendor payments made, or funding of city operations by transferring funds to the City's operating cash account. Transfers into TexPool accounts represent deposits of property tax revenue.

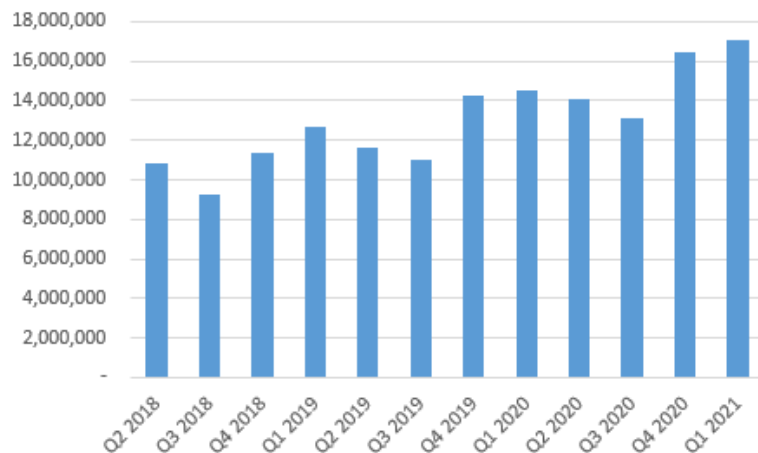
*Weighted Average Maturity

Per the City's investment policy, the City will not directly invest in securities maturing more than 13 months from the date of purchase. Reserve funds may be invested in securities up to 2 years. The Weighted Average Maturity of these investments is in compliance with the City's policy.

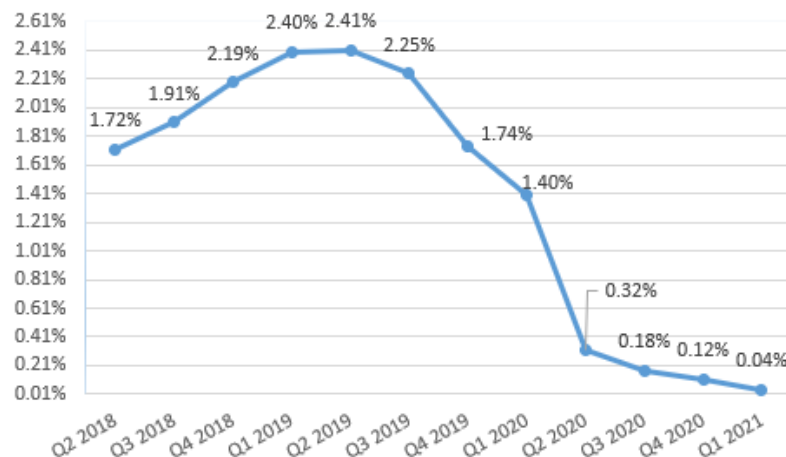


Investment Report Q1 2021

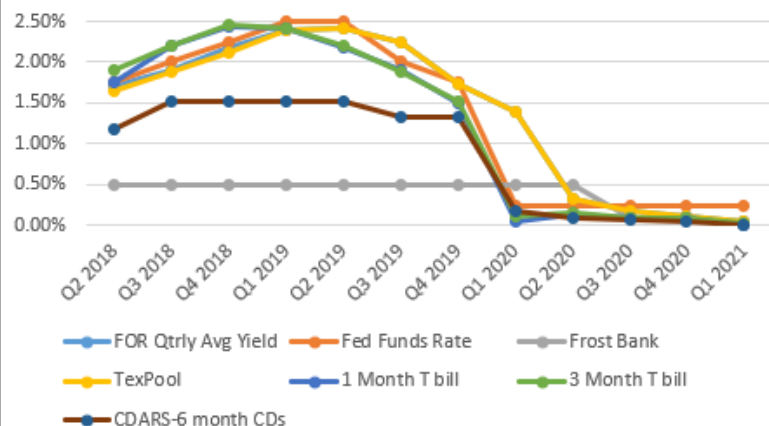
Investment Balance



FOR Qtrly Avg Yield



Comparative Yields



As an investor of public funds, the City of Fair Oaks Ranch is subject to investment limitations as defined under the Public Funds Investment Act (Government Code Chapter 2256).

This comparative yields chart is provided to demonstrate alternative investment vehicles that are permitted under the stringent guidelines of the Public Funds Investment Act as compared to the Fed Funds Rate.

Texpool continues to offer a competitive rate of return as compared to other investments, and offers complete liquidity to meet operational needs.

