

CITY OF FAIR OAKS RANCH
CITY COUNCIL REGULAR MEETING

Thursday, April 01, 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.*

PRESENTATIONS

1. Presentation of a 15 Year Service Award to Police Chief Tim Moring.

Joanna Merrill, Director of Human Resources & Communications

2. Update on BISD Demographic Report.

Richard Sena, BISD Trustee

3. Pavement Preservation Plan.

Oscar Michael "Mike" Garza, P.E., PTOE, RSP1, General Engineering Consultant

4. Briefing on Conflict of Interest Compliance.

Dan Santee, City Attorney

CONSENT AGENDA

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

- [5.](#) Approval of the March 18, 2021 Regular City Council meeting minutes.

Christina Picioccio, City Secretary

- [6.](#) Approval of a Resolution appointing a Director to the Fair Oaks Ranch Municipal Development District (FORMDD) Board of Directors.

Al McDavid, MDD President

CONSIDERATION/DISCUSSION ITEMS

- [7.](#) Consideration and possible action approving the first 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.

Julio Colunga, Public Works Superintendent

- [8.](#) Consideration and possible action authorizing the City Manager to sign a Professional Service Agreement with Malone and Wheeler for engineering consulting services for solids handling volute dewatering press system.

Julio Colunga, Public Works Superintendent
Sarah Buckelew, CPA, Finance Director
Andrew Friedman, SAMCO

REPORTS FROM STAFF/COMMITTEES/COUNCIL

- [9.](#) North side water tower report.

Tobin Maples, AICP, City Manager
Sarah Buckelew, CPA, Finance Director

- [10.](#) Report on TxDOT FM 3351 Projects

Fernando Camarillo, P.E., Poznecki -Camarillo LLC

- [11.](#) Monthly Financial 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. Kuitjen, 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.
15. Update on the pending police Administrative Hearing for a Report of Separation regarding former officer Richard Davila, and other matters in connection therewith.

Sec. 551.071 (Deliberation regarding real property)

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

RECONVENE INTO OPEN SESSION

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, Month DD, 202Y 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).



CITY COUNCIL CONSIDERATION ITEM
CITY OF FAIR OAKS RANCH, TEXAS
April 1, 2021

AGENDA TOPIC: Update on BISD Demographic Report
 DATE: April 1, 2021
 DEPARTMENT: City Council
 REQUESTED BY: Snehal R. Patel, J.D., M.P.Aff., Council Member, Place 5
 PRESENTED BY: Rich Sena, BISD Trustee

INTRODUCTION/BACKGROUND:

Boerne ISD engages highly qualified demographic experts to help the district stay ahead of planning for the district's needs as the area faces growth in its population and increases in its enrollment projections. Using demographic studies, the district "develops very accurate 10-year enrollment projections at campus and grade levels," which they use for planning purposes. As Boerne ISD Liaison for the council, I keep track of these BISD demographic reports and have previously updated the Council at key junctures. In January 2021, Boerne ISD Board of Trustees were provided the latest demographics update for the area.

I coordinated with Boerne ISD Trustee Rich Sena who has kindly offered to present this timely and important information to the Council at our April 1, 2021 meeting.

For additional background materials, the BISD demographic studies are available at:
<https://www.boerneisd.net/Page/3128>

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

This presentation will inform the council, staff, and citizens on potential growth and development projections in this area and provide helpful information on the district's strategic plans for its existing schools including the two elementary schools within our city, and as well as additional proposed plans for a new elementary school outside of the city to relieve future overcrowding. As is the process for our meetings, citizens will have the opportunity to provide comments as well as to ask questions during the presentation.

LONG-TERM FINANCIAL & BUDGETARY IMPACT:

N/A

LEGAL ANALYSIS:

N/A

RECOMMENDATION/PROPOSED MOTION:

We continue coordinating and working closely with the Boerne ISD in addressing our shared issues relating to growth and traffic.



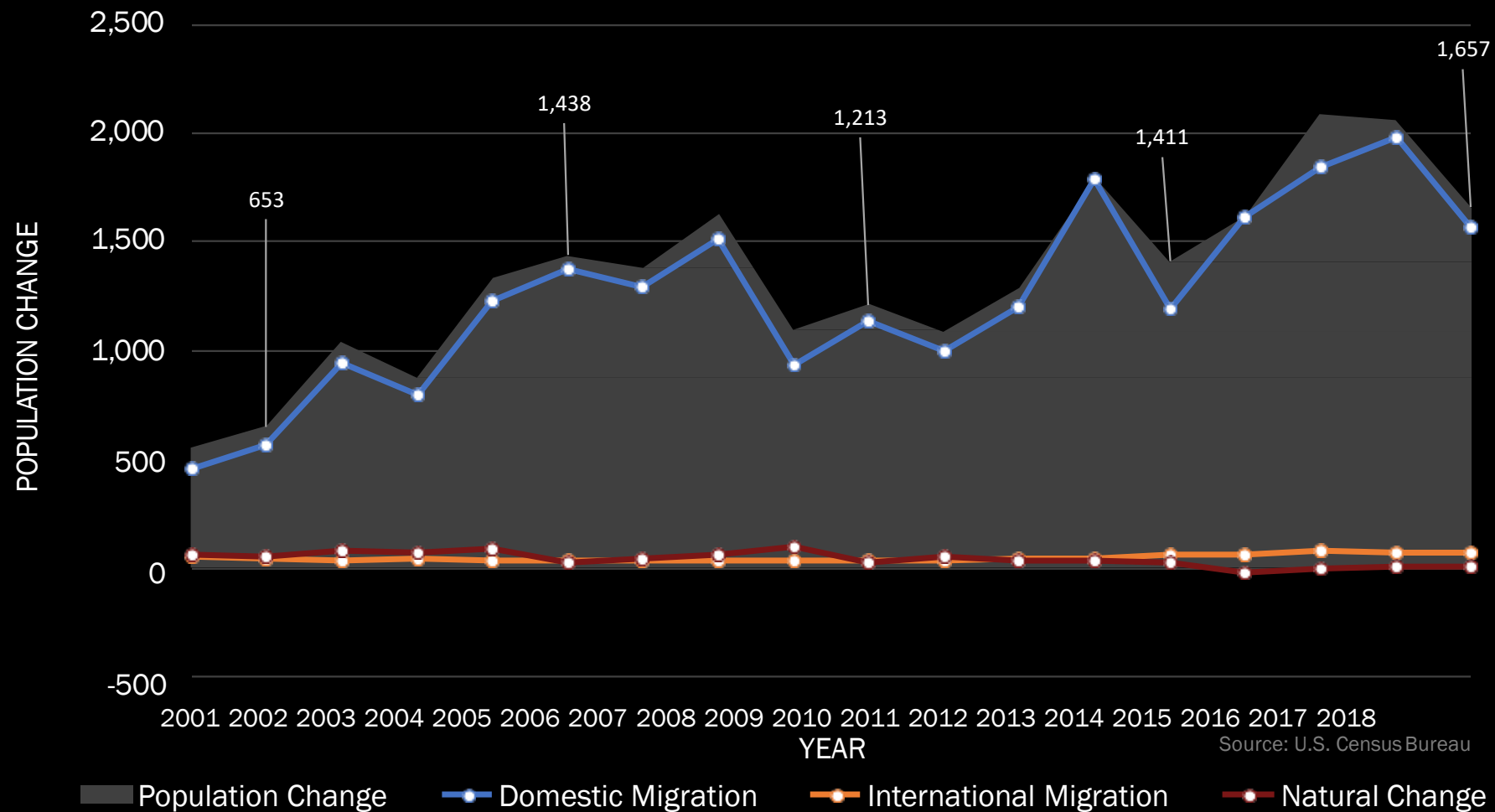
Population and Survey Analysts – Boerne ISD Update, Fall 2020

Presented to Fair Oaks Ranch City Council

April 1, 2021

Annual Population Change

Kendall County

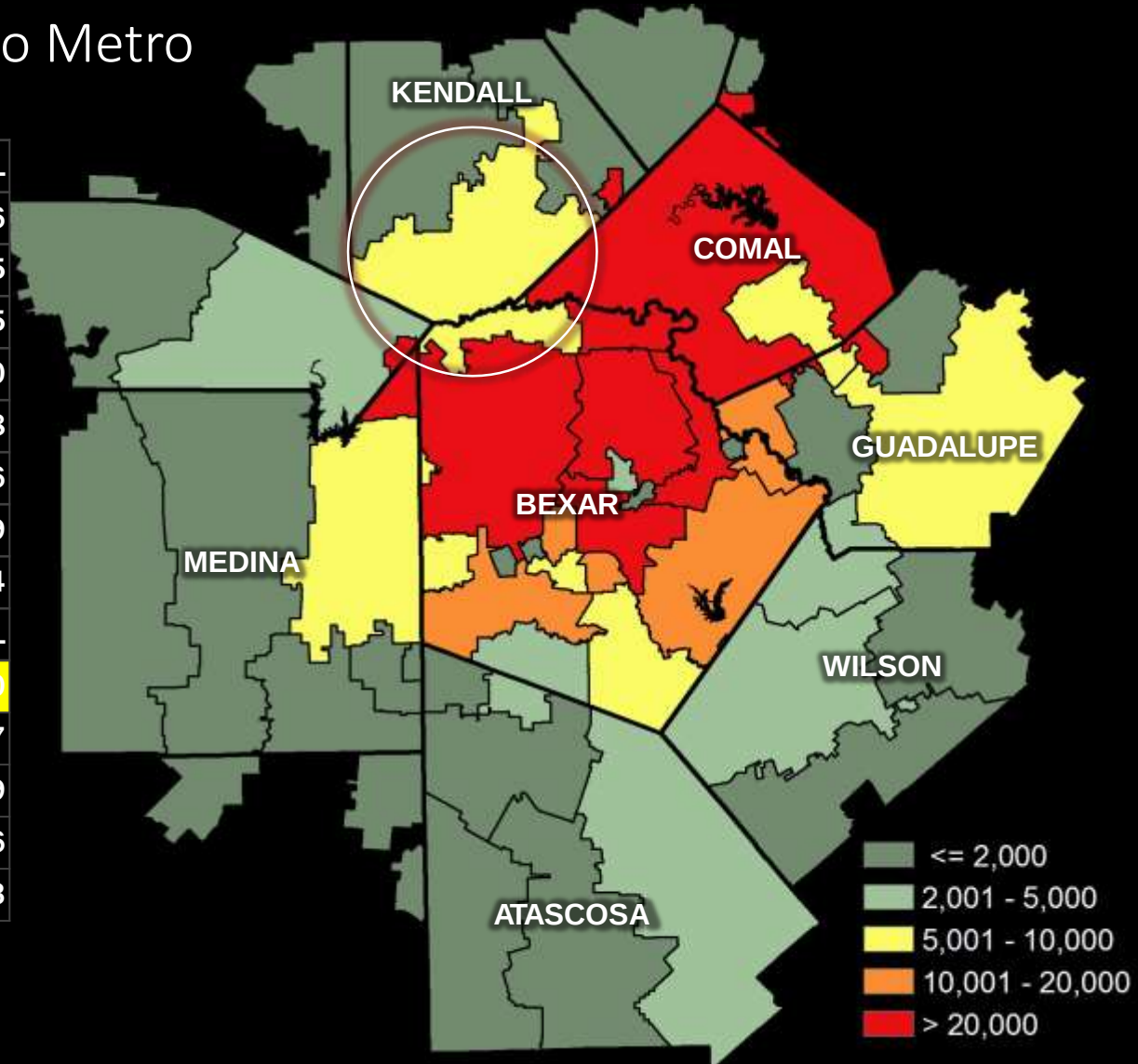


Total School District Enrollment

Fall 2018, San Antonio Metro



	School District	Enrollment
1	Northside ISD (Bexar)	106,501
2	North East ISD	65,186
3	San Antonio ISD	48,745
4	Comal ISD	23,935
5	Judson ISD	22,870
6	Schertz-Cibolo-Universal C	15,818
7	Harlandale ISD	14,086
8	Southwest ISD	13,759
9	Edgewood ISD (Bexar)	10,234
10	East Central ISD	10,041
11	Boerne ISD	9,170
12	New Braunfels ISD	9,127
13	South San Antonio ISD	8,939
14	Seguin ISD	7,366
15	Southside ISD	5,663



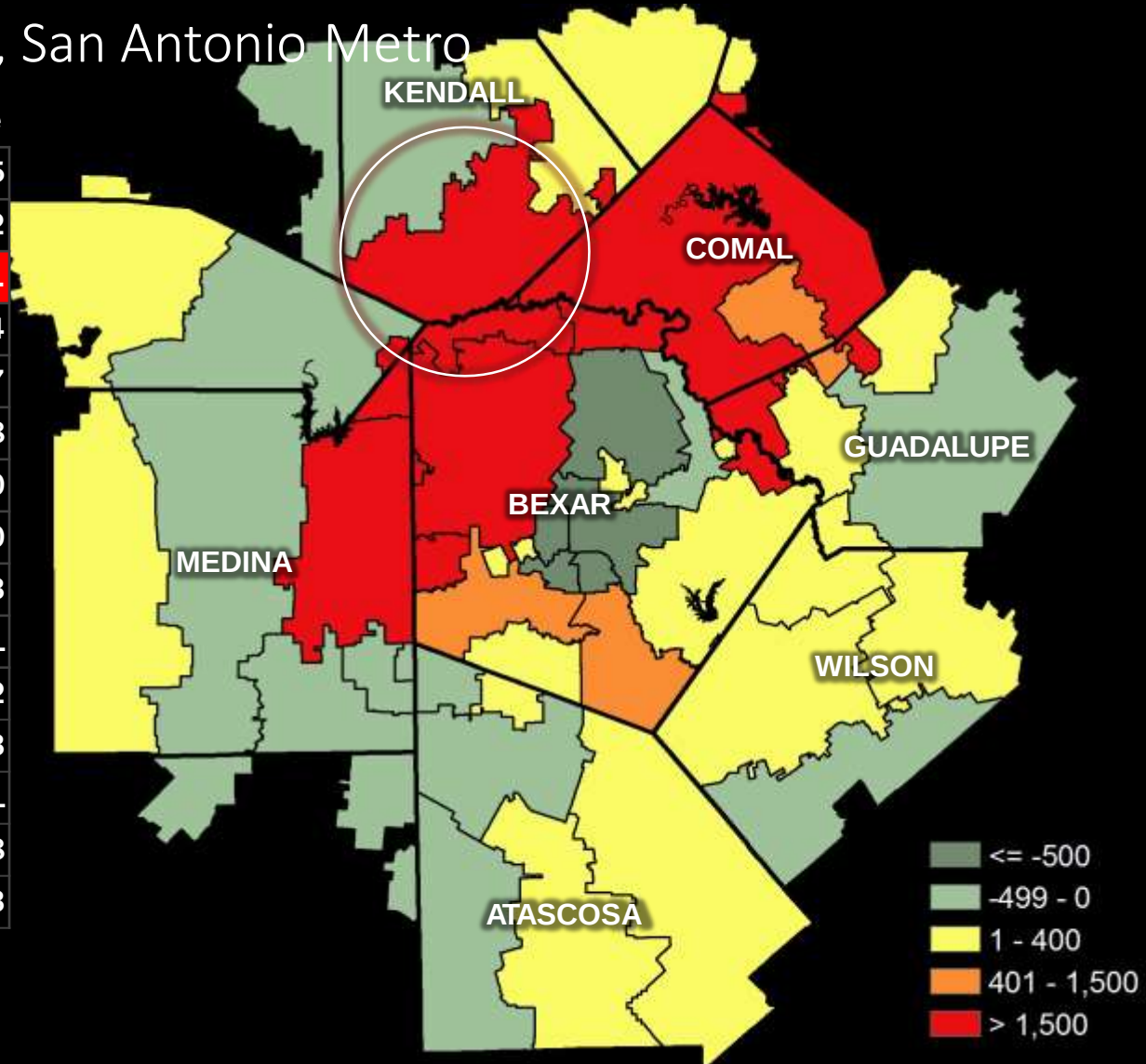
Numeric Change in Enrollment

Item #2.



Fall 2013 to Fall 2018, San Antonio Metro

	School District	Change
1	Comal ISD	4,435
2	Northside ISD (Bexar)	4,372
3	Boerne ISD	1,941
4	Schertz-Cibolo-Universal	1,724
5	Medina Valley ISD	1,577
6	New Braunfels ISD	828
7	Southside ISD	510
8	Southwest ISD	440
9	East Central ISD	333
10	Randolph Field ISD	291
11	La Vernia ISD	282
12	Navarro ISD	253
13	Floresville ISD	241
14	Somerset ISD	198
15	Marion ISD	143

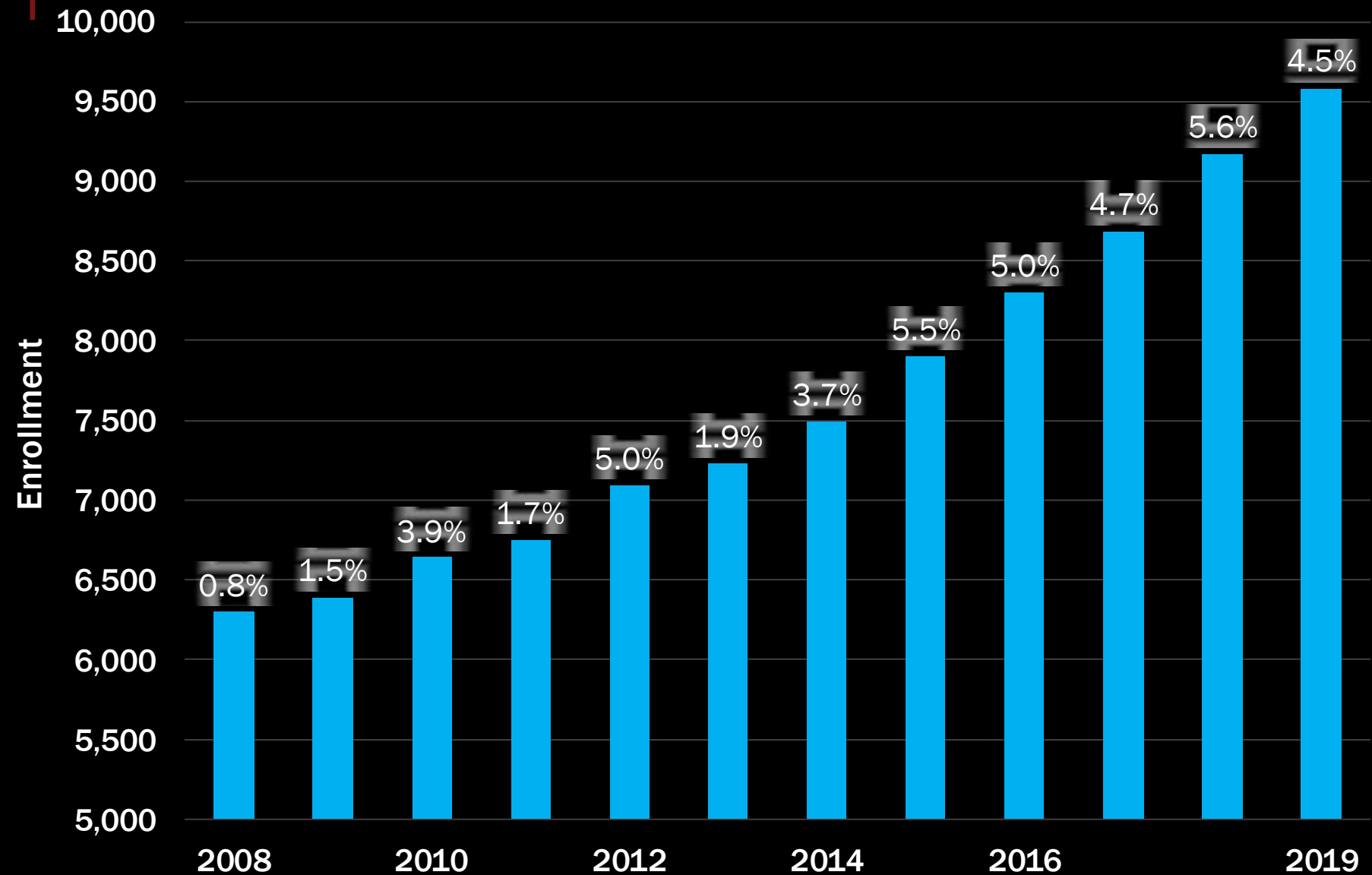


Source: Texas Education Agency

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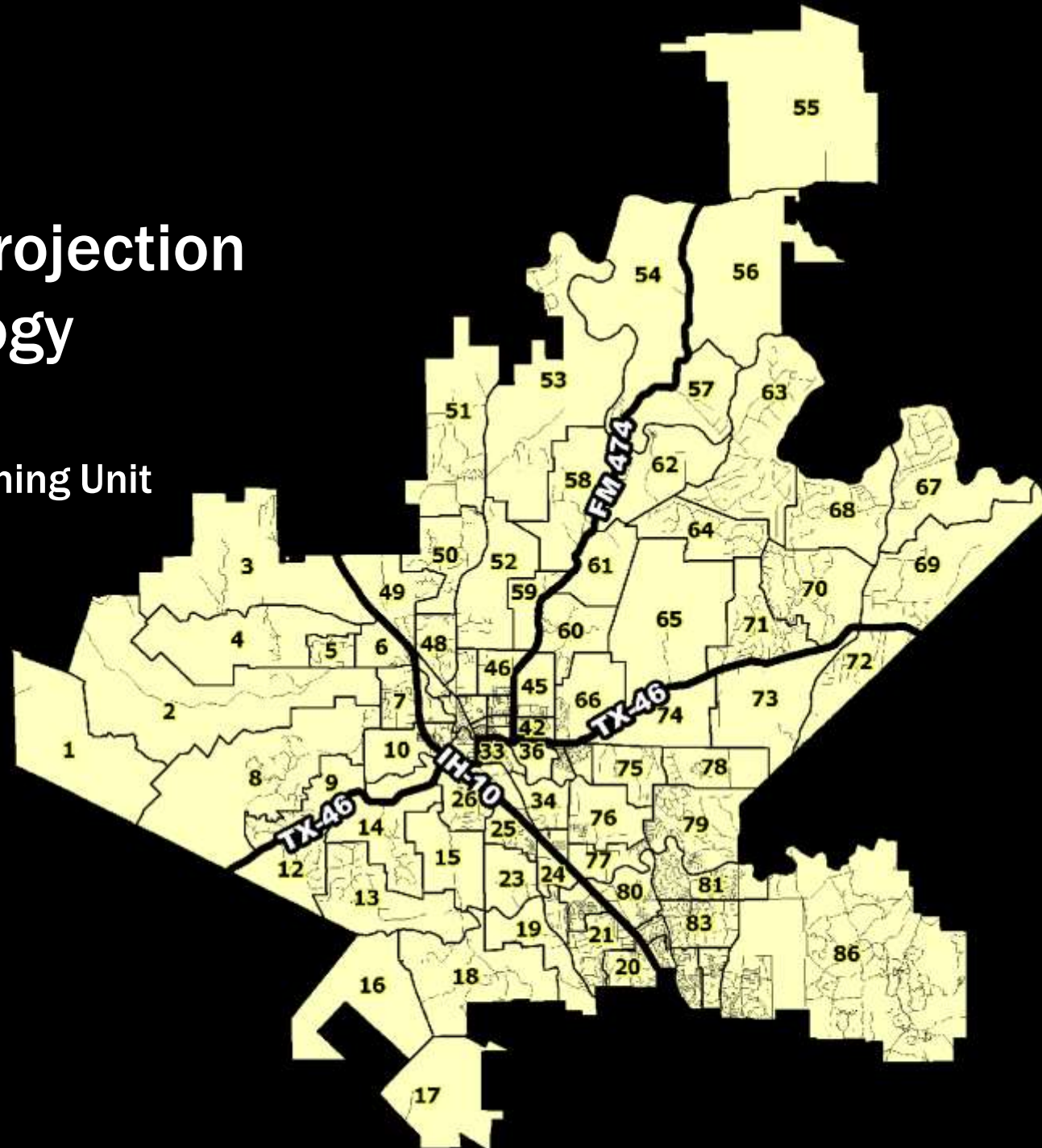


Annual Growth Rates



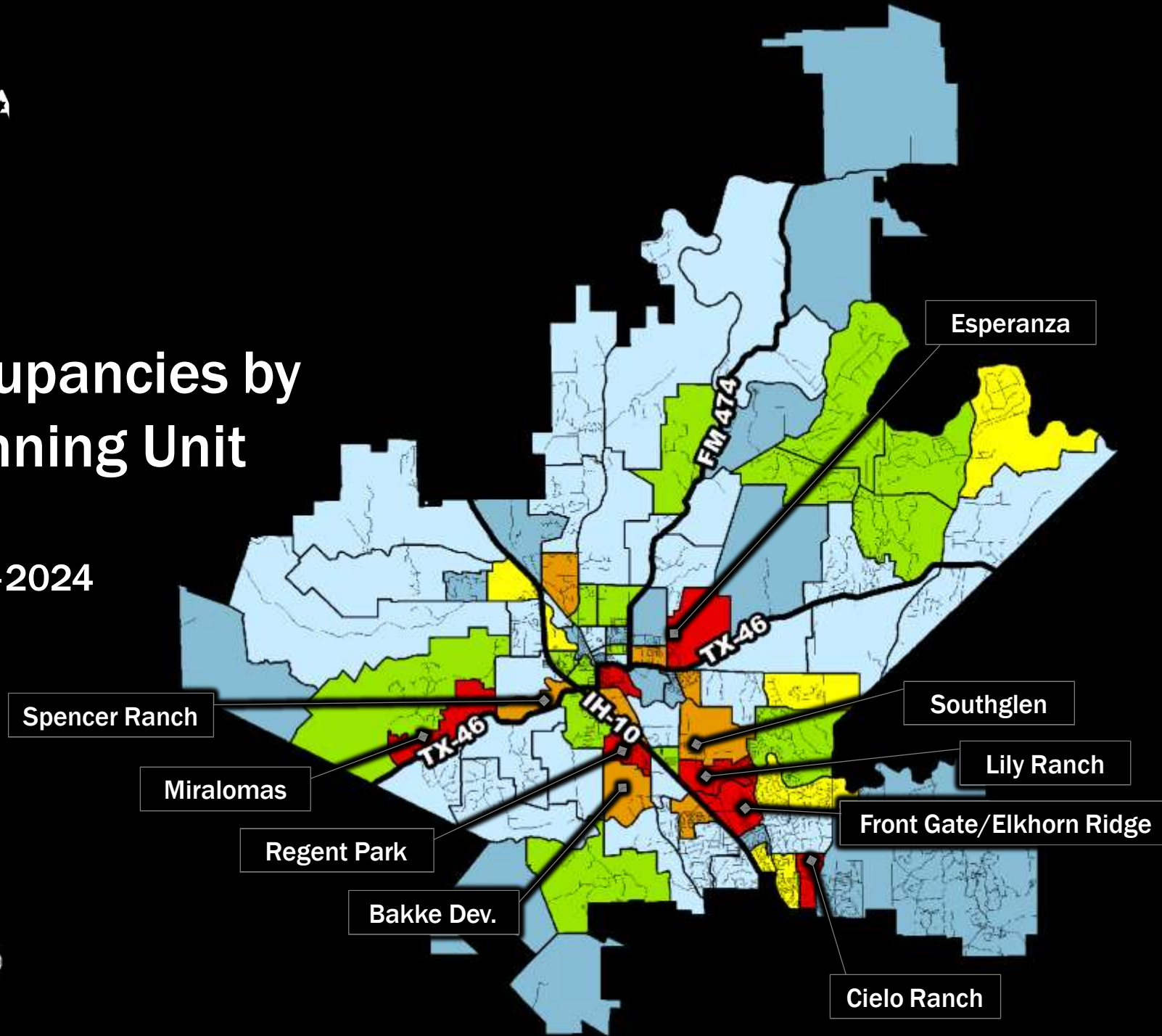
Housing Projection Methodology

Analysis by Planning Unit



Occupancies by Planning Unit

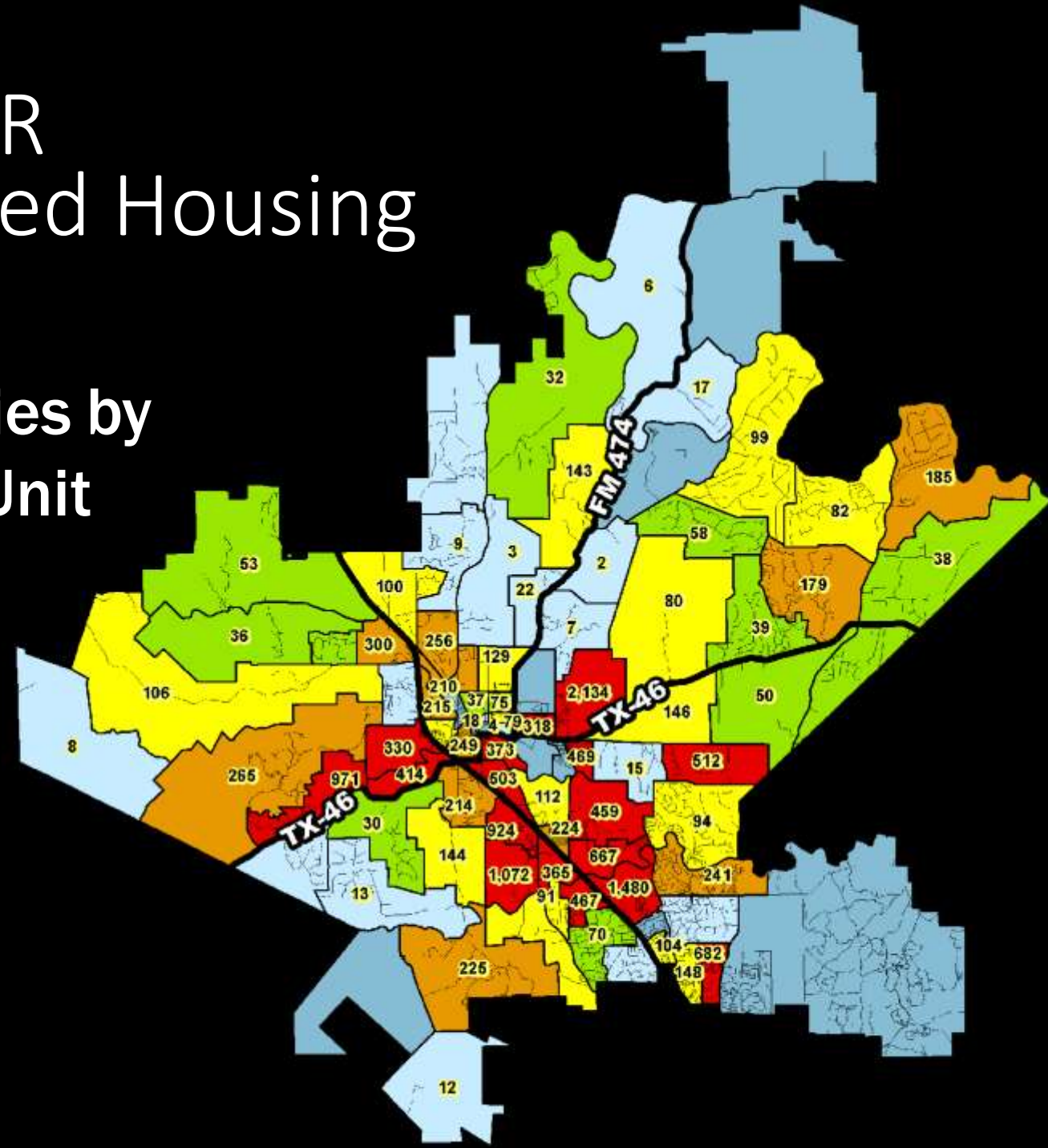
2019-2024



10-YEAR Projected Housing

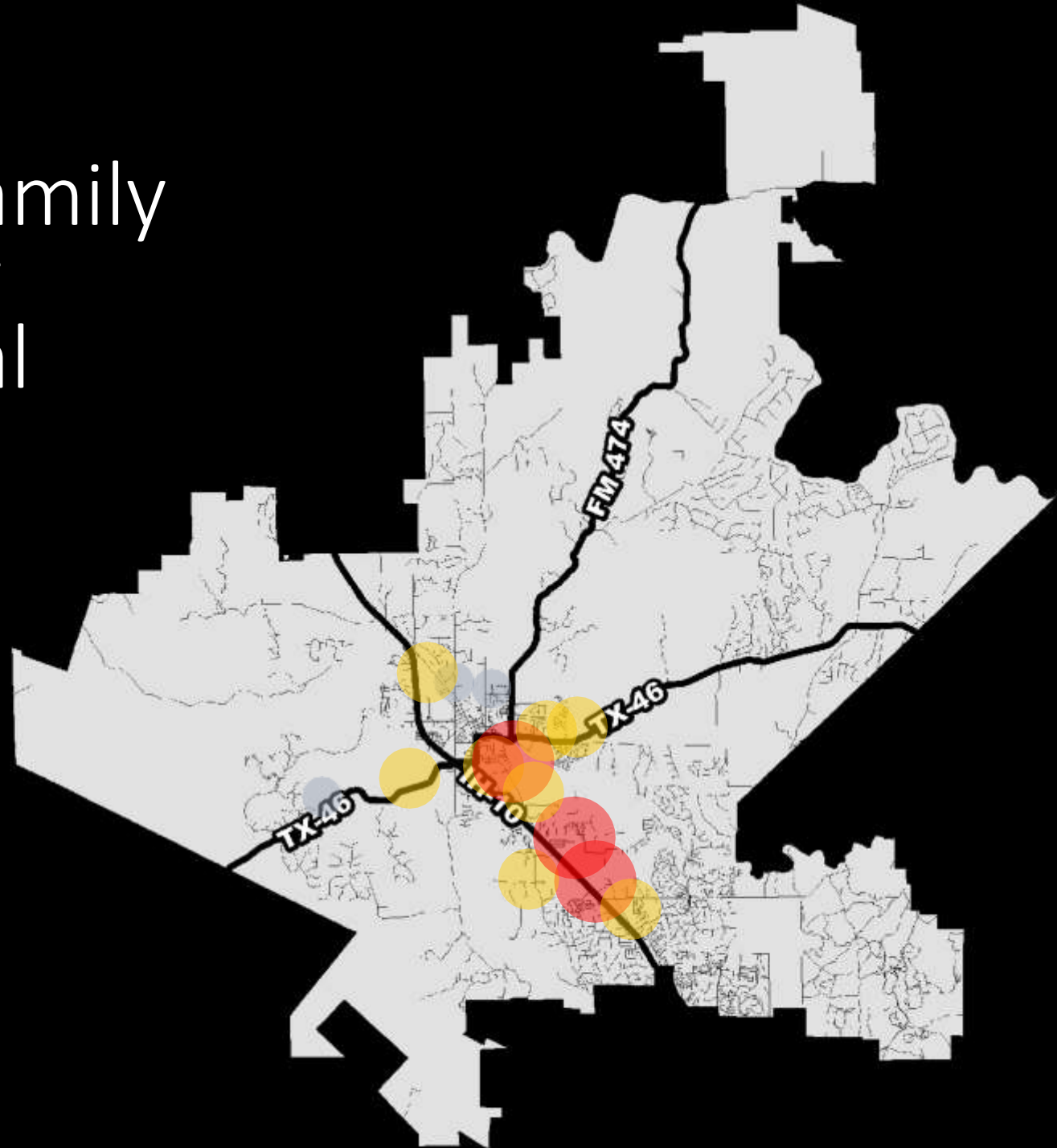
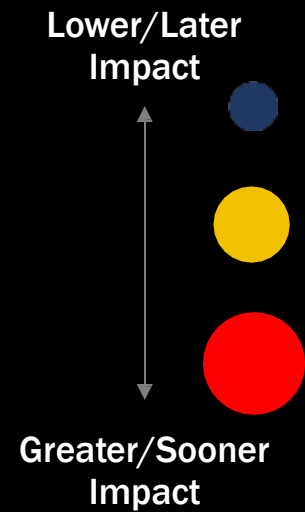
Occupancies by Planning Unit

2019-2029



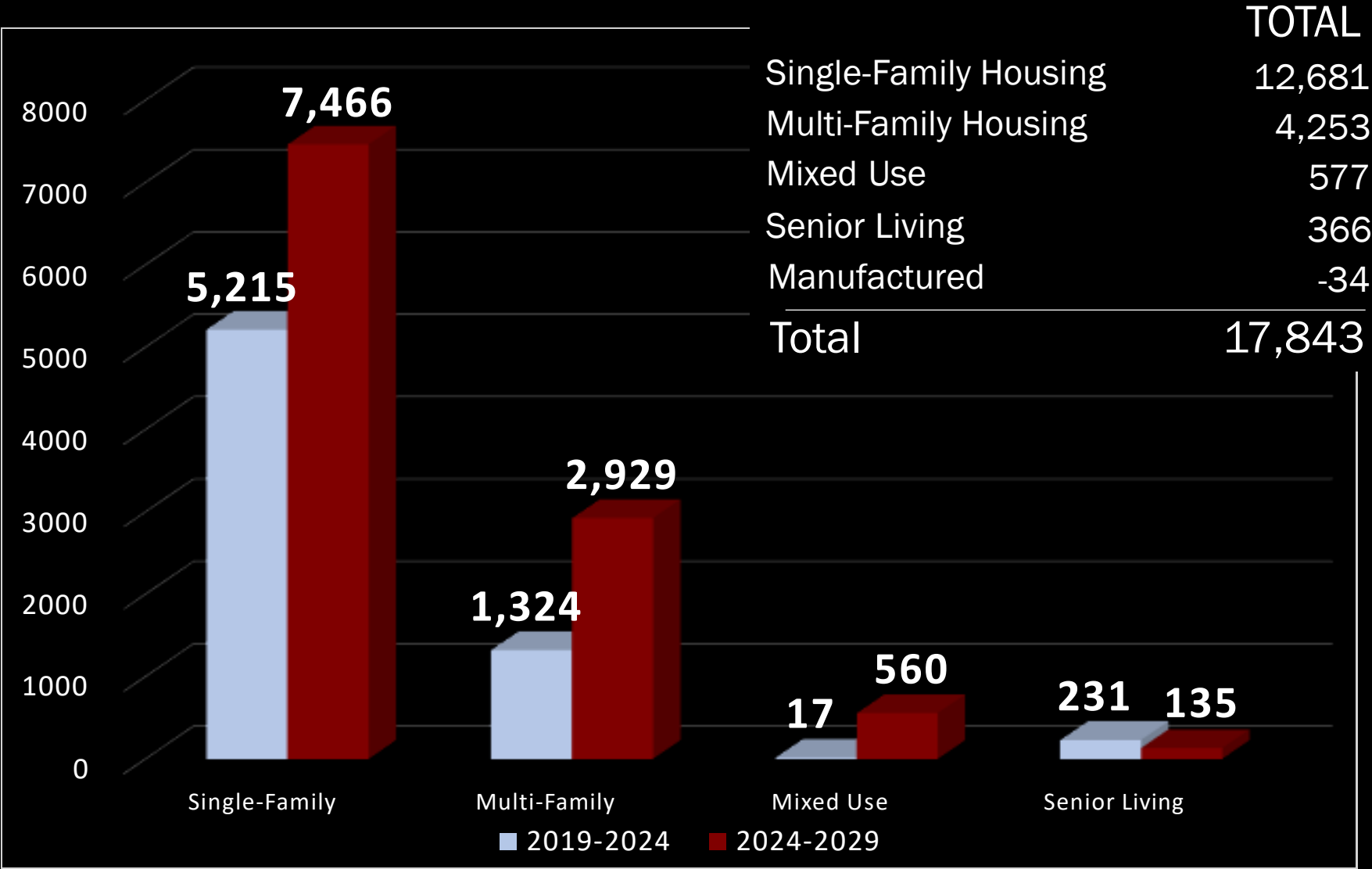
Multi-Family Housing Potential

2019–2029



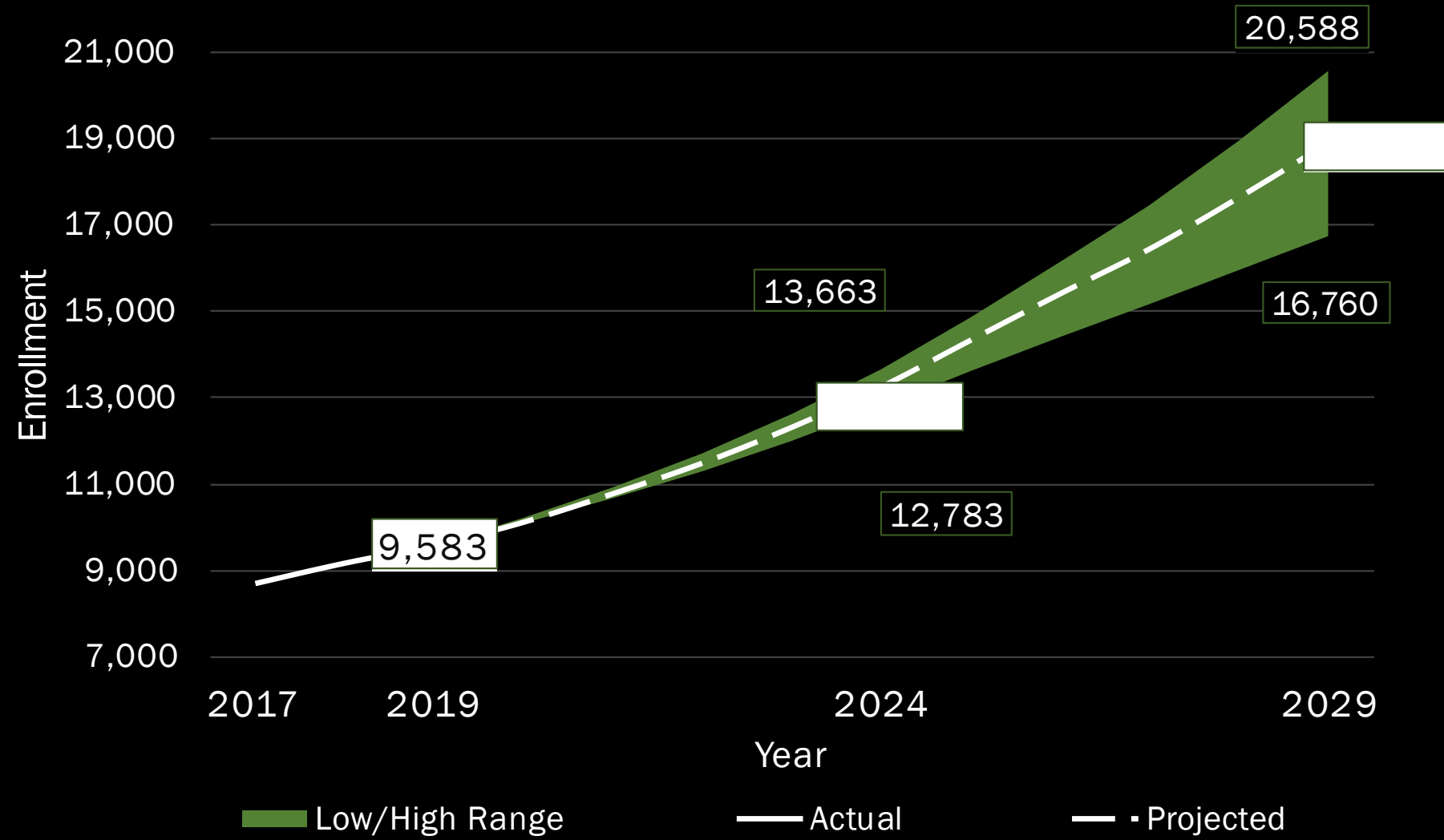
Projected New Housing Occupancies

2019-2029





Three Scenarios of Growth



Additional Challenges Facing Boerne ISD

- Eliminate COVID Slide
- Increase educational choices
- Reducing achievement gap
- Prudent management of operational & capital budgets
- Maintain sense of community
- Character development in a changing world







CITY COUNCIL PRESENTATION ITEM

CITY OF FAIR OAKS RANCH, TEXAS

April 1, 2021

AGENDA TOPIC: Pavement Preservation Plan

DATE: April 1, 2021

DEPARTMENT: Public Works Department

PRESENTED BY: Oscar Michael "Mike" Garza, PE, PTOE, RSP₁, General Engineering Consultant

INTRODUCTION/BACKGROUND:

Several years ago, the City initiated a regular 5-year evaluation of all existing roadways and set in motion a database for tracking road conditions through the years. The first study, completed in 2010, initiated discussions among Council of the need for a Bond Program, and the study ultimately became the basis for the voter-approved 2014 Bond program. The second study, completed in 2015, confirmed that the City had wisely chosen roads for significant rehabilitation, and provided accurate guidance for the maintenance of other roadways.

In 2020, City Council approved a Pavement Condition Survey utilizing a Mobile Asset Collection (MAC) vehicle per ASTM D6433 criteria. The results of the survey allowed the Public Works Department the ability to develop a Pavement Preservation Plan through our General Engineering Consultant.

The overall goal of this plan has been to provide a recommendation on how to preserve our aging infrastructure strategically and effectively both today and into the future. Similarly, the plan has focused on the City's established goal to create a Roadway Capital Improvement Plan (CIP) which will allow us to evaluate the need for improvements through a fiscally constrained and conservative budget.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

The health, safety, and welfare of Fair Oaks Ranch residents is the paramount objective of the Public Works Department; this Pavement Preservation Plan will allow us to utilize a combination of treatment techniques that include preservation, preventative maintenance, rehabilitation, and reconstruction. We will ultimately determine how to apply the right treatment to the right road at the right time and within the right budget.

The City of Fair Oaks Ranch will serve citizens through extending the life of City-maintained roadways through proper pavement preservation and management best practices utilizing the latest technologies available.

LONG-TERM FINANCIAL & BUDGETARY IMPACT:

This Pavement Preservation Plan has identified specific maintenance and repair programs for the existing roadway network and type of rehabilitation strategies recommended to extend pavement life cycles.

The presentation includes details on maintenance and repair activities based on PCI/OCI ranking (typical treatments such as Crack Seal, Fog Seal, Slurry Seal, Micro Surfacing, Chip Seal, Mill & Overlay, Full Depth Reconstruction/Reclamation, etc. were considered accordingly).

Various budget scenarios such as “Do-Nothing”, “Current”, “A-Rating”, “Maintain A-Rating”, and “Maintain Existing Rating” were analyzed utilizing Cartegraph Software. This analysis allowed our General Engineering Consultant to focus on the specific needs of our aging infrastructure, establish reasonable goals for maintenance, evaluate the size of a potential Roadway Capital Improvement Program, and work with staff to finalize a plan that maintains or improves the quality of life for Fair Oaks Ranch residents within a reasonable budget for years to come.

LEGAL ANALYSIS:

Not applicable at this time.

RECOMMENDATION/PROPOSED MOTION:

The purpose of this presentation is to provide City Council with the results of the Pavement Preservation Plan Network Level Analysis, and to receive input/direction on how to proceed.



CITY OF FAIR OAKS RANCH PAVEMENT PRESERVATION PLAN

MICHAEL GARZA, PE, PTOE, RSP₁
LEGACY ENGINEERING GROUP
GENERAL ENGINEERING CONSULTANT
APRIL 1, 2021



PAVEMENT PRESERVATION PLAN BACKGROUND

Item #3.

- The City of Fair Oaks Ranch includes 60.27 miles of roadway infrastructure
 - 68% of the roadway network is over 30 years old
 - 50% of the roadway network is over 40 years old
- The overall goal of this process is to strategically and effectively budget based on pavement condition forecasting and provide recommendations to Council on how to successfully preserve the City's infrastructure



- The implementation of an effective Pavement Preservation Plan is essential in extending the overall life of the City's roadway network
- A thorough Pavement Preservation Plan utilizes a combination of treatment techniques that include preservation, preventative maintenance, rehabilitation, and reconstruction
 - ✓ **Smart Planning for the Appropriate Treatment on the Applicable Roadway at the Ideal Time**



- Pavement preservation involves low-cost activities, usually implemented every few years, to slow the deterioration of roadways that are already in good condition
 - Studies show that **\$1 spent today on pavement preservation will save \$6-\$10 in the future on pavement rehab/recon costs**
- Rehabilitation and Reconstruction treatments are time consuming, expensive, disruptive to traffic flow, and typically require a Capital Improvement Program and/or Bond Program to fund



PAVEMENT PRESERVATION PLAN

PCI SCORING VISUAL

Pavement Condition
86 - 100 (Good)



Pavement Condition
71 - 85 (Satisfactory)



Pavement Condition
56 - 70 (Fair)



Pavement Condition
41 - 55 (Poor)



Pavement Condition
11 - 40 (Very Poor/Serious)



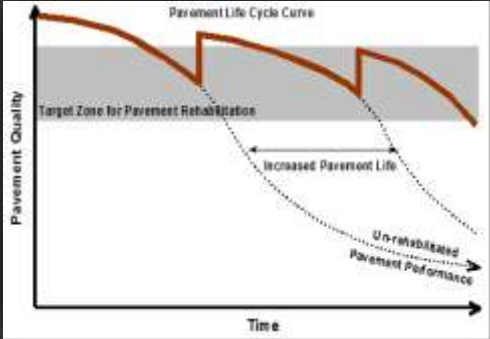
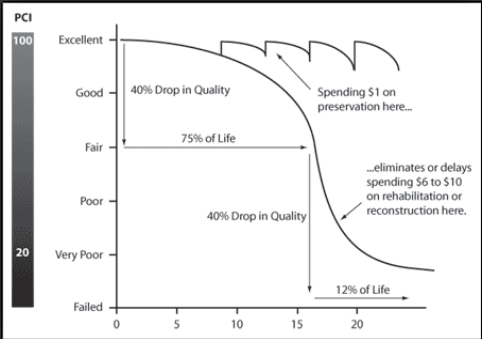
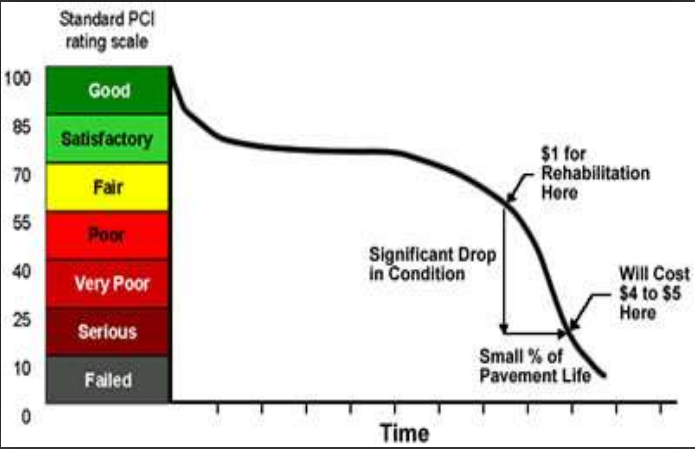
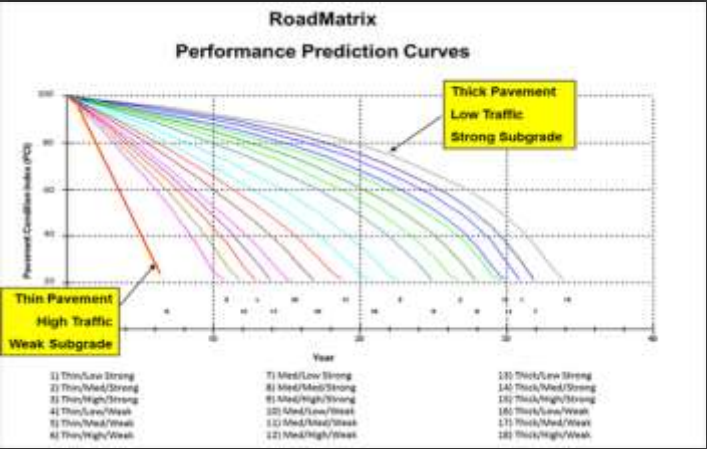
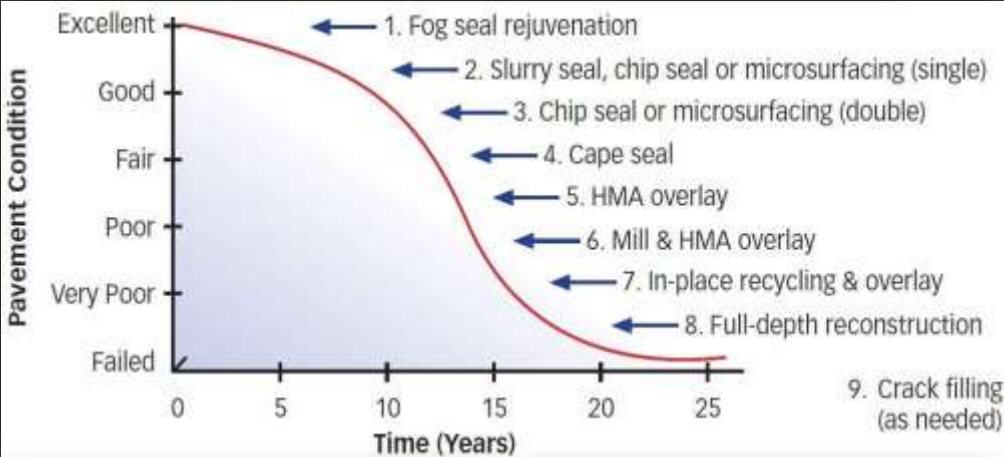
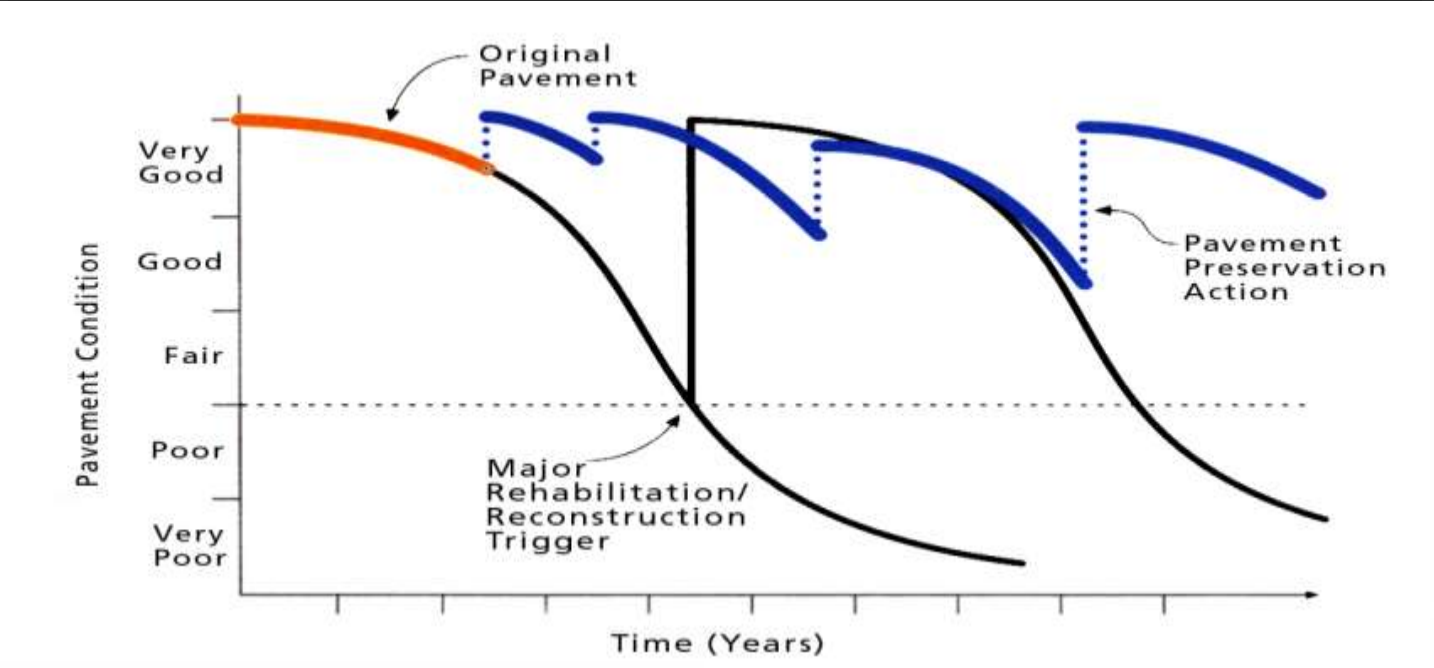
Pavement Condition
0 - 10 (Failed)



PAVEMENT PRESERVATION PLAN

PCI DETERIORATION CURVES

Item #3.



Key Factors of a Pavement Preservation Plan

- ✓ Automated/Data Driven Approach (removing subjectivity)
- ✓ Utilizing Latest Technologies Available
- ✓ Regularly Assessing Existing Infrastructure
- ✓ Selecting Applicable Treatment Activities
- ✓ Understanding Available Funding Mechanisms
- ✓ Combining All of the Above in an Asset Management Platform
- ✓ Building/Analyzing Various Potential Scenarios & Solutions
- ✓ Develop Strategic Action Plan / Local Support



- In 2010, the City worked with a consultant to develop a Pavement Evaluation & Rehabilitation Recommendation
 - In 2010, the network average score was “measured” to be 90
 - This study initiated the discussion on the eventual 2014 Bond Program
- In 2015, the City worked with the same consultant to develop a new Pavement Evaluation & Rehabilitation Recommendation
 - In 2015, the network average score was “measured” to be 83
 - This study further substantiated the need for the 2014 Bond Program
- Both reports utilized visual assessments



PAVEMENT PRESERVATION PLAN 2020 ASSESSMENT

Item #3.

- In 2020, City Council approved a Pavement Condition Survey utilizing a Mobile Asset Collection (MAC) vehicle per ASTM D6433 criteria.
- This method of mobile data collection and pavement management reporting is repeatable and defensible across survey years, GIS-centric at its core, and a quantitative approach that relies upon standards and procedures that can be applied for pavement management optimization

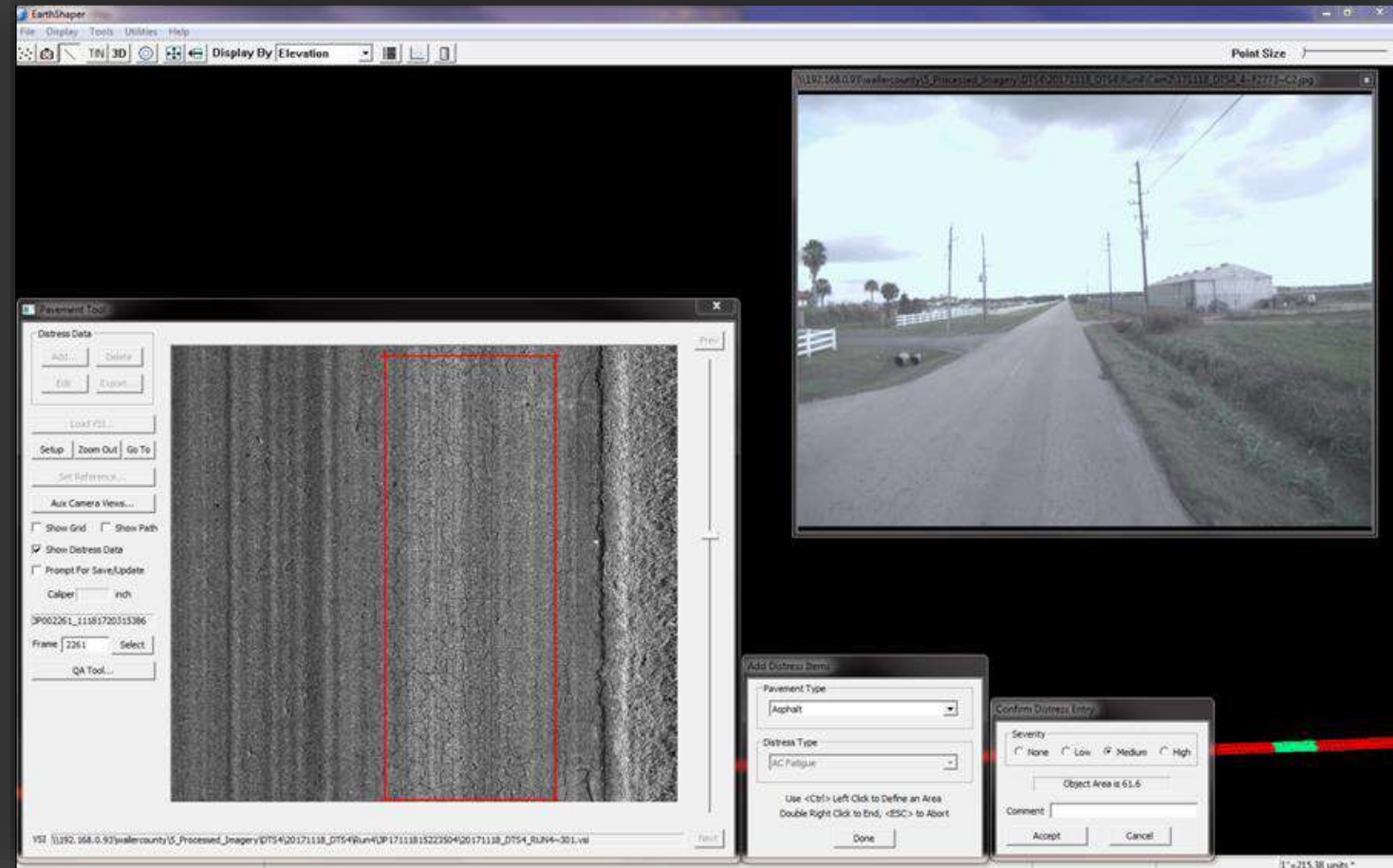


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PAVEMENT PRESERVATION PLAN 2020 ASSESSMENT

Item #3.

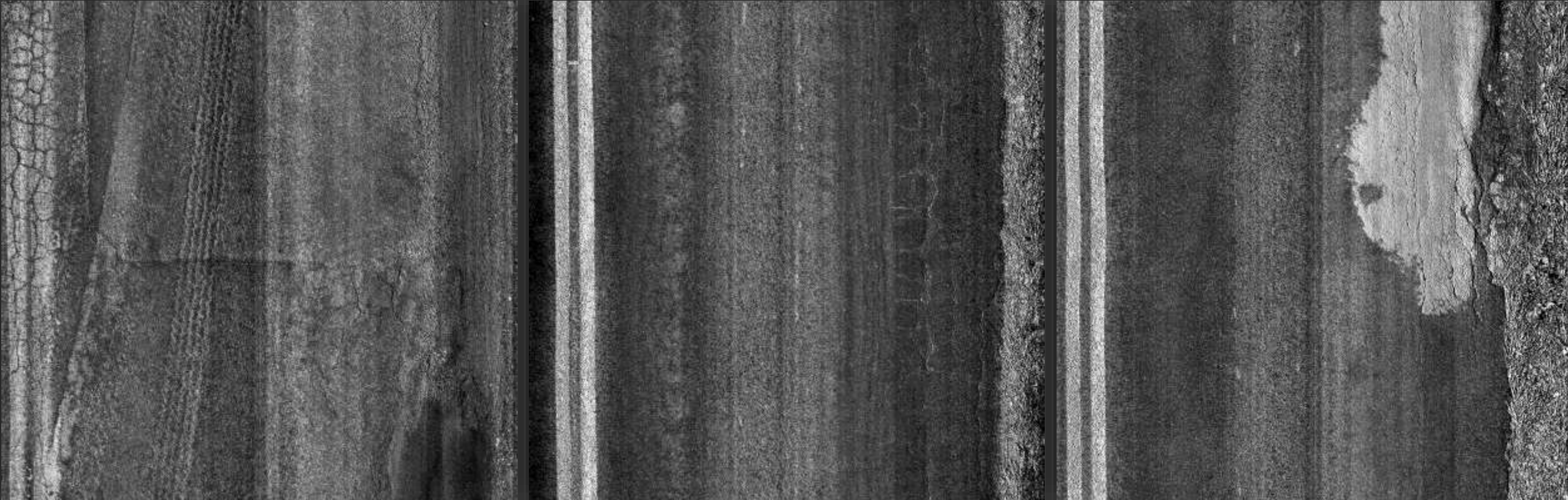
- Spatial Image Analysis Software Utilized to Digitize Pavement Conditions
 - Navigation System
 - Distance Measuring Indicator (DMI)
 - Cameras
 - Pavement Imaging System
- 95% Level of Confidence



PAVEMENT PRESERVATION PLAN 2020 ASSESSMENT

Item #3.

- Example pavement condition imagery collected by MACs



PAVEMENT PRESERVATION PLAN

2020 ASSESSMENT RESULTS

- There was PCI Deviation from the 2010/2015 assessments (which was expected)
- The network average score was measured at 81
- The positive impact of the 2014 City Bond Program was evident (construction occurred after the 2015 assessment)



2010 PCI	2015 PCI	2020 PCI	2010 PCI	2015 PCI	2020 PCI	2010 PCI	2015 PCI	2020 PCI
100	83.00	97.00	46	74.00	93.00	91	86.00	86.00
80	94.00	97.00	83	89.00	93.00	86	76.00	86.00
79	88.00	97.00	99	89.00	93.00	29	96.00	86.00
95	88.00	97.00	82	76.00	92.80	88	54.00	85.50
97	92.00	97.00	97	96.00	92.67	91	97.00	85.00
99	59.00	97.00	99	67.00	92.67	96	96.00	85.00
100	87.00	97.00	36	53.00	92.67	83	98.00	85.00
99	84.00	97.00	98	98.00	92.48	99	70.00	85.00
84	70.00	97.00	96	94.00	92.48	86	91.00	84.50
87	86.00	97.00	92	92.00	92.48	99	67.00	84.33
93	80.00	97.00	82	88.00	92.00	84	76.00	84.33
91	76.00	97.00	71	59.00	92.00	63	77.00	84.00
100	90.00	97.00	96	96.00	91.71	77	83.00	84.00
98	79.00	97.00	84	54.00	91.50	48	82.00	83.00
83	85.00	97.00	n/a	100.00	91.00	95	92.00	83.00
96	85.00	97.00	100	90.00	91.00	96	97.00	83.00
23	95.00	97.00	84	73.00	91.00	87	86.00	83.00
86	81.00	97.00	55	67.00	91.00	83	76.00	82.67
76	96.00	97.00	92	78.00	91.00	n/a	n/a	82.00
83	90.00	97.00	80	61.00	91.00	29	79.00	82.00
61	95.00	96.00	n/a	n/a	91.00	90	91.00	81.00
83	95.00	96.00	83	89.00	91.00	n/a	n/a	81.00
97	83.00	95.00	94	69.00	90.50	43	94.00	81.00
97	81.00	95.00	67	73.00	90.50	86	95.00	80.25
80	93.00	95.00	97	73.00	90.38	91	95.00	80.00
87	80.00	95.00	97	84.00	90.00	21	66.00	80.00
57	91.00	95.00	93	80.00	89.75	83	81.00	79.00
83	94.00	94.00	85	65.00	89.50	90	89.00	79.00
n/a	n/a	94.00	52	87.00	89.00	76	86.00	78.50
n/a	n/a	94.00	31	94.00	89.00	81	72.00	78.50
96	96.00	94.00	83	72.00	89.00	n/a	n/a	78.00
90	94.00	94.00	83	97.00	89.00	91	94.00	77.40
25	94.00	94.00	71	93.00	89.00	79	82.00	77.00
82	92.00	94.00	92	81.00	89.00	92	94.00	76.00
n/a	n/a	94.00	77	74.00	89.00	60	82.00	76.00
25	88.00	94.00	81	75.00	89.00	67	91.00	75.00
82	91.00	94.00	83	77.00	89.00	98	93.00	74.11
54	76.00	94.00	59	66.00	89.00	85	88.00	74.11
61	89.00	94.00	87	85.00	89.00	67	93.00	74.00
65	94.00	94.00	54	89.00	88.33	n/a	n/a	73.00
83	94.00	94.00	100	86.00	88.00	75	66.00	73.00
23	79.00	93.00	83	83.00	88.00	n/a	n/a	71.00
n/a	n/a	93.00	83	91.00	88.00	81	90.00	70.50
97	92.00	93.00	84	69.00	88.00	83	57.00	69.00
95	86.00	93.00	24	89.00	88.00	74	55.00	69.00
94	90.00	93.00	78	54.00	88.00	78	67.00	69.00
93	82.00	93.00	44	80.00	87.83	n/a	n/a	68.00
24	96.00	93.00	82	92.00	87.50	9	85.00	66.00
100	96.00	93.00	83	96.00	87.00	100	89.00	65.00
100	93.00	93.00	91	59.00	87.00	84	79.00	64.50
99	93.00	93.00	87	86.00	86.50	85	66.00	59.00
100	95.00	93.00	83	92.00	86.33	n/a	n/a	52.00
			74	86.00	86.00	67	83.00	49.00
						51	61.00	45.00

Key Factors of a Pavement Preservation Plan

- ✓ *Automated/Data Driven Approach (removing subjectivity)*
- ✓ *Utilizing Latest Technologies Available*
- ✓ *Regularly Assessing Existing Infrastructure*
- ✓ Selecting Applicable Treatment Activities
- ✓ Understanding Available Funding Mechanisms
- ✓ Combining All of the Above in an Asset Management Platform
- ✓ Building/Analyzing Various Potential Scenarios & Solutions
- ✓ Develop Strategic Action Plan / Local Support



Crack Seal

- Crack Sealing is the process of sealing cracks on roadways with a hot polymer/rubberized bitumen sealant.
- The main purpose of cracking sealing is to prevent moisture finding its way into a road pavement.
- It is also used to seal cracks prior to the implementation of other treatment activities helping preserve the underlying pavement structure.



Rejuvenation

- Asphalt rejuvenation is the process of restoring chemical properties that have been deteriorating since the moment new asphalt was laid down.
- Asphalt rejuvenators are made from coal tar blended with aromatic oils and solvents.
- An asphalt rejuvenator penetrates the asphalt well below the surface to chemically revitalize and protect the asphalt binder by replacing the tars and oils lost due to oxidation.
- This process also seals the pavement against air, water and chemical contaminants thereby slowing oxidation and deterioration which extends the effective service life of the pavement.



Fog Seal (TRMSS – Tire Rubber Modified Surface Sealer)

- Fog seal is a single application, typically light, of emulsified asphalt to an existing asphalt surface.
- This type of maintenance treatment can be valuable aid to renew weathered (oxidized) asphalt surfaces and improve the surface appearance, seal minor cracks and surface voids, and inhibit raveling as well as preventing moisture from penetrating into the hot mix.



Slurry Seal

- A slurry seal is the application of a mixture of water, asphalt emulsion, aggregate (very small crushed rock), and additives to an existing asphalt pavement surface.
- A slurry seal is an emulsion with aggregates as part of the mixture.
- The placement of this mixture on existing pavement is the “seal” of the pavement surface.



Chip Seal

- A chip seal is a two-step process which first includes an application of asphalt emulsion and then a layer of crushed rock to an existing asphalt pavement surface. A chip seal gets its name from the “chips” or small crushed rock placed on the surface.
- Chip seals used as interlayers serve to slow reflective cracking which develops from the bottom of the pavement structure towards the top over time.
- Chip seals will not be recommended on City of Fair Oaks Ranch curbed roadways.



Mill & Overlay

- A “mill & overlay” is a street rehabilitation technique that requires the removal of the top layer (typically 2") of a street by the grinding action of a large milling machine. After the top layer is removed, a new layer of asphalt pavement is put in its place.
- Well-designed pavements with a strong base and adequate thickness to support traffic loads will deteriorate from the surface down. Therefore, mill and overlays are an important part of the pavement lifecycle as they replace deteriorated surfaces with fresh new asphalt.



Full-Depth Reconstruction / Reclamation

- Full-Depth Reconstruction consists of the complete removal of an existing asphaltic or concrete pavement, base re-work, and new pavement structure construction. Typically, this method of pavement rehabilitation is used on excessively deteriorated roads with high severity distresses for a majority of the roadway extents.
- An alternative is Full-Depth Reclamation which includes in-place recycling for reconstruction of existing flexible pavements using the existing pavement section material as the base for the new roadway-wearing surface.



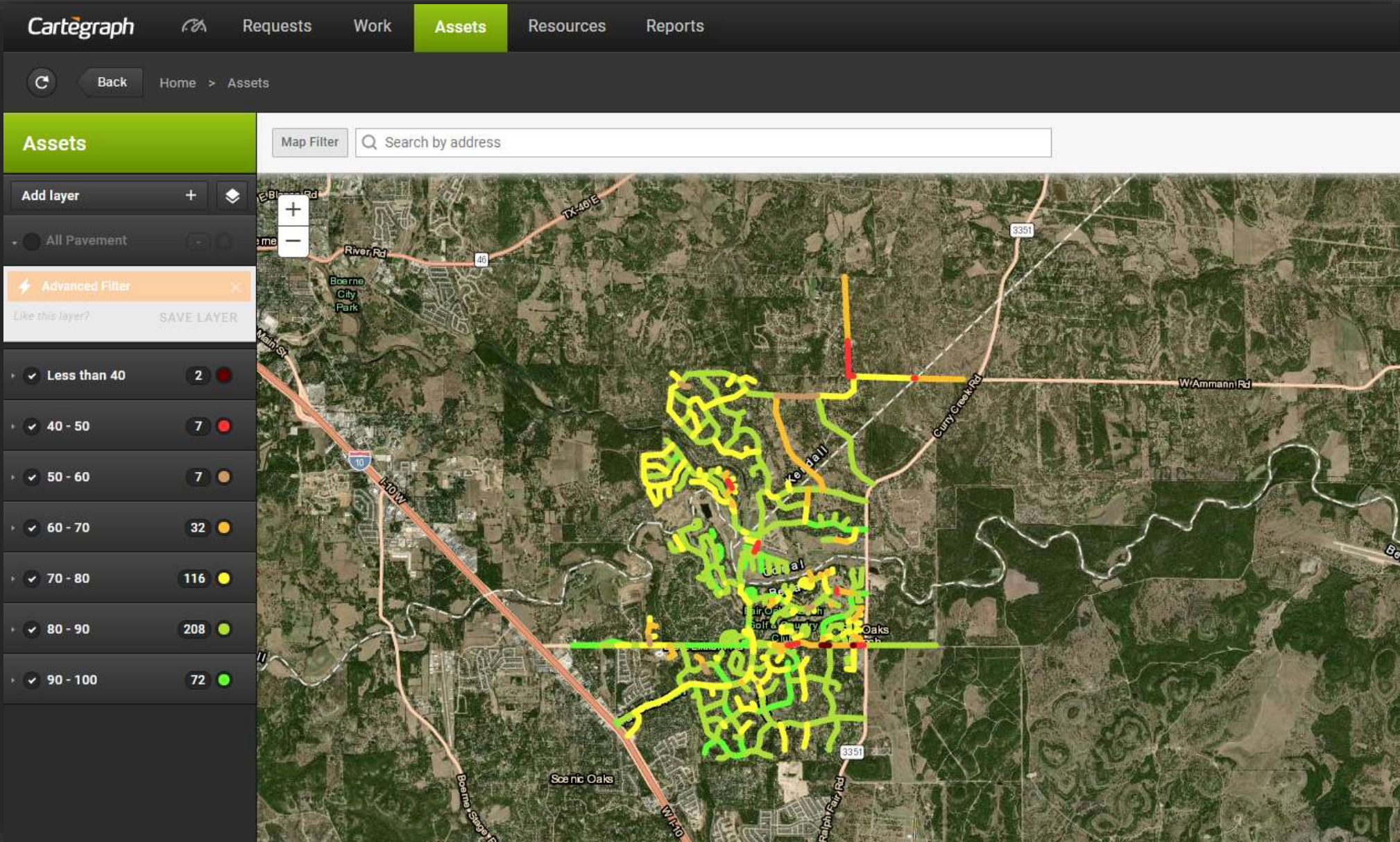
Key Factors of a Pavement Preservation Plan

- ✓ *Automated/Data Driven Approach (removing subjectivity)*
- ✓ *Utilizing Latest Technologies Available*
- ✓ *Regularly Assessing Existing Infrastructure*
- ✓ *Selecting Applicable Treatment Activities*
- ✓ Understanding Available Funding Mechanisms
- ✓ Combining All of the Above in an Asset Management Platform
- ✓ Building/Analyzing Various Potential Scenarios & Solutions
- ✓ Develop Strategic Action Plan / Local Support



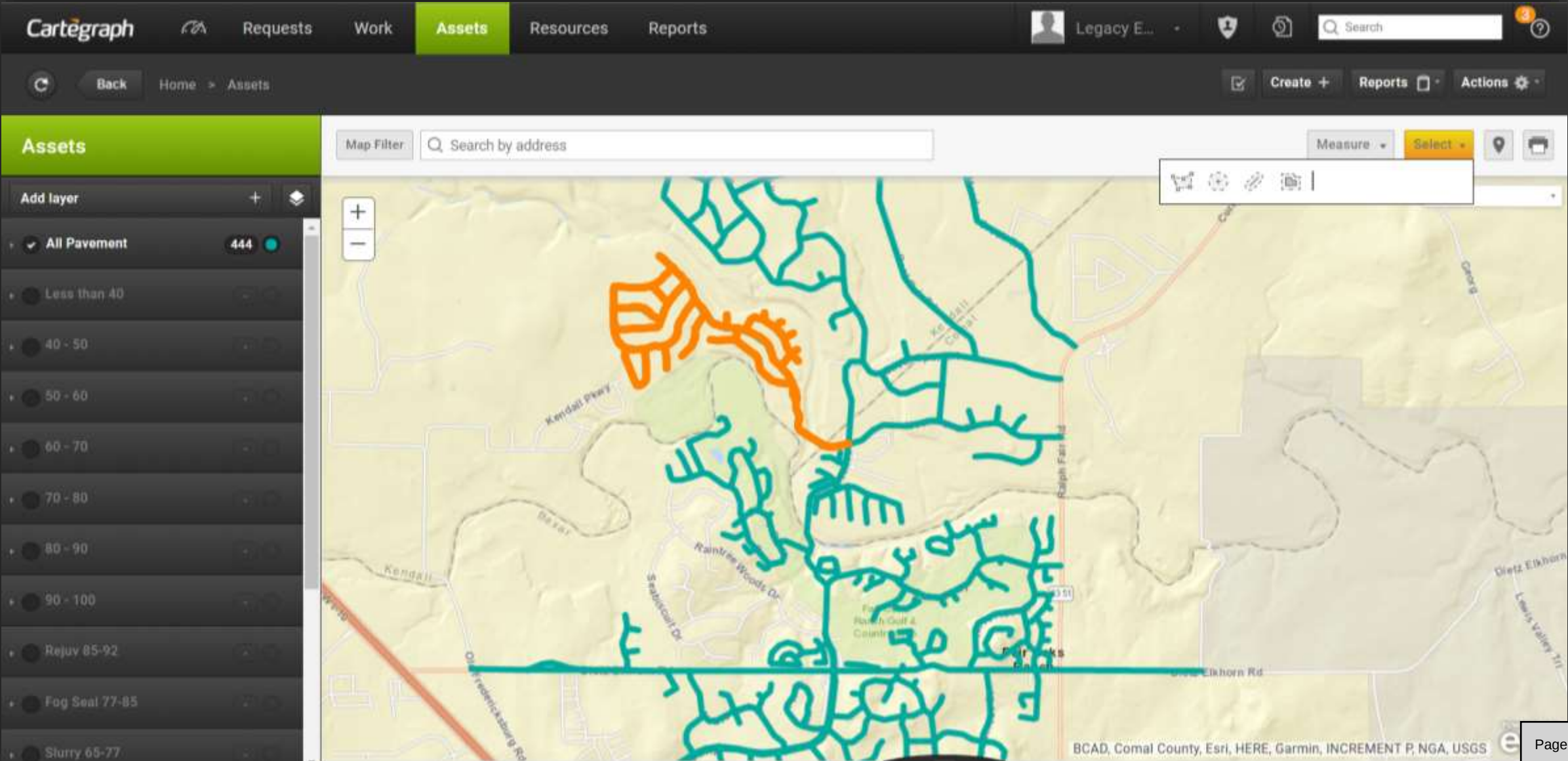
PAVEMENT PRESERVATION PLAN

CARTEGRAPH ASSET MANAGEMENT PLATFORM



PAVEMENT PRESERVATION PLAN

CARTEGRAPH ASSET MANAGEMENT PLATFORM



**UTILIZE CARTEGRAPH SOFTWARE
TO PRESENT VARIOUS SCENARIOS
ANALYZED TO CITY COUNCIL**

[LINK TO CARTEGRAPH](#)

Summary of Scenarios Analyzed

1) “Do Nothing” Scenario ~ \$0 Annual Maintenance Budget

- Network OCI Deterioration (Net Change)
 - 81 to 74 in 3 Years (-7)
 - 81 to 69 in 5 Years (-12)
 - 81 to 59 in 10 Years (-22)
- Urgent Need for Capital Improvement Program (CIP) Established
 - Dietz Elkhorn Rd (East) ~ 19 Rating in Year 3
 - Ammann Rd ~ 27 Rating in Year 3
 - Rolling Acres Trail ~ 33 Rating in Year 3
 - Post Oak Trail ~ 37 Rating in Year 5



Summary of Scenarios Analyzed

2) “Current” Scenario ~ Existing Annual Maintenance Budget ~ \$450k/year

- Network OCI Deterioration (Net Change)
 - 81 to 78 in 3 Years (-3)
 - 81 to 75 in 5 Years (-6)
 - 81 to 66 in 10 Years (-15)
- No Full Depth Reconstruction / Reclamation
- No Capital Improvement Program (CIP) Budget



Summary of Scenarios Analyzed

3) “A-Rating” Scenario ~ OCI Target of 90 ~ \$13.4M Total Cost (CIP)

- Full Depth Reconstruction (\$11.5M)
 - Dietz Elkhorn Rd (East)
 - Ammann Rd
 - Rolling Acres Trail
 - Post Oak Trail
- Full Depth Reclamation (\$72k)
- Mill & Overlay (\$178k)
- Slurry Seal (Type 3) (\$781k)
- Fog Seal (TRMSS) (\$520k)
- Rejuvenation (\$363k)



Summary of Scenarios Analyzed

4) “Maintain A-Rating” Scenario ~ OCI Target of 90 ~ Annual Budget Needs

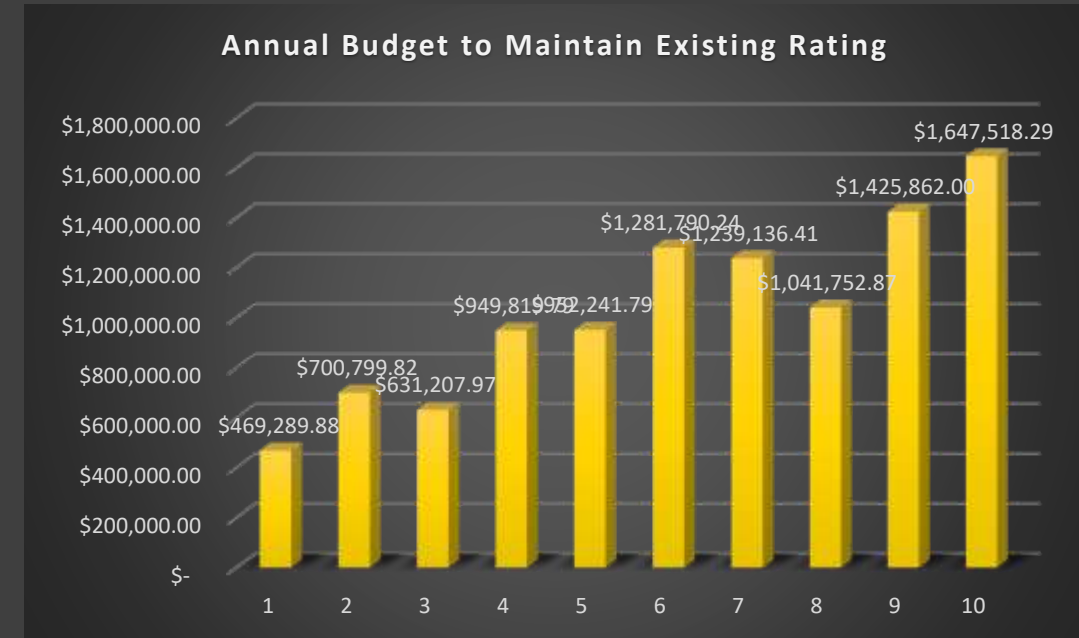
- Process Utilized to Determine Annual Maintenance Budget Required
- Previous Model for Year 1
 - Year 1 ~ \$13.4M Total Cost (CIP)
 - Years 2 - 10 ~ \$1M
- Anticipated Annual Budget to Maintain 90 Score ~ \$1M/Year



Summary of Scenarios Analyzed

5) “Maintain Existing Rating” Scenario ~ OCI Target of 81 ~ Annual Budget Needs

- ✓ \$10.3M Total Over 10 Years (Avg \$1M/Year)
- ✓ Incremental Increase from \$469k to \$1.65M
- ✓ 92% of Roadways Maintained
- 8% of Roadways Not Maintained (Fatal Flaw)
 - Dietz Elkhorn Rd (East)
 - Ammann Rd
 - Rolling Acres Trail
 - Post Oak Trail



FINAL SUMMARY / CONCLUSION

- The “Do-Nothing” & “Current” Scenarios Analyzed
 - *Will Not Maintain the Quality of Life for Citizens of Fair Oaks Ranch*
 - *Establish an Urgent Need for a Roadway Capital Improvement Program (CIP)*
- Approximately 8% of Existing Roadways Require Major Reconstruction (\$11.5M)
 - *Dietz Elkhorn Rd (East)*
 - *Ammann Rd*
 - *Rolling Acres Trail*
 - *Post Oak Trail*
- Majority of Scenarios Analyzed Require Average Annual Maintenance Budget of \$1M
- Recommend Finalizing Pavement Preservation Plan for FY 21/22 Budget
- Recommend Evaluating Potential Funding Sources
- Recommend Developing Detailed Cost Estimates



Key Factors of a Pavement Preservation Plan

- ✓ *Automated/Data Driven Approach (removing subjectivity)*
- ✓ *Utilizing Latest Technologies Available*
- ✓ *Regularly Assessing Existing Infrastructure*
- ✓ *Selecting Applicable Treatment Activities*
- ✓ *Understanding Available Funding Mechanisms*
- ✓ *Combining All of the Above in an Asset Management Platform*
- ✓ *Building/Analyzing Various Potential Scenarios & Solutions*
- ✓ **Develop Strategic Action Plan / Local Support**





FAIR OAKS RANCH PAVEMENT PRESERVATION PLAN QUESTIONS/COMMENTS/INPUT FROM COUNCIL





CITY COUNCIL CONSIDERATION ITEM
CITY OF FAIR OAKS RANCH, TEXAS
January 7, 2021

AGENDA TOPIC: Briefing on Conflict of Interest Compliance
 DATE: April 1, 2021
 DEPARTMENT: City Council
 REQUESTED BY: Roy Elizondo, Mayor Pro Tem, Council Member, Place2
 PRESENTED BY: Dan Santee, City Attorney

INTRODUCTION/BACKGROUND:

At the March 18, 2021 Council Meeting, during the Citizens to be Heard section of the agenda, Mr. Arnoldo Medina, who is an attorney, cautioned Council that they needed to become familiar with the statutes governing conflicts of interest or risk legal action against the City or themselves. Mr. Medina also cautioned Council members that are not residents of gated subdivisions should recuse themselves from decisions affecting gated subdivisions or risk being in violation of the law

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

The Council, having been so warned, should consider action necessary so they are in compliance with requirements regarding conflicts of interest and are aware of the consequences to the City and themselves for non-compliance. The outcome of the education should be used to help inform a review and strengthening of policy, if deemed necessary.

LONG-TERM FINANCIAL & BUDGETARY IMPACT:

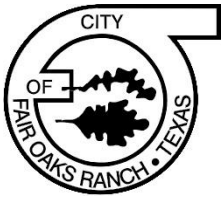
Relevant, effective policies for governance are a good internal control to help manage the risk of non-conformance to legal and regulatory requirements. Effective risk management helps to enable accomplishment of objectives, safeguarding of assets, and effective & efficient use of resources.

LEGAL ANALYSIS:

Presentation item only.

RECOMMENDATION/PROPOSED MOTION:

This briefing may lead Council to propose action to be considered at a future meeting.



CITY OF FAIR OAKS RANCH
CITY COUNCIL REGULAR MEETING
 Thursday, March 18, 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.

CITIZENS and GUEST FORUM

1. Citizens to be heard.

The City Secretary read a letter from Homer Hall asking Council to correct the traffic patterns for the new Van Raub school on Dietz Elkhorn. The use of buses and large trucks on Noble Lark Drive makes it difficult for residents to exit their driveways.

Stacey Gilfillan – Ms. Gilfillan, resident, voiced her concerned that gated communities will be double-taxed on the impervious model for the stormwater utility. She commented about the proposed water tower and asked for more information on how the water tower would benefit residents in Front Gate, Elkhorn Ridge and The Woods.

Marcus Garcia – Mr. Garcia, resident, is a Licensed Civil Engineer and commented that he agrees with the overall approach of the stormwater utility fee as a good tool to fund projects and a good option for the city. He voiced his support of the utility fee considering the amount of money spent on the project thus far.

Peter Lee – Mr. Leek, resident, is the Raintree Woods HOA representative and voiced his concern at the inequitable financial burden to residents in gated communities regarding the potential stormwater utility and stated that Raintree Woods residents are willing to take action against the city if the utility moves forward.

Christine Graham – Ms. Graham, resident, had concerns about potential double-billing with the proposed stormwater utility for HOA's and the Mayor's assurance that this would not happen. She doesn't feel like enough people have been involved with the stormwater utility and is of the opinion that there has been a lack of transparency.

Joe duMenil – Mr. duMenil, resident, explained his extensive knowledge on stormwater utilities and stated that the proposed rate is one of the highest in the state of Texas and doesn't believe it equitable for HOA's and urged Council to please explore other funding options.

Pamela Fran – Ms. Fran, resident, spoke on the corridor study and the high volume of citizen complaints referenced in the introduction. She witnesses the traffic daily and sees how busy and dangerous it is for residents.

Kristen Benavides – Ms. Benavides is a Raintree Woods resident. She is concerned about the stormwater utility fee and wants to know what she's getting for the fee as a resident in a gated community as she already pays for maintenance.

Arnoldo Medina – Mr. Medina is a Raintree Woods resident and objects to the stormwater utility approach. He does not believe it to be suited for our community as a whole due to double billing and asks that considerations be vetted due to conflicts of interest in regards to council members whom do not live in gated communities making decisions for them. He suggested that conflict of interest forms be filed or Council potentially recusing from decision making.

Amanda Meegan – Ms. Meegan, resident, spoke regarding the Dietz Elkhorn corridor study as she has witnessed issues with speeding vehicles near her home. Ms. Meegan believes it is unsafe for pedestrians.

Cheryl Landman-Manzo – Mrs. Landman-Manzo, resident, noted that the stormwater utility concept is not new to the city and it currently seems to have more cons than pro's. She doesn't believe it to be the best option for the city as a whole and wants citizens to vote on the issue. She also spoke about the police department and the unflattering information in the papers concern her.

Peter Marks – Mr. Marks has been a resident since 1988 in Raintree Woods and is concerned about the stormwater utility. He does not believe it is equitable for his charges to be doubled because he is in a gated community as he already pays to maintain his streets even when the damage is caused by projects outside of their community.

Arnoldo Medina – Mr. Medina, resident, asked if Council ever experienced a situation where a fee is assessed and then rescinded? He is also concerned that the fees would set up residents to be unable to sell their properties.

PRESENTATIONS

2. Melissa Castro, Environmental Compliance Manager, introduced Col. Larry Dotson, of AACOG. Col. Dotson then provided to Council a presentation regarding the Camp Bullis Sentinel Landscape Initiative and asked the City for its support by adopting a Resolution for the Sentinel Landscape.
3. Melissa Castro, Environmental Compliance Manager, introduced Richard King, JBSA Community Initiatives Project Manager. Mr. King provided to Council a presentation regarding Joint Base San Antonio Compatible Land Use Planning the Readiness and Environmental Protection Integration. Mr. King asked the City to adopt the dark sky initiative and encouraged an MOU for reviewing development applications.
4. Council Member Hartpence voiced that he wanted a staff report on the north side water tower and asked to bring this back at a future meeting.

CONSENT AGENDA

5. **Approval of the March 4, 2021 Regular City Council meeting minutes.**
6. **Approval of the Tree Preservation Plan for Elkhorn Ridge Unit 6B.**

7. **Approval of the final plat request that establishes Elkhorn Ridge Unit 6B proposing 22 single-family residential lots, generally located on Dietz Elkhorn Road between Enchanted Glen and Stevenson Gate, City of Fair Oaks Ranch, Texas.**

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

VOTE: 7-0; Motion Passed.

CONSIDERATION/DISCUSSION ITEMS

8. **Consideration and possible action on continuing with the current path of funding the stormwater utility or consideration of other funding options.**

MOTION: Made by Council Member Patel, seconded by Council Member Koerner for council to redirect staff and consultants to shift away from considering stormwater utility as a potential revenue stream and instead at a future date, bring back to the Council for consideration and approval other potential funding alternatives for the CIP priority 1 drainage projects.

VOTE: 7-0; Motion Passed

9. **Discussion regarding potential amendments to the Drought Contingency Ordinance.**

Melissa Castro, Environmental Compliance Manager, provided to Council a presentation regarding potential amendments to the Drought Contingency Ordinance and answered questions by Council.

REPORTS FROM STAFF/COMMITTEES/COUNCIL

10. **Dietz Elkhorn Corridor Study.**

Motion: Made by Council Member Patel, seconded by Council Member Hartpence to table the Dietz Elkhorn Corridor Study and the Pavement Conditions Analysis report by the General Engineering Consultant.

Amended Motion:

Made by Council Member Patel, seconded by Council Member Hartpence to table the Pavement Conditions Analysis report by the General Engineering Consultant until next council meeting.

VOTE: 7-0; Motion Passed

Oscar Michael "Mike" Garza, P.E., PTOE, RSP1, General Engineering Consultant, provided to Council a presentation regarding the Dietz Elkhorn Corridor Study.

11. **City Pavement Conditions Analysis Report – Tabled as noted above.**

CONVENE INTO EXECUTIVE SESSION

City Council convened into Executive Session at 10:05 PM 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:

15. Update on the pending police Administrative Hearing for a Report of Separation regarding former officer Richard Davila, and other matters in connection therewith.

City Council did not convene into Executive Session regarding:

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. Kuitjen, 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

The Mayor reconvened into Open Session at 10:52 PM.

A roll call reestablishing a quorum was taken:

Council Present: Mayor Manitzas and Mayor Pro Tem Elizondo

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

MOTION: Made by Mayor Pro Tem Elizondo, seconded by Council Member Havard to authorize the City Attorney to execute a joint defense agreement on behalf of the City.

VOTE: 5-2; Motion Passed. Council Members Hartpence and Patel voted nay.

ADJOURNMENT

Council Member Koerner asked for a future agenda item regarding a Resolution in support of the Sentinel Landscape program.

Mayor Manitzas asked for an agenda item regarding items introduced during the Joint Base San Antonio Compatible Land Use Planning presentation.

Mayor Manitzas adjourned the meeting at 10:56 PM.

ATTEST:

Garry Manitzas, Mayor

Christina Picioccio, City Secretary



CITY COUNCIL GUEST PRESENTATION
CITY OF FAIR OAKS RANCH, TEXAS
April 1, 2021

AGENDA TOPIC: Approval of a Resolution appointing a Director to the Fair Oaks Ranch Municipal Development District (FORMDD) Board of Directors

DATE: April 1, 2021

DEPARTMENT: Municipal Development District

PRESENTED BY: Al McDavid, MDD President (Consent Agenda)

INTRODUCTION/BACKGROUND:

MDD By-Laws (Article II, Section 1C) require one FORHA director as a member of the MDD Board of Directors. Carolyn Knopf served in that capacity beginning October 3, 2019. Ms. Knopf wishes to help Mr. Gallegos during his transition into the Representative seat on the MDD Board of Directors and is vacating the MDD position in anticipation of her FORHA term ending later this year. Rene Gallegos, FORHA Vice President, has been nominated by FORHA to replace Ms. Knopf (see attached letter). All MDD board nominations require City Council approval. The City received a completed application from Mr. Gallegos on March 26, 2021 and he meets the standards to be a member of the board.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

Mr. Gallegos is highly qualified and experienced in his service on the FORHA Board of Directors, currently serving as Vice President. He will be an excellent addition to the MDD Board of Directors which consists of four at large members, two City Council members, and one FORHA director per MDD Bylaws, Article II. The next MDD meeting is April 14, 2021.

LONGTERM FINANCIAL & BUDGETARY IMPACT:

N/A

LEGAL ANALYSIS:

N/A

RECOMMENDATION/PROPOSED MOTION:

Consent Agenda (I move to approve a Resolution appointing Rene Gallegos as the FORHA director representative to the MDD Board of Directors effective immediately.)



7286 DIETZ ELKHORN ■ FAIR OAKS RANCH, TX 78015 ■ (210) 698-2225 ■ FORHA@GVTC.COM ■ WWW.FORHA.ORG

March 24, 2021

Al McDavid
City of Fair Oaks Ranch
Municipal Development District
Fair Oaks Ranch, TX 78015

Via email: amcdavid@fairoaksranchtx.org

RE: FORHA Representative

Dear Mr. McDavid,

This letter shall serve as our formal request that Rene Gallegos, of the Fair Oaks Ranch Homeowners' Association (FORHA) Board of Directors, be appointed as the FORHA replacement for the position on the Municipal Development District (MDD) Board of Directors that is being vacated by Carolyn Knopf.

Should you need any additional information, please do not hesitate to contact me.

Respectfully,

Judy Bordman
Business Operations Manager
Fair Oaks Ranch Homeowners' Association

A RESOLUTION

A RESOLUTION OF THE CITY OF FAIR OAKS RANCH APPOINTING A DIRECTOR TO FILL PLACE 3 ON THE CITY OF FAIR OAKS RANCH MUNICIPAL DEVELOPMENT DISTRICT BOARD OF DIRECTORS

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

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

WHEREAS, Carolyn Knopf's term as a FORHA Board Member will expire at the end of the year; and,

WHEREAS, the City Council deems it necessary to fill the FORHA Representative vacancy; and,

WHEREAS, FORHA requests Rene Gallegos, of the Fair Oaks Ranch Homeowners' Association Board of Directors, be appointed as the replacement; and,

WHEREAS, Ms. Knopf wishes to help Mr. Gallegos during his transition into the Representative seat on the MDD Board of Directors.

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

The City Council hereby appoints Rene Gallegos as the "FORHA Representative" on the City of Fair Oaks Ranch Municipal Development District Board of Directors, effective immediately to fill Place 3 for the unexpired term ending September 30, 2021.

PASSED and APPROVED on this the 1st day of April, 2021.

Garry Manitzas, Mayor

ATTEST:

APPROVED AS TO FORM:

Christina Picioccio, City Secretary

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



CITY COUNCIL CONSIDERATION ITEM
CITY OF FAIR OAKS RANCH, TEXAS
April 1, 2021

AGENDA TOPIC: Consideration and possible action approving the first 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

DATE: April 1, 2021

DEPARTMENT: Public Works

PRESENTED BY: Julio Colunga, Public Works Superintendent

INTRODUCTION/BACKGROUND:

Starting February 13, 2021 a winter freeze occurred throughout the City until February 18, 2021.

Plumbing permit fees waived: During this period some residents and business owners experienced plumbing issues causing lack of water. Accordingly, as a public health and safety measure, the City Manager on February 18 took the following action to assist in repairing plumbing issues resulting from the winter storm:

1. Homeowners and business owners were encouraged to make necessary repairs as soon as possible.
2. Allowance for filing of plumbing permit application after repairs were made.
3. To offer financial assistance, appropriate permit fees waived through March 30, 2021.

Tonight's agenda item is to ratify the temporary waiver of plumbing permit fees for necessary repairs performed from February 18 through March 31, 2021. To date, four plumbing permit fees totaling \$200 has been waived.

Leak Appeal Temporary Allowance of Landscape Irrigation Systems: Immediately following the event, Fair Oaks Ranch Utilities (FORU) received calls inquiring what relief, if any, would be afforded to customers who experienced breaks in irrigation.

Fair Oaks Ranch Code of Ordinances, Chapter 13; Section 13.03.014 allows for FORU customers to request a water loss appeal adjustment when a water leak occurs resulting from a pipe failure. Section 13.03.007 states *pipe failure shall not include* any landscape irrigation or component of said, valves, faucets, hoses and any mechanical equipment malfunction, such as water softeners, washing machines or other similar equipment.

As of March 24th, four leak appeal submissions have been received. According to Chapter 13; Section 13.03.014c, customers with a valid leak appeal submission are charged for the loss of water at the lowest tiered rate. The credit adjustment for current submissions totals \$518.

Being that landscape irrigation breakage, during the unusual winter storm was beyond the control of customers, this agenda item is to ask for consideration to approve current credit adjustment. In addition, as staff utilizes AquaHawk to verify abnormal water consumption, we request approval

of any submissions received before April 16, 2021. If approved, communication to customers will be placed on the April FORU billing statement.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

1. Provides temporary leak appeal adjustments relative to landscape irrigation breaks resulting from the February 2021 winter storm.
2. Ratifies the immediate action taken by staff to assist residents and business owners to repair plumbing issues resulting from the winter storm.
3. Provides financial assistance
4. Ensured a measure was taken to protect the public's health and safety.

LONG-TERM FINANCIAL & BUDGETARY IMPACT:

Relative to leak appeal adjustments, customers are charged for usage at the lowest tiered rate. Approved appeal adjustments for irrigation systems will have a slight impact to the Enterprise Fund budget. To date, the impact is \$518.

Waiver of plumbing permit fees, to date, total \$200. This impact affects the General Fund.

LEGAL ANALYSIS:

Legal review as to form.

RECOMMENDATION/PROPOSED MOTION:

I move to approve the first reading of an ordinance temporarily allowing for landscape irrigation breaks to be considered for a leak appeal adjustment and ratifying the City Manager's decision to waive applicable plumbing permit fees.

AN ORDINANCE

AN ORDINANCE OF THE CITY OF FAIR OAKS RANCH TEMPORARILY AMENDING THE CITY OF FAIR OAKS RANCH CODE OF ORDINANCES CHAPTER 13 “UTILITIES”; ARTICLE 13.03 “WATER AND SEWER SYSTEM” SECTION 13.03.007 “WATER CHARGES GENERALLY”; *RATIFYING THE TEMPORARY WAIVER OF PERMIT FEES FOR THE REPAIR OF PLUMBING FIXTURES*; PROVIDING FOR A SEVERABILITY CLAUSE; AND AN IMMEDIATE EFFECTIVE DATE AND TERMINATION DATE OF APRIL 30, 2021.

WHEREAS, starting February 13, 2021 a winter freeze occurred throughout the City of Fair Oaks Ranch until February 18, 2021; and,

WHEREAS, Fair Oaks Ranch Utilities customers experienced water loss due to landscape irrigation and other type of plumbing fixtures; and,

WHEREAS, customers called inquiring what relief, if any, would be afforded to them in regards to necessary repairs of plumbing fixtures; and,

WHEREAS, between February 19 through March 31, 2021, as a public health and safety measure the City Manager waived permit fees for necessary repair of plumbing fixtures caused by the storm; and,

WHEREAS, Chapter 13 Section 13.03.007 of the City’s code of ordinances does not allow for leak appeal adjustments relative to landscape irrigation breaks; and,

WHEREAS, the City Council hereby finds it to be beneficial to Fair Oaks Ranch Utilities’ customers to amend Chapter 13 Section 13.03.007 of the City’s code of ordinances for the period beginning on the effective date of this ordinance and ending April 30, 2021 and to ratify the waiver of permit fees between February 19 through March 31, 2021 relative to repair of plumbing fixtures.

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

- PART 1.** Chapter 13 “Utilities”; Article 13.03 “Water and Sewer System” Section 13.03.007 “Water Charges Generally” of the City’s Code of Ordinances is hereby temporarily amended as set forth in the attached Exhibit A.
- PART 2.** Waiver of plumbing permit fees from February 18 through March 31, 2021 is hereby ratified for plumbing repairs needed due to the 2021 winter freeze.
- PART 3.** That the recitals contained in the preamble hereto are hereby found to be true and such recitals are hereby made a part of this Ordinance for all purposes and are adopted as a part of the judgment and findings of the Council.
- PART 4.** It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs, and sections of this ordinance be severable, and, if any phrase, clause, sentence, paragraph, or section of this ordinance shall be declared invalid by judgment or decree of any court of competent jurisdiction, such invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs, or sections of this ordinance and the remainder of this ordinance shall be enforced as written.
- PART 5.** That it is officially found, determined and declared that the meeting at which this Ordinance is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this

ordinance, was given, all as required by Chapter 551, as amended, Texas Government Code.

- PART 6.** This ordinance shall take effect immediately from and after its second reading and passage and shall terminate on April 30, 2021. Upon termination, Section 13.03.007 of Article 13.03 will automatically revert back as set forth in the attached Exhibit A.
- 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.

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

PASSED and APPROVED on First Reading this 1st day of April, 2021.

PASSED, APPROVED, and ADOPTED on Second Reading this 15th day of April, 2021.

Garry Manitzas, Mayor

ATTEST:

APPROVED AS TO FORM:

Christina Picioccio, City Secretary

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

Exhibit A

[Deletions shown as strike through]

From the effective date of this ordinance through April 30, 2021, Chapter 13 "Utilities"; Article 13.03 "Water and Sewer System" Section 13.03.007 "Water Charges Generally" of the City's Code of Ordinances is hereby temporarily amended as follows:

ARTICLE A13.03 WATER AND SEWER SYSTEM**Sec. 13.03.007 Water charges generally**

Customers shall pay for all water that passes through that customer's meter at the applicable water rates as shown in the fee schedule in appendix A to this code. However, excessive consumption, beyond the control of the utility customer, resulting from pipe failure may be adjusted per the water loss appeal adjustment procedure set forth in section 13.03.014. Pipe failure shall not include ~~any landscape irrigation or component of said~~, valves, faucets, hoses and any mechanical equipment malfunction, such as water softeners, washing machines or other similar equipment.



CITY COUNCIL CONSIDERATION ITEM
CITY OF FAIR OAKS RANCH, TEXAS
April 1, 2021

AGENDA TOPIC: Consideration and possible action authorizing the City Manager to sign a Professional Services Agreement with Malone & Wheeler for engineering consulting services for solids handling volute dewatering press system.

DATE: April 1, 2021

DEPARTMENT: Public Works Department

PRESENTED BY: Julio Colunga, Public Works Superintendent
 Sarah Buckelew, CPA, Finance Director
 Andrew Friedman, SAMCO

INTRODUCTION/BACKGROUND:

The City of Fair Oaks Ranch manages a Texas Pollutant Discharge Elimination System (TPDES) permitted 500,000 gallons per day (gpd) wastewater treatment plant (WWTP), which collects wastewater from nearly 2,000 residential homes. The plant was initially built and put into operation in 1978 at a capacity of 125,000 gpd, utilizing fundamental treatment technology to service the initially planned developments. One key component of any WWTP is its solids handling process. The initial plant installed four (4) sludge drying beds to separate the solids from the waste stream via a sand filtration operation. These sludge drying beds remain in operation today with no additional methods of handling wasted sludge in place.

The WWTP was expanded in 1994 to its current treatment capacity without considering the additional load on the sludge drying beds. Consequently, as the number of customer connections increased to the collection system, the solids handling system's ability reached and exceeded its capacity to dry the sludge in optimal time effectively. The City was issued a nuisance odor violation from the Texas Commission on Environmental Quality (TCEQ) on April 6, 2015, for odors emanating from the sludge drying beds. The City responded by initiating discussions with SAWS for alternate means of sludge management. Ultimately, the City instituted regular hauling of "liquid" sludge during the winter colder months, which are traditionally more challenging seasons to dry the sludge sufficiently for disposal. Unfortunately, as new customer connections continued to be added to the collection system, the ability for operations to maintain a stable wastewater biological operation was impacted. As a result, the staff has instituted nearly year-round liquid sludge hauling.

Currently, FORU spends upwards of \$300,000 annually for liquid sludge hauling services to keep the plant biological system operating as designed. Staff recommends that an evaluation of the solids handling system be accomplished to place a system that will significantly reduce or eliminate the liquid sludge hauling process. The city's Water/Wastewater Master Plan indicates that a new wastewater treatment plant is necessary and is currently targeted for the near future. Therefore, a qualifiable return on any solids handling investment is required to improve the current process.

At the April 16, 2020, City Council meeting, Council authorized staff to enter into a Professional Services Agreement with Murfee Engineering Company, Inc. to provide an evaluation of the WWTP solids handling process and provide a recommended approach to improve this process. At the November 5, 2020 city council meeting, Council was presented with recommendations to improve the solids handling. The recommendation was to move forward with the design and installation of the Volute Dewatering press system.

Staff recommends the approval of a Professional Service Agreement with Malone & Wheeler for engineering procurement and construction services for solids handling volute dewatering press system.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

The current solids handling process at the WWTP costs upwards of \$300,000 annually for liquid sludge hauling services. Any improvement to the present solids handling operation can reduce the overall annual budget for the wastewater operation and subsequently lessen the customers' financial impact.

LONG-TERM FINANCIAL & BUDGETARY IMPACT:

This project will be temporarily funded from enterprise fund operational reserves. When the total cost of construction is known, the cost for design and construction will be financed through a debt issuance, and the enterprise fund operating reserve will be replenished. If the design phase results in an unviable solution, the operational reserves would bear the funding for partial cost of design, and no debt would be issued.

LEGAL ANALYSIS:

The Professional Services Agreement was written by the City Attorney's office and is the standard contract utilized by the City for contracting professional services with consultants.

RECOMMENDATION/PROPOSED MOTION:

I move to authorize the City Manager to sign a Professional Services Agreement with Malone and Wheeler for engineering procurement and construction services at a cost of \$142,260.00 and a contingency of \$14,226.00 totaling a cost not to exceed of \$156,486.00.

SLUDGE DEWATERING

MARCH 18, 2021

ISSUE AT HAND

- Solids handling capacity is limited:
 - Drying beds
 - Winter
 - Wet weather
- \$300,000 annual hauling cost is one of the largest expenditures of the wastewater utility
- Open-air nature of the WWTP process produces significant odors
- Wet weather delays drying process - increases odor
- Winter operation reduces WAS generation - increases MLSS and sludge age – ultimately enhances odor
- It is not ideal, as show by resident complaints



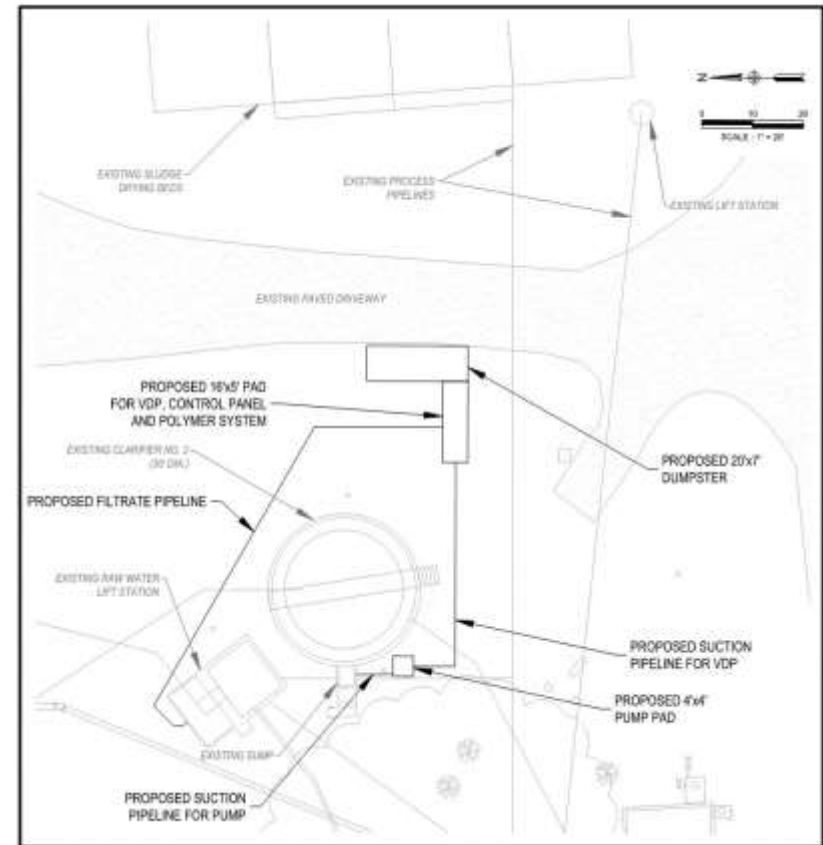
REVIEW OF PROJECT TIMELINE, PROPOSED SOLUTION

Next Step

- November 5th, 2020 Murfee Engineering Compnay, Inc. study was presented to City Council indicating a possible solution to the sludge haul and odor issues. Council showed interest to move forward with a PSA
- April 1, 2021- Council approves proposed PSA with Malone & Wheeler to design a solution
 - Finance temporarily with Utility operating reserves
- (est. date) Finish Design → Opinion of Probable Cost December 1st, 2021
- (est. date) Issue tax notes to finance engineering design and construction
- (est. date + 6 weeks) obtain funding
- (est. date) Begin construction March 1st, 2022
- (est. date) Solution in place and operable September 1st, 2022

REVIEW OF WHAT THE STUDY SAID

- Improve the effectiveness and efficiency of solids management at the WWTP
- Financial analyses
- selected equipment shall meet the following criteria:
 - Process current and future sludge production
 - Relocatable from the existing WWTP to potential future WWTP
 - Does not include significant infrastructures, such as buildings
 - Minimize cost and does not generate odor or noise
- VDP be installed at the WWTP near the existing sump at clarifier no. 2
- Capital cost - \$834,800 additional recommendations of \$50-100k with an ROI of 3 years and savings of \$75,900 over three years



OVERVIEW OF PSA

- Contract with Malone and Wheeler for Engineering consulting services for solids handling volume dewatering press system design and construction management
- Phase 1
 - Site visit
 - Pilot study to verify technology will work as designed (3 to 4 months)
 - If pilot study reveals project is no longer economically or satisfactory the project will not proceed to phase 2
- Phase 2 (dependent on pilot)
 - Engineering design and approval from TCEQ for construction
 - Once approved by TCEQ procurement bid and award
 - Construction administration

PROPOSED PROJECT FUNDING OVERVIEW

- The proposed PSA will cover design
 - \$142,260.00 with a contingency of \$14,226.00 for a total of \$156,486.00
- Potential design plus construction was estimated high-level at about \$900k
- Issuance costs of debt on \$900k are about \$45k
- This project was not budgeted for FY 2020-21 as the project cost was not yet known at the time of budgeting, and it was anticipated debt would be issued
- Andrew Friedman, Samco Capital, and Sarah Buckelew, Finance Director, will give an overview of the suggested funding for this project

CITY OF FAIR OAKS RANCH, TEXAS

Tax Note Issuance – Preliminary Discussion

April 1, 2021

Mark M. McLiney
SENIOR MANAGING DIRECTOR



MEMBER: FINRA/SIPC
www.samcocapital.com

(210) 832-9760 (San Antonio)
(214) 765-1439 (Dallas)
mmcliney@samcocapital.com

Andrew T. Friedman
MANAGING DIRECTOR



MEMBER: FINRA/SIPC
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(210) 832-9760 (San Antonio)
(214) 765-1439 (Dallas)
afriedman@samcocapital.com



Types of Municipal Debt

Item #8.

Tax Notes

- No election required
- Not subject to referendum by the citizens
- Maximum maturity of 7 years
- Used primarily for financing assets with a shorter useful life
- Quickest process to issue debt and have the funds deposited into the City's accounts
- Typically a cheaper borrowing alternative to Lease Purchase Agreements
- Can be used to finance improvements repaid from any lawfully available source (Enterprise Funds, Ad Valorem Taxes, EDC, etc.)
- Lead time is roughly 45-60 days



Sample Timeline for Issuance of Tax Notes

Note a - In the case of securities issuances, State law trumps local law (local law, via the City Charter requires two readings of all ordinances), therefore only a single reading of the Ordinance selling the notes is required. The reason is due to the function of capital markets. Banks will not hold an interest rate for two weeks, and during volatile periods, will not hold interest rates for longer than 24 hours.

EXAMPLE Timetable for the Issuance of Tax Notes *Please note this is for discussion purposes only*

July 1, 2021	• Council contemplates project(s) and plan of finance • Council approves City Staff and Consultants to Proceed with Tax Note issuance process • Only one reading of an ordinance is necessary (<i>Note a</i>)
July 2, 2021	Private Placement Memorandum distributed to potential purchasers
July 15, 2021	• Bids due at noon • Council reviews competitive bids and awards sale of Tax Notes to lowest qualified bidder
August 15, 2021	Notes Closing; Funds delivered to the City's Depository Bank



6 year Debt Amortization Schedule

BOND DEBT SERVICE

City of Fair Oaks Ranch, Texas
Tax Notes, Series 2021
Preliminary, Subject to Change
Assumes BQ Private Placement

Dated Date 04/01/2021
Delivery Date 04/01/2021

<i>Period Ending</i>	<i>Principal</i>	<i>Coupon</i>	<i>Interest</i>	<i>Debt Service</i>	<i>Annual Debt Service</i>
02/01/2022	70,000	1.400%	11,175	81,175	
08/01/2022			6,215	6,215	
09/30/2022					87,390
02/01/2023	170,000	1.400%	6,215	176,215	
08/01/2023			5,025	5,025	
09/30/2023					181,240
02/01/2024	175,000	1.400%	5,025	180,025	
08/01/2024			3,800	3,800	
09/30/2024					183,825
02/01/2025	175,000	1.400%	3,800	178,800	
08/01/2025			2,575	2,575	
09/30/2025					181,375
02/01/2026	175,000	1.400%	2,575	177,575	
08/01/2026			1,350	1,350	
09/30/2026					178,925
02/01/2027	180,000	1.500%	1,350	181,350	
09/30/2027					181,350
	945,000		49,105	994,105	994,105

Bond Pricing reflects a \$900,000 project
cost and \$45,000 issuance costs



6-year Debt Impact and Sludge Haul Savings to Sewer Utility Customers

6 year Debt Service Schedule			
Budget Year Ending	Debt Pmt	Connections *	Estimated Impact Per Monthly Bill
2022	87,390	1904	7.65
2023	181,240	1904	7.93
2024	183,825	1904	8.05
2025	181,375	1904	7.94
2026	178,925	1904	7.83
2027	181,350	1904	7.94
	<u>994,105</u>		

6 year Estimated Sludge Hauling Expense Reduction			
Budget Year	Expense Reduction	Connections *	Estimated Impact Per Monthly Bill
9/30/2022	-	1904	-
2/1/2023	(350,000)	1904	(15.32)
2/1/2024	(350,000)	1904	(15.32)
2/1/2025	(350,000)	1904	(15.32)
2/1/2026	(350,000)	1904	(15.32)
2/1/2027	(350,000)	1904	(15.32)
	<u>(1,750,000)</u>		

Assumes project placed in service date is October 2022

* Current # of Connections as of 2/23/2021
as connections increase with growth, projected monthly impact will be reduced

CITY OF FAIR OAKS RANCH
STANDARD PROFESSIONAL SERVICES AGREEMENT

THE STATE OF TEXAS §
 §
 KENDALL COUNTY §

This Professional Services Agreement ("Agreement") is made and entered by and between the City of Fair Oaks Ranch, Texas, (the "City") a Texas municipality, and Malone/Wheeler, Inc. ("Professional").

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

Section 2. Scope of Work.

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

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

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

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

Section 3. Compensation.

(A) The Professional shall be paid in the manner as provided herein.

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

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

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

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

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

Section 5. Time of Completion.

The prompt completion of the services under the Scope of Work is critical to the City. Unnecessary delays in providing services under a Scope of Work shall be grounds for dismissal of the Professional and termination of this Agreement without any or further liability to the City other than a prorated payment for necessary, timely, and conforming work done by Professional prior to the time of termination. The Scope of Work shall provide, in either

calendar days or by providing a final date, a time of completion prior to which the Professional shall have completed all tasks and services described in the Scope of Work.

Section 6. Insurance.

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

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

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

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

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

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

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

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

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

Section 7. Miscellaneous Provisions.

(A) *Subletting.* The Professional shall not sublet or transfer any portion of the work under this Agreement or any Scope of Work issued pursuant to this Agreement unless specifically approved in writing by the 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 Professional of any responsibility for work done by such subcontractor.

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

(C) *Professional's Seal.* To the extent that the Professional has a professional seal it shall be placed on all documents and data furnished by the Professional to the City. All work and services provided under this Agreement will be performed in a good and workmanlike fashion and shall conform to the accepted standards and practices of the Professional's industry. The

plans, specifications and data provided by Professional shall be adequate and sufficient to enable those performing the actual work to perform the work as and within the time contemplated by the City and Professional. The City acknowledges that Professional has no control over the methods or means of work nor the costs of labor, materials or equipment. Unless otherwise agreed in writing, any estimates of costs by the Professional are for informational purposes only and are not guarantees.

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

(E) *Independent Contractor.* Professional acknowledges that Professional is an independent contractor of the City and is not an employee, agent, official or representative of the City. Professional shall not represent, either expressly or through implication, that Professional 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 Professional.

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

(G) *Force Majeure.* If the performance of any covenant or obligation to be performed hereunder by any party is delayed as a result of circumstances which are beyond the reasonable control of such party (which circumstances may include, without limitation, pending litigation, acts of God, war, acts of civil disobedience, fire or other casualty, shortage of materials, adverse weather conditions [such as, by way of illustration and not of limitation, severe rain storms or below freezing temperatures, or tornados] labor action, strikes or similar acts, moratoriums or regulations or actions by governmental authorities), the time for such

performance shall be extended by the amount of time of such delay, but no longer than the amount of time reasonably occasioned by the delay. The party claiming delay of performance as a result of any of the foregoing force majeure events shall deliver written notice of the commencement of any such delay resulting from such force majeure event not later than seven (7) days after the claiming party becomes aware of the same, and if the claiming party fails to so notify the other party of the occurrence of a force majeure event causing such delay and the other party shall not otherwise be aware of such force majeure event, the claiming party shall not be entitled to avail itself of the provisions for the extension of performance contained in this subsection.

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

Section 8. Termination.

(A) This Agreement may be terminated:

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

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

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

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

Section 10. Notices. Any notice required or desired to be given from one party to the other party to this Agreement shall be in writing and shall be given and shall be deemed to have been served and received (whether actually received or not) if (i) delivered in person to the address set forth below; (ii) deposited in an official depository under the regular care and

custody of the United States Postal Service located within the confines of the United States of America and sent by certified mail, return receipt requested, and addressed to such party at the address hereinafter specified; or (iii) delivered to such party by courier receipted delivery. Either party may designate another address within the confines of the continental United States of America for notice, but until written notice of such change is actually received by the other party, the last address of such party designated for notice shall remain such party's address for notice.

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

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

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

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

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

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

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

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

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

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

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

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

23. Dispute Resolution. In accordance with the provisions of Subchapter I, Chapter 271, TEX. LOCAL GOV'T CODE, the parties agree that, prior to instituting any lawsuit or other proceeding arising from a dispute under this agreement, the parties will first attempt to resolve the dispute by taking the following steps: (1) A written notice substantially describing the nature of the dispute shall be delivered by the dissatisfied party to the other party, which notice shall request a written response to be delivered to the dissatisfied party not less than 5 days after receipt of the notice of dispute. (2) If the response does not reasonably resolve the dispute, in the opinion of the dissatisfied party, the dissatisfied party shall give notice to that

effect to the other party whereupon each party shall appoint a person having authority over the activities of the respective parties who shall promptly meet, in person, in an effort to resolve the dispute. (3) If those persons cannot or do not resolve the dispute, then the parties shall each appoint a person from the highest tier of managerial responsibility within each respective party, who shall then promptly meet, in person, in an effort to resolve the dispute.

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

25. Boycott Israel. The 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, by the City on this the _____ day of _____, 2020.

CITY:

By: _____

Name: Tobin Maples, AICP

Title: City Manager

ADDRESS FOR NOTICE:

CITY

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

PROFESSIONAL:

By:  _____

Name: Dennis Lozano, P.E.

Title: Vice President

PROFESSIONAL

Malone/Wheeler, Inc.
Attn: Angela Salas
5113 Southwest Parkway, Suite 260
Austin, Texas 78735

EXHIBIT A SCOPE OF SERVICES

EXHIBIT B
CERTIFICATE OF INSURANCE

Scope of Services and Compensation

Engineering Services shall be inclusive as described herein to assist the Client with the design, permitting, and installation of a volute dewatering press (VDP) at the wastewater treatment plant (WWTP) of the City of Fair Oaks Ranch (CFOR). The basis of design and concept shall be generally in accordance with the recommendations provided in a Preliminary Engineering Report prepared by Murfee Engineering Company and dated September 8th, 2020.

Background

Currently, the WWTP produces an average of 42,000 gallons of secondary sludge per week. The sludge contains approximately one percent solids. The WWTP processes solids onsite via the existing sludge drying beds to thicken and/or dewater the sludge. The City faces challenges in drying sludge in the winter and on rainy days, when capacity of the drying beds is compromised. When the sludge cannot be processed sufficiently in the drying beds, the City has to pay an outside contractor to liquid haul the sludge offsite at significant expense. In addition to capacity constraints, the open-air drying process produces significant odors, and the WWTP's proximity to recreational facilities and residences leads to odor complaints.

The above-described Preliminary Engineering Report (PER) analyzed alternatives for improving solids management at the WWTP and made a recommendation to install a VDP system to reduce the volume of the sludge effectively and consistently, while simultaneously reducing odor production associated with the open-air process currently in use. In addition to the conceptual design presented in the PER, which was focused on minimizing the return on investment (ROI) period, a few additional elements of the concept were discussed with staff to enhance operability and protect the equipment against the elements. The results of those discussions are incorporated here into the project approach with the concurrence of the entire team.

Basis of Design

The proposed VDP system will be located generally between Clarifier No. 2 and the sludge drying beds, as indicated in the PER, such that the roll-off container for containment and hauling of the dried cake is accessible from the existing drive. The VDP and ancillary equipment and appurtenances will be located on a concrete slab and covered by a steel-framed shed roof for protection from the elements. A couple of options remain available with regard to the handling of the cake to distribute it evenly within the receiving receptacle for hauling. The estimated fee includes allowance for either option so that the best fit system can be selected by the City. The system will be fed from the Clarifier No. 2. An option to add a feed from Clarifier No. 1 is included should the City elect to add that element. The proposed design services do not include a geotechnical investigation or surveying, but will incorporate any existing geotechnical or survey information provided by City staff. The nature of the project is such that, in our opinion, it can be satisfactorily completed without these efforts and the City has emphasized economic performance as a driving factor for the project. The following tasks will be performed to carry out the project:

PHASE I

Task 1 - Project Management and Site Visit: Malone/Wheeler (M/W) will coordinate with the operator, owner, and contractor to complete the project within budget and schedule, including monthly virtual coordination and progress meetings, as well as presentation to City Council upon milestones, such as the recommendation of award, if required. Bi-weekly written project status reports will be provided. The M/W team will perform one site visit to develop construction plans for the project.

Task 2 – Pilot Study: M/W team will coordinate scheduling of the pilot study and site and operations preparation necessary for a successful pilot, including one site visit. Provision of temporary electric and pressurized water feeds to the pilot unit are the only site preparation items anticipated. M/W will review and approve the pilot protocol to maximize value and ensure sufficient flexibility and alternatives analysis are provided for. Following the pilot M/W will review the data/report provided by the manufacturer performing the pilot and update recommendations and/or pro forma previously provided in the PER accordingly. While unlikely to be required because only basic provisions are contemplated, excluded from this item are any electrical and/or civil design work necessary to effectuate the pilot as well as coordination or engagement of third-party contracting to provide the requirements of the pilot study. Should the pilot study reveal that the project is no longer economically or otherwise satisfactory to the City, the project will not proceed to Phase II.

PHASE II

Task 3 - Prepare Construction Plans: M/W team will develop civil, mechanical, electrical, structural, and instrumentation and control design documents including plants, specifications, and an Engineer's Opinion of Probable Construction Cost (EOPCC) to secure approvals for and construct the proposed VDP system at the CFOR WWTP. Interim submittals, including design review meetings, at 30% and 90% are proposed. After finalizing the design documents, M/W team will submit a Ch. 217 Summary Transmittal and, if required, the plans and technical specification to the Texas Commission on Environmental Quality (TCEQ) for approval to construct the project. Included in Task 3 are QA/QC review and incorporation of City comments into the documents and support for any additional reporting that may be required by TCEQ. A preliminary sheet list is provided below for consideration; however the included sheets and their contents are subject to change to accommodate the needs of the project.

1. Title
2. General Notes
3. Site, Dimensional Control & Grading Plan
4. Legend
5. Hydraulic Profile
6. Sludge Feed System Mechanical Plan & Sections
7. Volute Press Mechanical Plan & Sections
8. Chemical Feed System Isometric & Details
9. Yard Piping Plan

10. Details
11. Structural General Notes and Specifications
12. Awning Structure Plan & Details
13. Foundation Plan and Details
14. Electrical Abbreviations & Legend
15. Electrical Site Plan
16. MCC Elevation & Panel Schedule
17. Dewatering Process Schematic
18. Dewatering Process P&ID
19. ESC Site Plan
20. ESC Details

Task 4 – Procurement through Award: The task will include preparation and/or compilation of bid documents (plans, specifications, agreement, etc.), coordination of advertisement of the project for bids in accordance with the Texas Local Government Code, responding to questions and/or issuance of any necessary addenda, review of bid packages, and preparation and presentation of a recommendation of award.

Task 5 – Construction Administration: The task will include reviewing shop drawings and submittals, responding request for information, developing change orders (if required), performing construction observation, reviewing pay applications, attending and coordinating construction progress meetings, administering construction contract through final completion including engineer's certification upon completion, record drawings, and project closeout, including oversight of start-up and commissioning and final walk-throughs. Site visits are anticipated and will be scheduled as necessary during project milestones. Five site visits are assumed for the purposes of the estimated fee.

Add alternate 1 – Clarifier No. 1 Feed: The task will include expansion of the engineering design scope to include provision of a solids management system feed from Clarifier No. 1 in addition to Clarifier No. 2 as proposed. The task will include the additional civil, mechanical, electrical, and structural design services to effect this option. The anticipated additional construction cost for the Clarifier No. 1 feed option is \$60,000. This item is an add alternate and is not required for a complete and functioning system using only the feed from Clarifier No. 2. This item will only be initiated with authorization from the City of Fair Oaks Ranch.

Compensation

Engineering service fees are proposed on a time and materials (T&M) basis, per the attached Rate Schedule, with estimated amounts, which amounts shall be “not to exceed” without prior approval from the City, as follows:

1. Project Management and Site Visit	\$ 2,360
2. Pilot Study	\$ 8,000
3. Construction Plans and Specification Development	\$96,950
4. Procurement through Award	\$ 4,500
5. Construction Administration	\$22,450
	\$134,260

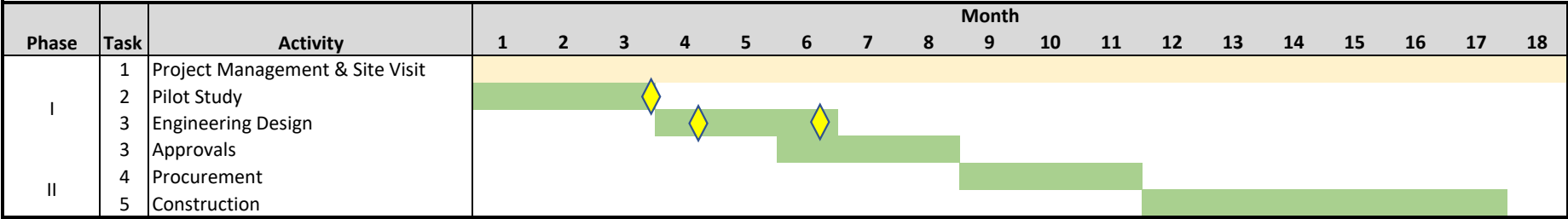
Add alternates:

1. Clarifier No. 1 Feed	\$ 8,000
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RESOURCE PROJECTION & BUDGET ESTIMATE																
Client:		City of Fair Oaks Ranch														
Project:		WWTP Dewatering Improvements														
Task	Description	Employee Classification	Project Principal	Project Engineer	Senior Designer	Senior CAD Design Technician	CAD Design Technician	Construction Consultant	CAD Drafter 2	Engineering Technician 3	Engineering Technician 1	Project Administrator	Technical Administrative Assistant	Administrative Assistant	Total Hours	Labor Cost
		Hourly Rate	\$230	\$145	\$165	\$130	\$120	\$130	\$95	\$115	\$95	\$80	\$85	\$65		
1	Project Management & Site Visit		8	2						2					12	\$2,360.00
2	Pilot Study		10	25						8	8	2	2	1	56	\$8,000.00
3	Design & Preparation of Construction Plans & Specs		40	80	15	80	120		120	100	100	15	15		685	\$82,950.00
4	Procurement Through Award		4	8						10	10	4			36	\$4,500.00
5	Construction Administration		20	40				30		35	35	10			170	\$22,450.00
6	Add Alternate 1		4	20			10	1	20		10				65	\$8,000.00
																\$0.00
																\$0.00
																\$0.00
																\$0.00
	Outside Services															\$0.00
	Structural Design															\$5,000.00
	Electrical Design															\$9,000.00
	Hours		86	175	15	80	130	31	140	155	163	31	17	1	TOTAL	\$134,260.00
	Labor Cost		\$19,780	\$25,375	\$2,475	\$10,400	\$15,600	\$4,030	\$13,300	\$17,825	\$15,485	\$2,480	\$1,445	\$65	TOTAL + Add	\$142,260.00

City of Fair Oaks Ranch
WWTP Dewatering Improvements
PRELIMINARY SCHEDULE



Legend

 Key project milestones



STANDARD RATE SCHEDULE

CLASSIFICATION	HOURLY RATE
Project Principal	\$230
Senior Project Manager	\$205
Project Manager	\$190
Senior Project Engineer	\$170
Project Engineer	\$145
Senior Designer	\$165
Senior CAD Design Technician	\$130
CAD Design Technician	\$120
Construction Consultant	\$130
CAD Drafter 2	\$95
CAD Drafter	\$85
EIT 3 / Graduate Engineer 3	\$135
EIT 2 / Graduate Engineer 2	\$125
EIT 1 / Graduate Engineer 1	\$95
Project Administration Manager	\$115
Project Administrator	\$80
Mileage	Per IRS regulations Currently \$0.56 Cents (per mile)

Reimbursables Expenses

Reimbursable expenses as defined in the Provisions shall be invoiced at cost to Malone/Wheeler, Inc. plus 10% for administrative and processing costs. Vehicle mileage is billed at the applicable I.R.S. rate allowed per mile.

Note: Rates subject to change January 1st of each year.



CITY COUNCIL CONSIDERATION ITEM
CITY OF FAIR OAKS RANCH, TEXAS
April 1, 2021

AGENDA TOPIC: North side water tower report.
DATE: April 1, 2021
DEPARTMENT: City Council
REQUESTED BY: Steve Hartpence, Council Member, Place 3
PRESENTED BY: Tobin Maples, AICP, City Manager
Sarah Buckelew, CPA, Finance Director

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

Amanda Valdez

From: Steve Hartpence <steve.hartpence@fair Oaks Ranch TX.org>

Sent: Thursday, March 4, 2021 8:02 PM

To: Christina Picioccio <CPicioccio@fair Oaks Ranch TX.org>

Subject: Agenda item for March 18 meeting

Christina,

At our next meeting I would like a presentation on the north side water tower financials, design engineering progress, land acquisition status and anything else relevant to progress on this project. This relates to the line item on page 35 of today's agenda. Thanks!

Steve

P.S. Great job running the meeting tonight.

Nortside Water Tower (elevated storage tank)

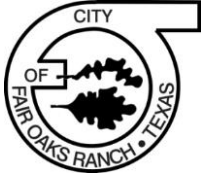
Rollforward of Budget

BUDGET	2019-20	2020-21
	628,528	482,318
SPENT	2019-20	2020-21
	146,210	7,747
Budget Rolled Forward	482,318	TBD

 474,571

Remaining 2020-21 Budget

Contract Tasks	
✓ Task 1	Project Management
✓ Task 2	City Council/Public Outreach
✓ Task 3	30% Design Phase
✓ Task 4	60% Design Phase
Task 5	90% and 100% Design Phase
Task 6	Bid Phase
Task 7	Construction Phase Services (excluding Task 7.4)
Task 7.4	NACE Certified Inspections
Task 8	Record Drawings
<u>Supplemental Services</u>	
Task 9.1	Off-Site Engineering Design
Task 9.2	Pedestal Storage
Task 9.3	Additional City Council/Public Outreach
Task 9.4	Additional SUE Services
Task 9.5	Additional Geotechnical Services
Task 9.6	TCEQ Edwards aquifer Contributing Zone Plan
Task 9.7	GBRA Interconnection and Disinfection Facilities



CITY COUNCIL CONSIDERATION ITEM
CITY OF FAIR OAKS RANCH, TEXAS
April 1, 2021

AGENDA TOPIC: Report on TxDOT FM 3351 Projects
DATE: April 1, 2021
DEPARTMENT: Public Works Department
PRESENTED BY: Fernando Camarillo, PE, Poznecki-Camarillo LLC

INTRODUCTION/BACKGROUND:

FM-3351 between Ammann Rd and IH-10 is a major roadway in the City of Fair Oaks Ranch that is used by the majority of our residents as well as people from surrounding areas. In order to reduce accidents and help with future growth in the area, TxDOT has strategically identified projects and studies to better assist transportation challenges.

Tonight, Mr. Camarillo, on behalf of TxDOT, is providing an update on these projects.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

1. Ensures the continued health, safety, and welfare of Fair Oaks Ranch residents relative to transportation challenges.
2. Update provides residents and City Council with accurate information of the projects.

LONG-TERM FINANCIAL & BUDGETARY IMPACT:

The FM-3351 projects is funded by TxDOT.

LEGAL ANALYSIS:

Not applicable at this time.

RECOMMENDATION/PROPOSED MOTION:

Not applicable at this time.

City of Fair Oaks Ranch

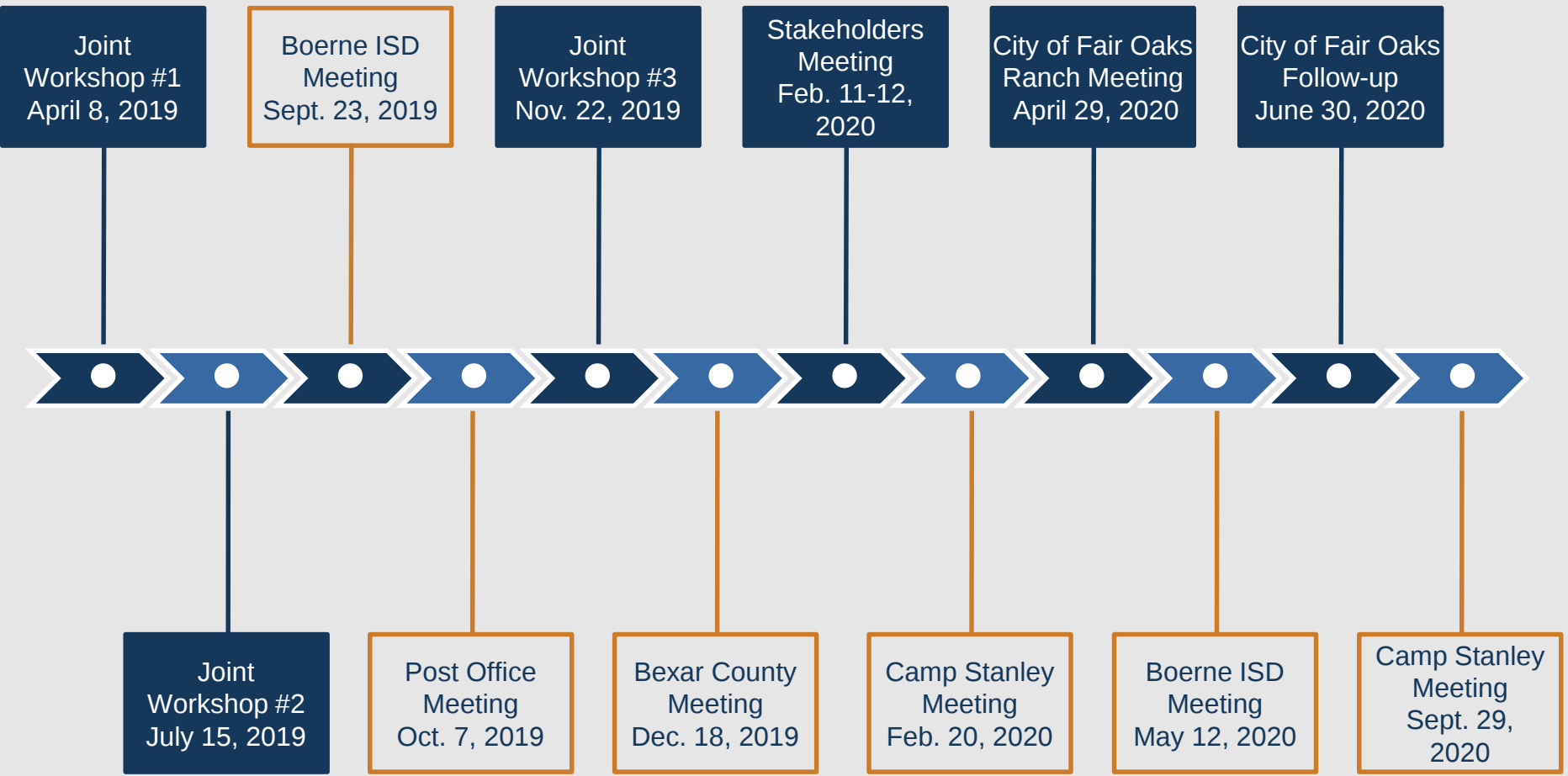
FM 3351 Update - April 1, 2021



- TxDOT Project and Study on FM 3351
 - FM 3351 Feasibility Study from I-10 to SH 46
 - FM 3351 Cibolo Creek Bridge Project
- The Cibolo Creek Bridge project is funded and is scheduled to begin construction late 2023
- The feasibility study has paused due to funding shortfalls



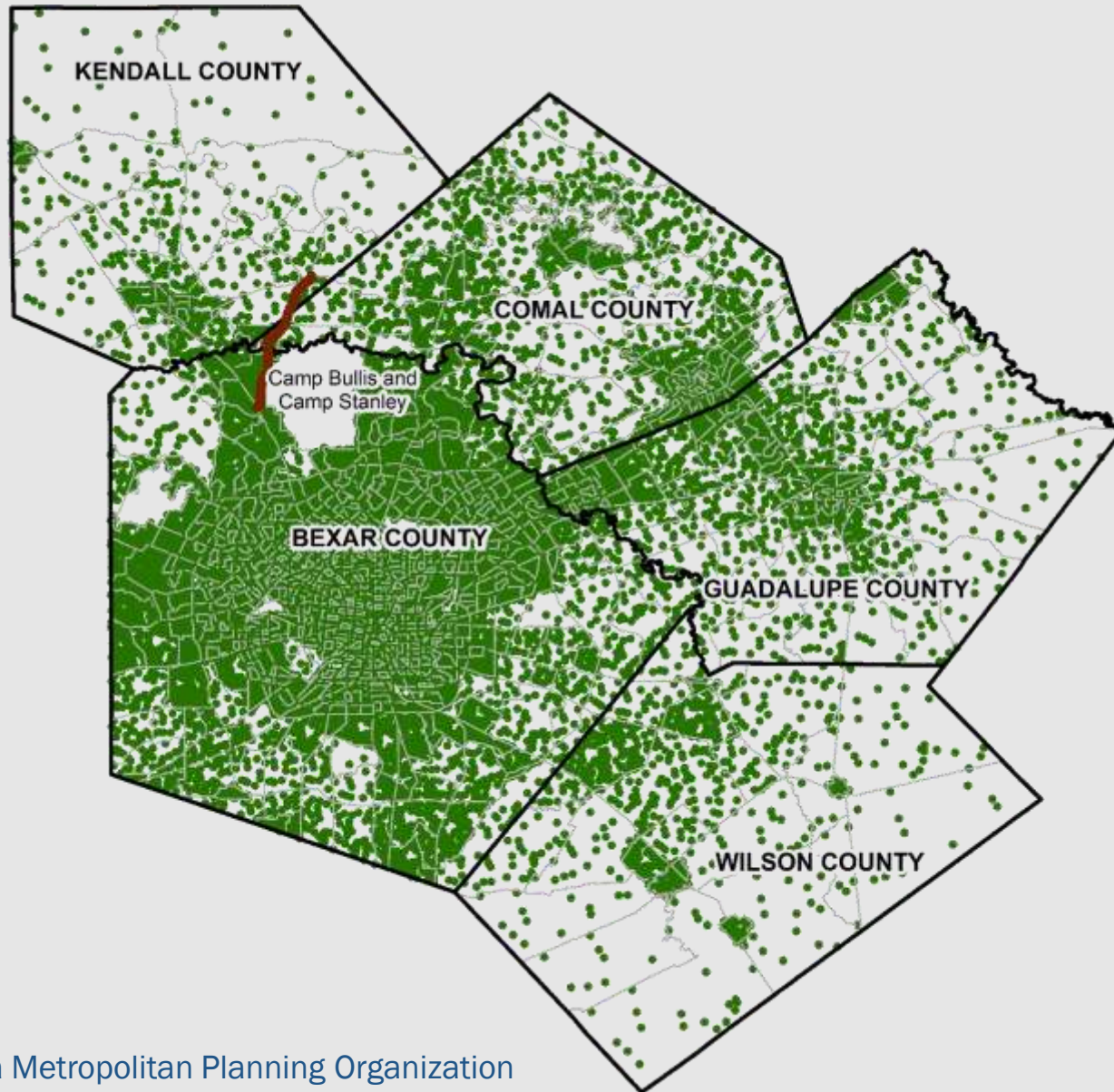
TxDOT has been meeting with key stakeholders from the beginning.



Blue shading indicates meetings that included the City of Fair Oaks Ranch.

2015 Population (1 dot = 50 people)

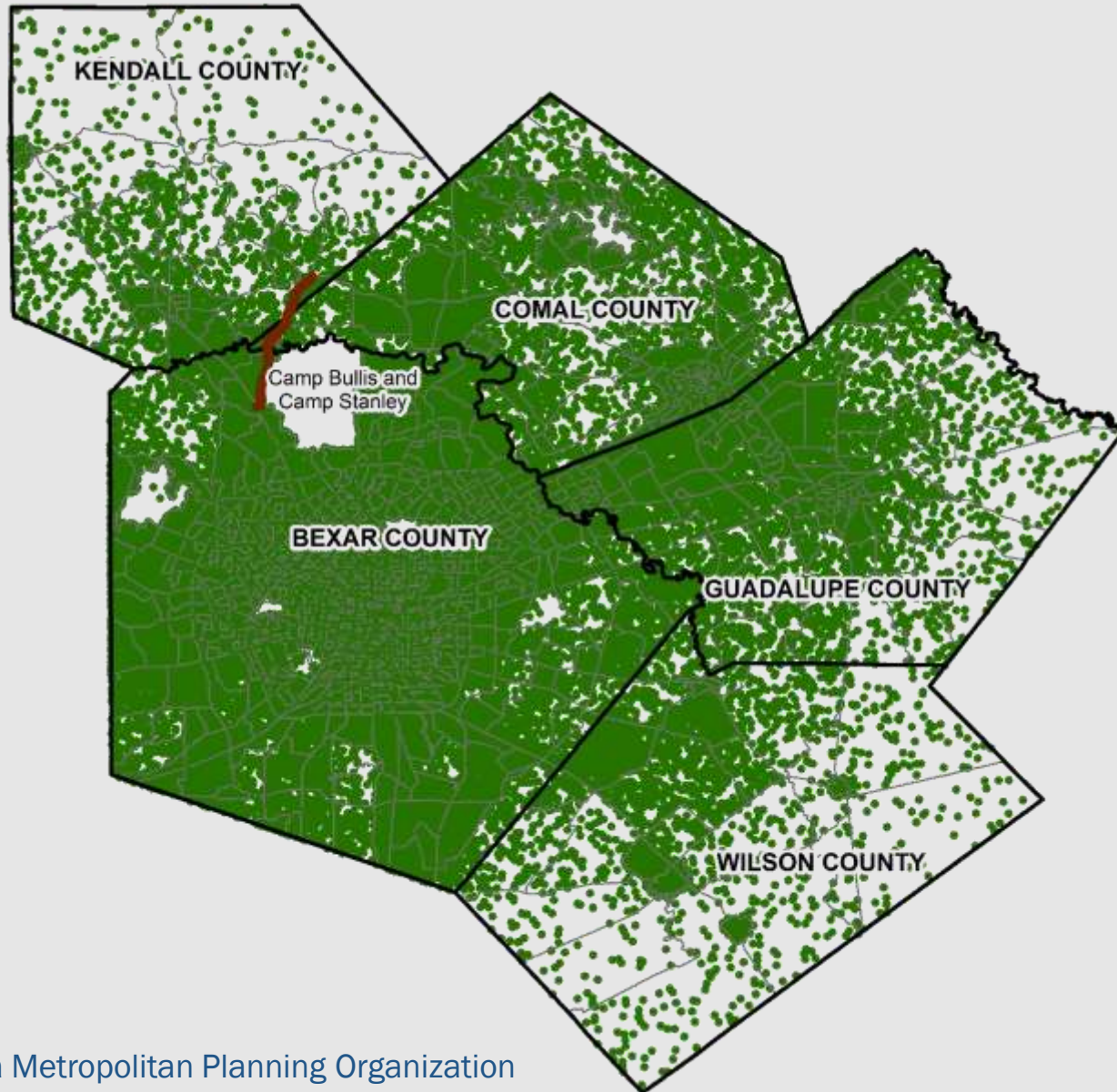
Item #10.



Source: Alamo Area Metropolitan Planning Organization

2045 Forecasted Population (1 dot = 50 people)

Item #10.



Source: Alamo Area Metropolitan Planning Organization

FM 3351 at Dietz Elk-Horn

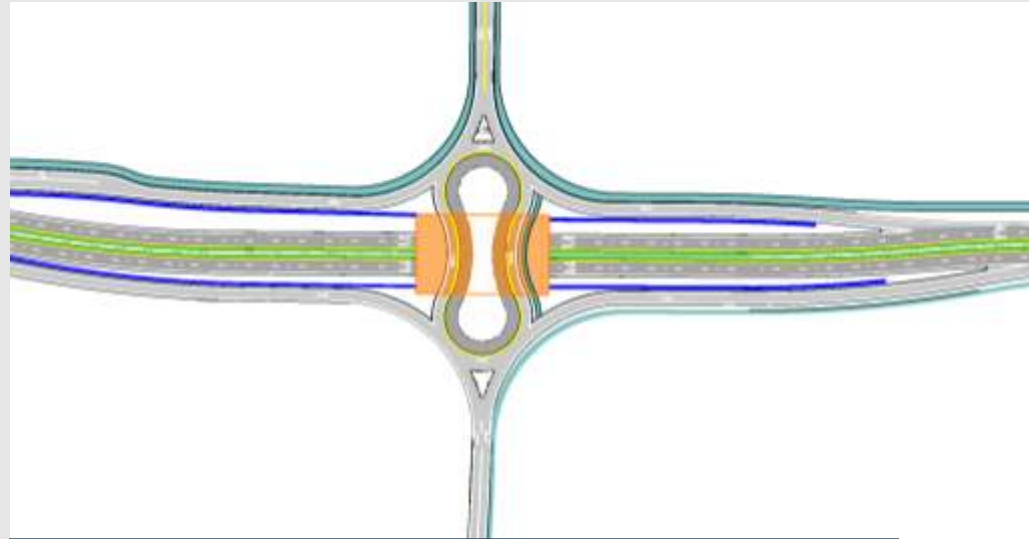
FM 3351 at Dietz-Elkhorn Road – Existing Conditions

Item #10.



Four initial concepts are being explored to meet future traffic demand:

1. Quadrant intersection option
2. Diamond intersection option
3. At-grade intersection option
4. Peanut roundabout with grade separation intersection option



Peanut Roundabout Intersection

Peanut Roundabout Intersection – Carmel, Indiana

Item #10.



FM 3351 Cibolo Creek Bridge Project

Concerns about
bridge
overtopping

Accommodate
bicyclists,
pedestrians,
and travel lanes



Scheduled to Let in September 2023
Approximate Cost: \$11.9 million



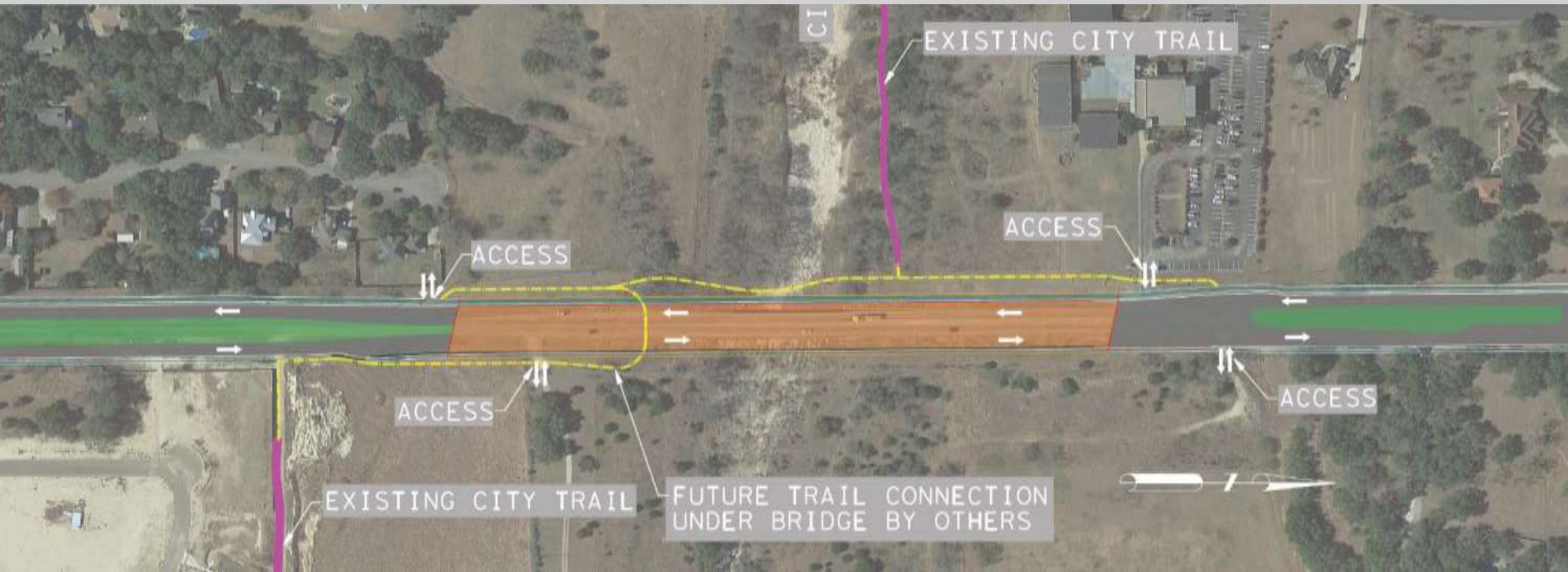
LEGEND



Existing Bridge

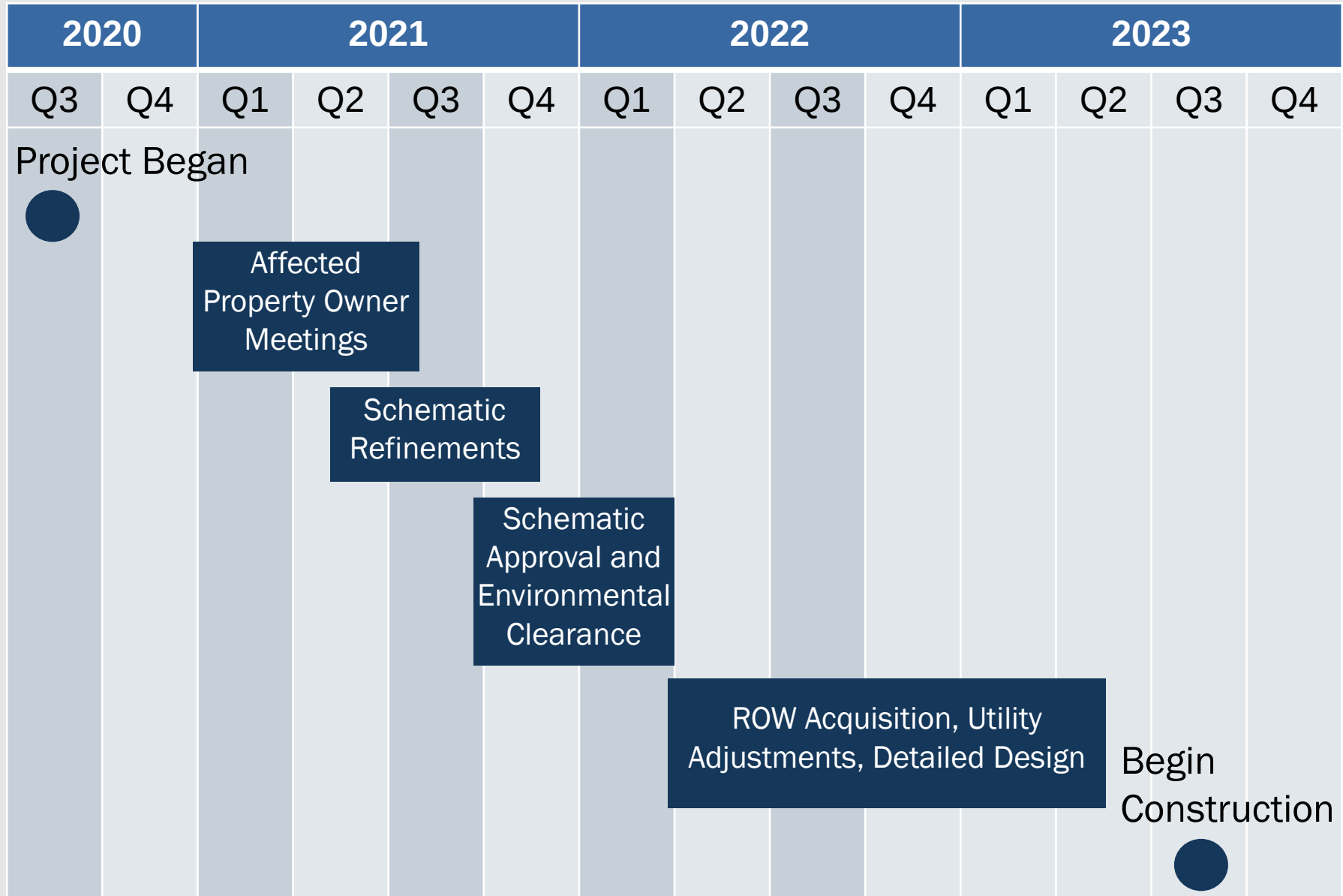


Proposed Bridge



FM 3351 Cibolo Creek Bridge Project Schedule

Item #10.



Questions?

Fernando Camarillo, PE
Poznecki-Camarillo LLC
5835 Callaghan Road, Ste. 200
San Antonio, TX 78228
210.349.3273 (office)





CITY COUNCIL STAFF REPORT ITEM
CITY OF FAIR OAKS RANCH, TEXAS
April 1, 2021

AGENDA TOPIC: Monthly Financial Update
DATE: April 1, 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.

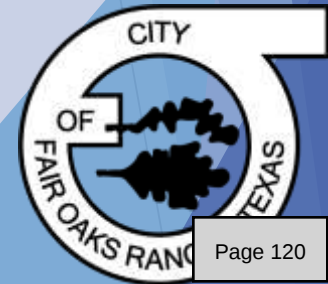
RECOMMENDATION/PROPOSED MOTION:

No formal action is required.

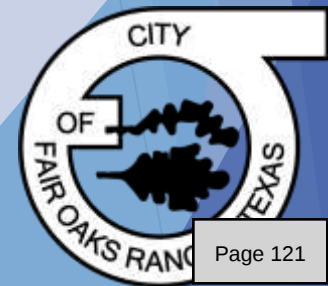
Financial Update

City of Fair Oaks Ranch

April 1, 2021



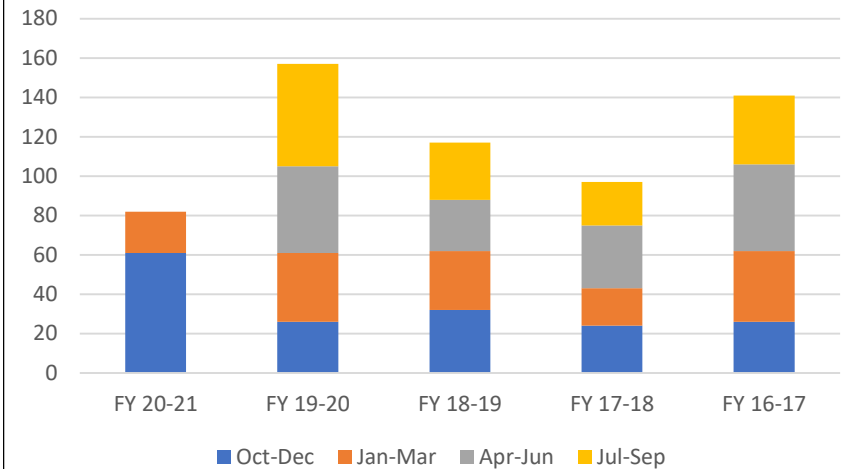
General Fund



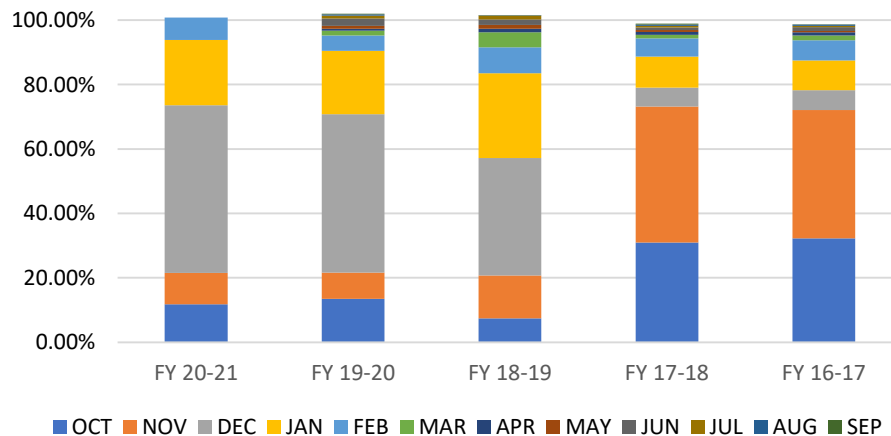
General Fund Highlights Through Feb 28

- 95% of Budgeted Ad Valorem Tax levy collected through February.
- 70% of Budgeted Sales Tax Revenue collected through January sales.
- Sales Tax collections are \$135,418 higher this year from the same time last year.

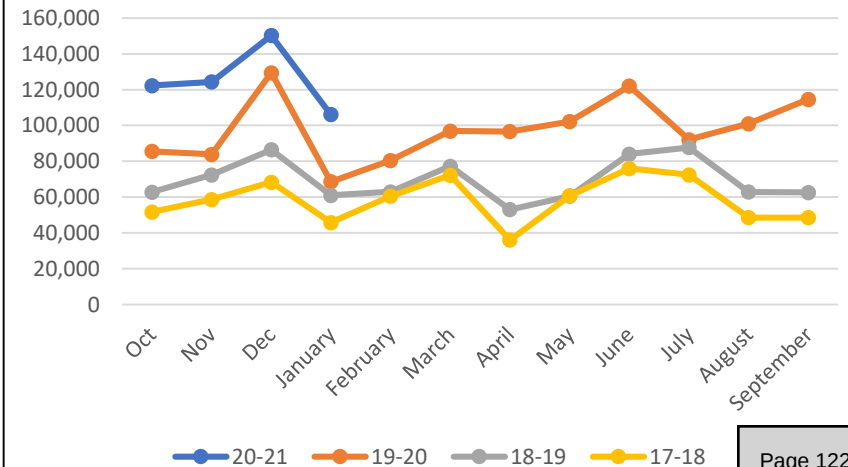
New Residential Homes by Quarter



Historical % of Property Tax Collected by Month



Sales Tax Receipts by Month of Sale



General Operations Year-to-Date Summary

February 28, 2021

41.67% 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	6,720,346	135,418 (a)		5,907,612	89.7%	(677,316)
Franchise Fees	632,700	-	632,700	632,700	-		178,282	28.2%	(454,418)
Interest	69,000	-	69,000	20,000	(49,000) (b)		5,048	7.3%	(63,952)
Permits	242,750	-	242,750	276,346	33,596 (c)		191,083	78.7%	(51,667)
Animal Control	3,400	-	3,400	3,400	-		185	5.4%	(3,215)
Fines & Forfeitures	100,263	-	100,263	110,263	10,000 (d)		52,884	52.7%	(47,379)
Fees & Services	268,711	-	268,711	267,911	(800)		122,494	45.6%	(146,217)
Miscellaneous Income	18,400	-	18,400	149,610	131,210 (e)		118,706	645.1%	100,306
Transfers	240,000	165,648	405,648	365,449	(40,199) (f)		152,232	37.5%	(253,416)
Total Available Resources	7,736,915	588,885	8,325,800	8,546,024	220,224		6,728,526	80.82%	(1,597,274)
Expenditures:									
Personnel	4,751,988	110,372	4,862,360	4,396,280	(466,080) (g)		1,647,585	33.88%	3,214,775
Supplies, Maintenance & Operations	702,325	20,464	722,789	741,325	18,536 (h)		90,745	12.55%	632,044
Professional Services	1,243,318	61,120	1,304,438	1,305,363	925		481,133	36.88%	823,306
Shared Services	371,466	29,750	401,216	389,949	(11,267) (i)		194,278	48.42%	206,938
Capital Outlay	240,000	177,827	417,827	377,827	(40,000) (f)		187,233	44.81%	230,595
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	7,668,737	(497,886)		3,058,966	37.46%	5,107,657
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	(7,787)	(19,900)		1,973		
Use of Fund Balance	-	-	-	(16,823)	(16,823)		(16,823)		
Change in Unallocated Fund Balance	-	-	-	744,646	744,646		3,523,813		
Surplus/(Deficit)	-	-	-	-	-		-		

NOTES

(a) Sales Tax collections are \$135,418 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.

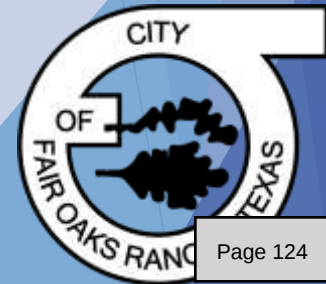
(h) Projection includes COVID-19 related supplies not budgeted; will be receiving relief funds to offset.

(i) Received more favorable rates for Liability insurance premiums than budgeted.

Reminder of General Fund Unallocated Fund balance from prior year, current year budget surplus, and pending projects.

▶ 2019-20 Unallocated Fund Balance	\$1,309,007
▶ Expected Remaining COVID Grant Reimbursements	\$ 98,320
▶ Projected 2020-21 Surplus	<u>\$ 744,646</u>
▶ Projected Available for Projects	\$2,151,973

<u>Potential Projects:</u>	<u>Budget Amendment Estimate</u>
• Annual Street Maintenance	\$ 77,910
• City Council Retreat Facilitation	TBD
• Drainage Repair at Rocking Horse	\$100,000
• Phase 1 Stormwater Projects	\$2.14 M
• 1 month operating expense	\$603,663
• Expected additional election costs	\$ 20,000



General Fund Strategic and Capital Projects

February 28, 2021

41.67% of Fiscal Year

Item #11.

	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
Revenues:							
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
Financial Integrity							
Master Drainage Plan	-		-	-	-	0%	-
MS4 and SSO Permitting	-		-	-	-	0%	-
Stormwater Funding	-	77,729	77,729	42,225	17,225	22%	60,504
Revenue Projections	-		-	-	-	0%	-
Internal Controls Framework	-		-	-	-	0%	-
Debt Review & Policy Implementation	-		-	-	-	0%	-
Grants & Utilities Reporting	10,000		10,000	10,000	-	0%	10,000
Financial Mgmt Policy Review	-		-	-	-	0%	-
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
Responsible Growth Management	-		-				
Comprehensive Plan & UDC	-		-	-	-	0%	-
FM 3351 Owners Rep & Project Mgr	-		-	-	-	0%	-
Drainage Criticality	-		-	-	-	0%	-
MS4 Program	-		-	-	-	0%	-
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
Reliable & Sustainable Infrastructure							
Long-term Road Cond Analysis	-	32,754	32,754	33,918	35,168	107%	(2,414)
City Hall Building Renovation	600,000		600,000	600,000	-	0%	600,000
City Campus Outbuilding Reno	436,729		436,729	436,729	2,850	1%	433,879
Total Reliable & Sustainable Infrastructure	1,036,729	32,754	1,069,483	1,070,647	38,018		1,031,465

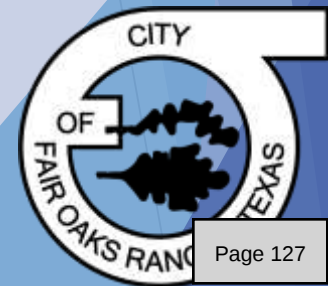
General Fund Strategic and Capital Projects (continued)

February 28, 2021
41.67% of Fiscal Year

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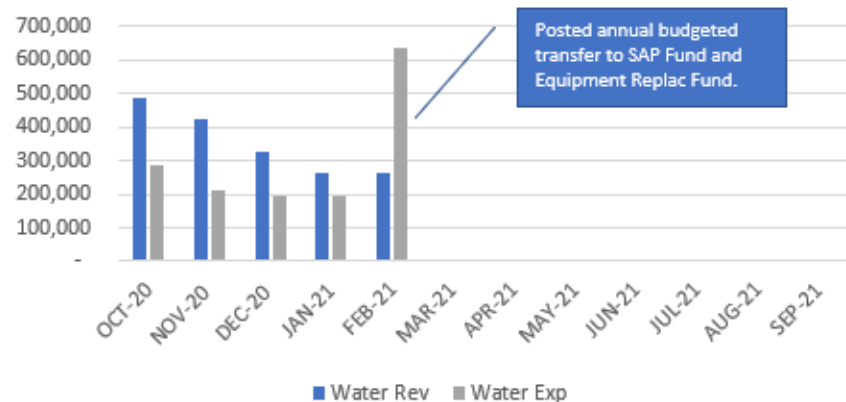
	Budget	Budget Amendment	Amended Budget	Projection	Year-to-Date Actual	Percent of Budget	Budget Balance
Beginning Fund Balance	1,006,190		1,154,394	1,154,394	1,154,394		1,006,190
<u>Public Health, Safety and Welfare</u>							
PS Command Structure Review	25,000		25,000	25,000	108	0%	24,892
Fire Services 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>							
Compensation & Benefit Plan Study	-	-	-	-	-	0%	-
Employee Handbook	-	3,034	3,034	3,034	-	0%	3,034
HR Technology Upgrade	-		-	-	-	0%	-
Development Training Program	-		-	-	-	0%	-
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
Public Communications Technology	-		-	-	-	0%	-
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>							
Infrastructure	-		-	-	-	0%	-
Personal Property	261,000		261,000	261,000	4,559	2%	256,441
Total Capital Outlays	261,000	-	261,000	261,000	4,559		256,441
Total Expenditures	1,701,414	121,367	1,822,781	1,738,441	138,230	7.6%	1,684,551
Revenue Over / (Under) Expenditures	(948,914)	(106,367)	(1,055,281)	(970,941)	29,270	-2.8%	(1,084,551)
Ending Fund Balance	57,276	(106,367)	99,113	183,452	1,183,664		(78,361)

Enterprise Fund

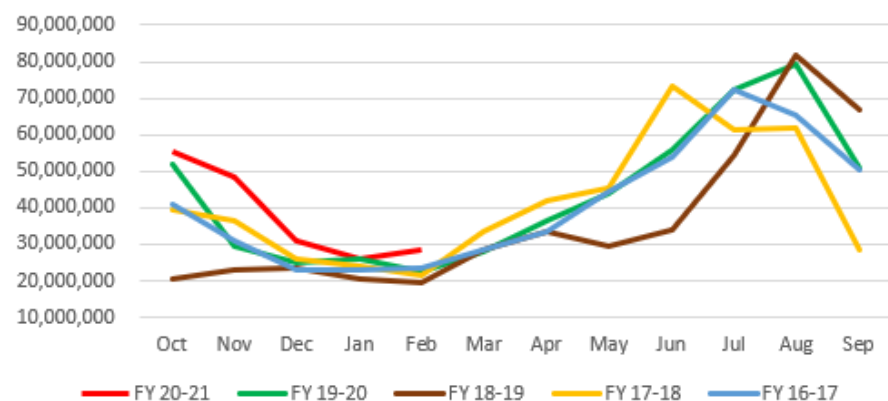


Enterprise Fund Highlights

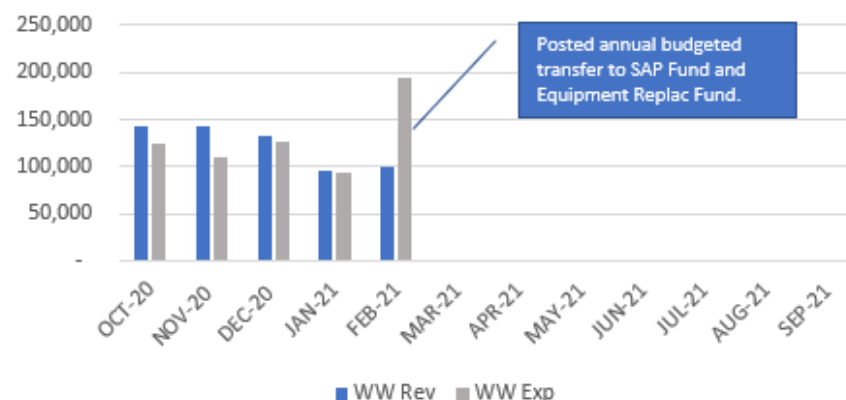
Water Utility Revenue and Expenses



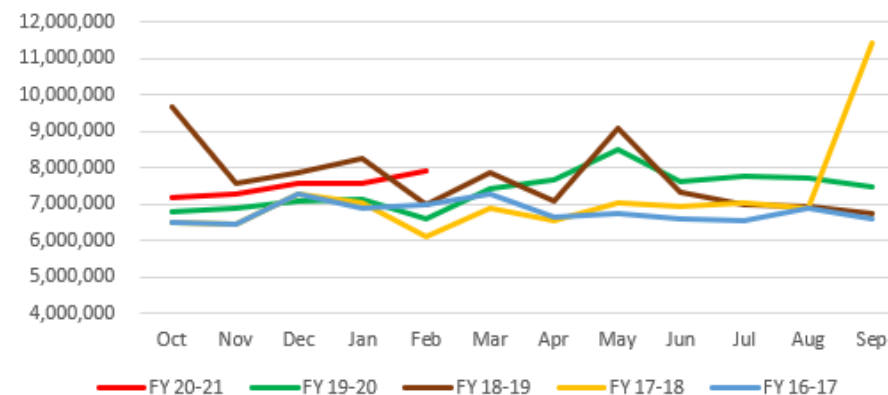
Water Billed Consumption (gallons)



Wastewater Utility Revenue and Expenses



Wastewater Treated (gallons)



Combined Utilities
February 28, 2021
41.67% 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	5,524,007	121,891	(a)	2,378,104	44.0%	(3,024,012)
Operating Expenses			-						
Personnel	1,546,010	-	1,546,010	1,370,802	(175,208)	(b)	525,192	34.0%	1,020,819
Supplies, Maintenance & Operations	2,458,988	-	2,458,988	2,412,427	(46,561)	(c)	916,931	37.3%	1,542,057
Services	217,604	-	217,604	265,011	47,407	(d)	152,759	70.2%	64,845
Total Operating Expenses	4,222,602	-	4,222,602	4,048,240	(174,362)		1,594,881		2,627,721
Operating Income	1,179,513	-	1,179,513	1,475,767	296,253		783,223		(396,291)
Capital Outlay	1,610,838	173,790	1,784,628	1,787,716	3,088		185,878	10.4%	1,598,750
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)	90,000	-29.5%	(395,069)
Net Income/(Loss)	(222,293)	(158,790)	(381,086)	139,886	362,179		497,792		878,878

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

February 28, 2021

41.67% 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	4,171,084	1,763,223	44.6%	(2,188,421)	Projection includes increase in Impact Fee revenue due to increase in rate and development.
Water Operating Expenses								
Personnel	836,075	-	836,075	688,293	276,189	33.0%	559,886	Updated projection to include vacancies for Public Works Director, IT Tech, and routine turnover.
Supplies, Maintenance & Operations	1,733,967	-	1,733,967	1,735,681	638,486	36.8%	1,095,481	
Services	117,908	-	117,908	182,908	124,931	106.0%	(7,023)	Water rights legal and professional fees not budgeted.
Total Water Operating Expenses	2,687,950	-	2,687,950	2,606,882	1,039,606		1,648,344	
Operating Income	1,263,694	-	1,263,694	1,564,202	723,617		(540,077)	
Capital Outlay	1,219,588	173,790	1,393,378	1,393,378	182,791	13.1%	1,210,587	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)	45,000	-10.3%	(482,046)	Asset transfer to B/S once all invoices are in.
Net Income/(Loss)	383,078	(143,790)	239,288	758,128	487,802		248,514	

	Budgeted	Budget Amendment	Amended Budget	Projected	Actual	Budget Balance	Notes
Water CIP							
North Elevated Storage Tank	323,528	158,790	482,318	482,318	7,747	474,571	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	
EPARisk Assessment	50,000	(9,800)	40,200	40,200	-	40,200	
	1,214,588	158,790	1,373,378	1,373,378	182,791	1,190,587	
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	182,791	1,210,587	

Wastewater Utility Fund Summary
February 28, 2021
41.67% of Fiscal Year

Item #11.

	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	614,881	52.6%	(553,580)	Projection includes increase in Impact Fee revenue due to increase in rate and development.
Wastewater Operating Expenses								
Personnel	709,936	-	709,936	682,509	249,002	35.1%	460,934	Updated projection to include vacancies for Public Works Director, IT Tech, and routine turnover.
Supplies, Maintenance & Operations	673,994	-	673,994	676,747	278,445	41.3%	395,549	
Services	82,103	-	82,103	82,103	27,828	33.9%	54,275	
Total Wastewater Operating Expenses	1,466,033	-	1,466,033	1,441,359	555,275		910,758	
Operating Income	(297,572)	-	(297,572)	(88,436)	59,606		357,178	
Capital Outlay	391,250	-	391,250	394,338	3,088	0.8%	388,163	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	45,000	21.7%	161,977	
Net Income/(Loss)	(908,765)	-	(908,765)	(693,242)	9,990		918,755	

	Budgeted	Budget Amendment	Amended Budget	Projection	YTD Actual	Budget Balance	Notes
Wastewater CIP Fund							
Project Development	-	-	-	-	-	-	
Impact Fee Study	-	-	-	-	-	-	
Digester Planning	-	-	-	3,088	3,088	(3,088)	PY unspent budget rolled forward for this project.
Future WWT P	200,000	-	200,000	200,000	-	200,000	
GIS Compatible Work Order Syste	6,250	-	6,250	6,250	-	6,250	
Utility Rate Analysis	75,000	-	75,000	75,000	-	75,000	
Project Development	-	-	-	-	-	-	
EPA Risk Assessment	50,000	-	50,000	50,000	-	50,000	
	331,250	-	331,250	334,338	3,088	328,163	
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	3,088	388,163	

Stormwater Utility Fund Summary

February 28, 2021

41.67% of Fiscal Year

Item #11.

	Budget	Budget Amendment	Amended Budget	Projection	Year-to-Date Actual	Percent of Budget	Budget Balance
Stormwater Revenues	282,012		282,012	-	-	0.0%	282,012
Stormwater Operating Expenses							
Personnel	-		-	-	-	0.0%	-
Supplies, Maintenance & Operations	51,028		51,028	-	-	0.0%	51,028
Services	17,593		17,593	-	-	0.0%	17,593
Total Stormwater Operating Expenses	68,621	-	68,621	-	-		68,621
Operating Income	213,391	-	213,391	-	-		213,391
Capital Outlay	-		-	-	-		-
Lease Interest Expense	-		-	-	-		-
Transfers & Non-Cash	15,614		15,614	-	-		15,614
Net Income/(Loss)	197,777	-	197,777	-	-		197,777

Utility Equipment and Vehicle Replacement Fund

February 28, 2021

41.67% of Fiscal Year

	Budget	Budget Amendment	Amended Budget	Projection	Year-to-Date Actual	Percent of Budget	Budget Balance	Comments
<u>Revenues:</u>								
Transfer from Water Division	45,000		45,000	45,000	45,000	100%	-	Annual transfer posted.
Transfer from Wastewater Division	45,000		45,000	45,000	45,000	100%	-	Annual transfer posted.
Transfer from Stormwater Utility	15,614		15,614	-	-	0%	15,614	
Total Revenue	105,614	-	90,000	90,000	90,000		15,614	
<u>Transfers</u>								
Transfer to Water for Purchases	-	15,000	15,000	15,000	-	0%	15,000	PY budgeted purchases to be made this year due to supply chain issues.
Transfer to Wastewater for Purchases	-	-	-	-	-	0%	-	
Total Transfers Costs	-	15,000	15,000	15,000	-		15,000	
Total Expenditures	-	15,000	15,000	15,000	-		15,000	
Net Income (Loss)	105,614	(15,000)	75,000	75,000	90,000		614	