I. Call To Order

II. Roll Call

III. Invocation

IV. Pledges Of Allegiance - United States And Texas

NOTE: The City Council may adjourn into Executive Session to consider any item listed on this agenda if a matter is raised that is appropriate for Executive Session discussion. An announcement will be made of the basis for the Executive Session discussion. The City Council may also publicly discuss any item listed on the agenda for Executive Session.

V. 30 Minute Citizen Comment Period

PRESENTATIONS

1. Receive a Staff presentation of the Quarterly Investment and Financial Reports, and provide direction to Staff.

CONSENT AGENDA

THE FOLLOWING ORDINANCES, RESOLUTIONS AND OTHER ITEMS MAY BE ACTED UPON BY ONE MOTION. NO SEPARATE DISCUSSION OR ACTION ON ANY OF THE ITEMS IS NECESSARY UNLESS DESIRED BY A COUNCIL MEMBER OR A CITIZEN, IN WHICH EVENT THE ITEM SHALL BE CONSIDERED IN ITS NORMAL SEQUENCE AFTER THE ITEMS NOT REQUIRING SEPARATE DISCUSSION HAVE BEEN ACTED UPON BY A SINGLE MOTION.

2. Consider approval, by motion, of the following meeting Minutes:
   A) March 20, 2018 - Work Session Minutes
   B) March 20, 2018 - Regular Meeting Minutes

3. Consider approval of Resolution 2018-43R, approving the conveyance of an easement on City property along State Highway 21 and the San Marcos Regional Airport to Pedernales Electric Cooperative, Inc. in order to provide a backup route for power which serves the Airport; authorizing the City Manager to execute deeds as necessary to convey such property to Pedernales Electric Cooperative, Inc. on behalf of the City; and declaring an effective date.

4. Consider approval of Resolution 2018-44R, approving an agreement between the City and Doucet and Associates, Inc., for the provision of professional services in connection with
the Old Bastrop Road - Rattler Road to Centerpoint Road 16” Water Line in an amount not to exceed $93,539.00, contingent upon the engineer’s provision of sufficient insurance in accordance with the attached agreement; authorizing the City Manager or his designee to execute this agreement on behalf of the City; and declaring an effective date.

5. Consider approval of Resolution 2018-45R, awarding an engineering contract to Scheibe Consulting, LLC, P.O. Box 161357, Austin, Texas; for the Flood Emergency Warning System, in the estimated amount of $57,580 (Phase 1); authorizing the City Manager or his designee to execute the appropriate purchasing documents on behalf of the City; and declaring an effective date.

6. Consider approval of Resolution 2018-46R, amending Resolution 2018-26R, authorizing the City Manager or his designee to apply for Homeland Security Grants for Hazardous Materials Monitor Support; authorizing the City Manager or his designee to accept, reject, alter or terminate the grants, if awarded, and to execute all contracts and documents as necessary to implement the grants; and declaring an effective date.

7. Consider approval of Resolution 2018-47R, authorizing the City Manager or his designee to apply for Homeland Security Grants for Hazardous Materials AreaRAE Equipment; authorizing the City Manager or his designee to accept, reject, alter or terminate the grants, if awarded, and to execute all contracts and documents as necessary to implement the grants; and declaring an effective date.

8. Consider approval of Resolution 2018-48R, adopting revised Investment Policies for Operating Funds and Reserve Funds; and declaring an effective date.

9. Consider approval of Resolution 2018-51R, approving the award of a contract to Partners Remodeling, Restoration, & Waterproofing, LLC for the Union Pacific Railroad (UPRR) Chicane Pedestrian Improvements Project (IFB 218-154) at Hopkins Street, in the estimated amount of $94,592.00 contingent upon the contractor’s timely submission of sufficient bonds and insurance; authorizing the City Manager or his designee to execute the appropriate documents related to the renewal of this agreement; and declaring an effective date.

10. Consider approval of two Authorizations of Change in Services to the Utility Billing Customer Information System Software with North Harris Computer Corporation in a total 3 year cost of $94,644:

   ACIS #28 the installation, configuration, and integration of a Smartworks Compass Solution and Key Performance Indicator (KPI) Dashboard necessary to support integrations with Yukon version 6.5 upgrade and implementation, Multi-speak version 3.0/4.1 and Customer Information Services (CIS) Connector (NorthStar) version 6.4.0

   ACIS #29 Implementation of the Harris Computer Corporation’s Hosting Services and IT services solution to maintain/manage the MeterSense Meter Data Management (MDM) Solution currently utilized by the City of San Marcos.

11. Consider approval of an Authorization of Change in Services to Recreation Engineering and Planning, Inc. in the amount of $197,525 for project design and construction
administration of the San Marcos River Bike and Pedestrian Trail Project, previously known as the Crosstown Pathway Trails Project.

PUBLIC HEARINGS

12. Receive a Staff presentation and hold a Public Hearing to receive comments for or against Ordinance 2018-09, on the first of two readings, updating and amending the Water and Wastewater impact fees to be charged by the City in connection with new land development under Chapter 86, Article 5, Division 4 of the San Marcos City Code and associated land use assumptions; providing a savings clause; providing for the repeal of any conflicting provisions; and providing an effective date; and Consider approval of Ordinance 2018-09, on the first of two readings.

NON-CONSENT AGENDA

13. Consider approval of Ordinance 2018-10, on the first of two readings, amending Chapter 86, Article 5, Division 4 to change the methodology by which Water and Wastewater impact fees are calculated based upon peak flow; providing a savings clause; providing for the repeal of any conflicting provisions; and providing an effective date.

14. Consider approval of Resolution 2018-49R, making appointments to the Board of Directors of the Alliance Regional Water Authority (ARWA), formally known as the Hays Caldwell Public Utility Agency (HCPUA); and declaring an effective date.

15. Consider approval of Resolution 2018-50R, directing publication of Notice of Intention to issue Certificates of Obligation in the amount of approximately $47,065,000 for (1) constructing, improving, extending and expanding city streets, bridges, sidewalks, bike lanes, pedestrian lanes, bus stops, parking, and related traffic improvements including acquiring any necessary rights-of-way and equipment; (2) constructing, improving and extending the City's Water and Wastewater system including acquiring equipment; (3) constructing, improving and renovating City Parks; (4) constructing, improving and designing municipal buildings to include the Animal Shelter, Municipal Services Complex, Public/Community Services building and related equipment purchases; (5) constructing, designing, equipping and renovating City Parking Facilities; (6) constructing and improving the City's Drainage and Flood Control Facilities; (7) constructing, improving and equipping the City's Airport; (8) constructing, designing, equipping and renovating Public Safety Facilities to include Fire Station relocation improvements and vehicle and equipment purchases; (9) replacing, improving, and developing Network Infrastructure Equipment; (10) preparation and completion of the Electric Utility System Master Plan; and (11) the payment of professional services in connection therewith including legal, fiscal and engineering fees and the costs of issuing the Certificates of Obligation and other matters related thereto.

16. Discuss and consider appointments to the Construction Board of Appeals (CBOA), Historic Preservation Commission (HPC), and San Marcos Youth Commission and provide direction to Staff.
VI. Question and Answer Session with Press and Public.

This is an opportunity for the Press and Public to ask questions related to items on this agenda.

VII. Adjournment.

POSTED ON TUESDAY, MARCH 27, 2018 AT 3:30PM

JAMIE LEE CASE, CITY CLERK

Notice of Assistance at the Public Meetings

The City of San Marcos does not discriminate on the basis of disability in the admission or access to its services, programs, or activities. Individuals who require auxiliary aids and services for this meeting should contact the City of San Marcos ADA Coordinator at 512-393-8000 (voice) or call Texas Relay Service (TRS) by dialing 7-1-1. Requests can also be faxed to 855-461-6674 or sent by e-mail to ADArequest@sanmarcostx.gov
AGENDA CAPTION:
Receive a Staff presentation of the Quarterly Investment and Financial Reports, and provide direction to Staff.

Meeting date: April 3, 2018

Department: Finance-Heather Hurlbert, Finance Director

CITY COUNCIL GOAL:

BACKGROUND:
The Texas Public Fund Investment Act requires the City's Quarterly Investment Report be received by City Council. The reports cover the fourth quarter of fiscal year 2016-2017 and first quarter of fiscal year 2017-2018 reflecting investment activity and balances as of September 30, 2017 and December 31, 2017 respectively.

The City's total portfolio summary as of December 31, 2017 reflects a total market value of $199,551,362 made up of funds from:

- Pooled Cash $ 47,147,088
- Pooled Cash Reserves $ 10,868,038
- Enterprise Cash $127,143,537
- Enterprise Cash Reserves $ 14,392,699

These funds are invested in various investment types including:

- Bank Deposits $ 17,896,895
- Money Market Mutual Funds $ 2,644,635
- Certificates of Deposit $ 5,913,000
- Local Government Pools $ 48,012,225
- Municipal Coupon Securities $ 32,482,538
- Corporate Commercial Paper $ 1,979,971
- Federal Agencies $ 90,622,098

The City's financial performance through December 31, 2018 is detailed in the enclosed Financial Summary
The report includes revenues and expenditures for the City's major funds. The reported funds are as follows: General Fund, Hotel Tax Fund, Water Wastewater Fund, Drainage Fund, Electric Fund and Airport Fund. Included on the report are trending analysis for both year-to-date and quarter-to-date with the related variances.

The Investment Report for quarters ended September 30, 2017 and December 31, 2017 and the Financial Summary Report for quarter ended December 31, 2017 were reviewed by the Finance and Audit Committee on March 13, 2018.
QUARTERLY FINANCIAL AND INVESTMENT UPDATE

QUARTER ENDED DECEMBER 31, 2017
FINANCIAL UPDATE
**Revenue**

- **General Fund**-Favorable $289K or 1.02%
  - Primarily due to sales tax collections above trend
  - Other fees/charges for services trending slightly below trend

- **W/WW**-Unfavorable $664K or -5.54%
  - Primarily due to mild weather pattern

- **Electric**-Unfavorable $795K or -6.85%
  - Primarily due to mild temperatures

- **Hotel/Motel Tax**-Unfavorable $54K or -5.97%
  - Occupancy has been down slightly compared to prior years
**Expenditures**

- **General Fund-Favorable** $678K or 3.96%
  - Due to vacancies and timing of contract payments

- **W/WW-Favorable** $503K or 9.68%
  - Primarily due to timing of contract payments

- **Electric-Favorable** $2.3M or 16.15%
  - Reduced power purchases due to reduced usage and timing of contract payments
Investment Balance by Account
First Quarter 2018
12-31-17

Enterprise
$127.1

Pooled Cash
$47.2

Pooled Cash Reserves
$10.9

Investment Balance by Account
Fourth Quarter 2017
9-30-17

Enterprise
$131.4

Pooled Cash
$45.3

Pooled Cash Reserves
$10.9

$199.6 Million
Total Investments (Market Value)

$202.0 Million
Total Investments (Market Value)
Average Yield to Maturity-Year over Year

- Pooled Cash
  - 12-31-17: 1.47%
  - 12-31-16: 1.10%
- Pooled Cash Reserves
  - 12-31-17: 1.21%
  - 12-31-16: 1.04%
- Enterprise
  - 12-31-17: 1.42%
  - 12-31-16: 1.26%
- Enterprise Reserves
  - 12-31-17: 1.47%
  - 12-31-16: 1.06%
Investment Distribution
(in millions)

- Wells Fargo Operating/Money Market $20.5
- Certificates of Deposit $5.9
- Government Investment Pools $48.0
- Municipal Coupon Securities $32.5
- Corporate Commercial Paper $2.0
- Federal Agency Coupon Securities $90.6
INVESTMENT POLICY
ANNUAL APPROVAL

- Public Funds Investment Act (PFIA) requires approval of the Investment Policy by the governing body on an annual basis.

- Presented proposed changes to Finance and Audit Committee on March 13, 2018.

- Approval of both Investment Policies is included on the consent agenda:
  - Operating Fund Policy
  - Reserve Fund Policy
PROPOSED CHANGES

• Change the required PFIA training for investments officers from 10 to 8 hours annually, but newly appointed investment officers still require 10 hours. This change is made to reflect the new education requirements in the PFIA.

• Increase the “Maximum % of Portfolio” on the following investment types due to a potential increase in return on these types of investments:
  • Municipal Instruments from 40-50%
  • Repurchase Agreements from 25-30%
  • Commercial Paper from 25-30%

• Modifications to the Broker Dealer Questionnaire/PFIA Certification forms to make a combined form
Quarterly Investment Report
December 31, 2017
### Aggregate Portfolio Composition

<table>
<thead>
<tr>
<th>Investments</th>
<th>December 31, 2017</th>
<th>% of Portfolio</th>
<th>September 30, 2017</th>
<th>% of Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Bank Deposits</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wells Fargo Choice IV</td>
<td>16,794,784</td>
<td>8.4</td>
<td>16,798,195</td>
<td>8.3</td>
</tr>
<tr>
<td>Wells Fargo Bus. Market Rate Public Funds</td>
<td>1,102,112</td>
<td>0.6</td>
<td>1,101,928</td>
<td>0.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>17,896,895</td>
<td>9.0</td>
<td>17,900,123</td>
<td>8.9</td>
</tr>
<tr>
<td><strong>Money Market Mutual Funds</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fidelity Prime MM Inst (FIPXX)</td>
<td>2,644,635</td>
<td>1.3</td>
<td>2,579,735</td>
<td>1.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>5,913,000</td>
<td>3.0</td>
<td>6,166,000</td>
<td>3.1</td>
</tr>
<tr>
<td><strong>CD's - Interest at Maturity</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Local Government Investment Pools</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TexSTAR</td>
<td>1,174,645</td>
<td>0.6</td>
<td>1,171,400</td>
<td>0.6</td>
</tr>
<tr>
<td>Logic</td>
<td>42,436,147</td>
<td>21.3</td>
<td>53,269,336</td>
<td>26.4</td>
</tr>
<tr>
<td>TexPOOL</td>
<td>513,851</td>
<td>0.3</td>
<td>512,446</td>
<td>0.3</td>
</tr>
<tr>
<td>Lone Star</td>
<td>600,415</td>
<td>0.3</td>
<td>598,456</td>
<td>0.3</td>
</tr>
<tr>
<td>TexasCLASS</td>
<td>1,112,209</td>
<td>0.6</td>
<td>1,108,507</td>
<td>0.5</td>
</tr>
<tr>
<td>TexasTERM - Daily</td>
<td>2,174,958</td>
<td>1.1</td>
<td>1,905,098</td>
<td>0.9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>48,012,225</td>
<td>24.1</td>
<td>58,565,242</td>
<td>29.0</td>
</tr>
<tr>
<td><strong>Municipal Coupon Securities</strong></td>
<td>32,482,538</td>
<td>16.3</td>
<td>28,621,623</td>
<td>14.2</td>
</tr>
<tr>
<td><strong>Corporate Commercial Paper</strong></td>
<td>1,979,971</td>
<td>1.0</td>
<td>1,971,337</td>
<td>1.0</td>
</tr>
<tr>
<td><strong>Federal Agency Coupon Securities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FANNIE MAE (FNMA)</td>
<td>13,795,224</td>
<td>6.9</td>
<td>13,812,452</td>
<td>6.8</td>
</tr>
<tr>
<td>FEDERAL HOME LOAN BANK (FHLB)</td>
<td>21,048,614</td>
<td>10.5</td>
<td>17,115,328</td>
<td>8.5</td>
</tr>
<tr>
<td>FEDERAL FARM CREDIT BANK (FFCB)</td>
<td>24,349,840</td>
<td>12.2</td>
<td>22,403,875</td>
<td>11.1</td>
</tr>
<tr>
<td>FREDDIE MAC (FHLMC)</td>
<td>28,240,577</td>
<td>14.2</td>
<td>24,629,071</td>
<td>12.2</td>
</tr>
<tr>
<td>FARMER MAC (FAMCA)</td>
<td>3,187,843</td>
<td>1.6</td>
<td>8,196,152</td>
<td>4.1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>90,622,098</td>
<td>45.4</td>
<td>86,156,877</td>
<td>42.7</td>
</tr>
<tr>
<td><strong>Total Investments</strong></td>
<td>199,551,362</td>
<td>100.00</td>
<td>201,960,937</td>
<td>100.00</td>
</tr>
</tbody>
</table>

### Portofolio Composition as of 12/31/17

- **Bank Deposits**: 9%
- **Money Market Mutual Funds**: 1%
- **Local Government Investment Pools**: 24%
- **Municipal Coupon Securities**: 16%
- **Commercial Paper**: 3%
- **Federal Agencies**: 46%

### Portofolio Composition as of 09/30/17

- **Bank Deposits**: 9%
- **Money Market Mutual Funds**: 1%
- **Local Government Investment Pools**: 29%
- **Municipal Coupon Securities**: 14%
- **Commercial Paper**: 3%
- **Federal Agencies**: 43%
### Aggregate Portfolio Summary

**Pooled Cash Fund**

<table>
<thead>
<tr>
<th></th>
<th>December 31, 2017</th>
<th>September 30, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Book Value</td>
<td>47,183,412</td>
<td>45,272,915</td>
</tr>
<tr>
<td>Market Value</td>
<td>47,147,088</td>
<td>45,323,719</td>
</tr>
<tr>
<td>% of Portfolio</td>
<td>23.6%</td>
<td>22.4%</td>
</tr>
<tr>
<td>Accrued Interest</td>
<td>148,000</td>
<td>127,000</td>
</tr>
<tr>
<td>Cash Receipts - Interest Earned</td>
<td>26,785</td>
<td>16,765</td>
</tr>
<tr>
<td>Weighted Average Maturity (Days)</td>
<td>196.25</td>
<td>273</td>
</tr>
<tr>
<td>Wt'd Average Yield to Maturity for Period:</td>
<td>1.47%</td>
<td>1.46%</td>
</tr>
<tr>
<td>Average Yield 1 Year US Treasury Bill for period:</td>
<td>1.76%</td>
<td>1.31%</td>
</tr>
<tr>
<td>Average Yield 6-month Treasury Bill for period:</td>
<td>1.53%</td>
<td>1.20%</td>
</tr>
</tbody>
</table>

**Pooled Cash Reserves**

<table>
<thead>
<tr>
<th></th>
<th>December 31, 2017</th>
<th>September 30, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Book Value</td>
<td>10,981,580</td>
<td>10,946,626</td>
</tr>
<tr>
<td>Market Value</td>
<td>10,868,038</td>
<td>10,859,975</td>
</tr>
<tr>
<td>% of Portfolio</td>
<td>5.4%</td>
<td>5.4%</td>
</tr>
<tr>
<td>Accrued Interest</td>
<td>23,000</td>
<td>26,000</td>
</tr>
<tr>
<td>Cash Receipts - Interest Earned</td>
<td>1,197</td>
<td>1,197</td>
</tr>
<tr>
<td>Weighted Average Maturity (Days)</td>
<td>462</td>
<td>551</td>
</tr>
<tr>
<td>Wt'd Average Yield to Maturity for Period:</td>
<td>1.21%</td>
<td>1.20%</td>
</tr>
<tr>
<td>Average Yield 1 Year US Treasury Bill for period:</td>
<td>1.76%</td>
<td>1.31%</td>
</tr>
<tr>
<td>Average Yield 6-month Treasury Bill for period:</td>
<td>1.53%</td>
<td>1.20%</td>
</tr>
</tbody>
</table>
**City of San Marcos, TX**

**Aggregate Portfolio Summary**

<table>
<thead>
<tr>
<th>Enterprise Fund</th>
<th>December 31, 2017</th>
<th>September 30, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Book Value</td>
<td>127,373,527</td>
<td>131,481,634</td>
</tr>
<tr>
<td>Market Value</td>
<td>127,143,537</td>
<td>131,367,556</td>
</tr>
<tr>
<td>% of Portfolio</td>
<td>63.7%</td>
<td>65.0%</td>
</tr>
<tr>
<td>Accrued Interest</td>
<td>269,000</td>
<td>164,000</td>
</tr>
<tr>
<td>Cash Receipts - Interest Earned</td>
<td>170,415</td>
<td>160,389</td>
</tr>
<tr>
<td>Weighted Average Maturity (Days)</td>
<td>227</td>
<td>233</td>
</tr>
<tr>
<td>Wt'd Average Yield to Maturity for Period:</td>
<td>1.42%</td>
<td>1.27%</td>
</tr>
</tbody>
</table>

Average Yield 1 Year US Treasury Bill for period: 1.76% 1.31%
Average Yield 6-month Treasury Bill for period: 1.53% 1.20%

<table>
<thead>
<tr>
<th>Enterprise Fund Reserves</th>
<th>December 31, 2017</th>
<th>September 30, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Book Value</td>
<td>14,472,903</td>
<td>14,444,591</td>
</tr>
<tr>
<td>Market Value</td>
<td>14,392,699</td>
<td>14,409,687</td>
</tr>
<tr>
<td>% of Portfolio</td>
<td>7.2%</td>
<td>7.1%</td>
</tr>
<tr>
<td>Accrued Interest</td>
<td>70,000</td>
<td>45,000</td>
</tr>
<tr>
<td>Cash Receipts - Interest Earned</td>
<td>1,135</td>
<td>1,135</td>
</tr>
<tr>
<td>Weighted Average Maturity (Days)</td>
<td>429</td>
<td>512</td>
</tr>
<tr>
<td>Wt'd Average Yield to Maturity for Period:</td>
<td>1.47%</td>
<td>1.46%</td>
</tr>
</tbody>
</table>

Average Yield 1 Year US Treasury Bill for period: 1.76% 1.31%
Average Yield 6-month Treasury Bill for period: 1.53% 1.20%
City of San Marcos, TX

Investment Report ‐ Quarter Ended December 31, 2017
Investments by Fund

Pool Cash

Pool Cash ‐ Reserves

Enterprise

Account
TexSTAR
Logic
TexPOOL
Lone Star
TexasCLASS
TexasTERM ‐ Daily
TexasTERM*
Wells Fargo
Wells Fargo MM
1AB57407
1AB57407
1AB57407
1AB57407
1AB57407
1AB57407
1AB57407
1AB57407
1AB57407
1AB57407
1AB57407
1AB57407
1AB57407

Wells Fargo MM
1AB71306
1AB71306
1AB71306
1AB71306
1AB71306

TexSTAR
Logic
TexPOOL
Lone Star
TexasCLASS
TexasTERM ‐ Daily
TexasTERM*
Wells Fargo
Wells Fargo
Wells Fargo MM

CUSIP

31607A208
3134G8M71
3133EGJU0
3133EGJT3
3135G0L43
3134GAYE8
3133EGJW6
3134GBRH7
3134GBVG4
3130ABZZ2
64988VDR1
34074GDG6
235241KX3
373385BL6

31607A208
3130A7UV5
3133EFC70
3130A7R72
3134GANG5
3136G37A7

31607A208
3134G8M71
3133EGJT3
3133EGJU0
3135G0L43
313385H58
3130ACJH8
3130ACYC2
3133EFSJ7
3132X0QQ7
3134G9VS3
3134G9ZR1
3135G0H63
3134GA5A8
3134GBEG3
3132X0TN1
3134GBVG4
3133EHTF0
3130ABZZ2
3134GA3Z5
06119RFF7
649791CH1
170016YV5
862182NT5
20281PCZ3
938650QC5
074347F91
93974CQW3
664754T57
956704YE4
64971Q7C1
880558KS9
605581CL9

Issuer / Description
Govt Pool ‐ Overnight Fund
Govt Pool ‐ Overnight Fund
Govt Pool ‐ Overnight Fund
Govt Pool ‐ Overnight Fund
Govt Pool ‐ Overnight Fund
Govt Pool ‐ Overnight Fund
Texas CD Program (13)‐Interest at Maturity
WF ‐ Choice IV
Fidelity Prm MM Ins 2014
FEDERAL HOME LN MTG CORP (FHLMC)
FEDERAL FARM CR BKS (FFCB)
FEDERAL FARM CR BKS (FFCB)
FEDERAL NATL MTG ASSN (FNMA)
FEDERAL HOME LN MTG CORP (FHLMC)
FEDERAL FARM CR BKS (FFCB)
FEDERAL HOME LN MTG CORP (FHLMC)
FEDERAL HOME LN MTG CORP (FHLMC)
FEDERAL HOME LOAN BANKS (FHLB)
NEW YORK ST MUN BD BK AGY R
FLORIDA HURRICANE CATASTROP
DALLAS TEX AREA RAPID TRAN
GEORGIA ST GO BDS 2017 B
Subtotal and Average

$

Book Value
591,028.86
2,807,914.98
5,106.87
122,585.86
453,282.05
345,112.13
2,953,000.00
11,135,486.33
304,894.70
1,500,000.00
3,000,000.00
3,000,000.00
2,000,000.00
3,000,000.00
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1,500,000.00
2,500,000.00
1,000,000.00
3,500,000.00
465,000.00
3,000,000.00
47,183,411.78 $

Par Value
591,028.86
2,807,914.98
5,106.87
122,585.86
453,282.05
345,112.13
2,953,000.00
11,135,486.33
304,894.70
1,500,000.00
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1,500,000.00
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Market Value
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Fidelity Prm MM Ins 2014
FEDERAL HOME LOAN BANKS (FHLB)
FEDERAL FARM CR BKS (FFCB)
FEDERAL HOME LOAN BANKS (FHLB)
FEDERAL HOME LN MTG CORP (FHLMC)
FEDERAL NATL MTG ASSN (FNMA)

Govt Pool ‐ Overnight Fund
Govt Pool ‐ Overnight Fund
Govt Pool ‐ Overnight Fund
Govt Pool ‐ Overnight Fund
Govt Pool ‐ Overnight Fund
Govt Pool ‐ Overnight Fund
Texas CD Program (19)‐Interest at Maturity
WF ‐ Choice IV
Business Market Rate Public Funds
Fidelity Prm MM Ins 2014
FEDERAL HOME LN MTG CORP (FHLMC)
FEDERAL FARM CR BKS (FFCB)
FEDERAL FARM CR BKS (FFCB)
FEDERAL NATL MTG ASSN (FNMA)
FHLB DISC NT (FHLB)
FEDERAL HOME LOAN BANKS (FHLB)
FEDERAL HOME LOAN BANKS (FHLB)
FEDERAL FARM CR BKS (FFCB)
FEDERAL AGRIC MTG CORP MNTS (FAMCA)
FEDERAL HOME LN MTG CORP (FHLMC)
FEDERAL HOME LN MTG CORP (FHLMC)
FEDERAL NATL MTG ASSN (FNMA)
FEDERAL HOME LN MTG CORP (FHLMC)
FEDERAL HOME LN MTG CORP (FHLMC)
FEDERAL AGRIC MTG CORP MNTS (FAMCA)
FEDERAL HOME LN MTG CORP (FHLMC)
FEDERAL FARM CR BKS (FFCB)
FEDERAL HOME LOAN BANKS (FHLB)
FEDERAL HOME LN MTG CORP (FHLMC)
BANK CHINA LTD HONG KONG BRH
NEW YORK ST GO BDS 2010 C B
CHIPPEWA VALLEY MICH SCHS G
STORM LAKE IOWA GO URBAN RE
COMMONWEALTH FING AUTH PA R
WASHINGTON CNTY TENN GO REF
BEAUFORT CNTY S C GO BANS 20
WASHINGTON ST MOTOR VEHICLE
NORTHERN ARIZ UNIV REVS REV
WEST VIRGINIA UNIV REVS REF
NEW YORK N Y CITY TRANSITIO
TENNESSEE ST SCH BD AUTH FE
MISSISSIPPI ST GO BDS 2012

Maturity
Date

various

2/26/2018
7/5/2018
7/5/2018
7/13/2018
11/28/2018
4/5/2019
6/14/2019
6/28/2019
8/28/2019
5/15/2018
7/1/2018
12/1/2018
2/1/2019

11/9/2018
2/22/2019
4/29/2019
6/28/2019
9/27/2019

various

02/26/2018
07/05/2018
07/05/2018
07/13/2018
09/28/2018
10/02/2018
12/04/2018
12/14/2018
12/17/2018
12/28/2018
12/28/2018
01/28/2019
03/15/2019
04/26/2019
04/30/2019
06/28/2019
08/01/2019
08/28/2019
08/28/2019
06/15/2018
03/01/2018
05/01/2018
06/01/2018
06/01/2018
06/01/2018
06/29/2018
08/01/2018
08/01/2018
10/01/2018
11/01/2018
11/01/2018
12/01/2018

Current
Yield to
Wt'd Avg Yield
Rate (%) Maturity (%) Maturity (%)
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1.1762
0.0001473
1.3784
1.3784
0.0008204
1.1800
1.1800
0.0000013
1.2300
1.2300
0.0000320
1.2500
1.2500
0.0001201
1.0300
1.0300
0.0000753
1.3600
1.3600
0.0008512
1.0600
1.0600
0.0025016
1.1600
1.1600
0.0000750
1.0500
1.0500
0.0003336
0.8200
0.8200
0.0005192
0.7800
0.7800
0.0004938
0.8500
0.8500
0.0003588
1.1300
1.1300
0.0007140
1.0300
1.0300
0.0003239
1.4000
1.4000
0.0007368
1.4500
1.4500
0.0004577
1.5000
1.5000
0.0007894
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4.8200
0.0010316
2.1100
2.1100
0.0015657
5.2500
5.2500
0.0005345
3.5000
3.5000
0.0022629
1.66%
1.47%

1.1600
1.21
1.21
1.35
1.15
1.21

1.1762
1.3784
1.1800
1.2300
1.2500
1.0300
1.2033
1.0600
1.0600
1.1600
1.05
0.78
0.82
0.85
0.00
1.25
1.63
1.30
1.38
1.00
1.00
1.38
1.38
1.41
1.43
1.45
1.48
1.50
1.50
0.00
4.09
1.64
2.25
5.05
2.00
1.40
3.92
5.02
1.86
2.00
1.43
1.75

Days To
Maturity
29
40
33
44
37
36
12
1
1
57
186
186
194
332
460
530
544
605
135
182
335
397

Current
Price
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1.000000
1.0000
1.0000
1.0000
1.0000
1.0000
1.0000
1.0000
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0.9957
0.9959
0.9938
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0.9933
0.9929
0.9933
1.0099
1.0004
1.0331
1.0169

1.0000
0.9937
0.9894
0.9895
0.9878
0.9865

1.160
1.210
1.210
1.350
1.150
1.210
1.22%

0.0006
0.0016
0.0027
0.0024
0.0023
0.0024
1.21%

1
313
418
484
544
635

1.1762
1.3784
1.1800
1.2300
1.2500
1.0300
1.2033
1.0600
1.0600
1.1600
1.0500
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29
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33
44
37
36
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1
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186
186
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1.0173
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1.0003
0.9975
0.9987

12/31/2017
Current
Wt'd Avg Days
Par
to Maturity
591,028.86
2,807,914.98
5,106.87
122,585.86
453,282.05
345,112.13
2,953,000.00
11,135,486.33
304,894.70
1,500,000.00
3,000,000.00
3,000,000.00
2,000,000.00
3,000,000.00
1,500,000.00
2,500,000.00
1,500,000.00
2,500,000.00
1,000,000.00
3,500,000.00
465,000.00
3,000,000.00
47,183,411.78
196

581,579.81
1,500,000.00
2,500,000.00
2,000,000.00
2,200,000.00
2,200,000.00
10,981,579.81

583,624.85
39,627,889.47
508,743.71
477,828.69
658,927.06
1,829,845.85
2,960,000.00
5,659,297.25
1,102,111.88
350,258.08
1,500,000.00
3,000,000.00
4,500,000.00
4,500,000.00
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2,000,000.00
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380,000.00
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300,000.00
600,000.00
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615,000.00
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<th>Market Value</th>
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<th>Maturity (%)</th>
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<td>15127F0U5</td>
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<td>150,000.00</td>
<td>150,000.00</td>
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<td>200,000.00</td>
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<td>0.0000</td>
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<td>FEDERAL HOME LOAN BANKS (FHLB)</td>
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<td>200,000.00</td>
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<tr>
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<td>1AB7130</td>
<td>312502R47</td>
<td>FEDERAL HOME LOAN BANKS (FHLB)</td>
<td>200,000.00</td>
<td>200,000.00</td>
<td>200,000.00</td>
<td>0.0010</td>
<td>1.0000</td>
<td>0.0000</td>
<td>617</td>
<td>0.9858</td>
<td>200,000.00</td>
</tr>
</tbody>
</table>

Subtotal and Average: $200,011,421.00

*Texas Term CD Program yields and terms to maturity are blended rates of individual CD’s.

**Brokered CD’s held in Wells Fargo Safekeeping Account. Yields and terms to maturity are blended rates of individual CD’s.
### Summary by Type

<table>
<thead>
<tr>
<th>Number of Investments or Accounts</th>
<th>Book Value</th>
<th>Market Value</th>
<th>% of Portfolio</th>
</tr>
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<tbody>
<tr>
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<td></td>
<td></td>
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<td>2,953,000.00</td>
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<tr>
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<td>11,135,486.33</td>
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<td>304,894.70</td>
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<td>47,147,088.46</td>
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<td>2,960,000.00</td>
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<tr>
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<td>5,659,297.25</td>
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<td>127,143,537.29</td>
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<td>199,551,362.49</td>
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Quarterly Investment Report
September 30, 2017
## Aggregate Portfolio Composition

### Investments

<table>
<thead>
<tr>
<th>Investments</th>
<th>September 30, 2017</th>
<th>% of Portfolio</th>
<th>June 30, 2017</th>
<th>% of Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Bank Deposits</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wells Fargo Choice IV</td>
<td>16,798,195</td>
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<td>13,797,886</td>
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<td>Wells Fargo Bus. Market Rate Public Funds</td>
<td>1,101,928</td>
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<td>1,101,559</td>
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<td><strong>Total</strong></td>
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<td>14,899,445</td>
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<td></td>
</tr>
<tr>
<td>Fidelity Prime MM Inst (FIPXX)</td>
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<td><strong>Total</strong></td>
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<td>29.0</td>
<td>66,369,754</td>
<td>35.6</td>
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<td>7,895,000</td>
<td>4.2</td>
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<td><strong>Local Government Investment Pools</strong></td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>TexSTAR</td>
<td>1,171,400</td>
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<td>1,168,398</td>
<td>0.6</td>
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<tr>
<td>Logic</td>
<td>53,269,336</td>
<td>26.4</td>
<td>28,896,682</td>
<td>15.5</td>
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<td>TexPOOL</td>
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<td>511,163</td>
<td>0.3</td>
</tr>
<tr>
<td>Lone Star</td>
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<td>0.3</td>
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<td>7.5</td>
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<td>TexasCLASS</td>
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<td>TexasTERM - Daily</td>
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<td>0.1</td>
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<td><strong>Total</strong></td>
<td>58,565,242</td>
<td>29.0</td>
<td>66,369,754</td>
<td>35.6</td>
</tr>
<tr>
<td><strong>Municipal Coupon Securities</strong></td>
<td>28,621,623</td>
<td>14.2</td>
<td>13,773,689</td>
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<tr>
<td><strong>Corporate Commercial Paper</strong></td>
<td>1,971,337</td>
<td>1.0</td>
<td>0</td>
<td>-</td>
</tr>
<tr>
<td><strong>Federal Agency Coupon Securities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FANNIE MAE (FNMA)</td>
<td>13,812,452</td>
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<td>13,816,414</td>
<td>7.4</td>
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<tr>
<td>FEDERAL HOME LOAN BANK (FHLB)</td>
<td>17,115,328</td>
<td>8.5</td>
<td>23,650,159</td>
<td>12.7</td>
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<tr>
<td>FEDERAL FARM CREDIT BANK (FFCB)</td>
<td>22,403,875</td>
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<td>FREDDIE MAC (FHLMC)</td>
<td>24,629,071</td>
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<td>FARMER MAC (FAMCA)</td>
<td>8,196,152</td>
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<td>82,034,105</td>
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<td>201,960,937</td>
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<td>186,488,935</td>
<td>100.00</td>
</tr>
</tbody>
</table>

### Portfolio Composition as of 09/30/17

- **Bank Deposits**: 9%
- **Money Market Mutual Funds**: 1%
- **Local Government Investment Pools**: 29%
- **Municipal Coupon Securities**: 14%
- **Corporate Commercial Paper**: 1%
- **Federal Agencies...**: 36%
- **Total**: 100.00%

### Portfolio Composition as of 06/30/17

- **Bank Deposits**: 8%
- **Money Market Mutual Funds**: 1%
- **Local Government Investment Pools**: 36%
- **Municipal Coupon Securities**: 7%
- **Federal Agencies...**: 44%
- **Total**: 100.00%
### Aggregate Portfolio Summary

#### Pooled Cash Fund

<table>
<thead>
<tr>
<th></th>
<th>September 30, 2017</th>
<th>June 30, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Book Value</td>
<td>45,272,915</td>
<td>48,444,528</td>
</tr>
<tr>
<td>Market Value</td>
<td>45,323,719</td>
<td>48,464,480</td>
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<tr>
<td>% of Portfolio</td>
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<td>26.0%</td>
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<tr>
<td>Accrued Interest</td>
<td>127,000</td>
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<td>Cash Receipts - Interest Earned</td>
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<td>57,087</td>
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<td>Weighted Average Maturity (Days)</td>
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<td>228</td>
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<tr>
<td>Wt'd Average Yield to Maturity for Period:</td>
<td>1.46%</td>
<td>1.17%</td>
</tr>
<tr>
<td>Average Yield 1 Year US Treasury Bill for period:</td>
<td>1.31%</td>
<td>1.24%</td>
</tr>
<tr>
<td>Average Yield 6-month Treasury Bill for period:</td>
<td>1.20%</td>
<td>1.12%</td>
</tr>
</tbody>
</table>

#### Pooled Cash Reserves

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<tr>
<th></th>
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<th>June 30, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Book Value</td>
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<td>10,919,054</td>
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<td>1.13%</td>
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<tr>
<td>Average Yield 1 Year US Treasury Bill for period:</td>
<td>1.31%</td>
<td>1.24%</td>
</tr>
<tr>
<td>Average Yield 6-month Treasury Bill for period:</td>
<td>1.20%</td>
<td>1.12%</td>
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</table>
## Aggregate Portfolio Summary

### Enterprise Fund

<table>
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<tbody>
<tr>
<td>Book Value</td>
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<tr>
<td>Average Yield 6-month Treasury Bill for period:</td>
<td>1.20%</td>
<td>1.12%</td>
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### Enterprise Fund Reserves

<table>
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<tr>
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<th>September 30, 2017</th>
<th>June 30, 2017</th>
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<tbody>
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<td>Book Value</td>
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<tr>
<td>Average Yield 6-month Treasury Bill for period:</td>
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<td>1.12%</td>
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# Investments by Fund

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<th>Par Value</th>
<th>Market Value</th>
<th>Maturity Date</th>
<th>Current Rate (%)</th>
<th>Yield to Maturity (%)</th>
<th>Wt'd Avg Yield to Maturity (%)</th>
<th>Days To Maturity</th>
<th>Current Price</th>
<th>Current Value</th>
<th>Wt'd Avg Days To Maturity</th>
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<td>589,395.69</td>
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<td>1.0000</td>
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<td>5,093.03</td>
<td>5,093.03</td>
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<td>1.0000</td>
<td>5,093.03</td>
<td>168,069.69</td>
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<td>122,185.92</td>
<td>122,185.92</td>
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<td>1.2500</td>
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<td>1.0000</td>
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<td>5,376,180.48</td>
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<td>TexasCLASS</td>
<td>Govt Pool - Overnight Fund</td>
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<td>451,773.14</td>
<td>451,773.14</td>
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<td>1.2500</td>
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<td>1.0000</td>
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<td>80,481.71</td>
<td>80,481.71</td>
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<td>1.2500</td>
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<td>3,295,000.00</td>
<td>3,295,000.00</td>
<td>12/22/2017</td>
<td>1.2500</td>
<td>1.2500</td>
<td>0.000020</td>
<td>35</td>
<td>1.0000</td>
<td>3,295,000.00</td>
<td>33,163,846.15</td>
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<tr>
<td></td>
<td>Wells Fargo</td>
<td>Financial Products</td>
<td>6,752,246.73</td>
<td>6,752,246.73</td>
<td>6,752,246.73</td>
<td>12/22/2017</td>
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<td>0.9200</td>
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<td>1.0000</td>
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</table>

## Subtotal and Average

| | | | 45,272,915.13 | 45,272,915.13 | 45,272,915.13 | 1.57% | 1.46% | |

## Total Investments by Fund

<p>| | | | 45,272,915.13 | 45,272,915.13 | 45,272,915.13 | 12,369,467,103.91 | 10,946,626.32 | 10,946,626.32 | 10,859,975.02 | 118,866,626.32 | 1,033,462,626.32 | 511 | 6,053,646,626.32 | 10,946,626.32 | 10,946,626.32 | 10,859,975.02 | 118,866,626.32 | 1,033,462,626.32 | 511 | 6,053,646,626.32 |</p>
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<th>Book Value</th>
<th>Par Value</th>
<th>Market Value</th>
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<th>Yield to Maturity</th>
<th>Wt. Avg Yield to Maturity</th>
<th>Days to Maturity</th>
<th>Current Price</th>
<th>Current Par</th>
<th>Wt. Avg Days to Maturity</th>
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<td>5,000,000.00</td>
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<td>1.500</td>
<td>0.0006</td>
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<tr>
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<td>2,200,000.00</td>
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<table>
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<tr>
<th>Account</th>
<th>Date</th>
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<th>Amount</th>
<th>Amount</th>
<th>Amount</th>
<th>1.28%</th>
<th>1.44%</th>
<th>Subtotal and Average</th>
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<th>14,409,687.29</th>
<th>1.41%</th>
<th>1.64%</th>
<th>$131,461,633.82</th>
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**City of San Marcos, TX**
### Summary by Type

<table>
<thead>
<tr>
<th>Number of Investments or Accounts</th>
<th>Book Value</th>
<th>Market Value</th>
<th>% of Portfolio</th>
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</tr>
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<td><strong>Subtotal</strong></td>
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<td>45,323,718.68</td>
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<td><strong>Pooled Cash - Reserves</strong></td>
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<td>Federal Agency Coupon Securities</td>
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<td><strong>Enterprise - Reserves</strong></td>
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<td>14,409,687.29</td>
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<td><strong>Total</strong></td>
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<td>201,960,937.33</td>
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<td>Adopted Budget</td>
<td>Y-T-D Trend Estimate</td>
<td>Y-T-D Actual</td>
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<td>----------------</td>
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<td>1,213,484</td>
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<tr>
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<td>13,562,586</td>
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<tr>
<td>Water WasterWater Fund</td>
<td>40,403,790</td>
<td>9,701,120</td>
<td>9,037,038</td>
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<tr>
<td>Airport Fund</td>
<td>538,340</td>
<td>125,081</td>
<td>112,576</td>
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<td>Hotel Tax Fund</td>
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<td>902,922</td>
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<td><strong>Total</strong></td>
<td><strong>185,012,870</strong></td>
<td><strong>54,644,359</strong></td>
<td><strong>53,440,067</strong></td>
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<th>Expenditures:</th>
<th>Adopted Budget</th>
<th>Y-T-D Trend Estimate</th>
<th>Y-T-D Actual</th>
<th>% to Budget</th>
<th>Favorable (Unfavorable) $ Variance</th>
<th>% Variance</th>
<th>Q-T-D Trend Estimate</th>
<th>Q-T-D Actual</th>
<th>Favorable (Unfavorable) $ Variance</th>
<th>% Variance</th>
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<td>677,667</td>
<td>3.96%</td>
<td>17,120,254</td>
<td>16,442,587</td>
<td>677,667</td>
<td>3.96%</td>
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<td>24,562</td>
<td>9.09%</td>
<td>270,121</td>
<td>245,559</td>
<td>24,562</td>
<td>9.09%</td>
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<td>2,353,875</td>
<td>16.15%</td>
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<td>12,225,580</td>
<td>2,353,875</td>
<td>16.15%</td>
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<td>Water WasterWater Fund</td>
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<td>502,528</td>
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<td>5,193,208</td>
<td>4,690,679</td>
<td>502,528</td>
<td>9.68%</td>
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<td>(10,225)</td>
<td>‐7.65%</td>
<td>133,643</td>
<td>143,868</td>
<td>(10,225)</td>
<td>‐7.65%</td>
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<td>Hotel Tax Fund</td>
<td>4,263,939</td>
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<td>923,681</td>
<td>21.66%</td>
<td>52,430</td>
<td>5.37%</td>
<td>976,111</td>
<td>923,681</td>
<td>52,430</td>
<td>5.37%</td>
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<td><strong>Total</strong></td>
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<td><strong>38,272,791</strong></td>
<td><strong>34,671,954</strong></td>
<td><strong>3,600,838</strong></td>
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<td></td>
<td></td>
</tr>
</tbody>
</table>

GTD / YTD Sales tax up from trend; timing of collection on external franchise fees & other agencies
GTD / YTD due to mild weather, lower consumption & PCRF adj
YTD revenues are reflecting the slight decrease due to mild weather but increases towards summer months
MTD / YTD hotel tax trend leveling out, summer months increase to increase rcpts
MTD timing of collection on airport leases
GTD/YTD timing of payments on contracts, new FTE’s in FY18 budget are in hiring process
MTD / YTD - timing of payments on contracts
GTD / YTD due to lower consumption, Purchase of Power is down; LCRA adj rates
GTD-timing of payments on contracts, new FTE’s in FY18 budget are in hiring process
GTD / YTD - timing of payments on contracts

City of San Marcos
2017‐18 Revenue & Expenditure Analysis
December 31, 2018
AGENDA CAPTION:
Consider approval, by motion, of the following meeting Minutes:
A) March 20, 2018 - Work Session Minutes
B) March 20, 2018 - Regular Meeting Minutes
Meeting date: 4/3/2018

Department: City Clerk

Amount & Source of Funding
Funds Required: N/A
Account Number: N/A
Funds Available: N/A
Account Name: N/A

Fiscal Note:
Prior Council Action: Approval of Previous Meeting Minutes

City Council Goal: [Please select goal from dropdown menu below]
Choose an item.

Comprehensive Plan Element(s): [Please select the Plan element(s) and Goal # from below]
☐ Economic Development Choose an item.
☐ Environment & Resource Protection Choose an item.
☐ Land Use Choose an item.
☐ Neighborhoods & Housing Choose an item.
☐ Parks, Public Spaces & Facilities Choose an item.
☐ Transportation Choose an item.
☒ Not Applicable

Master Plan: [Please select the corresponding Master Plan from the dropdown menu below (if applicable)]
Choose an item.
Background Information:
The following minutes are attached for review:
A) March 20, 2018 - Work Session Minutes  
B) March 20, 2018 - Regular Meeting Minutes

Council Committee, Board/Commission Action: Click or tap here to enter text.

Alternatives:

Recommendation: Approve Minutes as attached
I. Call To Order

With a quorum present, the regular meeting of the San Marcos City Council was called to order by Mayor Thomaides at 6:02 p.m. Tuesday, March 20, 2018 in the City Council Chambers, 630 E. Hopkins, San Marcos, Texas 78666.

II. Roll Call

Present: 7 - Mayor Pro Tem Lisa Prewitt, Council Member Saul Gonzales, Deputy Mayor Pro Tem Scott Gregson, Council Member Melissa Derrick, Council Member Jane Hughson, Mayor John Thomaides and Council Member Ed Mihalkanin

III. Invocation

A moment of silence was observed.

IV. Pledges Of Allegiance - United States And Texas

Gael Valdez, a 1st grade student at San Marcos Texas Preparatory School, led the assembly in the Pledges of Allegiance.

Following the pledges, City Manager Bert Lumbreras introduced Tyler Hjorth, the new Assistant Director of Public Services Electric Division and Melissa Neel, the new Assistant Finance Director.

The City Manager also presented the Engineering Department with the 2018 Floodplain Excellence Management Award.

EXECUTIVE SESSION

1. Consider action, by motion, or provide direction to Staff regarding the following Executive Session item in accordance with Local Government Code Section § 551.074 - Personnel Matters: Discuss and review Appointee Evaluation Goals for the City Manager, City Attorney, and City Clerk.

   City Council provided direction during Executive Session.

V. 30 Minute Citizen Comment Period
Roland Saucedo, 211 Ebony, on behalf of the Sunset Acres neighborhood he expressed his gratitude to the City Manager and Staff for beginning the first step of the drainage project. He also thanked them for the sidewalks in the neighborhood. Kids are now able to ride their bikes and people are utilizing these sidewalks. He also expressed his gratitude for the outreach effort in regards to making the parks and facilities more accessible to handicap individuals. This allows these citizens to access all the treasures our city offers.

PRESENTATIONS

2. Receive the City of San Marcos' Comprehensive Annual Financial Report (CAFR) for the Fiscal Year ended September 30, 2017 from the City’s audit firm ABIP, P.C.

The audit of the City’s annual financial statements has been completed by ABIP, P.C. Janet Pitman, shareholder with the firm, presented the results of the audit and the City’s financial position as of September 30, 2017.

CONSENT AGENDA

A motion was made by Deputy Mayor Pro Tem Gregson, seconded by Council Member Mihalkanin, to approve the Consent Agenda with the exception of item #4 which was pulled and considered separately. The motion carried by the following vote:

For: 7 - Mayor Pro Tem Prewitt, Council Member Gonzales, Deputy Mayor Pro Tem Gregson, Council Member Derrick, Council Member Hughson, Mayor Thomaides and Council Member Mihalkanin

Against: 0

3. Consider approval, by motion, of the following meeting Minutes:
   A) March 6, 2018 - Work Session Minutes
   B) March 6, 2018 - Regular Meeting Minutes

4. Consider approval of Resolution 2018-37R, approving the Professional Engineering Agreement between the City and Halff Associates Inc. for the Blanco Riverine Community Development Block Grant - Disaster Recovery (CDBG-DR) and Texas Water Development Board (TWDB) Project in the estimated amount of $683,518.00; and contingent upon the provision of sufficient insurance in accordance with the attached agreement; authorizing the City Manager or his designee to execute this agreement on behalf of the City; and declaring an effective date.

A motion was made by Mayor Pro Tem Prewitt, seconded by Deputy Mayor Pro Tem Gregson, to approve Resolution 2018-37R. The motion carried by the following vote:

For: 7 - Mayor Pro Tem Prewitt, Council Member Gonzales, Deputy Mayor Pro Tem Gregson, Council Member Derrick, Council Member Hughson, Mayor Thomaides and Council Member Mihalkanin
5. Consider approval of Resolution 2018-38R, approving the purchase of water meters and registers from Aqua Metric Sales Company in the estimated amount of $3,248,801.50 over five years; authorizing the City Manager or his designee to execute the appropriate purchase documents on behalf of the City; and declaring an effective date.

6. Consider approval of Resolution 2018-39R, approving the renewal of the contract with Matchpoint Water Asset Management, Inc. for Leak Detection Services for an additional one-year term in the amount of $26,475.00 making the total value of the contract $52,950.00; authorizing the City Manager or his designee to execute the appropriate documents related to the renewal of this agreement; and declaring an effective date.

7. Consider approval of Resolution 2018-40R, approving a contract with TXI Operations, LP, d/b/a Martin Marietta for the sale of reclaimed water; authorizing the City Manager to execute the appropriate documents related to this contract on behalf of the City and declaring an effective date.

8. Consider approval of Resolution 2018-41R, approving the award of a construction contract to Santa Clara Construction, Ltd. for the Cheatham Street Waterline Bore Improvements project in the amount of $527,775.00 contingent upon the contractor’s timely submission of sufficient bonds and insurance in accordance with the City’s construction contract documents for the project; authorizing the City Manager or his designee to execute all contract documents on behalf of the City and declaring an effective date.

NON-CONSENT AGENDA

9. Consider approval of Resolution 2018-42R, approving and authorizing the City Manager to execute a wholesale electric power purchase agreement with AEP Energy Partners, Inc. to supply wind energy to the San Marcos Electric Utility; declaring the agreement to be a competitive matter of the San Marcos Electric Utility under Section 552.133 of the Texas Government Code; and declaring an effective date.

A motion was made by Mayor Thomaides, seconded by Deputy Mayor Pro Tem Gregson, to approve Resolution 2018-42R. The motion carried by the following vote:

For: 7 - Mayor Pro Tem Prewitt, Council Member Gonzales, Deputy Mayor Pro Tem Gregson, Council Member Derrick, Council Member Hughson, Mayor Thomaides and Council Member Mihalkanin

Against: 0

10. Discuss and consider appointments to fill two vacancies on the Library Board, and provide direction to Staff.

The following applicants were nominated for consideration to serve on the
Library Board:
Lauren Mikiten - nominated by Council Member Derrick
Kathryn Brade - nominated by Council Member Hughson

Following a roll call vote both members were unanimously approved for appointment to the Library Board.

VI. Question and Answer Session with Press and Public.

None.

VII. Adjournment.

Mayor Thomaides adjourned the Regular Meeting of the San Marcos City Council at 6:40 p.m.

Jamie Lee Case, TRMC, City Clerk                                  John Thomaides, Mayor

Notice of Assistance at the Public Meetings

The City of San Marcos does not discriminate on the basis of disability in the admission or access to its services, programs, or activities. Individuals who require auxiliary aids and services for this meeting should contact the City of San Marcos ADA Coordinator at 512-393-8000 (voice) or call Texas Relay Service (TRS) by dialing 7-1-1. Requests can also be faxed to 855-461-6674 or sent by e-mail to ADArequest@sanmarcostx.gov
AGENDA CAPTION:
Consider approval of Resolution 2018-43R, approving the conveyance of an easement on City property along State Highway 21 and the San Marcos Regional Airport to Pedernales Electric Cooperative, Inc. in order to provide a backup route for power which serves the Airport; authorizing the City Manager to execute deeds as necessary to convey such property to Pedernales Electric Cooperative, Inc. on behalf of the City; and declaring an effective date.
Meeting date: 4/3/2018

Department: Engineering and Capital Improvements

Amount & Source of Funding
Funds Required: $0.00
Account Number: Click or tap here to enter text.
Funds Available: Click or tap here to enter text.
Account Name: Click or tap here to enter text.

Fiscal Note:
Prior Council Action: None

City Council Goal: [Please select goal from dropdown menu below]
Goal #5 Maintain & Improve City’s Infrastructure
Choose an item.
Choose an item.

Comprehensive Plan Element(s): [Please select the Plan element(s) and Goal # from dropdown menu below]
☐ Economic Development - Choose an item.
☐ Environment & Resource Protection - Choose an item.
☒ Land Use - Direct Growth, Compatible with Surrounding Uses
☐ Neighborhoods & Housing - Choose an item.
☐ Parks, Public Spaces & Facilities - Choose an item.
☐ Transportation - Choose an item.
☐ Not Applicable
Background Information:
This resolution authorizes the conveyance of easements on City property to the Pedernales Electric Cooperative (PEC), Inc. in exchange for a redundant power feed to the Airport.

The Airport is served by PEC with a one way feed from the west side of Airport Drive. After a series of power outages, City staff approached PEC and requested a redundant power feed due to the critical nature of the services provided by the Airport. PEC indicated they can provide a backup feed from the east side of Airport drive, at no cost to the City, if the City donates an electrical easement. This resolution approves the donation of the easement to PEC.

Council Committee, Board/Commission Action:
Click or tap here to enter text.

Alternatives:
Click or tap here to enter text.

Recommendation:
Staff recommend approval of this resolution.
RESOLUTION NO. 2018- R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS GRANTING AN EASEMENT TO PEDERNALES ELECTRIC COOPERATIVE, INC. FOR THE INSTALLATION OF ELECTRIC UTILITY FACILITIES TO SERVE THE SAN MARCOS REGIONAL AIRPORT; AUTHORIZING THE CITY MANAGER TO EXECUTE THE EASEMENT ON BEHALF OF THE CITY; AND DECLARING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS:

PART 1. The attached Utility Easement to Pedernales Electric Cooperative, Inc. for the installation of electric utility facilities to serve the San Marcos Regional Airport is hereby approved.

PART 2. The City Manager is authorized to execute said Easement on behalf of the City.

PART 3. This Resolution shall be in full force and effect immediately from and after its passage.

ADOPTED on April 3, 2018.

John Thomaides
Mayor

Attest:

Jamie Lee Case
City Clerk
THE STATE OF TEXAS §
COUNTY OF CALDWELL §

That The City of San Marcos, of Hays and Caldwell Counties, Texas, for and in consideration of ONE DOLLAR ($1.00) paid by PEDERNALES ELECTRIC COOPERATIVE, INC. of Johnson City, Texas, have granted, sold, and conveyed and by these presents do grant, sell, and convey unto Pedernales Electric Cooperative, Inc. an easement and right-of-way as hereinafter described for the purpose of an electric distribution line consisting of variable number of wires both overhead and underground, and all necessary or desirable appurtenances (including poles made of wood, metal or other materials, communication wire, props, guys, concrete pads, ground rods, ground clamps, transformers, cable terminators, cable riser shields, cutouts and lightning arrestors over ground along with conduits, primary cables, secondary conductors and ground rods underground), over, the following described lands located in Caldwell County, Texas, to-wit:

Being a two (2) tracts of land recorded in Volume 313, Page 463 and Document #134724 of the Official Public Records of Caldwell County, Texas.

Easement hereby conveyed shall consist of:

- See attached Exhibit “A”.

Together with the right of ingress and egress over our adjacent lands to or from said right-of-way for the purpose of constructing, reconstructing, inspecting, patrolling, hanging new wire on, maintaining and removing said lines and appurtenances; the right to relocate within the limits of said right-of-way; the right to remove from said easement all trees and parts thereof, or other obstructions which endanger or may interfere with the efficiency of said lines or their appurtenances.

TO HAVE AND TO HOLD the above described easement and rights unto Pedernales Electric Cooperative, Inc. and their successors and assigns, until said line shall be abandoned.

And we do hereby bind ourselves, our heirs and legal representatives to warrant and forever defend all and singular the above described easement and rights unto Pedernales Electric Cooperative, Inc. their successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

(SIGN AND NOTARIZE ON SECOND PAGE)

WITNESS my hand this _______ day of _____________, 2018.
THE STATE OF TEXAS
COUNTY OF CALDWELL

BEFORE ME, the undersigned authority, on this day personally appeared ____________, ________________, for The City of San Marcos, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same as the act and deed of The City of San Marcos, as ________________, thereof, and for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of ________, 2018.

________________________________________
Notary Public in and for
The State of Texas

Please Return to:
Pedernales Electric Cooperative
Attn: Mike Moore
P. O. Box 100
Kyle, Texas 78640
FIELDNOTE DESCRIPTION
1.32 ACRE ELECTRIC EASEMENT

BEING A 1.32 ACRE ELECTRIC EASEMENT SITUATED IN THE WILLIAM PETTUS TWO LEAGUE GRANT SURVEY, CALDWELL COUNTY, BEING OUT OF A CALLED 42.29 ACRE TRACT, RECORDED IN DOCUMENT NUMBER 134724, AND OUT OF THE REMAINDER OF A CALLED 1303.055 ACRE TRACT, RECORDED IN VOLUME 313, PAGE 463, OFFICIAL PUBLIC RECORDS, CALDWELL COUNTY, TEXAS, SAID 1.32 ACRE ELECTRIC EASEMENT BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING, AT A FOUND 3/8" IRON ROD IN THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF STATE HIGHWAY 21, FOR THE WESTERLY CORNER OF SAID 42.29 ACRE TRACT;

THENCE, ALONG SAID RIGHT-OF-WAY LINE, N 49°53'20" E, A DISTANCE OF 270.72 FEET TO A POINT;

THENCE, LEAVING SAID RIGHT OF WAY, OVER AND ACROSS SAID 42.29 ACRE TRACT, THE FOLLOWING COURSES:

N 50°06'41" E, A DISTANCE OF 1203.38 FEET TO A POINT;

N 50°06'56" E, A DISTANCE OF 40.00 FEET TO A POINT;

S 39°53'04" E, A DISTANCE OF 10.00 FEET TO A POINT;

S 50°06'56" W, A DISTANCE OF 34.87 FEET TO A POINT;

S 39°52'02" E, A DISTANCE OF 35.00 FEET TO A POINT;

S 50°07'58" W, A DISTANCE OF 10.00 FEET TO A POINT;

N 39°52'02" W, A DISTANCE OF 35.00 FEET TO A POINT;

S 50°06'41" W, A DISTANCE OF 1198.49 FEET TO A POINT;

S 49°53'20" W, A DISTANCE OF 270.81 FEET TO A POINT IN THE SOUTHWESTERLY LINE OF SAID 42.29 ACRE TRACT;

THENCE, OVER AND ACROSS THE AFOREMENTIONED REMAINDER OF A CALLED 1303.55 ACRE TRACT, THE FOLLOWING COURSES:

S 51°10'39" W, A DISTANCE OF 1108.55 FEET TO A POINT;

S 49°46'42" W, A DISTANCE OF 327.45 FEET TO A POINT;

N 66°18'43" W, A DISTANCE OF 2.91 FEET TO A POINT;

S 52°09'50" W, A DISTANCE OF 241.12 FEET TO A POINT;

S 51°13'23" W, A DISTANCE OF 388.57 FEET TO A POINT;

S 50°03'17" W, A DISTANCE OF 80.42 FEET TO A POINT;

S 49°23'52" W, A DISTANCE OF 1143.12 FEET TO A POINT;
S 43°01'08" W, A DISTANCE OF 49.27 FEET TO A POINT;
S 48°50'29" W, A DISTANCE OF 827.25 FEET TO A POINT;
S 46°29'37" E, A DISTANCE OF 24.50 FEET TO A POINT;
S 43°30'23" W, A DISTANCE OF 10.00 FEET TO A POINT;
N 46°29'37" W, A DISTANCE OF 35.48 FEET TO A POINT;
N 48°50'29" E, A DISTANCE OF 837.71 FEET TO A POINT;
N 43°01'08" E, A DISTANCE OF 49.32 FEET TO A POINT;
N 49°23'52" E, A DISTANCE OF 1143.74 FEET TO A POINT;
N 50°03'17" E, A DISTANCE OF 80.58 FEET TO A POINT;
N 51°16'04" E, A DISTANCE OF 194.41 FEET TO A POINT;
N 51°10'41" E, A DISTANCE OF 194.34 FEET TO A POINT;
N 52°09'50" E, A DISTANCE OF 247.15 FEET TO A POINT;
S 66°18'43" E, A DISTANCE OF 2.62 FEET TO A POINT;
N 49°46'42" E, A DISTANCE OF 321.33 FEET TO A POINT IN THE AFOREMENTIONED SOUTHEASTERLY RIGHT-OF-WAY LINE OF STATE HIGHWAY 21;

THENCE, ALONG THE SAID RIGHT-OF-WAY LINE, N 51°10'39" E, A DISTANCE OF 1108.56 FEET TO THE POINT OF BEGINNING, CONTAINING AN AREA OF 1.32 ACRES OF LAND MORE OR LESS.

A SURVEY EXHIBIT WAS PREPARED ON THIS SAME DATE. BASIS OF BEARING IS NAD 83 TEXAS STATE PLANE COORDINATES, SOUTH CENTRAL ZONE.

I, RICHARD A. GOODWIN, A REGISTERED PROFESSIONAL LAND SURVEYOR, DO HEREBY CERTIFY THAT THE PROPERTY DESCRIBED HEREIN WAS DETERMINED FROM A SURVEY MADE ON THE GROUND UNDER MY DIRECTION AND SUPERVISION.

RICHARD A. GOODWIN
R.P.L.S. #4069 STATE OF TEXAS
P.O. BOX 970
SPRING BRANCH, TEXAS 78070
TBPLS FIRM #10044200

STATE OF TEXAS
REGISTERED
PROFESSIONAL
LAND SURVEYOR

RICHARD A. GOODWIN
4069
AGENDA CAPTION:
Consider approval of Resolution 2018-44R, approving an agreement between the City and Doucet and Associates, Inc., for the provision of professional services in connection with the Old Bastrop Road - Rattler Road to Centerpoint Road 16” Water Line in an amount not to exceed $93,539.00, contingent upon the engineer’s provision of sufficient insurance in accordance with the attached agreement; authorizing the City Manager or his designee to execute this agreement on behalf of the City; and declaring an effective date.
Meeting date: 4/3/2018

Department: Engineering and Capital Improvements

Amount & Source of Funding
Funds Required: $93,539.00
Account Number: C142
Funds Available: $100,000
Account Name: Old Bastrop - Rattler to Centerpoint

Fiscal Note:
Prior Council Action: Click or tap here to enter text.

City Council Goal: [Please select goal from dropdown menu below]
Goal #5 Maintain & Improve City’s Infrastructure
Choose an item.
Choose an item.

Comprehensive Plan Element(s): [Please select the Plan element(s) and Goal # from dropdown menu below]
☐ Economic Development - Choose an item.
☐ Environment & Resource Protection - Choose an item.
☒ Land Use - Direct Growth, Compatible with Surrounding Uses
☐ Neighborhoods & Housing - Choose an item.
☐ Parks, Public Spaces & Facilities - Choose an item.
☐ Transportation - Choose an item.
☐ Not Applicable
File #: Res. 2018-44R, Version: 1

Master Plan: [Please select the corresponding Master Plan from the dropdown menu below (if applicable)]

Water Master Plan

Background Information:
Hays County approached the City about a road widening project along Old Bastrop Road from Rattler Road to Centerpoint. City staff reviewed the project limits for conflicts and identified a 6,200 feet of 16” water main that is required by the Water Master plan. City Staff met with County Staff and both parties agreed to build the water main with the County project.

The City will hire the same design firm being used by the County and they will design the water main concurrently with the road widening project. The County will construct the water main with the road widening project. In the future, staff will submit an interlocal agreement for Council review which will allow the joint-construction work to occur.

City staff will adjust the 2019 CIP to account for this project moving up on the schedule.

Council Committee, Board/Commission Action:
Click or tap here to enter text.

Alternatives:
Click or tap here to enter text.

Recommendation:
Staff recommends approval of this agreement.
RESOLUTION 2018-R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS, APPROVING THE AWARD OF AN ENGINEERING SERVICES CONTRACT TO DOUCET AND ASSOCIATES, INC. FOR THE OLD BASTROP ROAD - RATTLER ROAD TO CENTERPOINT ROAD 16” WATER LINE PROJECT, IN THE ESTIMATED AMOUNT OF $93,539.00 CONTINGENT UPON THE CONTRACTOR’S TIMELY SUBMISSION OF SUFFICIENT BONDS AND INSURANCE; AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO EXECUTE THE APPROPRIATE DOCUMENTS RELATED TO THE RENEWAL OF THIS AGREEMENT; AND DECLARING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS:

PART 1. The award of an engineering services contract to Doucet And Associates, Inc. for the Old Bastrop Road - Rattler Road To Centerpoint Road 16” Water Line Project, in the estimated amount of $93,539.00 contingent upon the contractor’s timely submission of sufficient bonds and insurance is approved.

PART 2. The City Manager, or his designee, is authorized to execute the appropriate documents related to the renewal of this Agreement on behalf of the City.

PART 3. This resolution shall be in full force and effect immediately from and after its passage.

ADOPTED this the day of 2018

John Thomaides
Mayor

Attest:

Jamie Lee Case
City Clerk
AGREEMENT BETWEEN
THE CITY OF SAN MARCOS AND
PROFESSIONAL FIRM FOR
ENGINEERING SERVICES

This Agreement is made as of ___________, 20____ (the “Effective Date”), by and between:

The Owner: The City of San Marcos, Texas

and

The Professional Firm: Doucet and Associates, Inc.

for

The Project: Old Bastrop Road – Rattler Road to Centerpoint Road 16” Water Line

Owner Standard Terms and Conditions: Parties have read and agree to be bound by the General Terms and Conditions found at http://www.sanmarcostx.gov/DocumentCenter/Home/View/6608.

Further;

The Owner and the Professional Firm agree as follows:

ARTICLE 1
PROFESSIONAL FIRM’S SERVICES

Professional Firm agrees to perform the services specifically described in Exhibit 1 and all other professional services reasonably inferable from Exhibit 1 and necessary for complete performance of Professional Firm’s obligations under this Agreement (collectively, “Professional Firm’s Services”). To the extent of any conflict between the terms in Exhibit 1 and this Agreement, the terms of this Agreement shall prevail.

ARTICLE 2
PROFESSIONAL FIRM’S RESPONSIBILITIES

Professional Firm agrees to use Professional Firm's best efforts, skill, judgment, and abilities so as to perform Professional Firm's Services in an expeditious and timely manner consistent with professional standards of care and the orderly progress of the Project. Professional Firm shall at all times provide sufficient personnel to accomplish Professional Firm's Services in a timely manner. Professional Firm shall manage its services, administer the Project and coordinate other professional services as necessary for the complete performance of Professional Firm’s obligations under this Agreement.

Professional Firm agrees to perform Professional Firm's Services in compliance with all applicable national, federal, state, municipal, and State of Texas laws, regulations, codes, ordinances, orders and with those of any other body having jurisdiction over the Project.
Professional Firm's Services shall be reasonably accurate and free from material errors or omissions. Professional Firm shall promptly correct any known or discovered error, omission, or other defect in the plans, drawings, specifications, or other services provided by Professional Firm without any additional cost or expense to Owner.

Professional Firm shall designate a representative primarily responsible for Professional Firm's Services under this Agreement. The designated representative shall act on behalf of Professional Firm with respect to all phases of Professional Firm's Services and shall be available as required for the benefit of the Project and Owner. The designated representative shall not be changed without prior approval of the Owner, which approval shall not be unreasonably withheld.

The Professional Firm shall carry such professional liability and errors and omissions insurance, covering the services provided under this Agreement, with a minimum limit of $1,000,000 each claim and $1,000,000 aggregate. The fees for such insurance will be at the expense of the Professional Firm. The Professional Firm shall deliver a Certificate of Insurance indicating the expiration date, and existence, of the Professional Firm’s professional liability insurance before commencement or continuation of performance of the services under this Agreement.

ARTICLE 3
THE OWNER'S RESPONSIBILITIES

The Owner shall provide the Professional Firm with a full description of the requirements of the Project.

The Owner shall furnish surveys, geotechnical reports or other special investigations of the Project site as requested by the Professional Firm and as reasonably necessary for the completion of Professional Firm’s Services. The Owner shall furnish structural, mechanical, chemical and other laboratory tests as reasonably required.

The Owner will review the Professional Firm's drawings, specifications and other documents of service produced by Professional Firm’s in the performance of its obligations under this Agreement (collectively the “Design Documents”) as required. Owner will notify Professional Firm of any design fault or defect in Professional Firm’s Services or Design Documents of which Owner becomes aware.

The Owner shall furnish required information and services and shall render approvals and decisions as expeditiously as necessary for the orderly progress of Professional Firm's Services.

The Owner designates Shaun Condor, PE, PMP, as its representatives authorized to act in the Owner's behalf with respect to the Project. The contact information for Owner’s representative is listed below:

Name: Shaun Condor, PE, PMP
Title: Senior Project Engineer
630 East Hopkins
ARTICLE 4
OWNERSHIP AND USE OF DOCUMENTS

The Design Documents prepared by Professional Firm as instruments of service are and shall remain the property of the Professional Firm whether the Project for which they are created is executed or not. However, the Owner shall be permitted to retain copies, including reproducible copies, of the Design Documents for information and reference in connection with the Owner’s use and occupancy of the Project. In addition, Owner shall have an irrevocable, paid-up, perpetual license and right, which shall survive the termination of this Agreement, to use the Design Documents and the ideas and designs contained in them for any purpose, with or without participation of the Professional Firm.

ARTICLE 5
DISPUTE RESOLUTION

If a dispute arises out of or relates to the Agreement or these Terms and Conditions, or a breach thereof, the parties agree to negotiate prior to prosecuting a suit for damages. However, this section does not prohibit the filing of a lawsuit to toll the running of a statute of limitations or to seek injunctive relief. Either party may make a written request for a meeting within fourteen (14) calendar days after receipt of the request or such later period as agreed by the parties. Each party shall include, at a minimum, one (1) senior level individual with decision-making authority regarding the dispute. The purpose of this and any subsequent meeting is to attempt in good faith to negotiate a resolution of the dispute. If, within thirty (30) calendar days after such meeting, the parties have not succeeded in negotiating a resolution of the dispute, they will proceed directly to mediation as described below. Negotiation may be waived by a written agreement signed by both parties, in which event the parties may proceed directly to mediation as described below.

If the efforts to resolve the dispute through negotiation fail, or the parties waive the negotiation process, the parties may select, within thirty (30) calendar days, a mediator trained in mediation skills to assist with resolution of the dispute. Should they choose this option, the Owner and the Professional Firm agree to act in good faith in the selection of the mediator and to give consideration to qualified individuals nominated to act as mediator. Nothing in the Contract prevents the parties from relying on the skills of a person who is trained in the subject matter of the dispute or a contract interpretation expert. The parties agree to participate in mediation in good faith for up to thirty (30) calendar days from the date of the first mediation session. The Owner and Professional Firm will share the mediator’s fees equally and the parties will bear their own costs of participation such as fees for any consultants or attorneys they may utilize to represent them or otherwise assist them in the mediation.

ARTICLE 6
PROJECT TERMINATION OR SUSPENSION

This Agreement may be terminated by either party upon seven days written notice should the other party fail substantially to perform in accordance with its terms through no fault of the terminating party and such failure is not fully cured in the seven day notice period. This Agreement may be terminated by the Owner for any reason upon 15 days written notice to Professional Firm.
In the event of termination through no fault of the Professional Firm, Professional Firm shall be equitably compensated for all Professional Firm Services performed and Reimbursable Expenses incurred prior to termination in accordance with this Agreement.

ARTICLE 7
MISCELLANEOUS PROVISIONS

Entire Agreement. This Agreement supersedes all prior agreements, written or oral, between Professional Firm and Owner and constitutes the entire and integrated Agreement and understanding between the parties with respect to the subject matter of the Agreement. This Agreement may only be amended by a written instrument signed by both parties.

Assignment. This Agreement is a personal service contract for the services of Professional Firm, and Professional Firm’s interest in this Agreement, duties hereunder and/or fees due hereunder may not be assigned or delegated to a third party.

Applicable Law. The Agreement will be governed by and construed under the laws of the State of Texas. Any controversy, claim or dispute arising out of or relating to this Agreement will be brought in a state court of competent jurisdiction in Hays County or, if in federal court, in the Federal Western District of Texas, Austin Division for trial.

Waiver. A delay or omission by either party in exercising any right or power under the Agreement shall not be construed as a waiver of that right or power. A waiver by either party of any term or condition of the Agreement shall not be construed as a waiver of any subsequent breach of that term or condition or of any other term or condition of the Agreement.

Severability. If any provision of this Agreement is determined to be invalid or unenforceable in any respect, that determination shall not affect any other provision of this Agreement which shall be interpreted as if the invalid or unenforceable provision had not been included.

Independent Contractor. Professional Firm recognizes that Professional Firm is engaged as an independent contractor and acknowledges that Owner shall have no responsibility to provide Professional Firm or its employees with any benefits normally associated with employee status. Professional Firm will neither hold itself out as nor claim to be an officer, partner, employee or agent of Owner.

Family Code Child Support Certification. If State funds are being used in the procurement of the services described in Exhibit A, pursuant to Section 231.006, Texas Family Code, Professional Firm certifies that it is not ineligible to receive the award of or payments under this Agreement and acknowledges that this Agreement may be terminated and payment may be withheld if this certification is inaccurate.

Prohibition on Contracts with Companies Boycotting Israel. Pursuant to Chapter 2270 and 808, Texas Government Code, Professional Firm certifies that is not ineligible to receive the award of or payments under the Agreement and acknowledges that the Agreement may be terminated and payment may be withheld if this certification is inaccurate. Failure to meet or maintain the requirements under this provision will be considered a material breach.
Section 2252 Compliance. Section 2252 of the Texas Government Code restricts the Owner from contracting with companies that do business with Iran, Sudan, or a foreign terrorist organization. Professional Firm hereby certifies that it is not ineligible to receive the award of or payments under this Agreement. Failure to meet or maintain the requirements under this provision will be considered a material breach.

Proprietary Interests. All information owned, possessed or used by Owner which is communicated to, learned, developed or otherwise acquired by Professional Firm in the performance of services for Owner, which is not generally known to the public, shall be confidential and Professional Firm shall not disclose any such confidential information, unless required by law. Professional Firm shall not announce or advertise its engagement by Owner in connection with the Project or publicly release any information regarding the Project without the prior written approval of Owner.

Termination Due to Loss of Funding. If Owner funds are utilized to fund any part of this Agreement, the Professional Firm understands that those Owner funds for the payment for work performed by the Professional Firm under this Agreement have been provided through the Owner’s budget approved by Owner Council for the current fiscal year only. State statutes prohibit the obligation and expenditure of public funds beyond the fiscal year for which a budget has been approved. The Owner cannot guarantee the availability of funds, and enters into this Agreement only to the extent such funds are made available. The Professional Firm acknowledges and agrees that it will have no recourse against the Owner for its failure to appropriate funds for the purposes of this Agreement in any fiscal year other than the year in which this Agreement was executed. The fiscal year for the Owner extends from October 1st of each calendar year to September 30th of the following calendar year.

Ethics Matters; No Financial Interest. Professional Firm and its employees, agents, representatives, and subcontractors have read and understand Owner’s Ethics Policy available at http://www.sanmarcostx.gov/380/Ethics, and applicable state ethics laws and rules. Neither Professional Firm nor its employees, agents, representatives or subcontractors will assist or cause Owner employees to violate Owner’s Conflicts of Interest Policy, provisions described by Owner’s Standards of Conduct Guide, or applicable state ethics laws or rules. Professional Firm represents and warrants that no member of the City Council of San Marcos has a direct or indirect financial interest in the transaction that is the subject of this Agreement.

Subcontracting. The Professional Firm will not subcontract any work under this Agreement without prior written approval from the Owner. In the event approval is given by the Owner, the Professional Firm will specify any work or services, the appropriate insurance requirements and miscellaneous provisions by separate written agreement with the subcontractor.

Mutual Waiver of Consequential Damages. In no event shall either party be liable, whether in contract or tort or otherwise, to the other party for loss of profits, delay damages, or for any special incidental or consequential loss or damage of any nature arising at any time or from any cause whatsoever.

Texas Tax Code 171.1011(g)(3). Notwithstanding anything in this agreement and for the purpose of complying with Texas Tax Code 171.1011(g)(3), the City agrees to the following:
(1) Prior to commencing performance under this Agreement, Professional Firm will provide the City with a list of proposed subconsultants, subcontractors, or agents to be used in
Professional Firm’s services under this Agreement. The City shall have the right to accept or reject the use of any subconsultant, subcontractor, or agent on the Professional Firm’s list. Such acceptance or rejection shall be given within a commercially reasonable time from the date the Professional Firm delivers it. and;

(2) Any payment made by the Owner to Professional Firm that includes fees payable to a subconsultant, subcontractor or agent of Professional Firm under this Agreement shall constitute an acceptance by the Owner of Professional Firm’s use of any such subconsultant, subcontractor or agent of Professional Firm under this Agreement.

**Limitation of Liability.** In recognition of the relative risks and benefits of the Agreement to both the Owner and Professional Firm, to the fullest extent permitted under applicable law, Owner agrees that Professional Firm’s total liability for any and all claims, losses, costs, damages, or expenses including, without limitation, reasonable attorneys' fees and costs, of any nature whatsoever, shall not exceed the Professional Firm’s total fee under the Agreement. It is intended that this limitation of liability shall apply to any and all liability or cause of action, whether in contract, warranty, tort, or otherwise, however alleged or arising.

**Force Majeure.** Professional Firm shall have no liability for any delay caused by an event of force majeure, the Owner or any of its consultant's or contractors, or circumstances outside of its reasonable control.

**Termination for Convenience.** The Owner may terminate the Agreement at any time upon 30-calendar days notice in writing to Professional Firm. Upon receipt of such notice, Professional Firm shall, unless the notice directs otherwise, discontinue all services in connection with the performance of the Agreement. As soon as practicable after the receipt of notice of termination, Professional Firm shall submit a statement to the appropriate department(s) showing in detail the services performed or items delivered under the Agreement to date of termination. The Owner agrees to compensate the Professional Firm for that portion of the prescribed charges for which the services were actually performed or items delivered under the Agreement and not previously paid.

**Notices.** All notices referenced in this Agreement shall be provided in writing. Notices shall be deemed effective when delivered by hand delivery or on the third business day after the notice is deposited in the U.S. Mail. Notices shall be sent to the following addresses:
ARTICLE 8
REIMBUSABLE EXPENSES

Reimbursable Expenses are in addition to Compensation for Professional Firm’s Services and include actual and reasonable expenses incurred by the Professional Firm, that are (i) outside the services listed in Exhibit 1; and (ii) solely and directly in connection with the performance of Professional Firm’s Services. Such Reimbursable Expenses must be approved in writing by the Owner and may include the following:

Expense of transportation (coach class air travel only) and living expenses in connection with out-of-state travel as directed and approved in advance by the Owner. Transportation and living expenses incurred within the State of Texas are not reimbursable unless expressly approved by the Owner in advance.

Fees paid for securing approval of authorities having jurisdiction over the Project.

Professional models and renderings if requested by the Owner.

Reproductions, printing, binding, collating and handling of reports, and drawings and specifications or other project-related work product, other than that used solely in-house for Professional Firm.
Shipping or mailing of all reports, drawings, specifications, and other items in connection with the Project.

Expense of any additional insurance coverage or limits, excluding professional liability and errors and omissions insurance, required under this Agreement or requested by the Owner that is in excess of that normally carried by the Professional Firm.

**ARTICLE 9**
**ADDITIONAL SERVICES**

Additional Services are services not included in the Professional Firm’s Services and not reasonably inferable from Professional Firm’s Services. Additional Services shall be provided only if authorized or confirmed in writing by the Owner. Prior to commencing any Additional Service, Professional Firm shall prepare for acceptance by the Owner an Additional Services Proposal detailing the scope of the Additional Services and the proposed fee for those services. Professional Firm shall proceed to perform Additional Services only after written acceptance of the Additional Services Proposal by Owner.

Upon acceptance by Owner, each Additional Services Proposal and the services performed by Professional Firm pursuant to such Additional Services Proposal shall become part of this Agreement and shall be subject to all the terms and conditions of this Agreement.

**ARTICLE 10**
**PAYMENTS TO PROFESSIONAL FIRM**

Professional Firm shall present monthly Applications for Payment to the Owner detailing the Professional Firm’s Services and approved Additional Services performed and the approved Reimbursable Expenses incurred for the Project in the previous month. With each application for payment, Professional Firm shall submit payroll information, receipts, invoices and any other evidence of payment which Owner or its designated representatives shall deem necessary to support the amount requested.

Owner shall promptly review the Application for Payment and notify Professional Firm whether the Application is approved or disapproved, in whole or in part. Owner shall promptly pay Professional Firm for all approved services and expenses. For purposes of Texas Government Code § 2251.021(a)(2), the date performance of services is completed is the date when the Owner's representative approves the Application for Payment.

Owner shall have the right to withhold from payments due Professional Firm such sums as are necessary to protect Owner against any loss or damage which may result from negligence by Professional Firm or failure of Professional Firm to perform its obligations under this Agreement.
ARTICLE 11
PROFESSIONAL FIRM’S ACCOUNTING RECORDS

Records of Professional Firm costs, reimbursable expenses pertaining to the Project and payments shall be available to Owner or its authorized representative during business hours and shall be retained for three years after final Payment or abandonment of the Project, unless Owner otherwise instructs Professional Firm in writing. Professional Firm’s records shall be kept on the basis of generally accepted accounting principles.

ARTICLE 12
INSURANCE

For services performed on Owner's premises, Professional Firm shall furnish to Owner Certificates of Insurance as set forth below prior to the commencement of any work hereunder and shall maintain such coverage during the full term of the Agreement.

<table>
<thead>
<tr>
<th>Insurance Type</th>
<th>Statutory Limits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Worker's Compensation</td>
<td>Statutory Limits</td>
</tr>
<tr>
<td>Employer's Liability</td>
<td>$1,000,000 each occurrence</td>
</tr>
<tr>
<td></td>
<td>$1,000,000 aggregate</td>
</tr>
<tr>
<td>Comprehensive General Liability</td>
<td>$1,000,000 each occurrence</td>
</tr>
<tr>
<td></td>
<td>$1,000,000 aggregate</td>
</tr>
<tr>
<td>Comprehensive Auto Liability</td>
<td>$1,000,000 each person</td>
</tr>
<tr>
<td>Bodily Injury</td>
<td>$1,000,000 each occurrence</td>
</tr>
<tr>
<td>Property Damage</td>
<td>$1,000,000 each occurrence</td>
</tr>
<tr>
<td>Professional Liability</td>
<td>$1,000,000</td>
</tr>
</tbody>
</table>

Professional Firm shall include the Owner as an additional insured on the General Liability policy, and the Worker’s Compensation policy shall include a waiver of subrogation in favor of the Owner.

Required insurance shall not be cancelable without thirty (30) days’ prior written notice to Owner.

Upon request Professional Firm shall furnish complete sets of its insurance policies to Owner for review. If additional insurance or changes to this article are required, they shall be explicitly laid out in Exhibit 1.

ARTICLE 13
INDEMNITY

Professional Firm shall hold Owner, The City of San Marcos, and its City Council, officers, agents and employees harmless and free from any loss, damage or expense arising out of any occurrence relating to this Agreement or its performance and shall indemnify Owner, and its City Council, officers, agents and employees, customers, agents, successors and assigns against any damage or claim of any type arising to the extent caused by the negligent or intentional acts or omission of Professional Firm, its employees, agents and/or assigns.
ARTICLE 14
PROFESSIONAL FIRM’S COMPENSATION

The Professional Firm’s compensation for Professional Firm’s Services shall be as follows:

Service Fees: The maximum fee for Professional Firm’s Services shall not exceed Ninety three thousand, five hundred and thirty nine ($93,539.00).

Reimbursable Expenses: For Reimbursable Expenses approved by the Owner (ref. Article 8 and Exhibit 3), Professional Firm shall be compensated for the actual expense incurred by Professional Firm. Notwithstanding the foregoing, Owner’s payment to Professional Firm for Reimbursable Expenses will not exceed a maximum of amount agreed upon in this Agreement and Exhibits without the prior written approval of the Owner.

Additional Services: The Professional Firm’s Compensation for any approved Additional Services shall be as described in the Additional Services Proposal accepted by the Owner.

The Owner and Professional Firm have entered into this Agreement as of the Effective Date.

OWNER:                      PROFESSIONAL FIRM:

THE CITY OF SAN MARCOS            DOUCET AND ASSOCIATES, INC.

By: ___________________________ By: ___________________________

Name: Bert Lumbreras              Name: Duke Altman, PE

Title: City Manager               Title: Manager Water Resources

Date: ___________________________ Date: ___________________________

Exhibits:
EXHIBIT 1 – Scope of Services and Deliverables
EXHIBIT 2 – Authorization of Change in Service Form
EXHIBIT 3 – Detailed Fee Schedule
EXHIBIT 4 – Project Schedule
Project Understanding

The work to be performed by Doucet and Associates (Doucet). Doucet under this contract will consist of providing Design Phase (60%, 90%, 99%, 100% Documents), Bid and Construction Phase Services for the Old Bastrop Highway 16” Water Line, Rattler Road to Centerpoint Road. The project consists of the following improvements:

General Description – The project length is about 6,200 linear feet with the preferred water line location in an easement on the north side of Old Bastrop Road. The proposed project is located east of Interstate 35 and west of State Highway 123 in southeast San Marcos. The project is not located within a FEMA regulated 100-year floodplain or within any Edwards Aquifer zone. The road and water line improvements will be joint bid. Thus, the project includes coordination with the County throughout all project phases.

Basic Scope of Services

Design Phase (60/90/99/100%)

1. Project Management and QA/QC: This task consists of effort associated with project administration, coordination with City staff, coordination and supervision of the project team, and quality management so that project milestones and deliverables meet schedule and budget constraints.

2. Meetings
   a. Project Coordination Meetings: Two (2) utility coordination meeting have been budgeted for the Design Phase. It is assumed that meetings will be held prior to beginning 60% and 90% design. Doucet will attend meetings with City of San Marcos Staff to determine project constraints and needs as well as discuss design considerations.
   b. Project Meetings: Three (3) project meetings have been budgeted for the Design Phase, following each milestone submittal (60/90/100%).
   c. Public Meetings: Two (2) public meeting has been budgeted which consists of preparing exhibits and attending the meeting. These meetings will occur with the Hays County Road project public meetings.

3. Tasks
   a. Topographic and Tree Survey: Will be prepared by Hays County for their roadway improvement project at no cost to the City. The survey will provide topographic and tree survey for the project limits with a survey boundary of 50 feet beyond the existing right-of-way boundary on both sides of the road. Doucet will prepare an electronic map showing the following:
      i. Existing trees, size and type (at minimum caliper inches required by the County).
      ii. Shot at top of nut of water and gas valves. Water, Sewer, and Drainage maps will be required to be provided by City prior to survey.
      iii. Identify all visible and above grade utilities, and manholes with invert elevations and tied to existing control points/ City bench marks (if any). Underground site utilities will be located by Dig-Tess only.
      iv. Full topography at the intersections of Rattler Road and Centerpoint Road.
      v. Locate and survey borings, channel material and geometry, and extra cross-sections at the request of the City. Locations of cross-sections will require pre-staking by the City or City’s Engineer prior to survey.
b. Erosion/Sedimentation Control: Hays County roadway plans will develop erosion and sedimentation control measures to be included in the plans. Doucet will add erosion control details for the proposed water line to the Hays County roadway plans.

c. Traffic Control: Hays County will provide standard traffic control details for construction of the improvements. Doucet will add traffic control details for the intersections and water line connections to existing water lines. These plans and details will be added to the Hays County roadway plans.

d. Permitting

   i. Texas Commission on Environmental Quality (TCEQ) Storm Water Permit: The County will prepare and submit a TCEQ Stormwater Pollution Prevention Plan for the road and water line project. There is no cost to the City for this effort.

   ii. City of San Marcos Permits: Doucet will prepare the tree counts, floodplain permit, and street cut permits for contractor use during construction and submit to the City prior to construction.

e. Notifications:

   i. TCEQ: Doucet, under the Hays County Road Project contract will notify TCEQ at project milestones as required by TCEQ. No cost to the City for this effort.

4. Deliverables:

a. Monthly Status Report: Doucet will provide a monthly status report, including a brief summary of work completed as well as a status plan set.

b. 60%: Doucet will provide two (2) hard copies of 11" x 17" plan sets and one (1) pdf electronic copy. At a minimum, the plan set will contain the following:

   i. Cover Sheet – NA, water line plans attached to the Hays County roadway plans

   ii. General Notes

   iii. Project Layout Sheet: Doucet will provide a layout of the project with plan sheet references.

   iv. Overall Quantity Sheet: Doucet will provide a quantity table that includes individual sheet quantities and the overall project quantities.

   v. Water Line Plan and Profile Sheets: Estimated Number of Sheets – Thirteen at 1”=50’ on 11” by 17” sheets. Vertical scale at 1” = 10’.

   vi. List of Standard Details: City of San Marcos details will be used where available. City of Austin details will be used otherwise.

   vii. List of Standard Specifications: City of San Marcos specifications will be used where available. City of Austin standard specifications will be used otherwise.

   viii. Project Specific/Special Specifications

   ix. Project Specific/Special Details

   x. Engineer’s Opinion of Probable Construction Costs (OPCC).
Exhibit 1 – Scope of Services and Deliverables
CITY OF SAN MARCOS
OLD BASTROP HIGHWAY 16" WATER LINE, RATTLER TO CENTERPOINT
SCOPE OF SERVICES

xi. Construction Project Schedule: Doucet will develop a Construction Schedule for the project in coordination with the Hays County roadway project consisting of design, bid and construction phases. The schedule will be updated during design.

xii. City of San Marcos Design checklist.

c. 60% Comment Response Letter.

d. 90%: Doucet will provide two (2) hard copies of 11" x 17" plan sets and one (1) pdf electronic copy. The plan set will also contain the following:

   i. Cover Sheet, NA, noted above
   ii. General Notes
   iii. Project Layout Sheet: Doucet will provide a layout of the project with plan sheet references.
   iv. Overall Quantity Sheet: Doucet will provide a quantity table that includes individual sheet quantities and the overall project quantities.
   v. Water Line Plan and Profile Sheets: Estimated Number of Sheets – Thirteen
   vi. Detail Sheets
   vii. Erosion Control Plan and Details, base plan included in Hays County roadway plans. Doucet will add details and erosion control measures for the water line.
   viii. Traffic Control Standard Details, based plan included in Hays County roadway plans. Doucet will add traffic control details at the intersections and other water line connections as needed.
   ix. Engineer's OPCC.
   x. Construction Project Schedule: Doucet will develop a Construction Schedule for the project consisting of design, bid and construction phases. The schedule will be updated during design and coordinate with the Hays County road project.
   xi. City of San Marcos Design Checklist.

e. 90% Comment Response Letter.

f. 99%: Doucet will provide two (2) hard copies of 11" x 17" plan sets and one (1) pdf electronic copy. The plan set will also contain the following:

   i. Cover Sheet, NA, as noted above
   ii. General Notes
   iii. Project Layout Sheet: Doucet will provide a layout of the project with plan sheet references.
   iv. Overall Quantity Sheet: Doucet will provide a quantity table that includes individual sheet quantities and the overall project quantities.
   v. Water Line Plan and Profile Sheets: Estimated Number of Sheets – Thirteen
Exhibit 1 – Scope of Services and Deliverables
CITY OF SAN MARCOS
OLD BASTROP HIGHWAY 16” WATER LINE, RATTLER TO CENTERPOINT
SCOPE OF SERVICES

vi. Detail Sheets

vii. Erosion Control Plan and Details, as noted above.

viii. Traffic Control Standard Details, as noted above.

ix. Engineer’s OPCC.

x. Construction Project Schedule: Doucet will develop a Construction Schedule for the project consisting of design, bid and construction phases. The schedule will be updated during design and coordinate with the Hays County road project.

xi. City of San Marcos Design Checklist.

g. 99% Comment Response Letter.

h. Final 100%: Doucet will provide two (2) hard copies of 11” x 17” plan sets and one (1) pdf electronic copy. Upon approval by the City, two (2) hard copies of 11” x 17” plan sets, one (1) pdf copy, and one (1) CAD copy of the sealed plans will be provided.

Phase C – Bid Phase

1. Project Management: This task consists of routine communication with the City and other activities associated with managing the project.

2. Attend Pre-Bid Meeting: Doucet will assist the City and County in conducting pre-bid meeting and developing the agenda.

3. Answer Questions: Doucet will coordinate with the City for issuing responses for technical questions and requests for additional information from potential bidders.

4. Addenda: Doucet will prepare addenda required to clarify, correct or change the bid documents. Addenda will be provided in Adobe .pdf (searchable) format and sealed by responsible engineer(s). Addenda will be issued to bidders through the City and or County Purchasing Departments.

5. Bid Tabulation and Recommendation of Award: Doucet will assist the City and County in opening of bids, review all bids and evaluate them for responsiveness and bid amount. Doucet will also check references, by telephone, of the low bidder and second low bidder. Doucet will prepare a letter summarizing the review and evaluation and include recommendations for award of the contract for construction, or other action as may be appropriate. The County will make the final decision on the award of the contract for construction and the acceptance or rejection of all bids.

6. Deliverables: Doucet will provide documents to meet the County bid requirements, incorporate addenda items in the Construction Plans; include addenda in the bound Project Manual; and issue a “Conformed” set of plans for construction.

   a. Bid Form: Doucet will provide the Bid Form in Word Document format.

   b. Technical Specifications: Doucet will provide one (1) pdf electronic copy of the Technical Specifications.

      ▪ Conformed Plans: Doucet will provide one (1) electronic copy of Construction Plans in pdf, one (1) CAD copy, and two (2) 22” x 34” plan sets, four (4) 11” x 17” plan sets. Doucet will also provide Hays County Roadway Plans (1 PDF, 1-11”x17” Set)

   c. 
Phase D – Construction Phase

1. Project Management: This task consists of routine communication with the City; managing, manpower, budgets, and schedules; invoicing; and other activities associated with managing the project.

2. Attend Pre-Construction Conference: Doucet will attend a Pre-Construction Conference prior to commencement of work.

3. Submittal Review: Doucet will review and approve or take other appropriate action in respect to Shop Drawings and Samples and other data which the Contractor is required to submit, but only for conformance with the information given in the Contract Documents. Such review and approvals or other action will not extend to means, methods, techniques, equipment choice and usage, sequences, schedules, or procedures of construction or to related safety precautions and programs. Ten (10) submittals have been assumed.

4. Response to Requests for Information/Modifications: Doucet will respond to reasonable and appropriate Contractor requests for information (RFI’s) and issue necessary clarifications and interpretations of the Contract Documents to the City as appropriate to the orderly completion of Contractor's work. Five (5) RFI's have been assumed.

5. Construction Observation: Doucet will provide on-site construction observation services during the construction phase. Doucet will make visits at intervals as directed by Client in order to observe the progress of the Work. Such visits and observations by Doucet are not intended to be exhaustive or to extend to every aspect of Contractor's work in progress. Observations are to be limited to spot checking, selective measurement, and similar methods of general observation of the Work based on Doucet’s exercise of professional judgment. Based on information obtained during such visits and such observations, Doucet will evaluate whether Contractor's work is generally proceeding in accordance with the Contract Documents, and Doucet will keep Client informed of the general progress of the Work.

The purpose of Doucet’s site visits will be to enable Doucet to better carry out the duties and responsibilities specifically assigned in this Agreement to Doucet, and to provide Client a greater degree of confidence that the completed Work will conform in general to the Contract Documents. Doucet will not, during such visits or as a result of such observations of Contractor's work in progress, supervise, direct, or have control over Contractor's work, nor will Doucet have authority over or responsibility for the means, methods, techniques, equipment choice and usage, sequences, schedules, or procedures of construction selected by Contractor, for safety precautions and programs incident to Contractor's work, nor for any failure of Contractor to comply with laws and regulations applicable to Contractor's furnishing and performing the Work. Accordingly, Doucet neither guarantees the performance of any Contractor nor assumes responsibility for any Contractor's failure to furnish and perform its work in accordance with the Contract Documents.

Two (2) site visits per month for a duration of two (2) months followed by one (1) site visit per month for a duration of four (4) months are assumed. Total of 8 site visits are assumed.

6. Pay Application Review: Based on its observations and on review of applications for payment and accompanying supporting documentation, Doucet will determine the amounts that Doucet recommends Contractor be paid. Such recommendations of payment will be in writing and will constitute Doucet’s representation to Client, based on such observations and review, that, to the best of Doucet's knowledge, information and belief, Contractor’s work has progressed to the point indicated and that such work-in-progress is generally in accordance with the Contract Documents subject to any qualifications stated in the recommendation. In the case of unit price work, Doucet’s recommendations of payment will include determinations of quantities and classifications of Contractor's work, based on observations and measurements of quantities provided with pay requests. Review of six (6) Pay Applications has been assumed.

7. Review of Change Orders: Doucet may recommend Change Orders to Client, and will review and make recommendations related to Change Orders submitted or proposed by the Contractor.
8. Substantial Completion: Doucet will, promptly after notice from Contractor that it considers the entire Work ready for its intended use, in company with Client and Contractor, conduct a site visit to determine if the Work is substantially complete. Work will be considered substantially complete following satisfactory completion of all items with the exception of those identified on a final punch list. If after considering any objections of Client, Doucet considers the Work substantially complete, Doucet will notify Client and Contractor.

9. Final Notice of Acceptability of the Work: Doucet will conduct a final site visit to determine if the completed Work of Contractor is generally in accordance with the Contract Documents and the final punch list so that Doucet may recommend, in writing, final payment to Contractor. Accompanying the recommendation for final payment, Doucet will also provide a notice that the Work is generally in accordance with the Contract Documents to the best of Doucet's knowledge, information, and belief based on the extent of its services and based upon information provided to Doucet upon which it is entitled to rely.

10. Deliverables:
   a. Site Visit Reports: Doucet will submit a site visit report to the City following each visit to the site during construction.
   b. Submittal Log: Doucet will prepare a spreadsheet for identifying required submittals that the Contractor must provide as well as tracking to-date submittals and RFI's provided by the Contractor. An updated Submittal Log will be submitted to the City on a monthly basis.

Phase E – Record Drawings

1. Record Drawings: Doucet will review the Contractor’s redline as-built drawings and incorporate deviations from the construction drawings as appropriate. Record drawing information will be based solely on the provided marked-up drawings, survey data and appropriate field documentation received from the City. Doucet will deliver one (1) set of full size bond drawings and one (1) set of half size plan set for review.

2. Deliverables: After review, Doucet will deliver two (2) sets of full size bond drawings, one (1) pdf electronic copy and one (1) CAD copy.

3. Doucet will perform an as-built survey of installed above ground water utility appurtenances upon construction completion and update the plans per the survey data. Deliverables: Microstation v8i utility file of as-built water.

Supplemental Scope of Services

Preparation of field notes and easements for six (6) tracts to develop the water line easements. The documents will be referenced to title reports.

Schedule

The following project milestones are estimated and may require modification pending preliminary engineering results and construction timeframe constraints:

60% Design Documents – Submittal 60 days after the project kickoff meeting and receipt of the 30% County roadway Design Plans.

90% Design Documents – Submittal 60 days after receiving comments on the 60% Design Submittal.

99% Design Documents – Submittal 30 days after receiving comments on the 90% Design Submittal.

100% Design Documents – Submittal 14 days after receiving comments on the 99% Design Submittal.
Exhibit 1 – Scope of Services and Deliverables  
CITY OF SAN MARCOS  
OLD BASTROP HIGHWAY 16” WATER LINE, RATTLER TO CENTERPOINT  
SCOPE OF SERVICES

The estimated timeframes identified do not include time for City review of submittals.

City Responsibilities

1. The City will provide to Doucet all data in the City’s possession relating to Doucet’s services on the Project. Doucet will reasonably rely upon the accuracy, timeliness, and completeness of the information provided by the City.

2. The City will give prompt notice to Doucet whenever the City observes or becomes aware of any development that affects the scope or timing of Doucet’s services.

3. The City will examine information submitted by Doucet and render in writing or otherwise provide comments and decisions in a timely manner.

4. The City will obtain all necessary right-of-entries from required landowners.

5. The City will provide Title Reports for properties with proposed easements.

6. The City will obtain all permanent sanitary sewer line, access, and temporary construction easements, including services such as appraisal of properties, negotiations with the property owners, and actual purchase of the easements.

Additional Services

Additional Services to be performed, if authorized in writing by the City, but which are not included in the above-described Basic and Supplemental Scope of Services, and once a mutually agreed upon fee is negotiated are as follows:

1. Performing Geotechnical Investigation or Subsurface Utility Engineering.

2. Performing Environmental Investigation or Environmental permit preparation and submittal.

3. Performing title searches for easement or joint-use agreement preparation.

4. Preparation of additional easement/ boundary exhibits beyond the number identified in the Scope of Services.

5. Acting as an agent of the City in the acquisition of permanent or temporary easements.

6. Preparation of platting documents and/or real property survey for site acquisition.

7. Accompanying the City when meeting with the TCEQ, U.S. Environmental Protection Agency, or other regulatory agencies during the course of the Project, beyond those meetings identified above.

8. Preparing applications and supporting documents for government grants, loans, or planning advances.

9. Appearing before regulatory agencies or courts as an expert witness in any litigation with third parties or condemnation proceedings arising from the development or construction of the Project, including the preparation of engineering data and reports for assistance to the City.

10. Providing professional services associated with the discovery of any hazardous waste or materials in the project site.
EXHIBIT 2

AUTHORIZATION OF CHANGE IN SERVICES
CITY OF SAN MARCOS, TEXAS

AGREEMENT/ SERVICES:
CITY REPRESENTATIVE:
CONTRACTOR:
AUTHORIZATION NO.:
CONTRACT EFFECTIVE DATE:
THIS AUTHORIZATION DATE:

WORK TO BE ADDED TO OR DELETED FROM SCOPE OF SERVICES

Previous contract amount: $___________ (NTE annual fee)
Net increase/decrease in contract amount: $___________ -0-
Revised annual Agreement amount: $___________ (NTE annual fee)

Contractor Name

By: ____________________________ Date: _________________

__________________________
Printed Name, Title

Approved by:

City of San Marcos:

By: ____________________________ Date: _________________

__________________________
Printed Name, Title

City Department (PM, etc.) only below this line.

Account Number(s): ____________________________

Previous Changes in Service:
#____; date; amount
#____; date; amount
#____; date; amount

__________________________
Printed Name, Title
## EXHIBIT 3 - FEE ESTIMATE

**City of San Marcos, Texas**

**Old Bastrop Road 16" Waterline from Rattler to Centerpoint**

<table>
<thead>
<tr>
<th>Professional Service Description</th>
<th>Total Task Hours</th>
<th>Total Task Cost</th>
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<tbody>
<tr>
<td><strong>Design Phase (60/90/99/100%)</strong></td>
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<tr>
<td>1. Project Management</td>
<td>16</td>
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<tr>
<td>1.f Coordination with City Staff - 2 meetings (utility coordination)</td>
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<tr>
<td>1.g Coordination with County staff and road design staff - 4 meetings</td>
<td>20</td>
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<tr>
<td>1.h Coordination with Subconsultants</td>
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<td>1.i Public meetings with the County Road project (2)</td>
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<td>1.j QC Review and Address QC Comments - 60%</td>
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<td>3.b Erosion/Sedimentation Control Analysis in concert with Roadway ESC plan</td>
<td>3</td>
<td>$460</td>
</tr>
<tr>
<td>3.c Traffic Control Plan by the County - coordination with road plan</td>
<td>5</td>
<td>$720</td>
</tr>
<tr>
<td>3.d TCEQ SWPPP - By Others NA</td>
<td>0</td>
<td>$0</td>
</tr>
<tr>
<td>3.e City and County Approvals</td>
<td>6</td>
<td>$920</td>
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<tr>
<td>3.f Geotechnical by others - NA</td>
<td>0</td>
<td>$0</td>
</tr>
<tr>
<td>3.g Real Estate by others - NA</td>
<td>0</td>
<td>$0</td>
</tr>
<tr>
<td>3.h Environmental and Cultural Resources by others - NA</td>
<td>0</td>
<td>$0</td>
</tr>
<tr>
<td>4.a Prepare Monthly Status Report (15)</td>
<td>12</td>
<td>$1,480</td>
</tr>
<tr>
<td>4.a Prepare Monthly Status Report (15)</td>
<td>12</td>
<td>$1,480</td>
</tr>
<tr>
<td>4.b Prepare 60% Plans - Cover Sheet NA</td>
<td>0</td>
<td>$0</td>
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<tr>
<td>4.b Prepare 60% Plans - Project Layout Sheet</td>
<td>7</td>
<td>$780</td>
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<tr>
<td>4.b Prepare 60% Plans - General Notes</td>
<td>7</td>
<td>$780</td>
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<td>4.b Prepare 60% Plans - Quantity Sheet</td>
<td>5</td>
<td>$720</td>
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<tr>
<td>4.b Prepare 60% Plans - Water Line Plan and Profile Sheets (13 at 1&quot;=50' (11&quot; by 17&quot; sheets))</td>
<td>132</td>
<td>$12,640</td>
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<tr>
<td>4.b Prepare 60% Plans - List of Standard Details</td>
<td>9</td>
<td>$1,040</td>
</tr>
<tr>
<td>4.b Prepare 60% Plans - Project Specific / Special Details</td>
<td>42</td>
<td>$4,400</td>
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<tr>
<td>4.b Prepare 60% List of Standard Specifications</td>
<td>5</td>
<td>$720</td>
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<tr>
<td>4.b Prepare 60% Project Specific / Special Specifications</td>
<td>5</td>
<td>$720</td>
</tr>
<tr>
<td>4.b Prepare 60% OPCC</td>
<td>5</td>
<td>$720</td>
</tr>
<tr>
<td>4.b Prepare 60% Construction Project Schedule</td>
<td>1</td>
<td>$200</td>
</tr>
<tr>
<td>4.c Submit 60% Plans, OPCC, Design Checklist and Schedule (2 hard copies, 1 pdf)</td>
<td>3</td>
<td>$390</td>
</tr>
<tr>
<td>4.c 60% Comment Response Letter</td>
<td>3</td>
<td>$460</td>
</tr>
<tr>
<td>4.c Prepare 90% Plans - Cover Sheet NA</td>
<td>0</td>
<td>$0</td>
</tr>
<tr>
<td>4.d Prepare 90% Plans - Project Layout Sheet</td>
<td>0</td>
<td>$0</td>
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<tr>
<td>4.d Prepare 90% Plans - General Notes</td>
<td>1</td>
<td>$130</td>
</tr>
<tr>
<td>4.d Prepare 90% Plans - Quantity Sheet</td>
<td>3</td>
<td>$460</td>
</tr>
<tr>
<td>4.d Prepare 90% Plans - Water Line Plan and Profile Sheets (6)</td>
<td>26</td>
<td>$2,720</td>
</tr>
<tr>
<td>4.d Prepare 90% Plans - Erosion Control Plan &amp; Details - Support Roadway ESC plan</td>
<td>3</td>
<td>$460</td>
</tr>
<tr>
<td>4.d Prepare 90% Plans - Details</td>
<td>9</td>
<td>$1,040</td>
</tr>
</tbody>
</table>
### EXHIBIT 3 - FEE ESTIMATE

City of San Marcos, Texas
Old Bastrop Road 16” Waterline from Rattler to Centerpoint

<table>
<thead>
<tr>
<th>Professional Service Description</th>
<th>Total Task Hours</th>
<th>Total Task Cost</th>
<th>Staff</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Prepare 90% Project Specific / Special Specifications</strong></td>
<td>2</td>
<td>$330</td>
<td><strong>Principal</strong></td>
</tr>
<tr>
<td><strong>Prepare 90% OPCC</strong></td>
<td>3</td>
<td>$460</td>
<td><strong>Sr. Construction Technician</strong></td>
</tr>
<tr>
<td><strong>Prepare 90% Construction Project Schedule</strong></td>
<td>1</td>
<td>$200</td>
<td></td>
</tr>
<tr>
<td><strong>Submit 90% Plans, OPCC, Design Checklist, and Schedule (2 hard copies, 1 pdf)</strong></td>
<td>3</td>
<td>$390</td>
<td><strong>Senior Project Manager</strong></td>
</tr>
<tr>
<td><strong>90% Comment Response Letter</strong></td>
<td>3</td>
<td>$460</td>
<td>1</td>
</tr>
<tr>
<td><strong>Prepare 99% Plans - Cover Sheet NA</strong></td>
<td>0</td>
<td>$ -</td>
<td>2</td>
</tr>
<tr>
<td><strong>Prepare 99% Plans - Project Layout Sheet</strong></td>
<td>0</td>
<td>$ -</td>
<td>1</td>
</tr>
<tr>
<td><strong>Prepare 99% Plans - Quantity Sheet</strong></td>
<td>1</td>
<td>$130</td>
<td>1</td>
</tr>
<tr>
<td><strong>Prepare 99% Plans - Water Line Plan and Profile Sheets (6)</strong></td>
<td>9</td>
<td>$1,040</td>
<td>1</td>
</tr>
<tr>
<td><strong>Prepare 99% Plans - Erosion Control Plan &amp; Details</strong></td>
<td>1</td>
<td>$130</td>
<td>4</td>
</tr>
<tr>
<td><strong>Prepare 99% Plans - Details</strong></td>
<td>5</td>
<td>$620</td>
<td>2</td>
</tr>
<tr>
<td><strong>Prepare 99% Project Specific / Special Specifications</strong></td>
<td>2</td>
<td>$330</td>
<td>1</td>
</tr>
<tr>
<td><strong>Prepare 99% OPCC</strong></td>
<td>2</td>
<td>$330</td>
<td>1</td>
</tr>
<tr>
<td><strong>Prepare 99% Construction Project Schedule</strong></td>
<td>1</td>
<td>$200</td>
<td>1</td>
</tr>
<tr>
<td><strong>Submit 99% Plans, OPCC, Design Checklist, and Schedule (2 hard copies, 1 pdf)</strong></td>
<td>3</td>
<td>$390</td>
<td>3</td>
</tr>
<tr>
<td><strong>99% Comment Response Letter</strong></td>
<td>2</td>
<td>$330</td>
<td>1</td>
</tr>
<tr>
<td><strong>Prepare 100% Plans, Specifications, OPCC, and Schedule</strong></td>
<td>4</td>
<td>$590</td>
<td>1</td>
</tr>
<tr>
<td><strong>Submit 100% Plans, Specifications, OPCC, Design Checklist and Schedule (2 hard copies, 1 pdf)</strong></td>
<td>2</td>
<td>$260</td>
<td>2</td>
</tr>
</tbody>
</table>

**Phase C - Bid Phase**

| **Total Fee** | $4,891 |
| **Number** | 35 |

**Phase D - Construction Phase**

| **Total Fee** | $18,361 |
| **Number** | 95 |

**END BASIC SERVICES**
**EXHIBIT 3 - FEE ESTIMATE**

City of San Marcos, Texas  
Old Bastrop Road 16" Waterline from Rattler to Centerpoint

<table>
<thead>
<tr>
<th>Professional Service Description</th>
<th>Total Task Hours</th>
<th>Total Task Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Principal</td>
<td>Sr. Construction Technician</td>
</tr>
<tr>
<td>Total Basic Service Hours</td>
<td>611</td>
<td>2 91 116 0 216 160 26</td>
</tr>
<tr>
<td>Fee</td>
<td>$225.00</td>
<td>$139.00 $200.00 $115.00 $130.00 $80.00 $85.00</td>
</tr>
</tbody>
</table>

The hours listed above are an estimate. The hours assigned to the Phase are not exclusive to the Phase which they are assigned. The total fee will not exceed the total contract amount as discussed in Article 2. The hourly rates of this contract shall apply throughout the remainder of this contract and to all change in services.

**Payment to the ENGINEER will be made as follows:**

1. Basic Services - The amounts of these invoices will be based upon the extent of work completed by the Engineer on an hourly basis.
2. Supplemental Services - The Engineer will receive approval in writing before performing supplemental services. The amounts of these invoices will be based upon the extent of work completed by the Engineer on a lump sum basis.
3. Reimbursable Expense - Reimbursable expenses including such things as expenses for plotting, reproduction of documents, auto travel mileage (current IRS approved mileage rate), delivery charges, long distance communications, freight, and state accessibility will be invoiced with appropriate backup documentation.

**Invoice and Time of Payment**

Invoices will be prepared in a format approved by the City prior to submission of the first monthly invoice. Invoices shall be submitted monthly and paid within 30 days.
Exhibit 3

**Doucet & Associates 2017 Fee Schedule (effective 10/01/2017)**

<table>
<thead>
<tr>
<th>Personnel</th>
<th>Hourly Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principal Engineer (PE)</td>
<td>$225.00</td>
</tr>
<tr>
<td>Senior Project Manager</td>
<td>$200.00</td>
</tr>
<tr>
<td>Project Manager</td>
<td>$185.00</td>
</tr>
<tr>
<td>Senior Project Engineer (PE)</td>
<td>$168.00</td>
</tr>
<tr>
<td>Project Engineer</td>
<td>$145.00</td>
</tr>
<tr>
<td>Engineer Associate II</td>
<td>$115.00</td>
</tr>
<tr>
<td>Engineer Associate I</td>
<td>$95.00</td>
</tr>
<tr>
<td>Sr. Construction Technician</td>
<td>$139.00</td>
</tr>
<tr>
<td>Sr. Civil Technician</td>
<td>$130.00</td>
</tr>
<tr>
<td>Civil Technician</td>
<td>$115.00</td>
</tr>
<tr>
<td>Assistant Civil Technician</td>
<td>$105.00</td>
</tr>
<tr>
<td>CADD Operator II</td>
<td>$90.00</td>
</tr>
<tr>
<td>CADD Operator I</td>
<td>$80.00</td>
</tr>
<tr>
<td>Senior Planner (AICP)</td>
<td>$155.00</td>
</tr>
<tr>
<td>Project Planner</td>
<td>$140.00</td>
</tr>
<tr>
<td>Staff Planner</td>
<td>$110.00</td>
</tr>
<tr>
<td>Planning Technician</td>
<td>$95.00</td>
</tr>
<tr>
<td>Sr. Operations Assistant</td>
<td>$85.00</td>
</tr>
<tr>
<td>Operations Assistant</td>
<td>$65.00</td>
</tr>
<tr>
<td>Administrative Assistant</td>
<td>$65.00</td>
</tr>
<tr>
<td>Expert Witness (research, depositions, testimony, with a 4-hour minimum for court appearances)</td>
<td>$430.00</td>
</tr>
<tr>
<td>Mileage</td>
<td>Current IRS Rate</td>
</tr>
</tbody>
</table>

**Personnel**

<table>
<thead>
<tr>
<th>Personnel</th>
<th>Hourly Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principal Surveyor (RPLS)</td>
<td>$215.00</td>
</tr>
<tr>
<td>Survey Project Manager (RPLS)</td>
<td>$175.00</td>
</tr>
<tr>
<td>Project Surveyor (RPLS)</td>
<td>$145.00</td>
</tr>
<tr>
<td>Sr. Survey Technician</td>
<td>$120.00</td>
</tr>
<tr>
<td>Survey Technician</td>
<td>$95.00</td>
</tr>
<tr>
<td>GIS Specialist</td>
<td>$100.00</td>
</tr>
<tr>
<td>LiDAR Specialist</td>
<td>$120.00</td>
</tr>
<tr>
<td>Aerial Mapping Specialist</td>
<td>$100.00</td>
</tr>
<tr>
<td>Field Coordinator</td>
<td>$115.00</td>
</tr>
<tr>
<td>One-Person Field Crew</td>
<td>$110.00</td>
</tr>
<tr>
<td>Two-Person Field Crew</td>
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<tr>
<td>Three-Person Field Crew</td>
<td>$180.00</td>
</tr>
<tr>
<td>Party Chief-Time Basis</td>
<td>$95.00</td>
</tr>
<tr>
<td>LiDAR Scanner</td>
<td>$100.00</td>
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<tr>
<td>Drone</td>
<td>$600.00</td>
</tr>
<tr>
<td>Ground Targets</td>
<td>$20/ea</td>
</tr>
<tr>
<td>Concrete Monuments</td>
<td>$250/ea</td>
</tr>
<tr>
<td>ATV/Boat/Sonar</td>
<td>$100/day</td>
</tr>
</tbody>
</table>

D&A reserves the right to periodically adjust our fee schedule.

**Reimbursable Expenses**

Direct non-salary expenses incurred and not applicable to general overhead are billed at cost for administrative and handling charges. Please note that physical backup for reimbursable expenses will be included with invoices unless a written request to do so is submitted to D&A’s accounting department.

Reimbursable Expenses include, but are not limited to, the following:
- Travel and lodging, including out of town transportation by D&A’s vehicles at standard rates; mail, delivery, courier and express charges; legal and accounting fees (including attorney’s fees charged by D&A’s attorney for review or negotiation of any certificates or similar documents requested by Client or a lender doing business with Client); in-house reproduction costs (to be charged at prevailing commercial rates); subconsultants; photographs; environmental fees; late fees caused by Client; charges incurred in stopping or resuming work in accordance with this Agreement; use or rental of special equipment or instruments and other direct non-salary expenses necessary to complete the contract.
<table>
<thead>
<tr>
<th>ID</th>
<th>Task Name</th>
<th>Duration</th>
<th>Start</th>
<th>Finish</th>
<th>Predecessors</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Preliminary Phase</td>
<td>165 days</td>
<td>Fri 11/17/17</td>
<td>Mon 4/30/18</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Scoping</td>
<td>75 days</td>
<td>Fri 11/17/17</td>
<td>Tue 1/30/18</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Verify scope per CIP Sheet</td>
<td>60 days</td>
<td>Fri 11/17/17</td>
<td>Mon 1/15/18</td>
<td>1/17 1/5</td>
</tr>
<tr>
<td>4</td>
<td>Hold Internal Scoping Meeting</td>
<td>1 day</td>
<td>Tue 1/16/18</td>
<td>Tue 1/16/18</td>
<td>1/16</td>
</tr>
<tr>
<td>5</td>
<td>Finalize Scope &amp; Budget</td>
<td>7 days</td>
<td>Wed 1/17/18</td>
<td>Tue 1/23/18</td>
<td>1/17 1/23</td>
</tr>
<tr>
<td>6</td>
<td>Verify Funds with Finance</td>
<td>7 days</td>
<td>Wed 1/24/18</td>
<td>Tue 1/30/18</td>
<td>1/14 1/30</td>
</tr>
<tr>
<td>7</td>
<td>Professional Service Contract</td>
<td>90 days</td>
<td>Wed 1/31/18</td>
<td>Mon 4/30/18</td>
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</tr>
<tr>
<td>8</td>
<td>Negotiate Contract</td>
<td>30 days</td>
<td>Wed 1/31/18</td>
<td>Thu 3/1/18</td>
<td>1/31 3/1</td>
</tr>
<tr>
<td>9</td>
<td>Obtain Temporary Rights of Entry, if needed</td>
<td>90 days</td>
<td>Wed 1/31/18</td>
<td>Mon 4/30/18</td>
<td>1/31 4/30</td>
</tr>
<tr>
<td>10</td>
<td>Prepare ARF/Verify Funds with Finance - May need reimbursement form</td>
<td>11 days</td>
<td>Fri 3/2/18</td>
<td>Mon 3/12/18</td>
<td>3/7 3/12</td>
</tr>
<tr>
<td>11</td>
<td>City Council (Typically Tuesday)</td>
<td>22 days</td>
<td>Tue 3/13/18</td>
<td>Tue 3/20/18</td>
<td>3/3 3/5</td>
</tr>
<tr>
<td>12</td>
<td>Execute Contract</td>
<td>7 days</td>
<td>Wed 4/4/18</td>
<td>Tue 4/10/18</td>
<td>4/4 4/10</td>
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<tr>
<td>13</td>
<td>Design Phase</td>
<td>284 days</td>
<td>Tue 5/1/18</td>
<td>Fri 2/8/19</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>COSM Design</td>
<td>284 days</td>
<td>Tue 5/1/18</td>
<td>Fri 2/8/19</td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>Kick Off Meeting</td>
<td>7 days</td>
<td>Tue 5/1/18</td>
<td>Mon 5/7/18 12.9</td>
<td>5/1 5/7</td>
</tr>
<tr>
<td>16</td>
<td>Consultant Prepare 60%</td>
<td>60 days</td>
<td>Tue 6/8/18</td>
<td>Fri 7/6/18 15</td>
<td>6/8 7/6</td>
</tr>
<tr>
<td>17</td>
<td>COSM Reviews 60% Design</td>
<td>30 days</td>
<td>Sat 7/7/18</td>
<td>Sun 8/5/18 16</td>
<td>7/7 8/5</td>
</tr>
<tr>
<td>18</td>
<td>60% Review Meeting</td>
<td>1 day</td>
<td>Mon 8/8/18</td>
<td>Mon 8/18 17</td>
<td>8/8 8/18</td>
</tr>
<tr>
<td>19</td>
<td>Consultant Prepare 90%</td>
<td>60 days</td>
<td>Tue 8/7/18</td>
<td>Fri 10/5/18</td>
<td>8/7 10/5</td>
</tr>
<tr>
<td>20</td>
<td>COSM Reviews 90% Design</td>
<td>30 days</td>
<td>Sat 10/8/18</td>
<td>Sun 11/4/18 19</td>
<td>10/8 11/4</td>
</tr>
<tr>
<td>21</td>
<td>90% Review Meeting</td>
<td>1 day</td>
<td>Mon 11/18/18</td>
<td>Mon 11/18 12.9</td>
<td>11/5 11/5</td>
</tr>
<tr>
<td>22</td>
<td>Consultant To Finalize 99% Design</td>
<td>30 days</td>
<td>Tue 11/18/18</td>
<td>Wed 12/18/21</td>
<td>11/6 12/6</td>
</tr>
<tr>
<td>23</td>
<td>COSM Reviews 99% Design</td>
<td>7 days</td>
<td>Thu 12/18/18</td>
<td>Wed 12/18 22</td>
<td>12/8 12/12</td>
</tr>
<tr>
<td>24</td>
<td>Consultant Seals 100% Plans</td>
<td>14 days</td>
<td>Thu 12/18/18</td>
<td>Wed 12/18 23</td>
<td>12/13 12/26</td>
</tr>
<tr>
<td>25</td>
<td>Float</td>
<td>30 days</td>
<td>Thu 12/18/18</td>
<td>Fri 1/26/19 24</td>
<td>12/27 1/25</td>
</tr>
<tr>
<td>26</td>
<td>Meeting with Purchasing To Advertise</td>
<td>14 days</td>
<td>Sat 1/26/19</td>
<td>Fri 2/8/19 54.25</td>
<td>1/26 2/8</td>
</tr>
<tr>
<td>27</td>
<td>Easements</td>
<td>274 days</td>
<td>Tue 5/8/18</td>
<td>Tue 2/5/19</td>
<td></td>
</tr>
<tr>
<td>28</td>
<td>Easements/ROW Acquisitions</td>
<td>274 days</td>
<td>Tue 5/8/18</td>
<td>Tue 2/5/19</td>
<td></td>
</tr>
<tr>
<td>29</td>
<td>Licenses Agreement</td>
<td>117 days</td>
<td>Tue 5/8/18</td>
<td>Sat 5/18/18</td>
<td></td>
</tr>
<tr>
<td>ID</td>
<td>Task Name</td>
<td>Duration</td>
<td>Start</td>
<td>Finish</td>
<td>Predecessors</td>
</tr>
<tr>
<td>----</td>
<td>---------------------------------------------------------------</td>
<td>----------</td>
<td>----------------</td>
<td>-----------------</td>
<td>-------------------</td>
</tr>
<tr>
<td>30</td>
<td>Prepare License Agreement Exhibits</td>
<td>21 days</td>
<td>Tue 5/8/18</td>
<td>Mon 5/28/18</td>
<td>15</td>
</tr>
<tr>
<td>31</td>
<td>Prepare offer letter</td>
<td>14 days</td>
<td>Tue 5/8/18</td>
<td>Mon 5/28/18</td>
<td>15</td>
</tr>
<tr>
<td>32</td>
<td>Negotiate with owners</td>
<td>60 days</td>
<td>Tue 6/12/18</td>
<td>Fri 8/10/18</td>
<td>15</td>
</tr>
<tr>
<td>33</td>
<td>Offer accepted; Letter agreement, Exhibit, W-9, Sent to CM</td>
<td>7 days</td>
<td>Sat 8/11/18</td>
<td>Fri 8/17/18</td>
<td>15</td>
</tr>
<tr>
<td>34</td>
<td>Request check</td>
<td>14 days</td>
<td>Sat 8/11/18</td>
<td>Fri 8/31/18</td>
<td>15</td>
</tr>
<tr>
<td>35</td>
<td>Possession of Real Estate from Close</td>
<td>1 day</td>
<td>Sat 9/11/18</td>
<td>Sat 9/11/18</td>
<td>15</td>
</tr>
<tr>
<td>36</td>
<td>Easements and ROW</td>
<td>212 days</td>
<td>Tue 5/8/18</td>
<td>Wed 12/5/18</td>
<td>15</td>
</tr>
<tr>
<td>37</td>
<td>Survey/Exhibit/Field Notes Prepared</td>
<td>21 days</td>
<td>Tue 5/8/18</td>
<td>Mon 5/28/18</td>
<td>15</td>
</tr>
<tr>
<td>38</td>
<td>Field Notes to appraiser</td>
<td>1 day</td>
<td>Tue 5/29/18</td>
<td>Tue 5/29/18</td>
<td>15</td>
</tr>
<tr>
<td>39</td>
<td>Notice of intent to acquire sent to property owner</td>
<td>14 days</td>
<td>Tue 5/29/18</td>
<td>Mon 6/11/18</td>
<td>15</td>
</tr>
<tr>
<td>40</td>
<td>Prepare Appraisal</td>
<td>60 days</td>
<td>Wed 5/30/18</td>
<td>Sat 7/28/18</td>
<td>15</td>
</tr>
<tr>
<td>41</td>
<td>Review Appraisal/audit to make offer</td>
<td>14 days</td>
<td>Sun 7/29/18</td>
<td>Sat 8/11/18</td>
<td>15</td>
</tr>
<tr>
<td>42</td>
<td>Prepare offer letter</td>
<td>14 days</td>
<td>Sat 8/12/18</td>
<td>Sat 8/25/18</td>
<td>15</td>
</tr>
<tr>
<td>43</td>
<td>Negotiate with owners, begin title clearing</td>
<td>10 days</td>
<td>Sun 8/26/18</td>
<td>Wed 9/24/18</td>
<td>15</td>
</tr>
<tr>
<td>44</td>
<td>Offer accepted; clear title, schedule closing (Easement/ROW, W-9, See next page)</td>
<td>7 days</td>
<td>Thu 10/15/18</td>
<td>Wed 10/31/18</td>
<td>15</td>
</tr>
<tr>
<td>45</td>
<td>Title Commitment</td>
<td>7 days</td>
<td>Thu 11/18/18</td>
<td>Wed 11/17/18</td>
<td>15</td>
</tr>
<tr>
<td>46</td>
<td>Request check</td>
<td>14 days</td>
<td>Thu 11/18/18</td>
<td>Wed 11/12/18</td>
<td>15</td>
</tr>
<tr>
<td>47</td>
<td>Possession of Real Estate from Close</td>
<td>14 days</td>
<td>Thu 11/22/18</td>
<td>Wed 12/5/18</td>
<td>15</td>
</tr>
<tr>
<td>48</td>
<td>Eminent Domain</td>
<td>104 days</td>
<td>Thu 10/25/18</td>
<td>Tue 2/5/19</td>
<td>15</td>
</tr>
<tr>
<td>49</td>
<td>If rejected: Make 2nd Offer (15 Cal Days)</td>
<td>15 days</td>
<td>Thu 10/25/18</td>
<td>Thu 11/8/18</td>
<td>15</td>
</tr>
<tr>
<td>50</td>
<td>If rejected: Send to City Council</td>
<td>30 days</td>
<td>Thu 10/25/18</td>
<td>Fri 11/2/18</td>
<td>15</td>
</tr>
<tr>
<td>51</td>
<td>Prepare Eminent Domain Process</td>
<td>14 days</td>
<td>Sat 11/24/18</td>
<td>Fri 12/7/18</td>
<td>15</td>
</tr>
<tr>
<td>52</td>
<td>Eminent Domain</td>
<td>60 days</td>
<td>Sat 12/8/18</td>
<td>Tue 2/5/19</td>
<td>15</td>
</tr>
<tr>
<td>53</td>
<td>Possession and Use Agreement</td>
<td>14 days</td>
<td>Thu 10/25/18</td>
<td>Wed 11/17/18</td>
<td>15</td>
</tr>
<tr>
<td>54</td>
<td>Easements/ROW Cleared</td>
<td>14 days</td>
<td>Thu 10/25/18</td>
<td>Wed 12/19/18</td>
<td>15</td>
</tr>
<tr>
<td>55</td>
<td>Public Outreach</td>
<td>31 days</td>
<td>Tue 11/8/18</td>
<td>Thu 12/8/18</td>
<td>15</td>
</tr>
<tr>
<td>56</td>
<td>Set Up Meeting after 90% Plans</td>
<td>30 days</td>
<td>Tue 11/8/18</td>
<td>Wed 12/5/18</td>
<td>15</td>
</tr>
<tr>
<td>57</td>
<td>Public Meeting 90% Plans</td>
<td>1 day</td>
<td>Thu 12/8/18</td>
<td>Thu 12/8/18</td>
<td>15</td>
</tr>
<tr>
<td>58</td>
<td>Agreements With County/TxDOT</td>
<td>185 days</td>
<td>Tue 8/7/18</td>
<td>Thu 2/7/19</td>
<td>15</td>
</tr>
<tr>
<td>#</td>
<td>Task Name</td>
<td>Duration</td>
<td>Start</td>
<td>Finish</td>
<td>Predecessors</td>
</tr>
<tr>
<td>----</td>
<td>----------------------------------------------------</td>
<td>----------</td>
<td>-------------</td>
<td>-------------</td>
<td>--------------</td>
</tr>
<tr>
<td>59</td>
<td>ILA</td>
<td>184 days</td>
<td>Tue 8/7/18</td>
<td>Wed 2/6/19</td>
<td>10/9/18</td>
</tr>
<tr>
<td>60</td>
<td>Prepare ILA</td>
<td>160 days</td>
<td>Tue 8/7/18</td>
<td>Fri 10/19/18</td>
<td></td>
</tr>
<tr>
<td>61</td>
<td>Prepare ARF/Verify Funds with Finance - May need reimbursement form</td>
<td>14 days</td>
<td>Sat 10/6/18</td>
<td>Fri 10/19/18</td>
<td>10/19</td>
</tr>
<tr>
<td>62</td>
<td>City Council (Typically Tuesday)</td>
<td>21 days</td>
<td>Sat 10/20/18</td>
<td>Fri 11/19/18</td>
<td>10/19</td>
</tr>
<tr>
<td>63</td>
<td>City Manager Signature</td>
<td>14 days</td>
<td>Sat 11/18/18</td>
<td>Fri 12/13/18</td>
<td>11/19</td>
</tr>
<tr>
<td>64</td>
<td>County Signatures</td>
<td>60 days</td>
<td>Sat 11/24/18</td>
<td>Tue 2/22/19</td>
<td>11/24</td>
</tr>
<tr>
<td>65</td>
<td>Request Check</td>
<td>14 days</td>
<td>Wed 1/23/19</td>
<td>Tue 2/5/19</td>
<td>1/23</td>
</tr>
<tr>
<td>66</td>
<td>Executed ILA</td>
<td>1 day</td>
<td>Wed 2/6/19</td>
<td>Wed 2/6/19</td>
<td>2/6</td>
</tr>
<tr>
<td>67</td>
<td>Agreements Completed</td>
<td>1 day</td>
<td>Thu 2/7/19</td>
<td>Thu 2/7/19</td>
<td>2/7</td>
</tr>
<tr>
<td>68</td>
<td>Bid Phase</td>
<td>124 days</td>
<td>Sat 2/9/19</td>
<td>Wed 6/12/19</td>
<td></td>
</tr>
<tr>
<td>69</td>
<td>Advertise (Must Start on a Sunday)</td>
<td>25 days</td>
<td>Sat 2/9/19</td>
<td>Wed 3/5/19</td>
<td>2/9</td>
</tr>
<tr>
<td>70</td>
<td>Bid Opening (Must be Tue-Thu)</td>
<td>1 day</td>
<td>Wed 3/6/19</td>
<td>Wed 3/6/19</td>
<td>3/6</td>
</tr>
<tr>
<td>71</td>
<td>Review Bids</td>
<td>14 days</td>
<td>Thu 3/7/19</td>
<td>Wed 3/20/19</td>
<td>3/7</td>
</tr>
<tr>
<td>72</td>
<td>Prepare ARF/Verify Funds with Finance - May need reimbursement form</td>
<td>13 days</td>
<td>Thu 3/21/19</td>
<td>Tue 4/2/19</td>
<td>3/21</td>
</tr>
<tr>
<td>73</td>
<td>Hays County Award (Must be on a Tuesday)</td>
<td>21 days</td>
<td>Wed 4/3/19</td>
<td>Tue 4/23/19</td>
<td>4/3</td>
</tr>
<tr>
<td>74</td>
<td>Execute Contract</td>
<td>21 days</td>
<td>Wed 4/24/19</td>
<td>Tue 5/14/19</td>
<td>4/24</td>
</tr>
<tr>
<td>75</td>
<td>Pre Construction Tasks (Materials Testing/Prepare Precon)</td>
<td>14 days</td>
<td>Wed 5/19/19</td>
<td>Tue 5/28/19</td>
<td>5/15</td>
</tr>
<tr>
<td>76</td>
<td>Pre Construction Meeting</td>
<td>1 day</td>
<td>Wed 5/29/19</td>
<td>Wed 5/29/19</td>
<td>5/29</td>
</tr>
<tr>
<td>77</td>
<td>Issue NTP</td>
<td>14 days</td>
<td>Thu 5/30/19</td>
<td>Wed 6/12/19</td>
<td>5/26</td>
</tr>
<tr>
<td>78</td>
<td>Construction Phase</td>
<td>180 days</td>
<td>Thu 6/13/19</td>
<td>Mon 12/9/19</td>
<td></td>
</tr>
<tr>
<td>79</td>
<td>Construction</td>
<td>180 days</td>
<td>Thu 6/13/19</td>
<td>Mon 12/9/19</td>
<td></td>
</tr>
<tr>
<td>80</td>
<td>Closeout Phase</td>
<td>150 days</td>
<td>Tue 12/10/19</td>
<td>Thu 5/7/20</td>
<td></td>
</tr>
<tr>
<td>81</td>
<td>Consultant Prepare Record Drawings</td>
<td>60 days</td>
<td>Tue 12/10/19</td>
<td>Fri 2/7/20</td>
<td>12/10</td>
</tr>
<tr>
<td>82</td>
<td>Review Record Drawings</td>
<td>30 days</td>
<td>Sat 2/8/20</td>
<td>Sun 3/8/20</td>
<td>2/8</td>
</tr>
<tr>
<td>83</td>
<td>Consultant Reviews Record Drawings</td>
<td>30 days</td>
<td>Mon 3/9/20</td>
<td>Tue 4/7/20</td>
<td>3/9</td>
</tr>
<tr>
<td>84</td>
<td>Prepare Final Invoice Construction</td>
<td>30 days</td>
<td>Tue 12/10/19</td>
<td>Wed 1/8/20</td>
<td>12/10</td>
</tr>
<tr>
<td>85</td>
<td>Pay Final Invoice Construction</td>
<td>30 days</td>
<td>Thu 1/19/20</td>
<td>Fri 2/7/20</td>
<td>1/18</td>
</tr>
<tr>
<td>86</td>
<td>Pay Final Invoice Design</td>
<td>30 days</td>
<td>Wed 4/8/20</td>
<td>Thu 5/7/20</td>
<td>4/8</td>
</tr>
</tbody>
</table>

**Notes:**
- **ILA**: Important Local Authority
- **ARF**: Authorization to Repair Funds
- **Finance**: Financial Approval
- **City Council**: City Council Meeting
- **County Signature**: County Executive's Signature
- **Request Check**: Request for Check
- **County Signatures**: County Executive's Signature
- **City Manager Signature**: City Manager's Signature
- **Request Check**: Request for Check
- **Consultant Prepare Record Drawings**: Consultant prepares record drawings
- **Review Record Drawings**: Review of record drawings
- **Consultant Reviews Record Drawings**: Consultant reviews record drawings
- **Prepare Final Invoice Construction**: Preparation of final invoice for construction
- **Pay Final Invoice Construction**: Payment of final invoice for construction
- **Pay Final Invoice Design**: Payment of final invoice for design

**Exhibit 4 – Project Schedule**
AGENDA CAPTION:
Consider approval of Resolution 2018-45R, awarding an engineering contract to Scheibe Consulting, LLC, P.O. Box 161357, Austin, Texas; for the Flood Emergency Warning System, in the estimated amount of $57,580 (Phase 1); authorizing the City Manager or his designee to execute the appropriate purchasing documents on behalf of the City; and declaring an effective date

Meeting date: 4/3/2018

Department: Engineering/CIP

Amount & Source of Funding
Funds Required: $57,580
Account Number: 13028000.56201
Funds Available: $150,000
Account Name: CDBG-DR DRGR Planning

Fiscal Note:

Prior Council Action: Approval of HUD Action Plan

City Council Strategic Initiative: [Please select goal from dropdown menu below]
Stormwater
Choose an item.

Choose an item.

Comprehensive Plan Element (s): [Please select the Plan element(s) and Goal # from dropdown menu below]
☐ Economic Development - Choose an item.
☒ Environment & Resource Protection - Choose an item.
☐ Land Use - Choose an item.
☐ Neighborhoods & Housing - Choose an item.
☐ Parks, Public Spaces & Facilities - Choose an item.
☐ Transportation - Choose an item.
☐ Not Applicable
**Master Plan:** [Please select the corresponding Master Plan from the dropdown menu below (if applicable)]

Flood Protection Master Plan

**Background Information:**
This project will use CDBG-DR funds to develop a flood emergency warning system (FEWS). The FEWS will be used as a tool for emergency management, City staff, and the public prior to and during flooding events for both riverine and local flooding conditions. Ultimately, the FEWS will help identify the impacts of potential flooding based on the amount of rainfall or flow in streams within the City and/or from upstream watersheds. This project will be conducted in two phases. Phase 1 will consist of conducting a feasibility study and Phase 2 will consist of implementing the FEWS. The development of the FEWS will consider the following:

- To assist emergency management identify areas for evacuation, establishing routes for responders, potential road closures and selection of evacuation centers.
- To provide the public information regarding the potential of flooding conditions
- Utilization of existing rain and stream gauges operated by others
- Identification of new rain and or stream gauges including location, operation procedures, etc.
- A system that can be utilized and accessible any time or day (24 hours).
- An evaluation of areas of previous reported flooding including the date, location and an estimate of rain or flow amounts reported or recorded.
- Along riverine systems (major street crossings) and specific locations within the City (subdivisions, etc.) develop a comparison of peak flows, depth of flooding and associated rainfall amount.

This Resolution in the amount of $57,580 will cover Phase 1 engineering services to develop a flood emergency warning system. Phase 1 Scope of Services includes:

- Project coordination including a kick-off and status meetings.
- Conduct regional planning meetings with various regional FEWS owners including the National Weather Service, US Geological Survey, Texas Water Development Board, Texas Department of Transportation, Hays County, and other similar size cities.
- Conduct an inventory of existing precipitation and stream gauges within the San Marcos areas and Blanco River watershed.
- Evaluate and develop recommendations regarding weaknesses and gaps within the existing gauge network including network enhancements
- Summarize findings in a report including recommendations for Phase 2 services.
Council Committee, Board/Commission Action:
Click or tap here to enter text.

Alternatives:
N/A

Recommendation:
Staff recommends approval of design contract
RESOLUTION 2018-1

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS, APPROVING THE AWARD OF AN ENGINEERING SERVICES CONTRACT TO SCHEIBE CONSULTING, LLC, FOR THE FLOOD EMERGENCY WARNING SYSTEM, IN THE ESTIMATED AMOUNT OF $57,580 CONTINGENT UPON THE CONTRACTOR’S TIMELY SUBMISSION OF SUFFICIENT BONDS AND INSURANCE; AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO EXECUTE THE APPROPRIATE DOCUMENTS RELATED TO THE RENEWAL OF THIS AGREEMENT; AND DECLARING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS:

PART 1. The award of an engineering services contract to Scheibe Consulting, LLC, for the Flood Emergency Warning System, in the estimated amount of $57,580 contingent upon the contractor’s timely submission of sufficient bonds and insurance is approved.

PART 2. The City Manager, or his designee, is authorized to execute the appropriate documents related to the renewal of this Agreement on behalf of the City.

PART 3. This Resolution shall be in full force and effect immediately from and after its passage.

ADOPTED this the day of 2018

John Thomaides,
Mayor

Attest:

Jamie Lee Case,
City Clerk
AGREEMENT BETWEEN
THE CITY OF SAN MARCOS AND
PROFESSIONAL FIRM FOR
FLOOD EARLY WARNING SYSTEM

This Agreement is made as of ___________, 2018 (the “Effective Date”), by and between:

The Owner: The City of San Marcos, Texas

and

The Professional Firm: Scheibe Consulting, LLC

for

The Project: Flood Early Warning System

Owner Standard Terms and Conditions: Parties have read and agree to be bound by the General Terms and Conditions found at http://www.sanmarcostx.gov/DocumentCenter/Home/View/6608.

Further;

The Owner and the Professional Firm agree as follows:

ARTICLE 1
PROFESSIONAL FIRM’S SERVICES

Professional Firm agrees to perform the services specifically described in Exhibit 1 and all other professional services reasonably inferable from Exhibit 1 and necessary for complete performance of Professional Firm’s obligations under this Agreement (collectively, “Professional Firm’s Services”). To the extent of any conflict between the terms in Exhibit 1 and this Agreement, the terms of this Agreement shall prevail.

ARTICLE 2
PROFESSIONAL FIRM’S RESPONSIBILITIES

Professional Firm agrees to use Professional Firm's best efforts, skill, judgment, and abilities so as to perform Professional Firm's Services in an expeditious and timely manner consistent with professional standards of care and the orderly progress of the Project. Professional Firm shall at all times provide sufficient personnel to accomplish Professional Firm's Services in a timely manner. Professional Firm shall manage its services, administer the Project and coordinate other professional services as necessary for the complete performance of Professional Firm’s obligations under this Agreement.

Professional Firm agrees to perform Professional Firm's Services in compliance with all applicable national, federal, state, municipal, and State of Texas laws, regulations, codes, ordinances, orders and with those of any other body having jurisdiction over the Project.
Professional Firm's Services shall be reasonably accurate and free from material errors or omissions. Professional Firm shall promptly correct any known or discovered error, omission, or other defect in the plans, drawings, specifications, or other services provided by Professional Firm without any additional cost or expense to Owner.

Professional Firm shall designate a representative primarily responsible for Professional Firm's Services under this Agreement. The designated representative shall act on behalf of Professional Firm with respect to all phases of Professional Firm's Services and shall be available as required for the benefit of the Project and Owner. The designated representative shall not be changed without prior approval of the Owner, which approval shall not be unreasonably withheld.

The Professional Firm shall carry such professional liability and errors and omissions insurance, covering the services provided under this Agreement, with a minimum limit of $1,000,000 each claim and $1,000,000 aggregate. The fees for such insurance will be at the expense of the Professional Firm. The Professional Firm shall deliver a Certificate of Insurance indicating the expiration date, and existence, of the Professional Firm’s professional liability insurance before commencement or continuation of performance of the services under this Agreement.

**ARTICLE 3**

**THE OWNER'S RESPONSIBILITIES**

The Owner shall provide the Professional Firm with a full description of the requirements of the Project.

The Owner shall furnish surveys, geotechnical reports or other special investigations of the Project site as requested by the Professional Firm and as reasonably necessary for the completion of Professional Firm’s Services. The Owner shall furnish structural, mechanical, chemical and other laboratory tests as reasonably required.

The Owner will review the Professional Firm's drawings, specifications and other documents of service produced by Professional Firm’s in the performance of its obligations under this Agreement (collectively the “Design Documents”) as required. Owner will notify Professional Firm of any design fault or defect in Professional Firm’s Services or Design Documents of which Owner becomes aware.

The Owner shall furnish required information and services and shall render approvals and decisions as expeditiously as necessary for the orderly progress of Professional Firm's Services.

The Owner designates John Espinoza, PE, CFM, as its representatives authorized to act in the Owner's behalf with respect to the Project. The contact information for Owner’s representative is listed below:

Name: John Espinoza, PE, CFM  
Title: Project Engineer  
630 East Hopkins  
San Marcos, Texas 78666  
Ph. 512-393-8241  
E-mail: jespinoza@sanmarcostx.gov
ARTICLE 4
OWNERSHIP AND USE OF DOCUMENTS

The Design Documents prepared by Professional Firm as instruments of service are and shall remain the property of the Professional Firm whether the Project for which they are created is executed or not. However, the Owner shall be permitted to retain copies, including reproducible copies, of the Design Documents for information and reference in connection with the Owner’s use and occupancy of the Project. In addition, Owner shall have an irrevocable, paid-up, perpetual license and right, which shall survive the termination of this Agreement, to use the Design Documents and the ideas and designs contained in them for any purpose, with or without participation of the Professional Firm.

ARTICLE 5
DISPUTE RESOLUTION

If a dispute arises out of or relates to the Agreement or these Terms and Conditions, or a breach thereof, the parties agree to negotiate prior to prosecuting a suit for damages. However, this section does not prohibit the filing of a lawsuit to toll the running of a statute of limitations or to seek injunctive relief. Either party may make a written request for a meeting within fourteen (14) calendar days after receipt of the request or such later period as agreed by the parties. Each party shall include, at a minimum, one (1) senior level individual with decision-making authority regarding the dispute. The purpose of this and any subsequent meeting is to attempt in good faith to negotiate a resolution of the dispute. If, within thirty (30) calendar days after such meeting, the parties have not succeeded in negotiating a resolution of the dispute, they will proceed directly to mediation as described below. Negotiation may be waived by a written agreement signed by both parties, in which event the parties may proceed directly to mediation as described below.

If the efforts to resolve the dispute through negotiation fail, or the parties waive the negotiation process, the parties may select, within thirty (30) calendar days, a mediator trained in mediation skills to assist with resolution of the dispute. Should they choose this option, the Owner and the Professional Firm agree to act in good faith in the selection of the mediator and to give consideration to qualified individuals nominated to act as mediator. Nothing in the Contract prevents the parties from relying on the skills of a person who is trained in the subject matter of the dispute or a contract interpretation expert. The parties agree to participate in mediation in good faith for up to thirty (30) calendar days from the date of the first mediation session. The Owner and Professional Firm will share the mediator’s fees equally and the parties will bear their own costs of participation such as fees for any consultants or attorneys they may utilize to represent them or otherwise assist them in the mediation.

ARTICLE 6
PROJECT TERMINATION OR SUSPENSION

This Agreement may be terminated by either party upon seven days written notice should the other party fail substantially to perform in accordance with its terms through no fault of the terminating party.
and such failure is not fully cured in the seven day notice period. This Agreement may be terminated by the Owner for any reason upon 15 days written notice to Professional Firm.

In the event of termination through no fault of the Professional Firm, Professional Firm shall be equitably compensated for all Professional Firm Services performed and Reimbursable Expenses incurred prior to termination in accordance with this Agreement.

**ARTICLE 7**

**MISCELLANEOUS PROVISIONS**

**Entire Agreement.** This Agreement supersedes all prior agreements, written or oral, between Professional Firm and Owner and constitutes the entire and integrated Agreement and understanding between the parties with respect to the subject matter of the Agreement. This Agreement may only be amended by a written instrument signed by both parties.

**Assignment.** This Agreement is a personal service contract for the services of Professional Firm, and Professional Firm's interest in this Agreement, duties hereunder and/or fees due hereunder may not be assigned or delegated to a third party.

**Applicable Law.** The Agreement will be governed by and construed under the laws of the State of Texas. Any controversy, claim or dispute arising out of or relating to this Agreement will be brought in a state court of competent jurisdiction in Hays County or, if in federal court, in the Federal Western District of Texas, Austin Division for trial.

**Waiver.** A delay or omission by either party in exercising any right or power under the Agreement shall not be construed as a waiver of that right or power. A waiver by either party of any term or condition of the Agreement shall not be construed as a waiver of any subsequent breach of that term or condition or of any other term or condition of the Agreement.

**Severability.** If any provision of this Agreement is determined to be invalid or unenforceable in any respect, that determination shall not affect any other provision of this Agreement which shall be interpreted as if the invalid or unenforceable provision had not been included.

**Independent Contractor.** Professional Firm recognizes that Professional Firm is engaged as an independent contractor and acknowledges that Owner shall have no responsibility to provide Professional Firm or its employees with any benefits normally associated with employee status. Professional Firm will neither hold itself out as nor claim to be an officer, partner, employee or agent of Owner.

**Family Code Child Support Certification.** If State funds are being used in in the procurement of the services described in Exhibit A, pursuant to Section 231.006, Texas Family Code, Professional Firm certifies that it is not ineligible to receive the award of or payments under this Agreement and acknowledges that this Agreement may be terminated and payment may be withheld if this certification is inaccurate.

**Prohibition on Contracts with Companies Boycotting Israel.** Pursuant to Chapter 2270 and 808, Texas Government Code, Professional Firm certifies that is not ineligible to receive the award of or payments under the Agreement and acknowledges that the Agreement may be terminated and payment...
may be withheld if this certification is inaccurate. Failure to meet or maintain the requirements under this provision will be considered a material breach.

Section 2252 Compliance. Section 2252 of the Texas Government Code restricts the Owner from contracting with companies that do business with Iran, Sudan, or a foreign terrorist organization. Professional Firm hereby certifies that is not ineligible to receive the award of or payments under this Agreement. Failure to meet or maintain the requirements under this provision will be considered a material breach.

Proprietary Interests. All information owned, possessed or used by Owner which is communicated to, learned, developed or otherwise acquired by Professional Firm in the performance of services for Owner, which is not generally known to the public, shall be confidential and Professional Firm shall not disclose any such confidential information, unless required by law. Professional Firm shall not announce or advertise its engagement by Owner in connection with the Project or publicly release any information regarding the Project without the prior written approval of Owner.

Termination Due to Loss of Funding. If Owner funds are utilized to fund any part of this Agreement, the Professional Firm understands that those Owner funds for the payment for work performed by the Professional Firm under this Agreement have been provided through the Owner's budget approved by Owner Council for the current fiscal year only. State statutes prohibit the obligation and expenditure of public funds beyond the fiscal year for which a budget has been approved. The Owner cannot guarantee the availability of funds, and enters into this Agreement only to the extent such funds are made available. The Professional Firm acknowledges and agrees that it will have no recourse against the Owner for its failure to appropriate funds for the purposes of this Agreement in any fiscal year other than the year in which this Agreement was executed. The fiscal year for the Owner extends from October 1st of each calendar year to September 30th of the following calendar year.

Ethics Matters; No Financial Interest. Professional Firm and its employees, agents, representatives, and subcontractors have read and understand Owner’s Ethics Policy available at http://www.sanmarcostx.gov/380/Ethics, and applicable state ethics laws and rules. Neither Professional Firm nor its employees, agents, representatives or subcontractors will assist or cause Owner employees to violate Owner’s Conflicts of Interest Policy, provisions described by Owner’s Standards of Conduct Guide, or applicable state ethics laws or rules. Professional Firm represents and warrants that no member of the City Council of San Marcos has a direct or indirect financial interest in the transaction that is the subject of this Agreement.

Subcontracting. The Professional Firm will not subcontract any work under this Agreement without prior written approval from the Owner. In the event approval is given by the Owner, the Professional Firm will specify any work or services, the appropriate insurance requirements and miscellaneous provisions by separate written agreement with the subcontractor.

Termination for Convenience. The Owner may terminate the Agreement at any time upon 30-calendar days notice in writing to Professional Firm. Upon receipt of such notice, Professional Firm shall, unless the notice directs otherwise, discontinue all services in connection with the performance of the Agreement. As soon as practicable after the receipt of notice of termination, Professional Firm shall submit a statement to the appropriate department(s) showing in detail the services performed or items delivered under the Agreement to date of termination. The Owner agrees to compensate the Professional Firm for that portion of the prescribed charges for which the services were actually performed or items delivered under the Agreement and not previously paid.
Notices. All notices referenced in this Agreement shall be provided in writing. Notices shall be deemed effective when delivered by hand delivery or on the third business day after the notice is deposited in the U.S. Mail. Notices shall be sent to the following addresses:

If to Owner:
The City of San Marcos
630 East Hopkins
San Marcos, Texas 78666
Attn: Engineering & Capital Improvements
EngInfo@sanmarcostx.gov

With Copies to:
The City of San Marcos
630 East Hopkins
San Marcos, Texas 78666
Attn: City Attorney’s Office
LegalInfo@sanmarcostx.gov

If to Professional Firm
Eric C. Scheibe
Scheibe Consulting, LLC
PO BOX 161357
Austin, TX 78716
escheibe@scheibeconsulting.com

The parties may designate alternative persons or addresses for receipt of notices by written notice.

Changes in Service. If a Party requires a change or amendment to this Agreement or its Exhibits, the Parties agree to use the Authorization on Change in Services Form in Exhibit 2 to do so. The Authorization on Change in Services Form must be agreed to and signed by both Parties before any change to this Agreement is effective.

ARTICLE 8
REIMBUSABLE EXPENSES

Reimbursable Expenses are in addition to Compensation for Professional Firm’s Services and include actual and reasonable expenses incurred by the Professional Firm, that are (i) outside the services listed in Exhibit 1; and (ii) solely and directly in connection with the performance of Professional Firm’s Services. Such Reimbursable Expenses must be approved in writing by the Owner and may include the following:

Expense of transportation (coach class air travel only) and living expenses in connection with out-of-state travel as directed and approved in advance by the Owner. Transportation and living expenses incurred within the State of Texas are not reimbursable unless expressly approved by the Owner in advance.

Fees paid for securing approval of authorities having jurisdiction over the Project.

Professional models and renderings if requested by the Owner.
Reproductions, printing, binding, collating and handling of reports, and drawings and specifications or other project-related work product, other than that used solely in-house for Professional Firm.

Shipping or mailing of all reports, drawings, specifications, and other items in connection with the Project.

Expense of any additional insurance coverage or limits, excluding professional liability and errors and omissions insurance, required under this Agreement or requested by the Owner that is in excess of that normally carried by the Professional Firm.

**ARTICLE 9**

**ADDITIONAL SERVICES**

Additional Services are services not included in the Professional Firm’s Services and not reasonably inferable from Professional Firm’s Services. Additional Services shall be provided only if authorized or confirmed in writing by the Owner. Prior to commencing any Additional Service, Professional Firm shall prepare for acceptance by the Owner an Additional Services Proposal detailing the scope of the Additional Services and the proposed fee for those services. Professional Firm shall proceed to perform Additional Services only after written acceptance of the Additional Services Proposal by Owner.

Upon acceptance by Owner, each Additional Services Proposal and the services performed by Professional Firm pursuant to such Additional Services Proposal shall become part of this Agreement and shall be subject to all the terms and conditions of this Agreement.

**ARTICLE 10**

**PAYMENTS TO PROFESSIONAL FIRM**

Professional Firm shall present monthly Applications for Payment to the Owner detailing the Professional Firm’s Services and approved Additional Services performed and the approved Reimbursable Expenses incurred for the Project in the previous month. With each application for payment, Professional Firm shall submit payroll information, receipts, invoices and any other evidence of payment which Owner or its designated representatives shall deem necessary to support the amount requested.

Owner shall promptly review the Application for Payment and notify Professional Firm whether the Application is approved or disapproved, in whole or in part. Owner shall promptly pay Professional Firm for all approved services and expenses. For purposes of Texas Government Code § 2251.021(a)(2), the date performance of services is completed is the date when the Owner’s representative approves the Application for Payment.

Owner shall have the right to withhold from payments due Professional Firm such sums as are necessary to protect Owner against any loss or damage which may result from negligence by Professional Firm or failure of Professional Firm to perform its obligations under this Agreement.
ARTICLE 11
PROFESSIONAL FIRM'S ACCOUNTING RECORDS

Records of Professional Firm costs, reimbursable expenses pertaining to the Project and payments shall be available to Owner or its authorized representative during business hours and shall be retained for three years after final payment or abandonment of the Project, unless Owner otherwise instructs Professional Firm in writing. Professional Firm’s records shall be kept on the basis of generally accepted accounting principles.

ARTICLE 12
INSURANCE

For services performed on Owner's premises, Professional Firm shall furnish to Owner Certificates of Insurance as set forth below prior to the commencement of any work hereunder and shall maintain such coverage during the full term of the Agreement.

<table>
<thead>
<tr>
<th>Insurance Type</th>
<th>Statutory Limits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Worker's Compensation</td>
<td>$1,000,000 each occurrence</td>
</tr>
<tr>
<td>Employer's Liability</td>
<td>$1,000,000 aggregate</td>
</tr>
<tr>
<td>Comprehensive General Liability</td>
<td>$1,000,000 each occurrence</td>
</tr>
<tr>
<td>Comprehensive Auto Liability</td>
<td>$1,000,000 each occurrence</td>
</tr>
<tr>
<td>Bodily Injury</td>
<td>$1,000,000 aggregate</td>
</tr>
<tr>
<td>Property Damage</td>
<td>$1,000,000 each occurrence</td>
</tr>
<tr>
<td>Professional Liability</td>
<td>$1,000,000</td>
</tr>
</tbody>
</table>

Professional Firm shall include the Owner as an additional insured on the General Liability policy, and the Worker’s Compensation policy shall include a waiver of subrogation in favor of the Owner.

Required insurance shall not be cancelable without thirty (30) days’ prior written notice to Owner.

Upon request Professional Firm shall furnish complete sets of its insurance policies to Owner for review. If additional insurance or changes to this article are required, they shall be explicitly laid out in Exhibit 1.

ARTICLE 13
INDEMNITY

Professional Firm shall hold Owner, The City of San Marcos, and its City Council, officers, agents and employees harmless and free from any loss, damage or expense arising out of any occurrence relating to this Agreement or its performance and shall indemnify Owner, and its City Council, officers, agents and employees, customers, agents, successors and assigns against any damage or claim of any type arising from the negligent or intentional acts or omission of Professional Firm, its employees, agents and/or assigns.
ARTICLE 14
PROFESSIONAL FIRM’S COMPENSATION

The Professional Firm’s compensation for Professional Firm’s Services shall be as follows:

Service Fees: The maximum fee for Professional Firm’s Services shall not exceed Fifty-Seven Thousand, Five Hundred and Eighty Dollars ($57,580.00).

Reimbursable Expenses: For Reimbursable Expenses approved by the Owner (ref. Section 9 and Exhibit 3), Professional Firm shall be compensated for the actual expense incurred by Professional Firm. Notwithstanding the foregoing, Owner’s payment to Professional Firm for Reimbursable Expenses will not exceed a maximum of amount agreed upon in this Agreement and Exhibits without the prior written approval of the Owner.

Additional Services: The Professional Firm’s Compensation for any approved Additional Services shall be as described in the Additional Services Proposal accepted by the Owner.

The Owner and Professional Firm have entered into this Agreement as of the Effective Date.

OWNER:  
THE CITY OF SAN MARCOS

By: ____________________________
Name: ____________________________
Title: ____________________________
Date: ____________________________

PROFESSIONAL FIRM:  
SCEIBE CONSULTING, LLC

By: ____________________________
Name: Eric C. Scheibe, PE, CFM
Title: President
Date: March 7, 2018

Exhibits:
EXHIBIT 1 – Scope of Services and Deliverables
EXHIBIT 2 – Authorization of Change in Service Form
EXHIBIT 3 – Detailed Fee Schedule
EXHIBIT 4 – Other Language as Required by Federal, State, or Local Laws
ATTACHMENT A
CITY OF SAN MARCOS
FLOOD EMERGENCY WARNING SYSTEM
SCOPE OF SERVICES

Project Understanding

The work to be performed by Scheibe Consulting, LLC. (Scheibe or the Consultant) under this contract will consist of a feasibility study for potential flood emergency warning system (FEWS) improvements. Given the unique location of the City of San Marcos in relation to the Blanco River watershed, upgradient NRCS dams, and the Balcones Escarpment, FEWS program development must consider a wide range of potential flooding sources and conditions.

This feasibility study will serve as Phase 1 of the overall FEWS program enhancement to be incorporated into the forthcoming City of San Marcos Emergency Response Plan update. The FEWS will be used as a tool for emergency management and other City staff prior to and during flooding events for both riverine and local flooding conditions. Ultimately, the FEWS will help identify the impacts of potential flooding based on the amount of rainfall or flow in streams within the City and/or from upstream watersheds. The development of the FEWS should consider the following:

- To assist emergency management, identify areas for evacuation, establishing routes for responders, potential road closures and selection of evacuation centers.
- To provide the public information regarding the potential of flooding conditions
- Utilization of existing rain and stream gauges operated by others
- Identification of new rain and/or stream gauges including location, operation procedures, etc.
- A system that can be utilized and accessible any time or day (24 hours).
- An evaluation of areas of previous reported flooding including the date, location and an estimate of rain or flow amounts reported or recorded.
- Along riverine systems (major street crossings) and specific locations within the City (subdivisions, etc.) develop a comparison of peak flows, depth of flooding and associated rainfall amount.
- Develop Phase 1 recommendations including:
  - Identification of rain and stream gauges (existing and/or proposed) to be used for the FEWS
  - Areas of potential flooding both riverine and local based on previous flooding records
  - Format to present findings (tabular, GIS, etc.)
  - Implementation procedures including how the FEWS could be accessed by City staff and the public
  - Operational procedures including how the FEWS data will be updated, procedures during a flooding event, etc.
  - Define Phase 2 services

PHASE 1 – BASIC SCOPE OF SERVICES

Feasibility Study Tasks

1. Meetings

   a. Project Coordination Meetings: Three (3) coordination meetings with City of San Marcos Staff have been budgeted for the Feasibility Study including:
      1. Project Kickoff Meeting
      2. Recommendation Development Meeting – after the evaluation of existing data and meetings with others, conduct a meeting with key City staff to develop recommendations and identify Phase 2 services.
      3. Phase 1 Final Meeting – Presentation of final report development to present final recommendations and findings.

   b. Regional Planning Meetings: Up to eight (8) regional planning meetings with various regional FEWS owners and operators have been budgeted for the purposes of data
ATTACHMENT A
CITY OF SAN MARCOS
FLOOD EMERGENCY WARNING SYSTEM
SCOPE OF SERVICES

collection and developing and/or enhancing partnering relationships. These meetings may be conducted either in person, per conference call and City staff may participate. Meetings may be held with:

1. National Weather Service (NWS - New Braunfels Office – Paul Yura)
2. US Geological Survey (USGS – San Antonio Office – Doug Schnoebelen or Mike Nyman)
3. Hays County Office of Emergency Services
4. TxDOT (DriveTexas.org)
5. City of Austin (ATXFloods.com)
6. Texas Water Development Board (txmesonet.org)
7. Similar Size Cities (Victoria - John Johnston; Killeen - Kristina Ramirez; etc.)
8. Harris County Flood Control District (Ataul Hannan)

2. Assessment

a. **Existing gauge inventory:** Scheibe will prepare a gauge inventory of existing precipitation and stream gauges within the San Marcos area and Blanco Watershed. The inventory will consist of index maps and tables presenting gauge location, accessibility, owner, equipment type, equipment age/condition, power source, history/potential of failure, potential reporting time interval, and other considerations. Scheibe may also coordinate with gauge manufacturer(s) and/or maintenance providers as necessary.

b. **Recommendations for gauge network enhancements:** Scheibe will evaluate weaknesses and data gaps within the existing gauge network. Scheibe will develop recommendations for upgrades to existing gauge equipment and additional gauge stations including potential locations and equipment required to meet the City’s FEWS goals.

c. **FEWS technology evaluation and recommendations:** Scheibe will evaluate and compile information on local, regional, and national FEWS technology. Scheibe will develop ranking criteria based on the City’s goals and priorities to identify a FEWS program best suited for the City. Scheibe will conduct regional FEWS planning meetings to collect data, develop and enhance emergency response relationships, and leverage regional FEWS evaluation efforts. Scheibe may coordinate with dashboard/interface vendors as necessary. Ranking criteria may include, but will not be limited to:

- Regional compatibility/integration
- Real-time modeling & reporting abilities
- Predictive modeling & reporting abilities
- Additional modeling requirements (including enhancements via HWMs)
- Riverine flooding considerations
- Localized flooding considerations
- Dam overtopping/failure considerations
- Dashboard/interface (e.g., flood mapping, traffic/emergency response routing, EOC ease of use, public ease of use)
- Approximate implementation, operation and maintenance costs

3. **Phase 1 Feasibility Study Report:** Scheibe will develop a report complete with existing gauge inventory, gauge network enhancement recommendations, FEWS technology ranking and recommendations, compilation of FEWS technology data, and potential funding opportunities. Scheibe will meet with the City upon draft report preparation to present findings and receive review comments. Scheibe will incorporate comments and suggestions into final report. The Phase 1
PHASE 1 – SUPPLEMENTAL SERVICES (additional authorization required)

S-1. HEC-RTS Blanco River Pilot Study: At the time of scope development, the USACE Hydrologic Engineering Center’s recently available Real-Time Simulation (HEC-RTS) software appears to be a very favorable predictive modeling package. HEC-RTS is a comprehensive data acquisition and hydrologic/hydraulic modeling system that is able to build upon previously developed HEC-HMS and HEC-RAS models. HEC-RTS provides predictive and real-time modeling capabilities for short-term decision support of water control and emergency response in real time.

Scheibe will perform a pilot study of the HEC-RTS software for the Blanco River in order to evaluate and demonstrate the capabilities of the software. Pilot study modeling will include various updates to the existing HEC-HMS and unsteady-state HEC-RAS models of the Blanco Watershed. In order to minimize efforts during this initial phase of work and reduce model simulation times, model assumptions may be reasonably simplified as necessary. Scheibe will evaluate predictive modeling capabilities of HEC-RTS by simulating the May 2015 Blanco River overtopping event. Scheibe will provide a pilot study presentation/workshop to City of San Marcos staff demonstrating HEC-RTS requirements and capabilities with regards to predictive modeling and reporting.

Schedule

The following project milestones are estimated and may require modification pending regional meeting scheduling:

- Recommendation Meeting – 60 days
- Final Report – 90 days

The estimated timeframes identified do not include time for City review.
City Responsibilities

1. The City will provide to Scheibe data in the City’s possession relating to local and regional FEWS equipment including Texas State University equipment.

2. The City will assist in initiating contacts for the Regional Planning Meetings

3. The City will give prompt notice to Scheibe whenever the City observes or becomes aware of any development that affects the scope or timing of Scheibe’s services.

4. The City will examine information submitted by Scheibe and render in writing or otherwise provide comments and decisions in a timely manner.
# EXHIBIT 2

## AUTHORIZATION OF CHANGE IN SERVICES

**CITY OF SAN MARCOS, TEXAS**

<table>
<thead>
<tr>
<th>AGREEMENT/SERVICES:</th>
<th>CITY REPRESENTATIVE:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>CONTRACTOR:</td>
</tr>
<tr>
<td></td>
<td>AUTHORIZATION NO.:</td>
</tr>
<tr>
<td></td>
<td>CONTRACT EFFECTIVE DATE:</td>
</tr>
<tr>
<td></td>
<td>THIS AUTHORIZATION DATE:</td>
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</table>

## WORK TO BE ADDED TO OR DELETED FROM SCOPE OF SERVICES

<table>
<thead>
<tr>
<th>Previous contract amount:</th>
<th>$_________ (NTE annual fee)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net increase/decrease in contract amount:</td>
<td>$________</td>
</tr>
<tr>
<td>Revised annual Agreement amount:</td>
<td>$________ (NTE annual fee)</td>
</tr>
</tbody>
</table>

**Contractor Name**

By:____________________________ Date: ___________________

_______________________________

Printed Name, Title

**Approved by:**

**City of San Marcos:**

By:____________________________

_______________________________

Printed Name, Title

*City Department (PM, etc.) only below this line.*

Account Number(s):_________________________________ _, _______________________________________

Previous Changes in Service:

#_____; date; amount
#_____; date; amount
#_____; date; amount
## ATTACHMENT C - FEE SCHEDULE

**City of San Marcos, Texas**

**Flood Early Warning System (FEWS) Feasibility Study**

<table>
<thead>
<tr>
<th>Professional Service Description</th>
<th>Total Task Hours</th>
<th>Total Task Cost</th>
<th>Staff</th>
<th>Reimbursable Expenses</th>
</tr>
</thead>
<tbody>
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<td></td>
<td></td>
<td></td>
<td>Principal</td>
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</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Senior Project Manager</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>Senior Engineer</td>
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<td></td>
<td></td>
<td></td>
<td>Engineer II &amp; III</td>
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<td></td>
<td></td>
<td></td>
<td>Engineer I</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>Clerical Staff</td>
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<td></td>
<td></td>
<td></td>
<td>Fee</td>
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<td><strong>Feasibility Study</strong></td>
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<td></td>
<td></td>
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<td>1b Meetings - Regional Planning (8)</td>
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<td>20 30 30 700.00</td>
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<td>2a Existing Gauge Inventory</td>
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<td>$700.00</td>
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<tr>
<td>2b Recommendations for Gauge Network Enhancements</td>
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<td>$8,160</td>
<td>8 8 24 8</td>
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<tr>
<td>2c FEWS Technology Evaluation &amp; Recommendations</td>
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<td>$13,120</td>
<td>8 12 36 16 12</td>
<td></td>
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<tr>
<td>3a Draft Report</td>
<td>32</td>
<td>$5,000</td>
<td>2 4 16 8</td>
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</tr>
<tr>
<td>3b Final Report</td>
<td>12</td>
<td>$2,800</td>
<td>2 4 4 2 1,000.00</td>
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<td><strong>END BASIC SERVICES</strong></td>
<td></td>
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<td>52 70 134 52 28 4</td>
<td>$1,000.00</td>
</tr>
<tr>
<td><strong>Total Basic Services</strong></td>
<td></td>
<td>$57,580</td>
<td>52 70 134 52 28 4</td>
<td></td>
</tr>
<tr>
<td><strong>Supplemental Services</strong></td>
<td></td>
<td>$17,240</td>
<td>10 20 44 20 16</td>
<td></td>
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<td>s-1 HEC-RTS Blanco River Pilot Study &amp; Workshop</td>
<td>110</td>
<td>$17,240</td>
<td>10 20 44 20 16</td>
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<tr>
<td><strong>END</strong></td>
<td></td>
<td>$17,240</td>
<td></td>
<td></td>
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<tr>
<td><strong>Total Supplemental Services</strong></td>
<td></td>
<td>$74,820</td>
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<td></td>
</tr>
</tbody>
</table>

The hours listed above are an estimate. The hours assigned to the Phase are not exclusive to the Phase which they are assigned. The total fee will not exceed the total contract amount as discussed in Article 2. The hourly rates of this contract shall apply throughout the remainder of this contract and to all change in services.

**Payment to the ENGINEER will be made as follows:**

1. Basic Services - The amounts of these invoices will be based upon the extent of work completed by the Engineer on an hourly basis.
2. Supplemental Services - The Engineer will receive approval in writing before performing supplemental services. The amounts of these invoices will be based upon the extent of work completed by the Engineer on a lump sum basis.
3. Reimbursable Expense - Reimbursable expenses including such things as expenses for plotting, reproduction of documents, auto travel mileage (current IRS approved mileage rate), delivery charges, long distance communications, freight, and state accessibility will be invoiced with appropriate backup documentation.

**Invoice and Time of Payment**

Invoices will be prepared in a format approved by the City prior to submission of the first monthly invoice. Invoices shall be submitted monthly and paid within 30 days.
EXHIBIT 4
FEDERALLY REQUIRED PROVISIONS

A. NATIONAL OBJECTIVES
All activities funded with CDGB-DR funds must meet one of the CDBG-DR program’s National Objectives: (a) benefit low- and moderate- income persons; (b) aid in the prevention or elimination of slums or blight; or (c) meet community development needs having a particular urgency, as defined in 24 CFR 570.208. The Engineer certifies that the activities carried out under this Agreement will meet a National Objective.

B. COPELAND ANTI-KICKBACK ACT COMPLIANCE
The Professional Firm will comply with the requirements of 29 CFR Part 3 (the Copeland Act). The "Anti-Kickback" section of the Act precludes a contractor or subcontractor from inducing an employee -- in any manner -- to give up any part of his/her compensation to which he/she is entitled under his/her contract of employment.

C. CONFLICTS OF INTEREST (24 CFR 570.611; 2 CFR 200.112 AND 200.318(c); 24 CFR 85.35; AND 24 CFR 84.42)
There are two sets of conflict of interest provisions applicable to activities carried out with CDBG funding. The first set, applicable to the procurement of goods and services by subrecipients (funded applicants), is the procurement regulations located at 24 CFR 84.42 and 85.36. The second set of provisions is located at 24 CFR 570.611(a)(2). These provisions cover situations not covered by parts 84 and 85.

With respect to procurement activities, the Professional Firm must maintain written standards of conduct governing the performance of its employees engaged in the award and administration of contracts. At a minimum, these standards must:

1) Require that no employee, officer, or agent may participate in the selection, award, or administration of a contract supported by federal funds if a real or apparent conflict would be involved. Such a conflict would arise when any of the following parties has a financial or other interest in the firm selected for an award:

   a) An employee, officer, or agent' of the Professional Firm;
   b) Any member of an employee's, officer's, or agent's immediate family;
   c) An employee's, agent's, or officer's partner; or
   d) An organization which employs or is about to employ any of the persons listed in the preceding sections.

2) Require that employees, agents, and officers of the Professional Firm neither solicit nor accept gratuities, favors, or anything of value from contractors, or parties to sub-agreements. However, Professional Firms may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value.
3) Provide for disciplinary actions to be applied for any violations of such standards by employees, agents or officers of the subrecipient.

With respect to all other CDBG-assisted activities, the general standard is that no employee, agent or officer of the subrecipient, who exercises decision-making responsibility with respect to CDBG funds and activities is allowed to obtain a financial interest in or benefit from CDBG activities, or have a financial interest in any contract, subcontract, or agreement regarding those activities or in the proceeds for the activities. Specific provisions include that:

a) This requirement applies to any person who is an employee, agent, Professional Firm, officer, or elected or appointed official of the City, a designated public agency, or a subrecipient, and to their immediate family members and business partner(s).

b) The requirement applies for such persons during their tenure and for a period of one year after leaving the grantee or subrecipient organization.

c) Upon written request, exceptions may be granted by HUD on a case-by-case basis.

D. CERTIFICATION OF ELIGIBILITY

By submitting a proposal in response to the Invitation for Bids, the Professional Firm certifies that at the time of submission, he/she/it is not listed on the government-wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR Part 1986 Comp., p 189) and 12689 (3 CFR part 1989 Comp., p 235), "Debarment and Suspension".

1) In the event of placement on the list between the time of bid/proposal submission and time of contract award, the bidder/proposer will immediately notify the City.

2) Professional Firm certifies that its subcontractors are not presently debarred, suspended, or proposed for debarment, declared ineligible or voluntarily excluded from participation in any state or federal program.

3) Placement of Professional Firm on the federal government's list of suspended, ineligible, or debarred contractors, false certification, or failure to notify City as required may result in City's termination of this Contract for default.

4) Contractor will furnish a copy of the certification in accordance with 24 C.F.R. Part 24 (Debarment and Suspension). The Contractor and all subcontractors will be active and not debarred on the website, www.sam.gov. and provide a copy of the certification to the City before the entity performs work under this contract.

The Contractor must ensure that awards are not made to any party which is debarred or suspended or is otherwise excluded from or ineligible for participation in Federal assistance programs under Executive Order 12549, "Debarment and Suspension" and the UAR. Contractor will have each contractor and subcontractor complete a contractor eligibility form in a format that is provided or approved by the City. This form will provide the information necessary to verify contractor eligibility.

E. NON-COLLUSION CERTIFICATION
The Professional Firm certifies that, if a proposal was provided that resulted in a contract, that proposal was made without collusion with any other person, firm or corporation.

F. **BYRD ANTI-LOBBYING AMENDMENT**

(31 U.S.C. 1352) Contractors that bid for an award exceeding $100,000 must file the required certification that it will not and has not used Federal appropriated funds to pay any persons or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352.

G. **SECTION 3 COMPLIANCE**

Compliance with Section 3 [These provisions are applicable to projects for which the amount of HUD assistance exceeds $200,000 and the contract or subcontract exceeds $100,000.]

1) The work to be performed under this Contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall to the greatest extent feasible, be directed to low-and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

2) The parties to this Contract agree to comply with HUD's regulations in 24 C.F.R. Part 135, which implement Section 3. As evidenced by their execution of this Contract, the parties to this Contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.

3) The Contractor agrees to send to each labor organization or representative of workers with which the Contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the Contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

4) The Contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 C.F.R. Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 C.F.R. Part 135. The Contractor will not subcontract with any subcontractor where the Contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 C.F.R. Part 135.

5) The Contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the Contractor is selected but before the Contract is executed, and (2) with persons other than those to whom the regulations of 24 C.F.R. Part 135 require employment
opportunities to be directed, were not filled to circumvent the Contractor's obligations under 24 C.F.R. Part 135.

6) Noncompliance with HUD's regulations in 24 C.F.R. Part 135 may result in sanctions, termination of this Contract for default, and debarment or suspension from future HUD assisted contracts.

7) When required, Contractor shall furnish the City or HUD with satisfactory proof of its compliance herewith.

H. COMPLIANCE WITH RULES AND REGULATIONS

Funding for the Project has been made available by HUD through the CDBG-DR Program. The Professional Firm will comply with all of the applicable uniform administrative regulations related to the application, acceptance and use of federal funds as contained in 2 CPR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. The Professional Firm is encouraged to obtain the necessary information but failure to do so will not relieve it from compliance with the applicable regulations. The Professional Firm will be responsible for compliance and conformance with applicable federal and state laws, rules, regulations and codes, City permitting requirements, and City ordinances currently in effect. Federal and state laws, rules, regulations and codes include but are not limited to:

a. WORKERS COMPENSATION LAWS:

1) Minimum and maximum salary and wage statutes and regulations, including but not limited to:
   a) Fair Labor Standards Act of 1938, as amended;
   b) Equal Pay Act of 1963, PL 88-38; and
   c) All applicable regulations implementing the above laws;

2) Non-discrimination statutes and regulations, including but not limited to:
   a) Title VII of the Civil Rights Act of 1964, as amended;
   b) Section 504 of the Rehabilitation Act of 1973, as amended;
   c) The Age Discrimination Act of 1975, as amended; and
   d) all applicable regulations implementing the above laws;

3) Licensing laws and regulations;
   a) Compliance with Texas Accessibility Standards ("TAS") and ADA requirements, issued by the Texas Department of Licensing and Regulation, under the Architectural Barriers Act, or other applicable Texas law;

4) Requirements under the Architectural Barriers Act and the Americans with Disabilities Act set forth in 24 C.F.R. Section 570.614;

5) All applicable standards, orders, or requirements issued under the Clean Air Act (42 U.S.C.7401-7671q), and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387, as amended.

6) Mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (PUB L 94-163, 89 Stat. 871) codified at 42 U.S.C.A. Section 6321 et seq.;
7) National Environmental Policy Act ("NEPA") including Environmental Protection Agency regulations (40 C.F.R. Part 15), applicable HUD regulations set forth in 24 C.F.R. Parts 50 and 58 including authorities cited therein, and National Historic Preservation Act of 1966, including Federal Historic Preservation Regulations (36 C.F.R. Part 800), which require environmental clearance of federal aid projects; and in connection with NEPA requirements, Professional Firm is responsible for the preparation of NEPA documents required for environmental clearance of the Project covered hereunder; G) 24 C.F.R. Section 5.105, including applicable authorities cited therein, as well as applicable provisions of 24 C.F.R. Part 58, including Section 58.5 and applicable authorities cited therein and Section 58.6 and applicable authorities cited therein.

b. **AFFIRMATIVE ACTION - WOMEN-AND MINORITY-OWNED BUSINESSES (W/MBE)**

The Contractor will take all necessary affirmative steps to afford small businesses, minority business enterprises, and women's business enterprises the maximum practicable opportunity to participate in the performance of this contract. As used in this contract, the terms "small business" means a business that meets the criteria set forth in section 3(a) of the Small Business Act, as amended (15 U.S.C. 632), and "minority and women's business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, "minority group members" are Afro-Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian-Americans, and American Indians. The Contractor may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

Affirmative steps must include:

i. Placing qualified small and minority businesses and women's business enterprises on solicitation lists;

ii. Assuring that small and minority businesses, and women's business enterprises, are solicited whenever they are potential sources.

iii. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce;

iv. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises.

v. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises.

c. **LABOR STANDARDS**

The Contractor agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act as amended, the provisions of Contract Work
Hours and Safety Standards Act (40 U.S.C. 327 et seq.) and all other applicable Federal, state and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Agreement.

The Contractor agrees to comply with the Copeland Anti-Kick Back Act (18 U.S.C. 874 et seq.) and its implementing regulations of the U.S. Department of Labor at 29 CFR Part 5. The Contractor shall maintain documentation that demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the City for review upon request.

The Contractor agrees that, except with respect to the rehabilitation or construction of residential property containing less than eight (8) units, all contractors engaged under contracts in excess of $2,000.00 for construction, renovation or repair work financed in whole or in part with assistance provided under this contract, shall comply with Federal requirements adopted by the City pertaining to such contracts and with the applicable requirements of the regulations of the Department of Labor, under 29 CFR Parts 1, 3, 5 and 7 governing the payment of wages and ratio of apprentices and trainees to journey workers; provided that, if wage rates higher than those required under the regulations are imposed by state or local law, nothing hereunder is intended to relieve the Contractor of its obligation, if any, to require payment of the higher wage. The Contractor shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of this paragraph.

d. **USE OF ASSETS AND ASSET REVERSION**

City assets used by the Contractor during the contract shall be given back to the City at the conclusion of the contract.

e. **PROGRAM INCOME**

The City will accept and report program income to the federal government.

f. **FEDERAL FUNDING AND ACCOUNTABILITY TRANSPARENCY ACT (FFATA)**

Contracts equal to or greater than $25,000 must be entered into the Federal Service Reporting System. Contractor information is needed to complete the compliance reporting for the Federal Funding and Accountability Transparency Act. The Contractor will complete the Federal Funding and Accountability Transparency Act form attached to this Contract.

g. **LOBBYING**

The Contractor hereby certifies that:

(i.) No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the
making of any Federal grant, the making of any Federal loan, the entering into of any
cooperative agreement, and the extension, continuation, renewal, amendment, or
modification of any Federal contract, grant, loan, or cooperative agreement;

(ii.) If any funds other than Federal appropriated funds have been paid or will be
paid to any person for influencing or attempting to influence an officer or employee of
any agency, a Member of Congress, an officer or employee of Congress, or an
employee of a Member of Congress in connection with this Federal contract, grant,
loan, or cooperative agreement, it will complete and submit Standard Form-LLL,
"Disclosure Form to Report Lobbying," in accordance with its instructions; and

(iii.) It will require that the language of paragraph (d) of this certification be included
in the award documents for all subawards at all tiers (including subcontracts, subgrants,
and contracts under grants, loans, and cooperative agreements) and that all Contractors
shall certify and disclose accordingly:

(iv.) Lobbying Certification
This certification is a material representation of fact upon which reliance was placed
when this transaction was made or entered into. Submission of this certification is a
prerequisite for making or entering into this transaction imposed by section 1352, title
31, U.S.C. Any person who fails to file the required certification shall be subject to a
civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

h. LEAD-BASED PAINT

The Contractor agrees that any construction or rehabilitation of residential structures
with assistance provided under this Agreement shall be subject to HUD Lead-Based
Paint Regulations at 24 CPR 570.608, and 24 CPR Part 35, Subpart B. Such regulations
pertain to all CDBG-DR-assisted housing and require that all owners, prospective
owners, and tenants of properties constructed prior to 1978 be properly notified that
such properties may include lead-based paint. Such notification shall point out the
hazards of lead-based paint and explain the symptoms, treatment and precautions that
should be taken when dealing with lead-based paint poisoning and the advisability and
availability of blood lead level screening for children under seven. The notice should
also point out that if lead-based paint is found on the property, abatement measures may
be undertaken. The regulations further require that, depending on the amount of Federal
funds applied to a property, paint testing, risk assessment, treatment and/or abatement
may be conducted.

i. FLOOD DISASTER PROTECTION

In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42
U.S.C. 4001), the Contractor shall assure that for activities located in an area identified
by the Federal Emergency Management Agency (FEMA) as having special flood
hazards, flood insurance under the National Flood Insurance Program is obtained and
maintained as a condition of financial assistance for acquisition or construction
purposes (including rehabilitation).

j. HISTORIC PRESERVATION
The Contractor agrees to comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470) and the procedures set forth in 36 CPR Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this agreement.

In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, state, or local historic property list.

k. RELIGIOUS ACTIVITIES

The Contractor agrees that funds provided under this Agreement will not be utilized for inherently religious activities prohibited by 24 CPR 570.200G), such as worship, religious instruction, or proselytization. The acquisition, construction, or rehabilitation of structures used for inherently religious activities is not allowable under this program.

l. COPYRIGHT

If this contract results in any copyrightable material or inventions, the City and/or grantor agency reserves the right to royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use, the work or materials for governmental purposes.

m. EQUAL EMPLOYMENT OPPORTUNITY

AGENDA CAPTION:
Consider approval of Resolution 2018-46R, amending Resolution 2018-26R, authorizing the City Manager or his designee to apply for Homeland Security Grants for Hazardous Materials Monitor Support; authorizing the City Manager or his designee to accept, reject, alter or terminate the grants, if awarded, and to execute all contracts and documents as necessary to implement the grants; and declaring an effective date.

Meeting date: April 3, 2018

Department: Neighborhood Services - Emergency Management

Amount & Source of Funding
Funds Required: N/A
Account Number: N/A
Funds Available: N/A
Account Name: N/A

Fiscal Note:
Prior Council Action: Resolution 20108-26R was originally approved on February 20, 2018. More details below.

City Council Strategic Initiative: [Please select from the dropdown menu below]

Choose an item.
Choose an item.
Choose an item.

Comprehensive Plan Element(s): [Please select the Plan element(s) and Goal # from dropdown menu below]

☐ Economic Development - Choose an item.
☐ Environment & Resource Protection - Choose an item.
☐ Land Use - Choose an item.
☐ Neighborhoods & Housing - Choose an item.
☐ Parks, Public Spaces & Facilities - Choose an item.
☐ Transportation - Choose an item.
☒ Not Applicable
Background Information:
Resolution 2018-26R was approved by the City Council on February 20, 2018, but the Office of the Governor has requested that some specific language be included within the resolution. This resolution amends the previously approved resolution to include that specific language. The additional language is underlined on the attached resolution.

The City of San Marcos is a lead agency in the Capital Area Regional Response Plan providing a CBRNE (Chemical, Biological, Radiological, Nuclear, Explosive) Hazardous Materials response capability and a regional law enforcement component. The city has participated in this regional response concept since 2003.

The City, along with the County, have received numerous grants and equipment disbursements in order to maintain and operate a CBRNE/All Hazards Task Force. This capability allows our organization to increase our state of readiness in responding to CBRNE and other hazardous materials incidents.

The City intends to apply for grants to sustain existing systems and capabilities. These applications of equipment include hazmat monitor maintenance. This resolution authorizes the City Manager to apply for the CBRNE/Hazardous Materials Monitor Maintenance program sustainment grant.

The City intends to utilize this equipment in concert with the existing rules and regulations of the Office of the Governor, State Administrative Agency and other regulatory organizations as presented in the grant guidance and authorizing Grant Award Notice.

Council Committee, Board/Commission Action:
N/A

Alternatives:
N/A

Recommendation:
Adopt the Resolution as submitted.
RESOLUTION NO. 2018- R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS AMENDING RESOLUTION 2018-26R, AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO APPLY FOR HOMELAND SECURITY GRANTS FOR HAZARDOUS MATERIALS MONITOR SUPPORT; AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO ACCEPT, REJECT, ALTER OR TERMINATE THE GRANTS, IF AWARDED, AND TO EXECUTE ALL CONTRACTS AND DOCUMENTS AS NECESSARY TO IMPLEMENT THE GRANTS; AND DECLARING AN EFFECTIVE DATE.

RECITALS:

1. The City of San Marcos is a lead agency in the Capital Area Regional Response Plan providing a chemical, biological, radiological, nuclear and explosive (CBRNE) hazardous materials response capability and a regional law enforcement component. The city has participated in this regional response concept since 2003.

2. The City, along with Hays County, has received numerous grants and equipment disbursements in order to from, maintain and operate a CBRNE/All Hazards Task Force. This capability allows our organization to increase readiness not only to manmade, but natural born emergency events.

3. The City of San Marcos, already participates in matching funding and no extra funds are required for these grant applications.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS:

PART 1. The City Manager or his designee is authorized to submit applications for Homeland Security grant funds for the CBRNE/HAZMAT Monitor Maintenance.

PART 2. The City Manager or his designee is authorized to accept the grant, if awarded, and to execute all contracts and documents with the awarding agency and any participating entities as necessary and appropriate for implementation of the grant.

PART 3. The City Manager or his designee is authorized to reject, alter or terminate the grant on behalf of the City of San Marcos.

PART 4. The City of San Marcos agrees that in the event of loss or misuse of the Office of the Governor funds, the City of San Marcos assures that the funds will be returned to the Office of the Governor in full.

PART 5. This resolution supersedes and amends Resolution 2018-26R.
PART 6. This resolution shall be in full force and effect immediately from and after its passage.

ADOPTED on April 3, 2018.

John Thomaides
Mayor

Attest:

Jamie Lee Case
City Clerk
RESOLUTION NO. 2018-R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO APPLY FOR HOMELAND SECURITY GRANTS FOR HAZARDOUS MATERIALS MONITOR SUPPORT; AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO ACCEPT THE GRANTS, IF AWARDED, AND TO EXECUTE ALL CONTRACTS AND DOCUMENTS AS NECESSARY TO IMPLEMENT THE GRANTS; AND DECLARING AN EFFECTIVE DATE.

RECITALS:

1. The City of San Marcos is a lead agency in the Capital Area Regional Response Plan providing a chemical, biological, radiological, nuclear and explosive (CBRNE) hazardous materials response capability and a regional law enforcement component. The city has participated in this regional response concept since 2003.

2. The City, along with Hays County, has received numerous grants and equipment disbursements in order to from, maintain and operate a CBRNE/All Hazards Task Force. This capability allows our organization to increase readiness not only to manmade, but natural born emergency events.

3. The City of San Marcos, already participates in matching funding and no extra funds are required for these grant applications.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS:

PART 1. The City Manager or his designee is authorized to submit applications for Homeland Security grant funds for the CBRNE/HAZMAT Monitor Maintenance.

PART 2. The City Manager or his designee is authorized to accept the grant, if awarded, and to execute all contracts and documents with the awarding agency and any participating entities as necessary and appropriate for implementation of the grant.

PART 3. This Resolution shall be in full force and effect immediately from and after its passage.

ADOPTED on February 20, 2018.
John Thomaides
Mayor

Attest:

Jamie Lee Case
City Clerk
AGENDA CAPTION:
Consider approval of Resolution 2018-47R, authorizing the City Manager or his designee to apply for Homeland Security Grants for Hazardous Materials AreaRAE Equipment; authorizing the City Manager or his designee to accept, reject, alter or terminate the grants, if awarded, and to execute all contracts and documents as necessary to implement the grants; and declaring an effective date.
Meeting date: April 3, 2018

Department: Neighborhood Services - Emergency Management

Amount & Source of Funding
Funds Required: N/A
Account Number: N/A
Funds Available: N/A
Account Name: N/A

Fiscal Note:
Prior Council Action: Click or tap here to enter text.

City Council Strategic Initiative: [Please select from the dropdown menu below]
Choose an item.
Choose an item.
Choose an item.

Comprehensive Plan Element(s): [Please select the Plan element(s) and Goal # from dropdown menu below]
☐ Economic Development - Choose an item.
☐ Environment & Resource Protection - Choose an item.
☐ Land Use - Choose an item.
☐ Neighborhoods & Housing - Choose an item.
☐ Parks, Public Spaces & Facilities - Choose an item.
☐ Transportation - Choose an item.
☒ Not Applicable
Master Plan: [Please select the corresponding Master Plan from the dropdown menu below (if applicable)]
Choose an item.

Background Information:
The City of San Marcos is a lead agency in the Capital Area Regional Response Plan providing a CBRNE (Chemical, Biological, Radiological, Nuclear, Explosive) Hazardous Materials response capability and a regional law enforcement component. The city has participated in this regional response concept since 2003.

The City, along with the county, have received numerous grants and equipment disbursements in order to maintain and operate a CBRNE/All Hazards Task Force. This capability allows our organization to increase our state of readiness in responding to CBRNE and other hazardous materials incidents.

The City intends to apply for grants to increase our capabilities. These applications of equipment include HazMat AreaRAEs. This resolution authorizes the City Manager to apply for the CBRNE/Hazardous Materials AreaRAEs equipment grant.

The AreaRAE equipment is a wireless transportable area monitor that can simultaneously detect toxic and combustible gases, volatile organic chemicals, radiation and meteorological factors. The AreaRAE monitors send gas and radiation data to remote monitoring software that enables us to see real-time threat readings from a safe location on any computer with an internet connection. It can be set up to monitor a fence line, public venue, or setting up a perimeter at a fire.

The City intends to utilize this equipment in concert with the existing rules and regulations of the Office of the Governor, State Administrative Agency and other regulatory organizations as presented in the grant guidance and authorizing Grant Award Notice.

Council Committee, Board/Commission Action: N/A

Alternatives: N/A

Recommendation: Adopt the Resolution as submitted.
RESOLUTION NO. 2018- R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO APPLY FOR HOMELAND SECURITY GRANTS FOR HAZARDOUS MATERIALS AREARAE'S EQUIPMENT; AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO ACCEPT, REJECT, ALTER OR TERMINATE THE GRANTS, IF AWARDED, AND TO EXECUTE ALL CONTRACTS AND DOCUMENTS AS NECESSARY TO IMPLEMENT THE GRANTS; AND DECLARING AN EFFECTIVE DATE.

RECITALS:

1. The City of San Marcos is a lead agency in the Capital Area Regional Response Plan providing a chemical, biological, radiological, nuclear and explosive (CBRNE) hazardous materials response capability and a regional law enforcement component. The city has participated in this regional response concept since 2003.

2. The City, along with Hays County, has received numerous grants and equipment disbursements in order to from, maintain and operate a CBRNE/All Hazards Task Force. This capability allows our organization to increase readiness not only to manmade, but natural born emergency events.

3. The City of San Marcos, already participates in matching funding and no extra funds are required for these grant applications.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS:

PART 1. The City Manager or his designee is authorized to submit applications for Homeland Security grant funds for the HAZMAT AreaRAE.

PART 2. The City Manager or his designee is authorized to accept the grant, if awarded, and to execute all contracts and documents with the awarding agency and any participating entities as necessary and appropriate for implementation of the grant.

PART 3. The City Manager or his designee is authorized to reject, alter or terminate the grant on behalf of the City of San Marcos.

PART 4. The City of San Marcos agrees that in the event of loss or misuse of the Office of the Governor funds, the City of San Marcos assures that the funds will be returned to the Office of the Governor in full.

PART 5. This Resolution shall be in full force and effect immediately from and after its passage.
ADOPTED on April 3, 2018.

John Thomaides
Mayor

Attest:

Jamie Lee Case
City Clerk
AGENDA CAPTION:
Consider approval of Resolution 2018-48R, adopting revised Investment Policies for Operating Funds and Reserve Funds; and declaring an effective date.
Meeting date: April 3, 2018

Department: Finance-Heather Hurlbert, Finance Director

Amount & Source of Funding
Funds Required: N/A
Account Number: N/A
Funds Available: N/A
Account Name: N/A

Fiscal Note:

Prior Council Action: Click or tap here to enter text.

City Council Strategic Initiative: [Please select from the dropdown menu below]
Choose an item.
Choose an item.
Choose an item.

Comprehensive Plan Element (s): [Please select the Plan element(s) and Goal # from dropdown menu below]
☐ Economic Development - Choose an item.
☐ Environment & Resource Protection - Choose an item.
☐ Land Use - Choose an item.
☐ Neighborhoods & Housing - Choose an item.
☐ Parks, Public Spaces & Facilities - Choose an item.
☐ Transportation - Choose an item.
☒ Not Applicable

Master Plan: [Please select the corresponding Master Plan from the dropdown menu below (if applicable)]
Choose an item.
Background Information:
The Public Funds Investment Act (PFIA) requires the Investment Officer present the City’s investment policy to City Council for approval on an annual basis. Staff proposes several changes to the policy, which include the following:

- Change the required PFIA training for investments officers from 10 to 8 hours annually, but newly appointed investment officers still require 10 hours. This change is made to reflect the new education requirements in the PFIA.
- Increase the “Maximum % of Portfolio” on the following investment types due to a potential increase in return on these types of investments:
  - Municipal Instruments from 40-50%
  - Repurchase Agreements from 25-30%
  - Commercial Paper from 25-30%
- Modifications to the Broker Dealer Questionnaire/PFIA Certification forms to make a combined form

These changes were presented to the Finance and Audit Committee on March 13, 2018. The modified Investment policies are attached.

Council Committee, Board/Commission Action:
Click or tap here to enter text.

Alternatives:
Click or tap here to enter text.

Recommendation:
Click or tap here to enter text.
RESOLUTION NO. 2018- R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS ADOPTING REVISED INVESTMENT POLICIES FOR OPERATING FUNDS AND RESERVE FUNDS; AND DECLARING AN EFFECTIVE DATE.

RECITALS:

1. Texas Government Code, §2256.005 requires the City Council to adopt a written policy regarding the investment of City funds and funds under City control.

2. The Director of Finance has recommended the adoption of revised City of San Marcos investment policies for operating funds and reserve funds.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS:

PART 1. The revised City of San Marcos investment policies for operating funds and reserve funds attached to this Resolution are approved and adopted.

PART 2. This Resolution shall be in full force and effect from and after its passage.

ADOPTED on April 3, 2018.

John Thomaides
Mayor

Attest:

Jamie Lee Case
City Clerk
CITY OF SAN MARCOS, TEXAS
OPERATING AND BOND FUNDS
INVESTMENT POLICY

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INVESTMENT POLICY – OPERATING AND BOND FUNDS
CITY OF SAN MARCOS
FINANCE DEPARTMENT

I. POLICY

It is the policy of the City of San Marcos to invest public funds in a manner which will optimize interest earnings with maximum security while meeting the daily cash flow demands of the City and conforming to all state and local statutes governing the investment of public funds.

II. SCOPE

This Investment Policy (hereafter referred to as Policy) applies to all financial assets of the City except Reserve Funds which are longer in terms and represent different risk profiles. Reserve Funds are managed and controlled by a separate Investment Policy. These financial assets covered by this Policy are within funds that are accounted for in the Comprehensive Annual Financial Report and include:

1. General Fund
2. Special Revenue Funds
3. Capital Projects Funds
4. Debt Service Funds
5. Enterprise Funds
6. Trust and Agency Funds

and any new funds created by the City unless specifically exempted by the City Council and this Policy.

III. PRUDENCE

The standard of prudence to be used by investment officers and Finance Administrators shall be the “prudent person” standard and shall be applied in the context of managing an overall portfolio.

Investments shall be made with judgment and care—under circumstances then prevailing—which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

IV. OBJECTIVES

All operating and bond funds will be pooled for investment purposes. The primary objectives, in priority order, of the City’s investment activities for all funds shall be:

1. Safety: Safety of principal is the foremost objective of the investment program. Investments of the City shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.
2. Liquidity: The City’s investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements, which might be reasonably anticipated.
3. Diversification: In order to supplement the safety objective, diversification is needed to minimize credit and market risk and to reduce overall portfolio impact from potential losses on individual securities.
4. Yield: The City’s investment portfolio shall be designed with the objective of attaining a market rate of return in accordance with its designated benchmark which is based on the City’s cash
flow requirements throughout budgetary and economic cycles, commensurate with the City’s investment risk constraints and the cash flow characteristics of the portfolio.

V. Strategy

The structure and management of the pooled City portfolio will address the varying needs, goals and objectives of each fund. Investment strategies for General Fund, Special Revenue Funds, Capital Projects Funds, Enterprise Funds, and Trust and Agency Funds are designed to assure that anticipated cash flows are matched with adequate liquidity in each fund. A secondary strategy is to create a portfolio structure that will experience minimal volatility during economic cycles. Both may be accomplished by purchasing high quality, short-to-medium term securities that will complement each other in a laddered structure and assure the marketability of those investments should liquidity needs arise. Investments are to be chosen in a manner that promotes diversity by market sector, credit and maturity. The maximum dollar weighted average maturity of the total portfolio to accomplish these goals will not exceed 18 months, dependent on market conditions.

Investment strategies will address the unique needs for Debt Service Funds to primarily assure investment liquidity adequate to cover the debt service obligation for each consecutive debt service payment. Investments shall progressively fund each succeeding debt service.

Effective cash management is recognized as essential to good fiscal management. Cash management is defined as the process of managing monies in order to ensure maximum cash availability to the City for investment use. The City shall maintain a comprehensive cash management program that includes collection of accounts receivable, prudent investment of its available cash, disbursement of payments in accordance with invoice terms and the management of banking services.

VI. Delegation of Authority

Investment Officers

Management responsibility for the investment program is hereby delegated to the Director of Finance, the Accounting Manager, and Cash Management Accountant or staff accountant as designated by Director of Finance and they are therefore designated as the Investment Officers under the Act and by resolution of the City Council. The Investment Officer(s) shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

Investment Officers who are employees of the City acting in accordance with this standard, written procedures and the Policy and exercising due diligence shall be relieved of personal liability for an individual security’s credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments. Investment Advisors / Managers acting under contract to the City are not relieved of personal responsibility.

Investment advisors / managers under contract to the City may also be designated as Investment Officers by the City Council. A contracted Investment Advisor / Manager will perform the investment responsibilities of the Investment Officer. The investment management firm selected to transact investment business on behalf of the City will be provided a copy of this Policy to assure that they are familiar with the goals and objectives of the investment program. All key investment professionals of the investment management firm will be required to return a signed copy of the Certification by Business Organization substantially in the form provided as Appendix B. The investment management firm, which will act in a fiduciary capacity, must be registered with the Securities and Exchange Commission under the Investment Advisor’s Act of 1940. The Investment Advisor / Manager will be required to manage the City’s funds in accordance with the laws of the State of Texas, and Investment Policies and procedures established by the City.

In accordance with the Act, Investment Officers shall attend investment training session no less than once every two years receiving not less than 40-8 hours of instruction relating to investment responsibilities. A
newly appointed Investment Officer must attend a training session of at least 10 hours of instruction within
twelve months of the date the officer took office or assumed investment officer duties. The investment
training sessions shall be provided by an independent source approved and authorized to issue PFIA
training certification. For purposes of this Policy, an “independent source” from which investment training
shall be obtained shall include a professional organization, an institution of higher education or any other
sponsor authorized to issue PFIA training certification.

Investment Committee
An Investment Committee consisting of the Finance and Audit committee members, and Accounting
Manager is established to review quarterly reports and Policy changes as well as advise the City Council
on investment matters. The Investment Committee shall, at least annually or as required by market
conditions, review, revise, and adopt a list of authorized broker/dealers that may engage in investment
transactions with the City based on the annual review of the financial condition and registrations of dealers
and institutions conducted by the Investment Officer(s) (in accordance with this Policy).

VII. INVESTMENT PROCEDURES

The Investment Officer(s) shall establish reasonable commercial written procedures for the operation of the
investment program consistent with this Policy. The procedures should include to safekeeping, repurchase
agreements, wire transfer agreements, banking service contracts and collateral/depository agreements. No
person may engage in an investment transaction except as provided under the terms of this Policy and the
procedures established by the Investment Officer(s). Investment Committee will make the recommendation
when to contract with an Investment Advisor / Manager firm depending on market conditions and review /
analysis of contract cost versus investment portfolio return.

All investment purchases will be executed using the competitive bidding process and settled on a delivery
versus payment (DVP) basis. A minimum of three competitive offers on the purchase/sale of every security
will be obtained or approval from an Investment Committee officer on a competitive offer due to market
conditions and time constraints. All investment purchases will be executed in compliance with the Internal
Revenue Service’s Fair Market Rules.

VIII. ETHICS AND CONFLICTS OF INTEREST

Investment officers and employees involved in the investment process shall refrain from any personal
business activity that could conflict with proper execution of the investment program, or which could impair
their ability to make impartial investment decisions. Investment officers shall disclose in writing to the City
Manager any material financial interests in financial institutions that conduct business with the City, and
they shall further disclose any large personal financial/investment positions that could be related to the
performance of the City’s portfolio. Investment officers involved in the investment process with personal
business relationships or relatives within the second degree of affinity or consanguinity seeking to sell
investments/securities to the City shall disclose the relationship and file a statement with the Texas Ethics
Commission and the City Council. Personal business relationships are defined in the Act.

IX. AUTHORIZED BROKER/DEALERS AND FINANCIAL INSTITUTIONS

The objective of safety requires that the City transact business with financially strong broker/dealers and
financial institutions. Therefore, financial broker/dealers and institutions shall be subject to a screening
process by the Investment Officers and/or City contracted Investment Advisor / Manager to eliminate those
dealers and institutions that lack economic viability or whose past practices put the safety of public capital
at risk.

The Investment Advisor / Manager under contract will observe the instructions of the City with respect to
broker/dealers who are approved to execute transactions involving the City’s Managed Funds and in the
absence of such instructions will engage broker/dealers which the Advisor / Manager reasonably believes to be reputable, qualified and financially sound.

These broker/dealers may include “primary” dealers or regional dealers that qualify under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule). Authorized dealers and institutions shall provide proof of Financial Institutions Regulatory Authority (FINRA) certification, an annual audited financial statement, and a completed broker/dealer questionnaire.

Additional financial institutions may be used for time or demand deposits designed for investment purposes (i.e. not as the primary depository of the City). These institutions may be approved by the Investment Officer(s) on an ongoing basis to accommodate the need for timely action. Action by the Investment Committee is not required before use of such institutions. Each financial institution will provide policy certification and execute a depository agreement. The City may utilize third-party rating agencies in order to assess the overall financial strength of potential depositories.

The depository, or its brokerage subsidiary, from which the City obtains banking services including safe-keeping, will not be used for brokerage services in order to perfect ownership on delivery versus payment settlement. The bank may be used for time deposits but all time deposits will be bid competitively.

X. AUTHORIZED AND SUITABLE INVESTMENTS

Authorized investments shall be limited to the instruments listed below as authorized and further described by the Act.

1. Obligations of the United States, its agencies and instrumentalities, not to exceed two years to the stated final maturity, excluding mortgage-backed securities.

2. Direct obligations of the State of Texas or its agencies and instrumentalities, not to exceed two years to the stated final maturity;

3. Other obligations, the principal of and interest of which are unconditionally guaranteed or insured by the full faith and credit of, the State of Texas or the United States or their respective agencies and instrumentalities, not to exceed two years to the stated final maturity;

4. Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent, not to exceed two years to the stated final maturity;

5. Fully insured or collateralized certificates of deposit or share certificates, issued by state and national banks or credit unions, not to exceed two years to the stated final maturity that are:
   a. Guaranteed or insured by the Federal Deposit Insurance Corporation or the National Credit Union Association, or other federal agency, or successors; or
   b. Collateralized to 102% in accordance with this Policy (Section XI).

6. Fully collateralized direct repurchase agreements having a defined termination date, collateralized in accordance with this Policy, safe-kept with an independent third party approved by the City, with an executed master repurchase agreement, and placed through a primary government securities dealer, as defined by the Federal Reserve, or a bank doing business in Texas, not to exceed 90 days to the stated maturity;

   Flexible repurchase agreements (flex repos) are authorized for investment of bond proceeds, if collateralized in accordance with this Policy, safe-kept with an independent third party approved by the City, with an executed master repurchase agreement, and placed through a primary government securities dealer, as defined by the Federal Reserve. The term of the flex
repo may exceed two years but not exceed the anticipated expenditure schedule of the bond proceeds and no party involved with the issuance of the debt shall be involved with the funds reinvestment.

7. Investment Pools as defined and regulated by the PFIA.

8. Commercial paper rated not less than A1/P1 or its equivalent by two nationally recognized rating agencies and not to exceed 270 days to stated final maturity.

9. AAA-rated, SEC registered money market funds as described in Sec. 2256.014 of the PFIA.

10. FDIC insured brokered certificate of deposit securities from banks in any US state, delivered versus payment to the City’s safekeeping depository, not to exceed one year to maturity. Before purchase the Investment Officer or adviser must verify the FDIC status of the bank on www.2fdic.gov.idasp/main_bankfind/asp to assure that the bank is FDIC insured.

XI. COLLATERALIZATION

Pledged Collateral
Collateralization is required on time and demand deposits. In order to anticipate market changes and provide a level of security for all funds, the collateralization margin level will be maintained at a minimum of 102% of deposits plus accrued. The counter party shall be made contractually liable for monitoring and maintaining the collateral and required margins at all times. Collateral shall be priced at least monthly. The custodian shall provide the required periodic reports directly to the City.

Owned Collateral
Repurchase agreements shall be collateralized to 102% of principal and accrued interest. The counter party shall be made contractually liable for monitoring and maintaining the collateral and required margins at all times. Collateral shall be priced daily. The Custodian shall provide the required periodic reports directly to the City.

Authorized Collateral
Collateral shall be limited to the following:
- Obligations of the US Government, its agencies and instrumentalities to include mortgage-backed securities which pass the bank test.
- Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent.

Collateral will always be held by an independent third party with whom the City has a current custodial agreement. A clearly marked evidence of ownership (report or receipt) must be supplied to the City and retained. The right of collateral substitution is granted with prior City approval.

XII. SAFEKEEPING

Safekeeping function will be provided by the City’s banking services depository or a PFIA approved Safekeeping service contracted in conjunction to the City’s banking services depository agreement. In order to ensure protection for City owned securities, the City requires delivery versus payment procedures for all transactions, except pools, money market funds and time deposits, which have no book entry delivery.

All security transactions, including collateral for repurchase agreements shall be conducted on a delivery versus payment (DVP) basis to the City’s depository or a City approved third party custodian. Securities will be held by a third party custodian approved by the Investment Officer(s) and evidenced by proof of
XIII. **DIVERSIFICATION**

Diversification of the overall portfolio will be maintained in accordance with the following diversification limits.

<table>
<thead>
<tr>
<th>Security Type</th>
<th>Maximum % of Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>US Government Treasury Obligations</td>
<td>100%</td>
</tr>
<tr>
<td>US Government Agencies and Instrumentalities</td>
<td>80%</td>
</tr>
<tr>
<td>Municipal Instruments</td>
<td>40%</td>
</tr>
<tr>
<td>Certificates of Deposit</td>
<td>40%</td>
</tr>
<tr>
<td>Issued by institution</td>
<td>20%</td>
</tr>
<tr>
<td>Repurchase Agreements</td>
<td>25%</td>
</tr>
<tr>
<td>Flex repurchase agreements for bond proceeds</td>
<td>100%</td>
</tr>
<tr>
<td>Constant dollar investment pools</td>
<td>100%</td>
</tr>
<tr>
<td>Ownership of the pool</td>
<td>10%</td>
</tr>
<tr>
<td>Commercial Paper</td>
<td>25%</td>
</tr>
<tr>
<td>Limit per commercial paper issuer</td>
<td>10%</td>
</tr>
<tr>
<td>Money Market Mutual Fund</td>
<td>50%</td>
</tr>
<tr>
<td>Ownership of the fund</td>
<td>10%</td>
</tr>
</tbody>
</table>

XIV. **INTERNAL CONTROLS**

The Investment Officer(s) shall establish a system of written internal controls that will be reviewed annually with the City or independent auditor of the City along with quarterly investment reports. The controls will be designed to prevent loss of public funds due to fraud, employee error, misrepresentation by third parties, unanticipated market changes, or imprudent actions by employees, contracted investment managers or financial counterparties of the City.

**Loss of Rating**  
The Investment Officer or investment adviser / manager shall monitor, on no less than a weekly basis, the credit rating on all authorized investments in the portfolio based upon independent information from a nationally recognized rating agency. If any security falls below the minimum rating required by Policy, the Investment Officer or adviser shall notify the City Manager of the loss of rating, conditions affecting the rating and possible loss of principal with liquidation options available, within two weeks after the loss of the required rating.

**Monitoring FDIC Status**  
The Investment Officer or Investment Adviser / manager shall monitor, on no less than a weekly basis, the status and ownership of all banks issuing brokered CDs owned by the City based upon information from the FDIC. If any bank has been acquired or merged with another bank in which brokered CDs are owned, the Investment Officer or Adviser shall immediately liquidate any brokered CD which places the City above the FDIC insurance level.

XV. **PERFORMANCE STANDARDS**

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and cash flow needs of the City. A benchmark for performance of the portfolio will be included in the quarterly reports based on the portfolio’s maximum weighted average maturity of 360 days. The periodic total return of the six-month U.S. Treasury Bill will be used as the City’s operating benchmark.
XVI. REPORTING

The Investment Officer(s) shall provide the City Council quarterly investment reports as required by the Act and a monthly report to the Investment Committee. The reports will reflect both detail and summary information enabling the reader to determine the value and risk associated with the portfolio. Market values for the report will be derived from an independent source.

A management report will be included with the quarterly investment report. The management report should include comments on the fixed income markets and economic conditions, discussions regarding diversification, allocation restrictions on investments, possible changes in the portfolio structure going forward and thoughts on investment strategies.

XVII. CASH MANAGEMENT PROGRAMS AND ACTIVITIES

The Department of Finance is committed to the overall success of the City's cash management programs. These programs address a variety of cash management issues, including:

1. The design and implementation of reliable and effective cash flow forecasting methodologies to assist Finance Department personnel and Investment Officer(s) in the determination of the amounts of cash available for investment, the time period for which the funds may be invested with a reasonable level of confidence, and a measure of the volatility of specific cash forecasts, which will allow viable determination of the required liquidity.
2. The design and implementation of appropriate "revenue-acceleration programs", aimed at enhancing the speed at which monies are collected and deposited by the City and the elimination of bad debt expense/write-offs.
3. The design and implementation of suitable "controlled disbursement" programs, which will ensure that the City's expenses are met in timely manner, but not in such a way as to jeopardize the earning capacity of the City's portfolio.
4. The utilization of modern and efficient techniques and technology for the physical movement of money, taking advantage of technological and operational procedures.
5. The design and implementation of banking relationships which are both favorable to the City and responsive to the day-to-day requirements of the City's complex financial operations.
6. The design of investment policies and procedures to ensure the total safety of all funds while allowing the City to maximize its interest earnings.
7. The design and implementation of appropriate policies and procedures with regard to the proper and effective use of the City's municipal credit authority.

XVIII. INVESTMENT POLICY ADOPTION

The City's Investment Policy shall be annually reviewed and adopted by resolution of the City Council. Any modifications made thereto must be noted in the approving Resolution.
APPENDIX A
BROKER / DEALER QUESTIONNAIRE & CERTIFICATION
CITY OF SAN MARCOS

BROKER / DEALER QUESTIONNAIRE

Name of Firm: __________________________________________
Address: ______________________________________________
____________________________________________________________________________
Telephone: _____________________________________________
Ownership/affiliation, if appropriate: ________________________________
Primary Representative on account: ________________________________
Telefhone: _________________________________________________
Fax: _________________________________________________________
E-Mail: _______________________________________________________
Backup representative or trading assistant: __________________________
Telefhone: _________________________________________________
Branch Manager: _____________________________________________
Telephone: _________________________________________________
Fax: _________________________________________________________
E-Mail: _______________________________________________________
Is the firm designated as a Primary Dealer by the Federal Reserve? __________
How long has the firm had Primary Dealer status? _________________
Is the firm registered with the Texas State Securities Board? __________
Is the firm and representative registered with the NASD? __________ CRD#: ________
How long has the designated representative been an institutional fixed income broker at this
firm? ________________ In total? __________________________
In what market sectors does the account representative specialize? ________________
____________________________________________________________________________
List three comparable public sector clients currently working with this representative.
—*Entity, name and telephone number.*

_____________________________________________________________ __
_____________________________________________________________ __
_____________________________________________________________ __

Please attach complete delivery instructions. (All transactions will be completed *delivery versus payment.*)
CITY OF SAN MARCOS

BROKER / DEALER QUESTIONNAIRE

(This section completed only by Non-Primary Dealers)

Name of Firm: ____________________________ CRD #: ____________

Years in business at this location: ________________ In total years: ________________

Indicate the approximate sales volume in the following sectors for the previous year.

- US Treasuries ________________________ Repo ________________________
- US Agencies ________________________ MBS ________________________
- CP ________________________ Other? ________________________
- BA ________________________

Has your firm, or this account representative, been subject to a regulatory agency, state of federal, investigation for alleged improper, disreputable, unfair, [or] fraudulent activities related to the sale of securities or money market instruments in the past five years? Are there any outstanding claims? If yes, please explain.

______________________________________________________________

______________________________________________________________

Have any of your public-sector clients ever reported to your firm, its officers of employees, orally or in writing, that your firm, was responsible for investment losses? If yes, please explain.

______________________________________________________________

______________________________________________________________

Please attach a sample of standard research reports and your standard confirmation to be provided to the City.

Please provide the firm’s most recent audited financial statements. The City will require an annual financial statement be provided.

What portfolio information do you require from your clients?
Describe the precautions taken by your firm to protect the interests of the public when dealing with government agency.
APPENDIX B

CITY OF SAN MARCOS

TEXAS PUBLIC FUNDS INVESTMENT ACT
CERTIFICATION BY BUSINESS ORGANIZATION

This certification is executed on behalf of the City of San Marcos (“the City”) and ______________________________ (“the Business Organization”) pursuant to the Public Funds Investment Act, Chapter 2256, Texas Government Code (“the Act”) in connection with investment transactions conducted between the City and the Business Organization.

The undersigned Authorized Representative certifies on behalf of the Business Organization that:

1. The undersigned is an Authorized Representative of the Business Organization offering to enter into an investment transaction with the Investor as such terms are used in the Public Funds Investment Act, Chapter 2256, Texas Government Code, and
2. The Representative of the Business Organization, and the broker, have received and thoroughly reviewed the Investment Policy of the City, and
3. The Business Organization has implemented reasonable procedures and controls in an effort to preclude investment transaction conducted between the Business Organization and the City that are not authorized by the City’s Investment Policy, except to the extent that this authorization is dependent on an analysis of the makeup of the City’s entire portfolio or requires an interpretation of subjective investment standards.

Representative’s Signature ________________________________
Printed Name ____________________________________________
Title ____________________________________________________

Broker’s Signature ________________________________
Printed Name ____________________________________________
Title ____________________________________________________

Date ____________________________________________
City of San Marcos
Broker/Dealer Questionnaire &
Texas Public Funds Investment Act
Certification by Business Organization

Firm Name: _____________________________
CRD Number: _____________________________
Local office/address: _____________________________

Telephone: _____________________________
Fax: _____________________________
E-Mail: _____________________________

Secondary Representative or sales assistant: _____________________________
Telephone: _____________________________
E-Mail: _____________________________
CRD Number: _____________________________

Branch Manager: _____________________________
Telephone / email: _____________________________

Is firm designated as a primary dealer by the Federal Reserve?* ___________
How long has the firm had Primary Dealer status* _________________

Is the firm registered with the Texas State Securities Board?*
Is the firm and all its representatives registered with the NASD?*

List three comparable public clients currently working with this representative.
Entity name, contact and phone number.

____________________________________________________________

____________________________________________________________

____________________________________________________________

* If the answer to any of these questions is no, please explain each separately.
What are the market sectors in which you and your firm are involved? Please feel free to provide additional information regarding specialization in any of the following market sectors.

<table>
<thead>
<tr>
<th>Firm Involvement</th>
<th>Broker Involvement</th>
</tr>
</thead>
<tbody>
<tr>
<td>US Treasuries</td>
<td></td>
</tr>
<tr>
<td>US Agencies</td>
<td></td>
</tr>
<tr>
<td>Repo</td>
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<tr>
<td>MBS</td>
<td></td>
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<tr>
<td>CP/BA</td>
<td></td>
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<tr>
<td>Corporate</td>
<td></td>
</tr>
<tr>
<td>CD</td>
<td></td>
</tr>
<tr>
<td>Other?</td>
<td></td>
</tr>
</tbody>
</table>

Has this firm, or the representatives assigned to this account, been subject to a regulatory agency, state or federal investigation for alleged improper, disreputable, unfair or fraudulent activities related to the sale of securities or money market instruments that resulted in a suspension or censure?

Is there outstanding litigation which would materially affect your financial stability?

*If yes to either, please explain*

________________________________________________
________________________________________________
________________________________________________

Do you provide any fixed income research and economic commentary? _____
Please *attach sample*.

Please provide the firm’s most recent audited financial statement.

Describe the precautions taken by your firm to protect the interests of the public when dealing with a local public entity.

________________________________________________________________________
________________________________________________________________________
________________________________________________________________________

The Business Organization listed on this broker/dealer form and its representatives assigned to the City account must certify they have thoroughly reviewed and have an understanding to preclude from investment transactions not authorized in accordance to the Texas PFIA, Chapter 2256, TX Government Code and the City's investment policy by signing below. **All transactions will be completed delivery versus payment.**

__________________________________  Title  Date

__________________________________  Title  Date
APPENDIX B

Insert PFIA
APPENDIX EC
CITY OF SAN MARCOS
INVESTMENT PROCEDURES

I. PURPOSE

The purpose of these procedures is to assist Finance Department staff with day-to-day investment operations and assign responsibilities. These procedures are an outline, with individual items to be added or deleted as necessary or appropriate.

II. CASH REVIEW

The City Investment Officer(s) must review the cash balances and investment portfolio at least daily, or as needed. Items to be reviewed should include:

- All balances and float amounts at contracted depository bank.
- All maturing investments.
- All incoming wires, bond sales and other anticipated receipts.
- All outgoing wires, bond and coupon payments (debt service) and other anticipated cash disbursements.

III. INVESTMENT SELECTION

The City Investment Officer(s) determines how much of the cash balance is available for investment and selects the maximum maturity date.

The Investment Officer(s) and/or the contracted Investment Advisor / Manager will review market conditions in conjunction with approved brokers to search for suitable investments.

Information including the following is used to determine optimal maturity to take advantage of current and expected interest rate environments:

- Market information (yield analysis, spread analysis, and future expectations)
- General trends of economic statistics.
- Input from independent data services (Bloomberg, Reuters, etc.)
IV. PURCHASING AND INVESTMENT

The Policy requires establishment and approval of an authorized broker/dealer list with whom the City may transact business. The broker/dealer questionnaire helps provide the following evaluation:

- Financial condition, strength and capability to fulfill commitments.
- Overall reputation with other broker/dealers and investors.
- Regulatory status of the broker/dealer.
- Background and expertise of the individual representative.

The City investment officer(s) and/or the contracted Investment Adviser / Manager will contact an appropriate number of broker/dealers for offers based on market evaluation, Investment Policy and collateral limitations, and cash flow information given.

The following will be determined with the broker/dealer:

- Settlement basis – i.e. cash (same day), regular (next day), or when-issued (issue date) if a new agency issue.
- Amount available for investment,
- Type of security to be purchased excluded.
- Targeted maturity, or maturity range.

If choosing an investment pool as the preferred investment vehicle, the Council resolution and authorized individuals (PIN) resolutions must be in place prior to purchase and at any reasonable time thereafter. All pool transactions are initiated and controlled by City Investment Officer(s).

All investment purchases will be executed using the competitive bidding process. A minimum of three competitive offers on the purchase of every security will be obtained or approval from an Investment Committee officer on a competitive offer due to market conditions and time constraints. All investment purchases will be executed in compliance with the Internal Revenue Service’s Fair Market Rules.

Before concluding the transaction, the City investment officer(s) and/or the Investment Adviser / Manager verifies the following:

- The security meets all cash flow and Policy criteria.
- The security structure including any imbedded options such as call provisions or coupon adjustments.
- Yield calculations and settlement amounts.
- Total purchase cost (including accrued interest).

And,

- Advises the successful provider that their offering has been selected for purchase.
- Notifies any unsuccessful broker/dealers. Best price may be disclosed.
Prior to settlement date, the City Investment Officer and/or Investment Adviser /Manager and broker/dealer exchange and review the following settlement instructions to ensure prompt, and uninterrupted settlement.

- Name of third-party safekeeping agent.
- ABA number of safekeeping agent.
- Safekeeping account number.
- Amount of transaction.
- Settlement date.
- CUSIP number of security, if applicable.

V. SETTLEMENT AND FOLLOW-THROUGH

The City Investment Officer and/or the Investment Adviser / Manager will obtain a written trade ticket for the City’s records and the safekeeping agent.

City follow-up procedures may include:
- Internal provision of receipt or disbursement of funds.
- Internal transfer or wiring of funds.
- Validation of written “safekeeping receipt”.
- Immediate notification by the adviser if a fail has occurred.
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INVESTMENT POLICY – RESERVE FUNDS
CITY OF SAN MARCOS
FINANCE DEPARTMENT

I. POLICY

It is the policy of the City of San Marcos to invest public funds in a manner which will optimize interest earnings with maximum security while meeting the daily cash flow demands of the City and conforming to all state and local statutes governing the investment of public funds.

II. SCOPE

This Investment Policy (the “Policy”) applies only to the Reserve assets of the City. Reserve funds are undesignated and are invested for a longer term by nature than operating funds and are therefore managed and controlled under parameters more directly suited to their unique nature.

III. PRUDENCE

The standard of prudence to be used by investment officers and Finance Administrators shall be the “prudent person” standard and shall be applied in the context of managing an overall portfolio.

Investments shall be made with judgment and care—under circumstances then prevailing—which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

IV. OBJECTIVES

All operating and bond funds will be pooled for investment purposes. The primary objectives, in priority order, of the City’s investment activities for all funds shall be:

1. Safety: Safety of principal is the foremost objective of the investment program. Investments of the City shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.
2. Liquidity: The City’s investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements, which might be reasonably anticipated.
3. Diversification: In order to supplement the safety objective, diversification is needed to minimize credit and market risk and to reduce overall portfolio impact from potential losses on individual securities.
4. Yield: The City’s investment portfolio shall be designed with the objective of attaining a market rate of return in accordance with its designated benchmark which is based on the City’s cash flow requirements throughout budgetary and economic cycles, commensurate with the City’s investment risk constraints and the cash flow characteristics of the portfolio.

V. STRATEGY

The structure and management of the Reserve Funds portfolio will address the longer term nature and needs of the funds. The primary investment strategy will be to utilize financial markets to maximize yield in order to build the reserves. A secondary strategy objective is to create a portfolio structure that will
experience minimal volatility during economic cycles. These objectives may be accomplished by purchasing high credit quality, medium term securities while assuring the marketability of those investments. Investments are to be chosen in a manner that promotes diversity by market sector, credit and maturity. The maximum dollar weighted average maturity of the total portfolio to accomplish these goals will not exceed eighteen twenty-four (24) months and will fluctuate dependent on market conditions.

VI. DELEGATION OF AUTHORITY

Investment Officers

Management responsibility for the investment program is hereby delegated to the Director of Finance, the Accounting Manager, and Cash Management Accountant or staff accountant as designated by Director of Finance and they are therefore designated as the Investment Officers under the Act and by resolution of the City Council. The Investment Officer(s) shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

Investment Officers who are employees of the City acting in accordance with this standard, written procedures and the Policy and exercising due diligence shall be relieved of personal liability for an individual security’s credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments. Investment Advisors / Managers acting under contract to the City are not relieved of personal responsibility.

Investment advisors / managers under contract to the City may also be designated as Investment Officers by the City Council. A contracted Investment Advisor / Manager will perform the investment responsibilities of the Investment Officer. The investment management firm selected to transact investment business on behalf of the City will be provided a copy of this Policy to assure that they are familiar with the goals and objectives of the investment program. All key investment professionals of the investment management firm will be required to return a signed copy of the Certification by Business Organization substantially in the form provided as Appendix B. The investment management firm, which will act in a fiduciary capacity, must be registered with the Securities and Exchange Commission under the Investment Advisor’s Act of 1940. The Investment Advisor / Manager will be required to manage the City’s funds in accordance with the laws of the State of Texas, and Investment Policies and procedures established by the City.

In accordance with the Act, Investment Officers shall attend investment training session no less than once every two years receiving not less than 40-8 hours of instruction relating to investment responsibilities. A newly appointed Investment Officer must attend a training session of at least 10 hours of instruction within twelve months of the date the officer took office or assumed investment officer duties. The investment training sessions shall be provided by an independent source approved and authorized to issue PFIA training certification. For purposes of this Policy, an “independent source” from which investment training shall be obtained shall include a professional organization, an institution of higher education or any other sponsor authorized to issue PFIA training certification.

Investment Committee

An Investment Committee consisting of the Finance and Audit committee members, and Accounting Manager is established to review quarterly reports and Policy changes as well as advise the City Council on investment matters. The Investment Committee shall, at least annually or as required by market conditions, review, revise, and adopt a list of authorized broker/dealers that may engage in investment transactions with the City based on the annual review of the financial condition and registrations of dealers and institutions conducted by the Investment Officer(s) (in accordance with this Policy).

VII. INVESTMENT PROCEDURES

The Investment Officer(s) shall establish reasonable commercial written procedures for the operation of the investment program consistent with this Policy. The procedures should include to safekeeping, repurchase agreements, wire transfer agreements, banking service contracts and collateral/depository agreements.
person may engage in an investment transaction except as provided under the terms of this Policy and the procedures established by the Investment Officer(s). Investment Committee will make the recommendation when to contract with an Investment Advisor / Manager firm depending on market conditions and review / analysis of contract cost versus investment portfolio return.

All investment purchases will be executed using the competitive bidding process and settled on a delivery versus payment (DVP) basis. A minimum of three competitive offers on the purchase/sale of every security will be obtained or approval from an Investment Committee officer on a competitive offer due to market conditions and time constraints. All investment purchases will be executed in compliance with the Internal Revenue Service’s Fair Market Rules.

VIII. ETHICS AND CONFLICTS OF INTEREST

Investment officers and employees involved in the investment process shall refrain from any personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Investment officers shall disclose in writing to the City Manager any material financial interests in financial institutions that conduct business with the City, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the City’s portfolio. Investment officers involved in the investment process with personal business relationships or relatives within the second degree of affinity or consanguinity seeking to sell investments/securities to the City shall disclose the relationship and file a statement with the Texas Ethics Commission and the City Council. Personal business relationships are defined in the Act.

IX. AUTHORIZED BROKER/DEALERS AND FINANCIAL INSTITUTIONS

The objective of safety requires that the City transact business with financially strong broker/dealers and financial institutions. Therefore, financial broker/dealers and institutions shall be subject to a screening process by the Investment Officers and/or City contracted Investment Advisor / Manager to eliminate those dealers and institutions that lack economic viability or whose past practices put the safety of public capital at risk.

The Investment Advisor / Manager under contract will observe the instructions of the City with respect to broker/dealers who are approved to execute transactions involving the City’s Managed Funds and in the absence of such instructions will engage broker/dealers which the Advisor / Manager reasonably believes to be reputable, qualified and financially sound.

These broker/dealers may include “primary” dealers or regional dealers that qualify under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule). Authorized dealers and institutions shall provide proof of Financial Institutions Regulatory Authority (FINRA) certification, an annual audited financial statement, and a completed broker/dealer questionnaire.

Additional financial institutions may be used for time or demand deposits designed for investment purposes (i.e. not as the primary depository of the City). These institutions may be approved by the Investment Officer(s) on an ongoing basis to accommodate the need for timely action. Action by the Investment Committee is not required before use of such institutions. Each financial institution will provide policy certification and execute a depository agreement. The City may utilize third-party rating agencies in order to assess the overall financial strength of potential depositories.

The depository, or its brokerage subsidiary, from which the City obtains banking services including safekeeping, will not be used for brokerage services in order to perfect ownership on delivery versus payment settlement. The bank may be used for time deposits but all time deposits will be bid competitively.
X. AUTHORIZED AND SUITABLE INVESTMENTS

Authorized investments shall be limited to the instruments listed below as authorized and further described by the Act.

1. Obligations of the United States, its agencies and instrumentalities, not to exceed three years to the stated final maturity, excluding mortgage-backed securities;

2. Direct obligations of the State of Texas or its agencies and instrumentalities, not to exceed three years to the stated final maturity;

3. Other obligations, the principal of and interest of which are unconditionally guaranteed or insured by the full faith and credit of, the State of Texas or the United States or their respective agencies and instrumentalities, not to exceed three years to the stated final maturity;

4. Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent, not to exceed three years to the stated final maturity;

5. Fully insured or collateralized certificates of deposit or share certificates issued by state and national banks or credit unions, not to exceed two years to the stated final maturity that are:
   a. Guaranteed or insured by the Federal Deposit Insurance Corporation or the National Credit Union Association, or other federal agency, or successors; or
   b. Collateralized at 102% in accordance with this Policy (Section XI).

6. Fully collateralized direct repurchase agreements having a defined termination date, collateralized in accordance with this Policy, safe-kept with an independent third party selected or approved by the City, with an executed master repurchase agreement, and placed through a primary government securities dealer, as defined by the Federal Reserve, or a bank doing business in Texas, not to exceed one year to stated maturity;

7. Investment Pools as defined and regulated by the PFIA.

8. Commercial paper rated not less than A1/P1 or its equivalent by two nationally recognized rating agencies and not to exceed 270 days to stated final maturity.

9. AAA-rated, SEC registered money market funds as described in Sec. 2256.014 of the PFIA.

FDIC insured brokered certificate of deposit securities from banks in any US state, delivered versus payment to the City’s safekeeping depository, not to exceed one year to maturity. Before purchase the Investment Officer or adviser must verify the FDIC status of the bank on www.2fdic.gov.idasp/main_bankfind/asp to assure that the bank is FDIC insured.

XI. COLLATERALIZATION

Pledged Collateral

Collateralization is required on time and demand deposits. In order to anticipate market changes and provide a level of security for all funds, the collateralization margin level will be maintained at a minimum of 102% of deposits plus accrued. The counter party shall be made contractually liable for monitoring and maintaining the collateral and required margins at all times. Collateral shall be priced at least monthly. The custodian shall provide the required periodic reports directly to the City.

Owned Collateral
Repurchase agreements shall be collateralized to 102% of principal and accrued interest. The counterparty shall be made contractually liable for monitoring and maintaining the collateral and required margins at all times. Collateral shall be priced daily. The Custodian shall provide the required periodic reports directly to the City.

Authorized Collateral
Collateral shall be limited to the following:
- Obligations of the US Government, its agencies and instrumentalities to include mortgage-backed securities which pass the bank test.
- Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent.

Collateral will always be held by an independent third party with whom the City has a current custodial agreement. A clearly marked evidence of ownership (report or receipt) must be supplied to the City and retained. The right of collateral substitution is granted with prior City approval.

XII. SAFEKEEPING

Safekeeping function will be provided by the City’s banking services depository or a PFIA approved Safekeeping service contracted in conjunction to the City’s banking services depository agreement. In order to ensure protection for City owned securities, the City requires delivery versus payment procedures for all transactions, except pools, money market funds and time deposits, which have no book entry delivery.

All security transactions, including collateral for repurchase agreements shall be conducted on a delivery versus payment (DVP) basis to the City’s depository or a City approved third party custodian. Securities will be held by a third party custodian approved by the Investment Officer(s) and evidenced by proof of ownership (original safekeeping receipts).

XIII. DIVERSIFICATION

Diversification of the overall portfolio will be maintained in accordance with the following diversification limits.

<table>
<thead>
<tr>
<th>Security Type</th>
<th>Maximum % of Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>US Government Treasury Obligations</td>
<td>100%</td>
</tr>
<tr>
<td>US Government Agencies and Instrumentalities</td>
<td>80%</td>
</tr>
<tr>
<td>Municipal Instruments</td>
<td>40%</td>
</tr>
<tr>
<td>Certificates of Deposit</td>
<td>40%</td>
</tr>
<tr>
<td>Issue by institution</td>
<td>20%</td>
</tr>
<tr>
<td>Repurchase Agreements</td>
<td>25%</td>
</tr>
<tr>
<td>Flex repurchase agreements for bond proceeds</td>
<td>100%</td>
</tr>
<tr>
<td>Constant dollar investment pools</td>
<td>100%</td>
</tr>
<tr>
<td>Ownership of the pool</td>
<td>10%</td>
</tr>
<tr>
<td>Commercial Paper</td>
<td>25%</td>
</tr>
<tr>
<td>Limit per commercial paper issuer</td>
<td>10%</td>
</tr>
<tr>
<td>Money Market Mutual Fund</td>
<td>50%</td>
</tr>
<tr>
<td>Ownership of the fund</td>
<td>10%</td>
</tr>
</tbody>
</table>

XIV. INTERNAL CONTROLS
The Investment Officer(s) shall establish a system of written internal controls that will be reviewed annually with the City or independent auditor of the City along with quarterly investment reports. The controls will be designed to prevent loss of public funds due to fraud, employee error, misrepresentation by third parties, unanticipated market changes, or imprudent actions by employees, contracted investment managers or financial counterparties of the City.

Loss of Rating
The Investment Officer or investment adviser / manager shall monitor, on no less than a weekly basis, the credit rating on all authorized investments in the portfolio based upon independent information from a nationally recognized rating agency. If any security falls below the minimum rating required by Policy, the Investment Officer or adviser shall notify the City Manager of the loss of rating, conditions affecting the rating and possible loss of principal with liquidation options available, within two weeks after the loss of the required rating.

Monitoring FDIC Status
The Investment Officer or Investment Adviser / manager shall monitor, on no less than a weekly basis, the status and ownership of all banks issuing brokered CDs owned by the City based upon information from the FDIC. If any bank has been acquired or merged with another bank in which brokered CDs are owned, the Investment Officer or Adviser shall immediately liquidate any brokered CD which places the City above the FDIC insurance level.

XV. PERFORMANCE STANDARDS

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and cash flow needs of the City. A benchmark for performance of the portfolio will be included in the quarterly reports based on the portfolio’s maximum weighted average maturity of 360 days. The periodic total return of the six-month U.S. Treasury Bill will be used as the City's operating benchmark.

XVI. REPORTING

The Investment Officer(s) shall provide the City Council quarterly investment reports as required by the Act and a monthly report to the Investment Committee. The reports will reflect both detail and summary information enabling the reader to determine the value and risk associated with the portfolio. Market values for the report will be derived from an independent source.

A management report will be included with the quarterly investment report. The management report should include comments on the fixed income markets and economic conditions, discussions regarding diversification, allocation restrictions on investments, possible changes in the portfolio structure going forward and thoughts on investment strategies.

XVII. CASH MANAGEMENT PROGRAMS AND ACTIVITIES

The Department of Finance is committed to the overall success of the City's cash management programs. These programs address a variety of cash management issues, including:

1. The design and implementation of reliable and effective cash flow forecasting methodologies to assist Finance Department personnel and Investment Officer(s) in the determination of the amounts of cash available for investment, the time period for which the funds may be invested with a reasonable level of confidence, and a measure of the volatility of specific cash forecasts, which will allow viable determination of the required liquidity.
2. The design and implementation of appropriate "revenue-acceleration programs", aimed at enhancing the speed at which monies are collected and deposited by the City and the
elimination of bad debt expense/write-offs.
3. The design and implementation of suitable "controlled disbursement" programs, which will ensure that the City's expenses are met in timely manner, but not in such a way as to jeopardize the earning capacity of the City's portfolio.
4. The utilization of modern and efficient techniques and technology for the physical movement of money, taking advantage of technological and operational procedures.
5. The design and implementation of banking relationships which are both favorable to the City and responsive to the day-to-day requirements of the City's complex financial operations.
6. The design of investment policies and procedures to ensure the total safety of all funds while allowing the City to maximize its interest earnings.
7. The design and implementation of appropriate policies and procedures with regard to the proper and effective use of the City's municipal credit authority.

XVIII. INVESTMENT POLICY ADOPTION

The City's Investment Policy shall be annually reviewed and adopted by resolution of the City Council. Any modifications made thereto must be noted in the approving Resolution.
Name of Firm: _____________________________________________________________

Address: ________________________________________________________________

Telephone: ____________________________

Ownership/affiliation, if appropriate: _______________________________________

Primary Representative on account: _________________________________________

______ Telephone: ________________________

______ Fax: ______________________________

______ E-Mail: __________________________

Backup representative or trading assistant: ________________________________

______ Telephone: ________________________

Branch Manager: _________________________________

______ Telephone: ________________________

______ Fax: ______________________________

______ E-Mail: __________________________

Is the firm designated as a Primary Dealer by the Federal Reserve? ______________

How long has the firm had Primary Dealer status? _____________________________

Is the firm registered with the Texas State Securities Board? ___________________

Is the firm and representative registered with the NASD? ___________ CRD#: ______

How long has the designated representative been an institutional fixed income broker at this
firm? ____________________ In total? ________________________________

In what market sectors does the account representative specialize? ______________

________________________________________
List three comparable public sector clients currently working with this representative.
---Entity, name and telephone number.

_____________________________________________________________ __
_____________________________________________________________ __
_____________________________________________________________ __

Please attach complete delivery instructions. (All transactions will be completed delivery versus payment.)
CITY OF SAN MARCOS

BROKER / DEALER QUESTIONNAIRE

(This section completed only by Non-Primary Dealers)

Name of Firm: ____________________________ CRD #: ____________________________

Years in business at this location: _________________ In total years: _________________

Indicate the approximate sales volume in the following sectors for the previous year.

- US Treasuries __________________________ Repo __________________________
- US Agencies __________________________ MBS __________________________
- CP __________________________ Other? __________________________
- BA __________________________

Has your firm, or this account representative, been subject to a regulatory agency, state of federal, investigation for alleged improper, disreputable, unfair, [or] fraudulent activities related to the sale of securities or money market instruments in the past five years? Are there any outstanding claims? If yes, please explain.

________________________________________________________________________
________________________________________________________________________

Have any of your public-sector clients ever reported to your firm, its officers or employees, orally or in writing, that your firm was responsible for investment losses? If yes, please explain.

________________________________________________________________________
________________________________________________________________________

Please attach a sample of standard research reports and your standard confirmation to be provided to the City.

Please provide the firm’s most recent audited financial statements. The City will require an annual financial statement be provided.

What portfolio information do you require from your clients?
Describe the precautions taken by your firm to protect the interests of the public when dealing with government agency.
APPENDIX B

CITY OF SAN MARCOS

TEXAS PUBLIC FUNDS INVESTMENT ACT
CERTIFICATION BY BUSINESS ORGANIZATION

This certification is executed on behalf of the City of San Marcos (“the City”) and ______________________________ (“the Business Organization”) pursuant to the Public Funds Investment Act, Chapter 2256, Texas Government Code (“the Act”) in connection with investment transactions conducted between the City and the Business Organization.

The undersigned Authorized Representative certifies on behalf of the Business Organization that:

1. The undersigned is an Authorized Representative of the Business Organization offering to enter into an investment transaction with the Investor as such terms are used in the Public Funds Investment Act, Chapter 2256, Texas Government Code, and

2. The Representative of the Business Organization, and the broker, have received and thoroughly reviewed the Investment Policy of the City, and

3. The Business Organization has implemented reasonable procedures and controls in an effort to preclude investment transaction conducted between the Business Organization and the City that are not authorized by the City’s Investment Policy, except to the extent that this authorization is dependent on an analysis of the makeup of the City’s entire portfolio or requires an interpretation of subjective investment standards.

Representative’s Signature ________________________________

Printed Name ____________________________________________

Title ____________________________________________________

Broker’s Signature ________________________________________

Printed Name ____________________________________________

Title ____________________________________________________

Date _____________________________________________________
City of San Marcos
Broker/Dealer Questionnaire &
Texas Public Funds Investment Act
Certification by Business Organization

Firm Name: _____________________________________________
CRD Number:  _____________________________________________
Local office/address: _____________________________________________
Telephone: _____________________________________________
Fax: _____________________________________________
E-Mail: _____________________________________________
CRD Number:  _____________________________________________

Secondary Representative or sales assistant: ___________________________
Telephone: _____________________________________________
E-Mail: _____________________________________________
CRD Number: _____________________________________________

Branch Manager: _____________________________________________
Telephone / email: _____________________________________________

Is firm designated as a primary dealer by the Federal Reserve?* ___________
How long has the firm had Primary Dealer status* _________________________

Is the firm registered with the Texas State Securities Board?* _______________
Is the firm and all its representatives registered with the NASD?* _____________

List three comparable public clients currently working with this representative.
Entity name, contact and phone number.

____________________________________________________________
____________________________________________________________
____________________________________________________________

* If the answer to any of these questions is no, please explain each separately.
What are the market sectors in which you and your firm are involved? Please feel free to provide additional information regarding specialization in any of the following market sectors.

<table>
<thead>
<tr>
<th>Firm Involvement</th>
<th>Broker Involvement</th>
</tr>
</thead>
<tbody>
<tr>
<td>US Treasuries</td>
<td></td>
</tr>
<tr>
<td>US Agencies</td>
<td></td>
</tr>
<tr>
<td>Repo</td>
<td></td>
</tr>
<tr>
<td>MBS</td>
<td></td>
</tr>
<tr>
<td>CP/BA</td>
<td></td>
</tr>
<tr>
<td>Corporate</td>
<td></td>
</tr>
<tr>
<td>CD</td>
<td></td>
</tr>
<tr>
<td>Other?</td>
<td></td>
</tr>
</tbody>
</table>

Has this firm, or the representatives assigned to this account, been subject to a regulatory agency, state or federal investigation for alleged improper, disreputable, unfair or fraudulent activities related to the sale of securities or money market instruments that resulted in a suspension or censure?

Is there outstanding litigation which would materially affect your financial stability?

*If yes to either, please explain*

______________________
______________________
______________________

Do you provide any fixed income research and economic commentary? ____
Please *attach sample*.

Please provide the firm’s most recent audited financial statement.

Describe the precautions taken by your firm to protect the interests of the public when dealing with a local public entity.

______________________
______________________
______________________

The Business Organization listed on this broker/dealer form and its representatives assigned to the City account must certify they have thoroughly reviewed and have an understanding to preclude from investment transactions not authorized in accordance to the Texas PFIA, Chapter 2256, TX Government Code and the City's investment policy by signing below. **All transactions will be completed delivery versus payment.**

______________________
Signature
Title
Date

______________________
Signature
Title
Date
APPENDIX B

Insert PFIA
APPENDIX EC

CITY OF SAN MARCOS
INVESTMENT PROCEDURES

I. Purpose

The purpose of these procedures is to assist Finance Department staff with day-to-day investment operations and assign responsibilities. These procedures are an outline, with individual items to be added or deleted as necessary or appropriate.

II. Cash Review

The City Investment Officer(s) must review the cash balances and investment portfolio at least daily, or as needed. Items to be reviewed should include:

- All balances and float amounts at contracted depository bank.
- All maturing investments.
- All incoming wires, bond sales and other anticipated receipts.
- All outgoing wires, bond and coupon payments (debt service) and other anticipated cash disbursements.

III. Investment Selection

The City Investment Officer(s) determines how much of the cash balance is available for investment and selects the maximum maturity date.

The Investment Officer(s) and/or the contracted Investment Advisor / Manager will review market conditions in conjunction with approved brokers to search for suitable investments.

Information including the following is used to determine optimal maturity to take advantage of current and expected interest rate environments:

- Market information (yield analysis, spread analysis, and future expectations)
- General trends of economic statistics.
- Input from independent data services (Bloomberg, Reuters, etc.)
IV. PURCHASING AND INVESTMENT

The Policy requires establishment and approval of an authorized broker/dealer list with whom the City may transact business. The broker/dealer questionnaire helps provide the following evaluation:

- Financial condition, strength and capability to fulfill commitments.
- Overall reputation with other broker/dealers and investors.
- Regulatory status of the broker/dealer.
- Background and expertise of the individual representative.

The City investment officer(s) and/or the contracted Investment Adviser / Manager will contact an appropriate number of broker/dealers for offers based on market evaluation, Investment Policy and collateral limitations, and cash flow information given. The following will be determined with the broker/dealer:

- Settlement basis – i.e. cash (same day), regular (next day), or when-issued (issue date) if a new agency issue.
- Amount available for investment,
- Type of security to be purchased excluded.
- Targeted maturity, or maturity range.

If choosing an investment pool as the preferred investment vehicle, the Council resolution and authorized individuals (PIN) resolutions must be in place prior to purchase and at any reasonable time thereafter. All pool transactions are initiated and controlled by City Investment Officer(s).

All investment purchases will be executed using the competitive bidding process. A minimum of three competitive offers on the purchase of every security will be obtained or approval from an Investment Committee officer on a competitive offer due to market conditions and time constraints. All investment purchases will be executed in compliance with the Internal Revenue Service’s Fair Market Rules.

Before concluding the transaction, the Investment Adviser verifies the following:

- The security meets all cash flow and Policy criteria.
- The security structure including any imbedded options such as call provisions or coupon adjustments.
- Yield calculations and settlement amounts.
- Total purchase cost (including accrued interest).

And,

- Advises the successful provider that their offering has been selected for purchase.
- Notifies any unsuccessful broker/dealers. Best price may be disclosed.
Prior to settlement date, the City Investment Officer and/or Investment Adviser /Manager and broker/dealer exchange and review the following settlement instructions to ensure prompt, and uninterrupted settlement.

- Name of third-party safekeeping agent.
- ABA number of safekeeping agent.
- Safekeeping account number.
- Amount of transaction.
- Settlement date.
- CUSIP number of security, if applicable.

V. SETTLEMENT AND FOLLOW-THROUGH

The City Investment Officer and/or the Investment Adviser / Manager will obtain a written trade ticket for the City’s records and the safekeeping agent

City follow-up procedures may include:
- Internal provision of receipt or disbursement of funds.
- Internal transfer or wiring of funds.
- Validation of written “safekeeping receipt”.
- Immediate notification by the adviser if a fail has occurred.
# Reserve Funds Investment Policy

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INVESTMENT POLICY – RESERVE FUNDS

CITY OF SAN MARCOS
FINANCE DEPARTMENT

I. Policy

It is the policy of the City of San Marcos to invest public funds in a manner which will optimize interest earnings with maximum security while meeting the daily cash flow demands of the City and conforming to all state and local statutes governing the investment of public funds.

II. Scope

This Investment Policy (the “Policy”) applies only to the Reserve assets of the City. Reserve funds are undesignated and are invested for a longer term by nature than operating funds and are therefore managed and controlled under parameters more directly suited to their unique nature.

III. Prudence

The standard of prudence to be used by investment officers and Finance Administrators shall be the “prudent person” standard and shall be applied in the context of managing an overall portfolio.

Investments shall be made with judgment and care—under circumstances then prevailing—which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

IV. Objectives

All operating and bond funds will be pooled for investment purposes. The primary objectives, in priority order, of the City’s investment activities for all funds shall be:

1. Safety: Safety of principal is the foremost objective of the investment program. Investments of the City shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.
2. Liquidity: The City’s investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements, which might be reasonably anticipated.
3. Diversification: In order to supplement the safety objective, diversification is needed to minimize credit and market risk and to reduce overall portfolio impact from potential losses on individual securities.
4. Yield: The City’s investment portfolio shall be designed with the objective of attaining a market rate of return in accordance with its designated benchmark which is based on the City’s cash flow requirements throughout budgetary and economic cycles, commensurate with the City’s investment risk constraints and the cash flow characteristics of the portfolio.

V. Strategy

The structure and management of the Reserve Funds portfolio will address the longer term nature and needs of the funds. The primary investment strategy will be to utilize financial markets to maximize yield in order to build the reserves. A secondary strategy objective is to create a portfolio structure that will
experience minimal volatility during economic cycles. These objectives may be accomplished by purchasing high credit quality, medium term securities while assuring the marketability of those investments. Investments are to be chosen in a manner that promotes diversity by market sector, credit and maturity. The maximum dollar weighted average maturity of the total portfolio to accomplish these goals will not exceed twenty-four(24) months and will fluctuate dependent on market conditions.

VI. DELEGATION OF AUTHORITY

Investment Officers

Management responsibility for the investment program is hereby delegated to the Director of Finance, the Accounting Manager, and Cash Management Accountant or staff accountant as designated by Director of Finance and they are therefore designated as the Investment Officers under the Act and by resolution of the City Council. The Investment Officer(s) shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

Investment Officers who are employees of the City acting in accordance with this standard, written procedures and the Policy and exercising due diligence shall be relieved of personal liability for an individual security’s credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments. Investment Advisors / Managers acting under contract to the City are not relieved of personal responsibility.

Investment advisors / managers under contract to the City may also be designated as Investment Officers by the City Council. A contracted Investment Advisor / Manager will perform the investment responsibilities of the Investment Officer. The investment management firm selected to transact investment business on behalf of the City will be provided a copy of this Policy to assure that they are familiar with the goals and objectives of the investment program. All key investment professionals of the investment management firm will be required to return a signed copy of the Certification by Business Organization substantially in the form provided as Appendix B. The investment management firm, which will act in a fiduciary capacity, must be registered with the Securities and Exchange Commission under the Investment Advisor’s Act of 1940. The Investment Advisor / Manager will be required to manage the City’s funds in accordance with the laws of the State of Texas, and Investment Policies and procedures established by the City.

In accordance with the Act, Investment Officers shall attend investment training session no less than once every two years receiving not less than 8 hours of instruction relating to investment responsibilities. A newly appointed Investment Officer must attend a training session of at least 10 hours of instruction within twelve months of the date the officer took office or assumed investment officer duties. The investment training sessions shall be provided by an independent source approved and authorized to issue PFIA training certification. For purposes of this Policy, an “independent source” from which investment training shall be obtained shall include a professional organization, an institution of higher education or any other sponsor authorized to issue PFIA training certification.

Investment Committee

An Investment Committee consisting of the Finance and Audit committee members, and Accounting Manager is established to review quarterly reports and Policy changes as well as advise the City Council on investment matters. The Investment Committee shall, at least annually or as required by market conditions, review, revise, and adopt a list of authorized broker/dealers that may engage in investment transactions with the City based on the annual review of the financial condition and registrations of dealers and institutions conducted by the Investment Officer(s) (in accordance with this Policy).

VII. INVESTMENT PROCEDURES

The Investment Officer(s) shall establish reasonable commercial written procedures for the operation of the investment program consistent with this Policy. The procedures should include to safekeeping, repurchase agreements, wire transfer agreements, banking service contracts and collateral/depository agreements. No
person may engage in an investment transaction except as provided under the terms of this Policy and the procedures established by the Investment Officer(s). Investment Committee will make the recommendation when to contract with an Investment Advisor / Manager firm depending on market conditions and review / analysis of contract cost versus investment portfolio return.

All investment purchases will be executed using the competitive bidding process and settled on a delivery versus payment (DVP) basis. A minimum of three competitive offers on the purchase/sale of every security will be obtained or approval from an Investment Committee officer on a competitive offer due to market conditions and time constraints. All investment purchases will be executed in compliance with the Internal Revenue Service’s Fair Market Rules.

VIII. ETHICS AND CONFLICTS OF INTEREST

Investment officers and employees involved in the investment process shall refrain from any personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Investment officers shall disclose in writing to the City Manager any material financial interests in financial institutions that conduct business with the City, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the City’s portfolio. Investment officers involved in the investment process with personal business relationships or relatives within the second degree of affinity or consanguinity seeking to sell investments/securities to the City shall disclose the relationship and file a statement with the Texas Ethics Commission and the City Council. Personal business relationships are defined in the Act.

IX. AUTHORIZED BROKER/DEALERS AND FINANCIAL INSTITUTIONS

The objective of safety requires that the City transact business with financially strong broker/dealers and financial institutions. Therefore, financial broker/dealers and institutions shall be subject to a screening process by the Investment Officers and/or City contracted Investment Advisor / Manager to eliminate those dealers and institutions that lack economic viability or whose past practices put the safety of public capital at risk.

The Investment Advisor / Manager under contract will observe the instructions of the City with respect to broker/dealers who are approved to execute transactions involving the City’s Managed Funds and in the absence of such instructions will engage broker/dealers which the Advisor / Manager reasonably believes to be reputable, qualified and financially sound.

These broker/dealers may include “primary” dealers or regional dealers that qualify under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule). Authorized dealers and institutions shall provide proof of Financial Institutions Regulatory Authority (FINRA) certification, an annual audited financial statement, and a completed broker/dealer questionnaire.

Additional financial institutions may be used for time or demand deposits designed for investment purposes (i.e. not as the primary depository of the City). These institutions may be approved by the Investment Officer(s) on an ongoing basis to accommodate the need for timely action. Action by the Investment Committee is not required before use of such institutions. Each financial institution will provide policy certification and execute a depository agreement. The City may utilize third-party rating agencies in order to assess the overall financial strength of potential depositories.

The depository, or its brokerage subsidiary, from which the City obtains banking services including safekeeping, will not be used for brokerage services in order to perfect ownership on delivery versus payment settlement. The bank may be used for time deposits but all time deposits will be bid competitively.
X. 
AUTHORIZED AND SUITABLE INVESTMENTS

Authorized investments shall be limited to the instruments listed below as authorized and further described by the Act.

1. Obligations of the United States, its agencies and instrumentalities, not to exceed three years to the stated final maturity, excluding mortgage-backed securities;

2. Direct obligations of the State of Texas or its agencies and instrumentalities, not to exceed three years to the stated final maturity;

3. Other obligations, the principal of and interest of which are unconditionally guaranteed or insured by the full faith and credit of, the State of Texas or the United States or their respective agencies and instrumentalities, not to exceed three years to the stated final maturity;

4. Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent, not to exceed three years to the stated final maturity;

5. Fully insured or collateralized certificates of deposit or share certificates issued by state and national banks or credit unions, not to exceed two years to the stated final maturity that are:
   a. Guaranteed or insured by the Federal Deposit Insurance Corporation or the National Credit Union Association, or other federal agency, or successors; or
   b. Collateralized at 102% in accordance with this Policy (Section XI).

6. Fully collateralized direct repurchase agreements having a defined termination date, collateralized in accordance with this Policy, safe-kept with an independent third party selected or approved by the City, with an executed master repurchase agreement, and placed through a primary government securities dealer, as defined by the Federal Reserve, or a bank doing business in Texas, not to exceed one year to stated maturity;

7. Investment Pools as defined and regulated by the PFIA.

8. Commercial paper rated not less than A1/P1 or its equivalent by two nationally recognized rating agencies and not to exceed 270 days to stated final maturity.

9. AAA-rated, SEC registered money market funds as described in Sec. 2256.014 of the PFIA.

FDIC insured brokered certificate of deposit securities from banks in any US state, delivered versus payment to the City’s safekeeping depository, not to exceed one year to maturity. Before purchase the Investment Officer or adviser must verify the FDIC status of the bank on www.2fdic.gov.idasp/main_bankfind/asp to assure that the bank is FDIC insured.

XI. 
COLLATERALIZATION

Pledged Collateral
Collateralization is required on time and demand deposits. In order to anticipate market changes and provide a level of security for all funds, the collateralization margin level will be maintained at a minimum of 102% of deposits plus accrued. The counter party shall be made contractually liable for monitoring and maintaining the collateral and required margins at all times. Collateral shall be priced at least monthly. The custodian shall provide the required periodic reports directly to the City.

Owned Collateral
Repurchase agreements shall be collateralized to 102% of principal and accrued interest. The counter party shall be made contractually liable for monitoring and maintaining the collateral and required margins at all times. Collateral shall be priced daily. The Custodian shall provide the required periodic reports directly to the City.

Authorized Collateral
Collateral shall be limited to the following:
- Obligations of the US Government, its agencies and instrumentalities to include mortgage-backed securities which pass the bank test.
- Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent.

Collateral will always be held by an independent third party with whom the City has a current custodial agreement. A clearly marked evidence of ownership (report or receipt) must be supplied to the City and retained. The right of collateral substitution is granted with prior City approval.

XII. SAFEKEEPING
Safekeeping function will be provided by the City’s banking services depository or a PFIA approved Safekeeping service contracted in conjunction to the City’s banking services depository agreement. In order to ensure protection for City owned securities, the City requires delivery versus payment procedures for all transactions, except pools, money market funds and time deposits, which have no book entry delivery.

All security transactions, including collateral for repurchase agreements shall be conducted on a delivery versus payment (DVP) basis to the City’s depository or a City approved third party custodian. Securities will be held by a third party custodian approved by the Investment Officer(s) and evidenced by proof of ownership (original safekeeping receipts).

XIII. DIVERSIFICATION
Diversification of the overall portfolio will be maintained in accordance with the following diversification limits.

<table>
<thead>
<tr>
<th>Security Type</th>
<th>Maximum % of Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>US Government Treasury Obligations</td>
<td>100%</td>
</tr>
<tr>
<td>US Government Agencies and Instrumentalities</td>
<td>80%</td>
</tr>
<tr>
<td>Municipal Instruments</td>
<td>50%</td>
</tr>
<tr>
<td>Certificates of Deposit</td>
<td>40%</td>
</tr>
<tr>
<td>Issued by institution</td>
<td>20%</td>
</tr>
<tr>
<td>Repurchase Agreements</td>
<td>30%</td>
</tr>
<tr>
<td>Flex repurchase agreements for bond proceeds</td>
<td>100%</td>
</tr>
<tr>
<td>Constant dollar investment pools</td>
<td>100%</td>
</tr>
<tr>
<td>Ownership of the pool</td>
<td>10%</td>
</tr>
<tr>
<td>Commercial Paper</td>
<td>30%</td>
</tr>
<tr>
<td>Limit per commercial paper issuer</td>
<td>10%</td>
</tr>
<tr>
<td>Money Market Mutual Fund</td>
<td>50%</td>
</tr>
<tr>
<td>Ownership of the fund</td>
<td>10%</td>
</tr>
</tbody>
</table>

XIV. INTERNAL CONTROLS
The Investment Officer(s) shall establish a system of written internal controls that will be reviewed annually with the City or independent auditor of the City along with quarterly investment reports. The controls will be designed to prevent loss of public funds due to fraud, employee error, misrepresentation by third parties, unanticipated market changes, or imprudent actions by employees, contracted investment managers or financial counterparties of the City.

Loss of Rating
The Investment Officer or investment adviser / manager shall monitor, on no less than a weekly basis, the credit rating on all authorized investments in the portfolio based upon independent information from a nationally recognized rating agency. If any security falls below the minimum rating required by Policy, the Investment Officer or adviser shall notify the City Manager of the loss of rating, conditions affecting the rating and possible loss of principal with liquidation options available, within two weeks after the loss of the required rating.

Monitoring FDIC Status
The Investment Officer or Investment Adviser / manager shall monitor, on no less than a weekly basis, the status and ownership of all banks issuing brokered CDs owned by the City based upon information from the FDIC. If any bank has been acquired or merged with another bank in which brokered CDs are owned, the Investment Officer or Adviser shall immediately liquidate any brokered CD which places the City above the FDIC insurance level.

XV. PERFORMANCE STANDARDS

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and cash flow needs of the City. A benchmark for performance of the portfolio will be included in the quarterly reports based on the portfolio’s maximum weighted average maturity of 360 days. The periodic total return of the six-month U.S. Treasury Bill will be used as the City’s operating benchmark.

XVI. REPORTING

The Investment Officer(s) shall provide the City Council quarterly investment reports as required by the Act and a monthly report to the Investment Committee. The reports will reflect both detail and summary information enabling the reader to determine the value and risk associated with the portfolio. Market values for the report will be derived from an independent source.

A management report will be included with the quarterly investment report. The management report should include comments on the fixed income markets and economic conditions, discussions regarding diversification, allocation restrictions on investments, possible changes in the portfolio structure going forward and thoughts on investment strategies.

XVII. CASH MANAGEMENT PROGRAMS AND ACTIVITIES

The Department of Finance is committed to the overall success of the City’s cash management programs. These programs address a variety of cash management issues, including:

1. The design and implementation of reliable and effective cash flow forecasting methodologies to assist Finance Department personnel and Investment Officer(s) in the determination of the amounts of cash available for investment, the time period for which the funds may be invested with a reasonable level of confidence, and a measure of the volatility of specific cash forecasts, which will allow viable determination of the required liquidity.
2. The design and implementation of appropriate “revenue-acceleration programs”, aimed at enhancing the speed at which monies are collected and deposited by the City and the
elimination of bad debt expense/write-offs.
3. The design and implementation of suitable “controlled disbursement” programs, which will ensure that the City's expenses are met in timely manner, but not in such a way as to jeopardize the earning capacity of the City's portfolio.
4. The utilization of modern and efficient techniques and technology for the physical movement of money, taking advantage of technological and operational procedures.
5. The design and implementation of banking relationships which are both favorable to the City and responsive to the day-to-day requirements of the City's complex financial operations.
6. The design of investment policies and procedures to ensure the total safety of all funds while allowing the City to maximize its interest earnings.
7. The design and implementation of appropriate policies and procedures with regard to the proper and effective use of the City's municipal credit authority.

XVIII. INVESTMENT POLICY ADOPTION

The City's Investment Policy shall be annually reviewed and adopted by resolution of the City Council. Any modifications made thereto must be noted in the approving Resolution.
APPENDIX A

Broker / Dealer Questionnaire & PFIA Certification
Firm Name: _____________________________________________
CRD Number: _____________________________________________
Local office/address: _____________________________________________

Telephone: _____________________________________________
Fax: _____________________________________________
E-Mail: _____________________________________________
CRD Number: _____________________________________________

Secondary Representative or sales assistant: ___________________________
Telephone: _____________________________________________
E-Mail: _____________________________________________
CRD Number: _____________________________________________

Branch Manager: _____________________________________________
Telephone / email: _____________________________________________

Is firm designated as a primary dealer by the Federal Reserve?* ___________
How long has the firm had Primary Dealer status?* _________________

Is the firm registered with the Texas State Securities Board?* _________________
Is the firm and all its representatives registered with the NASD?* _________________

List three comparable public clients currently working with this representative.
Entity name, contact and phone number.
____________________________________________________________
____________________________________________________________
____________________________________________________________

* If the answer to any of these questions is no, please explain each separately.
What are the market sectors in which you and your firm are involved? Please feel free to provide additional information regarding specialization in any of the following market sectors.

<table>
<thead>
<tr>
<th>Firm Involvement</th>
<th>Broker Involvement</th>
</tr>
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<tbody>
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<td>US Treasuries</td>
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<tr>
<td>US Agencies</td>
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<td>MBS</td>
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<td>CP/BA</td>
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<tr>
<td>Corporate</td>
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<tr>
<td>CD</td>
<td></td>
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<tr>
<td>Other?</td>
<td></td>
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</table>

Has this firm, or the representatives assigned to this account, been subject to a regulatory agency, state or federal investigation for alleged improper, disreputable, unfair or fraudulent activities related to the sale of securities or money market instruments that resulted in a suspension or censure?

Is there outstanding litigation which would materially affect your financial stability?

*If yes to either, please explain ____________________________________________

________________________________________________________________________
________________________________________________________________________

Do you provide any fixed income research and economic commentary? _____
Please *attach sample.*

Please provide the firm’s most recent audited financial statement.

Describe the precautions taken by your firm to protect the interests of the public when dealing with a local public entity.

________________________________________________________________________
________________________________________________________________________
________________________________________________________________________

The Business Organization listed on this broker/dealer form and its representatives assigned to the City account must certify they have thoroughly reviewed and have an understanding to preclude from investment transactions not authorized in accordance to the Texas PFIA, Chapter 2256, TX Government Code and the City's investment policy by signing below. **All transactions will be completed delivery versus payment.**

__________________________________
Signature

Title

Date

__________________________________
Signature

Title

Date
APPENDIX B

PFIA
APPENDIX C

CITY OF SAN MARCOS
INVESTMENT PROCEDURES

I. PURPOSE

The purpose of these procedures is to assist Finance Department staff with day-to-day investment operations and assign responsibilities. These procedures are an outline, with individual items to be added or deleted as necessary or appropriate.

II. CASH REVIEW

The City Investment Officer(s) must review the cash balances and investment portfolio at least daily, or as needed. Items to be reviewed should include:

- All balances and float amounts at contracted depository bank.
- All maturing investments.
- All incoming wires, bond sales and other anticipated receipts.
- All outgoing wires, bond and coupon payments (debt service) and other anticipated cash disbursements.

III. INVESTMENT SELECTION

The City Investment Officer(s) determines how much of the cash balance is available for investment and selects the maximum maturity date.

The Investment Officer(s) and/or the contracted Investment Advisor / Manager will review market conditions in conjunction with approved brokers to search for suitable investments.

Information including the following is used to determine optimal maturity to take advantage of current and expected interest rate environments:

- Market information (yield analysis, spread analysis, and future expectations)
- General trends of economic statistics.
- Input from independent data services (Bloomberg, Reuters, etc.)
IV. PURCHASING AND INVESTMENT

The Policy requires establishment and approval of an authorized broker/dealer list with whom the City may transact business. The broker/dealer questionnaire helps provide the following evaluation:

- Financial condition, strength and capability to fulfill commitments.
- Overall reputation with other broker/dealers and investors.
- Regulatory status of the broker/dealer.
- Background and expertise of the individual representative.

The City investment officer(s) and/or the contracted Investment Adviser / Manager will contact an appropriate number of broker/dealers for offers based on market evaluation, Investment Policy and collateral limitations, and cash flow information given.

The following will be determined with the broker/dealer:
- Settlement basis – i.e. cash (same day), regular (next day), or when-issued (issue date) if a new agency issue.
- Amount available for investment,
- Type of security to be purchased excluded.
- Targeted maturity, or maturity range.

If choosing an investment pool as the preferred investment vehicle, the Council resolution and authorized individuals (PIN) resolutions must be in place prior to purchase and at any reasonable time thereafter. All pool transactions are initiated and controlled by City Investment Officer(s).

All investment purchases will be executed using the competitive bidding process. A minimum of three competitive offers on the purchase of every security will be obtained or approval from an Investment Committee officer on a competitive offer due to market conditions and time constraints. All investment purchases will be executed in compliance with the Internal Revenue Service’s Fair Market Rules.

Before concluding the transaction, the Investment Adviser verifies the following:

- The security meets all cash flow and Policy criteria.
- The security structure including any imbedded options such as call provisions or coupon adjustments.
- Yield calculations and settlement amounts.
- Total purchase cost (including accrued interest).

And,
- Advises the successful provider that their offering has been selected for purchase.
- Notifies any unsuccessful broker/dealers. Best price may be disclosed.
Prior to settlement date, the City Investment Officer and/or Investment Adviser/Manager and broker/dealer exchange and review the following settlement instructions to ensure prompt, and uninterrupted settlement.

- Name of third-party safekeeping agent.
- ABA number of safekeeping agent.
- Safekeeping account number.
- Amount of transaction.
- Settlement date.
- CUSIP number of security, if applicable.

V. SETTLEMENT AND FOLLOW-THROUGH

The City Investment Officer and/or the Investment Adviser/Manager will obtain a written trade ticket for the City’s records and the safekeeping agent.

City follow-up procedures may include:
- Internal provision of receipt or disbursement of funds.
- Internal transfer or wiring of funds.
- Validation of written “safekeeping receipt”.
- Immediate notification by the adviser if a fail has occurred.
CITY OF SAN MARCOS, TEXAS
OPERATING AND BOND FUNDS
INVESTMENT POLICY

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INVESTMENT POLICY – OPERATING AND BOND FUNDS

CITY OF SAN MARCOS
FINANCE DEPARTMENT

I.       POLICY

It is the policy of the City of San Marcos to invest public funds in a manner which will optimize interest earnings with maximum security while meeting the daily cash flow demands of the City and conforming to all state and local statutes governing the investment of public funds.

II.       SCOPE

This Investment Policy (hereafter referred to as Policy) applies to all financial assets of the City except Reserve Funds which are longer in terms and represent different risk profiles. Reserve Funds are managed and controlled by a separate Investment Policy. These financial assets covered by this Policy are within funds that are accounted for in the Comprehensive Annual Financial Report and include:

1. General Fund
2. Special Revenue Funds
3. Capital Projects Funds
4. Debt Service Funds
5. Enterprise Funds
6. Trust and Agency Funds

and any new funds created by the City unless specifically exempted by the City Council and this Policy.

III.     PRUDENCE

The standard of prudence to be used by investment officers and Finance Administrators shall be the “prudent person” standard and shall be applied in the context of managing an overall portfolio.

*Investments shall be made with judgment and care—under circumstances then prevailing—which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.*

IV.      OBJECTIVES

All operating and bond funds will be pooled for investment purposes. The primary objectives, in priority order, of the City’s investment activities for all funds shall be:

1. Safety: Safety of principal is the foremost objective of the investment program. Investments of the City shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.
2. Liquidity: The City’s investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements, which might be reasonably anticipated.
3. Diversification: In order to supplement the safety objective, diversification is needed to minimize credit and market risk and to reduce overall portfolio impact from potential losses on individual securities.
4. Yield: The City’s investment portfolio shall be designed with the objective of attaining a market rate of return in accordance with its designated benchmark which is based on the City’s cash
flow requirements throughout budgetary and economic cycles, commensurate with the City’s investment risk constraints and the cash flow characteristics of the portfolio.

V. Strategy

The structure and management of the pooled City portfolio will address the varying needs, goals and objectives of each fund. Investment strategies for General Fund, Special Revenue Funds, Capital Projects Funds, Enterprise Funds, and Trust and Agency Funds are designed to assure that anticipated cash flows are matched with adequate liquidity in each fund. A secondary strategy is to create a portfolio structure that will experience minimal volatility during economic cycles. Both may be accomplished by purchasing high quality, short-to-medium term securities that will complement each other in a laddered structure and assure the marketability of those investments should liquidity needs arise. Investments are to be chosen in a manner that promotes diversity by market sector, credit and maturity. The maximum dollar weighted average maturity of the total portfolio to accomplish these goals will not exceed 18 months, dependent on market conditions.

Investment strategies will address the unique needs for Debt Service Funds to primarily assure investment liquidity adequate to cover the debt service obligation for each consecutive debt service payment. Investments shall progressively fund each succeeding debt service.

Effective cash management is recognized as essential to good fiscal management. Cash management is defined as the process of managing monies in order to ensure maximum cash availability to the City for investment use. The City shall maintain a comprehensive cash management program that includes collection of accounts receivable, prudent investment of its available cash, disbursement of payments in accordance with invoice terms and the management of banking services.

VI. Delegation of Authority

Investment Officers
Management responsibility for the investment program is hereby delegated to the Director of Finance, the Accounting Manager, and Cash Management Accountant or staff accountant as designated by Director of Finance and they are therefore designated as the Investment Officers under the Act and by resolution of the City Council. The Investment Officer(s) shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

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Revenue Service’s Fair Market Rules.

VIII. ETHICS AND CONFLICTS OF INTEREST
Investment officers and employees involved in the investment process shall refrain from any personal
business activity that could conflict with proper execution of the investment program, or which could impair
their ability to make impartial investment decisions. Investment officers shall disclose in writing to the City
Manager any material financial interests in financial institutions that conduct business with the City, and
they shall further disclose any large personal financial/investment positions that could be related to the
performance of the City’s portfolio. Investment officers involved in the investment process with personal
business relationships or relatives within the second degree of affinity or consanguinity seeking to sell
investments/securities to the City shall disclose the relationship and file a statement with the Texas Ethics
Commission and the City Council. Personal business relationships are defined in the Act.

IX. AUTHORIZED BROKER/DEALERS AND FINANCIAL INSTITUTIONS
The objective of safety requires that the City transact business with financially strong broker/dealers and
financial institutions. Therefore, financial broker/dealers and institutions shall be subject to a screening
process by the Investment Officers and/or City contracted Investment Advisor / Manager to eliminate those
dealers and institutions that lack economic viability or whose past practices put the safety of public capital
at risk.

The Investment Advisor / Manager under contract will observe the instructions of the City with respect to
broker/dealers who are approved to execute transactions involving the City’s Managed Funds and in the
absence of such instructions will engage broker/dealers which the Advisor / Manager reasonably believes to be reputable, qualified and financially sound.

These broker/dealers may include “primary” dealers or regional dealers that qualify under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule). Authorized dealers and institutions shall provide proof of Financial Institutions Regulatory Authority (FINRA) certification, an annual audited financial statement, and a completed broker/dealer questionnaire.

Additional financial institutions may be used for time or demand deposits designed for investment purposes (i.e. not as the primary depository of the City). These institutions may be approved by the Investment Officer(s) on an ongoing basis to accommodate the need for timely action. Action by the Investment Committee is not required before use of such institutions. Each financial institution will provide policy certification and execute a depository agreement. The City may utilize third-party rating agencies in order to assess the overall financial strength of potential depositories.

The depository, or its brokerage subsidiary, from which the City obtains banking services including safekeeping, will not be used for brokerage services in order to perfect ownership on delivery versus payment settlement. The bank may be used for time deposits but all time deposits will be bid competitively.

X. **AUTHORIZED AND SUITABLE INVESTMENTS**

Authorized investments shall be limited to the instruments listed below as authorized and further described by the Act.

1. Obligations of the United States, its agencies and instrumentalities, not to exceed two years to the stated final maturity, excluding mortgage-backed securities.

2. Direct obligations of the State of Texas or its agencies and instrumentalities, not to exceed two years to the stated final maturity;

3. Other obligations, the principal of and interest of which are unconditionally guaranteed or insured by the full faith and credit of, the State of Texas or the United States or their respective agencies and instrumentalities, not to exceed two years to the stated final maturity;

4. Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent, not to exceed two years to the stated final maturity;

5. Fully insured or collateralized certificates of deposit or share certificates, issued by state and national banks or credit unions, not to exceed two years to the stated final maturity that are:
   a. Guaranteed or insured by the Federal Deposit Insurance Corporation or the National Credit Union Association, or other federal agency, or successors; or
   b. Collateralized to 102% in accordance with this Policy (Section XI).

6. Fully collateralized direct repurchase agreements having a defined termination date, collateralized in accordance with this Policy, safe-kept with an independent third party approved by the City, with an executed master repurchase agreement, and placed through a primary government securities dealer, as defined by the Federal Reserve, or a bank doing business in Texas, not to exceed 90 days to the stated maturity;

   Flexible repurchase agreements (flex repos) are authorized for investment of bond proceeds, if collateralized in accordance with this Policy, safe-kept with an independent third party approved by the City, with an executed master repurchase agreement, and placed through a primary government securities dealer, as defined by the Federal Reserve. The term of the flex
repo may exceed two years but not exceed the anticipated expenditure schedule of the bond proceeds and no party involved with the issuance of the debt shall be involved with the funds reinvestment.

7. Investment Pools as defined and regulated by the PFIA.

8. Commercial paper rated not less than A1/P1 or its equivalent by two nationally recognized rating agencies and not to exceed 270 days to stated final maturity.

9. AAA-rated, SEC registered money market funds as described in Sec. 2256.014 of the PFIA.

10. FDIC insured brokered certificate of deposit securities from banks in any US state, delivered versus payment to the City’s safekeeping depository, not to exceed one year to maturity. Before purchase the Investment Officer or adviser must verify the FDIC status of the bank on www.2fdic.gov.idasp/main_bankfind/asp to assure that the bank is FDIC insured.

XI. COLLATERALIZATION

Pledged Collateral
Collateralization is required on time and demand deposits. In order to anticipate market changes and provide a level of security for all funds, the collateralization margin level will be maintained at a minimum of 102% of deposits plus accrued. The counter party shall be made contractually liable for monitoring and maintaining the collateral and required margins at all times. Collateral shall be priced at least monthly. The custodian shall provide the required periodic reports directly to the City.

Owned Collateral
Repurchase agreements shall be collateralized to 102% of principal and accrued interest. The counter party shall be made contractually liable for monitoring and maintaining the collateral and required margins at all times. Collateral shall be priced daily. The Custodian shall provide the required periodic reports directly to the City.

Authorized Collateral
Collateral shall be limited to the following:
- Obligations of the US Government, its agencies and instrumentalities to include mortgage-backed securities which pass the bank test.
- Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent.

Collateral will always be held by an independent third party with whom the City has a current custodial agreement. A clearly marked evidence of ownership (report or receipt) must be supplied to the City and retained. The right of collateral substitution is granted with prior City approval.

XII. SAFEKEEPING

Safekeeping function will be provided by the City’s banking services depository or a PFIA approved Safekeeping service contracted in conjunction to the City’s banking services depository agreement. In order to ensure protection for City owned securities, the City requires delivery versus payment procedures for all transactions, except pools, money market funds and time deposits, which have no book entry delivery.

All security transactions, including collateral for repurchase agreements shall be conducted on a delivery versus payment (DVP) basis to the City’s depository or a City approved third party custodian. Securities will be held by a third party custodian approved by the Investment Officer(s) and evidenced by proof of
ownership (original safekeeping receipts).

XIII. **DIVERSIFICATION**

Diversification of the overall portfolio will be maintained in accordance with the following diversification limits.

<table>
<thead>
<tr>
<th>Security Type</th>
<th>Maximum % of Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>US Government Treasury Obligations</td>
<td>100%</td>
</tr>
<tr>
<td>US Government Agencies and Instrumentalities</td>
<td>80%</td>
</tr>
<tr>
<td>Municipal Instruments</td>
<td>50%</td>
</tr>
<tr>
<td>Certificates of Deposit</td>
<td>40%</td>
</tr>
<tr>
<td>Issued by institution</td>
<td>20%</td>
</tr>
<tr>
<td>Repurchase Agreements</td>
<td>30%</td>
</tr>
<tr>
<td>Flex repurchase agreements for bond proceeds</td>
<td>100%</td>
</tr>
<tr>
<td>Constant dollar investment pools</td>
<td>100%</td>
</tr>
<tr>
<td>Ownership of the pool</td>
<td>10%</td>
</tr>
<tr>
<td>Commercial Paper</td>
<td>30%</td>
</tr>
<tr>
<td>Limit per commercial paper issuer</td>
<td>10%</td>
</tr>
<tr>
<td>Money Market Mutual Fund</td>
<td>50%</td>
</tr>
<tr>
<td>Ownership of the fund</td>
<td>10%</td>
</tr>
</tbody>
</table>

XIV. **INTERNAL CONTROLS**

The Investment Officer(s) shall establish a system of written internal controls that will be reviewed annually with the City or independent auditor of the City along with quarterly investment reports. The controls will be designed to prevent loss of public funds due to fraud, employee error, misrepresentation by third parties, unanticipated market changes, or imprudent actions by employees, contracted investment managers or financial counterparties of the City.

**Loss of Rating**

The Investment Officer or investment adviser / manager shall monitor, on no less than a weekly basis, the credit rating on all authorized investments in the portfolio based upon independent information from a nationally recognized rating agency. If any security falls below the minimum rating required by Policy, the Investment Officer or adviser shall notify the City Manager of the loss of rating, conditions affecting the rating and possible loss of principal with liquidation options available, within two weeks after the loss of the required rating.

**Monitoring FDIC Status**

The Investment Officer or Investment Adviser / manager shall monitor, on no less than a weekly basis, the status and ownership of all banks issuing brokered CDs owned by the City based upon information from the FDIC. If any bank has been acquired or merged with another bank in which brokered CDs are owned, the Investment Officer or Adviser shall immediately liquidate any brokered CD which places the City above the FDIC insurance level.

XV. **PERFORMANCE STANDARDS**

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and cash flow needs of the City. A benchmark for performance of the portfolio will be included in the quarterly reports based on the portfolio’s maximum weighted average maturity of 360 days. The periodic total return of the six-month U.S. Treasury Bill will be used as the City’s operating benchmark.
XVI. REPORTING

The Investment Officer(s) shall provide the City Council quarterly investment reports as required by the Act and a monthly report to the Investment Committee. The reports will reflect both detail and summary information enabling the reader to determine the value and risk associated with the portfolio. Market values for the report will be derived from an independent source.

A management report will be included with the quarterly investment report. The management report should include comments on the fixed income markets and economic conditions, discussions regarding diversification, allocation restrictions on investments, possible changes in the portfolio structure going forward and thoughts on investment strategies.

XVII. CASH MANAGEMENT PROGRAMS AND ACTIVITIES

The Department of Finance is committed to the overall success of the City's cash management programs. These programs address a variety of cash management issues, including:

1. The design and implementation of reliable and effective cash flow forecasting methodologies to assist Finance Department personnel and Investment Officer(s) in the determination of the amounts of cash available for investment, the time period for which the funds may be invested with a reasonable level of confidence, and a measure of the volatility of specific cash forecasts, which will allow viable determination of the required liquidity.

2. The design and implementation of appropriate "revenue-acceleration programs", aimed at enhancing the speed at which monies are collected and deposited by the City and the elimination of bad debt expense/write-offs.

3. The design and implementation of suitable "controlled disbursement" programs, which will ensure that the City's expenses are met in timely manner, but not in such a way as to jeopardize the earning capacity of the City's portfolio.

4. The utilization of modern and efficient techniques and technology for the physical movement of money, taking advantage of technological and operational procedures.

5. The design and implementation of banking relationships which are both favorable to the City and responsive to the day-to-day requirements of the City's complex financial operations.

6. The design of investment policies and procedures to ensure the total safety of all funds while allowing the City to maximize its interest earnings.

7. The design and implementation of appropriate policies and procedures with regard to the proper and effective use of the City's municipal credit authority.

XVIII. INVESTMENT POLICY ADOPTION

The City's Investment Policy shall be annually reviewed and adopted by resolution of the City Council. Any modifications made thereto must be noted in the approving Resolution.
APPENDIX A

Broker / Dealer Questionnaire & TX PFIA Certification
Firm Name: _____________________________________________
CRD Number: _____________________________________________
Local office/address: ________________________________________

Telephone: _____________________________________________
Fax: _____________________________________________
E-Mail: _____________________________________________
CRD Number: _____________________________________________

Secondary Representative or sales assistant: ___________________________
Telephone: _____________________________________________
E-Mail: _____________________________________________
CRD Number: _____________________________________________

Branch Manager: _____________________________________________
Telephone / email: ________________________________________

Is firm designated as a primary dealer by the Federal Reserve?* ___________
How long has the firm had Primary Dealer status* _______________

Is the firm registered with the Texas State Securities Board?* _______________
Is the firm and all its representatives registered with the NASD?* _______________

List three comparable public clients currently working with this representative.  
Entity name, contact and phone number.

____________________________________________________________
____________________________________________________________
____________________________________________________________

* If the answer to any of these questions is no, please explain each separately.
What are the market sectors in which you and your firm are involved? Please feel free to provide additional information regarding specialization in any of the following market sectors.

<table>
<thead>
<tr>
<th>Firm Involvement</th>
<th>Broker Involvement</th>
</tr>
</thead>
<tbody>
<tr>
<td>US Treasuries</td>
<td></td>
</tr>
<tr>
<td>US Agencies</td>
<td></td>
</tr>
<tr>
<td>Repo</td>
<td></td>
</tr>
<tr>
<td>MBS</td>
<td></td>
</tr>
<tr>
<td>CP/BA</td>
<td></td>
</tr>
<tr>
<td>Corporate</td>
<td></td>
</tr>
<tr>
<td>CD</td>
<td></td>
</tr>
<tr>
<td>Other?</td>
<td></td>
</tr>
</tbody>
</table>

Has this firm, or the representatives assigned to this account, been subject to a regulatory agency, state or federal investigation for alleged improper, disreputable, unfair or fraudulent activities related to the sale of securities or money market instruments that resulted in a suspension or censure?

Is there outstanding litigation which would materially affect your financial stability?

*If yes to either, please explain*

________________________________________________

________________________________________________

________________________________________________

Do you provide any fixed income research and economic commentary? _____
Please attach sample.

Please provide the firm’s most recent audited financial statement.

Describe the precautions taken by your firm to protect the interests of the public when dealing with a local public entity.

________________________________________________________________________

________________________________________________________________________

________________________________________________________________________

The Business Organization listed on this broker/dealer form and its representatives assigned to the City account must certify they have thoroughly reviewed and have an understanding to preclude from investment transactions not authorized in accordance to the Texas PFIA, Chapter 2256, TX Government Code and the City's investment policy by signing below. **All transactions will be completed delivery versus payment.**

________________________________________________________________________

Signature  Title  Date

________________________________________________________________________

Signature  Title  Date
APPENDIX B

PFIA
APPENDIX C

CITY OF SAN MARCOS
INVESTMENT PROCEDURES

I. PURPOSE

The purpose of these procedures is to assist Finance Department staff with day-to-day investment operations and assign responsibilities. These procedures are an outline, with individual items to be added or deleted as necessary or appropriate.

II. CASH REVIEW

The City Investment Officer(s) must review the cash balances and investment portfolio at least daily, or as needed. Items to be reviewed should include:

- All balances and float amounts at contracted depository bank.
- All maturing investments.
- All incoming wires, bond sales and other anticipated receipts.
- All outgoing wires, bond and coupon payments (debt service) and other anticipated cash disbursements.

III. INVESTMENT SELECTION

The City Investment Officer(s) determines how much of the cash balance is available for investment and selects the maximum maturity date.

The Investment Officer(s) and/or the contracted Investment Advisor / Manager will review market conditions in conjunction with approved brokers to search for suitable investments.

Information including the following is used to determine optimal maturity to take advantage of current and expected interest rate environments:

- Market information (yield analysis, spread analysis, and future expectations)
- General trends of economic statistics.
- Input from independent data services (Bloomberg, Reuters, etc.)
IV. PURCHASING AND INVESTMENT

The Policy requires establishment and approval of an authorized broker/dealer list with whom the City may transact business. The broker/dealer questionnaire helps provide the following evaluation:

- Financial condition, strength and capability to fulfill commitments.
- Overall reputation with other broker/dealers and investors.
- Regulatory status of the broker/dealer.
- Background and expertise of the individual representative.

The City investment officer(s) and/or the contracted Investment Adviser / Manager will contact an appropriate number of broker/dealers for offers based on market evaluation, Investment Policy and collateral limitations, and cash flow information given.

The following will be determined with the broker/dealer:

- Settlement basis – i.e. cash (same day), regular (next day), or when-issued (issue date) if a new agency issue.
- Amount available for investment,
- Type of security to be purchased excluded.
- Targeted maturity, or maturity range.

If choosing an investment pool as the preferred investment vehicle, the Council resolution and authorized individuals (PIN) resolutions must be in place prior to purchase and at any reasonable time thereafter. All pool transactions are initiated and controlled by City Investment Officer(s).

All investment purchases will be executed using the competitive bidding process. A minimum of three competitive offers on the purchase of every security will be obtained or approval from an Investment Committee officer on a competitive offer due to market conditions and time constraints. All investment purchases will be executed in compliance with the Internal Revenue Service’s Fair Market Rules.

Before concluding the transaction, the City investment officer(s) and/or the Investment Adviser / Manager verifies the following:

- The security meets all cash flow and Policy criteria.
- The security structure including any imbedded options such as call provisions or coupon adjustments.
- Yield calculations and settlement amounts.
- Total purchase cost (including accrued interest).

And,

- Advises the successful provider that their offering has been selected for purchase.
- Notifies any unsuccessful broker/dealers. Best price may be disclosed.
Prior to settlement date, the City Investment Officer and/or Investment Adviser /Manager and broker/dealer exchange and review the following settlement instructions to ensure prompt, and uninterrupted settlement.

- Name of third-party safekeeping agent.
- ABA number of safekeeping agent.
- Safekeeping account number.
- Amount of transaction.
- Settlement date.
- CUSIP number of security, if applicable.

V. SETTLEMENT AND FOLLOW-THROUGH

The City Investment Officer and/or the Investment Adviser / Manager will obtain a written trade ticket for the City’s records and the safekeeping agent.

City follow-up procedures may include:
- Internal provision of receipt or disbursement of funds.
- Internal transfer or wiring of funds.
- Validation of written “safekeeping receipt”.
- Immediate notification by the adviser if a fail has occurred.
AGENDA CAPTION:
Consider approval of Resolution 2018-51R, approving the award of a contract to Partners Remodeling, Restoration, & Waterproofing, LLC for the Union Pacific Railroad (UPRR) Chicane Pedestrian Improvements Project (IFB 218-154) at Hopkins Street, in the estimated amount of $94,592.00 contingent upon the contractor’s timely submission of sufficient bonds and insurance; authorizing the City Manager or his designee to execute the appropriate documents related to the renewal of this agreement; and declaring an effective date.

Meeting date: April 3, 2018

Department: Engineering/Capital Improvements Program Department - Laurie Moyer, Director (By Lynda Williams, Purchasing Manager)

Amount & Source of Funding
Funds Required: $94,592.00
Account Number: FY126 (Project Code)
Funds Available: $94,592.00
Account Name: UPRR Crossing Chicanes

Fiscal Note:
Prior Council Action: Direction to improve railroad safety at crossings

City Council Strategic Initiative: [Please select from the dropdown menu below]
N/A

Comprehensive Plan Element(s): [Please select the Plan element(s) and Goal # from dropdown menu below]
☐ Economic Development - Choose an item.
☐ Environment & Resource Protection - Choose an item.
☐ Land Use - Choose an item.
☐ Neighborhoods & Housing - Choose an item.
☐ Parks, Public Spaces & Facilities - Choose an item.
☒ Transportation - Safe, Well coordinated transportation system implemented in an environmentally sensitive manner
Master Plan: [Please select the corresponding Master Plan from the dropdown menu below (if applicable)]
Choose an item.

Background Information:
On March 1, 2018, the City received twelve (12) bids for UPRR Chicane Pedestrian Improvements at Hopkins Street (IFB 218-154). The City has reviewed the bids and will award a contract to the lowest responsible bidder, Partners Remodeling, Restoration, & Waterproofing, located in Austin, Texas, in the amount of $94,592.00. Estimated time of completion for this project is approximately sixty (60) days after starting construction.

The scope of work for this project includes the installation of a six (6) inch thick concrete sidewalk pedestrian chicane with associated toe down for added safety when crossing railroad tracks. Handrail installation along portions of the sidewalk is also included. The initial estimated cost of this project was approximately $157,910.00.

This location was the scene of a fatal accident in 2016 which prompted direction to staff to proceed with safety improvements. Discussions with UPRR and FRA resulted in the recommendation for the construction of a chicane.

Council Committee, Board/Commission Action:
Click or tap here to enter text.

Alternatives:
Click or tap here to enter text.

Recommendation:
Staff recommends approval of this item.
RESOLUTION 2018- R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS, APPROVING THE AWARD OF A CONTRACT TO PARTNERS REMODELING, RESTORATION, & WATERPROOFING, LLC FOR THE UPRR CHICANE PEDESTRIAN IMPROVEMENTS PROJECT (IFB 218-154) AT HOPKINS STREET, IN THE ESTIMATED AMOUNT OF $94,592.00 CONTINGENT UPON THE CONTRACTOR’S TIMELY SUBMISSION OF SUFFICIENT BONDS AND INSURANCE; AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO EXECUTE THE APPROPRIATE DOCUMENTS RELATED TO THE RENEWAL OF THIS AGREEMENT; AND DECLARING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS:

PART 1. The award of a contract to Partners Remodeling, Restoration, & Waterproofing, LLC for the UPRR Chicane Pedestrian Improvements Project (IFB 218-154) at Hopkins Street, in the estimated amount of $94,592.00, contingent upon the contractor’s timely submission of sufficient bonds and insurance is approved.

PART 2. The City Manager, or his designee, is authorized to execute the appropriate documents related to the renewal of this Agreement on behalf of the City.

PART 3. This Resolution shall be in full force and effect immediately from and after its passage.

ADOPTED this the day of 2018

John Thomaides,
Mayor

Attest:

Jamie Lee Case,
City Clerk
# Bid Tabulation

**UPRR Chicane Improvements at Hopkins Street**  
March 1, 2018, at 2:00 P.M.

<table>
<thead>
<tr>
<th>Bidder Name</th>
<th>Total Bid</th>
<th>Addendum #1</th>
<th>Bid Bond</th>
<th>SBQ</th>
</tr>
</thead>
<tbody>
<tr>
<td>Myers Concrete Construction, LP</td>
<td>$136,086.00</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Wimberley, TX</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Roan Commercial Group, LLC</td>
<td>$157,416.00</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>San Marcos, TX</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MAC, Inc</td>
<td>$168,875.00</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Austin, TX</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jerdon Enterprise, LP</td>
<td>$186,532.00</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>San Antonio, TX</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TCB Construction, Inc</td>
<td>$170,314.50</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Austin, TX</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>D &amp; S Concrete Contractors</td>
<td>$157,585.00</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Seguin, TX</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Etech Construction, Inc</td>
<td>$119,172.00</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>San Antonio, TX</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Partners Remodeling Restoration &amp; Waterproofing</td>
<td>$94,592.00</td>
<td>Yes</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>Austin, TX</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corza Construction, LLC</td>
<td>$165,748.00</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Austin, TX</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Company</td>
<td>Amount</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>----------------------------------------------</td>
<td>-------------</td>
<td>-----</td>
<td>-----</td>
<td>-----</td>
</tr>
<tr>
<td>M2 Federal Inc San Marcos, TX</td>
<td>$143,888.80</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Jay-Reese Contractors, Inc Dripping Springs, TX</td>
<td>$211,855.50</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>XEVEX Construction, LLC Buda, TX</td>
<td>$147,493.20</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>

WITNESSED BY: [Signature]

[Signature] 1998
March 13, 2013

Mrs. Laurie A Moyer, P.E.
Director of Engineering and Capital Improvement
City of San Marcos
630 E Hopkins St.
San Marcos, TX 78666

Re: UPRR Pedestrian Chicane at Hopkins Street – Recommendation of Award

Dear Mrs. Moyer,

On March 1, 2018 bids were received and opened at 630 E Hopkins Street, San Marcos, Texas, for UPRR Pedestrian Chicane at Hopkins Street project. Twelve bids were received as shown in the summary tabulation below. A detailed tabulation of the unit price items is attached to this letter.

<table>
<thead>
<tr>
<th>Bidder</th>
<th>Total Bid Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Partners Remodeling Restoration &amp; Waterproofing</td>
<td>$ 94,592.00</td>
</tr>
<tr>
<td>Etech Construction, Inc</td>
<td>$119,172.00</td>
</tr>
<tr>
<td>Myers Concrete Construction</td>
<td>$136,086.00</td>
</tr>
<tr>
<td>M2 Federal, Inc</td>
<td>$143,888.80</td>
</tr>
<tr>
<td>XEVEX Construction, LLC</td>
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<td>Roan Commercial Group, LLC</td>
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<tr>
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We have reviewed the Statement of Bidder's Qualifications submitted by Partners Remodeling Restoration & Waterproofing and verified project references, and believe they have the experience to complete the above referenced project within the time frame in the contract. We recommend that the UPRR Pedestrian Chicane at Hopkins Street contract be awarded to the low bidder, Partners Remodeling Restoration & Waterproofing, in the amount of $94,592.00.

If you have any questions, please do not hesitate to contact me.

Sincerely,

[Signature]

Rey A Garcia, P.E.
Senior Engineer – Engineering & Capital Improvements Department
City of San Marcos

Attachments: Itemized Bid Tabulation
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**Total** | $135,086.00 | $157,415.00 | $168,875.00 | $186,532.00
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AGENDA CAPTION:
Consider approval of two Authorizations of Change in Services to the Utility Billing Customer Information System Software with North Harris Computer Corporation in a total 3 year cost of $94,644:

ACIS #28 the installation, configuration, and integration of a Smartworks Compass Solution and Key Performance Indicator (KPI) Dashboard necessary to support integrations with Yukon version 6.5 upgrade and implementation, Multi-speak version 3.0/4.1 and Customer Information Services (CIS) Connector (NorthStar) version 6.4.0

ACIS #29 Implementation of the Harris Computer Corporation’s Hosting Services and IT services solution to maintain/manage the MeterSense Meter Data Management (MDM) Solution currently utilized by the City of San Marcos.

Meeting date:  April 3, 2018

Department: Utility Billing - Tom Taggart, Executive Director (By Charles Blue, Contract Administrator).

Amount & Source of Funding
Funds Required: Total-$277,444 Needed for FY18-$89,148
Account Number: 21006320.52394;21006318.52230
Funds Available: $89,148
Account Name: ERP Upgrade and Maintenance, Professional Services

Fiscal Note:
Prior Council Action:  Click or tap here to enter text.

City Council Strategic Initiative: [Please select from the dropdown menu below]
Choose an item.
Choose an item.
Choose an item.

Comprehensive Plan Element(s): [Please select the Plan element(s) and Goal # from dropdown menu below]
☐ Economic Development - Choose an item.
☐ Environment & Resource Protection - Choose an item.
Master Plan: [Please select the corresponding Master Plan from the dropdown menu below (if applicable)]
Choose an item.

Background Information:
Approval of two Authorizations of Change in Services to the Utility Billing Customer Information System Software with N. Harris Computer Corporation.

ACIS #28: Includes the installation, configuration, and integration of a Smartworks Compass Solution and Key Performance Indicator (KPI) Dashboard necessary to support integrations with Yukon version 6.5 upgrade and implementation, Multi-speak version 3.0/4.1 and Customer Information Services (CIS) Connector (NorthStar) version 6.4.0. These upgrades and implementations will accomplish the following through multi-speak: daily read file integration with Yukon; outage, restoration and other meter events with Yukon; remote functions to include connection/disconnection of services, on demand reads and demand resets of meters. It will also provide a simplified data sync methodology and billing integration using a MV-RS billing file. The cost is $57,600 annually for 3 years and $8,000 support annually after the initial 3 years.

ACIS #29: Implementation of the Harris Computer Corporation’s Hosting Services and IT services solution to maintain/manage the MeterSense Meter Data Management (MDM) Solution currently utilized by the City of San Marcos. The hosting and IT services includes all facilities, equipment, software and services to operate and provide secure access to the MDM solution. The Harris MDM hosting solution will include network management, disaster recovery, database tuning, operating system, operating system installation, hardware installation, server configuration, third party and technical troubleshooting to ensure City staff’s access to the Hosted MDM solution.

The cost includes a $10,000 onetime setup fee, monthly hosting service fees for a Production System ($11,772 annually) and two Test Systems (19,776 annually). Total 3 year cost is $94,644.
File #: ID#18-134, Version: 1

Council Committee, Board/Commission Action:
Click or tap here to enter text.

Alternatives:
Click or tap here to enter text.

Recommendation:
Click or tap here to enter text.
AUTHORIZATION OF CHANGE IN SERVICES
CITY OF SAN MARCOS, TEXAS


CONSULTANT: N. Harris Computer Corporation

AUTHORIZATION NO.: 28

ORIGINAL CONTRACT DATE: April 16, 2003

AUTHORIZATION DATE: November 30, 2017

WORK TO BE ADDED TO OR DELETED FROM SCOPE OF SERVICES

The scope of this change includes installation, configuration and integration of a Smartworks Compass Solution and Key Performance Indicator (KPI) Dashboard necessary to support integrations with the Yukon version 6.5 upgrade and implementation, Multi-speak version 3.0/4.1 and Customer Information Service (CIS) Connector (NorthStar) version 6.4.0. These upgrades and implementations will accomplish the following through Multi-speak: daily read file integration with Yukon; outage, restoration and other meter events with Yukon; remote functions to include connection/disconnection of services, on demand reads and demand resets of meters. It will also provide a simplified data sync methodology, and billing integration using a MV-RS billing file. This means that the base integration will provide San Marcos with a new Meter Data Management (MDM) system following the latest implementation methodologies.

The cost is $4,800 monthly ($57,600 annually) for 3 years ($172,800 – 3 yrs. total) and $8,000 support annually after the initial 3 years.

Previous contract amount: $1,745,030.05
Net increase/decrease in contract amount: $172,800.00
Revised contract amount: $1,917,830.05

Requested by:
N. Harris Computer Corporation

by:____________________________ Date: February 15, 2018
Ryan Williams, Vice President BD,

Approved by:
City of San Marcos:

by:____________________________ Date:__________________
Bert Lumbreras, City Manager
AUTHORIZATION OF CHANGE IN SERVICES
CITY OF SAN MARCOS, TEXAS


CONSULTANT: N. Harris Computer Corporation

AUTHORIZATION NO.: 29

ORIGINAL CONTRACT DATE: April 16, 2003

AUTHORIZATION DATE: February 8, 2018

WORK TO BE ADDED TO OR DELETED FROM SCOPE OF SERVICES

The scope of this change/agreement is the implementation of the Harris Computer Corporation’s (Harris) Hosting Services and IT Services solution to maintain/manage the MeterSense Meter Data Management (MDM) Solution currently utilized by the City of San Marcos.

The hosting and IT services includes all facilities, equipment, software and services to operate and provide secure access to the MDM solution. The Harris MDM hosting solution will include network management, disaster recovery, database tuning, operating system, operating system installation, hardware installation, server configuration, third party and technical troubleshooting to ensure City staff’s access to the Hosted MDM solution.

The cost includes a $10,000 onetime setup fee, monthly hosting service fees for a Production System $981 ($11,772 annually) and two Test Systems $1,648 ($19,776 annually). The cost for the 3 year term is Production $35,316, Two Test $59,328 totaling $94,644.

Previous contract amount: $ 1,917,830.05
Net increase/decrease in contract amount: $ 104,644.00
Revised contract amount: $ 2,022,474.05

Requested by:
N. Harris Computer Corporation

by: ___________________________ Date: February 15, 2018
Ryan Williams, Vice President BD,
SmartWorks, Harris Utilities

Approved by:

City of San Marcos:
by: ___________________________ Date: ___________________________
Bert Lumbreras, City Manager
1 Introduction

The SmartWorks Hosting Solution offers our clients a cost effective alternative to in-house operation of their SmartWorks applications. By choosing the SmartWorks Hosting Solution, our clients can eliminate capital expenditure costs for hardware and software licensing, as well as alleviating the need for in-house management of servers, database and backup. This document describes the scope of services offered and the associated fees.

1.1 Related Documents

This document is subject to the terms and conditions as defined in the documents referenced below;

1. Software License, Support and Maintenance Agreement between City of San Marcos and N.Harris Computer Corp.
2. City of San Marcos Hosting Agreement.

2 Scope

At a minimum, the Hosting Environment provided will ensure that under recommended and normal operation of the hosted MeterSense MDM solution that:

- Synchronization information will be processed within 2 hours.
- AMI Data will be processed and validated within 5 hours.
- Meter event data will be processed in real time when received if MeterSense MDM solution configured as such.
- Batch event information received will be processed within 3-5 hours if MDM solution configured as such.

2.1 Availability and Uptime:

- Harris shall provide access to the MeterSense MDM Solution to Organization’s Users. Such access shall be provided 24 hours per day, 7 days per week, subject to scheduled periods of non-availability as described below.
- Availability of the Hosting Service is defined as when the Software Product and Organization’s data are operational and accessible via a public internet connection. The Hosting Service shall be unavailable during certain scheduled downtime periods for the purpose of conducting maintenance and upgrades to the Software Product. The Hosting Service shall be deemed available, even if it is not accessible by the Organization, if the inaccessibility is due to Organization’s network infrastructure, its connection to the internet, or an internet failure beyond the control of the Consultant.
- Uptime is defined as the percentage of total time that the Hosting Service is either available or in scheduled downtime. Uptime is calculated as the sum of available time plus scheduled downtime divided by total time, then expressed as a percentage. Specific Service Level Objectives relating to Uptime are as follows:
  - Consultant shall notify Organization a minimum of seven (7) calendar days prior to any period of scheduled downtime.
Consultant reserves the right to schedule downtime for emergency situations with less than seven (7) advance calendar days notice.

Uptime shall be at least 98% calculated on an annual basis.

Consultant shall take prudent measures and shall make reasonable and best efforts to achieve the Service level objectives described herein.

2.2 Service Levels
Consultant shall on a monthly basis make available to Organization when requested a report detailing actual Service Level achievement during the month, the root cause of any problem and the actions undertaken by Consultant to correct the problem or prevent its recurrence. The "Standard Availability" is 98%. If in any month the MeterSense MDM solution is not available for use by Organization at the Standard Availability Level for reasons attributable to the hosting services, Organization shall receive the credits set out below:

- Standard Availability - 0% credit
- 95% to 97.999% - a credit of 10% of the amount payable by Organization to Consultant with respect to such month
- 90% to 94.999% a credit of 25% credit of the amount payable by Organization to Consultant with respect to such month
- 75% to 89.999% a credit of 50% credit of the amount payable by Organization to Consultant with respect to such month
- 74.999% or less a credit of 100% credit of the amount payable by Organization to Consultant

3 Fee Structure And Payment Schedule
The Organization agrees to pay for the Services based on providing a Production Environment for the following meter configuration:

- Number of Meters: 36,280 (980,000 daily reads)
- Number of interval channels being delivered (excluding Voltages, Current, daily register reads, outages, and other events: 1
- Interval length: Hourly Interval Data
- On-line data retention period: 2.5 years

The Organization agrees to pay for the Services that are comprised of separate and distinct components:
The pricing is based on production environment for up to 1 millions reads per day and on-line data retention of 3.0 years. Approximately 42,000 meters read hourly.

3.1 Hosting Environment Set-Up Fees
Hosting Environment Set-up Fees for Production Environment of $10,000.

Note: Payment for Set-Up Fees are due at contract signing.
3.2 **Hosting Service Monthly Fees**

3.2.1 *Monthly Fees for the initial term of the Contract*

- The Hosting Services Monthly Fees for the Production environment is $981
- The Hosting Services Monthly Fees for the two Test environments is $1,648

**Note:** Monthly Fees will commence per Hosting Term defined in Section 2.5 of the City of San Marcos Hosting Agreement. The Monthly Fees will be billed monthly and are due 30 days from invoice date.

3.2.2 *Additional Hosting Service Monthly Fees*

The additional hosting service monthly fees will be reviewed on a quarterly basis. These fees are based on each additional 120,000 daily read increments with the same meter configuration will be applied.

**Note:** Additional Monthly Fees will commence when increment is exercised via a written request. The additional Monthly Fees will be added to regular monthly fees.

3.2.3 *Extended Infrastructure Support*

The fees associated with the previously purchased extended infrastructure services will no longer be required.
1 SmartWorks Professional Services Quote

This document defines the work to be performed by the SmartWorks division of N.Harris Computer Corporation (Herein referred to as “Consultant”) for the City of San Marcos (Herein referred to as “Customer”), upon authorization to proceed from Customer. This SOW includes a high level timeline, fees, and other Terms and Conditions specific to the services requested by Customer.

Date: September 8, 2017

Customer: City of San Marcos
Customer Contact: Ernest Cavazos

1.1 Related Documents
This Statement of Work is subject to the terms and conditions as defined in the document referenced below.

1. Software License, Support and Maintenance Agreement between the City of San Marcos and N.Harris Computer Corp. signed April 16, 2003

2 Scope of Engagement

2.1 Description
The scope of this engagement includes the following;
1. Installation, configuration and integration of a new instance of SmartWorks Compass Solution
2. Installation & configuration of the SmartWorks Compass KPI Dashboard

2.2 Integrations
The following integrations are configured as part of the scope of this engagement:

- AMI Connector (Cooper Yukon) Version 6.5
- MultiSpeak Version 3.0/4.1
- CIS Connector (NorthStar) Version 6.4.0

Consultant will provide advice and recommendations based on its experience and best practices. However, we expect that Customer will act as, or provide a systems integrator who will be responsible for overseeing the entire integration component of this project.

Consultant will make a reasonable attempt to provide sufficient lead time when making requests for assistance from third party vendors. When deemed appropriate by Customer, Consultant will also work directly with third party vendors if direct communication will result in efficient execution of the project.
2.3 **Work to be performed**

2.3.1 **New Compass MDM instance**

A new Compass MDM server will be implemented at San Marcos. This server will be a new installation of the MDM and existing San Marcos configuration will not be replicated on the new server initially.

As part of the integration, the following tasks will be accomplished:

1. Daily read file Integration with Yukon using CSV files
2. Outage, restoration and other meter event Integration with Yukon using appropriate MultiSpeak methods
3. Remote Connect/Disconnect, Demand Reset, On Demand Read Integration with Yukon for using appropriate MultiSpeak methods
4. Datasync Integration with NorthStar using Simplified DataSync methodology
5. Billing Integration with NorthStar using MV-RS billing file

The base integration will provide San Marcos with a brand new MDM system following the latest implementation methodologies at SmartWorks.

The new Compass MDM server will be named as a development server. Upon conclusion of the Yukon meter implementation, the development server will be deemed the new production MDM server.

The existing production MDM server will be dismantled.

During the course of engagement, any tasks involving the above integrations will be considered in scope. Examples include, but are not limited to change of MultiSpeak methods, change in meter channel lineup, on-going modification of data-sync etc.

When San Marcos reaches an appropriate amount of meters on the new Yukon system where manual tasks are no longer appropriate, user review sessions should be conducted for automated tasks such as Service Order integration (Move in/Move Out, Remote Connect/Disconnect, Demand Reset etc.). Design, implementation and modification of all service order automation related business processes are considered in scope.

It is recommended that at appropriate times through the deployment, user training be conducted. Different users will have different training requirements. Users training will be conducted at an appropriate time during the deployment and will be considered in scope. Training sessions include but are not limited to groups such as CSR, Engineering, metering and billing.

2.3.2 **Installation & configuration of the SmartWorks Compass KPI Dashboard**

Consultant will create any KPI or KPI Dashboards that customer wishes to see over the course of the engagement.

If data sources for generation of KPI is unreachable to SmartWorks Compass, consultants will work with the customer to determine the best approach to bring data into SmartWorks Compass.
During the course of the engagement, any task involving KPI dashboards will be considered in-scope. Examples include, but are not limited to creation of new KPI’s, training on development of KPI’s or modification to existing KPI’s to meet customer needs.

2.4 Assumptions and Constraints
1. All work will be performed remotely primarily.
2. Where appropriate, on-site visits will be arranged with mutual agreement.
3. Upon written agreement, San Marcos will be responsible for all consultant expenses incurred during travel including flights, hotels, meals, car rentals and cabs.
4. Customer agrees to facilitate any required Customer Corporate logistics for the fulfillment of this agreement.
5. Third Party Vendors Solutions are able to provide information required by the SmartWorks Compass Solution as well as accept information provided by the SmartWorks Compass Solution.
6. All third-party software and hardware products are assumed to perform correctly in the Customer environment, in accordance with the appropriate third-party vendor’s specifications.
7. All documentation provided by Customer shall be up-to-date and accurate or if that is not the case, advise Consultant as such.
8. All hardware, software, and network components supplied by Customer are working properly and are free of defects and will meet minimum hardware standards provided during the engagement.
9. To minimize project costs, the majority of project work will be performed at one of the Consultant’s locations except for project activities where face-to-face is deemed more effective. Customer will upon written agreement, incur all related travel expenses.
10. Customer will provide the appropriate remote access to its network, facilities, and systems as may be required to perform activities from one of Consultant’s locations. Consultant shall abide by all rules and directions of Customer when accessing Customer’s network, facilities or systems. A Change Order may be created if appropriate remote access to its network is not available, resulting in project delays.
11. Any items not explicitly identified within this document are considered out of scope. Any changes to those responsibilities and/or deliverables will be considered a change in scope for the engagement.
12. Any proposed changes to the engagement scope must be put into written format and be submitted to Consultant during this engagement for review and consideration.
13. The price does not include any hosting, or oracle licensing cost and will be additional cost.
14. If San Marcos wishes to keep the existing production server at the conclusion of this activity, additional maintenance cost will be added to the annual fees to support the additional server.

3 Delivery Approach

1. Work will be scheduled to commence approximately 60 days from receipt of approval.
2. Client will be contacted to inform them of the scheduled date of their work and the estimated timeframe for when they will be required for testing.
3. Approximately 1 week prior to beginning the work, Customer will be contacted by Consultant to confirm that they will be beginning work.

To proceed with this request, we require your written approval. Once received, a Statement of Work (Detailed Requirements) to further clarify requirements may be completed if deemed necessary and will be sent to you for sign off prior to commencement of work. At that time if the scope is determined to be greater than the scope of the original estimate, the estimate will be revised.

Upon acceptance of the Statement of Work, an estimated completion date will be provided. Work will commence approximately 60 days from approval of this quote. Should additional time be required to complete this project at any time, you will be notified and asked for your approval in advance of Harris Utilities SmartWorks completing the incremental work.

Once the custom mod is ready for testing, you will be contacted by the SmartWorks Consultant assigned to this quote to walk you through the steps required for testing.

4 Acceptance Criteria

**Implementation**

The work contained within this document is deemed completed and accepted if one of the following criteria is met:

- The Solution is moved to the Live (production) environment, upon approval from Customer, and is functioning as defined in section 2.1 and 2.2 of this document. The Solution will first be tested in Customer’s test environment.
- 30 days has elapsed from delivery of the modification in Customer’s environment during which Customer does not communicate any issues with the Solution.
- 30 days has elapsed from delivery of the modification in Customer’s environment, Customer has not provided approval of Solution in Test or Live environment, yet Customer has not requested Extension to Acceptance period (i.e. Customer becomes unresponsive during Acceptance Period).

Please note, issues requiring support following acceptance of this work should be logged through the Consultant Support Desk, and will be addressed under the Support and Maintenance Agreement.

Please refer to section 6.3.1. to review conditions of Customer Acceptance Period and Extensions to such period.
5 Termination

Customer has the right to terminate the work described in this document without cause, at any time, with 10-day written notice to the other party, subject to the obligations identified below.

Customer Obligation
Complete payment for services performed and expenses incurred prior to termination including:
- $49,999.99 or remainder of the term (whichever is lower);
- Any approved Travel and Living costs for travel requested through this project

Consultant Obligations
Refund to Customer any fees that have been paid but not earned under this quote through the termination date.
6 Pricing

6.1 Fees

There are no upfront installation charges.

Monthly On-Going charge: $4,800

Contract Term: 3 Years.
Extension Term: 60 days prior to expiration, San Marco’s can provide notice to extend the contract by an additional year at the monthly rate listed above.

Pricing does not include any hosting or Oracle licensing costs.

At the conclusion of the project, an annual maintenance charge of $8000 will be added to support KPI dashboard and all associated development in an on-going manner.

Council Approval
Both parties understand and acknowledge that Fees under this agreement cannot exceed, in aggregate, $50,000.00 without approval from the City Council.

Taxes
Fees exclude any applicable taxes.

Validity
The price estimate is valid for a period of 30 days from the quote submission date (as identified in Section 1 of this document). Customer may request this date to be extended.

6.2 Payment Schedule
Customer will be invoiced monthly. Invoices are payable on a net 30-day basis.

6.3 Payment Method
Customer will be invoiced monthly.

Invoices are payable on a net 30-day basis.
7 Acceptance and Signoff

A signature below will serve as authorization to proceed with the work defined in this document.

Please sign and return this document to Nikhil Bhatia:
- nbhatia@harriscomputer.com

☐ Approval to Proceed with a Recurring Monthly Payment Method with starting month as______ and starting year as______

Please provide both an authorized signature for sign off on this quote and a technical contact where we should be directing Technical Issues.

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<tr>
<th>Print Name (Authorized signature)</th>
<th>Signature</th>
<th>Date</th>
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</thead>
<tbody>
<tr>
<td>Ernest Cavazos</td>
<td><a href="mailto:ecavazos@sanmarcostx.gov">ecavazos@sanmarcostx.gov</a></td>
<td>512 393-8384</td>
</tr>
<tr>
<td>Caleb Ramos</td>
<td><a href="mailto:cramos@sanmarcostx.gov">cramos@sanmarcostx.gov</a></td>
<td>512 393-8319</td>
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<tr>
<th>Name (Technical Contact)</th>
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</table>

N. Harris Computer Corporation

The Harris Utilities SmartWorks manager authorized to sign this quote.

<table>
<thead>
<tr>
<th>Print Name (Authorized signature)</th>
<th>Signature</th>
<th>Date</th>
</tr>
</thead>
</table>

If you have any questions or need further information, please feel free to contact Nikhil Bhatia at nbhatia@harriscomputer.com
AGENDA CAPTION:
Consider approval of an Authorization of Change in Services to Recreation Engineering and Planning, Inc. in the amount of $197,525 for project design and construction administration of the San Marcos River Bike and Pedestrian Trail Project, previously known as the Crosstown Pathway Trails Project.

Meeting date: 4/3/2018

Department: Community Services - Rodney Cobb, Executive Director (By Charles Blue, Contract Administrator).

Amount & Source of Funding
Funds Required: $82,620
Account Number: 50036912.70200 FY061
Funds Available: 516,000
Account Name: San Marcos River Bike Ped Trail

Fiscal Note:

Prior Council Action: Click or tap here to enter text.

City Council Goal: [Please select goal from dropdown menu below]
Choose an item.
Choose an item.
Choose an item.

Comprehensive Plan Element(s): [Please select the Plan element(s) and Goal # from dropdown menu below]
☐ Economic Development - Choose an item.
☐ Environment & Resource Protection - Choose an item.
☐ Land Use - Choose an item.
☐ Neighborhoods & Housing - Choose an item.
☐ Parks, Public Spaces & Facilities - Choose an item.
☐ Transportation - Choose an item.
☐ Not Applicable
Background Information:
On September 1, 2015, City Council approved a design contract with Recreation Engineering and Planning, Inc. in the amount of $197,525 for project design and construction administration of the Crosstown Pathway Trails Project. Crosstown Pathway Trails Project will be a 1.7 mile long, 10 feet wide concrete pathway beginning on the west side of IH-35, extending to an existing the runs east toward Texas State University. The park will provide linkage between the City's Visitor Center, the University, and various parks and other downtown attractions.

The Crosstown Pathway Trails Project was defunded by TxDOT in September 2016. The City of San Marcos re-submitted an application for funding in 2017 for this project under the new name San Marcos River Bike and Pedestrian Trail. Recreation Engineering and Planning, Inc., assisted the City with preparation of our application documents. Our application was approved and funding for the project has been restored. This Authorization of Change in Services (ACIS) is for additional design work to keep the project in compliance with the regulations of both TxDOT and Union Pacific Railroad.

Council Committee, Board/Commission Action:
Click or tap here to enter text.

Alternatives:
Click or tap here to enter text.

Recommendation:
Click or tap here to enter text.
AUTHORIZATION OF CHANGE IN SERVICES
CITY OF SAN MARCOS, TEXAS

PROJECT NAME: San Marcos Bike & Pedestrian Trail
CITY PROJECT MANAGER/REP: Bert Stratemann
CONSULTANT/VENDOR: Recreation Engineering and Planning Inc.
CONTRACT NO: 215-315
AUTHORIZATION NO: 2
CONTRACT EXECUTION DATE: September 1, 2015
DATE OF THIS CHANGE: February 15, 2018

WORK TO BE ADDED TO OR DELETED FROM SCOPE OF SERVICES

Additional design as required by TXDOT and Union Pacific Railroad, per attached proposal dated February 7, 2018

Previous contract amount: $ 211,025.00
Net increase/decrease in contract amount: $ 82,620.00
Revised contract amount: $ 293,645.00

Requested by:

By: ___________________________ Date: Feb. 26, 2018

Gary Lacy, President
Printed name, title

Approved by:

City of San Marcos:

By: ___________________________ Date: ________________

Printed name, title

City Department (PM, etc.) only below this line.

Account Number(s):

Previous Changes in Service:
# 1 ; date; amount 12/05/2015 $13,500.00
# ; date; amount
# ; date; amount
Proposal for Engineering Services Change
Order No.2
By Recreation Engineering & Planning (REP)
February 7, 2018

The following proposal is for change order number 2 for the Bike and Pedestrian Trail in San Marcos, TX from Ramon Lucio Park to City Park. The proposal is being submitted to Drew Wells, as requested.

1. Re-design and analysis of the proposed railroad trail underpass. This includes changes in the overhead canopy (typical design to be supplied by the railroad), changes in appropriate design sheets, profiles and cross sections, addendum, and correspondence with railroad and City staff.

   Fee: $9,600.00

2. Design, specifications, and bid package update for the Trail from Ramon Lucio Park to City Park. This work includes all design sheet updates, details profiles, and section views for the trail and related improvements. This work will update the basic design plan for TXDOT approval and bidding through the City of San Marcos.

   Fee: $34,800.00

3. Design, specifications, and details for five rest nodes. The design will include all grading, drainage, concrete base and trail connections, as well as rest area improvements such as tables, benches, shade structures, etc.

   Fee: $7,700.00

4. Design, specifications, details, and electrical requirements for trail lighting for the entire length of the trail, (approximately 5000 feet) including lighting for one bridge underpass and one railroad underpass.

   Fee: $16,000.00

5. Meetings. Including two on-site meeting with City and TXDOT staff, and 8 biweekly phone meetings with City staff.

   Fee: $14,160.00

Total Fee for Change Order: $82,620.00
AGENDA CAPTION:
Receive a Staff presentation and hold a Public Hearing to receive comments for or against Ordinance 2018-09, on the first of two readings, updating and amending the Water and Wastewater impact fees to be charged by the City in connection with new land development under Chapter 86, Article 5, Division 4 of the San Marcos City Code and associated land use assumptions; providing a savings clause; providing for the repeal of any conflicting provisions; and providing an effective date; and Consider approval of Ordinance 2018-09, on the first of two readings.

Meeting date: 4/3/2018

Department: Eng/CIP

Amount & Source of Funding
Funds Required: N/A
Account Number: Click or tap here to enter text.
Funds Available: Click or tap here to enter text.
Account Name: Click or tap here to enter text.

Fiscal Note:
Prior Council Action: Ordinance 2013-070 updating impact fees, Appointment of ETJ representative to Impact Advisory Committee 12/19/17

City Council Goal: [Please select goal from dropdown menu below]
Goal #5 Maintain & Improve City's Infrastructure
Goal # 7 Maintain Fiscal Responsibility
Choose an item.

Comprehensive Plan Element(s): [Please select the Plan element(s) and Goal # from dropdown menu below]
- Economic Development - Choose an item.
- Environment & Resource Protection - Choose an item.
- Land Use - Choose an item.
- Neighborhoods & Housing - Choose an item.
- Parks, Public Spaces & Facilities - Choose an item.
- Transportation - Choose an item.
Master Plan: [Please select the corresponding Master Plan from the dropdown menu below (if applicable)]
Water Master Plan

Background Information:
In 2015 and 2016 the City updated the Wastewater and Water Master Plans respectively based upon the comprehensive plan Vision San Marcos, A River Runs Through Us. With the updated master plans, improvements needed to support future development were identified. HDR was retained to determine the maximum impact fee based upon the updated Capital Improvements Program reflecting the wastewater and water master plan projects.

The attached report 2018 Update of the Water and Wastewater Impact Fees of the City of San Marcos details the process and components of the analysis. The also report includes, as appendices, the required update to the Land Use Assumptions prepared by the Planning staff and a detailed analysis of peak water demand in the City based upon information from the City’s automated meter reading system. The system demand analysis was completed to determine the peak demand experienced in our system for a single Living Unit Equivalent (LUE) or 5/8-inch meter. This analysis has allowed us to better determine the impact of new development based upon projected peak flow rather than a more general meter size.

The results of the report were presented to the Impact Fee (a.k.a. Capital Improvements) Advisory Committee on January 23rd and February 13th. On February 13, 2018 the Committee approved the report and recommended the maximum impact fee amount of $3,801/LUE for water and $2,684/LUE for wastewater ($6,485/LUE total) be adopted. This is an increase of $694/LUE total from the current rate. The report was also presented to the Citizen’s Utility Advisory Board on March 14th.

Mr. Grady Reed with HDR will make a presentation to the City Council with the Public Hearing and first reading of the ordinance. An accompanying ordinance to update to Chapter 86 - Impact fees will also be on the agenda.

Council Committee, Board/Commission Action:
Approval of the Impact Fee report by Impact Fee (Capital Improvements) Advisory Committee and recommendation that the maximum impact fee be adopted.
File #: Ord 2018-09, Version: 1

Alternatives:
Approve an amount less than the maximum impact fee amount

Recommendation:
Recommend approval of maximum impact fee amount
ORDINANCE NO. 2018 –

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS UPDATING AND AMENDING THE WATER AND WASTEWATER IMPACT FEES TO BE CHARGED BY THE CITY IN CONNECTION WITH NEW LAND DEVELOPMENT UNDER CHAPTER 86, ARTICLE 5, DIVISION 4 OF THE SAN MARCOS CITY CODE AND ASSOCIATED LAND USE ASSUMPTIONS; PROVIDING A SAVINGS CLAUSE; PROVIDING FOR THE REPEAL OF ANY CONFLICTING PROVISIONS; AND PROVIDING AN EFFECTIVE DATE.

RECITALS:

1. In accordance with the provisions of Chapter 395 of the Texas Local Government Code, the City’s consultant has prepared the 2018 Update of the Water and Wastewater Impact Fees of the City of San Marcos attached hereto (the “Impact Fee Report”) and recommended changes to the water and wastewater impact fees charged by the City.

2. The Capital Improvements Advisory Committee has considered the report and has made recommendations to update the City’s water and wastewater impact fees and land use assumptions in accordance with the Impact Fee Report.

3. The City Council finds that the approval of the updates as set forth in the Impact Fee Report furthers the public health, safety and general welfare by recovering the costs to extend water and wastewater to serve new development.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS:

SECTION 1. The Impact Fee Report attached hereto and made a part hereof is hereby approved and adopted.

SECTION 2. The updated water and wastewater impact fees recommended in the Impact Fee Report and as shown in Schedule 1, attached hereto and made a part hereof and the land use assumptions in the Impact Fee Report are hereby approved and adopted.

SECTION 3. If any word, phrase, clause, sentence, or paragraph of this ordinance is held to be unconstitutional or invalid by a court of competent jurisdiction, the other provisions of this ordinance will continue in force if they can be given effect without the invalid portion.

SECTION 4. All ordinances and resolutions or parts of ordinances or resolutions in conflict with this ordinance are repealed.

PASSED AND APPROVED on first reading on April 3, 2018.

PASSED, APPROVED AND ADOPTED on second reading on April 17, 2018.
John Thomaides  
Mayor

Attest:  

Approved:

Jamie Lee Case  
City Clerk

Michael J. Cosentino  
City Attorney
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<td>2</td>
<td>Wastewater Impact Fee Application Area</td>
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<th>Description</th>
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<td>Water and Wastewater Service Area Population</td>
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1.0 Introduction and Summary

The City of San Marcos (City) is in the process of updating its water and wastewater impact fees to keep the fee current with its service area and updated CIP information. This report presents HDR Engineering, Inc.’s (HDR) maximum impact fee determination for consideration by the City’s Capital Improvements Advisory Committee and the San Marcos City Council.

The methodology to determine the maximum fee amount considers two options. Consistent with State law, each fee component is calculated with either: (1) consideration of a credit for other methods of payments for utility capital by a new customer, such as through utility rates or taxes, or alternatively, (2) a reduction of the maximum fee amount equal to 50% of the unit capital cost of providing new service. By maximum amounts, this means that the determined fee amount was calculated as the highest that can be lawfully levied by the City, given the prospective land uses and capital improvements plan, the cost of existing and new utility capacity, and consideration of a credit to new customers for capital contributions made through rate payments. The City Council can decide to enact fees less than the maximum amounts shown in this report.

As detailed later in this report, the maximum impact fees were developed in component pieces. For instance, the overall water fee is comprised of separate amounts for water supply, treatment, pumping, elevated storage, ground storage, and transmission. This will facilitate the consideration of offsets or credits from the applicable fee if a developer builds and dedicates eligible facilities to the City or the City provides wholesale service to a neighboring utility and wishes to charge only certain portions of the fee. The maximum fee amounts do not include capital costs for facilities required to be provided by developers at their own expense.

Planning, service demand, and design factor assumptions used in the water and wastewater facility sizing and costing were provided by the City. Data on current utility demand, existing utility assets, needed future facilities, outstanding utility debt, and prospective cash versus debt financing were obtained from or coordinated with the City of San Marcos staff. HDR combined these elements into the maximum impact fee calculations presented in this report.
2.0 Utility Service and Fee Application Area

The City’s water CCN boundary is the anticipated 10-year future water service area (shown in light blue in Figure 1) in which existing and projected land uses for the water utility, water utility demands, and water utility capital improvements needs were assessed. Likewise, the City’s wastewater CCN boundary is the anticipated 10-year future wastewater service area (shown in light green in Figure 2) in which existing and projected land uses for the wastewater utility, wastewater utility demands, and wastewater utility capital improvements needs were assessed.

Areas located within the City of San Marcos water and wastewater CCN’s would be the locations in which the City may levy the impact fees, in-part or in-full, if City service is provided. These boundaries does not, however, imply a legal obligation of the City to serve beyond its incorporated limits. If the City does not provide service, in-full or in-part, then the impact fees would not apply.
Figure 1. Water Impact Fee Application Area
Figure 2. Wastewater Impact Fee Application Area
3.0 Land Use Assumptions

Tables 1a and 1b provide an estimate of the current and future land use patterns of the potential water and wastewater service area with information obtained from the City of San Marcos Systemwide Use Assumptions for the Implementation of Impact Fees report (Appendix A). For the water service area, as indicated, about 10.9% of the total ETJ area is currently in single-family residential land uses with 21.7% in other uses. It is estimated that 67.5% of the land within the planning area is undeveloped.

Table 1a.
Current and Projected Land Use - Water

<table>
<thead>
<tr>
<th>Item</th>
<th>Current</th>
<th>Future (Including ETJ)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Acres</td>
<td>%</td>
</tr>
<tr>
<td>Single-Family Residential</td>
<td>6,774</td>
<td>10.9%</td>
</tr>
<tr>
<td>Multi-Family Residential</td>
<td>1,977</td>
<td>3.2%</td>
</tr>
<tr>
<td>Mixed Use</td>
<td>1,147</td>
<td>1.8%</td>
</tr>
<tr>
<td>Commercial</td>
<td>3,481</td>
<td>5.6%</td>
</tr>
<tr>
<td>Industrial</td>
<td>1,545</td>
<td>2.5%</td>
</tr>
<tr>
<td>Public / Institutional</td>
<td>5,337</td>
<td>8.6%</td>
</tr>
<tr>
<td>Undeveloped</td>
<td>42,093</td>
<td>67.5%</td>
</tr>
<tr>
<td><strong>Total Land Use Acreage</strong></td>
<td><strong>62,354</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>

Source: City of San Marcos, 2017.

The following water use rates were used to project demand based on the land use data above:

- 360 gals per acre – Residential
- 650 gals per acre – Non-Residential

Over time as the City grows into the planning area, developed land areas will both increase and become a higher percentage of overall land uses. Projected residential land uses are expected to increase to 13.0% of total potential service land area and other land use types are expected to increase to 25.9% of total land use. It is projected that undeveloped land will shrink to 61.2% of the total planning area over the 10-year planning period.

For the wastewater service, as indicated, about 6.7% of the total ETJ area is currently in single-family residential land uses with 13.4% in other uses. It is estimated that 79.9% of the land within the planning area is undeveloped.
Table 1b.
*Current and Projected Land Use - Wastewater*

<table>
<thead>
<tr>
<th>Item</th>
<th>Current (Acres)</th>
<th>Current (%)</th>
<th>Future (Including ETJ) (Acres)</th>
<th>Future (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single-Family Residential</td>
<td>7,563</td>
<td>6.7%</td>
<td>9,026</td>
<td>8.0%</td>
</tr>
<tr>
<td>Multi-Family Residential</td>
<td>2,207</td>
<td>2.0%</td>
<td>2,631</td>
<td>2.3%</td>
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<tr>
<td>Mixed Use</td>
<td>1,281</td>
<td>1.1%</td>
<td>1,531</td>
<td>1.4%</td>
</tr>
<tr>
<td>Commercial</td>
<td>3,887</td>
<td>3.5%</td>
<td>4,640</td>
<td>4.1%</td>
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<tr>
<td>Industrial</td>
<td>1,725</td>
<td>1.5%</td>
<td>2,055</td>
<td>1.8%</td>
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<tr>
<td>Public / Institutional</td>
<td>5,959</td>
<td>5.3%</td>
<td>7,106</td>
<td>6.3%</td>
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<tr>
<td>Undeveloped</td>
<td>89,684</td>
<td>79.9%</td>
<td>85,317</td>
<td>76.0%</td>
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<tr>
<td><strong>Total Land Use Acreage</strong></td>
<td><strong>112,306</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>112,306</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>

Source: City of San Marcos, 2017.

The following wastewater use rates were used to project demand based on the land use data above:

- 165 gals per acre – Residential
- 265 gals per acre – Non-Residential

Over time as the City grows into the planning area, developed land areas will both increase and become a higher percentage of overall land uses. Projected single-family residential land uses are expected to increase to 8.0% of total potential service land area and other land use is expected to increase to 15.9% of total land use. It is projected that undeveloped land will shrink to 76.0% of the total planning area over the 10-year planning period.

Table 2 shows the current population as well as the projected future population for both the water and wastewater utilities’ service area.

Table 2.
*Water and Wastewater Service Area Population*

<table>
<thead>
<tr>
<th>Utility</th>
<th>2018</th>
<th>2027</th>
<th>% Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water</td>
<td>68,668</td>
<td>80,486</td>
<td>17.2%</td>
</tr>
<tr>
<td>Wastewater</td>
<td>76,671</td>
<td>89,865</td>
<td>17.2%</td>
</tr>
</tbody>
</table>
4.0 Current and Projected Utility Demand and Supply

Table 3 shows the current number of Living Unit Equivalent Units (LUEs) for both the water and wastewater utilities. The number of current water LUEs was developed by Alan Plummer Associates, Inc. The number of LUEs is based on an assessment of the peak use for each customer within the City. This system is being used, instead of using meter size, due to the fact that there has been a concern that the use of meter size is under estimating the impact of multi-family and commercial developments within the City. See Appendix B for a full discussion of the concerns and the new methodology. There were as estimated 15,247 water LUEs within the City in 2017. This number was grown at approximately 1.8% to account for projected growth between 2017 and 2018 to arrive at the starting number of LUEs of 15,518 (See Appendix C). The number of wastewater LUEs was estimated by using the ratio of the water service area population to the wastewater service area population.

Tables 4 and 5 summarize the City’s current and projected water and wastewater service demands and existing supply (service) capabilities by facility. Current and future service demands are also compared with the existing service capacity of the utility systems.

Water demand was forecast using population forecasts from the City Planning Department, LUE estimates from the Alan Plummer Associates, Inc., and a dry-year per capita water use statistic used by the City in their water supply and treatment facility planning efforts. Wastewater demand was forecast using historical data and technical studies of the City’s system.

Even with the anticipated growth of the City and surrounding area, the City appears to have adequate water and wastewater facilities to meet demands over the next 10 years. However, the City has identified a 10-year CIP for new water and wastewater projects during the period that will be needed to meet demands in certain areas of the water and wastewater service areas.

Table 3. Water and Wastewater LUEs

<table>
<thead>
<tr>
<th>Utility</th>
<th>2018</th>
<th>2027</th>
<th>% Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water</td>
<td>15,518</td>
<td>18,189</td>
<td>17.2%</td>
</tr>
<tr>
<td>Wastewater</td>
<td>13,966</td>
<td>16,370</td>
<td>17.2%</td>
</tr>
</tbody>
</table>
Table 4.
Estimated Water Service Demands and Available Capacity

<table>
<thead>
<tr>
<th>Facility Type</th>
<th>2018</th>
<th>2027</th>
<th>10-yr Demand Increment</th>
</tr>
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<tbody>
<tr>
<td>Supply</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Existing 2018 Capacity (mgd) *</td>
<td>12.2</td>
<td>12.2</td>
<td></td>
</tr>
<tr>
<td>Est. Service Demand</td>
<td>7.3</td>
<td>8.6</td>
<td>1.3</td>
</tr>
<tr>
<td>Excess (Deficiency)</td>
<td>4.9</td>
<td>3.6</td>
<td></td>
</tr>
<tr>
<td>Existing 2018 Capacity (LUEs) *</td>
<td>25,835</td>
<td>25,835</td>
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<tr>
<td>Est. Service Demand</td>
<td>15,518</td>
<td>18,189</td>
<td>2,671</td>
</tr>
<tr>
<td>Excess (Deficiency)</td>
<td>10,317</td>
<td>7,646</td>
<td></td>
</tr>
<tr>
<td>Treatment</td>
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<td></td>
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<td>Existing 2018 Capacity (mgd)</td>
<td>26.5</td>
<td>26.5</td>
<td></td>
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<tr>
<td>Est. Service Demand</td>
<td>11.7</td>
<td>13.7</td>
<td>2.0</td>
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<tr>
<td>Excess (Deficiency)</td>
<td>14.8</td>
<td>12.8</td>
<td></td>
</tr>
<tr>
<td>Existing 2018 Capacity (LUEs) *</td>
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<td>2,671</td>
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<tr>
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<td>18,189</td>
<td>2,671</td>
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<td>Excess (Deficiency)</td>
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<td>45,340</td>
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* Assume LUE conversion factor of:

- 472 gpd/LUE for water supply facilities
- 756 gpd/LUE for treatment
- 756 gpd/LUE for pumping
- 200 gals/LUE for ground storage
- 100 gals/LUE for elevated storage
- 1,133 gpd/LUE for transmission
### Table 5.
**Estimated Wastewater Service Demands and Available Capacity**

<table>
<thead>
<tr>
<th>Facility Type</th>
<th>2018</th>
<th>2027</th>
<th>10-yr Demand Increment</th>
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</thead>
<tbody>
<tr>
<td><strong>Treatment</strong></td>
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<tr>
<td>Existing 2018 Capacity (mgd) *</td>
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<td>Est. Service Demand</td>
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<td>16,370</td>
<td>2,403</td>
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<td>Excess (Deficiency)</td>
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<td><strong>Pumping</strong></td>
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<td></td>
</tr>
<tr>
<td>Existing 2018 Capacity (mgd)</td>
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<td>53.9</td>
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<tr>
<td>Est. Service Demand**</td>
<td>22.9</td>
<td>26.8</td>
<td>3.9</td>
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<tr>
<td>Excess (Deficiency)</td>
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<td>27.0</td>
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<tr>
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<td>2,403</td>
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<td>Excess (Deficiency)</td>
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<td><strong>Interceptors</strong></td>
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<td>Est. Service Demand</td>
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<td>26.8</td>
<td>3.9</td>
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<tr>
<td>Excess (Deficiency)</td>
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<td>43.1</td>
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<tr>
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<td>16,370</td>
<td>2,403</td>
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<tr>
<td>Excess (Deficiency)</td>
<td>28,694</td>
<td>26,290</td>
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</tr>
</tbody>
</table>

* Assume LUE conversion factor of:  
  - 364 gpd/LUE for wastewater treatment  
  - 1,640 gpd/LUE for water pumping  
  - 1,640 gpd/LUE for interceptors  

** Assumes:  
- 100.0% of wastewater demand pumped
5.0 **Identified Major Capital Improvement Needs and Costs**

Given the projected growth in water and wastewater demands, existing capacity, and the modeling of infrastructure needs, various additional facilities have been identified to meet the needs for the next 10 years. The City’s 10-year capital need for new capacity totals $101.254 million for water, mostly associated with new supplies from the Alliance Regional Water Authority and new water transmission facilities, and $61.075 million for wastewater (see Appendix D).

Given the growth facing the City in the next ten years, improvements have been identified for the areas of water supply, pumping, elevated storage, and water transmission. San Marcos has also identified needed improvements to its wastewater system, including improvements to the treatment plant, pumping, and wastewater interceptors that would serve future growth.

Specific projects that accomplish these service capacity goals are identified in Tables 6a and 6b along with their cost, capacity, unit cost, and allocation of existing and projected demand to these facilities. A weighted unit cost of service ($ per SU) is then calculated by facility type, based on the proportionate share of use of existing versus new facility capacity by the growth anticipated over the next ten years.
### Table 6a.

<table>
<thead>
<tr>
<th>Facility Name</th>
<th>Construction Cost</th>
<th>Capacity</th>
<th>Construction Cost per LUE</th>
<th>Existing Customers</th>
<th>Growth Use in Next 10 Years</th>
<th>Excess Capacity after 10 Years</th>
<th>Total Capacity</th>
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<tr>
<td><strong>WATER SUPPLY</strong></td>
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<td><strong>EXISTING FACILITIES</strong></td>
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<td>25,835 mgd</td>
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<td>Subtotal Existing Facilities</td>
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<td>15,518</td>
<td>$879</td>
<td>$1,581</td>
<td>$4,666</td>
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<td>37,270</td>
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<td>15,518</td>
<td>2,671</td>
<td>19,082</td>
<td>37,270</td>
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<td>15,518</td>
<td>$609</td>
<td>$1,581</td>
<td>$16,884</td>
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<tr>
<td>Subtotal Future Facilities</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
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</tr>
<tr>
<td><strong>TOTAL WATER TREATMENT</strong></td>
<td>$21,386,541</td>
<td>35,073</td>
<td>15,518</td>
<td>2,671</td>
<td>19,082</td>
<td>35,073</td>
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<td><strong>WATER PUMPING</strong></td>
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<td>199</td>
<td>$1,035</td>
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<td>$9,364</td>
<td>13,818</td>
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<td>2,671</td>
<td>12,811</td>
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<tr>
<td>Subtotal Future Facilities</td>
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<td>43,022</td>
<td>44,117</td>
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# 2018 Update of the Water and Wastewater Impact Fees for the City of San Marcos

## TABLE 6b. Wastewater CIP Inventory and Costing

<table>
<thead>
<tr>
<th>Facility Name</th>
<th>Construction Cost</th>
<th>Capacity</th>
<th>LUEs</th>
<th>Facility Capacity Allocations (LUEs)</th>
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<td><strong>TREATMENT</strong></td>
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<tr>
<td><strong>EXISTING FACILITIES</strong></td>
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<tr>
<td>Existing WWTPs</td>
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<tr>
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<td>$ 31,964,891</td>
<td>9.0</td>
<td>24,700</td>
<td>1,294 LUE, 13,966 Excess Capacity, 9,069 Total Capacity</td>
</tr>
<tr>
<td>Existing WWTP 4.0 MGD AADF Expansion</td>
<td>$ 20,500,000</td>
<td>4.0</td>
<td>10,978</td>
<td></td>
</tr>
<tr>
<td>Subtotal Future Facilities</td>
<td>$ 20,500,000</td>
<td>4.0</td>
<td>10,978</td>
<td>1,867 LUE, 10,239 Excess Capacity, 10,978 Total Capacity</td>
</tr>
<tr>
<td><strong>TOTAL WASTEWATER TREATMENT</strong></td>
<td>$ 52,464,891</td>
<td>13.0</td>
<td>35,677</td>
<td>13,966 LUE, 2,403 Excess Capacity, 19,308 Total Capacity</td>
</tr>
</tbody>
</table>

Average Capital Cost per New LUE = $1,470

| **PUMPING**                        |                   |          |      |                                     |
| **EXISTING FACILITIES**            |                   |          |      |                                     |
| Existing Lift Stations              | $ 14,618,933      | 53.9     | 32,866 |                                     |
| Subtotal Existing Facilities        | $ 14,618,933      | 53.9     | 32,866 | 445 LUE, 13,966 Excess Capacity, 17,298 Total Capacity |
| **FUTURE FACILITIES**              |                   |          |      |                                     |
| Brown Terrace Wastewater Lift Station | $ 60,000         | 0.5      | 305   |                                     |
| Hwy 80 Lift Station and Force Main  | $ 6,000,000       | 5.0      | 3,049 |                                     |
| Trace Lift Station Overseize        | $ 3,200,000       | 3.5      | 2,135 |                                     |
| Main Lift Station Improvements      | $ 6,200,000       | 9.0      | 5,489 |                                     |
| Main Lift Station Force Main        | $ 4,700,000       | 9.0      | 5,489 |                                     |
| Subtotal Future Facilities          | $ 20,150,000      | 27.0     | 16,466 | 1,224 LUE, 15,664 Excess Capacity, 16,466 Total Capacity |
| **TOTAL PUMPING**                  | $ 34,768,933      | 80.9     | 49,332 | 13,966 LUE, 2,403 Excess Capacity, 32,962 Total Capacity |

Average Capital Cost per New LUE = $705

| **INTERCEPTORS**                   |                   |          |      |                                     |
| **EXISTING FACILITIES**            |                   |          |      |                                     |
| Existing Interceptors              | $ 21,028,844      | 70.0     | 42,660 |                                     |
| Subtotal Existing Facilities        | $ 21,028,844      | 70.0     | 42,660 | 493 LUE, 13,966 Excess Capacity, 26,773 Total Capacity |
| **FUTURE FACILITIES**              |                   |          |      |                                     |
| Southeast Improvements              | $ 800,000         | 0.6      | 483   |                                     |
| Northeast Improvements              | $ 17,400,000      | 14.3     | 10,251|                                     |
| Central Improvements                | $ 500,000         | 0.5      | 483   |                                     |
| Southwest Improvements              | $ 1,725,000       | 2.3      | 10,251|                                     |
| Subtotal Future Facilities          | $ 20,425,000      | 17.6     | 10,734| 483 LUE, 10,734 Excess Capacity, 10,734 Total Capacity |
| **TOTAL INTERCEPTORS**             | $ 41,453,844      | 87.6     | 63,394| 13,966 LUE, 2,403 Excess Capacity, 37,024 Total Capacity |

Average Capital Cost per New LUE = $776

| **WASTEWATER TOTAL**               | $ 128,687,668     |          |      |                                     |
| Average Capital Cost per New LUE   | $ 2,950           |          |      |                                     |
6.0 Consideration of Other Methods of Capital Payment

For utilities that charge an impact fee, the new customer pays for capital in two ways: (1) initially through the up-front impact fee, and (2) over the longer-term through utility rate payments, where typically some portion of customer rate payments also funds capital projects.

The 77th Texas Legislature amended Chapter 395 of the Local Government Code to require either: (1) a calculated credit for rate payments be reflected in the fee amount, or (2) a credit equal to 50% of the total projected cost of the capital improvements plan be given in calculating the maximum fee amount.

Table 7 indicates the estimated cost per LUE that is projected to be borne in the utility rates by the average new customer. The rate credit calculation considered: (1) existing debt, (2) future debt payments incurred in the year in which the facilities would be built and financed, and (3) the projected LUEs at the mid-point year of the weighted average life of the debt for the facilities that are part of the impact fee calculation for each utility.

7.0 Alternative Impact Fee Calculations

Table 8 summarizes the unit capital cost of providing new service and the two alternative credit calculations for new customers. The alternative approach that calculates a specific rate credit (Option A) results in the maximum impact fee calculation of $3,801 per LUE for water and $2,684 per LUE for wastewater, totaling $6,485 per LUE.

As shown in Table 8, the alternative 50% of capital cost method for calculating a rate credit (Option B) results in a lesser water impact fee of $2,085 per LUE and wastewater fee of $1,485 per LUE, yielding an overall fee of $3,570 per LUE.
### Table 7.  
*Existing or Anticipated Debt to be Paid through Utility Rates*

<table>
<thead>
<tr>
<th>Facility Type</th>
<th>Est. Debt in Rates</th>
<th>Mid-Point LUEs</th>
<th>Est. Debt in Rates per LUE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>WATER UTILITY</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Supply</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Existing Debt</td>
<td>$235,809</td>
<td>16,854</td>
<td>$14</td>
</tr>
<tr>
<td>Series 2018-2027</td>
<td>3,271,144</td>
<td>16,854</td>
<td>194</td>
</tr>
<tr>
<td><strong>Subtotal Water Supply</strong></td>
<td>3,506,953</td>
<td></td>
<td>208</td>
</tr>
<tr>
<td>Treatment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Existing Debt</td>
<td>166,728</td>
<td>16,854</td>
<td>10</td>
</tr>
<tr>
<td>Series 2018-2027</td>
<td>0</td>
<td>16,854</td>
<td>0</td>
</tr>
<tr>
<td><strong>Subtotal Water Treatment</strong></td>
<td>166,728</td>
<td></td>
<td>10</td>
</tr>
<tr>
<td>Pumping</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Existing Debt</td>
<td>188,646</td>
<td>16,854</td>
<td>11</td>
</tr>
<tr>
<td>Series 2018-2027</td>
<td>119,081</td>
<td>16,854</td>
<td>7</td>
</tr>
<tr>
<td><strong>Subtotal Water Pumping</strong></td>
<td>307,727</td>
<td></td>
<td>18</td>
</tr>
<tr>
<td>Ground Storage</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Existing Debt</td>
<td>12,359</td>
<td>16,854</td>
<td>1</td>
</tr>
<tr>
<td>Series 2018-2027</td>
<td>0</td>
<td>16,854</td>
<td>0</td>
</tr>
<tr>
<td><strong>Subtotal Ground Storage</strong></td>
<td>12,359</td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>Elevated Storage</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Existing Debt</td>
<td>47,852</td>
<td>16,854</td>
<td>3</td>
</tr>
<tr>
<td>Series 2018-2027</td>
<td>87,001</td>
<td>16,854</td>
<td>5</td>
</tr>
<tr>
<td><strong>Subtotal Elevated Storage</strong></td>
<td>134,853</td>
<td></td>
<td>8</td>
</tr>
<tr>
<td>Transmission</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Existing Debt</td>
<td>995,511</td>
<td>16,854</td>
<td>59</td>
</tr>
<tr>
<td>Series 2018-2027</td>
<td>915,252</td>
<td>16,854</td>
<td>54</td>
</tr>
<tr>
<td><strong>Subtotal Transmission Lines</strong></td>
<td>1,910,764</td>
<td></td>
<td>113</td>
</tr>
<tr>
<td><strong>Total Water</strong></td>
<td>$358</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>WASTEWATER UTILITY</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Treatment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Existing Debt</td>
<td>$419,741</td>
<td>15,168</td>
<td>$28</td>
</tr>
<tr>
<td>Series 2018-2027</td>
<td>883,218</td>
<td>15,168</td>
<td>58</td>
</tr>
<tr>
<td><strong>Subtotal WWTP</strong></td>
<td>1,302,959</td>
<td></td>
<td>86</td>
</tr>
<tr>
<td>Pumping</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Existing Debt</td>
<td>313,364</td>
<td>15,168</td>
<td>21</td>
</tr>
<tr>
<td>Series 2018-2027</td>
<td>868,139</td>
<td>15,168</td>
<td>57</td>
</tr>
<tr>
<td><strong>Subtotal Wastewater Pumping</strong></td>
<td>1,181,503</td>
<td></td>
<td>78</td>
</tr>
<tr>
<td>Interceptors</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Existing Debt</td>
<td>828,136</td>
<td>15,168</td>
<td>55</td>
</tr>
<tr>
<td>Series 2018-2027</td>
<td>875,679</td>
<td>15,168</td>
<td>58</td>
</tr>
<tr>
<td><strong>Subtotal Interceptors</strong></td>
<td>1,715,392</td>
<td></td>
<td>112</td>
</tr>
<tr>
<td><strong>Total Wastewater</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Water and Wastewater</strong></td>
<td>$276</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Water and Wastewater</strong></td>
<td>$634</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The fee methodology was replicated for each major facility type in the utility system (e.g., supply, treatment, pumping, elevated storage, ground storage, and transmission) so that the total fee amount is the sum of the component facility fees. This provides a basis for extending the fee to wholesale customers of the City or granting fee offsets if a developer cost-participates with the City on CIP projects.

For comparison purposes, the current impact fees of other near-by cities are listed in Table 9.
Table 9.  
Area Impact Fee Comparison

<table>
<thead>
<tr>
<th>City/Utility</th>
<th>Water</th>
<th>Wastewater</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Braunfels</td>
<td>$5,322</td>
<td>$4,081</td>
<td>$9,403</td>
</tr>
<tr>
<td>San Antonio</td>
<td>$4,597</td>
<td>$3,306</td>
<td>$7,903</td>
</tr>
<tr>
<td>Austin</td>
<td>$5,400</td>
<td>$2,200</td>
<td>$7,600</td>
</tr>
<tr>
<td>Buda</td>
<td>$3,595</td>
<td>$3,515</td>
<td>$7,110</td>
</tr>
<tr>
<td>Pflugerville</td>
<td>$4,241</td>
<td>$2,725</td>
<td>$6,966</td>
</tr>
<tr>
<td>San Marcos – New Maximum</td>
<td>$3,801</td>
<td>$2,684</td>
<td>$6,485</td>
</tr>
<tr>
<td>Kyle</td>
<td>$3,535</td>
<td>$2,826</td>
<td>$6,361</td>
</tr>
<tr>
<td>Round Rock</td>
<td>$4,025</td>
<td>$2,099</td>
<td>$6,124</td>
</tr>
<tr>
<td>San Marcos – Current</td>
<td>$2,285</td>
<td>$3,506</td>
<td>$5,791</td>
</tr>
<tr>
<td>Hutto</td>
<td>$3,625</td>
<td>$2,128</td>
<td>$5,753</td>
</tr>
<tr>
<td>Leander</td>
<td>$3,880</td>
<td>$1,615</td>
<td>$5,495</td>
</tr>
<tr>
<td>Cedar Park</td>
<td>$2,250</td>
<td>$2,000</td>
<td>$4,250</td>
</tr>
<tr>
<td>Seguin</td>
<td>$1,875</td>
<td>$2,374</td>
<td>$4,249</td>
</tr>
</tbody>
</table>
8. Advisory Committee Actions and Recommendations

The following summarizes the Capital Improvements Advisory Committee activities during the impact fee updating process:

- On January 23, 2018, the Committee met to:
  - Review population and land use information.
  - Review Chapter 395 Impact Fee process and requirements;
  - Review methodology for maximum fee calculation;
  - Review CIP information;
  - Review unit cost calculations and maximum fee calculation; and
  - Receive draft report for review.

- On February 13, 2018, the Committee met to:
  - Approve the Impact Fee Report. By approving this report the Committee found the following:
    - The land use assumptions used in the report are reasonable;
    - The CIP used in the report is reasonable; and
    - The method used to calculate the maximum impact fee is reasonable.
  - In addition, the Committee recommends to City Council that the maximum impact fee amount in this document be adopted.
Appendix A
Systemwide Land Use
Assumptions for the Implementation of Impact Fees
Chapter 395 of the Texas Local Government Code (LGC) outlines the requirements for cities in Texas to implement impact fees for development. The initial step in this process is the formulation of "Land Use Assumptions" for the City upon which the impact fee program will be based.

This report contains the methodology, maps, existing data and projections used as the basis for the City of San Marcos Impact Fees.
Purpose

The purpose of this report is to formulate growth and development projections based upon assumptions pertaining to the type, location, quality and timing of various future land uses within the community. The land use assumptions, derived from the City's Comprehensive Plan, Preferred Scenario Map and population projections, will become the basis for the City's Impact Fees and Capital Improvement Plan. This report will also establish and document the methodology used for preparing the growth and land use assumptions.

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Definitions and Conventions

The following definitions and conventions are meant to assist the reader in better understanding the technical nature of this document.

**CCN:** Certificate of Convenience and Necessity which is granted under Chapter 13 of the Texas Water Code, by the Texas Commission on Environmental Quality (TCEQ), to allow the holder exclusive rights to provide water and wastewater utility service to a geographically defined area. The City of San Marcos operates a water and wastewater system and holds a CCN for each utility.

**Comprehensive Plan:** "Vision San Marcos, A River Runs Through Us" The plan, adopted in March, 2013, which is designed to guide the future actions of the City by providing Vision, Goal and Objective statements and including a future land use map (the Preferred Scenario)

**GIS:** Geographic Information System which stores and displays data on maps. For the purposes of this report, Citywide GIS data was gathered in Mid-2016 and Service Area data was gathered in Late-2016.

**Growth Rate:** The percentage change of a specific variable, Population in the case of this document, for a specific time period.

**Land Use:** Describes how a property is used, which may vary from its assigned zoning category or proposed future land use. Six land uses are referenced in this document:

1. Single Family Residential – properties used for the dwelling of one family including detached or attached homes and townhomes
2. Multi Family Residential – properties used for the dwelling of multiple families including duplexes, apartments and student housing complexes
3. Mixed Use – properties which have a mixture of residential and commercial uses on one lot.
4. Commercial – properties used to provide services or employment including office, retail, and restaurants.
5. Industrial – properties used for jobs, particularly manufacturing, distribution or the like.
6. Public / Institutional – properties which are typically open to the public or to enhance the public good including city parks, schools and places for religious gatherings

**Preferred Scenario Map:** A graphic representation of the future growth areas defined by the Comprehensive Plan which provides spatial distribution for the future population and economic growth in and around the City

**Service Area:** The land area within the City's ETJ which is not served by a CCN other than the San Marcos CCN.

**Water and Wastewater Master Plans:** Comprehensive studies of the City's water and sewer systems and capacity which is used to guide future utility expansion decisions. The City's water and wastewater master plans were based on 2013 population figures, meanwhile this report is based on 2017 estimates. It is important to note that the City of San Marcos was named the fastest growing city in the United States from 2012-2015 therefore discrepancies may exist between the population data in this report and that which was presented in the Master Plans. Future master plan revisions should consider utilizing updated populations figures to more accurately represent the population of the city at that time.
Benchmark Data

Documenting historical growth trends and base year data provides a benchmark for future land use assumptions. Much of this data exists and is readily available at the City level, however the Service Area Boundaries for Water and Wastewater do not correspond with the City Limits Boundary (see Appendix Water CCN-2016 and Wastewater CCN-2016). City level data is discussed initially below because it is used as a basis for determining the necessary Benchmark Data for each of the service areas. The City level data can be used for comparison and to verify the validity of service area benchmark data.

Population – City Wide
This section documents historic and current year population and residential permit data for the City.

For the purposes of this analysis, the January 1, 2017 City of San Marcos population estimates are used as the base year population. The City’s population estimation methodology is the most conservative method and was confirmed as reasonable and accurate by the State Demographer of Texas.

Residential permit data is based on the City of San Marcos, Planning and Development Services Department records for Certificates of Occupancy (CoF0) issued in a given year.

The following tables document historical population and permit data and trends.

<table>
<thead>
<tr>
<th>Year</th>
<th>Population*</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>1950</td>
<td>9,980</td>
<td>--</td>
</tr>
<tr>
<td>1960</td>
<td>12,713</td>
<td>27.4%</td>
</tr>
<tr>
<td>1970</td>
<td>18,860</td>
<td>48.4%</td>
</tr>
<tr>
<td>1980</td>
<td>23,420</td>
<td>24.2%</td>
</tr>
<tr>
<td>1990</td>
<td>28,743</td>
<td>22.7%</td>
</tr>
<tr>
<td>2000</td>
<td>34,733</td>
<td>20.8%</td>
</tr>
<tr>
<td>2010</td>
<td>44,894</td>
<td>29.3%</td>
</tr>
<tr>
<td>2017</td>
<td>59,338**</td>
<td>32.2%</td>
</tr>
</tbody>
</table>

*Source: US Census Bureau
**Source: City of San Marcos, January 1, 2017 Population Estimate

Methodology – Gather decennial US Census Bureau data. Complete annual population estimates per 2015 population estimates methodology.
Table: Residential Dwelling Units
City of San Marcos, Texas

<table>
<thead>
<tr>
<th>Year</th>
<th>New Single Family* Dwelling Units</th>
<th>New Multi-Family** Dwelling Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>153</td>
<td>86</td>
</tr>
<tr>
<td>2011</td>
<td>182</td>
<td>854</td>
</tr>
<tr>
<td>2012</td>
<td>224</td>
<td>931</td>
</tr>
<tr>
<td>2013</td>
<td>245</td>
<td>877</td>
</tr>
<tr>
<td>2014</td>
<td>279</td>
<td>1058</td>
</tr>
<tr>
<td>2015</td>
<td>238</td>
<td>649</td>
</tr>
<tr>
<td>2016</td>
<td>370</td>
<td>367</td>
</tr>
</tbody>
</table>

AVERAGE 242 689

*Includes single family attached and detached dwellings and townhouses
**Includes duplexes, multifamily and student housing units

Multi Family – use per year unit data from Report: Multi Family Excel

Land Use – City Wide
This section provides an understanding of existing conditions within the City. A survey and documentation of existing land use patterns within the City was made by examining known developments, existing zoning, aerial imagery and county tax records. (see Appendix Water CCN Service Area Land Use, 2016 and Wastewater CCN Service Area Land Use, 2016) Notes detailing the methodology for gathering GIS Land Use Data is available from the Planning and Development Services Department. (P:\ Planning Long Range\ Long Range Planning\Impact Fees\2016 Land Use Assumptions\GIS)

It should be noted that the City of San Marcos has an above average amount of public/institutional land use due to the significant amount of land owned by Texas State University and the City, including the airport and parkland. Future projections of land use will assume the same rate of increase for all land uses; however, this may not accurately reflect how development will ultimately occur.

The following table documents the summary of estimated existing land uses within the City and a calculation of land uses per 100 persons based on the current year population estimate.

Table: Existing Land Use
City of San Marcos, Texas

<table>
<thead>
<tr>
<th>Land Use Category</th>
<th>Total Acres</th>
<th>Acres Developed</th>
<th>% of Total</th>
<th>Acres per 100 Persons*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Family Residential</td>
<td>5,960</td>
<td>3,828</td>
<td>27.2%</td>
<td>10.04</td>
</tr>
<tr>
<td>Multifamily Residential</td>
<td>1,737</td>
<td>1,378</td>
<td>7.9%</td>
<td>2.93</td>
</tr>
<tr>
<td>Mixed Use</td>
<td>1,011</td>
<td>355</td>
<td>4.6%</td>
<td>1.70</td>
</tr>
<tr>
<td>Commercial</td>
<td>3,064</td>
<td>1,724</td>
<td>14.1%</td>
<td>5.16</td>
</tr>
<tr>
<td>Industrial</td>
<td>1,357</td>
<td>872</td>
<td>6.2%</td>
<td>2.29</td>
</tr>
<tr>
<td>Public / Intitutional</td>
<td>4,692</td>
<td>3,233</td>
<td>21.5%</td>
<td>7.91</td>
</tr>
<tr>
<td>Vacant</td>
<td>4,052</td>
<td></td>
<td>18.5%</td>
<td>6.83</td>
</tr>
<tr>
<td>TOTAL</td>
<td>21,872</td>
<td>11,389</td>
<td>100%</td>
<td>36.86</td>
</tr>
</tbody>
</table>

* Based on the City of San Marcos, January 1, 2017 Population Estimate of 59,338
Methodology – Acres Per 100 Persons = (Acres/Population)*100
Population – Service Areas
This section provides an estimation of population for the Water and Wastewater Service Areas.

The 2010 decennial census and Comprehensive Plan (1.78%) growth rate were used as a basis in determining the current year population of each service area. The calculation assumes that the service area will experience similar growth as that of the City due to the conservative nature of the City’s population estimation methodology, the location of the City within the service area boundaries and the location of known, future, developments.

The following tables document estimated population data for the Water and Wastewater Service Areas.

### Table: Estimated Population
#### Water Service Area

<table>
<thead>
<tr>
<th>County</th>
<th>2010 Population*</th>
<th>2017 Population Estimate**</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hays</td>
<td>54,596</td>
<td>61,773</td>
</tr>
<tr>
<td>Guadalupe</td>
<td>2,475</td>
<td>2,800</td>
</tr>
<tr>
<td>Caldwell</td>
<td>2,558</td>
<td>2,894</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>59,629</strong></td>
<td><strong>67,468</strong></td>
</tr>
</tbody>
</table>

*Source: US Census Bureau  
**Source: City of San Marcos, Comprehensive Plan Growth Rate

Methodology – Determine the decennial census year population by using census blocks which intersect the service areas. Apply the average growth rate from the current year population estimates over the appropriate number of years (Comprehensive Plan Growth Rate = 1.78% applied over 6 years).

### Table: Estimated Population
#### Wastewater Service Area

<table>
<thead>
<tr>
<th>County</th>
<th>2010 Population*</th>
<th>2017 Population Estimate**</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hays</td>
<td>55,263</td>
<td>62,528</td>
</tr>
<tr>
<td>Guadalupe</td>
<td>6,717</td>
<td>7,600</td>
</tr>
<tr>
<td>Caldwell</td>
<td>4,598</td>
<td>5,202</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>66,578</strong></td>
<td><strong>75,330</strong></td>
</tr>
</tbody>
</table>

*Source: US Census Bureau  
**Source: City of San Marcos, Comprehensive Plan Growth Rate

Methodology – Determine the decennial census year population by using census blocks which intersect the service areas. Apply the average growth rate from the current year population estimates over the appropriate number of years (Comprehensive Plan Growth Rate = 1.78% applied over 6 years).
Systemwide Land Use Assumptions for the Implementation of Impact Fees

Land Use – Service Areas

This section provides an understanding of existing conditions within each Service Area. A survey and documentation of existing land use patterns within the proposed impact fee service area was made by examining known developments, existing zoning, aerial imagery and county tax records. Notes detailing the methodology for gathering GIS Land Use Data is available from the Planning and Development Services Department. (P:\ Planning \ Long Range\ Long Range Planning\Impact Fees\2016 Land Use Assumptions\GIS)

The following table documents the summary of estimated existing land uses within each service area.

<table>
<thead>
<tr>
<th>Land Use Category</th>
<th>Water Service Area</th>
<th>Wastewater Service Area</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Acres</td>
<td>Acres</td>
</tr>
<tr>
<td>Single Family Residential</td>
<td>10,957</td>
<td>15,516</td>
</tr>
<tr>
<td>Multifamily Residential</td>
<td>1,722</td>
<td>1,836</td>
</tr>
<tr>
<td>Mixed Use</td>
<td>978</td>
<td>1,019</td>
</tr>
<tr>
<td>Commercial</td>
<td>3,355</td>
<td>4,043</td>
</tr>
<tr>
<td>Industrial</td>
<td>2,925</td>
<td>3,239</td>
</tr>
<tr>
<td>Public / Institutional</td>
<td>6,160</td>
<td>7,358</td>
</tr>
<tr>
<td>Vacant</td>
<td>36,257</td>
<td>79,295</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>62,354</strong></td>
<td><strong>112,306</strong></td>
</tr>
</tbody>
</table>

Methodology – Please refer to the GIS Method to Calculate Developed / Vacant Acres for Impact Fee Analysis
Growth Rate Data

Growth can be characterized in two forms: Residential (population) and Nonresidential.

Assumptions for Applying Growth Rates
Several assumptions have been made in order to apply the growth rate to the Water and Wastewater Service Areas:

- Future land uses will occur as shown on the Preferred Scenario Map
- Known or anticipated developments will occur as presently planned
- Densities will be as projected, based upon anticipated zoning districts
- Growth rates occurring outside of the City Limits will be similar to the growth experienced within City Limits
- Residential growth outside of the City Limits will be primarily single family
- The City will be able to grow and serve its proposed impact fee service areas
- The City will have the revenue to finance necessary improvements to the water and wastewater systems to accommodate growth
- School facilities will be sufficient to accommodate the expected increase in school-age population

Establishment of Residential Growth Rates
In prior years, building permit data was used to determine residential population growth using the following calculations:

Average Residential Permits per Year * Occupancy Rate = New Dwellings per Year
New Dwellings per Year * Persons Per Household = Population Added per Year
Population Added per Year * 10 years = Projected Population

This projected population was then distributed over the 10 year time frame and a growth rate was assumed.

More recently, the City has created a methodology for calculating growth rates and projecting future population based on historical data and meetings with the State Demographer. The average growth rate for the seven year period from 2010-2017 is 3.89%. The current growth rate from January 1, 2016-January 1, 2017 is 1.76%. A conservative growth rate of 1.78% was calculated during the Comprehensive Planning process in coordination with the State Demographer and is used for the City’s planning processes.

Since the conservative growth rate of 1.78% is typically used for planning purposes, this rate will be the primary rate used to project the population for the Water and Wastewater Service Areas.

Establishment of Growth Rates for all Land Uses
Changes in population affect the use of land. Increased population results in the conversion of vacant or agricultural lands and the additional need for nonresidential uses to accommodate the residential growth. To project nonresidential growth, it is assumed that the future acreage required to support the increased population will be consistent with the acreage of existing uses.
Service Area Projection Data

Residential Projections (Population)
The growth rate calculated during the City’s Comprehensive Planning process is 1.78%. Since this conservative growth rate is used for planning purposes and was calculated in coordination with the State Demographer, it will be used to project the population for Water and Wastewater Service Areas. The current year (2016-2017) and average (2010-2017) growth rates have been shown on the tables below for comparison purposes.

The following tables indicate population projections for each of the Service Areas:
(note: for comparison purposes, the 2012 building permit growth rate methodology was calculated and the difference in population was negligible with a 12,000 increase vs. 13,000 increase over 10 years)

Table: Ten-Year Population Projections
Water Service Areas

<table>
<thead>
<tr>
<th>Year</th>
<th>Water Service Area</th>
<th>Water Service Area</th>
<th>Water Service Area</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Conservative Growth 1.78%</td>
<td>Current Year Growth 1.76%</td>
<td>Average Growth 3.89%</td>
</tr>
<tr>
<td>2017*</td>
<td>67,468</td>
<td>67,468</td>
<td>67,468</td>
</tr>
<tr>
<td>2018</td>
<td>68,668</td>
<td>68,665</td>
<td>70,092</td>
</tr>
<tr>
<td>2019</td>
<td>69,891</td>
<td>69,863</td>
<td>72,819</td>
</tr>
<tr>
<td>2020</td>
<td>71,135</td>
<td>71,093</td>
<td>75,651</td>
</tr>
<tr>
<td>2021</td>
<td>72,401</td>
<td>72,344</td>
<td>78,594</td>
</tr>
<tr>
<td>2022</td>
<td>73,690</td>
<td>73,617</td>
<td>81,651</td>
</tr>
<tr>
<td>2023</td>
<td>75,001</td>
<td>74,913</td>
<td>84,828</td>
</tr>
<tr>
<td>2024</td>
<td>76,336</td>
<td>76,231</td>
<td>88,127</td>
</tr>
<tr>
<td>2025</td>
<td>77,695</td>
<td>77,573</td>
<td>91,556</td>
</tr>
<tr>
<td>2026</td>
<td>79,078</td>
<td>78,938</td>
<td>95,117</td>
</tr>
<tr>
<td>2027</td>
<td>80,486</td>
<td>80,328</td>
<td>98,817</td>
</tr>
</tbody>
</table>

*aSource: City of San Marcos, January 1, 2017 Population Estimate
Methodology – Enter total population from Estimated Population Table and apply the growth rate over 10 years

Table: Ten-Year Population Projections
Wastewater Service Areas

<table>
<thead>
<tr>
<th>Year</th>
<th>Wastewater Service Area</th>
<th>Wastewater Service Area</th>
<th>Wastewater Service Area</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Conservative Growth 1.78%</td>
<td>Current Year Growth 1.76%</td>
<td>Average Growth 3.89%</td>
</tr>
<tr>
<td>2017*</td>
<td>75,330</td>
<td>75,330</td>
<td>75,330</td>
</tr>
<tr>
<td>2018</td>
<td>76,671</td>
<td>76,656</td>
<td>81,305</td>
</tr>
<tr>
<td>2019</td>
<td>78,036</td>
<td>78,005</td>
<td>81,305</td>
</tr>
<tr>
<td>2020</td>
<td>79,425</td>
<td>79,378</td>
<td>84,467</td>
</tr>
<tr>
<td>2021</td>
<td>80,838</td>
<td>80,775</td>
<td>87,753</td>
</tr>
<tr>
<td>2022</td>
<td>82,277</td>
<td>82,197</td>
<td>91,167</td>
</tr>
<tr>
<td>2023</td>
<td>83,742</td>
<td>83,643</td>
<td>94,713</td>
</tr>
<tr>
<td>2024</td>
<td>85,232</td>
<td>85,115</td>
<td>98,398</td>
</tr>
<tr>
<td>2025</td>
<td>86,750</td>
<td>86,613</td>
<td>102,225</td>
</tr>
<tr>
<td>2026</td>
<td>88,294</td>
<td>88,138</td>
<td>106,202</td>
</tr>
<tr>
<td>2027</td>
<td>89,865</td>
<td>89,689</td>
<td>110,333</td>
</tr>
</tbody>
</table>

*aSource: City of San Marcos, January 1, 2017 Population Estimate
Methodology – Enter total population from Estimated Population Table and apply the growth rate over 10 years
Land Use Projections
To project growth of all land uses, it is assumed that the future acreage required to support the increased population will be consistent with acreage for existing uses.

The following table indicates the acreage required of all land uses to support the future population increase.

<table>
<thead>
<tr>
<th>Land Use Category</th>
<th>Acres per 100 Persons</th>
<th>Acres Required for 80,486 Persons</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Family Residential</td>
<td>10.04</td>
<td>8,084</td>
</tr>
<tr>
<td>Multifamily Residential</td>
<td>2.93</td>
<td>2,356</td>
</tr>
<tr>
<td>Mixed Use</td>
<td>1.70</td>
<td>1,371</td>
</tr>
<tr>
<td>Commercial</td>
<td>5.16</td>
<td>4,156</td>
</tr>
<tr>
<td>Industrial</td>
<td>2.29</td>
<td>1,841</td>
</tr>
<tr>
<td>Public / Institutional</td>
<td>7.91</td>
<td>6,364</td>
</tr>
<tr>
<td><strong>TOTAL DEVELOPED LAND</strong></td>
<td><strong>24,172</strong></td>
<td></td>
</tr>
<tr>
<td><strong>PERCENT DEVELOPED</strong></td>
<td><strong>38.8%</strong></td>
<td></td>
</tr>
</tbody>
</table>

Methodology – Enter Acres per 100 Persons from Existing Land Use Table
Projected population/100* Acres per 100 persons = Acres Required
To determine percent developed, use the total acreage for the service area

<table>
<thead>
<tr>
<th>Land Use Category</th>
<th>Acres per 100 Persons</th>
<th>Acres Required for 89,865 Persons</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Family Residential</td>
<td>10.04</td>
<td>9,026</td>
</tr>
<tr>
<td>Multifamily Residential</td>
<td>2.93</td>
<td>2,631</td>
</tr>
<tr>
<td>Mixed Use</td>
<td>1.70</td>
<td>1,531</td>
</tr>
<tr>
<td>Commercial</td>
<td>5.16</td>
<td>4,640</td>
</tr>
<tr>
<td>Industrial</td>
<td>2.29</td>
<td>2,055</td>
</tr>
<tr>
<td>Public / Institutional</td>
<td>7.91</td>
<td>7,106</td>
</tr>
<tr>
<td><strong>TOTAL DEVELOPED LAND</strong></td>
<td><strong>26,989</strong></td>
<td></td>
</tr>
<tr>
<td><strong>PERCENT DEVELOPED</strong></td>
<td><strong>24.0%</strong></td>
<td></td>
</tr>
</tbody>
</table>

Methodology – Enter Acres per 100 Persons from Existing Land Use Table
Projected population/100* Acres per 100 persons = Acres Required
To determine percent developed, use the total acreage for the service area
Total Build Out Population Projections
The total developed land within the Water Service Area is 24,172 acres which is approximately 39% built out. The total developed land within the Wastewater Service Area is 26,989 acres which is approximately 24% built out.

The following table documents the population projections for 100% build out.

<table>
<thead>
<tr>
<th></th>
<th>Water Service Area</th>
<th>Wastewater Service Area</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2017 Population Estimate</strong></td>
<td>67,468</td>
<td>75,330</td>
</tr>
<tr>
<td><strong>Percent Developed</strong></td>
<td>38.8%</td>
<td>24.0%</td>
</tr>
<tr>
<td><strong>Population at 100% Developed</strong> (Total Build Out)</td>
<td>173,885</td>
<td>313,875</td>
</tr>
</tbody>
</table>

*Source: City of San Marcos, January 1, 2017 Population Estimate
Methodology – Enter Estimated Population / Percent Developed*
Summary & Findings

Summary
The data used to compile these Land Use Assumptions was obtained from the US Census Bureau, the City of San Marcos Planning & Development Services Department, the City of San Marcos Comprehensive Plan and assumptions made regarding known and anticipated development. The ten-year growth projections were calculated based upon historical trends in population growth, coordination with the State Demographer and anticipated development projects within the City's service areas. Total build out scenarios were based upon existing, similar development patterns.

Findings
The land use assumptions discussed in this report may be summarized as follows:

- **Water Service Area Findings**
  - The water impact fee service area contains approximately 62,354 acres of land.
  - Approximately 24,172 acres, or 38.8%, of the service area is developed.
  - The current population estimate for the water service area is 67,468.
  - Using the conservative, 1.78% growth rate, established with the Comprehensive Plan, the ten-year population projection for the water service area is 80,486 persons.
  - The total build out population for the water impact fee service area is 173,885.

- **Waste Water Service Area Findings**
  - The waste water impact fee service area contains approximately 112,306 acres of land.
  - Approximately 26,989 acres, or 24.0%, of the service area is developed.
  - The current population estimate for the water service area is 75,330.
  - Using the conservative, 1.78% growth rate, established with the Comprehensive Plan, the ten-year population projection for the water service area is 89,865 persons.
  - The total build out population for the water impact fee service area is 313,875.
Systemwide Land Use Assumptions for the Implementation of Impact Fees

APPENDIX
Appendix B
City of San Marcos
Evaluation of Service Unit Equivalency
INTRODUCTION

The City of San Marcos (City) owns and operates water and wastewater utilities to provide critical service to customers within its service area. The City is experiencing significant growth within its utility service area. The significant growth in the service area poses a challenge to the City in terms of planning and implementing improvements to add capacity to the utility systems and maintain reliable service to all of its customers.

The City has adopted a policy whereby the City looks to the future customers of the system to fund the improvements required to provide service to them. These costs are allocated to future customers through the assessment of an Impact Fee that is collected at the time new customers connect to the system. The City utilizes the concept of Service Unit Equivalents (SUE) to be able to compare the different impacts of widely varying future customers. The City established that one SUE is equal to the anticipated impact from one new single-family residential connection.

The methodology to determine the number of SUEs for a given development was recently called into question following the approval of a large multi-family development that included over 700 bedrooms. Using the current methodology, this development was assessed an impact fee based on 50 SUEs. Since the typical single-family residence has three bedrooms, 50 single-family residences would only have 150 bedrooms. This discrepancy raised the concern that the City is under estimating the impact of multi-family developments, and therefore under collecting impact fees from these developments.

The City retained Alan Plummer Associates, Inc. to conduct an evaluation of the existing methodology to determine the number of SUEs in a development. This Technical Memorandum presents the results of that evaluation.
EXISTING METHODOLOGY

Currently, when a development is submitted to the City for review, the City requires the Developer to determine the peak water demand for the development. This is generally done by conducting a fixture unit count for the development in accordance with the American Water Works Association (AWWA) methodology. This methodology assigns a number of fixture units to each water using fixture, such as toilets, showers, sinks, hose bibs, and washing machines. The anticipated peak demand for the development can then be determined based on the following graph.

Figure 4.3  Water flow demand per fixture value—high range
As seen in the graph, the anticipated peak demand per fixture unit decreases as the total number of fixture unit increases. This is in recognition of the fact that the probability of every fixture being in operation at the same time decreases as the number of fixtures increases. Once the peak demand is established, a meter with the appropriate capacity for the development is selected. The number of SUEs for the project is based on the meter selected, as identified in the following table.

<table>
<thead>
<tr>
<th>Meter Size</th>
<th>Peak Flow (gpm)</th>
<th>Service Unit Equivalent</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/8&quot;</td>
<td>10</td>
<td>1</td>
</tr>
<tr>
<td>3/4&quot;</td>
<td>15</td>
<td>1.5</td>
</tr>
<tr>
<td>1&quot;</td>
<td>25</td>
<td>2.5</td>
</tr>
<tr>
<td>1-1/2&quot;</td>
<td>50</td>
<td>5</td>
</tr>
<tr>
<td>2&quot;</td>
<td>80</td>
<td>8</td>
</tr>
<tr>
<td>3&quot;</td>
<td>160</td>
<td>16</td>
</tr>
<tr>
<td>4&quot;</td>
<td>250</td>
<td>25</td>
</tr>
<tr>
<td>6&quot;</td>
<td>500</td>
<td>50</td>
</tr>
<tr>
<td>8&quot;</td>
<td>800</td>
<td>80</td>
</tr>
</tbody>
</table>

METHODOLOGY CONCERNS

As previously indicated, there is a concern that the current methodology is under estimating the impact of multi-family and commercial developments within the city. A quick analysis of the amount of water used on a monthly basis would tend to support this contention. The average single-family residence uses approximately 350 gallons per day per the Water Master Plan. The previously referenced multi-family development with over 700 bedrooms saw monthly demands on the order of 100,000 gallons. This would indicate that the water consumption of the multi-family development is 290 times that of a single-family residence, as opposed to 50 times. This apparent discrepancy is likely due to the difference in the probability that all fixtures in a single-family residence are in use versus the probability that all of the fixtures in the multi-family development are in use at the same time.

SYSTEM OPERATION AND DESIGN

Transmission and distribution lines are not designed based on the impact of a single user. They are designed based on the combined impact of all users within a given area. For a residential development, the water lines are not designed based on adding up the capacity of all the meters within the area. They
are designed to meet the peak demand anticipated given the probability that not all of the residents will be using water at the same time. Based on this realization, the design of small residential lines are likely to experience a higher percentage of customers using water at the same time. Major distribution lines serve much larger areas and would see a smaller percentage of customers using water at the same time. Transmission mains serve large portions of the city. As a result, the impact that any one residence or one multi-family development has on the capacity of major distribution and transmission mains is not equivalent to the maximum capacity of the meter.

ALTERNATIVE METHODOLOGY

Several years ago, the City implemented an automated meter reading (AMR) program. The AMR system allows the collection of meter data remotely via electronic signals. Meter data are available across the entire city on an hourly basis. Due to the extensive data available, it is possible to determine what the cumulative impact of customers is on the system.

Hourly meter data were collected for the months of August 2011, 2012 and 2013. August was selected as being representative of the highest demand period. The data were separated by customer type, meter type, and meter size. The average hourly demand for all meters within a given category was determined for all 744 hours of the month for each year. Next, the maximum hourly demand for each year for each category was determined and expressed in terms of gallons per minute. Finally, the average peak demand of the three years was determined. The following table contains the results of that analysis for meter sizes and types where there were at least 10 meters in the system for a given use.
# TECHNICAL MEMORANDUM

City of San Marcos  
Evaluation of Service Unit Equivalency

### City of San Marcos - Service Unit Equivalents

<table>
<thead>
<tr>
<th>Customer Class</th>
<th>Meter Size / Type</th>
<th>Aug 2011 (gpm)</th>
<th>Aug 2012 (gpm)</th>
<th>Aug 2013 (gpm)</th>
<th>Average</th>
<th>Service Unit Equivalent</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. of Accounts</td>
<td>Peak Demand</td>
<td>Peak Hour σ</td>
<td>No. of Accounts</td>
<td>Peak Demand</td>
<td>Peak Hour σ</td>
</tr>
<tr>
<td>Residential</td>
<td>5/8&quot; SR</td>
<td>5,816</td>
<td>0.47</td>
<td>1.44</td>
<td>6,153</td>
<td>0.39</td>
</tr>
<tr>
<td>Residential</td>
<td>3/4&quot; SEAL</td>
<td>92</td>
<td>1.51</td>
<td>4.62</td>
<td>102</td>
<td>1.06</td>
</tr>
<tr>
<td>Residential</td>
<td>1&quot; SEAL</td>
<td>21</td>
<td>3.46</td>
<td>8.48</td>
<td>28</td>
<td>2.20</td>
</tr>
<tr>
<td>Commercial</td>
<td>5/8&quot; SEAL</td>
<td>1,419</td>
<td>0.49</td>
<td>1.48</td>
<td>1,590</td>
<td>0.37</td>
</tr>
<tr>
<td>Commercial</td>
<td>3/4&quot; SEAL</td>
<td>22</td>
<td>3.06</td>
<td>5.69</td>
<td>25</td>
<td>1.95</td>
</tr>
<tr>
<td>Commercial</td>
<td>1&quot; SEAL</td>
<td>158</td>
<td>1.45</td>
<td>8.83</td>
<td>185</td>
<td>0.74</td>
</tr>
<tr>
<td>Commercial</td>
<td>1-1/2&quot; SEAL</td>
<td>71</td>
<td>2.44</td>
<td>6.04</td>
<td>73</td>
<td>1.96</td>
</tr>
<tr>
<td>Commercial</td>
<td>2&quot; CMPD</td>
<td>111</td>
<td>4.77</td>
<td>25.42</td>
<td>123</td>
<td>3.18</td>
</tr>
<tr>
<td>Commercial</td>
<td>3&quot; CMPD</td>
<td>34</td>
<td>12.65</td>
<td>15.60</td>
<td>34</td>
<td>10.34</td>
</tr>
<tr>
<td>Commercial</td>
<td>4&quot; CMPD</td>
<td>13</td>
<td>39.60</td>
<td>74.79</td>
<td>20</td>
<td>27.23</td>
</tr>
<tr>
<td>Commercial</td>
<td>6&quot; CMPD</td>
<td>8</td>
<td>25.97</td>
<td>38.74</td>
<td>9</td>
<td>61.67</td>
</tr>
<tr>
<td>Comm - Irrigation</td>
<td>5/8&quot; SEAL</td>
<td>25</td>
<td>1.89</td>
<td>6.40</td>
<td>35</td>
<td>1.57</td>
</tr>
<tr>
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<td>3/4&quot; SEAL</td>
<td>23</td>
<td>2.62</td>
<td>7.61</td>
<td>29</td>
<td>2.47</td>
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<tr>
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<td>1&quot; SEAL</td>
<td>48</td>
<td>3.86</td>
<td>12.48</td>
<td>56</td>
<td>4.80</td>
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<tr>
<td>Comm - Irrigation</td>
<td>1-1/2&quot; TURBO</td>
<td>18</td>
<td>17.16</td>
<td>22.23</td>
<td>21</td>
<td>15.93</td>
</tr>
<tr>
<td>Comm - Irrigation</td>
<td>7 TURBO</td>
<td>55</td>
<td>19.35</td>
<td>35.56</td>
<td>69</td>
<td>22.68</td>
</tr>
</tbody>
</table>
City of San Marcos  
Evaluation of Service Unit Equivalency

It is important to note that multi-family is not a discrete use. It is possible that some of the \( \frac{3}{4} \)-inch and 1-inch residential meters are actually duplex installations. Some of the larger meters identified as commercial use are certainly multi-family complexes. It is interesting to note that a natural progression from a 5/8-inch meter to a 1-1/2-inch commercial meter is not observed. This is quite likely due to uncertainty concerning the use and the appropriate meter size for these smaller commercial users. It is also interesting to note that irrigation meters experienced higher peak demands than similarly sized meters employed in commercial applications.

### Commercial Meter Installations

<table>
<thead>
<tr>
<th>Meter Size</th>
<th>Meter Design Peak Flow (gpm)</th>
<th>Observed Cumulative Peak (gpm)</th>
<th>Service Unit Equivalent</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/8&quot; Seal</td>
<td>10</td>
<td>0.4</td>
<td>1</td>
</tr>
<tr>
<td>3/4&quot; Seal</td>
<td>15</td>
<td>2.0</td>
<td>5.0</td>
</tr>
<tr>
<td>1&quot; Seal</td>
<td>25</td>
<td>1.0</td>
<td>2.4</td>
</tr>
<tr>
<td>1-1/2&quot; Seal</td>
<td>50</td>
<td>2.1</td>
<td>5.1</td>
</tr>
<tr>
<td>2&quot; CMPD</td>
<td>80</td>
<td>3.6</td>
<td>8.9</td>
</tr>
<tr>
<td>3&quot; CMPD</td>
<td>160</td>
<td>11.5</td>
<td>28.3</td>
</tr>
<tr>
<td>4&quot; CMPD</td>
<td>250</td>
<td>28.9</td>
<td>71.3</td>
</tr>
<tr>
<td>6&quot; CMPD</td>
<td>500</td>
<td>42.3</td>
<td>104.2</td>
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</table>

### Irrigation Meter Installations

<table>
<thead>
<tr>
<th>Meter Size</th>
<th>Meter Design Peak Flow (gpm)</th>
<th>Observed Cumulative Peak (gpm)</th>
<th>Service Unit Equivalent</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/8&quot; Seal</td>
<td>10</td>
<td>1.7</td>
<td>4.2</td>
</tr>
<tr>
<td>3/4&quot; Seal</td>
<td>15</td>
<td>2.4</td>
<td>5.8</td>
</tr>
<tr>
<td>1&quot; Seal</td>
<td>25</td>
<td>3.9</td>
<td>9.7</td>
</tr>
<tr>
<td>1-1/2&quot; Seal</td>
<td>50</td>
<td>13.5</td>
<td>5.1</td>
</tr>
<tr>
<td>1-1/2&quot; Turbo</td>
<td>50</td>
<td>15.7</td>
<td>8.9</td>
</tr>
<tr>
<td>2&quot; Turbo</td>
<td>80</td>
<td>20.1</td>
<td>28.3</td>
</tr>
</tbody>
</table>

This analysis indicates that the Service Unit Equivalents the City has been assessing for commercial and residential developments appear to be reasonable for projects that use a 2-inch meter or smaller. However, it also appears as though the City has been under assessing developments with larger meters.
as well as irrigation only meters. The City may wish to increase the number of Service Unit Equivalents charged for meters larger than 2-inches as well as irrigation only meters based on the numbers indicated in the tables above. The smaller meters can remain the same.
Appendix C
City of San Marcos
2017 Determination of Number of Water LUEs
INTRODUCTION

The City of San Marcos provides water and wastewater service to customers within its service area. The City is experiencing continued strong growth, requiring that the City construct improvements to the water and wastewater system to meet the growing demand. The City has a policy of collecting Impact Fees from new developments to offset a portion of the cost of providing service to the new customers. Historically, the Impact Fee was assessed based on the number of Service Unit Equivalents (SUE) assumed based on the size of the water meter installed with the new development. The City previously retained Alan Plummer Associates, Inc. (APAI) to conduct an evaluation of this policy.

As demonstrated in the attached Memorandum, the result of that analysis showed that the use of the water meter size was under estimating the impact that new developments had on the water system. The under estimation was the result of two factors: first, the capacities of water meters have increased for a given size over the years resulting in more flow and more SUEs being served; second, the comparison of the capacity of a larger meter to the capacity of a single-family meter did not appropriately consider the differences in the probability of peak demands actually occurring. As an example, a new development with a six-inch meter and a peak flow of 500 gallons per minute (gpm) would be determined to have 50 SUEs. However, the likelihood that 50 single-family residences would ever have a combined demand of 500 gpm is very low.

The previous analysis completed by APAI indicated that when considering the likelihood of coincidental peak demands, the average single family residential customer has a demand of 0.4 gpm. Based on this analysis, it was recommended that the City redefine the calculation of the number of SUEs by dividing the peak calculated demand by 0.4 gpm.
TECHNICAL MEMORANDUM
August 2017 Metersense Water Interval Data
City of San Marcos

As part of the process of updating the City's Impact Fee ordinance, it is necessary to determine how many SUE's the City is currently serving as this is used in determining the cost of serving existing customers versus the cost of serving new customers. Previously, the City would base the estimate on the number and size of meters in the system. However, based on the previous recommendation to change the definition of an SUE to be 0.4 gpm of peak demand, it is appropriate to use a different approach in determining the number of SUEs currently being served. This Technical Memorandum provides a description of the revised methodology to be used for this analysis as well as future analyses.

EVALUATION METHODOLOGY

The City implemented a complete change to Smart Meters for all of its water customers. As a result, the City can produce hourly data for all meters within its system for any given hour. In the previous analysis, it was determined that the month of August was typically the month where the peak water demand occurred. The City provided APAI with hourly demands for each meter in the system for the month of August 2017.

DATA ANOMALIES

These records were reviewed for reasonableness. Four suspect data points were identified in this process. The data indicated that one meter showed use of 200,768 gallons between 2 and 3 a.m. on the 2nd and 16th of the month. The use for all other hours on those days was 0. In addition, the total use of all other meters for those hours was approximately 250,000 gallons. A second meter showed use of 353,000 gallons between 7 and 8 a.m. on the 25th. The data showed use for the hours surrounding this data point were less than 500 gallons. In addition, the total use shown for all other meters during this hour was 204,000 gallons. Finally, a third meter showed use of 457,000 gallons between 3 and 4 a.m. on the 28th with no use being shown for the rest of the day. The total use shown for all other meters during this hour was 164,000 gallons.

City staff was contacted about these anomalies and it was determined that the readings were obviously erroneous and therefore were removed from the data set.

DATA ANALYSIS

The following table contains a summary of the daily water demands for the month of August 2017 as well as the peak hour demand.
Table 1: Summary data for the month of August

<table>
<thead>
<tr>
<th>Date</th>
<th>Active Meters</th>
<th>Average Hourly Demand (Gal)</th>
<th>Peak Hour</th>
<th>Peak Hour Total Demand (Gal)</th>
<th>Peak Hour Demand (gpm)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-Aug</td>
<td>11,024</td>
<td>285,461</td>
<td>22</td>
<td>357,283</td>
<td>5,955</td>
</tr>
<tr>
<td>2-Aug</td>
<td>11,011</td>
<td>272,540</td>
<td>23</td>
<td>338,026</td>
<td>5,634</td>
</tr>
<tr>
<td>3-Aug</td>
<td>11,011</td>
<td>265,602</td>
<td>22</td>
<td>323,671</td>
<td>5,395</td>
</tr>
<tr>
<td>4-Aug</td>
<td>11,009</td>
<td>270,684</td>
<td>23</td>
<td>355,583</td>
<td>5,926</td>
</tr>
<tr>
<td>5-Aug</td>
<td>11,016</td>
<td>248,286</td>
<td>21</td>
<td>291,464</td>
<td>4,858</td>
</tr>
<tr>
<td>6-Aug</td>
<td>11,013</td>
<td>233,166</td>
<td>21</td>
<td>303,768</td>
<td>5,063</td>
</tr>
<tr>
<td>7-Aug</td>
<td>11,011</td>
<td>236,994</td>
<td>22</td>
<td>345,611</td>
<td>5,760</td>
</tr>
<tr>
<td>8-Aug</td>
<td>11,009</td>
<td>235,811</td>
<td>23</td>
<td>289,289</td>
<td>4,821</td>
</tr>
<tr>
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<td>237,981</td>
<td>22</td>
<td>282,187</td>
<td>4,703</td>
</tr>
<tr>
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<td>244,237</td>
<td>22</td>
<td>305,035</td>
<td>5,084</td>
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<td>11-Aug</td>
<td>11,005</td>
<td>249,773</td>
<td>23</td>
<td>312,973</td>
<td>5,216</td>
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<td>232,298</td>
<td>21</td>
<td>275,160</td>
<td>4,586</td>
</tr>
<tr>
<td>13-Aug</td>
<td>11,005</td>
<td>232,096</td>
<td>21</td>
<td>286,022</td>
<td>4,767</td>
</tr>
<tr>
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<td>23</td>
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<td>1</td>
<td>351,164</td>
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<tr>
<td>16-Aug</td>
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<td>22</td>
<td>327,356</td>
<td>5,456</td>
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<tr>
<td>17-Aug</td>
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<td>22</td>
<td>311,777</td>
<td>5,196</td>
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<tr>
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<td>352,478</td>
<td>5,875</td>
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<tr>
<td>19-Aug</td>
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<td>4,842</td>
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<tr>
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<td>237,332</td>
<td>21</td>
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</tr>
<tr>
<td>21-Aug</td>
<td>10,993</td>
<td>272,501</td>
<td>22</td>
<td>365,925</td>
<td>6,099</td>
</tr>
<tr>
<td>22-Aug</td>
<td>10,990</td>
<td>269,309</td>
<td>1</td>
<td>338,061</td>
<td>5,634</td>
</tr>
<tr>
<td>23-Aug</td>
<td>10,994</td>
<td>225,665</td>
<td>22</td>
<td>306,045</td>
<td>5,101</td>
</tr>
<tr>
<td>24-Aug</td>
<td>11,006</td>
<td>244,064</td>
<td>22</td>
<td>292,666</td>
<td>4,878</td>
</tr>
<tr>
<td>25-Aug</td>
<td>11,012</td>
<td>245,144</td>
<td>22</td>
<td>288,636</td>
<td>4,811</td>
</tr>
<tr>
<td>26-Aug</td>
<td>10,989</td>
<td>201,460</td>
<td>23</td>
<td>292,309</td>
<td>4,872</td>
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<tr>
<td>27-Aug</td>
<td>10,985</td>
<td>198,735</td>
<td>13</td>
<td>254,686</td>
<td>4,245</td>
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<td>10,985</td>
<td>232,407</td>
<td>22</td>
<td>307,484</td>
<td>5,125</td>
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<tr>
<td>29-Aug</td>
<td>10,986</td>
<td>223,871</td>
<td>22</td>
<td>292,108</td>
<td>4,868</td>
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<tr>
<td>30-Aug</td>
<td>10,985</td>
<td>222,657</td>
<td>22</td>
<td>288,652</td>
<td>4,811</td>
</tr>
<tr>
<td>31-Aug</td>
<td>10,988</td>
<td>217,667</td>
<td>22</td>
<td>276,609</td>
<td>4,610</td>
</tr>
</tbody>
</table>
DATA SUMMARY

- On average the highest demand hours are between 9pm (21st hour) and 1am (1st hour).
- The peak hour demand occurred on 21st August at 10pm (22nd hour), at a value of 365,925 gallons (6,099 gpm).
- The average hourly demand for August was 245,249 gallons.
- The average daily total demand for August was 5,885,974 gallons.
- The highest total daily demand was 6,851,074 gallons on the 1st of August.
- During August the range for total demand stayed between 4,769,639 and 6,851,074 gallons.

SERVICE UNIT EQUIVALENTS

As previously indicated, the City has defined one SUE to be 0.4 gpm. Therefore to determine the total number of SUEs in the system as of August 2017, the peak hour demand of 6,099 gpm by 0.4 results in a total of 15,247 SUEs.

FUTURE CALCULATIONS

In the future when the City wants to determine the number of SUEs that it is serving, it is recommended that the same methodology be used; namely, that the water consumption data from the smart meters be used to determine the peak hour demand that occurred in the most recent month of August. The data should be verified to identify any obvious outliers and then the peak hourly demand (expressed in gpm) be divided by 0.4 gpm.
Appendix D
Summary of 10-Year Water & Wastewater CIP Projects
2018 Update of the Water and Wastewater Impact Fees for the City of San Marcos

<table>
<thead>
<tr>
<th>Water Capital Projects</th>
<th>Cost</th>
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<tbody>
<tr>
<td><strong>WATER SUPPLY</strong></td>
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</tr>
<tr>
<td>Alliance Regional Water Authority</td>
<td>$75,405,000</td>
</tr>
<tr>
<td><strong>WATER PUMPING</strong></td>
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<tr>
<td>Comanche Pump Station Improvements</td>
<td>180,000</td>
</tr>
<tr>
<td>SWTP Pump Expansion</td>
<td>0</td>
</tr>
<tr>
<td>Trunk Hill Pumps</td>
<td>2,500,000</td>
</tr>
<tr>
<td>Soyars Storage Tank Pumps</td>
<td>65,000</td>
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<tr>
<td><strong>ELEVATED STORAGE</strong></td>
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</tr>
<tr>
<td>Trunk Hill Tank</td>
<td>1,790,000</td>
</tr>
<tr>
<td>La Cima Tank Oversizing</td>
<td>215,500</td>
</tr>
<tr>
<td><strong>TRANSMISSION</strong></td>
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</tr>
<tr>
<td>Southeast Improvements</td>
<td>12,065,000</td>
</tr>
<tr>
<td>Northeast Improvements</td>
<td>4,800,000</td>
</tr>
<tr>
<td>Central Improvements</td>
<td>3,500,000</td>
</tr>
<tr>
<td>Southwest Improvements</td>
<td>733,000</td>
</tr>
<tr>
<td><strong>Total 10-Year Projects for Growth</strong></td>
<td><strong>$101,253,500</strong></td>
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</tbody>
</table>
### Wastewater Capital Projects

<table>
<thead>
<tr>
<th>Wastewater Capital Projects</th>
<th>Cost</th>
</tr>
</thead>
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<tr>
<td><strong>WASTEWATER TREATMENT</strong></td>
<td></td>
</tr>
<tr>
<td>Existing WWTP 4.0 MGD AADF Expansion</td>
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</tr>
<tr>
<td><strong>PUMPING (Lift Stations)</strong></td>
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</tr>
<tr>
<td>Brown Terrance Wastewater Lift Station</td>
<td>50,000</td>
</tr>
<tr>
<td>Hwy 80 Lift Station and Force Main</td>
<td>6,000,000</td>
</tr>
<tr>
<td>Trace Lift Station Oversize</td>
<td>3,200,000</td>
</tr>
<tr>
<td>Main Lift Station Improvements</td>
<td>6,200,000</td>
</tr>
<tr>
<td>Main Lift Station Force Main</td>
<td>4,700,000</td>
</tr>
<tr>
<td><strong>INTERCEPTORS</strong></td>
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</tr>
<tr>
<td>Southeast Improvements</td>
<td>800,000</td>
</tr>
<tr>
<td>Northeast Improvements</td>
<td>17,400,000</td>
</tr>
<tr>
<td>Central Improvements</td>
<td>500,000</td>
</tr>
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<td>Southwest Improvements</td>
<td>1,725,000</td>
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<tr>
<td><strong>Total 10-Year Projects for Growth</strong></td>
<td>$61,075,000</td>
</tr>
</tbody>
</table>
Appendix E
LUE Fee Conversion Table
<table>
<thead>
<tr>
<th>Calculated Peak Flow (gpm)</th>
<th>Living Units Equivalent (LUEs) per Meter (a)</th>
<th>Maximum Base Fee per 5/8&quot; Meter (b)</th>
<th>Maximum Impact Fee by Meter Size</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>WATER UTILITY</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>0 - 10</td>
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<td><strong>$3,801</strong></td>
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<td>7,602</td>
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<td>&gt;15 - 25</td>
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<td>&gt;25 – 50</td>
<td>6.0</td>
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<td>22,806</td>
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<tr>
<td>&gt;50 – 80</td>
<td>8.5</td>
<td></td>
<td>32,309</td>
</tr>
<tr>
<td>&gt;80 – 160</td>
<td>32.5</td>
<td></td>
<td>123,533</td>
</tr>
<tr>
<td>&gt;160 – 250</td>
<td>64.5</td>
<td></td>
<td>245,165</td>
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<tr>
<td>&gt;250 – 500</td>
<td>104.0</td>
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<td>395,304</td>
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<tr>
<td>&gt;500</td>
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<td>570,150</td>
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<tr>
<td><strong>WASTEWATER UTILITY</strong></td>
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</tr>
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<td>0 - 10</td>
<td>1.0</td>
<td><strong>$2,684</strong></td>
<td><strong>$2,684</strong></td>
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<td>&gt;10 – 15</td>
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<td>&gt;50 – 80</td>
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<td>22,814</td>
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<td>&gt;80 – 160</td>
<td>32.5</td>
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<td>87,230</td>
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<td>&gt;160 – 250</td>
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<td>&gt;250 – 500</td>
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</tr>
<tr>
<td>&gt;500</td>
<td>150.0</td>
<td></td>
<td>402,600</td>
</tr>
</tbody>
</table>

(a) Derived “City of San Marcos Evaluation of Service Unit Equivalency” Technical Memorandum dated April 29, 2016 by Alan Plummer Associates, Inc.

(b) Based on maximum fee presented to Impact Fee Advisory Committee on 1/23/18.
**SCHEDULE 1**

**APPLICABLE WATER AND WASTEWATER IMPACT FEE AMOUNTS**

**CITY OF SAN MARCOS, TEXAS**

<table>
<thead>
<tr>
<th>Calculated Peak Water Flow (gpm)</th>
<th>Living Units Equivalent LUE's by Flow</th>
<th>Impact Fee Prior to 10/4/2002</th>
<th>Impact Fee after 12/31/2003**</th>
<th>Impact Fee after 12/31/2013</th>
<th>Impact Fee after 4/30/2018</th>
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<tbody>
<tr>
<td><strong>WATER UTILITY</strong></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>1 to 10</td>
<td>1.0</td>
<td>$363.00</td>
<td>$2,466.00</td>
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<td>&gt; 10 to 15</td>
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<td>$726.00</td>
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<td>&gt; 25 to 50</td>
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<td>&gt; 50 to 80</td>
<td>8.5</td>
<td>$3,085.50</td>
<td>$20,961.00</td>
<td>$19,422.50</td>
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<td>&gt; 80 to 160</td>
<td>32.5</td>
<td>$11,797.50</td>
<td>$80,145.00</td>
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<td>&gt; 160 to 250</td>
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<td>&gt; 250 to 500</td>
<td>104.0</td>
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<td>&gt; 500</td>
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<td>$54,450.00</td>
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<tr>
<td><strong>WASTEWATER UTILITY</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 to 10</td>
<td>1.0</td>
<td>$527.00</td>
<td>$2,185.00</td>
<td>$3,506.00</td>
<td>$2,684.00</td>
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<tr>
<td>&gt; 10 to 15</td>
<td>2.0</td>
<td>$1,054.00</td>
<td>$4,370.00</td>
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<td>$5,368.00</td>
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<tr>
<td>&gt; 15 to 25</td>
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<td>$8,740.00</td>
<td>$14,024.00</td>
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<td>$3,162.00</td>
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<td>$16,104.00</td>
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<tr>
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<td>$4,479.50</td>
<td>$18,572.50</td>
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<td>$22,814.00</td>
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<tr>
<td>&gt; 80 to 160</td>
<td>32.5</td>
<td>$17,127.50</td>
<td>$71,012.50</td>
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<td>&gt; 160 to 250</td>
<td>64.5</td>
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<td>$140,932.50</td>
<td>$226,137.00</td>
<td>$173,118.00</td>
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<tr>
<td>&gt; 250 to 500</td>
<td>104.0</td>
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<td>$227,240.00</td>
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<td>$279,136.00</td>
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<tr>
<td>&gt; 500</td>
<td>150.0</td>
<td>$79,050.00</td>
<td>$327,750.00</td>
<td>$525,900.00</td>
<td>$402,600.00</td>
</tr>
</tbody>
</table>

Maximum fees for prior to 10/4/2002 update are:
- Water $363/ LUE
- Wastewater $527/ LUE

Maximum fees for 2002 update are:
- Water $2,466/ LUE
- Wastewater $2, 185/ LUE

Maximum fees for 2013 update are:
- Water $2,285/ LUE
- Wastewater $3,506/ LUE

Maximum fees for 2018 update are:
- Water $3,801/ LUE
- Wastewater $2,684/ LUE

*Applicable amount may be reduced by any City-approved offsets.

**Exemption Rate in Ordinance 2002-81 is still in effect for remaining qualifying lots.
WHAT IS AN IMPACT FEE?

- A one-time, up-front payment levied on new or expanded development for its capital costs of providing service being placed on the utility system.

- Intended to mitigate rate impacts arising from the capital costs of new development and help make growth pay for itself.

- Impact Fees in Texas are statutorily addressed in Chapter 395 of the Texas Local Government Code.
WHAT IS AN IMPACT FEE?

- The real issue underlying impact fees and rates is,
  
  “Who pays for utility capacity related to growth?”

  - If there are no impact fees, ratepayers carry the costs.
  - If there are impact fees, the costs are shared.

- The ultimate goal is to assure that:
  
  - Infrastructure needed to accommodate growth is constructed.
  - Capacity will be available when the development community needs it.
  - Limitations will not be placed on growth due to lack of utility capacity.
BACKGROUND

- Process is defined in Chapter 395 of Local Government Code, as amended.
- Water and wastewater impact fees last updated in 2014.
- Current Impact Fee Fees
  - Water $2,285 per LUE
  - Wastewater $3,506 per LUE
  - Total $5,791 per LUE
**FEE DESIGN**

- Overall fees are made up of component fees

  **Water**
  - Supply/Treatment
  - Storage
  - Pumping
  - Transmission

  **Wastewater**
  - Treatment
  - Pumping
  - Interceptors

- Produces a maximum fee amount, subject to Council decision on that or lesser amount.
MAXIMUM FEE DETERMINATION

- Define impact fee service area & land uses
- Estimate water & wastewater utility demands
- Compare to existing capacity
- Identify amount and cost of existing available capacity and new facility needs (10-Year CIP)
- Allocate current & future service demands to facilities
MAXIMUM FEE DETERMINATION

- Calculate weighted cost of existing and new capacity per Living Unit Equivalent (LUE)
- Determine amount of capital being funded through rates per LUE
- Weighted Capacity Cost per LUE
  Minus: Rate Credit per LUE
  Equals: Maximum Impact Fee per LUE
IMPACT FEE SERVICE AREA

Water CCN Service Area

Wastewater CCN Service Area
## LAND USE – SAN MARCOS

### Water

<table>
<thead>
<tr>
<th>Item</th>
<th>Current Acres</th>
<th>Current %</th>
<th>Future (Including ETJ) Acres</th>
<th>Future (Including ETJ) %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single-Family Residential</td>
<td>6,774</td>
<td>10.9%</td>
<td>8,084</td>
<td>13.0%</td>
</tr>
<tr>
<td>Multi-Family Residential</td>
<td>1,977</td>
<td>3.2%</td>
<td>2,356</td>
<td>3.8%</td>
</tr>
<tr>
<td>Mixed Use</td>
<td>1,147</td>
<td>1.8%</td>
<td>1,371</td>
<td>2.2%</td>
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<tr>
<td>Commercial</td>
<td>3,481</td>
<td>5.6%</td>
<td>4,156</td>
<td>6.7%</td>
</tr>
<tr>
<td>Industrial</td>
<td>1,545</td>
<td>2.5%</td>
<td>1,841</td>
<td>3.0%</td>
</tr>
<tr>
<td>Public / Institutional</td>
<td>5,337</td>
<td>8.6%</td>
<td>6,364</td>
<td>10.2%</td>
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<tr>
<td>Undeveloped</td>
<td>42,093</td>
<td>67.5%</td>
<td>38,182</td>
<td>61.2%</td>
</tr>
<tr>
<td><strong>Total Land Use Acreage</strong></td>
<td><strong>62,354</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>62,354</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>

Source: City of San Marcos, 2017.
The following water use rates were used to project demand based on the land use data above:
- 360 gals per acre – Residential
- 650 gals per acre – Non-Residential

### Wastewater

<table>
<thead>
<tr>
<th>Item</th>
<th>Current Acres</th>
<th>Current %</th>
<th>Future (Including ETJ) Acres</th>
<th>Future (Including ETJ) %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single-Family Residential</td>
<td>7,563</td>
<td>6.7%</td>
<td>9,026</td>
<td>8.0%</td>
</tr>
<tr>
<td>Multi-Family Residential</td>
<td>2,207</td>
<td>2.0%</td>
<td>2,631</td>
<td>2.3%</td>
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<tr>
<td>Mixed Use</td>
<td>1,281</td>
<td>1.1%</td>
<td>1,531</td>
<td>1.4%</td>
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<tr>
<td>Commercial</td>
<td>3,887</td>
<td>3.5%</td>
<td>4,640</td>
<td>4.1%</td>
</tr>
<tr>
<td>Industrial</td>
<td>1,725</td>
<td>1.5%</td>
<td>2,055</td>
<td>1.8%</td>
</tr>
<tr>
<td>Public / Institutional</td>
<td>5,959</td>
<td>5.3%</td>
<td>7,106</td>
<td>6.3%</td>
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<tr>
<td>Undeveloped</td>
<td>89,684</td>
<td>79.9%</td>
<td>85,317</td>
<td>76.0%</td>
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<tr>
<td><strong>Total Land Use Acreage</strong></td>
<td><strong>112,306</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>112,306</strong></td>
<td><strong>100.0%</strong></td>
</tr>
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</table>

Source: City of San Marcos, 2017.
The following wastewater use rates were used to project demand based on the land use data above:
- 165 gals per acre – Residential
- 265 gals per acre – Non-Residential
### WATER CIP

<table>
<thead>
<tr>
<th>Water Capital Projects</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>WATER SUPPLY</strong></td>
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<tr>
<td>Alliance Regional Water Authority</td>
<td>$75,405,000</td>
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<tr>
<td><strong>WATER PUMPING</strong></td>
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</tr>
<tr>
<td>Comanche Pump Station Improvements</td>
<td>180,000</td>
</tr>
<tr>
<td>SWTP Pump Expansion</td>
<td>0</td>
</tr>
<tr>
<td>Trunk Hill Pumps</td>
<td>2,500,000</td>
</tr>
<tr>
<td>Soyars Storage Tank Pumps</td>
<td>65,000</td>
</tr>
<tr>
<td><strong>ELEVATED STORAGE</strong></td>
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</tr>
<tr>
<td>Trunk Hill Tank</td>
<td>1,790,000</td>
</tr>
<tr>
<td>La Cima Tank Oversizing</td>
<td>215,500</td>
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<tr>
<td><strong>TRANSMISSION</strong></td>
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</tr>
<tr>
<td>Southeast Improvements</td>
<td>12,065,000</td>
</tr>
<tr>
<td>Northeast Improvements</td>
<td>4,800,000</td>
</tr>
<tr>
<td>Central Improvements</td>
<td>3,500,000</td>
</tr>
<tr>
<td>Southwest Improvements</td>
<td>733,000</td>
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<tr>
<td><strong>Total 10-Year Projects for Growth</strong></td>
<td>$101,253,500</td>
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## WASTEWATER CIP

<table>
<thead>
<tr>
<th>Wastewater Capital Projects</th>
<th>Cost</th>
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<tr>
<td><strong>WASTEWATER TREATMENT</strong></td>
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<tr>
<td>Existing WWTP 4.0 MGD AADF Expansion</td>
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<tr>
<td><strong>PUMPING (Lift Stations)</strong></td>
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<tr>
<td>Brown Terrance Wastewater Lift Station</td>
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<tr>
<td>Hwy 80 Lift Station and Force Main</td>
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<tr>
<td>Trace Lift Station Oversize</td>
<td>3,200,000</td>
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<tr>
<td>Main Lift Station Improvements</td>
<td>6,200,000</td>
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<tr>
<td>Main Lift Station Force Main</td>
<td>4,700,000</td>
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<tr>
<td><strong>INTERCEPTORS</strong></td>
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<tr>
<td>Southeast Improvements</td>
<td>800,000</td>
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<tr>
<td>Northeast Improvements</td>
<td>17,400,000</td>
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<td>Central Improvements</td>
<td>500,000</td>
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<td>Southwest Improvements</td>
<td>1,725,000</td>
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<tr>
<td><strong>Total 10-Year Projects for Growth</strong></td>
<td>$61,075,000</td>
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## IMPACT FEE COMPONENTS

<table>
<thead>
<tr>
<th>Item</th>
<th>Capital Cost of New Service per LUE</th>
<th>Optional Adjustments</th>
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<th>Highest of Option A or B</th>
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<tr>
<td></td>
<td></td>
<td>Option A Rate Credit</td>
<td>Option B 50% Cost Adjustment</td>
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<td></td>
<td></td>
<td>Option A</td>
<td>Option B</td>
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<td></td>
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<td></td>
</tr>
<tr>
<td><strong>WATER</strong></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Supply</td>
<td>$2,495</td>
<td>$208</td>
<td>$1,247</td>
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<tr>
<td>Treatment</td>
<td>609</td>
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<td>305</td>
<td>599</td>
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<tr>
<td>Pumping</td>
<td>128</td>
<td>18</td>
<td>64</td>
<td>110</td>
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<tr>
<td>Ground Storage</td>
<td>298</td>
<td>1</td>
<td>149</td>
<td>297</td>
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<tr>
<td>Elevated Storage</td>
<td>163</td>
<td>8</td>
<td>82</td>
<td>155</td>
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<td>Transmission</td>
<td>455</td>
<td>113</td>
<td>228</td>
<td>342</td>
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<tr>
<td>Allocated Impact Fee Study Cost</td>
<td>10</td>
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<td></td>
<td>10</td>
</tr>
<tr>
<td>Total Water</td>
<td>$4,159</td>
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<td>$3,801</td>
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<tr>
<td><strong>WASTEWATER</strong></td>
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<tr>
<td>Treatment</td>
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<td>$86</td>
<td>$735</td>
<td>$1,385</td>
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<td>Pumping</td>
<td>705</td>
<td>78</td>
<td>352</td>
<td>627</td>
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<td>Interceptors</td>
<td>774</td>
<td>112</td>
<td>387</td>
<td>662</td>
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<tr>
<td>Allocated Impact Fee Study Cost</td>
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<td>10</td>
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<td>Total Wastewater</td>
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<td><strong>TOTAL WATER/WASTEWATER</strong></td>
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<td></td>
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<tr>
<td></td>
<td>$7,119</td>
<td>$634</td>
<td>$3,549</td>
<td>$6,485</td>
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## AREA FEE COMPARISON

<table>
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<th>City/Utility</th>
<th>Water</th>
<th>Wastewater</th>
<th>Total</th>
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</thead>
<tbody>
<tr>
<td>New Braunfels</td>
<td>$5,322</td>
<td>$4,081</td>
<td>$9,403</td>
</tr>
<tr>
<td>San Antonio</td>
<td>$4,597</td>
<td>$3,306</td>
<td>$7,903</td>
</tr>
<tr>
<td>Austin</td>
<td>$5,400</td>
<td>$2,200</td>
<td>$7,600</td>
</tr>
<tr>
<td>Buda</td>
<td>$3,595</td>
<td>$3,151</td>
<td>$6,746</td>
</tr>
<tr>
<td>Pflugerville</td>
<td>$4,241</td>
<td>$2,725</td>
<td>$6,966</td>
</tr>
<tr>
<td><strong>San Marcos – New Maximum</strong></td>
<td>$3,801</td>
<td>$2,684</td>
<td>$6,485</td>
</tr>
<tr>
<td>Kyle</td>
<td>$3,535</td>
<td>$2,826</td>
<td>$6,361</td>
</tr>
<tr>
<td>Round Rock</td>
<td>$4,025</td>
<td>$2,099</td>
<td>$6,124</td>
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<tr>
<td><strong>San Marcos – Current</strong></td>
<td>$2,285</td>
<td>$3,506</td>
<td>$5,791</td>
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<tr>
<td>Hutto</td>
<td>$3,625</td>
<td>$2,128</td>
<td>$5,753</td>
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<tr>
<td>Leander</td>
<td>$3,880</td>
<td>$1,615</td>
<td>$5,495</td>
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<tr>
<td>Cedar Park</td>
<td>$2,250</td>
<td>$2,000</td>
<td>$4,250</td>
</tr>
<tr>
<td>Seguin</td>
<td>$1,875</td>
<td>$2,374</td>
<td>$4,249</td>
</tr>
</tbody>
</table>
AGENDA CAPTION:
Consider approval of Ordinance 2018-10, on the first of two readings, amending Chapter 86, Article 5, Division 4 to change the methodology by which Water and Wastewater impact fees are calculated based upon peak flow; providing a savings clause; providing for the repeal of any conflicting provisions; and providing an effective date.

Meeting date: April 3, 2018

Department: Eng/CIP

Amount & Source of Funding
Funds Required: N/A
Account Number: Click or tap here to enter text.
Funds Available: Click or tap here to enter text.
Account Name: Click or tap here to enter text.

Fiscal Note:
Prior Council Action: Ordinance 2013-070

City Council Strategic Initiative: [Please select from the dropdown menu below]
Choose an item.
Choose an item.
Choose an item.

Comprehensive Plan Element(s): [Please select the Plan element(s) and Goal # from dropdown menu below]
☐ Economic Development - Choose an item.
☐ Environment & Resource Protection - Choose an item.
☐ Land Use - Choose an item.
☐ Neighborhoods & Housing - Choose an item.
☐ Parks, Public Spaces & Facilities - Choose an item.
☐ Transportation - Choose an item.
☒ Not Applicable
Background Information:
Impact fees are collected from new development to help fund the needed system capacity improvements necessary to support growth. In 2003, the City changed the way in which development’s “impact” was calculated and used the meter size as this measurement. In 2013, this methodology was called into question with the permitting of several large multi-family developments when the required meter size yielded an impact of only 8 times that of a 5/8” single family meter or 1 Living Unit Equivalent (LUE). Meter technology has significantly changed since the 2003 change in methodology, allowing much higher flows to be accurately measured with smaller meters. This results in the under estimation of the impact to the system when using meter size.

The proposed changes to the ordinance updates the impact fee methodology to an estimated peak flow, or demand, based upon the number and type of plumbing fixtures in the development. This calculated peak flow is then compared to peak flow ranges based upon an analysis of our water system which used the City’s automated meter reading (AMR) data. The proposed flow ranges provide a Living Unit Equivalent (LUE) based upon a comparison to the observed peak flow of a 5/8” single family meter.

The calculation of LUE’s based upon flow instead of the meter size de-couples meter technology improvements in flow range capabilities from the determination of LUEs.

Council Committee, Board/Commission Action:
Click or tap here to enter text.

Alternatives:
Maintain existing ordinance language with LUE’s based upon meter size

Recommendation:
Approve ordinance changes
ORDINANCE NO. 2018-

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS AMENDING CHAPTER 86, ARTICLE 5, DIVISION 4 TO CHANGE THE METHODOLOGY BY WHICH WATER AND WASTEWATER IMPACT FEES ARE CALCULATED BASED UPON PEAK FLOW; PROVIDING A SAVINGS CLAUSE; PROVIDING FOR THE REPEAL OF ANY CONFLICTING PROVISIONS; AND PROVIDING AN EFFECTIVE DATE.

RECITALS:

1. The City Council hereby finds and determines that the adoption of the following ordinance is in the interest of the public health, welfare and safety.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS:

SECTION 1. Chapter 86, Article 5, Division 4, Impact Fee Ordinance, of the San Marcos City Code is hereby amended as set forth below. Added text is indicated by underlining. Deleted text is indicated by strikethrough.

SECTION 2. The following definitions in Section 86.294 of the San Marcos City Code are hereby added or amended as follows:

Sec. 86.294. Definitions.

Impact fee means a fee either for water facilities or for wastewater facilities imposed on new development in order to generate revenue to fund or recoup all or part of the costs of capital improvements or facility expansions necessitated by and attributable to the new development. Impact fees do not include: 1) the dedication of on-site rights-of-way or easements for water facilities or wastewater facilities, 2) a requirement for the construction of such facilities imposed under the city's zoning or subdivision regulations, 3) fees placed in trust funds for the purpose of reimbursing developers for oversizing or constructing water or wastewater mains, 4) pro rata fees for reimbursement of the city's costs for extending water or wastewater mains, or 5) charges for water or wastewater services to a wholesale customer such as a water district, political subdivision of the state, or other wholesale utility customer.

Peak Flow Calculation means the calculation of water demand based upon the proposed fixture types using city approved methodology.

Schedule 1 means the maximum impact fee per service unit for each service area shall be established by category of capital improvements calculated by peak flow as outlined in section 86.297 and as shown in the table below:
**Service unit** means a living unit equivalent ("LUE") based upon the relationship of the maximum design water flow to that of single family residential peak demand as served by the maximum continuous rated flow for a 5/8-inch displacement-type standard residential water meter, which serves as the standardized measure of consumption, use or generation attributable to new development. The number of service units or LUEs for larger meters is based upon the peak development flow relative to the average peak demand in the system for a 5/8-inch meters flow capabilities relative to the 5/8 \( \times \) " meter and are contained in Schedules 1 and 2 and in the chart below.

### SCHEDULE 1
**APPLICABLE WATER AND WASTEWATER IMPACT FEE AMOUNTS**
**CITY OF SAN MARCOS, TEXAS**

<table>
<thead>
<tr>
<th>Calculated Peak Water Flow (gpm)</th>
<th>Living Units Equivalent LUE's by Flow</th>
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Maximum fees for prior to 10/4/2002 update are:
- Water $363/ LUE
- Wastewater $525/ LUE

Maximum fees for 2002 update are:
- Water $2,466/ LUE
- Wastewater $2,185/ LUE

Maximum fees for 2013 update are:
- Water $2,285/ LUE
- Wastewater $3,506/ LUE

*Applicable amount may be reduced by any City-approved offsets.

**Exemption Rate in Ordinance 2002-81 is still in effect for remaining qualifying lots.*
SECTION 3. Section 86.295 of the San Marcos City Code is hereby amended to read as follows:

Sec. 86.295. Applicability.

(a) This division applies to all new, non-exempt development within the city limits and its extraterritorial jurisdiction within the applicable service areas. The provisions of this division shall apply uniformly within each service area.

(b) Exemptions.

(1) No wastewater impact fee shall be charged for an irrigation meter.

(2) No impact fee shall be charged for a fire line meter that serves only a fire suppression system.

(3) To encourage affordable housing as defined by 42 U.S.C. § 12745, the city may refund impact fees paid for construction of a new single-family dwelling that qualifies for the refund under affordable housing guidelines approved by the city council and exempt the construction of new single-family dwellings by Habitat for Humanity, San Marcos, Texas Chapter and San Marcos Housing Authority.

(4) Any exemptions required under applicable state laws.

(b) The city manager is authorized to adopt and administer guidelines for applying the provisions of this section.

SECTION 4. Section 86.297 of the San Marcos City Code is hereby amended to read as follows:

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Sec. 86.297. Maximum impact fees per service unit.

(a) The maximum impact fee per service unit for each service area shall be established by category of capital improvements, and shall be as set forth in Schedule 1 (the calculated fee by peak flow meter size) or Schedule 2 where Schedule 1 is not applicable. The maximum impact fee per service unit for each service area for each category of capital improvement shall be computed in the following manner:

(1) Calculate the total projected costs of capital improvements identified in the capital improvements plan for each category of capital improvements;

(2) From such amounts, subtract a credit that reflects other forms of payment for utility capital other than impact fees; and

(3) Divide the resulting amounts by the total number of service units anticipated in the respective service area, based on the land use assumptions for that service area.

(b) Collection rate. The impact fee per service unit which is to be paid by each new development shall be established by ordinance of the city council, as amended from time to time, and shall be an amount less than or equal to the maximum impact fee per service unit calculated under subsection (a).

SECTION 5. Section 86.299 of the San Marcos City Code is hereby amended to read as follows:

Sec. 86.299. Computation of service units and collection of impact fees.

(a) Impact fees shall be computed and collected for platted land at the time the city issues a building permit for land within the city limits or at the time a plumbing permit or utility application is approved for land located outside the city limits.

(b) Impact fees shall be computed and collected for unplatted land at the time the city issues a building permit, plumbing permit or utility application, whichever is applicable pursuant to section 86.299(a).

The computation of the quantity of service units required for a new development will be as follows:

(1) For new development subject to assessment under section 86.298(a)(1), and for new development subject to assessment under section 86.298(a)(2) with plat recordation on or after October 5, 2002, the quantity of service units will be determined by the calculated peak water demand water meter size and type as listed in Schedule
1. The calculated peak water demand appropriate size and type of the water meter proposed for a new development is to be determined initially by the applicant and is subject to review and approval by the director, using best water utility industry and engineering practices and standards. The director may require an applicant to provide building plans, plumbing layouts, flow calculations and other information to support a request for use of a specific size or type of water meter.

(2) For new development subject to assessment under section 86.298(a)(2) with plat recordation on or before October 4, 2002, the quantity of service units will be determined by reference to the service unit computation criteria stated in the attached Schedule 2.

(23) No building permit or utility connection shall be issued if the applicant cannot verify payment to staff of the appropriate impact fee and other applicable fees or if existing facilities do not have actual capacity to provide service to the new connection(s), except for those entities that are exempted from impact fees as are specifically set forth herein.

(34) The impact fee shall attach to the property for which the impact fee was paid and shall not be transferable to other properties or service units.

(c) Amount to be collected. The city shall compute the impact fees for a new development in the following manner:

(1) The amount of each impact fee shall be determined by multiplying the number of service units required for the new development by the impact fee per service unit using the applicable rate in the applicable schedule. The calculation of peak water demand appropriate size of the water meter proposed for new development is subject to review and approval by the director, using best water utility industry and engineering practices and standards.

(2) The amount of each impact fee shall be reduced by any allowable offsets or credits for that category of capital improvements, in the manner provided in section 86.300.

(3) The total amount of each impact fee for the new development shall be calculated and attached to the permit or utility application as a condition of approval.

(4) Except as otherwise provided by contracts with political subdivisions, developer's contracts, or wholesale customers, no
building permit shall be issued until all impact fees due and owing have been paid to the city.

(d) Limit on fees. The amount of each impact fee for a new development shall not exceed an amount computed by multiplying the assessment amount per service unit under section 86.298 by the number of service units for the development determined under this section.

(e) If a building or plumbing permit or an approved utility application for which an impact fee has been paid has expired, and a new application is thereafter filed, the impact fees shall be computed using the Schedule 1 rate in effect at the time the new permit or application is filed, with credits for previously paid fees being applied against the newly determined amount.

(f) Whenever a property owner proposes to increase the number of service units for a new development, the additional impact fees collected for the new service units shall be determined by using the applicable service unit computation criteria in subsection (b) and the applicable Schedule 1 rate then in effect, and the additional fees for the increase in service units shall be collected at the times prescribed by this section.

(g) For new development to be served by the city wastewater system and by a water system other than the city's, the operator of the water system shall provide written notice to the city of each application for new water service or a change in meter size within ten days of the date the application is received. This requirement is satisfied by the submission of a legible copy of the application or other information that identifies the applicant and indicates the proposed land use, peak demand calculation and the meter size.

(h) The amount of impact fees to be collected for single purpose domestic (sanitary) or irrigation meters will be determined by calculated peak water demand water meter size as listed in Schedule 1. The amount of impact fees to be collected for a combined domestic and fire flow meter will be based upon the applicable peak flow demandsingle purpose displacement type standard water meter delineated in Schedule 1 excluding the fire flow portion.

(i) The city council may approve an agreement with a property owner for a different time, manner of computation, or payment of impact fees for new development on the owner's property.

SECTION 6. Section 86.300 of the San Marcos City Code is hereby amended to read as follows:

Sec. 86.300. Offsets and credits against impact fees.

(a) The city shall offset or credit the present value of any system facility
which has been dedicated or contributed to by a property owner and accepted by the city, including the value of off-site rights-of-way or system capital improvements constructed under an agreement with the city, against the amount of the impact fee due for that category of capital improvement. The offset or credit shall be associated with the plat of the property that is to be served by the system facility.

(b) **Calculation of offset or credit.** All offsets or credits against impact fees shall be subject to the following limitations and shall be granted based on this article and additional standards promulgated by the city, which may be adopted as administrative guidelines:

(1) An offset or credit shall not be given for the dedication or construction of site-related facilities.

(2) An offset shall not exceed an amount equal to the eligible costs of the improvement multiplied by a fraction, the numerator of which is the impact fee per service unit due for the new development computed using Schedule 1 or Schedule 2, and the denominator of which is the maximum impact fee per service unit for the new development.

(3) The unit costs used to calculate offsets and credits shall not exceed those assumed for the capital improvements included in the impact fees capital improvements plan for the category of facility for which the impact fee is imposed.

(4) An offset or credit for an oversized improvement or facility shall not exceed the incremental increase in the cost of the improvement or facility over the cost of an improvement or facility needed to meet the greater of: (a) the city's minimum standards for water or wastewater facilities or, (b) the needs of the property being developed including, where development is being phased, all property and uses described in the subdivision concept plan for the area being developed.

(5) An offset or credit shall not be given for an oversized facility which is not identified within the capital improvements plan, unless the Director determines that the facility supplies capacity to other new developments, and provisions for offsets or credits are incorporated in an agreement for capital improvements under section 86.308.

(6) An offset or credit shall not be given a) when no impact fees for a new development can be collected under this division, b) for any amount exceeding the total impact fees due for a new development for that category of capital improvements, unless expressly agreed to by the city in writing, or c) for any oversized facility where the
city executes an oversize reimbursement agreement with the property owner for the oversize cost.

(7) Offsets or credits for system facilities dedicated to and accepted by the city for a new development prior to the effective date of this division and such developer-borne costs eligible for an offset or credit shall be prorated among the total number of service units within the development.

(8) The city may participate in the costs of a system facility to be dedicated to the city in connection with a new development, including costs that exceed the amount of the impact fees due for the development under Schedule 1 for that category of capital improvements, in accordance with the city's subdivision regulations. The amount of any offset shall not include the amount of the city's participation.

(9) No offset or credit shall exceed the impact fee to be collected from new development as established in section 86.298.

(c) **Expiration of offset or credit.** All offsets or credits shall expire ten years from the date the offset or credit was created.

(d) **Application of offset or credit.** An offset or credit associated with a new development shall be applied to reduce the impact fee at the applicable time for collection of the fee, and thereafter until the number of properties subject to offset or credit are credited.

**SECTION 7.** Section 86.311 of the San Marcos City Code is hereby amended to read as follows:

**Sec. 86.311. Land use assumptions.**

(a) The amended system-wide land use assumptions for the City of San Marcos, on which the capital improvements plan for water and wastewater facilities are based, are identified in the most current version of the Section 3 of the Impact Fee Report which is attached as Exhibit A and incorporated herein for all purposes are adopted.

(b) The system-wide land use assumptions may be amended from time to time, under the procedures in section 86.306.

**Sec. 86.312. Impact fee water service area.**

(a) An amended impact fee water service area is established, consisting of the land within the city limits and within portions of the city's extraterritorial
jurisdiction depicted in the most current version Section 2 of the Impact Fee Report attached hereto as Exhibit A* of this ordinance and is adopted and incorporated herein.

(b) The boundaries of the impact fee water service area may be amended from time to time, or new water service areas may be delineated, under the procedures in section 86.306.

*Editor's Note-A copy of Exhibit A can be found in the city offices.

**Sec. 86.313. Water improvements plan.**

(a) The amended city water improvements plan included in the most current version Table 5 of the Impact Fee Report attached as Exhibit A* is adopted and incorporated herein.

(b) The water improvements plan may be amended from time to time under the procedures in section 86.306.

*Editor's Note-A copy of Exhibit A can be found in the city offices.

**SECTION 8.** Section 86.314 of the San Marcos City Code is hereby amended to read as follows:

**Sec. 86.314. Water facilities impact fee.**

(a) The maximum impact fee per service unit for water facilities included in the most recent version of the Impact Fee Report Table 8 is adopted and included by reference in this division.

(b) The amount of the impact fee per service unit for water facilities stated in Schedules 1 and 2 is adopted and included by reference in this division.

(c) The impact fees per service unit for water facilities may be amended from time to time under the procedures in section 86.306.

**Sec. 86.315. Impact fee wastewater service area.**

(a) An amended impact fee wastewater service area is established, consisting of the land within the city limits and within portions of the city's extraterritorial jurisdiction depicted in latest version Section 2 of the Impact Fee Report attached as Exhibit A* and included by reference in this division.

(b) The boundaries of the impact fee wastewater service area may be amended from time to time, or new water service areas may be delineated, under the procedures in section 86.306.
SECTION 9. Section 86.316 of the San Marcos City Code is hereby amended to read as follows:

Sec. 86.316. Wastewater improvements plan.

(a) The amended city wastewater improvements plan included in the latest version Table 6 of the Impact Fee Report attached as Exhibit A* is adopted and included by reference in this division.

(b) The wastewater improvements plan may be amended from time to time under the procedures in section 86.306.

*Editor's Note-A copy of Exhibit A can be found in the city offices.

SECTION 10. Section 86.317 of the San Marcos City Code is hereby amended to read as follows:

Sec. 86.317. Wastewater facilities impact fee.

(a) The maximum impact fee per service unit for wastewater facilities included in the latest version of the Impact Fee Report, Table 8 is adopted and included by reference in this division.

(b) The amount of the impact fee per service unit for wastewater facilities stated in Schedules 1 and 2 is adopted and included by reference in this division.

(c) The impact fees per service unit for wastewater facilities may be amended from time to time under the procedures in section 86.306.

SECTION 11. Section 86.318 of the San Marcos City Code is hereby amended to read as follows:

Sec. 86.318. Impact fee schedules.

(a) The maximum impact fees per service unit for water and wastewater facilities set out in the latest version of the in Table 8 of the Impact Fee Report are adopted and included by reference in this division.
(b) Schedules 1 and 2 setting forth the impact fees per service unit to be collected from new development for water and wastewater facilities, are adopted and are hereby included by reference in this division.

SECTION 12. In codifying the changes authorized by this ordinance, editor’s notes may be inserted and paragraphs, sections and subsections may be renumbered and reformatted as appropriate consistent with the numbering and formatting of the San Marcos City Code.

SECTION 13. If any word, phrase, clause, sentence, or paragraph of this ordinance is held to be unconstitutional or invalid by a court of competent jurisdiction, the other provisions of this ordinance will continue in force if they can be given effect without the invalid portion.

SECTION 14. All ordinances and resolutions or parts of ordinances or resolutions in conflict with this ordinance are repealed.

SECTION 15. This ordinance will take effect upon publication in a newspaper of general circulation within the City within ten days after the date of its final passage.

PASSED AND APPROVED on first reading on April 3, 2018.

PASSED, APPROVED AND ADOPTED on second reading on 17, 2018.

John Thomaides
Mayor

Attest: Approved:

Jamie Lee Case Michael J. Cosentino
City Clerk City Attorney
## SCHEDULE 1
### APPLICABLE WATER AND WASTEWATER IMPACT FEE AMOUNTS*
#### CITY OF SAN MARCOS, TEXAS

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<td>$140,932.50</td>
<td>$226,137.00</td>
<td>$173,118.00</td>
</tr>
<tr>
<td>&gt; 250 to 500</td>
<td>104.0</td>
<td>$54,808.00</td>
<td>$227,240.00</td>
<td>$364,624.00</td>
<td>$279,136.00</td>
</tr>
<tr>
<td>&gt; 500</td>
<td>150.0</td>
<td>$79,050.00</td>
<td>$327,750.00</td>
<td>$525,900.00</td>
<td>$402,600.00</td>
</tr>
</tbody>
</table>

Maximum fees for prior to 10/4/2002 update are:
- Water $363/ LUE
- Wastewater $527/ LUE

Maximum fees for 2002 update are:
- Water $2,466/ LUE
- Wastewater $2, 185/ LUE

Maximum fees for 2013 update are:
- Water $2,285/ LUE
- Wastewater $3,506/ LUE

Maximum fees for 2018 update are:
- Water $3,801/ LUE
- Wastewater $2,684/ LUE

* Applicable amount may be reduced by any City-approved offsets.

**Exemption Rate in Ordinance 2002-81 is still in effect for remaining qualifying lots.
Shannon:

Here is a response to the question regarding meter size vs flow. Below is a chart showing the number of LUE’s for various multi-family developments calculated on the meter size vs the LUE’s by flow. As you can see some of the projects used the higher flow capabilities in the newer meters to install a smaller meter. Under the flow calculation method the peak flow ranged between 80 - 160 gallons per minute which equates to 32.5 LUE’s.

<table>
<thead>
<tr>
<th>Permit Number</th>
<th>Project Name</th>
<th>Units</th>
<th>Bedrooms</th>
<th>LUE's Based on Meter</th>
<th>LUE's Based on Flow</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013-13385</td>
<td>Chestnut Street Lofts</td>
<td>77</td>
<td>230</td>
<td>16</td>
<td>32.5</td>
</tr>
<tr>
<td>2012-11797</td>
<td>Parkway Falls</td>
<td>193</td>
<td>264</td>
<td>8</td>
<td>32.5</td>
</tr>
<tr>
<td>2012-11573</td>
<td>Hillside Ranch Phase II</td>
<td>130</td>
<td>390</td>
<td>16</td>
<td>32.5</td>
</tr>
<tr>
<td>2013-12386</td>
<td>Sienna Point</td>
<td>228</td>
<td>500</td>
<td>25</td>
<td>32.5</td>
</tr>
<tr>
<td>2013-12841</td>
<td>Thorpe Lane</td>
<td>316</td>
<td>512</td>
<td>8</td>
<td>32.5</td>
</tr>
<tr>
<td>2013-12910</td>
<td>The Cottages of San Marcos</td>
<td>151</td>
<td>899</td>
<td>16</td>
<td>32.5</td>
</tr>
<tr>
<td>2015-17209</td>
<td>Carson Tower</td>
<td>96</td>
<td>333</td>
<td>16</td>
<td>32.5</td>
</tr>
</tbody>
</table>

Laurie A Moyer, P.E.
Director of Engineering and Capital Improvement | Capital Improvements/Engineering | City of San Marcos
630 E Hopkins | San Marcos, TX 78666
(512) 393-8132 W | lmoyer@sanmarcostx.gov

SAMMARCOS
Website | Facebook | Twitter | Instagram

Please consider the environment before printing this e-mail.

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Update to Division 4 Chapter 86 – Impact Fee Ordinance of the City of San Marcos

Purpose:

• Update the methodology for the calculation of a Living Unit Equivalent or LUE with the update in the Water and Wastewater Impact Fee rates
Context & History:

- Current ordinance language based upon meter size and equivalent LUE’s.

- Improvements in meter technology provide for higher flows through meters.

- Results in under estimation of new development LUE’s.

- Analysis of City AMR data to develop new methodology

<table>
<thead>
<tr>
<th>Meter Size</th>
<th>Current Ordinance Standard Flow (GPM)</th>
<th>LUEs by Meter Size</th>
<th>NEW Operational Flow (GPM)</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/8&quot;</td>
<td>10</td>
<td>1</td>
<td>16</td>
</tr>
<tr>
<td>3/4&quot;</td>
<td>15</td>
<td>1.5</td>
<td>24</td>
</tr>
<tr>
<td>1&quot;</td>
<td>25</td>
<td>2.5</td>
<td>40</td>
</tr>
<tr>
<td>1-1/2&quot;</td>
<td>20</td>
<td>5</td>
<td>160</td>
</tr>
<tr>
<td>2&quot;</td>
<td>80</td>
<td>8</td>
<td>160</td>
</tr>
<tr>
<td>3&quot;</td>
<td>160</td>
<td>16</td>
<td>400</td>
</tr>
<tr>
<td>4&quot;</td>
<td>250</td>
<td>25</td>
<td>800</td>
</tr>
<tr>
<td>6&quot;</td>
<td>500</td>
<td>50</td>
<td>1600</td>
</tr>
<tr>
<td>8&quot;</td>
<td>800</td>
<td>80</td>
<td>2700</td>
</tr>
<tr>
<td>10&quot;</td>
<td>115</td>
<td></td>
<td>4000</td>
</tr>
</tbody>
</table>
Recommendation:

- Revise LUE calculation methodology to calculated flow ranges.

- LUE’s based upon our system data and de-couples meter technology improvements.

- AWWA M-22 for fixture count values and associated demand.

- On-line tools for development’s use.

<table>
<thead>
<tr>
<th>Calculated Peak Water Flow (gpm)</th>
<th>NEW LUE’s by Flow</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 to 10</td>
<td>1.0</td>
</tr>
<tr>
<td>&gt; 10 to 15</td>
<td>2.0</td>
</tr>
<tr>
<td>&gt; 15 to 25</td>
<td>4.0</td>
</tr>
<tr>
<td>&gt; 25 to 50</td>
<td>6.0</td>
</tr>
<tr>
<td>&gt; 50 to 80</td>
<td>8.5</td>
</tr>
<tr>
<td>&gt; 80 to 160</td>
<td>32.5</td>
</tr>
<tr>
<td>&gt; 160 to 250</td>
<td>64.5</td>
</tr>
<tr>
<td>&gt; 250 to 500</td>
<td>104.0</td>
</tr>
<tr>
<td>&gt; 500</td>
<td>150.0</td>
</tr>
</tbody>
</table>
AGENDA CAPTION:
Consider approval of Resolution 2018-49R, making appointments to the Board of Directors of the Alliance Regional Water Authority (ARWA), formally known as the Hays Caldwell Public Utility Agency (HCPUA); and declaring an effective date.

Meeting date: April 3, 2018

Department: City Clerk’s Office

Amount & Source of Funding
Funds Required: N/A
Account Number: N/A
Funds Available: N/A
Account Name: N/A

Fiscal Note:
Prior Council Action: In October of 2006, the City Council appointed five people to the Agency Board as it existed at that time. The Council has continued to make appointments as terms have expired or vacancies were created.

City Council Strategic Initiative: [Please select from the dropdown menu below]
Community Partners
Choose an item.
Choose an item.

Comprehensive Plan Element(s): [Please select the Plan element(s) and Goal # from dropdown menu below]
☐ Economic Development - Choose an item.
☒ Environment & Resource Protection - Choose an item.
☐ Land Use - Choose an item.
☐ Neighborhoods & Housing - Choose an item.
☐ Parks, Public Spaces & Facilities - Choose an item.
☐ Transportation - Choose an item.
☐ Not Applicable
Master Plan: [Please select the corresponding Master Plan from the dropdown menu below (if applicable)]
Vision San Marcos - A River Runs Through Us

Background Information:
Alliance Water (formerly the Hays Caldwell Public Utility Agency) is a Regional Water Authority that was formed in January 2007 for the purpose of resolving the long-term water needs for its Participants. Alliance Water is comprised of the cities of Kyle, San Marcos and Buda, along with the Canyon Regional Water Authority which represents County Line Special Utility District (SUD), Crystal Clear SUD, Martindale WSC, and Green Valley SUD.

During the 2017 Legislative Session, Senate Bill 1198 and House Bill 2540 were passed authorizing the name change from Hays Caldwell Public Utility Agency to Alliance Regional Water Authority.

These are the Authority’s initial appointments since the name change. All of the initial directors will take office on May 1, 2018. The initial directors will draw lots to determine which directors serve a one year term expiring April 30, 2019, which directors serve a two year term expiring April 30, 2020, and which directors serve a three year term expiring April 30, 2021. Directors thereafter will serve staggered three year terms.

Currently representing San Marcos are:
Council Member, Jane Hughson - Chair
Deputy Mayor Pro Tem, Scott Gregson
Assistant City Manager, Steve Parker
Executive Director of Public Services, Tom Taggart
Assistant Director of Public Services, Jon Clack

Council Committee, Board/Commission Action:
Click or tap here to enter text.

Alternatives:
Click or tap here to enter text.

Recommendation: Appoint the above slate of representatives.
RESOLUTION 2018-49R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS, MAKING APPOINTMENTS TO THE BOARD OF DIRECTORS OF THE ALLIANCE REGIONAL WATER AUTHORITY (ARWA), FORMALLY KNOWN AS THE HAYS CALDWELL PUBLIC UTILITY AGENCY; AND DECLARING AN EFFECTIVE DATE.

RECITALS:

1. The governing bodies of the City of San Marcos, the City of Buda, the City of Kyle and the Canyon Regional Water Authority have adopted resolutions (the “Concurrent Resolutions”) approving the creation of the Alliance Regional Water Authority (the “Authority”) (formally known as the Hays Caldwell Public Utility Agency) in 2007 under the Texas Local Government Code Chapter 422, as amended (the “PUA Act”). During the 2017 Legislative Session, Senate Bill 1198 and House Bill 2540 were passed authorizing the name change from Hays Caldwell Public Utility Agency to Alliance Regional Water Authority.

2. The Concurrent Resolutions provide for the Authority to be governed by a Board of Directors (the “Authority Board”) to which the City is entitled to appoint five members.

3. The officials and employees name below in Part 1 of this resolution are the City’s initial appointments to the Authority Board since the name change. All of the initial directors will take office on May 1, 2018. All of the initial directors of the Authority Board will draw lots to determine which directors serve a one-year term expiring April 30, 2019, which directors serve a two-year term expiring April 30, 2020, and which directors serve a three-year term expiring April 30, 2021. Directors thereafter will serve staggered three-year terms.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS:

Part 1. The City Council hereby appoints and confirms the appointment of the following persons to serve as the City’s representatives on the Board of Directors of the Alliance Regional Water Authority:

<table>
<thead>
<tr>
<th>Board Position</th>
<th>Person Appointed</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>Scott Gregson</td>
</tr>
<tr>
<td>6</td>
<td>Jane Hughson</td>
</tr>
<tr>
<td>7</td>
<td>Jon Clack</td>
</tr>
<tr>
<td>8</td>
<td>Steve Parker</td>
</tr>
<tr>
<td>9</td>
<td>Tom Taggart</td>
</tr>
</tbody>
</table>
Part 2. This Resolution shall be in full force and effect from and after its passage.

ADOPTED on this 3rd day of April.

John Thomaides
Mayor

Attest:

Jamie Lee Case
City Clerk
February 7, 2018

Mayor John Thomaides
City of San Marcos
630 E. Hopkins
San Marcos, TX 78666
Delivered via e-mail only to: jthomaides@sanmarcostx.gov

Re: Appointments to the Alliance Water Board of Directors

Dear Mayor Thomaides,

I am writing to request that the City of San Marcos appoint five persons to serve on the Board of Directors (Board) of the Alliance Regional Water Authority (Alliance Water). Under the enabling act and rules of Alliance Water, the City of San Marcos appoints five directors to the Board. Appointments must be made not earlier than April 1st and not later than April 30th.

To be eligible to serve as a director, a person must be: 1) at least 18 years of age; and 2) either a resident of the Alliance Water territory, or an employee of a Sponsor. A person who serves on the governing body of a Sponsor may serve on both the governing body and the Board.

These are the initial appointments of directors by the Sponsors. All of the initial directors will take office on May 1, 2018. The initial directors will draw lots to determine which directors serve a one-year term expiring April 30, 2019, which directors serve a two-year term expiring April 30, 2020, and which directors serve a three-year term expiring April 30, 2021. Directors thereafter will serve staggered three-year terms.

Action by a Sponsor to appoint a director must be in the form of a minute entry, ordinance or resolution approved by the Sponsor’s governing body. I have enclosed a suggested resolution for making your appointment/s. Please provide written confirmation to me of your appointment/s before May 1st, 2018.

Let me know if you have any questions. Thank you for your assistance.

Sincerely,

Graham Moore
Executive Director

Enclosure

cc: Mr. Bert Lumbreras, San Marcos City Manager (blumbreras@sanmarcostx.gov)
    Ms. Jamie Lee Case, San Marcos City Clerk (jcase@sanmarcostx.gov)
AGENDA CAPTION:
Consider approval of Resolution 2018-50R, directing publication of Notice of Intention to issue Certificates of Obligation in the amount of approximately $47,065,000 for (1) constructing, improving, extending and expanding city streets, bridges, sidewalks, bike lanes, pedestrian lanes, bus stops, parking, and related traffic improvements including acquiring any necessary rights-of-way and equipment; (2) constructing, improving and extending the City's Water and Wastewater system including acquiring equipment; (3) constructing, improving and renovating City Parks; (4) constructing, improving and designing municipal buildings to include the Animal Shelter, Municipal Services Complex, Public/Community Services building and related equipment purchases; (5) constructing, designing, equipping and renovating City Parking Facilities; (6) constructing and improving the City's Drainage and Flood Control Facilities; (7) constructing, improving and equipping the City's Airport; (8) constructing, designing, equipping and renovating Public Safety Facilities to include Fire Station relocation improvements and vehicle and equipment purchases; (9) replacing, improving, and developing Network Infrastructure Equipment; (10) preparation and completion of the Electric Utility System Master Plan; and (11) the payment of professional services in connection therewith including legal, fiscal and engineering fees and the costs of issuing the Certificates of Obligation and other matters related thereto.

Meeting date: April 3, 2018

Department: Finance-Heather Hurlbert, Finance Director

Amount & Source of Funding
Funds Required: Click or tap here to enter text.
Account Number: Click or tap here to enter text.
Funds Available: Click or tap here to enter text.
Account Name: Click or tap here to enter text.

Fiscal Note:
Prior Council Action: This is the debt issuance for the FY2018 approved CIP

City Council Strategic Initiative: [Please select from the dropdown menu below]
Choose an item.
Choose an item.
Choose an item.

Comprehensive Plan Element (s): [Please select the Plan element(s) and Goal # from dropdown menu below]
☐ Economic Development - Choose an item.
Background Information:

The City of San Marcos approved a Capital Improvements Plan during the FY2018 Budget process that called for the funding of approximately $51,294,500 in Capital Improvement Projects for the City of San Marcos. These projects include street, infrastructure, drainage, electric, water/wastewater and airport improvements.

The first step in the process of issuing bonds is a resolution directing publication of the notice to the public of City Council's intention to issue certificates of obligation in an amount not to exceed $47,065,000 including issuance costs. Two public notices are required to be posted in the local newspaper. The ordinance adopting the sale is currently scheduled for May 15, 2018. A complete timeline is attached.

Prior to issuance each project is reviewed to determine if the need for the project still exists, if the project will begin before the end of the fiscal year, and if there is alternative funding available for the project. If the project will not be started before the end of the fiscal year, the debt issuance is deferred to a future fiscal year.

Preliminary breakdown of the funding for the 2018 CIP is shown below:

- $37.0M-bond funded
- $7.5M-cash funded with Enterprise fund capital reserves
- $945K-deferred to a later
- $5.3M-issued by ARWA for the future water supply
- $1.0M-funded with GO bonds

In addition to the amounts above, $780K of amounts deferred from prior years will be included in the debt issue.

Staff is continuing to review the project list and deferred projects so the final amount of debt issued
may be slightly different from the totals above, but will not exceed $47,065,000 including issuance costs.

**Council Committee, Board/Commission Action:**
Click or tap here to enter text.

**Alternatives:**
Click or tap here to enter text.

**Recommendation:**
Click or tap here to enter text.
City of San Marcos, Texas  
Combination Tax and Revenue Certificates of Obligation, Series 2018 (“COs”)  
General Obligation Bonds, Series 2018 (“GOs”)

<table>
<thead>
<tr>
<th>Date</th>
<th>Event Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><em>Tuesday, April 3, 2018</em></td>
<td>The City Council considers a resolution directing publication of the notice of intent to issue COs.</td>
</tr>
<tr>
<td>Week of April 8, 2018</td>
<td>First notice of intent appears in the newspaper.</td>
</tr>
<tr>
<td></td>
<td>The Financial Advisor makes application to Standard &amp; Poor’s to obtain a rating on the COs and GOs.</td>
</tr>
<tr>
<td>Week of April 15, 2018</td>
<td>Second notice appears in the newspaper.</td>
</tr>
<tr>
<td>Week of April 30, 2018</td>
<td>Rating Agency Conference Call or Meeting.</td>
</tr>
<tr>
<td>Thursday, May 10, 2018</td>
<td>Rating is received and published by SPFI.</td>
</tr>
<tr>
<td><em>Tuesday, May 15, 2018</em></td>
<td><strong>Delegation.</strong> The City Council will consider a Delegation Ordinance authorizing the issuance of the COs and GOs.</td>
</tr>
<tr>
<td>Week of May 15, 2018</td>
<td><strong>Pricing.</strong> COs and GOs are priced by the Underwriters.</td>
</tr>
<tr>
<td>Wednesday, May 30, 2018</td>
<td>Notice is sent to the Underwriters regarding the Closing Date.</td>
</tr>
<tr>
<td>Wednesday, June 6, 2018</td>
<td><strong>Delivery.</strong> The City receives funds from the Underwriters of the COs and GOs.</td>
</tr>
</tbody>
</table>

*Official City Council meeting.*
RESOLUTION NO. _______

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS, DIRECTING PUBLICATION OF NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION IN THE AMOUNT OF APPROXIMATELY $47,065,000 FOR (1) CONSTRUCTING, IMPROVING, EXTENDING AND EXPANDING CITY STREETS, BRIDGES, SIDEWALKS, BIKE LANES, PEDESTRIAN LANES, BUS STOPS, PARKING, AND RELATED TRAFFIC IMPROVEMENTS INCLUDING ACQUIRING ANY NECESSARY RIGHTS-OF-WAY AND EQUIPMENT; (2) CONSTRUCTING, IMPROVING AND EXTENDING THE CITY'S WATER AND WASTE WATER SYSTEM INCLUDING ACQUIRING EQUIPMENT; (3) CONSTRUCTING, IMPROVING AND RENOVATING CITY PARKS; (4) CONSTRUCTING, IMPROVING AND DESIGNING MUNICIPAL BUILDINGS TO INCLUDE THE ANIMAL SHELTER, MUNICIPAL SERVICES COMPLEX, PUBLIC/COMMUNITY SERVICES BUILDING AND RELATED EQUIPMENT PURCHASES; (5) CONSTRUCTING, DESIGNING, EQUIPPING AND RENOVATING CITY PARKING FACILITIES; (6) CONSTRUCTING AND IMPROVING THE CITY'S DRAINAGE AND FLOOD CONTROL FACILITIES; (7) CONSTRUCTING, IMPROVING AND EQUIPPING THE CITY'S AIRPORT; (8) CONSTRUCTING, DESIGNING, EQUIPPING AND RENOVATING PUBLIC SAFETY FACILITIES TO INCLUDE FIRE STATION RELOCATION IMPROVEMENTS AND VEHICLE AND EQUIPMENT PURCHASES; (9) REPLACING, IMPROVING, AND DEVELOPING NETWORK INFRASTRUCTURE EQUIPMENT; (10) PREPARATION AND COMPLETION OF THE ELECTRIC UTILITY SYSTEM MASTER PLAN; AND (11) THE PAYMENT OF PROFESSIONAL SERVICES IN CONNECTION THERETO INCLUDING LEGAL, FISCAL AND ENGINEERING FEES AND THE COSTS OF ISSUING THE CERTIFICATES OF OBLIGATION AND OTHER MATTERS RELATED THERETO.

WHEREAS, this City Council deems it advisable to give notice of intention to issue certificates of obligation of the City of San Marcos, Texas, as hereinafter provided; and

WHEREAS, it is officially found and determined that the meeting at which this resolution has been considered and acted upon was open to the public and public notice of the time, place and subject of said meeting was given, all as required by Tex. Gov't Code Ann. Ch. 551; Now, Therefore

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS:
Section 1. Form of Notice. Attached hereto is a form of "Notice of Intention to Issue Certificates of Obligation" the form and substance of which is hereby adopted and approved.

Section 2. Publication of Notice. Said Notice shall be published, in substantially the form attached hereto, in a newspaper, as defined in Tex. Gov't Code Ann. §2051.044, of general circulation in the area of said City, once a week for two consecutive weeks, the date of the first publication thereof to be before the 30th day before the date tentatively set for passage of the ordinance authorizing the issuance of the Certificates.

Section 3. Effective Date. This Resolution shall become effective immediately upon adoption. The Mayor and City Clerk are hereby authorized and directed to execute this Resolution on behalf of the City and to do any and all things proper and necessary to carry out the intent of this Resolution.

Section 4. Attorney General Fee. The City Council hereby authorizes the disbursement of a fee equal to the lesser of (i) one-tenth of one percent of the principal amount of each series of obligations being issued or (ii) $9,500 for each series, provided that such fee shall not be less than $750, to the Attorney General of Texas Public Finance Division for payment of the examination fee charged by the State of Texas for the Attorney General's review and approval of public securities and credit agreements, as required by Section 1202.004 of the Texas Government Code. The appropriate member of the City's staff is hereby instructed to take the necessary measures to make this payment. The City is also authorized to reimburse the appropriate City funds for such payment from proceeds of the debt.

[Execution Page Follows]
PASSED, APPROVED AND EFFECTIVE this April 3, 2018.

ATTEST: 

Mayor, City of San Marcos, Texas

_______________________________

City Clerk, City of San Marcos, Texas

[CITY SEAL]
NOTICE OF INTENTION TO ISSUE
CERTIFICATES OF OBLIGATION

NOTICE IS HEREBY GIVEN that the City Council of the City of San Marcos, Texas (the "City"), at its meeting to commence at 5:30 P.M. on May 15, 2018, at its regular meeting place in the City Hall, 630 East Hopkins, San Marcos, Texas, tentatively proposes to authorize the issuance of one or more series of interest bearing certificates of obligation of the City, in the total aggregate principal amount not to exceed $47,065,000 for the public purpose of paying contractual obligations incurred or to be incurred for: (1) constructing, improving, extending and expanding City streets, bridges, sidewalks, bike lanes, pedestrian lanes, bus stops, parking, and related traffic improvements including acquiring any necessary rights-of-way and equipment; (2) constructing, improving and extending the City's water and waste water system including acquiring equipment; (3) constructing, improving and equipping City parks; (4) constructing, improving and designing municipal buildings to include the Animal Shelter, Municipal Services Complex, Public/Community Services Building and related equipment purchases; (5) constructing, designing, equipping and renovating City parking facilities; (6) constructing and improving the City's drainage and flood control facilities; (7) constructing, improving and equipping the City's airport; (8) constructing, designing, equipping and renovating public safety facilities to include fire station relocation improvements and vehicle and equipment purchases; (9) replacing, improving, and developing network infrastructure equipment; (10) preparation and completion of the electric utility system master plan; and (11) the payment of professional services in connection therewith including legal, fiscal and engineering fees and the costs of issuing the certificates of obligation and other matters related thereto. The City presently proposes to provide for the payment of the certificates of obligation by the levy of ad valorem taxes, within the limits prescribed by law. The certificates of obligation will be additionally payable from a limited pledge of surplus revenues of the City's water and waste water system not to exceed $1,000.
<table>
<thead>
<tr>
<th>Project ID</th>
<th>Project Name</th>
<th>FY18 Approved CIP Projects</th>
<th>GO Bond Funded</th>
<th>Cash Funded</th>
<th>ARWA Funded</th>
<th>Defer to a future period</th>
</tr>
</thead>
<tbody>
<tr>
<td>597</td>
<td>Coers Drive Improvements</td>
<td>Electric</td>
<td>20,000</td>
<td></td>
<td>20,000</td>
<td></td>
</tr>
<tr>
<td>31</td>
<td>Comprehensive Plan</td>
<td>Electric</td>
<td>100,000</td>
<td></td>
<td>100,000</td>
<td></td>
</tr>
<tr>
<td>667</td>
<td>Critical Utility Security</td>
<td>Electric</td>
<td>50,000</td>
<td></td>
<td>50,000</td>
<td></td>
</tr>
<tr>
<td>60</td>
<td>Customer Extensions - New</td>
<td>Electric</td>
<td>465,000</td>
<td></td>
<td>465,000</td>
<td></td>
</tr>
<tr>
<td>69</td>
<td>Fiber Optic Infrastructure</td>
<td>Electric</td>
<td>80,000</td>
<td></td>
<td>80,000</td>
<td></td>
</tr>
<tr>
<td>477</td>
<td>Guadalupe/LBJ Improvements</td>
<td>Electric</td>
<td>50,000</td>
<td></td>
<td>50,000</td>
<td></td>
</tr>
<tr>
<td>480</td>
<td>Hopkins Sidewalk Widening CM</td>
<td>Electric</td>
<td>100,000</td>
<td></td>
<td>100,000</td>
<td></td>
</tr>
<tr>
<td>588</td>
<td>Hutchison Street Parking Lot</td>
<td>Electric</td>
<td>25,000</td>
<td></td>
<td>25,000</td>
<td></td>
</tr>
<tr>
<td>629</td>
<td>IH-35 UTILITY Relocations</td>
<td>Electric</td>
<td>250,000</td>
<td></td>
<td>250,000</td>
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<tr>
<td>385</td>
<td>LP-550 Reconductors</td>
<td>Electric</td>
<td>240,000</td>
<td></td>
<td>240,000</td>
<td></td>
</tr>
<tr>
<td>674</td>
<td>McCarty Lane Substation</td>
<td>Electric</td>
<td>180,000</td>
<td></td>
<td>180,000</td>
<td></td>
</tr>
<tr>
<td>405</td>
<td>Pole Replacement - Elect Power Poles</td>
<td>Electric</td>
<td>75,000</td>
<td></td>
<td>75,000</td>
<td></td>
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<tr>
<td>132</td>
<td>Public Services and Community Services Complex</td>
<td>Electric</td>
<td>4,000,000</td>
<td></td>
<td>4,000,000</td>
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<td>Project ID</td>
<td>Project Name</td>
<td>Project Description</td>
<td>Department</td>
<td>FY 17 Deferred Project</td>
<td>FY 18 Approved CIP Projects</td>
<td>Debt to be sold in FY18</td>
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<td>647</td>
<td>Ranch Road 12 Substation Transformer Upgrade</td>
<td>This project is to replace the existing Ranch Road 12 Substation transformer and feeder breakers. The existing 20 MVA 138X12.5 kV transformer will be replaced with a 30 MVA 138X12.5 kV transformer. The substation oil containment, feeder breakers and control house will also be upgraded to improve system reliability and improve performance.</td>
<td>Electric</td>
<td>3,275,000</td>
<td>3,275,000</td>
<td></td>
</tr>
<tr>
<td>649</td>
<td>SMEU Substation Feeder Breaker Upgrade</td>
<td>This project is required to maintain system reliability and minimize outages through out SMEU's service area, within existing SMEU 12.5 kV substations. Some of the feeder breakers and control relays are of an older technology and do not provide needed options. Present technology equipment provides more information and capability to reduce outage times and minimize future outages.</td>
<td>Electric</td>
<td>180,000</td>
<td>180,000</td>
<td></td>
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<tr>
<td>648</td>
<td>SMEU System Power Factor Improvement</td>
<td>This project is required to maintain SMEU’s system power factor within LCRA and ERCOT guidelines. SMEU is required to maintain a power factor greater than 97 percent. As loads increase more capacitors are required. Capacitors will also improve voltage, reduce losses, and provide better system stability. Capacitor banks will be turned on and off as needed. Locations will be based on engineering studies.</td>
<td>Electric</td>
<td>50,000</td>
<td>50,000</td>
<td></td>
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<tr>
<td>212</td>
<td>Street Light Replacement Program</td>
<td>A 6-year program to replace street light and lighting fixture extensions with energy saving LED fixtures to ensure all street lights meet dark sky requirements. The project started in 2014 and will continue through 2019.</td>
<td>Electric</td>
<td>500,000</td>
<td>500,000</td>
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<tr>
<td>552</td>
<td>WWTP Electric Backup Feed</td>
<td>This project is to provide backup feed to the COSM Waste Water Treatment Plant on River Road. In order to improve the reliability of the electrical service at the WWTP SMEU will provide multiple sources of electric power. Electric service can be provided from San Marcos Substation Transformer #2 with San Marcos T1 and Redwood Substations in backup.</td>
<td>Electric</td>
<td>50,000</td>
<td>50,000</td>
<td></td>
</tr>
<tr>
<td>490</td>
<td>700 MHz Radio's replacements for Public Safety</td>
<td>Public Safety will need to move to this: other city depts. will be on the 900mhz.</td>
<td>General</td>
<td>1,200,000</td>
<td>1,200,000</td>
<td></td>
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<tr>
<td>492</td>
<td>Airport - CAP Hanger Rehabilitation</td>
<td>City match for grant funds to rehabilitate the last remaining WWII hangar on the airport. The rehab will protect a historical landmark, provide opportunities for redevelopment and improve curb appeal at the airport.</td>
<td>General</td>
<td>25,000</td>
<td>25,000</td>
<td></td>
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<tr>
<td>653</td>
<td>Airport - City Facilities</td>
<td>Improvements to city owned facilities at airport; including roof, HVAC and other upgrades.</td>
<td>General</td>
<td>50,000</td>
<td>50,000</td>
<td></td>
</tr>
<tr>
<td>606</td>
<td>Airport - FM 110 Connection Drive</td>
<td>New roadway to connect the airport to FM 110. Design funds in 1st year, Construction funds in 2nd year. TxDOT has a 50/50 match on new roadways, with a cap of $100K.</td>
<td>General</td>
<td>100,000</td>
<td>100,000</td>
<td></td>
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<tr>
<td>159</td>
<td>Airport - Routine Maintenance Grant Match</td>
<td>50/50 match with TxDOT for routine airport maintenance; move into operating cost in 2019.</td>
<td>General</td>
<td>50,000</td>
<td>50,000</td>
<td></td>
</tr>
<tr>
<td>524</td>
<td>Airport - Taxiway System, Ramp Rehab Design and Stormwater Master Plan</td>
<td>PCI analysis in 2013 indicates failure of pavement on various taxways and ramps. TxDOT recommends an analysis and rehab based upon its results. Stormwater will also be a component to insure pavement life. This amount reflects the City's 10% project match.</td>
<td>General</td>
<td>50,000</td>
<td>50,000</td>
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<tr>
<td>491</td>
<td>Airport Landscaping</td>
<td></td>
<td>General</td>
<td>80,000</td>
<td>80,000</td>
<td></td>
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<tr>
<td>12</td>
<td>Animal Shelter - Phase II, Design, Construction</td>
<td>Short term repairs such as; roof, kennels, paint, relocation &amp; expansion of euthanasia room, HVAC, ceiling tile replacement is required for state compliance. Long Term improvements; Expand current facilities to meet growth and continue to serve as a regional facility. The existing 9,000 sq. ft. will be renovated and an additional 10,500 sq. ft. will be added. Expansion could be delayed pending regional determination.</td>
<td>General</td>
<td>275,000</td>
<td>275,000</td>
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<tr>
<td>183</td>
<td>Bishop Street Improvements</td>
<td>Stormwater, Water (per master plan) and Wastewater improvements along Belvin &amp; S. Bishop to improve Stormwater issues downstream along San Antonio Street. Includes a sidewalk on Bishop between Belvin and Hopkins. The needs on this project will be determined with the Belvin Street Imp PER. DMP #35. Design funds in first year, construction in second year.</td>
<td>General</td>
<td>200,000</td>
<td>200,000</td>
<td></td>
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<tr>
<td>616</td>
<td>Cemetery Land Acquisition</td>
<td>The City’s cemetery is nearing capacity. Acquisition of adjacent property or the development of an additional cemetery is required. Funding will come from cemetery perpetual fund.</td>
<td>General</td>
<td>500,000</td>
<td>500,000</td>
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<tr>
<td>475</td>
<td>City Facilities HVAC Replacement</td>
<td>HVAC Replacement for City Facilities at multiple locations. Activity Center, Price Center in 2018. 2020 will begin replacement of SEO units installed 2011/12.</td>
<td>General</td>
<td>150,000</td>
<td>150,000</td>
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<td>Project ID</td>
<td>Project Name</td>
<td>Project Description</td>
<td>FY 17 Deferred Project</td>
<td>FY 18 Approved CIP Projects</td>
<td>Debt to be sold in FY18</td>
<td>GO Bond Funded</td>
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<tr>
<td>169</td>
<td>City Facility Parking Lots</td>
<td>Repave/restripe all City parking facilities based upon condition, with drainage improvements as needed. Locations include: Activity Center, Grant Harris, Cock House, Nature Center, CVB and park parking lots. Includes WQ ponds. Will coordinate with project #358 - Downtown SmartCode. Funding for this project is split over multiple years.</td>
<td>200,000</td>
<td>200,000</td>
<td>General</td>
<td></td>
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<tr>
<td>526</td>
<td>City Facility Renovations</td>
<td>Renovate/construct – Activity Cntr (Restrooms, flooring); Municipal Bldg. (first floor training room, restrooms, hallways, lobby and utility billing); Public Services Bldg. (restrooms, hallways, flooring, ceilings); City Hall (foundation repair, restrooms); Grant Harris (foundation repair, restrooms, lobby, offices); Library (Restrooms, painting, flooring); Dunbar (Restrooms, flooring); Fleet Maintenance Bay; Roofs – (Municipal Bldg., Public Services, Grant Harris, SMEU, Library gutter system, Metal roof)</td>
<td>400,000</td>
<td>400,000</td>
<td>General</td>
<td></td>
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<tr>
<td>597</td>
<td>Coers Drive Improvements</td>
<td>In 2016, City Council approved $500K in drainage funds with the Old RR 12 project to assist with stormwater for areas impacted by this project. A PER was completed 2015 which identified Coers Drive as an area impacted by the Old RR 12 project. The Coers Drive Improvements will be constructed in advance of the Old RR 12 project and will use $200K in stormwater funds from Old RR12. Coers Drive Improvements will install a box culvert along Coers from Owens towards Old RR12. The project includes a water quality pond. DMP #23 Replace water and sewer within project limits due to anticipated conflicts. Add Sidewalk from Old RR12 to Owens. This project includes full depth pavement reconstruction.</td>
<td>600,000</td>
<td>600,000</td>
<td>General</td>
<td></td>
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<tr>
<td>31</td>
<td>Comprehensive Plan</td>
<td>Implement items in Vision San Marcos. $100k in HUD-DR funds will be used to update the comprehensive plan to reflect new flood information. Additional 2018 funds will be used for the Historic Resource survey and neighborhood character studies.</td>
<td>100,000</td>
<td>100,000</td>
<td>General</td>
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<tr>
<td>609</td>
<td>Downtown Master Plan Update</td>
<td>Update of the Downtown Master Plan adopted in 2008 including an implementation plan, support of CodisMTX strategies, parking management &amp; implementation</td>
<td>100,000</td>
<td>General</td>
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<tr>
<td>69</td>
<td>Fiber Optic Infrastructure Expansion/Maintenance</td>
<td>Purchase the required fiber optic equipment to expand fiber ring. Locations for expansion include the Airport, Gary Sports Complex, Surface Water Treatment Plant, Electric Substations, and Nature Center &amp; Convention Visitor Bureau.</td>
<td>80,000</td>
<td>80,000</td>
<td>General</td>
<td></td>
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<tr>
<td>670</td>
<td>Fire Department Command Vehicle Replacement for Battalion Chiefs</td>
<td>Replacement of current Battalion 1 vehicle (2011 Suburban w/ 66,680). This will include a new 3/4 or 1-ton suburban and all associated equipment, radios, Opticom, striping, etc., plus the cost associated with installing all of the equipment. We would like to maintain the existing vehicle as a ready reserve apparatus and begin a cyclical replacement schedule.</td>
<td>150,000</td>
<td>150,000</td>
<td>General</td>
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<tr>
<td>102</td>
<td>Fire Department Replacement Ladder Truck ($2.300)</td>
<td>Replacement of Ladder Truck at Station 5</td>
<td>1,320,000</td>
<td>1,320,000</td>
<td>General</td>
<td></td>
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<tr>
<td>336</td>
<td>Gary Softball Complex Renovation- Existing Fields</td>
<td>Renovate existing softball fields at Gary Complex. Improvements needed to update the 30 year old facility and meet ADA requirements. Lighting and ADA issues may require funding earlier to 2018.</td>
<td>1,250,000</td>
<td>1,250,000</td>
<td>General</td>
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<tr>
<td>477</td>
<td>Guadalupe/LBJ Improvements</td>
<td>Guadalupe/LBJ will continue to operate as a one-way couplet between Grove Street and University Drive. The project includes operational improvements along Guadalupe and LBJ, including public outreach, pedestrian improvements at railroad crossings, traffic counts, analysis of existing and future infrastructure roadway assignments. This funding does not include total reconstruction of the streets, only signs and striping of the roadway. Include stormwater improvements for Edward Gary/LBJ Hot spot #19, Guadalupe at Railroad Tracks Hot spot #21. Water Quality Improvements #2, #3, and #46</td>
<td>200,000</td>
<td>200,000</td>
<td>General</td>
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<tr>
<td>480</td>
<td>Hopkins Sidewalk Widening CM Allen to Thorpe</td>
<td>Install 10’ multi-use sidewalk along Hopkins from CM Allen - Thorpe Lane identified in Sidewalk Analysis performed by Staff. Coordinate with expansion of library. Add crosswalks at City Hall and Riverside Drive. Add second left turn lane on Southbound Charles Austin at Hopkins. 2016/2017 funding for turn lane/additional costs over and above CAMPO match. Approved funding for this project is $75,000 in 2016 and $2M in CAMPO funds (which will be funded in 2018 by CAMPO).</td>
<td>100,000</td>
<td>100,000</td>
<td>General</td>
<td></td>
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<tr>
<td>588</td>
<td>Hutchison Street Parking Lot</td>
<td></td>
<td>75,000</td>
<td>75,000</td>
<td>General</td>
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<td>Project ID</td>
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<td>FY 17 Deferred Project</td>
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<td>105</td>
<td>Leah Drive</td>
<td>Construct 12&quot; water line in extension of Leah from Cottonwood Pkwy to Civic Center Loop, approx. 700 LF. Includes 50% participation in the estimated cost for road and culvert construction with the development of the City property.</td>
<td>General</td>
<td>200,000</td>
<td>200,000</td>
<td></td>
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<tr>
<td>106</td>
<td>Library Expansion &amp; Renovation</td>
<td>Increase library size by approximately 29,000 sf &amp; renovate existing portion of building; design in first funding year; construction in second funding year</td>
<td>General</td>
<td>1,000,000</td>
<td>1,000,000</td>
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<tr>
<td>539</td>
<td>Mill Street Reconstruction</td>
<td>Reconstruct Mill St from Uhland to approx. 1,400 ft. northeast. Due to rapid growth in the area and increased traffic, the street is failing. Will include water/stormwater/new fire hydrants. $3.35M in multi funds was approved in FY2016 &amp; FY2017, additional funds needed as scope increased.</td>
<td>General</td>
<td>400,000</td>
<td>400,000</td>
<td></td>
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<tr>
<td>678</td>
<td>Network Cabling Infrastructure for City Facilities</td>
<td>New network cabling infrastructure for city facilities due to redesign, expansions or new buildings. 2018 funds include cabling for the Library and Police Department. Also to extend cabling to the new County PSAP Building.</td>
<td>General</td>
<td>225,000</td>
<td>225,000</td>
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<tr>
<td>132</td>
<td>Public Services and Community Services Complex</td>
<td>Relocate and consolidate city facilities; With the FY15 first year funds of $150k, conduct an assessment to expand City Facilities at the current City Hall location, relocate all Public Services (SMEU, P5, Fleet, Parks) to a new combined location, and make necessary repairs to the current fleet maintenance area. The second year of funds approved in FY 16, $1.8M - will begin the concept and design phase for the improvements. The third year of funds in 2017 $4M - will provide funding for land. The final year of funding in 2018, $12M - will be for construction.</td>
<td>General</td>
<td>4,000,000</td>
<td>4,000,000</td>
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<tr>
<td>679</td>
<td>Purgatory Creek Improvements</td>
<td>Purgatory Creek Improvements from Mitchell to S. LB1. DMP#6 - Jackman at purgatory creek. Water overtops the roadway. DMP#14 S LB1 at Purgatory Creek improvements. DMP#15 Mitchell at Purgatory Creek Imps. DMP #25 S LB1 and Cheatham by Purgatory creek, Imps to drainage channel along railroad and creek. Will require acquisition.</td>
<td>General</td>
<td>500,000</td>
<td>500,000</td>
<td></td>
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<tr>
<td>157</td>
<td>Purgatory/Willow Creek Trail Corridor</td>
<td>Connect trail in Willow Creek and extend to Purgatory Park at Hunter Road. Design will begin in first funding year, with phased construction in future years.</td>
<td>General</td>
<td>250,000</td>
<td>250,000</td>
<td></td>
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<tr>
<td>189</td>
<td>San Marcos Youth Baseball Complex</td>
<td>Renovate existing facilities to last 10 years. Includes concession, ADA restrooms, fencing and parking. Long term, Provide new, up-to-date facility at a location along Highway 80. Long term design funds and construction funds split over 4 years.</td>
<td>General</td>
<td>150,000</td>
<td>150,000</td>
<td></td>
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<tr>
<td>521</td>
<td>Sessom Creek Bank Stabilization And Wastewater Replacement From N.LBJ to Canyon Road</td>
<td>Creek bank eroding and undermining roadway from intersection of Loquat to dead end of Canyon. Roadway may need to be replaced. Exposed 12&quot; waterline in creek. Culvert at Canyon/Loquat intersection needs to be upgraded. Project may need to be given priority before roadway is compromised. Install 2,000 LF of 15&quot; wastewater mostly by bore along Sessom between N LBJ and Canyon/Loquat. Repair Sessom Creek Remediation Sites 9 &amp; 10 as identified by RPS. Demonstration project for additional EAA Upper San Marcos Watershed Protection plan funding for</td>
<td>General</td>
<td>20,000</td>
<td>20,000</td>
<td></td>
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<tr>
<td>644</td>
<td>Sunset Acres Subdivision Study</td>
<td>Drainage study of subdivision to determine improvements needed, possible upsizing of storm sewer along IH-35 and within subdivision. Water on Del Sol per WMP #11U. An existing 8&quot; waterline is inside a section of 24&quot; storm sewer on Ebony that needs to be vertically realigned. Need to review offset flow or runoff from development on Leah Drive. This area contributes to flooding at the rear property line of homes on Parkdale. Increase existing 8&quot; wastewater line along the rear of homes on Parkdale to match upstream and downstream mains to increase capacity and improve flows. Replacement of existing 8&quot; VCP on Broadway due to deteriorating condition, such misalignment, cracks and root intrusion. Final construction numbers will be determined. DMP #39</td>
<td>General</td>
<td>25,000</td>
<td>25,000</td>
<td></td>
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<tr>
<td>583</td>
<td>Transportation Override</td>
<td>Provide an annual funding source for the City to participate in transportation projects with new development. This will allow for the construction of facilities beyond the proportional impact of new development.</td>
<td>General</td>
<td>100,000</td>
<td>100,000</td>
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<td>Project ID</td>
<td>Project Name</td>
<td>Project Description</td>
<td>Department</td>
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<td>FY 18 Approved CIP Projects</td>
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<tr>
<td>628</td>
<td>Travis St/Heritage Imps</td>
<td>Phase 1 stormwater improvements to convey stormwater from Hopkins Street to Purgatory Creek. Beginning at Hopkins and Travis installing box culverts along Travis to Dunbar Park with an outfall at Purgatory Creek. Water and wastewater will be replaced to allow the construction of the stormwater improvements. DMP #8. Water Quality Imps at Dunbar Park. Previously approved stormwater funds came from Hopkins Street Improvements Bishop to Moore #56.</td>
<td>General</td>
<td>500,000</td>
<td>500,000</td>
<td></td>
</tr>
<tr>
<td>688</td>
<td>Whisper Roadway Participation</td>
<td>City's participation in the Whisper Roadway.</td>
<td>General</td>
<td>1,800,000</td>
<td>1,800,000</td>
<td></td>
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<tr>
<td>524</td>
<td>Airport - Tawak System, Ramp Rehab Design and Stormwater Master Plan</td>
<td>PCI analysis in 2013 indicates failure of pavement on various taxiways and ramps. TxDOT recommends an analysis and rehab based upon its results. Stormwater will also be a component to insure pavement life. This amount reflects the City's 10% project match.</td>
<td>Stormwater</td>
<td>15,000</td>
<td>15,000</td>
<td></td>
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<tr>
<td>183</td>
<td>Bishop Street Improvements</td>
<td>Stormwater, Water (per master plan) and Wastewater improvements along Belvin &amp; S. Bishop to improve Stormwater issues downstream along San Antonio Street. Includes a sidewalk on Bishop between Belvin and Hopkins. The needs on this project will be determined with the Belvin Street Imp PER. DMP #3. Design funds in first year, construction in second year.</td>
<td>Stormwater</td>
<td>420,000</td>
<td>420,000</td>
<td></td>
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<tr>
<td>597</td>
<td>Coers Drive Improvements</td>
<td>In 2016, City Council approved $500K in drainage funds with the Old RR 12 project to assist with stormwater for areas impacted by this project. A PER was completed 2015 which identified Coers Drive as an area impacted by the Old RR 12 project. The Coers Drive Improvements will be constructed in advance of the Old RR 12 project and will use $200K in stormwater funds from Old RR12. Coers Drive Improvements will install a box culvert along Coers from Owens towards Old RR12. The project includes a water quality pond. DMP #23 Replace water and sewer within project limits due to anticipated conflicts. Add Sidewalk from Old RR12 to Owens. This project includes full depth pavement reconstruction.</td>
<td>Stormwater</td>
<td>1,300,000</td>
<td>1,300,000</td>
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<tr>
<td>622</td>
<td>Corps of Engineers Flood Project Participation</td>
<td>Local funding match to get to Chief's Report on Blanco River Flood Control options. Funding could come from grants, general or stormwater funds. Initial $250,000 eligible for HUD DR funding as unmet need.</td>
<td>Stormwater</td>
<td>80,000</td>
<td>80,000</td>
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<tr>
<td>558</td>
<td>Farris Street Stormwater Imps</td>
<td>Install stormwater infrastructure per RPS study to increase runoff capacity and prevent localized flooding in a residential neighborhood. Site #17 on the Comprehensive Watershed Master Plan Field assessment. Need an H/M analysis to size the roadway and/or SD pipe. 2018 funding is for H/M Analysis. Design will be in 2020 and construction in 2021. Check water based on WMP #41</td>
<td>Stormwater</td>
<td>50,000</td>
<td>50,000</td>
<td></td>
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<tr>
<td>477</td>
<td>Guadalupe/LBJ Improvements</td>
<td>Guadalupe/LBJ will continue to operate as a one-way couplet between Grove Street and University Drive. The project includes operational improvements along Guadalupe and LBJ, including public outreach, pedestrian improvements at railroad crossings, traffic counts, analysis of existing and future infrastructure roadway assignments. This funding does not include total reconstruction of the streets, only signals and striping of the roadway. Include stormwater improvements for Edward Gary/LBJ hot spot #19, Guadalupe at Railroad Tracks Hot spot #21. Water Quality Improvements #2, #3, and #64</td>
<td>Stormwater</td>
<td>130,000</td>
<td>130,000</td>
<td></td>
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<tr>
<td>681</td>
<td>HILLS OF HAYS</td>
<td>Stormwater</td>
<td>Stormwater</td>
<td>300,000</td>
<td></td>
<td></td>
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<tr>
<td>629</td>
<td>IH-35 Utility Relocations</td>
<td>Reconfigure utilities at the IH-35/Sh423 interchange and ramp reversals along IH-35 Frontage Roads between Hopkins Street and Wonderland Drive due to the TxDOT ramp reversal project. TxDOT project consists of reconstructing portions of northbound and southbound frontage roads, including improving bicycle and pedestrian facilities scheduled for 2019. Funding reimbursable by TxDOT.</td>
<td>Stormwater</td>
<td>200,000</td>
<td>200,000</td>
<td></td>
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<tr>
<td>684</td>
<td>Land Acquisition for future detention WQ/WQ/ Flood storage</td>
<td>Acquire land over multiple years for future stormwater detention, water quality, and flood storage improvements.</td>
<td>Stormwater</td>
<td>1,000,000</td>
<td>1,000,000</td>
<td></td>
</tr>
<tr>
<td>105</td>
<td>Leah Drive</td>
<td>Construct 12&quot; water line in extension of Leah from Cottonwood Pkwy to Civic Center Loop, approx. 700 LF. Includes 50% participation in the estimated cost for road and culvert construction with the development of the City center.</td>
<td>Stormwater</td>
<td>360,000</td>
<td>360,000</td>
<td></td>
</tr>
<tr>
<td>682</td>
<td>Midtown Stormwater Ph. 2</td>
<td>DMP #43 Address flooding issues on west side of IH-35 at UNhand and Mill St. Improvements to include storm water system to relieve flooding from upstream good/outfall of Cooper Beach Apartments.</td>
<td>Stormwater</td>
<td>200,000</td>
<td>200,000</td>
<td></td>
</tr>
<tr>
<td>348</td>
<td>N LBJ/Oakridge</td>
<td>Add culvert replacements on Oakridge Dr. as referenced in DMP #33</td>
<td>Stormwater</td>
<td>300,000</td>
<td>300,000</td>
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<tr>
<td>Project ID</td>
<td>Project Name</td>
<td>Project Description</td>
<td>Department</td>
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<tr>
<td>679</td>
<td>Purgatory Creek Improvements</td>
<td>Purgatory Creek Improvements from Mitchell to S. LBJ. DMP#6 - Jackman at purgatory creek. Water overtops the roadway. DMP#6 S LBJ at Purgatory Creek improvements. DMPP15 Mitchell at Purgatory Creek ImPs. DMP #25 S LBJ and Cheatham by Purgatory creek, ImPs to drainage channel along railroad and creek. Will require acquisition.</td>
<td>Stormwater</td>
<td>260,000</td>
<td>260,000</td>
<td></td>
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<tr>
<td>406</td>
<td>River Road Pavement and Bank Stabilization</td>
<td></td>
<td>Stormwater</td>
<td>100,000</td>
<td>100,000</td>
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<tr>
<td>685</td>
<td>Storm System Model</td>
<td>Develop a Storm system model of the developed area along purgatory creek watershed. Will be used to check the existing capacity and to confirm future improvements. Can be used to check adequacy of existing capacity when new development is initiated.</td>
<td>Stormwater</td>
<td>500,000</td>
<td>500,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>FY140 Stormwater Rate Modeling</td>
<td></td>
<td>Stormwater</td>
<td>200,000</td>
<td></td>
<td></td>
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<tr>
<td>210</td>
<td>Stormwater System Improvements</td>
<td>Annual program for minor unplanned stormwater improvements &amp; repairs to address localized deficiencies and problems in the stormwater system.</td>
<td>Stormwater</td>
<td>120,000</td>
<td>120,000</td>
<td></td>
</tr>
<tr>
<td>644</td>
<td>Sunset Acres Subdivision Study</td>
<td>Drainage study of subdivision to determine improvements needed; possible upising of storm sewer along IH-35 and within subdivision. Water on Del Sol per WMP #41U. An existing 8&quot; waterline is inside a section of 24&quot; storm sewer on Ebony that needs to be vertically realigned. Need to review offsets flow or runoff from development on Leah Drive. This area contributes to flooding at the rear property line of homes on Parkdale. Increase existing 6&quot; wastewater line along the rear of homes on Parkdale to match upstream and downstream mains to increase capacity and improve flows. Replacement of existing 8&quot; VCP on Broadway due to deteriorating condition, such misalignment, cracks and root intrusion. Final construction numbers will be determined. DMP #39</td>
<td>Stormwater</td>
<td>100,000</td>
<td>100,000</td>
<td></td>
</tr>
<tr>
<td>628</td>
<td>Travis St/Heritage Imps</td>
<td>Phase 1 stormwater improvements to convey stormwater from Hopkins Street to Purgatory creek. Beginning at Hopkins and Travis installing box culverts along Travis to Dunbar Park with an outfall at Purgatory Creek. Water and wastewater will be replaced to allow the construction of the stormwater improvements. DMP #8. Water Quality Imps at Dunbar Park. Previously approved stormwater funds came from Hopkins Street Improvements Bishop to Moore #60.</td>
<td>Stormwater</td>
<td>2,540,000</td>
<td>2,540,000</td>
<td></td>
</tr>
<tr>
<td>618</td>
<td>Various Stormwater Imps</td>
<td>This general project will fund design and construction for areas that don’t require larger projects to address. Where possible design and construction will be handled in-house. Locations identified: 1200 blk of Hilltop, 500 blk of Parkdale, Crockett, South LBJ at Willow Springs Bridge Repair Hot Spot #22 and Water Quality Imp #51 S30k FY18. Allen St DMP #4 Inlet Replacement S30k FY18, DMP #48 Harper Dr and River Rd. S200k FY19, DMP #53 Rogers at Maury St. $230k FY20</td>
<td>Stormwater</td>
<td>700,000</td>
<td>700,000</td>
<td></td>
</tr>
<tr>
<td>525</td>
<td>Wallace Addition</td>
<td>Additional funding in 2018 is to upgrade and install new stormwater system. DMPP37</td>
<td>Stormwater</td>
<td>1,300,000</td>
<td>1,300,000</td>
<td></td>
</tr>
<tr>
<td>687</td>
<td>Willow Creek Channel Clearing - moved to G61 &amp; FY140</td>
<td>Clearing of Willow Creek from Hunter Rd. to Wonderland to improve flow in the channel.</td>
<td>Stormwater</td>
<td>500,000</td>
<td>500,000</td>
<td></td>
</tr>
<tr>
<td>183</td>
<td>Bishop Street Improvements</td>
<td>Stormwater, Water (per master plan) and Wastewater improvements along Belvin &amp; S. Bishop to improve Stormwater issues downstream along San Antonio Street. Includes a sidewalk on Bishop between Belvin and Hopkins. The needs on this project will be determined with the Belvin Street Improvements. DMP #35. Design funds in first year, construction in second year.</td>
<td>Wastewater</td>
<td>40,000</td>
<td>40,000</td>
<td></td>
</tr>
<tr>
<td>597</td>
<td>Coers Drive Improvements</td>
<td>In 2016, City Council approved $500K in drainage funds with the Old RR 12 project to assist with stormwater for areas impacted by this project. A PER was completed 2015 which identified Coers Drive as an area impacted by the Old RR 12 project. The Coers Drive Improvements will be constructed in advance of the Old RR 12 project and will use 200k in stormwater funds from Old RR12. Coers Drive Improvements will install a box culvert along Coers from Owens towards Old RR12. The project includes a water quality pond. DMP #23 Replace water and sewer within project limits due to anticipated conflicts. Add Sidewalk from Old RR12 to Owens. This project includes full depth pavement reconstruction.</td>
<td>Wastewater</td>
<td>350,000</td>
<td>350,000</td>
<td></td>
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<tr>
<td>667</td>
<td>Critical Utility Security</td>
<td>Security cameras and gate controls at 12 water station and booster station sites around town.</td>
<td>Wastewater</td>
<td>50,000</td>
<td>50,000</td>
<td></td>
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<tr>
<td>69</td>
<td>Fiber Optic Infrastructure Expansions/Maintenance</td>
<td>Purchase the required fiber optic equipment to expand fiber ring. Locations for expansion include the Airport, Gary Sports Complex, Surface Water Treatment Plant, Electric Substations, and Nature Center &amp; Convention Visitor Bureau.</td>
<td>Wastewater</td>
<td>80,000</td>
<td>80,000</td>
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</table>
## FY 2018-2027 10 Year CIP Project List

<table>
<thead>
<tr>
<th>Project ID</th>
<th>Project Name</th>
<th>Project Description</th>
<th>Department</th>
<th>FY 17 Deferred Project</th>
<th>FY 18 Approved CIP Projects</th>
<th>Debt to be sold in FY18</th>
<th>GO Bond Funded</th>
<th>Cash Funded</th>
<th>ARWA Funded</th>
<th>Defer to a future period</th>
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<tbody>
<tr>
<td>588</td>
<td>Hutchison Street Parking Lot</td>
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<td>Wastewater</td>
<td>30,000</td>
<td></td>
<td>30,000</td>
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<tr>
<td>629</td>
<td>IH-35 UTILITY Relocations</td>
<td>Reconfigure utilities at the IH-35/SI123 interchange and ramp reversals along IH 35 Frontage Roads between Hopkins Street and Wonderworld Drive due to the TxDOT ramp reversal project. TxDOT project consists of reconstructing portions of northbound and southbound frontage roads, including improving bicycle and pedestrian facilities scheduled for 2019. Funding reimbursable by TxDOT.</td>
<td>Wastewater</td>
<td>250,000</td>
<td>250,000</td>
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<tr>
<td>132</td>
<td>Public Services and Community Services Complex</td>
<td>Relocate and consolidate city facilities; With the FY15 first year funds of $150k, conduct an assessment to expand City Facilities at the current City Hall location, relocate all Public Services (SMEU, P5, Fleet, Parks) to a new combined location, and make necessary repairs to the current fleet maintenance area. The second year of funds approved in FY 16, $1.8M - will begin the concept and design phase for the improvements. The third year of funds in 2017 $4M - will provide funding for land. The final year of funding in 2018, $12M - will be for construction.</td>
<td>Wastewater</td>
<td>2,000,000</td>
<td>2,000,000</td>
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<tr>
<td>207</td>
<td>SSES &amp; Repairs</td>
<td>Continue systematic sanitary sewer evaluation study and correction of defects throughout the City. Previous funding includes; SSES EARZ Repairs - Replacement of various deteriorated sewer mains at Veramendi St., Nevada St., Bert Brown St., Brown St., and Indiana St. to protect the Edwards Aquifer Recharge Zone and SSES Defect Repairs. Future funding includes Basin SM-04 (WWMP #20) in 2019 and Basin SM-07 (WWMP #21) in 2020.</td>
<td>Wastewater</td>
<td>609,500</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>609,500</td>
<td></td>
</tr>
<tr>
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<td>Wastewater</td>
<td>25,000</td>
<td>25,000</td>
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<td>Wastewater</td>
<td>200,000</td>
<td>200,000</td>
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<tr>
<td>258</td>
<td>Wastewater Collection Improvements</td>
<td>Minor operation projects to repair or replace deteriorating wastewater infrastructure, add cleanouts, install monitoring equipment, etc.</td>
<td>Wastewater</td>
<td>150,000</td>
<td></td>
<td>150,000</td>
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<tr>
<td>244</td>
<td>Wastewater Improvements</td>
<td>Minor engineering projects to repair or replace deteriorating wastewater infrastructure, add cleanouts, install monitoring equipment, etc.</td>
<td>Wastewater</td>
<td>150,000</td>
<td></td>
<td>150,000</td>
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<tr>
<td>244</td>
<td>Wastewater Improvements</td>
<td>Minor engineering projects to repair or replace deteriorating wastewater infrastructure, add cleanouts, install monitoring equipment, etc.</td>
<td>Wastewater</td>
<td>150,000</td>
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<td>150,000</td>
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<tr>
<td>245</td>
<td>Wastewater Lift Station Improvements</td>
<td>Operational systematic upgrade of existing wastewater lift stations.</td>
<td>Wastewater</td>
<td>150,000</td>
<td></td>
<td>150,000</td>
<td></td>
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</tr>
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<td>183</td>
<td>Bishop Street Improvements</td>
<td>Stormwater, Water (per master plan) and Wastewater improvements along Belvin &amp; S. Bishop to improve Stormwater issues downstream along San Antonio Street. Includes a sidewalk on Bishop between Belvin and Hopkins. The needs on this project will be determined with the Belvin Street Imp PER. DMP #35. Design funds in first year, construction in second year.</td>
<td>Water</td>
<td>20,000</td>
<td>20,000</td>
<td></td>
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</tr>
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<td>597</td>
<td>Coers Drive Improvements</td>
<td>In 2016, City Council approved $500K in drainage funds with the Old RR 12 project to assist with stormwater for areas impacted by this project. A PER was completed 2015 which identified Coers Drive as an area impacted by the Old RR 12 project. The Coers Drive Improvements will be constructed in advance of the Old RR 12 project and will use $200K in stormwater funds from Old RR12. Coers Drive Improvements will install a box culvert along Coers from Owens towards Old RR12. The project includes a water quality pond. DMP #23 Replace water and sewer within project limits due to anticipated conflicts. Add Sidewalk from Old RR12 to Owens. This project includes full depth pavement reconstruction.</td>
<td>Water</td>
<td>350,000</td>
<td></td>
<td>350,000</td>
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<tr>
<td>31</td>
<td>Comprehensive Plan</td>
<td>Implement items in Vision San Marcos. $100k in HUD-DR funds will be used to update the comprehensive plan to reflect new flood information. Additional 2018 funds will be used for the Historic Resource survey and neighborhood character studies.</td>
<td>Water</td>
<td>100,000</td>
<td></td>
<td>100,000</td>
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</tr>
<tr>
<td>667</td>
<td>Critical Utility Security</td>
<td>Security cameras and gate controls at 12 water station and booster station sites around town.</td>
<td>Water</td>
<td>50,000</td>
<td></td>
<td>50,000</td>
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<tr>
<td>609</td>
<td>Downtown Master Plan Update</td>
<td>Update of the Downtown Master Plan adopted in 2008 including an implementation plan, support of CodeSMTX strategies, parking management &amp; implementation.</td>
<td>Water</td>
<td>100,000</td>
<td></td>
<td>100,000</td>
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</tr>
<tr>
<td>588</td>
<td>Hutchison Street Parking Lot</td>
<td></td>
<td>Water</td>
<td>20,000</td>
<td></td>
<td>20,000</td>
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<tr>
<td>99</td>
<td>IH 35 Waterline Crossings</td>
<td>Replace existing, deteriorated IH35 waterline crossings with new 10&quot; crossings. Some crossings are currently closed because they have broken; other crossings are understood. 7 Waterline Crossings total will be split into 2 phases for construction. Ph. 1 will be completed in conjunction with IH 35 Utility Relocations Project. Phase 1 in 2019 will include Riverside Crossing, Marshall Crossing, County Crossing and Wonderworld Crossing. Phase 2 in 2021 will include Long Crossing, Cottonwood Crossing, Woodrest Crossing WMP#16.</td>
<td>Water</td>
<td>400,000</td>
<td></td>
<td>400,000</td>
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<tr>
<td>505</td>
<td>IH 35S Water Improvements - Clavis south across creek</td>
<td>Replace existing 12&quot; water line South of Clavis Barker. Replacement of 1400ft where break occurred and line is closed. Possibility of combining this project with Leah Dr. Proj #905.</td>
<td>Water</td>
<td>100,000</td>
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<td>100,000</td>
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<tr>
<td>506</td>
<td>IH 35S Water Improvements - Hwy 123 to Wonder World</td>
<td>Reconstruct water line along east side of IH 35 from the IH 35 waterline crossing (just north of Parker) to Wonder World, approx. $3000 LF. Design funds in 1st year, construction in 2nd year.</td>
<td>Water</td>
<td>400,000</td>
<td></td>
<td>400,000</td>
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<tr>
<td>629</td>
<td>IH 35 Utility Relocations</td>
<td>Reconfigure utilities at the IH 35/Sessom interchange and ramp realignment along IH 35 Frontage Roads between Hopkins Street and Wonderworld Drive due to the TxDOT ramp reversal project. TxDOT project consists of reconstructing portions of northbound and southbound frontage roads, including improving bicycle and pedestrian facilities scheduled for 2019. Funding reimbursable by TxDOT.</td>
<td>Water</td>
<td>250,000</td>
<td></td>
<td>250,000</td>
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<tr>
<td>105</td>
<td>Leah Drive</td>
<td>Construct 12&quot; water line in extension of Leah from Cottonwood Pkwy to Civic Center Loop, approx. 700 LF. Includes 50% participation in the estimated cost for road and culvert construction with the development of the City Center.</td>
<td>Water</td>
<td>250,000</td>
<td></td>
<td>250,000</td>
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<tr>
<td>539</td>
<td>Mill Street Reconstruction</td>
<td>Reconstruct Mill St from Uhland to approx. 1,400 ft. northeast. Due to rapid growth in the area and increased traffic, the street is failing. Will include water/stormwater/new fire hydrants. $3.35M in multi funds was approved in FY2016 &amp; FY2017, additional funds needed as scope increases.</td>
<td>Water</td>
<td>200,000</td>
<td></td>
<td>200,000</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>592</td>
<td>Primrose Way Water</td>
<td>Upsize existing 2&quot; water line to 8&quot; water line 820 ft. Construct 1020 lf of new 8&quot; water line and tie to existing 8&quot; water line located at the Southwest corner of the Master’s School parcel. Easements needed along Primrose Way from Horace Howard Dr to the end of the Master’s School private drive. This is an area within the City’s water CCN where the number of connections exceeds TCEQ requirements. This will also provide a loop feed for fire protection. WMP#41L.</td>
<td>Water</td>
<td>450,000</td>
<td></td>
<td>450,000</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>132</td>
<td>Public Services and Community Services Complex</td>
<td>Relocate and consolidate city facilities; With the FY15 first year funds of $150k, conduct an assessment to expand City Facilities at the current City Hall location, relocate all Public Services (SMEU, PS, Fleet, Parks) to a new combined location, and make necessary repairs to the current fleet maintenance area. The second year of funds approved in FY 16, $1.8M - will begin the concept and design phase for the improvements. The third year of funds in 2017 $4M - will provide funding for land. The final year of funding in 2018, $2M - will be for construction.</td>
<td>Water</td>
<td>2,000,000</td>
<td></td>
<td>2,000,000</td>
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<tr>
<td>166</td>
<td>Red Sky Water Improvements</td>
<td>Replace undersized 2&quot; mains with 8&quot; mains on Horace Howard/Dachsund St. Approx. 4.370 LF.</td>
<td>Water</td>
<td>200,000</td>
<td></td>
<td>200,000</td>
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<tr>
<td>521</td>
<td>Sessom Creek Bank Stabilization And Wastewater Replacement From N LB1 to Canyon Road</td>
<td>Creek bank eroding and undermining roadway from intersection of Loquat to dead end of Canyon. Roadway may need to be replaced. Exposed 12&quot; waterline in creek. Culvert at Canyon/Loquat intersection needs to be upgraded. Project may need to be given priority before roadway is compromised. Install 2,000 LF of 15&quot; wastewater mostly by bore along Sessom between N LB1 and Canyon/Loquat. Repair Sessom Creek Remediation Sites 9 &amp; 10 as identified by RPS. Demonstration project for additional EAA Upper San Marcos Watershed Protection plan funding for Creek bank eroding and undermining roadway from intersection of Loquat to dead end of Canyon. Roadway may need to be replaced. Exposed 12&quot; waterline in creek. Culvert at Canyon/Loquat intersection needs to be upgraded. Project may need to be given priority before roadway is compromised. Install 2,000 LF of 15&quot; wastewater mostly by bore along Sessom between N LB1 and Canyon/Loquat. Repair Sessom Creek Remediation Sites 9 &amp; 10 as identified by RPS. Demonstration project for additional EAA Upper San Marcos Watershed Protection plan funding for</td>
<td>Water</td>
<td>5,000</td>
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<td>5,000</td>
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<td>644</td>
<td>Sunset Acres Subdivision Study</td>
<td>Drainage study of subdivision to determine improvements needed; possible upsizing of storm sewer along IH-35 and within subdivision. Water on Del Sol per WMP #11U. An existing 8&quot; waterline is inside a section of 24&quot; storm sewer on Ebony that needs to be vertically realigned. Need to review offsite flow or runoff from development on Leah Drive. This area contributes to flooding at the rear property line of homes on Parkdale. Increase existing 8&quot; wastewater line along the rear of homes on Parkdale to match upstream and downstream mains to increase capacity and improve flows. Replacement of existing 8&quot; VCP on Broadway due to deteriorating condition, such misalignment, cracks and root intrusion. Final construction numbers will be determined. DMP #39</td>
<td>Water</td>
<td>25,000</td>
<td>25,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>628</td>
<td>Travis St/Heritage Imps</td>
<td>Phase 1 stormwater improvements to convey stormwater from Hopkins Street to Purgatory creek. Beginning at Hopkins and Travis installing box culverts along Travis to Dunbar Park with an outfall at Purgatory Creek. Water and wastewater will be replaced to allow the construction of the stormwater improvements. DMP #8. Water Quality Imps at Dunbar Park. Previously approved stormwater funds came from Hopkins Street Improvements Bishop to Moore #90.</td>
<td>Water</td>
<td>250,000</td>
<td>250,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>248</td>
<td>Water Improvements</td>
<td>Minor engineering projects to repair waterlines</td>
<td>Water</td>
<td>150,000</td>
<td>150,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>248</td>
<td>Water Improvements</td>
<td>Minor engineering projects to repair waterlines</td>
<td>Water</td>
<td>150,000</td>
<td>150,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>249</td>
<td>Water Main Oversizing</td>
<td>Systematic repair, replacement and upgrade of water pump stations</td>
<td>Water</td>
<td>150,000</td>
<td>150,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>251</td>
<td>Water Pump Station Improvements</td>
<td>Systematic repair, replacement and upgrade of water pump stations</td>
<td>Water</td>
<td>150,000</td>
<td>150,000</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>288</td>
<td>Water Supply - HCPUA</td>
<td>COSM Water Supply. Acquiring future water supplies through participation with Hays Caldwell Public Utility for Carrizo Wilcox aquifer water.</td>
<td>Water</td>
<td>5,300,000</td>
<td>5,300,000</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>247</td>
<td>Water System Improvements</td>
<td>On-going effort to replace, repair, and add water valves and hydrants throughout system, and make emergency replacements</td>
<td>Water</td>
<td>150,000</td>
<td>150,000</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$ 780,000</td>
<td>$ 51,794,500</td>
<td>$ 37,370,000</td>
<td>$ 1,000,000</td>
<td>$ 7,459,500</td>
<td>$ 5,300,000</td>
<td>$ 945,000</td>
</tr>
<tr>
<td></td>
<td>General</td>
<td></td>
<td></td>
<td>$ 155,000</td>
<td>$ 16,270,000</td>
<td>$ 14,675,000</td>
<td>$ 1,000,000</td>
<td>$ -</td>
<td>$ -</td>
<td>$ 750,000</td>
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<tr>
<td></td>
<td>Wastewater</td>
<td></td>
<td></td>
<td>$ 180,000</td>
<td>$ 4,054,500</td>
<td>$ 3,045,000</td>
<td>$ -</td>
<td>$ 1,189,500</td>
<td>$ -</td>
<td>$ -</td>
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<tr>
<td></td>
<td>Water</td>
<td></td>
<td></td>
<td>$ 320,000</td>
<td>$ 10,900,000</td>
<td>$ 5,220,000</td>
<td>$ -</td>
<td>$ 600,000</td>
<td>$ 5,300,000</td>
<td>$ 100,000</td>
</tr>
<tr>
<td></td>
<td>Stormwater</td>
<td></td>
<td></td>
<td>$ 100,000</td>
<td>$ 10,575,000</td>
<td>$ 10,080,000</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ 95,000</td>
</tr>
<tr>
<td></td>
<td>Electric</td>
<td></td>
<td></td>
<td>$ 25,000</td>
<td>$ 9,995,000</td>
<td>$ 4,350,000</td>
<td>$ -</td>
<td>$ 5,670,000</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td></td>
<td></td>
<td>$ 780,000</td>
<td>$ 51,794,500</td>
<td>$ 37,370,000</td>
<td>$ 1,000,000</td>
<td>$ 7,459,500</td>
<td>$ -</td>
<td>$ 945,000</td>
</tr>
</tbody>
</table>
AGENDA CAPTION:
Discuss and consider appointments to the Construction Board of Appeals (CBOA), Historic Preservation Commission (HPC), and San Marcos Youth Commission and provide direction to Staff.

Meeting date: 4/3/2018

Department: City Clerk

Amount & Source of Funding
Funds Required: N/A
Account Number: N/A
Funds Available: N/A
Account Name: N/A

Fiscal Note:
Prior Council Action: N/A

City Council Goal: [Please select goal from dropdown menu below]
Choose an item.
Choose an item.
Choose an item.

Comprehensive Plan Element(s): [Please select the Plan element(s) and Goal # from dropdown menu below]
☐ Economic Development - Choose an item.
☐ Environment & Resource Protection - Choose an item.
☐ Land Use - Choose an item.
☐ Neighborhoods & Housing - Choose an item.
☐ Parks, Public Spaces & Facilities - Choose an item.
☐ Transportation - Choose an item.
☒ Not Applicable

Master Plan: [Please select the corresponding Master Plan from the dropdown menu below (if applicable)]
Choose an item.
Background Information:

Construction Board of Appeals is seeking appointments to fill the following roles
(7 appointments are needed) Members may serve on this and one other full time board.

<table>
<thead>
<tr>
<th>Position to be filled</th>
<th>Name of Qualified Applicant or Applicants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Master Plumber</td>
<td>Randy Ferrell</td>
</tr>
<tr>
<td>HVAC Contractor</td>
<td>Robert Cotner, Walter Mott</td>
</tr>
<tr>
<td>Residential Contractor</td>
<td>Grayson Canada, Zachary Franks, Greg Standard, Jake Walden</td>
</tr>
<tr>
<td>General Contractor</td>
<td>Kristin Kibling, Todd Price, Jake Walden</td>
</tr>
<tr>
<td>At Large Member</td>
<td>Grayson Canada, Robert Cotner, Zachary Franks, Walter Mott, Kristin Kibling, Todd Price, Greg Standard, Jake Walden</td>
</tr>
<tr>
<td>Two alternate members</td>
<td>Grayson Canada, Robert Cotner, Zachary Franks, Walter Mott, Kristin Kibling, Todd Price, Greg Standard, Jake Walden</td>
</tr>
</tbody>
</table>

The Historic Preservation Commission is seeking an appointment to fill the following role:
Representative with Experience in a Discipline related to Preservation (architect, design, etc.)

Greg Standard, Resident

The San Marcos Youth Commission is seeking an appointment to fill the following roles:
San Marcos High School Representatives (2 needed) - no applicants
San Marcos Academy (1 needed) - no applicants
TX State or Post Secondary Student (1 needed) - Emma Dray
Gary Job Corp (1 needed) - no applicants
Phoenix Representative (1 needed) - Carlos Mendoza, Javier Buffin, Abner Pina
We will bring back the rest of these positions as applications are received.

Please see attached matrix for complete applicant list.

**Council Committee, Board/Commission Action:**
N/A

**Alternatives:**
Click or tap here to enter text.

**Recommendation:**
Appoint Members to fill the specified roles.
<table>
<thead>
<tr>
<th>Construction Board of Appeals (Need 7)</th>
<th>Eligible</th>
<th>Current Applications on File</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vacant, at large</td>
<td>2/28/2021</td>
<td>Zachary Franks (1st)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Large</td>
</tr>
<tr>
<td></td>
<td></td>
<td>P&amp;Z, Comprehensive Plan Oversight</td>
</tr>
<tr>
<td>Vacant, Residential Contractor</td>
<td>2/28/2021</td>
<td>Grayson Canada (1st)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Large</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Parks, HPC</td>
</tr>
<tr>
<td>Vacant, General Contractor</td>
<td>2/28/2021</td>
<td>Kristin Kibling (2nd)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>General Contractor</td>
</tr>
<tr>
<td></td>
<td></td>
<td>or at large</td>
</tr>
<tr>
<td></td>
<td></td>
<td>P&amp;Z, ZBOA</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Jake Walden (2nd)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>residential, general, or at large</td>
</tr>
<tr>
<td></td>
<td></td>
<td>HPC</td>
</tr>
<tr>
<td>Vacant, Master Plumber</td>
<td>2/28/2021</td>
<td>Todd Price (1st)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Master Plumber</td>
</tr>
<tr>
<td></td>
<td></td>
<td>awaiting application</td>
</tr>
<tr>
<td>Vacant, HVAC contractor</td>
<td>2/28/2021</td>
<td>Walter Mott</td>
</tr>
<tr>
<td></td>
<td></td>
<td>HVAC Contractor</td>
</tr>
<tr>
<td></td>
<td></td>
<td>appointed to Cemetery, but can serve on CBOA</td>
</tr>
<tr>
<td>Vacant, alternate member</td>
<td>2/28/2021</td>
<td>Robert Cotner</td>
</tr>
<tr>
<td></td>
<td></td>
<td>HVAC Contractor</td>
</tr>
<tr>
<td></td>
<td></td>
<td>or at large</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Residential</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Contractor or at large</td>
</tr>
<tr>
<td></td>
<td></td>
<td>HPC</td>
</tr>
<tr>
<td>Vacant, alternate member</td>
<td>2/28/2021</td>
<td>Greg Standard (3rd)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Discipline in Preservation</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Parks, CBOA (can be appointed to HPC &amp; CBOA)</td>
</tr>
<tr>
<td>Board consists of: 1 master plumber, 1 HVAC contractor, 1 General Contractor, 1 Residential Contractor, 1 at large member, 2 from one of the previous listed categories</td>
<td></td>
<td>** Sec. 2.067(b) A person may serve on the construction board of appeals and another city board or commission.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Historic Preservation Commission (need 1)</th>
<th>Historic Preservation Commission (need 1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vacant, Discipline in Preservation</td>
<td>2/28/2021</td>
</tr>
<tr>
<td></td>
<td>Greg Standard (1st)</td>
</tr>
<tr>
<td></td>
<td>Discipline in Preservation</td>
</tr>
<tr>
<td></td>
<td>Parks, CBOA (can be appointed to HPC &amp; CBOA)</td>
</tr>
<tr>
<td>Name</td>
<td>Position</td>
</tr>
<tr>
<td>-------------------------------------------</td>
<td>----------------------------------</td>
</tr>
<tr>
<td>Bob Holder</td>
<td>History of City</td>
</tr>
<tr>
<td>Alexander Arlinghaus</td>
<td>Discipline in Preservation</td>
</tr>
<tr>
<td>Diana Baker</td>
<td>Downtown</td>
</tr>
<tr>
<td>Ryan Perkins</td>
<td>District Prop Owner</td>
</tr>
<tr>
<td>Griffin Spell</td>
<td>History of City</td>
</tr>
<tr>
<td>Thea Dake</td>
<td>District Prop Owner</td>
</tr>
<tr>
<td>Aaron MacEmerich</td>
<td>Private/Charter School</td>
</tr>
<tr>
<td>Aubrey Ashton</td>
<td>Home Schooled</td>
</tr>
<tr>
<td>Fatima Cardenas</td>
<td>Outside City/inside SMCISD Bound</td>
</tr>
<tr>
<td>Dakota Fernandez</td>
<td>At large</td>
</tr>
<tr>
<td>Avery Jones</td>
<td>At large</td>
</tr>
<tr>
<td>Benjamin Murdoch</td>
<td>At large</td>
</tr>
<tr>
<td>Gabe Ortiz</td>
<td>At large</td>
</tr>
<tr>
<td>Tellef Ault</td>
<td>SM Highschool</td>
</tr>
<tr>
<td>Isabella de la Iglesia</td>
<td>SM Highschool</td>
</tr>
</tbody>
</table>

2 - Residents of City or ETJ (or employed in the City or ETJ) with experience in architect/design. 2 - Residents with an interest in the history of the City. 2 - Property Owners from local historic district. 1 - Property owner or business owner within downtown historic district.

San Marcos Youth Commission (Need 6)

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vacant, SM Highschool</td>
<td></td>
</tr>
<tr>
<td>Vacant, SM Highschool</td>
<td></td>
</tr>
<tr>
<td>Vacant, SM Academy</td>
<td></td>
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<tr>
<td>Vacant, Gary Job Corp</td>
<td></td>
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<tr>
<td>Vacant, Phoenix</td>
<td></td>
</tr>
<tr>
<td>Vacant, TX State or Post Secondary</td>
<td></td>
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</table>

San Marcos Youth Commission (need 6 members)

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carlos Mendoza</td>
<td></td>
</tr>
<tr>
<td>Javier Buffin</td>
<td></td>
</tr>
<tr>
<td>Abner Pina</td>
<td></td>
</tr>
<tr>
<td>Emma Dray, TX State Student</td>
<td></td>
</tr>
</tbody>
</table>

2 - Residents of City or ETJ (or employed in the City or ETJ) with experience in architect/design. 2 - Residents with an interest in the history of the City. 2 - Property Owners from local historic district. 1 - Property owner or business owner within downtown historic district.