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## CITY COUNCIL CONSIDERATION ITEM

### CITY OF FAIR OAKS RANCH, TEXAS

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AGENDA TOPIC: Consideration and possible action to approve a resolution authorizing execution of an amendment to the Interlocal Agreement between the City of Fair Oaks Ranch and the Fair Oaks Ranch Municipal Development District, execution of all applicable documents by the City Manager, and providing an effective date

DATE: December 5, 2024

DEPARTMENT: Administration

PRESENTED BY: Laura Koerner, MDD President  
Summer Fleming, CGFO, Director of Finance

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#### **INTRODUCTION/BACKGROUND:**

In 1971, the Texas Legislature passed the Interlocal Cooperation Act [Texas Government Code, Chapter 791] to promote activities among local governments across Texas. Any local government or non-profit providing government services may contract or agree with one or more local governments under the terms of this Act to conduct purchasing and other administrative functions. The following excerpt from the Act states that "the Interlocal Cooperation Act's purpose is to improve the efficiency and effectiveness of local governments by authorizing the fullest possible range of inter-governmental contracting authority at the local level including contracts between all political subdivisions of the state and agencies of the state."

This interlocal agreement was approved by both parties on October 21, 2021, and auto renews each year. Upon review by the Municipal Development District Board of Directors and Fair Oaks Ranch Staff, several changes to the agreement are being proposed.

Proposed amendments include the following:

- **Article 3:** Modify the language from "...the City and MDD mutually agreeing to cost for each service" to "the City and MDD mutually agreeing to an annual cost for said services."
- **Section 3.1.6:** Include "...in coordination with City Secretary staff..." to clarify the process.
- **Addition of Section 3.1.12:** Include "Website Services" as a new service.
- **Exhibit A of the agreement:** Update the fiscal year reference to 2024-2025.

The annual fee for FY 2024-25 is appropriate and was budgeted by each Party accordingly. Staff is not recommending a change to the fee for FY 2024-25.

**POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:**

Streamline administration and procurement process by increasing efficiency when requesting services and/or equipment. The amended agreement accurately reflects services City Staff provides to the MDD in exchange of the agreed upon fee.

**LONGTERM FINANCIAL & BUDGETARY IMPACT:**

Costs for City provided services are determined each year during the budget process and will be determined by calculating an estimate of Staff time providing contracted services, costs for providing supplies and a meeting space, and a pro rata share of all hardware and software costs associated with providing contracted services.

**LEGAL ANALYSIS:**

Approved as to form.

**RECOMMENDATION/PROPOSED MOTION:**

I move to approve a resolution authorizing execution of an amendment to the Interlocal Agreement between the City of Fair Oaks Ranch and the Fair Oaks Ranch Municipal Development District.