



CITY COUNCIL CONSIDERATION ITEM

CITY OF FAIR OAKS RANCH, TEXAS

August 17, 2023

AGENDA TOPIC: Consideration and possible action approving a resolution of the City of Fair Oaks Ranch, Texas affirming the City Council's support of extending, by six months, the remaining 2008 Water Supply Agreements

DATE: August 17, 2023

DEPARTMENT: Public Works

PRESENTED BY: Carole Vanzant, CPM, Asst City Manager, Community Services
Grant Watanabe, Director of Public Works & Engineering

INTRODUCTION/BACKGROUND:

On July 20, 2006, the City of Fair Oaks Ranch, under Ordinance 153 accepted the City of San Antonio's release of 3258 acres of its extraterritorial jurisdiction adjacent to the North, East, and Southwest of Fair Oaks Ranch city limits. Subsequently, all properties are now within the city limits. To ensure water availability to the property owners in this area as they develop, the City entered into Water Supply Agreements with the following six property owners in September 2008.

1. Greenland Ventures (Stone Creek Ranch)
2. Hill Country Church/First Baptist Church
3. Cibolo Creek Community Church
4. Oak Bend Forest, LC (Oak Bend Estates)
5. Ralph Fair, LC (Enclave)
6. Mark Minihan

Each Agreement provision includes:

1. A 15-year term (expire September 2023) with an option to an amicable extension.
2. A land use description of the anticipated future development of the owner's property, including the approximate types and sizes of lots.
3. Obligations of each Party:
 - a. City commits to an agreed amount of reserve water service capacity (LUEs) for each property through the Agreement term.
 - b. Property owners agree to pay the City a one-time Contribution in Aid of Construction charge in two equal installments:
 - i. First installment payable upon execution of the 2008 Agreement.
 - ii. Second installment payable after the City signs a contract to construct an elevated storage tank.
 - c. Property owners pay their respective monthly water reservation and capacity reservation fee through the Agreement term.

Section B of the Agreements allow for an extension by "mutual agreement of the parties". The purpose of this agenda item is to consider approval of a resolution providing for a six-month

extension of the remaining Agreements. The extension will provide the needed time to review the current agreements, negotiate any changes, develop new agreements, allow for legal review, and prepare for City Council approval.

LONGTERM FINANCIAL & BUDGETARY IMPACT:

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

LEGAL ANALYSIS:

Approved as to form.

RECOMMENDATION/PROPOSED MOTION:

I move to approve a resolution providing for a six-month extension of the 2008 Water Supply Agreements.