



The City of Lago Vista

To provide and maintain a healthy, safe, vibrant community, ensuring quality of life.

AGENDA CITY COUNCIL SPECIAL CALLED MEETING THURSDAY, JANUARY 7, 2016

NOTICE IS HEREBY GIVEN that the Lago Vista City Council will hold a Special Called Meeting on Thursday, January 7, 2016, at 6:30 p.m. in the City Council Chambers at City Hall, 5803 Thunderbird, Lago Vista, Texas, as prescribed by V.T.C.A., Government Code Section §551.041, to consider the following agenda items. Items do not have to be taken in the same order as shown in the meeting notice.

CALL TO ORDER, CALL OF ROLL, PLEDGE OF ALLEGIANCE

ACTION ITEMS

1. Consideration of Resolution No. 16-1632; A Resolution by the City Council of the City of Lago Vista, Texas appointing an individual to a regular Member from a current alternate position; reappointment of two individuals to a regular position; appointment of a new member to a new alternate term; and appointment of a new member to an existing alternate term; all of which are on the Airport Advisory Board.
2. Consideration of Resolution No. 16-1633; A Resolution by the City Council of the City of Lago Vista, Texas appointing individuals to new terms as alternate members; all of which are on the Building Committee.
3. Consideration of Resolution No. 16-1634; A Resolution by the City Council of the City of Lago Vista, Texas appointing an individual to a new term as a senior alternate member on the Board of Adjustment.
4. Consideration of Resolution No. 16-1635; A Resolution by the City Council of the City of Lago Vista, Texas approving an agreement for Professional Services Between the City and Grant Development Services concerning submittal of an application for a grant for recreational construction funding from Texas Parks and Wildlife Department's Non-Urban Outdoor Recreation Grant.

WORK SESSION

5. Overview and Discussion of the Tessera Public Improvement District (PID) and Method of Collection of Assessments.
6. Discussion concerning Capital Metro.

7. Presentation and discussion of rebates to LVISD for the facilities constructed as a part of the new high school project.
8. City of Lago Vista's Proposed Monument Project.

EXECUTIVE SESSION

9. Convene into Executive Session pursuant to Sections 551.071 and 551.072, Texas Government Code and Section 1.05 Texas Disciplinary Rules of Professional Conduct regarding:
 - a. Consultation with legal counsel regarding claims or possible claims, issues and possible actions related to repairs or damages at City facilities.
 - b. Consultation with legal counsel regarding real property and possible issues and questions related to acquisition, sale or lease.

ACTION ITEMS (action and/or a vote may be taken on the following agenda items):

10. Reconvene from Executive Session into open session to take action as deemed appropriate in City Council's discretion regarding:
 - a. Consultation with legal counsel regarding claims or possible claims, issues and possible actions related to repairs or damages at City facilities.
 - b. Consultation with legal counsel regarding real property and possible issues and questions related to acquisition, sale or lease.

ADJOURNMENT

IT IS HEREBY CERTIFIED that the above Notice was posted on the Bulletin Board located at all times in City Hall in said City at _____ on the 29th day of December, 2015.

Sandra Barton, City Secretary

THIS MEETING SHALL BE CONDUCTED PURSUANT TO THE TEXAS GOVERNMENT CODE SECTION 551.001 ET SEQ. AT ANY TIME DURING THE MEETING THE COUNCIL RESERVES THE RIGHT TO ADJOURN INTO EXECUTIVE SESSION ON ANY OF THE ABOVE POSTED AGENDA ITEMS IN ACCORDANCE WITH THE SECTIONS 551.071, 551.072, 551.073, 551.074, 551.075 OR 551.076.

THE CITY OF LAGO VISTA IS COMMITTED TO COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT. REASONABLE MODIFICATIONS AND EQUAL ACCESS TO COMMUNICATIONS WILL BE PROVIDED UPON REQUEST.

MEETING DATE: January 7, 2016

AGENDA ITEM: CALL TO ORDER, CALL OF ROLL, PLEDGE OF ALLEGIANCE

Comments:

ADJOURN:

Motion by: _____

Seconded by: _____

Content of Motion: _____

Vote: Raley _____ ; **Shoumaker** _____ ; **Tidwell** _____ ; **R. Smith** _____ ;

Mitchell _____ ; **S. Smith** _____ ; **Cox** _____

Motion Carried: Yes _____ ; **No** _____

MEETING DATE: January 7, 2016

AGENDA ITEM: PUBLIC COMMENTS

Comments:

Motion by: _____

Seconded by: _____

Content of Motion: _____

Vote: Raley _____ ; **Shoumaker** _____ , **Tidwell** _____ ; **R. Smith** _____ ;

Mitchell _____ ; **S. Smith** _____ ; **Cox** _____

Motion Carried: Yes _____ ; **No** _____



AGENDA ITEM

City of Lago Vista

To: **Mayor & City Council** **Council Meeting:** **January 7, 2016**

From: **David Harrell, AICP, Director**

Subject: **CONSIDERATION OF RESOLUTION 16-1632: A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF LAGO VISTA, TEXAS APPOINTING AN INDIVIDUAL TO A REGULAR MEMBER FROM A CURRENT ALTERNATE POSITION; REAPPOINTMENT OF TWO INDIVIDUALS TO A REGULAR POSITION; APPOINTMENT OF A NEW MEMBER TO A NEW ALTERNATE TERM; AND APPOINTMENT OF A NEW MEMBER TO AN EXISTING ALTERNATE TERM; ALL OF WHICH ARE ON THE AIRPORT ADVISORY BOARD.**

Request: **Business Item** **Legal Document:** **Resolution** **Legal Review:**

EXECUTIVE SUMMARY:

There is presently a vacancy on the Airport Advisory Board, with another vacancy to occur on January 1, 2016 due to Jim Orr not seeking reappointment.

There are nine candidates that are seeking these two positions: Brian Carlson, James Awalt, Kurt Tessnow, David Broker, George Eeds, Glenn Chiappe, Claudette Colwell, Trisha Upchurch, and Wallace Andrew Pennington

There are also two members (Linda Warren & Baron Carter) seeking reappointment on the Board. After January 1, 2016 these are considered seperate vacancies as well and the current members could be reappointed or new members chosen from the above paragraph.

Impact if Approved:

Appointments to the Board will close all vacancies on the Board

Impact if Denied:

There will still be vacancies on the Board which may affect meeting quorums.

Is Funding Required? Yes No **If Yes, Is it Budgeted?** Yes No N/A

Indicate Funding Source:

N/A

Suggested Motion/Recommendation/Action

Motion to:

Motion to:

Motion to:

Known As:

Resolution 16-1632: Appointments to the Airport Advisory Board.

Agenda Item Approved by City Manager

From: [Linda Warren](#)
To: [David Harrell](#)
Subject: RE: Reappointment to Airport Advisory Board
Date: Monday, October 19, 2015 11:59:08 AM

I'm good with serving on the Airport Advisory Board another term
Linda Bush Warren

From: David Harrell [mailto:DHarrell@lago-vista.org]
Sent: Thursday, October 15, 2015 5:24 PM
To: Baron Carter; Kris Dehnel (kpdehnel@hotmail.com); Linda Bush
Subject: Reappointment to Airport Advisory Board
Importance: High

To Whom It May Concern:

Your term will expire on December 31st. If you don't want to be reappointed please respond back to this e-mail and let me know. If you desire to be reappointed please let me know on this e-mail chain. I will schedule these items for the November Council Meeting and will let you know on your reappointment. Thanks in advance.

David Harrell, AICP
Development Services Director
City of Lago Vista
5803 Thunderbird St.
Lago Vista, TX 78645-5864
Direct: (512) 527-3540

From: [Baron Carter](#)
To: [David Harrell](#)
Subject: RE: Reappointment to Airport Advisory Board
Date: Thursday, October 15, 2015 8:47:50 PM

David,

I so wish.

Thanks

Baron

From: David Harrell [mailto:DHarrell@lago-vista.org]
Sent: Thursday, October 15, 2015 17:24
To: Baron Carter <bcarter@austin.rr.com>; Kris Dehnel (kpdehnel@hotmail.com) <kpdehnel@hotmail.com>; Linda Bush <linda@warrenair.com>
Subject: Reappointment to Airport Advisory Board
Importance: High

To Whom It May Concern:

Your term will expire on December 31st. If you don't want to be reappointed please respond back to this e-mail and let me know. If you desire to be reappointed please let me know on this e-mail chain. I will schedule these items for the November Council Meeting and will let you know on your reappointment. Thanks in advance.

David Harrell, AICP
Development Services Director
City of Lago Vista
5803 Thunderbird St.
Lago Vista, TX 78645-5864
Direct: (512) 527-3540

**CITY OF LAGO VISTA
APPLICATION FOR BOARDS, COMMISSIONS, AND COMMITTEES**

Brian Carlson	206 Flightline RD	Lago Vista, TX, 78645
Name	Address	City, State, Zip
n/a	512-415-2542	512-322-6816
Home phone: Brian.Carlson@AustinEnergy.com	Cell phone:	Business phone:
Email address:		

Education*
Broad educational background BS in Information Technology. Many hours of training and certifications.

Employment*
Currently working for Austin Energy.

Areas of Interest*
Aviation and Planning.

Experiences, characteristics, or other factors that would contribute to your ability to serve on the Board, Commission, or Committee.*
Current serving on a change management board for Austin Energy.

Have served as chairman and member of a Technology Security Council for the utility.

Position(s) desired (Please indicate your choice in order of preference by placing a 1, 2, 3... in the blank beside the position you're interested in.)

- | | |
|---|---|
| <input type="checkbox"/> Board of Adjustment

<input type="checkbox"/> Planning & Zoning Commission/
Impact Fee Committee

<input type="checkbox"/> Roads & Grounds Committee

<input type="checkbox"/> Building Committee | <input checked="" type="checkbox"/> Airport Advisory Board

<input type="checkbox"/> Library Advisory Board

<input type="checkbox"/> Parks and Recreation Advisory Committee

<input type="checkbox"/> Keep Lago Vista Beautiful Board |
|---|---|

*You may attach additional sheets if necessary.

**CITY OF LAGO VISTA
APPLICATION FOR BOARDS, COMMISSIONS, AND COMMITTEES**

JAMES AWAIT 1909 Hohmanford Lago Vista, 78645

Name 512-267-4646 Address 512-466-4739 City, State, Zip

Home phone: Awatts99@hotmail.com Cell phone: Business phone:
Email address:

Education* MBA

Employment* Own several manufacturing companies, Real Estate management, Real Estate development, consultant with Coatings business

Areas of Interest* Aviation, Boating, Skiing, mentoring young business professionals.

Experiences, characteristics, or other factors that would contribute to your ability to serve on the Board, Commission, or Committee.*
Own 3 aircraft + proficient in all. Second generation Aviator (Father B-24 pilot WWII)
Own several lots @ Rusty Allen Airport.
Past President POA Board
Member AOPA
Member FAA
Member of Igl Ancients and Secret Order of Quiet Birdmen

Position(s) desired (Please indicate your choice in order of preference by placing a 1, 2, 3... in the blank beside the position you're interested in.)

- | | |
|--|--|
| <input type="checkbox"/> Board of Adjustments | <input checked="" type="checkbox"/> Airport Advisory Board |
| <input type="checkbox"/> Planning & Zoning Commission/
Impact Fee Committee | <input type="checkbox"/> Library Advisory Board |
| <input type="checkbox"/> Roads & Grounds Committee | <input type="checkbox"/> Parks and Recreation Advisory Committee |
| <input type="checkbox"/> Building Committee | <input type="checkbox"/> Golf Course Advisory Committee |
| <input type="checkbox"/> Keep Lago Vista Beautiful Board | <input type="checkbox"/> Charter Review Committee |

*You may attach additional sheets if necessary.

KURT E. TESSNOW, P.H.D.

November 27, 2015

Mr. David Harrell, Development Services
City of Lago Vista
5803 Thunderbird St.
Lago Vista, TX 78645

Dear Mr. Harrell:

I am submitting my application for a position on a city board. My wife and I have owned property in Lago Vista since 1970. We bought our present home here in 1994. Until we moved here permanently upon my retirement at the end of 1999, we were weekend visitors. I believe that it is time that I give back to the community we have enjoyed for so many years.

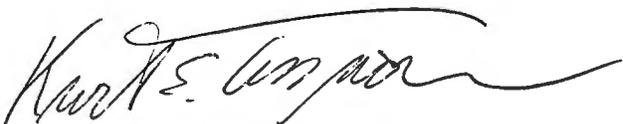
My primary activity throughout my professional career has been aviation related. That is the reason that I made the Airport Board my first choice. You do not currently list an opening on this board, but I do not know if my friend Jim Orr wants to continue to serve.

My second choice is the Building Committee. As a Professional Engineer, specializing in aircraft structures, I have frequently, if informally, consulted on structural building issues. Therefore I think that I am qualified to judge safety issues and construction standards.

Similarly, my engineering background and lengthy residence in Lago Vista enable me to fairly arbitrate code and zoning issues that might come before the Board of Adjustments.

I hereby am offering my services to the City of Lago Vista. I believe there are enough members of the City Council and the various boards and committees that know me that it would be superfluous to add any letters of recommendation.

Sincerely yours,


Kurt E. Tessnow, PhD, PE

**CITY OF LAGO VISTA
APPLICATION FOR BOARDS, COMMISSIONS, AND COMMITTEES**

Kurt E. Tessnow,	21604 Mt. Laurel Drive	Lago Vista, TX, 78645-6573
Name	Address	City, State, Zip
(512) 267-2148	(512) 517-9675	
Home phone:	Cell phone:	Business phone:
ktessnow@austin.rr.com		
Email address:		

Education*

	Garden City (KS) Jr. College + Univ. of Wichita: Aeronautical Engrg. (1959)
	Univ. of Dallas: MBA - Engineering Management (1983)
	SMU + Kennedy Western U.: Ph.D. (General Engineering)

Employment*

	1962 - 1969 Learjet Industries, Wichita, KS: Supervisor of Airframe Design
	1969 - 1970 Swearingen Aircraft, San Antonio, Chief-Airframe Design (SA-28T)
	1970 - 1973 Marvel Mfg. Co., San Antonio, Vice President - Engineering
	1973 - 2000 Bell Helicopter Textron, Hurst, Chief - Airframe & Landing Gear Design

Areas of Interest*

	Project Management, Aviation Related Activities,
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Experiences, characteristics, or other factors that would contribute to your ability to serve on the Board, Commission, or Committee.*

Extensive leadership, supervisory, and management experience, working in small, medium, and large industrial organizations. Led company and government funded research projects, presenting proposals, progress reports and final reports to sr. management and at NAVAIR Structures in Washington, DC, and the U.S. Army's Advanced Aviation Technical Directorate (AATD) in Ft. Eustis, VA.

After retirement, became involved in the LVPOA, serving six years on the board of directors, including two years as president. I am a member of the Lago Vista Lions Club, where I have served as Treasurer, Vice President and President. I currently again serve as a Vice President. On the Lions district level, I have served

Position(s) desired (Please indicate your choice in order of preference by placing a 1, 2, 3... in the blank beside the position you're interested in.)

- | | |
|--|---|
| <u> 3 </u> Board of Adjustments | <u> 1 </u> Airport Advisory Board |
| <u> 4 </u> Planning & Zoning Commission/
Impact Fee Committee | <u> </u> Library Advisory Board |
| <u> </u> Roads & Grounds Committee | <u> </u> Parks and Recreation Advisory Committee |
| <u> 2 </u> Building Committee | <u> </u> Golf Course Advisory Committee |
| <u> </u> Keep Lago Vista Beautiful Board | <u> </u> Charter Review Committee |

*You may attach additional sheets if necessary.

Addendum to City of Lago Application for Boards, Commissions, and Committees

Kurt E. Tessnow

Experiences, Characteristics, etc. (Continued)

as Zone Chair Person, in various Committee Chairmanships, and as Second and First Vice District Governor. I also served on the board of directors of the Lone Star Lions Eye Bank. At the present time, I serve as the district's Diabetes Awareness Chairperson.

I am a Life Member and a 20/20 Visionary Club Member of the Lone Star Lions Eye Bank, which also awarded me a Celeste and Harrison Shepherd Fellowship. I am also a Life Member and Century Club Member of the Texas Lions Camp. Lions Clubs International has presented me with the Melvin Jones Fellowship, the highest award given to Lions upon the recommendation of their local club.

I have served as treasurer and vestry member of St. Peter's Episcopal Church in Lago Vista, and of several other churches before moving here.

I am an active member of the Hill Country Singers and the Lakeside Singers, a local men's barbershop chorus.

I am a Registered Professional Engineer (Aeronautical)(Inactive) in the State of Texas.

1988-1989 I served on the NATO Subcommittee on Helicopter Inoperability, coordinating with representatives of helicopter manufacturers throughout North America and Western Europe, and reporting to NATO headquarters in Brussels, Belgium.

Throughout my life and career, I have striven to thoroughly and honestly execute all tasks I have undertaken and to display a high level of work ethic. I believe these qualities can be a valuable asset to the City of Lago Vista.

**CITY OF LAGO VISTA
APPLICATION FOR BOARDS, COMMISSIONS, AND COMMITTEES**

GEORGE R. EEDS, 21,557 LAKEFRONT, LAGO VISTA, TX 78645
 Name Address City, State, Zip

512 267 1159 512 426 0883 512 346 2076
 Home phone: Cell phone: Business phone:

GEEDS2@AUSTIN.RR.COM
 Email address:

Education* B. S. CIVIL ENGINEERING, TEXAS A&M
B. S. ARCHITECTURE, TEXAS A&M

Employment* AUSTIN / HOUSTON, LLC

Areas of Interest* AVIATION, (AIRCRAFT OWNER, COMMERCIAL PILOT)
CYCLING, WATER SPORTS

Experiences, characteristics, or other factors that would contribute to your ability to serve on the Board, Commission, or Committee.*

PRIOR BOARD CHAIRMAN, AIRPORT ADVISORY BOARD, 2 YRS.
" " " , AIRPORT PROPERTY OWNERS ASSOC., 6 YRS.
" " " LVISD, TEN YEARS
BOARD MEMBER, LVPOA, ONE YEAR
" " , CITY BUILDING COMMITTEE, ONE YEAR
PRIOR CHAIRMAN, CITY CHARTER COMMITTEE, (1999), ONE YEAR

Position(s) desired (Please indicate your choice in order of preference by placing a 1, 2, 3... in the blank beside the position you're interested in.)

- | | |
|--|--|
| <input type="checkbox"/> Board of Adjustments | <input checked="" type="checkbox"/> Airport Advisory Board |
| <input type="checkbox"/> Planning & Zoning Commission/
Impact Fee Committee | <input type="checkbox"/> Library Advisory Board |
| <input type="checkbox"/> Roads & Grounds Committee | <input type="checkbox"/> Parks and Recreation Advisory Committee |
| <input type="checkbox"/> Building Committee | <input type="checkbox"/> Golf Course Advisory Committee |
| <input type="checkbox"/> Keep Lago Vista Beautiful Board | <input type="checkbox"/> Charter Review Committee |



*You may attach additional sheets if necessary.

CITY OF LAGO VISTA
APPLICATION FOR BOARDS, COMMISSIONS, AND COMMITTEES

GLENN CHIAPPE 330 FLIGHTLINE RD LAGO VISTA 78645

Name: 512 263 3868 Address: (512) 970-7950 (prefer cell) City, State, Zip

Home phone: glenn@planeplace.com Cell phone: Business phone:

Email address:

Education* B.S. Electrical Engineering, U.T. 1988

Employment* Semicom Sales, Inc. owner/partner

Areas of Interest* Aviation

Experiences, characteristics, or other factors that would contribute to your ability to serve on the Board, Commission, or Committee.*

Much Board experience and Airport experience

1999-2014 Board member/Director

SPICEWOOD Pilots Association, SPICEWOOD Airport

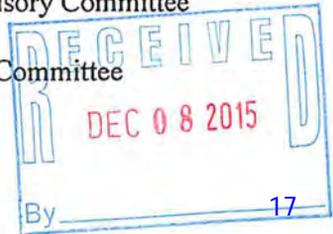
SPICEWOOD TX

1999-2001 Texas Aviation Association Board Member

Position(s) desired (Please indicate your choice in order of preference by placing a 1, 2, 3... in the blank beside the position you're interested in.)

- Board of Adjustments
- Airport Advisory Board
- Planning & Zoning Commission/ Impact Fee Committee
- Library Advisory Board
- Roads & Grounds Committee
- Parks and Recreation Advisory Committee
- Building Committee
- Golf Course Advisory Committee
- Keep Lago Vista Beautiful Board
- Charter Review Committee

*You may attach additional sheets if necessary.



**CITY OF LAGO VISTA
APPLICATION FOR BOARDS, COMMISSIONS, AND COMMITTEES**

Claudette Colwell 326 Flightline Rd. Lago Vista, TX. 78613 [#]

Name Address City, State, Zip

(916) 712-1094 same _____

Home phone: Cell phone: Business phone:

colwell.ch@gmail.com

Email address:

Education* College

Employment* Retired

Areas of Interest* Flying, singing w/ Hill Country Singers, hiking
singing ladies ensemble - Grace Fellowship

Experiences, characteristics, or other factors that would contribute to your ability to serve on the Board, Commission, or Committee.* Experimental Aircraft Assoc.

Past-President EAA Chapter 512 in Placerville, Ca.

EAA Chapter Advisory Council - 7 Yrs.

Chaired Placerville Advisory Committee to Board of Supervisors
for 6 Yrs.

Aircraft owner & pilot since 1983

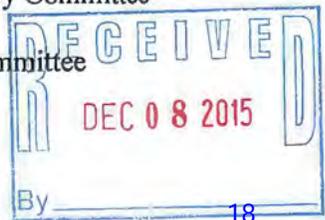
Served on Rusty Allen Airport Property Owners' Assoc - 2 terms -
Board

Position(s) desired (Please indicate your choice in order of preference by placing a 1, 2, 3... in the blank beside the position you're interested in.)

- | | |
|--|--|
| <input type="checkbox"/> Board of Adjustments | <input checked="" type="checkbox"/> Airport Advisory Board |
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*You may attach additional sheets if necessary.

Mailing Address: 202 Walton Way
Suite 192, #236
Cedar Park, TX. 78613



**CITY OF LAGO VISTA
APPLICATION FOR BOARDS, COMMISSIONS, AND COMMITTEES**

Wallace Andrew Pennington 3306, Parliament Cove, Lago Vista TX
 Name Address City, State, Zip 78645
 512-814-9354

Home phone: Cell phone: Business phone:
 Wapenn@sbcglobal.net
 Email address:

Education* BBA Computing (Baylor) '84, Master of International Mngt's (Baylor)
 Master of Science 2000 (Colorado Tech), Air Command & Staff
 College 2006 (USAF), Air War College (2011),

Employment* Colonel - USAFR - JMA to the Director, Air
 & Cyberspace Operations (PACAF), Cyber / UAS Consultant
 (personal business)

Areas of Interest* Flying, Strategic Planning, Real Estate
 development & entrepreneurship

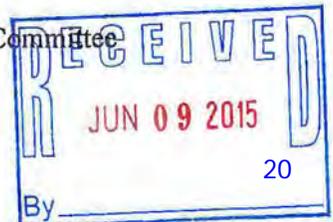
Experiences, characteristics, or other factors that would contribute to your ability to serve on the Board, Commission, or Committee.*

- Acting Director, Pacific Air Forces Air & Cyber operations during Nepal earthquake relief, 28+ years USAF experience
- Designer / Program Manager - US Marine Corps UAS Training for Tier 1 systems
- F-111 WSO/EWO (Navigator). Private pilot - SEL
- Career training / strat planning senior executive at multiple firms

Position(s) desired (Please indicate your choice in order of preference by placing a 1, 2, 3... in the blank beside the position you're interested in.)

- | | |
|--|--|
| <input type="checkbox"/> Board of Adjustments | <input checked="" type="checkbox"/> Airport Advisory Board |
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| <input type="checkbox"/> Building Committee | <input type="checkbox"/> Golf Course Advisory Committee |
| <input type="checkbox"/> Keep Lago Vista Beautiful Board | <input checked="" type="checkbox"/> Charter Review Committee |

*You may attach additional sheets if necessary.



W. ANDREW PENNINGTON (Colonel, USAFR)

3306 Parliament Cove
Lago Vista, TX 78645

512-217-1291

Andy.Pennington@Gartner.com
wapenn@sbcglobal.net

Clearance: Top Secret SCI/TK (April 2015 SBI)

CI Polygraph (April 2013)

EXECUTIVE SUMMARY

Senior executive with an extensive background in information technology project management, education, and unmanned aircraft systems. This includes a broad range of proven skills that include the ability to:

- Provide strategic leadership and planning, develop customer trust, and consistently attain exceptional results for clients and employers.
- Orchestrate activities of multi-disciplinary teams that support policy development and review, resource planning/management, enterprise services, global communications, information assurance (IA), and full spectrum network operations.
- Utilize proven management, problem-solving, and negotiating skills to bridge views/resolve issues.
- Function as Project or Program Manager in national-level programs for education, training and information technologies.
- Develop and deliver complex technical training/policy that links multiple disciplines.

CAREER ACCOMPLISHMENTS

INDUSTRY AND ACADEMIA

1999-present

Executive Partner, Gartner Inc. (Sep 2015—present)

Serves as trusted advisor to CIOs from Global 1000 organizations and government agencies.

- Engaged members to identify key initiatives that are critical to achieving their enterprise goals.
- Partnered with the member to (all based on the application of Information technology): define and develop information technology activities, coach and/or critique strategies; help develop and/or transform their organizations; assist/advise with the development and execution of vision & strategy; aggregate and deliver Gartner research insights on key initiatives, priorities, and implementations; and in general, become a consigliere for the CIO.
- Deliver Leadership Development to the member's appointed delegate.

Assistant Program Chair, Information Security & Assurance – Embry-Riddle Aeronautical University

Assess the current Information Assurance (IA) body of knowledge and technical environment to create graduate student curricula and laboratories

- Designed and developed a graduate cyber forensics course two months after hire

Vice President, Cybersecurity and Intelligence - K2Share LLC

Assess Information Assurance (IA), Intelligence and UAS training markets to determine corporate opportunities and direct allocation of resources to acquire new business/satisfy current customers

- Developed and delivered IA Compliance (C&A) training to federal/DoD IT System Accreditors.
- Capture, Program and Product Manager for USMC Small UAS Training Support Package (TSP): delivered web-based, video & instructor-led flight training for 4 Aerovironment tactical drones.
- *2012 Most Valuable Player Award (Employee of the Year) - garnered 23% of firm revenue.*

Vice President of Operations - Advanced Communications Concepts Inc.

Led Program Management, Business Development, Capture Management & Proposal Development for entrepreneurial firm that developed the 1st-ever use of encryption, ad hoc networks, and imagery processing inside Small UAS (Aerovironment Raven and MITEX Buster).

- Established engineering subsidiary acquired by McLane Advanced Technologies.
- *Acquired \$9M funding and directed 4 USAF, Joint Service and Army Research field tests.*

W. ANDREW PENNINGTON (Colonel, USAFR)

Director of IT Business Development - McLane Advanced Technologies

Led IT and IA Training BD for billionaire Drayton McLane (Houston Astros, Wal-Mart grocery).

- Led acquisition of FPGA-based, Red/Black single-chip encryptor Line of Business.
- *Selected to serve as VP of Operations for the TUC strategic partnership after acquisition.*

Director, Center for Cyber Security Policy, and Assistant Professor - Our Lady of the Lake University

- Directed planning, budgeting and operations for an NSA/DHS-designated Center of Academic Excellence Course Leader for Master of Science in Information Assurance per DoDI 8570.01M criteria.
- *Built Center in one year and recognized as an NSA/DHS Center of Academic Excellence.*

Assistant Professor, PC Support & Information Security - Northwest Vista College

Department Chair for Business and Information Systems, managing 70+ faculty and 10 IT labs.

- Established and taught courses in IT Fundamentals, Networking, IA, Ethics, Marketing, Business Fundamentals, and International Business.
- *Developed 2 AAS curriculums per Texas Higher Education Board coordination in only 1 year.*

Director, Program Management Office, USAA E-Commerce and Financial Services Center

Built a new PMO that provided oversight of E-Commerce projects in a Fortune 100 company.

- Directed Program Management activities including Program Control, Scheduling, and Administration for 140 information technology projects with a total budget exceeding \$430M.
- *Promoted from Business Technology Analyst to Business Project Manager to Business Program Manager and then Director, Program Management Office in less than two years.*

UNITED STATES AIR FORCE

Reserve Duty: 1999-present

IMA (Individual Mobilization Augmentee) to the Director, Air and Cyberspace Operations, (PACAF A3/A6)

Reserve alternate to the Pacific Air Forces Director of Air and Cyberspace Operations.

- Developed new A3/6 strategic planning initiative within 3 weeks of assignment.
- *Selected to serve as Reserve alternate to 2 Brigadier Generals and 1 Colonel who direct all air, cyber and space forces aligned under the Pacific area of operations.*

IMA to the Deputy Commander, Air Force Cyber Command (AFCYBER)

Reserve alternate to the AFCYBER/CD to organize, train, equip and present cyber forces & capabilities to US Cyber Command and Combatant Commanders.

- AFCYBER Commander's liaison to the National Security Agency and US Cyber Command (USCC)
- Represented AFCYBER to 4-star USCC/NSA leader, HQ USAF, SECDEF and congressional staff
- *Recalled to active duty for 3 months as the sole USAF representative to US Cyber Command's Snowden Insider Threat Task Force.*

IMA to the Commander - 688th Information Operations Wing

Served as the Senior IMA and (CR) Reserve Coordinator for a 10-unit wing with 1,600+ ANG/ARC members.

- *Championed, planned and led the transfer and standardization of CR functions from an ad hoc, part-time IMA position to a normalized, full-time office under Wing Planning Office in 3 months.*

IMA to the Commander - 26th Network Operations Group

Augmented the commander for USAF's sole network defense group, and served as Senior Duty Officer (SDO) at AFCYBER's (Provisional) USAF Network Operations Security Center.

- One of 4 officers that stood-up the USAF's first-ever Network Defense group.
- Member of AFSPC/A6's "100-day War Room" planning team for the AFCYBER standup.
- Member of the first cohort of 12 members (plank-holders) that stood-up the 24th Air Force.
- *As Cyber Operations Center Senior Duty Officer, commanded a Cyber combat operations crew for three consecutive 24-hour periods to thwart the largest zero-day cyber-attack on the U.S. to that date.*

W. ANDREW PENNINGTON (Colonel, USAFR)

IMA to the Inspector General - 67th Information Operations Wing

Handpicked by the Wing/CC to augment a junior (GS 11) Wing Inspector General (IG) as the senior military IG member – specializing in matters pertaining to the UCMJ and military discipline.

- *Directed the active duty force's wing-wide preparations for a Unit Compliance Inspection, yielding a 96% compliance score that was Air Combat Command's highest score to date.*

Training OIC (Officer-in-Charge) - 433rd Logistics Support Squadron

Led and managed 12 logistics NCOs in planning, coordinating, and conducting Logistics Group training for over 1300 members in 4 squadron's, to ensure mission-ready status for 16 C-5As.

- *Selected as squadron OIC for 6 months while awaiting new commander.*

UNITED STATES AIR FORCE

Active Duty: 1987-1999

Chief, Logistics Inspections - Air Intelligence Agency Inspector General

Led office that audited contingency planning, maintenance training, supply, transportation, materiel control, and computer/telecomm maintenance and operations management for the Air Intelligence Agency (now AFISRA) and affiliated CIA and NSA offices worldwide.

- Evaluated logistics management practices, policy, planning, and organizational structuring. Provided analyses directly to the Agency's most senior leaders, and the Director, NSA.
- *"1997 Inspector General Company Grade Officer of the Year".*

Chief, Special Projects Office - Analysis and Engineering - USAF Space Warfare Center

Program Manager for deep-space asteroid interceptor: \$250M Clementine II project.

- Provided program-level oversight to project managers at NASA, the Jet Propulsion Laboratory, the Naval Research Laboratory, and the Phillips Laboratory.
- *Handpicked to advocate budget and program objectives to White House/Congressional staff.*

Director, Configuration Control Board - Jack Swigert Space Operations Center

Evaluated, coordinated, and approved activities of installations, modifications, and test activities for the \$400M Air Force Satellite Control Network (AFSCN).

- Deconflicted activities with spacecraft operations control centers and facility maintainers.
- *Coordinated 13 projects with total costs exceeding \$68M -- saving \$2M on network support.*

Commander, Communications Maintenance Flight - 50th Space Communications Squadron

Supervised 50 technicians and 3 crews maintaining AFSCN systems and a local area network.

- Systems enabled command and control of most Air Force satellites and many NASA vehicles, including the Space Shuttle and Global Positioning System.
- *"Best Small Maintenance Activity in the Department of Defense, 1996".*

EF-111 Electronic Warfare / Weapons Systems Officer - 391st Tactical Fighter Squadron

Navigator upgrading from F-111A to EF-111 tactical airborne jammer and SIGINT collector.

- Medically disqualified from flying for recurrent kidney stones.
- *"Squadron planning officer for Operation Just Cause – Panama".*

COLLEGE EDUCATION

- 1984 - BBA, Computer Info Systems & Quantitative Business Analysis - Baylor University
- 1985 - Master of International Management, International Business - Baylor University
- 2000 - MS of Management - (in lieu of DBA-all but dissertation) - Colorado Tech U.

W. ANDREW PENNINGTON (Colonel, USAFR)

PROFESSIONAL MILITARY EDUCATION

2011 - Air War College (Distance Learning)

2007 - Scope Eagle (Senior Communications Officer Course)

2006 - Air Command and Staff College (Distance Learning)

1996 - Advanced Computer Officer Training – Intermediate computer/communications studies.

1991 - Squadron Officer School – in-residence at Air University

1991 - Basic Computer Officer Training - Computer programming and communications principles.

1990 - Lead-in Fighter Training and F-111 Training

1989 - Undergraduate Navigator Training (Basic, Electronic Warfare / Weapon Systems Officer)

CITY OF LAGO VISTA, TEXAS

RESOLUTION 16-1632

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF LAGO VISTA, TEXAS APPOINTING AN INDIVIDUAL TO A REGULAR MEMBER FROM A CURRENT ALTERNATE POSITION; REAPPOINTMENT OF TWO INDIVIDUALS TO A REGULAR POSITION; APPOINTMENT OF A NEW MEMBER TO A NEW ALTERNATE TERM; AND APPOINTMENT OF A NEW MEMBER TO AN EXISTING ALTERNATE TERM; ALL OF WHICH ARE ON THE AIRPORT ADVISORY BOARD.

WHEREAS, the Council wishes to reappoint two individuals to the Airport Advisory Board (Baron Carter and Kris Dehnel) as a regular member for another term beginning on January 1, 2016 and ending on January 1, 2018, and

WHEREAS, the Council wishes to appoint to the Airport Advisory Board an individual (Linda Bush) to a regular member from a current alternate position which expires on January 1, 2016, with new regular term beginning on January 1, 2016 and ending on January 1, 2018, and

WHEREAS, the Council wishes to appoint to the Airport Advisory Board an individual (Kurt Tessnow) to an alternate member for a term beginning on January 1, 2016 and ending on January 1, 2018, and

WHEREAS, the Council wishes to appoint to the Airport Advisory Board an individual (Brian Carlson) to an alternate member for a partial term beginning January 1, 2016 and ending on January 1, 2017, and

WHEREAS, it is prudent to reappoint people with experience on the Airport Advisory Board and appoint people with aviation experience to the Airport Advisory Board, and

WHEREAS, the current Members Baron Carter and Linda Bush and applicants Brian Carlson and Kurt Tessnow have expressed interest in being either reappointed or appointed to the Airport Advisory Board.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LAGO VISTA, TEXAS:

THAT, the City Council of the City of Lago Vista, Texas, does hereby reappoint to the Airport Advisory Board Members Baron Carter, Kris Dehnel to new terms as regular members with term expiring on January 1, 2018; appoint Linda Bush to a term as a regular member with term expiring on January 1, 2018; appoint Kurt Tessnow as an alternate member with a term expiring on January 1, 2018; and appoint Brian Carlson as an alternate member with a partial term expiring on January 1, 2017.

AND, IT IS SO RESOLVED.

PASSED AND APPROVED this 7th day of January, 2016.

Dale Mitchell, Mayor

Attest:

Sandra Barton, City Secretary

On a motion by Council Member _____, seconded by Council Member _____, the above and foregoing instrument was passed and approved.



AGENDA ITEM

City of Lago Vista

To: **Mayor & City Council** **Council Meeting:** **January 7, 2015**

From: **David Harrell, AICP, Director**

Subject: **CONSIDERATION OF RESOLUTION 16-1633: A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF LAGO VISTA, TEXAS APPOINTING INDIVIDUALS TO NEW TERMS AS ALTERNATE MEMBERS; ALL OF WHICH ARE ON THE BUILDING COMMITTEE.**

Request: **Business Item** **Legal Document:** **Resolution** **Legal Review:**

EXECUTIVE SUMMARY:

There are presently two alternate member vacancies on the Board. An alternate member has all the powers associated with the regular member, except voting. They may only be allowed to vote at times when a quorum is needed for an item, as prescribed by City Code.

There are three people seeking these two positions. They are Jacob Lantz, Jim Cason, and Stormy Johnson. Upon review of the applications staff believes Mr. Lantz and Mr. Cason offer the best qualifications to be on the Committee due to their experiences and education.

Impact if Approved:

Appointments will close all vacancies on the Committee.

Impact if Denied:

There will still be two (2) vacancies on the Committee.

Is Funding Required? Yes No **If Yes, Is it Budgeted?** Yes No N/A

Indicate Funding Source:

N/A

Suggested Motion/Recommendation/Action

Motion to:

Motion to:

Motion to:

Known As:

Resolution 16-1633: Appointment to the Building Committee.

Agenda Item Approved by City Manager

**CITY OF LAGO VISTA
APPLICATION FOR BOARDS, COMMISSIONS, AND COMMITTEES**

JIM CASON 20735 HENRY AVE., LAGO VISTA, TX 78645
Name Address City, State, Zip

281-303-5331 713-724-7595 _____
Home phone: Cell phone: Business phone:

XONTEC@AOL.COM
Email address:

Education* COMPLETED 3 YRS. AT TEXAS A&I UNIVERSITY
(NOW TEXAS A&M KINGSVILLE) MAJORING IN GENERAL ENGINEERING
(NO DEGREE)

Employment* 4 YRS. US AIR FORCE, 41 YEARS w/ EXXON MOBIL
CORP. RETIRED 2014

Areas of Interest* _____

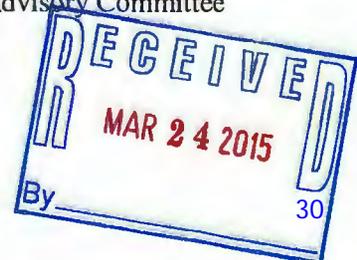
Experiences, characteristics, or other factors that would contribute to your ability to serve on the Board, Commission, or Committee.*

EXTENSIVE EXPERIENCE^{IN} DESIGN, INSTALLATION & MAINTENANCE OF OIL/GAS FACILITIES & SYSTEMS APPLICABLE TO WATER & SEWER SYSTEMS. HAVE BEEN RESPONSIBLE FOR PROJECT/BUDGET DEVELOPMENT, CONTRACTOR SELECTION, SUPERVISION, & BUDGET OVERSIGHT FOR A NUMBER OF PROJECTS. EXPERIENCED WITH STATE & FEDERAL REGULATIONS, ESPECIALLY ENVIRONMENTAL, SAFETY, PIPELINE, & HAZMAT. EXPERIENCE WITH COMMERCIAL REAL ESTATE & PRODUCTION FACILITY PURCHASE & SALE PROCEDURES & CONTRACTS. EXPERIENCED COST CUTTER/TEAM PLAYER/CONSENSUS BUILDER.

Position(s) desired (Please indicate your choice in order of preference by placing a 1, 2, 3... in the blank beside the position you're interested in.)

- | | |
|--|--|
| _____ Board of Adjustments | _____ Airport Advisory Board |
| <u>3</u> Planning & Zoning Commission/
Impact Fee Committee | _____ Library Advisory Board |
| <u>4</u> Roads & Grounds Committee | <u>5</u> Parks and Recreation Advisory Committee |
| <u>2</u> Building Committee | <u>1</u> Golf Course Advisory Committee |
| _____ Keep Lago Vista Beautiful Board | |

*You may attach additional sheets if necessary.



**CITY OF LAGO VISTA
APPLICATION FOR BOARDS, COMMISSIONS, AND COMMITTEES**

STORMY JOHNSON 3104 CONSTITUTION DR. LAGO VISTA, TX 78645

Name Address City, State, Zip

512 712-4972 512 413-3614 512 298-6100

Home phone: Cell phone: Business phone:

STORMY@STORMYJINSURANCE.COM

Email address:

Education* BS ECONOMICS 1989 UT AUSTIN

Employment* PRESIDENT OF STORMY JOHNSON INSURANCE & FINANCIAL SINCE 1996

Areas of Interest* ALL SPORTS, OUTDOORS, FOOTBALL OFFICIATING, YOUTH MINISTRY

Experiences, characteristics, or other factors that would contribute to your ability to serve on the Board, Commission, or Committee.*

TRAINER/MEMBER OF AUSTIN TACO FOOTBALL OFFICIAL ASSOC
MEMBER OF BALCONES COUNTRY CLUB
GOLF PLAYER & MEMBER OF LAGO VISTA GOLF & COUNTRY CLUB
ABILITY TO OPERATE A PROFITABLE BUSINESS
WORKING WITH OTHERS IN A TEAM
FORMAT FOR A COMMON GOAL.
LEADERSHIP SKILLS

Position(s) desired (Please indicate your choice in order of preference by placing a 1, 2, 3... in the blank beside the position you're interested in.)

- | | |
|--|--|
| <u> </u> Board of Adjustments | <u> </u> Airport Advisory Board |
| <u>2</u> Planning & Zoning Commission/
Impact Fee Committee | <u> </u> Library Advisory Board |
| <u> </u> Roads & Grounds Committee | <u>4</u> Parks and Recreation Advisory Committee |
| <u>3</u> Building Committee | <u>1</u> Golf Course Advisory Committee |
| <u> </u> Keep Lago Vista Beautiful Board | |

*You may attach additional sheets if necessary.



CITY OF LAGO VISTA, TEXAS

RESOLUTION 16-1633

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF LAGO VISTA, TEXAS APPOINTING INDIVIDUALS TO NEW TERMS AS ALTERNATE MEMBERS; ALL OF WHICH ARE ON THE BUILDING COMMITTEE.

WHEREAS, the Council wishes to appoint to the Building Committee an individual (Jacob Lantz) as an alternate member to a regular term beginning on January 1, 2016 and ending on January 1, 2018, and

WHEREAS, the Council wishes to appoint to the Building Committee an individual (Jim Cason) as an alternate member to a partial term beginning on January 1, 2016 and ending on January 1, 2017, and

WHEREAS, it is prudent to appoint people with certain experiences and education to the Building Committee.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LAGO VISTA, TEXAS:

THAT, the City Council of the City of Lago Vista, Texas, does hereby appoint to the Building Committee Jacob Lantz as an alternate member to a regular term beginning on January 1, 2016 and ending on January 1, 2018; and does hereby appoint to the Building Committee Jim Cason as an alternate member to a partial term beginning on January 1, 2016 and ending on January 1, 2017; and

AND, IT IS SO RESOLVED.

PASSED AND APPROVED this 7th day of January, 2016.

Dale Mitchell, Mayor

Attest:

Sandra Barton, City Secretary

On a motion by Council Member _____, seconded by Council Member _____, the above and foregoing instrument was passed and approved



AGENDA ITEM

City of Lago Vista

To: **Council Meeting:**

From:

Subject:

Request: **Legal Document:** **Legal Review:**

EXECUTIVE SUMMARY:

There are presently two vacancies on the Board and consists of the senior alternate and junior alternate positions. An alternate member has all the powers associated with the regular member, except voting. They may only be allowed to vote at times when a quorum is needed for an item, as prescribed by City Code.

There is a new person seeking appointment (John Schroeder) to one of these vacant positions. It is recommended that Council appoint this person to the senior alternate position versus the junior alternate position.

Impact if Approved:

Appointment will close a vacancy on the Board, leaving one (1) vacancy.

Impact if Denied:

There will still be two (2) vacancies on the Board.

Is Funding Required? Yes No **If Yes, Is it Budgeted?** Yes No N/A

Indicate Funding Source:

N/A

Suggested Motion/Recommendation/Action

Motion to:

Approve Resolution

Motion to:

Deny Resolution

Motion to:

Table Resolution

Known As:

Resolution 16-1634: Appointment to the Board of Adjustment.

Agenda Item Approved by City Manager

CITY OF LAGO VISTA, TEXAS

RESOLUTION 16-1634

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF LAGO VISTA, TEXAS APPOINTING AN INDIVIDUAL TO A NEW TERM AS A SENIOR ALTERNATE MEMBER ON THE BOARD OF ADJUSTMENT.

WHEREAS, the Council should appoint to the Board of Adjustment an individual (John Schroeder) as a senior alternate member with regular term beginning on January 1, 2016 and ending on January 1, 2018, and

WHEREAS, it is prudent to appoint people with certain experiences to the Board of Adjustment.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LAGO VISTA, TEXAS:

THAT, the City Council of the City of Lago Vista, Texas, does hereby appoint to the Board of Adjustment John Schroeder to a new term as a senior alternate member with term beginning on January 1, 2016 and expiring on January 1, 2018.

AND, IT IS SO RESOLVED.

PASSED AND APPROVED this 7th day of January, 2016.

Dale Mitchell, Mayor

Attest:

Sandra Barton, City Secretary

On a motion by Council Member _____, seconded by Council Member _____, the above and foregoing instrument was passed and approved



AGENDA ITEM

City of Lago Vista

To: **Mayor & City Council** Council Meeting: **January 7, 2015**

From: **Melissa Byrne-Vossmer, City Manager**

Subject: **Consideration of Resolution No. 16-1635; A Resolution by the City Council of the City of Lago Vista, Texas approving an agreement for Professional Services Between the City and Grant Development Services concerning submittal of an application for a grant for recreational construction funding from Texas Parks and Wildlife Department's Non-Urban Outdoor Recreation Grant.**

Request: **Business Item** **Legal Document:** **Contract** **Legal Review:**

EXECUTIVE SUMMARY:

This is a professional contract for services in order to allow Grant Development Services to file an application, provide optional administration, and provide additional basic contract standards to the City. This contract will allow the Consultant to provide the following services:

- 1) Conduct review of any and all previously submitted documents, Master Plans and applications submitted to the Funding Agency.**
- 2) Assist City Master Planners in establishing recreational priorities for the Parks Recreation and Open Spaces document. (They will assist Freese & Nichols when construction the Parks and Recreation Element of the new Comprehensive Plan).**
- 3) Develop a Waiver of Retro-activity for the property proposed as the park site and submit to TPWD to secure the eligibility of the land proposed recreational development to be used as all or part of the City's matching funds requirement.**
- 4) Participate in the development of usage-based standards of the National Recreation and Park Association.**
- 5) Develop project road-map and time-line.**
- 6) Coordinate with City designated engineer to develop cost estimates and materials descriptions required for submission.**
- 7) Secure historical and demographic data needed to support the application.**

- 8) Coordinate all public notification activities**
- 9) Conduct all public hearings and meetings as required**
- 10) Respond to any questions raised during public meetings or hearings**
- 11) Revise, prepare and submit application for funding assistance.**
- 12) Prepare responses to any requests for additional information.**

The City has used this Consultant when it filed for the Safe Routes To Schools grant earlier this year.

Impact if Approved:

The City will sign the contract and any applications concerning grants can be finished and filed with the appropriate entity.

Impact if Denied:

The City will NOT sign the contract and any applications concerning grants can be finished and submitted to the agency.

Is Funding Required? Yes No If Yes, Is it Budgeted? Yes No N/A

Indicate Funding Source:

Funding in the amount of \$5,000 will come from pulling together funding necessary from General Fund budgets since this item is not budgeted for the fiscal year. Also, a commission of 5% will be due on any total grant funds secured by the Consultant.

Suggested Motion/Recommendation/Action

Motion to:

Motion to:

Motion to:

Known As:

The contract with Grant Development Services for recreational construction funding.

Agenda Item Approved by City Manager

CITY OF LAGO VISTA, TEXAS

RESOLUTION 16-1635

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF LAGO VISTA, TEXAS APPROVING AN AGREEMENT FOR PROFESSIONAL SERVICES BETWEEN THE CITY AND GRANT DEVELOPMENT SERVICES CONCERNING SUBMITTAL OF AN APPLICATION FOR A GRANT FOR RECREATIONAL CONSTRUCTION FUNDING FROM TEXAS PARKS AND WILDLIFE DEPARTMENTS NON-URBAN OUTDOOR RECREATION GRANT.

WHEREAS, the City is currently updating its Comprehensive Master Plan concerning the Parks & Recreation element and other related elements, and

WHEREAS, the City wishes to establish recreational priorities that correspond with the updating of this Parks & Recreation element within the revised Comprehensive Master Plan, and

WHEREAS, it is in the interest of the City to potentially expand and update current park facilities in order to benefit the community as a whole, and

WHEREAS, it is also in the interest of the City to reduce the burden of any expansion and updates on the local taxpayers by seeking potential grants from other governmental entities.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LAGO VISTA, TEXAS:

THAT, the City Council of the City of Lago Vista, Texas does hereby approve the initiation of a contract between the City and Grant Development Services in order to submit an application for a grant for recreational construction funding from the State.

AND, IT IS SO RESOLVED.

PASSED AND APPROVED this 7th day of January, 2016.

Dale Mitchell, Mayor

Attest:

Sandra Barton, City Secretary

On a motion by Council Member _____, seconded by Council Member _____, the above and foregoing instrument was passed and approved.

- Coordinate all public notification activities
- Conduct all public hearings and meetings as required
- Respond to any questions raised during public meetings or hearings
- Revise, prepare and submit application for funding assistance
- Prepare responses to any requests for additional information.

4. CITY RESPONSIBILITIES

To facilitate the commitments made by GDS, the City agrees to perform the following:

- A. The City designates David Harrell, Development Services Director or Melissa Byrne-Vossmer, City Manager as the City's coordinator with responsibility for all communication with, TPWD, GDS, and project engineer
- B. The City shall agree to supply GDS with copies of all communication or correspondence received regarding its TPWD application;
- C. The City shall provide GDS with a letter authorizing GDS as its representative, to interact with TPWD on the behalf of the City;
- D. The City will assist GDS in securing from the City all documentation and support letters required for the preparation of the application;
- E. The City will obtain from a registered engineer or architect the required cost estimates, maps, illustrations and technical specifications of facilities to be included in the grant application;
- F. The City will publish public notices as required by the funding agencies. GDS shall verify that all such notices meet both State and Federal requirements for the TPWD program.

5. COMPENSATION:

A. **GRANT APPLICATION** GDS shall be compensated by the City for professional services rendered under this Agreement for application design and submission services as described in Section 3 above at a total cost of **\$5,000** (Five Thousand Dollars). This fee shall be payable as follows:

- **\$2,000** (Two Thousand Dollars) shall be billable by GDS upon City Council acceptance of this Letter of Agreement by the City.
- **\$1,000** (One Thousand Dollars) shall be billable by GDS upon approval of a Waiver of Retroactivity for the property proposed as the park site to TPWD to secure the eligibility of the land proposed recreational development to be used as all or part of the City's matching funds requirement.
- **\$1,000** (One Thousand Dollars) shall be billable upon determination of the preliminary project elements list and proposed budget.
- **\$1,000** (One Thousand Dollars) shall be billable upon proof of delivery of the completed grant application to the Funding Agency.

B. **HARD COST RECOVERY**: In addition to the payment of fees for professional services, the City will reimburse GDS for the hard costs incurred in connection with the preparation of the application and presentation materials including but not limited to GDS out-of-pocket expenses, including mileage, photocopies, mail and delivery charges, illustrations, maps and photographs. This fee will not exceed a **total of \$2,500** (Two Thousand Five Hundred Dollars) without the advance written approval of the City and will be billed throughout the project.

C. **GRANT COMMISSION:** If the Application **does not receive approval** of the Funding Agency, the City shall have no further financial obligations to GDS.

If the application **does receive approval** from the Funding Agency, City agrees to pay GDS to a Professional Services commission equal to **5% (Five Percent) of the grant funds secured**. The commission shall be considered billable on or after the date the City receives a Notification of Funding from the Funding Agency and shall be paid from local funds.

D. **GRANT ADMINISTRATION (OPTIONAL):** GDS will offer to perform all administrative services required to implement the TPWD Grant for a fee equal to **6.50% (Six and one half per cent)** of the total amount of grant funds awarded. The City is under no obligation to accept the offer of administrative services. If the City chooses to engage GDS to perform administrative services, the City shall pay the administrative fee from local funds.

E. **INVOICES:** GDS shall invoice the City not more than monthly for the fees due to GDS hereunder as described above in Section 5, A thru D. The City shall pay to GDS all undisputed invoiced amounts within thirty (30) days of receipt of each invoice. City shall abide by the Texas Prompt Payment Act, Ch. 2251 Tex. Government Code in connection with payment for the professional services rendered under this Agreement.

6. **AMENDMENTS TO LETTER OF AGREEMENT:** The sum total of the sections set forth in this Agreement constitutes a legally binding contract between the City and GDS. This Agreement may be amended only in writing and shall require the consent of both parties.

7. **GDS RESPONSIBILITIES:** In addition to the obligations outlined in Sections 2. "Time of Performance" and Section 3. "Scope of Services," GDS agrees to comply with all requirements of any and all applicable laws, rules, and regulations, Federal, State, and Local. GDS shall assume full responsibility for payments of Federal, State and Local taxes on contributions imposed or required under the Social Security, Worker's Compensation, and Income Tax Statutes for compensation received for services rendered under this Agreement. GDS recognizes that the City is employing GDS for its expertise in writing grants, and optionally for administering grants. In fulfilling its obligations under this Agreement, GDS shall exercise the skill and care appropriate to a firm that has professional grant writing and administration expertise.

8. **TERMINATION OF AGREEMENT:**

A. The City may terminate this Agreement if, through any cause, GDS shall fail to fulfill its obligations under this Agreement in a timely and proper manner, or if GDS shall violate any of the covenants, agreements, or stipulations of this Agreement. To effectuate the City's termination rights, City shall give written notice to GDS of such termination by certified mail, return receipt requested at the mailing address listed below in Paragraph 11 of Attachment A, such notice specifying the effective date thereof, at least fifteen days before the effective date of such termination. During such notice period, GDS shall have the opportunity to cure any allegations of breach as reflected in the City's notice letter.

B. If after the cure period cited above, the Agreement is terminated for cause by the City, no consideration is due GDS except reimbursement for actual out-of-pocket expenses incurred by GDS in connection with providing the professional services contemplated by this

Agreement.

C. In the event this Agreement is terminated by the City for reasons other than good cause prior to the grant project's completion, GDS shall be entitled to receive just and equitable compensation for any work completed hereunder. All completed work will be billed at an hourly rate of Seventy Five Dollars (\$75.00) per hour, but not more than One Thousand Three Hundred Dollars (\$ 1,300.00) hard costs as described in Article 5.B but credited against any sums paid pursuant to Section 5 A-D.

D. Upon termination of this Agreement, GDS and the City shall utilize good faith efforts to wind up their affairs and obligations arising under this Agreement in a businesslike and reasonable manner, and in a manner that fully protects the rights of the parties.

9. ADDITIONAL TERMS AND CONDITIONS: The Parties agree to honor and abide by the additional terms and conditions which are appended hereto as "Attachment A" and which are incorporated herein by reference.

EXECUTED in duplicate originals this _____ day of _____ 2016.

ATTEST:

Dale Mitchell, Mayor
For the City of Lago Vista

Sandra Barton, City Secretary
For the City of Lago Vista

J Gandolf Burrus, President
For Grant Development Services, Inc.

ATTACHMENT A -Additional Terms and Conditions

1. **CHANGES TO PROFESSIONAL SERVICES.** The City may, from time to time, request changes in the scope of the services of GDS to be performed hereunder. Such changes, including any increase or decrease in the amount of GDS' compensation, which are mutually agreed upon by and between the City and GDS, shall be incorporated in written amendments to this Agreement.

2. **PERSONNEL.**
 - A. GDS represents that it has, or will secure at his own expense, all personnel required in performing the services under this Agreement. Neither GDS nor such personnel shall be employees of the City. Such personnel shall have no contractual relationship with the City.

 - B. All of the services required hereunder will be performed by GDS or under its supervision and all personnel engaged in the work shall be fully qualified and shall be authorized or permitted under Federal, State and Local law to perform such services.

 - C. None of the work or services covered by this Agreement shall be subcontracted without the prior written approval of the City. Any work or services subcontracts hereunder shall be specified by written agreement and shall be subject to each provision of this Agreement.

3. **ASSIGNABILITY.** GDS shall not assign any interest on this Agreement, and shall not transfer any interest in the same (whether by assignment or novation), without the prior written consent of the City thereto: provided, however, that claims for money by GDS from the City under this Agreement may be assigned to a bank, trust company, or other financial institution without such approval. Written notice of any such assignment or transfer shall be furnished promptly by GDS to the City.

4. **REPORTS AND INFORMATION.** GDS, at such times and in such forms as the Funding Agency may require, shall furnish the City such periodic reports as it may request pertaining to the work or services undertaken pursuant to this Agreement, the costs and obligations incurred or to be incurred in connection therewith, and any other matters covered by this Agreement.

5. **RECORDS AND AUDITS.** GDS will keep and maintain accurate books and records of the dates and time periods for which it has furnished Professional Services pursuant to this Agreement and shall allow the City to review and inspect such information upon request during the term of this Agreement for purposes of assuring compliance with the terms of this Agreement and State and Federal laws, rules and regulations. GDS and the City shall ensure that reasonable steps are undertaken to ensure confidentiality in the sharing of such records and information, to the extent applicable.

6. **FINDINGS CONFIDENTIAL.** All of the reports, information, data, etc., prepared or assembled by GDS under this Agreement are confidential and GDS agrees that they shall not be made available to any individual or organization without the prior written approval of the City.

7. **COPYRIGHT.** No report, maps, or other documents produced in whole or in part under this Agreement shall be the subject of an application for copyright by or on behalf of GDS.

8. COMPLIANCE WITH APPLICABLE LAWS. GDS shall comply with all applicable laws; ordinances and codes of the Federal, State and local governments, and GDS shall save and hold the City harmless with respect to any damages arising from any tort done in performing any of the work embraced by this Agreement.

9. EQUAL EMPLOYMENT OPPORTUNITY. During the performance of this Agreement, GDS agrees as follows:

A. GDS will not discriminate against any employee or applicant for employment because of race, creed, sex, color, handicap or national origin. GDS will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, sex, color, handicap or national origin. Such action shall include, but not be limited to, the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. GDS agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this non-discrimination clause.

B. GDS will, in all solicitation or advertisements for employees placed by or on behalf of GDS, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, sex, handicap or national original, political or religious opinions or affiliations, or sexual orientation.

C. GDS will cause the foregoing provisions to be inserted in all subcontracts for any work covered by this Agreement so that such provisions will be binding upon each subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

D. GDS will include the provisions A. through C. in every subcontract or purchase order unless exempted.

10. NO DISCRIMINATION. GDS and the City agree in the performance of this Agreement there will be no discrimination against any person or persons on account of race, color, sex, sexual orientation, religion, age, disability, national origin, or veteran status and both parties agree to comply with all applicable requirements of the Civil Rights Act of 1964, as amended, Executive Order 11246, the Vietnam Era Veteran's Readjustment Act of 1974, the Rehabilitation Act of 1973, as amended, the Age Discrimination Act of 1974, the Americans with Disabilities Act of 1974, the Americans with Disabilities Act of 1990, and all federal rules and regulations, state laws and executive orders as applicable.

11. ADDRESS OF PARTIES FOR NOTICES:

To City:
City of Lago Vista, Texas
Attn: Dale Mitchell, Mayor
Post Office Box 4727
Lago Vista, TX 78645

To GDS:
Grant Development Services
Attn: J. Gandolf Burrus, President
Grant Development Services.
Post Office Box 33043
Austin, Texas 78764

Or to such other address as may from time to time be specified in a notice given to the other party at the address provided in this Section.

- 12. JURISDICTION.** This Agreement shall be construed under and in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Travis County, Texas. Venue for any legal proceedings to enforce or interpret this Agreement shall be in a court of appropriate jurisdiction in Travis County, Texas.
- 13. ENFORCEMENT COSTS.** If any party hereto institutes an action or proceeding to enforce any rights arising under this Agreement, the party prevailing in such action or proceeding will be paid all reasonable attorneys' fees and costs to enforce such rights by the other party, such fees and costs to be set by the court, not by a jury, and to be included in the judgment entered in such proceeding.
- 14. NO OTHER AGREEMENTS.** This Agreement supersedes any and all other agreements, either oral or in writing, between the parties hereto with respect to the subject matter hereof, and no other agreement, statement, or promise relating herein shall be valid or binding. Neither this Agreement nor any duties or obligations hereunder shall be assignable by either party without the prior written consent of the other.
- 15. AMENDMENTS TO THIS AGREEMENT.** This Agreement, including the Attachments thereto constitutes a legally binding contract between the City and GDS. This Agreement may be amended only in writing and shall require the mutual consent of both parties.
- 16. COUNTERPARTS.** This Agreement may be signed in counterparts, each of which shall be deemed to be an original for all purposes.
- 17. SEVERABILITY.** If any provision of this Agreement is held by a court of law to be illegal, invalid or unenforceable, (i) that provision will be deemed amended to achieve as nearly as possible the same economic effect as the original provision, and (ii) the legality, validity and enforceability of the remaining provisions of this Agreement will not be affected or impaired thereby.



AGENDA ITEM

City of Lago Vista

To: **Council Meeting:**

From:

Subject:

Request: **Legal Document:** **Legal Review:**

EXECUTIVE SUMMARY:

Development, Planning and Financing Group, otherwise referred to as DPF, was hired to act as the City's Administrator for the Tessera Public Improvement District or PID. The creation of the PID was finalized in 2012 with the sale of the bonds necessary for the construction of the infrastructure in support of Tessera. The PID was created by the City of Lago Vista in accordance with Texas law with the help of DPF.

The purpose of this item on the Council agenda is to provide the newer Councilmembers with an overview of what a PID is, what the Tessera PID looks like and to begin to discuss the method of collection of the PID assessments paid by the property owners within the PID boundaries.

Attached is a power point from DPF. Duke Kerrigan with the Tessera PID will also be in attendance to talk about the "boots on the ground", how the development is progressing and plans as the PID moves forward.

Impact if Approved:

N/A

Impact if Denied:

N/A

Is Funding Required? Yes No **If Yes, Is it Budgeted?** Yes No N/A

Indicate Funding Source:

Suggested Motion/Recommendation/Action

Motion to:

Approve Item

Motion to:

Motion to:

Known As:

Discussion of the Tessera PID and PID Assessment Collections

Agenda Item Approved by City Manager

Public Improvement Districts (PIDs): An Introduction

About Us



- Financing public improvements
- Reducing public infrastructure costs
- Mitigating Risk
- Enhancing project profitability
- Quantifying fiscal and economic impact
- Related entities: Urban Design, Construction Management, Business Advisory, Capital Placement
- 24 Year Track Record
 - Established 2,200 special taxing districts
 - Facilitated \$15 billion in bond financing
 - Completed over 100 redevelopment projects
 - Performed over 600 project feasibility analysis
- National footprint:
 - 60 employees
 - 12 Offices
 - 9 States (AZ, CA, CO, FL, ID, NC, NV, SC, TX)

Discussion Agenda

- State of the financing landscape:
 - Public sector
 - Private sector
- Partnership mechanism: Public Improvement Districts
- Comparison with other tools
- Questions to Consider

Public Perspective for Infrastructure Financing

- Increasing population places **greater demand** on existing infrastructure
- Current **condition** of public infrastructure below desired levels
- Public resources to replace, renovate or construct new public facilities face **funding constraints** (local, state, federal)
- Emphasis on **“resilient development”** – appropriate density, environmental stewardship and public amenities
- **Up-tic** in backfilling, renovating and constructing new private real estate – both **residential and commercial** (sales tax and property tax revenues)

Report Card for Texas Infrastructure		
Category	2008	2012
Roads	D	D
Bridges	B-	B-
Transit	C	C+
Aviation	C+	C+
Schools	D-	D-
Drinking Water	D	D-
Wastewater	C-	C-
Dams	D-	D-
Solid Waste	B-	B+
Navigable Waterways	D	C
Flood Control	D-	D
Energy	B+	B+
GPA	C-	C

Source: ASCE, Texas Chapter (2012)

Grading Elements: capacity, condition, funding, future need operation/maintenance, public safety and resilience

Private Perspective of Financing Infrastructure

Hardest to fund with OPM

Upfront critical path

Revenue deferred

- **Debt (most risk averse):**

- Lenders mitigate risk by requiring more equity, personal guarantees, signed contracts or leases
- Banks face regulatory constraints on the amount of development financing

- **Equity (most expensive):**

- Greater equity requirements than pre-recession (30-40%)
- Return is only from that development although public infrastructure wider benefit
- Market prices sets the limit on tax/fees in the district that can recover capital costs

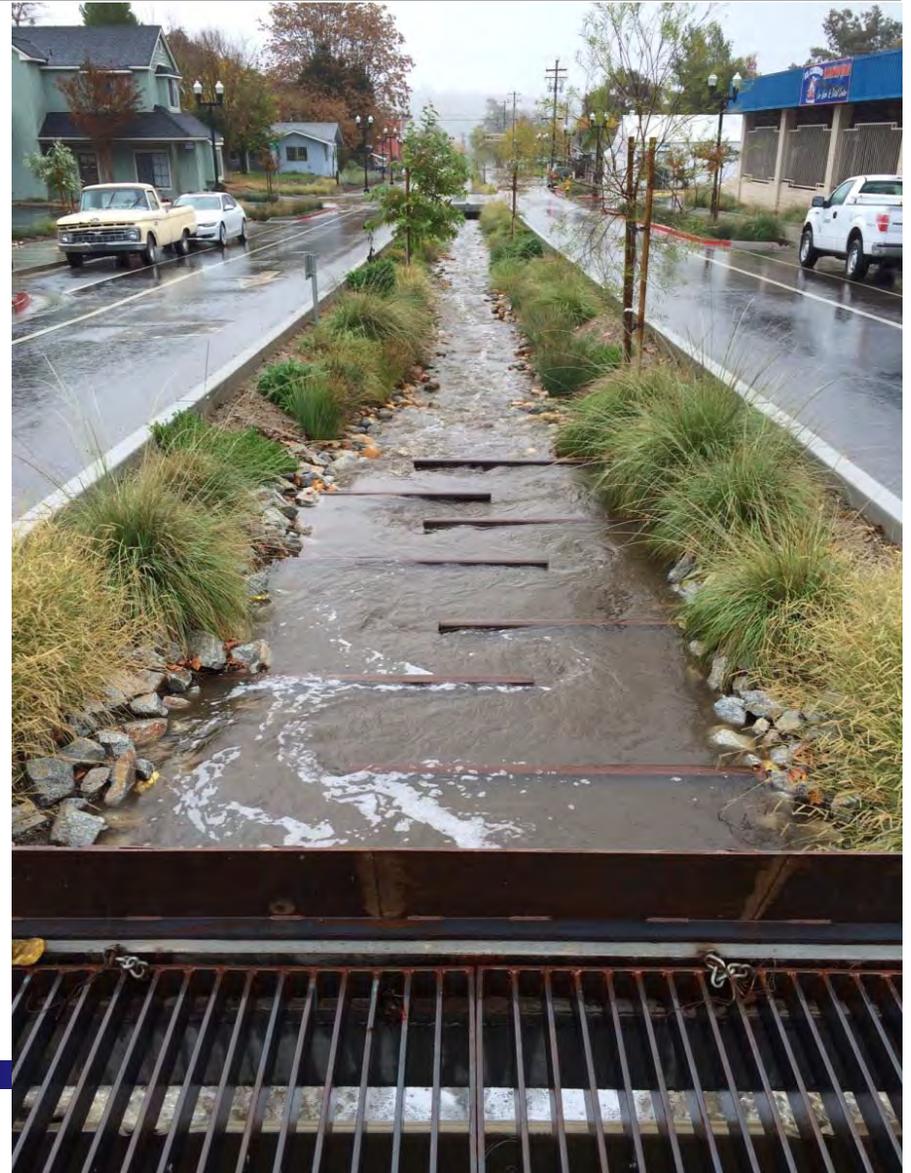
OPM = other people's money

PID Basics

- **Economic development tool** created by State of Texas to finance the construction of **public improvements**
- **Facilitates attracting private investment to finance public improvements** by replacing funding traditionally provided by counties and cities at **no cost or risk to the jurisdiction**
- Provides for **ultimate control by jurisdiction**
- All costs are responsibility of District, not other residents of jurisdiction
- PIDs are not separate political subdivisions
- All funds held by Trustee selected by jurisdiction

Eligible Public Infrastructure

- Streets and sidewalks;
- Public safety and security services;
- Water, wastewater, health and sanitation, and drainage facilities
- Acquisition of rights of way;
- Art;
- Creation of pedestrian malls;
- Erection of fountains;
- Landscaping and other aesthetics;
- Library facilities;
- Mass transit;
- Park, recreation and cultural facilities;
- Parking facilities; and,
- Acquisition, renovation and/or construction of affordable housing.



Structure: Two Options

Bond

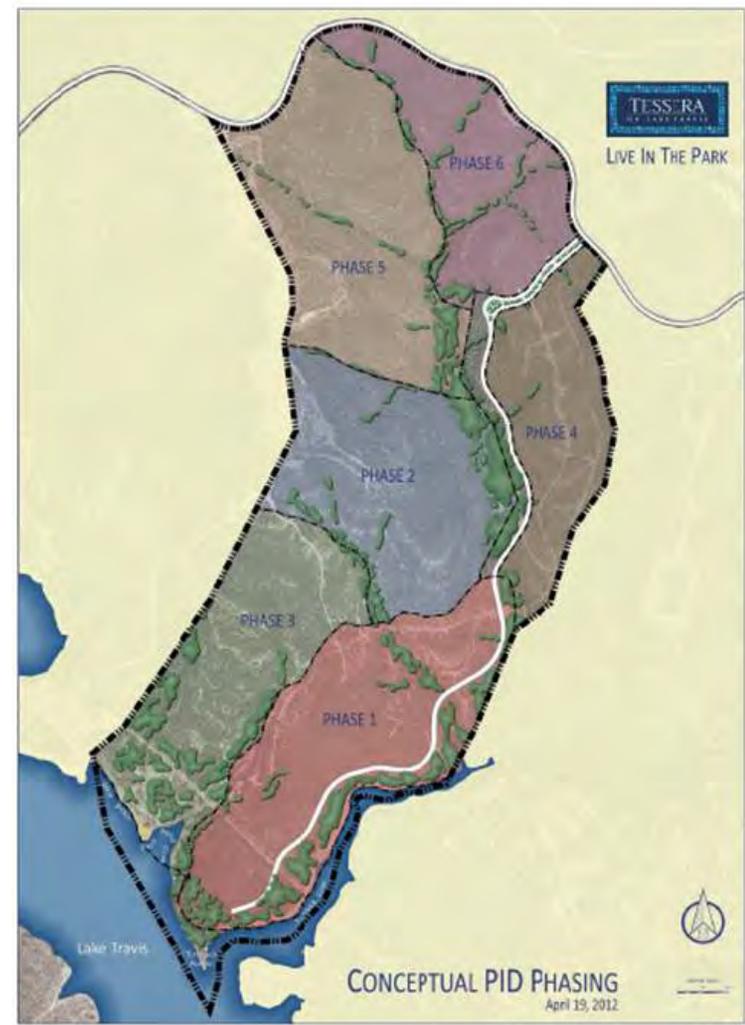
- **Construction Bonds** – Up front proceeds secured by a lien on the benefitted land as is but entitled and improved with proposed public improvements
- **Reimbursement Bonds** – Secured by lien on the improved project at the time of bond issuance
- **Combination Construction/Reimbursement** – Typical of multi-phase development

Pay-as-you-go (Maintenance & Operation)

- Assessment based on share of front foot, value or other
- Primarily for maintenance and beautification
- PID enters into contracts to carry out the work

Construction Bond PID

- Development program crafted in terms of land uses and required public infrastructure
- PID district boundaries drawn to encompass the development program and needed infrastructure improvements
- City or County establishes the PID
- Property owners of the land in the district benefitted by public infrastructure assessed a special assessment
- Property owners pay annual installment that cover the debt service on the bonds
- Bond proceeds pay for public infrastructure improvements



Construction Bond PID: How Much?

- **Land** as collateral (assessment lien)
- **Land appraised** value as vacant entitled
- **Expensive:** Minimum \$3 million gross
- **Value-to-Lien** at least 3:1
- Conservatively **underwritten**
 - What is the track record of the developer?
 - What is the market demand for the land uses called for in the development program?
 - Can the market support the presence of special assessments in addition to property tax burden?
 - Does the deal make sense?

Example:

PID Bond Sizing Example	
Line Item	Amount
Property Value at Bond Issuance	
300 Unfinished SF lots under contract @ \$50,000/lot	\$ 15,000,000
136 Unfinished SF lots @ \$30,000/lot	\$ 4,080,000
5 Unfinished Commercial acres @ \$250,000/acre	\$ 1,000,000
Appraised Value Before Bonds Issued	\$ 20,080,000
Projected Value-to-Lien (VTL) Ratio	3.01
Projected PID Gross Bond Amount/Assessment	\$ 6,675,000

Benefits to the Developer

- Funding “up front” when needed
- Lowers total cost of capital
- Broader range of qualified costs
- Long-term fixed rate financing
- No TCEQ regulatory oversight
- Non-recourse debt structure
- Relatively less expensive administrative burden
- No public bidding required



Benefits to the Homeowner

- Cost certainty through fixed nature of assessments
- Finite life of obligations due to fixed term of PID
- Ultimate flexibility as assessment can be prepaid at any time
- Increased home values do not increase assessment costs
- No impact on “my home” by actions of others
- Enhanced amenities for a higher quality community



Benefits to the Jurisdiction



- Development “pays for itself”
- Accelerates the timing of development
- Ability to reimburse cost of administration
- No cost to the jurisdiction
- Jurisdiction controls the structure/ timing of bonds
- No delegation of authority to an external board
- Retains 100% of sales and property tax revenue
- No impact on city or county’s bonding capacity

Mitigation of Risk

- Non-recourse to the Developer and City/County
- Conservatively underwritten (minimum 3:1 value to lien)
- Assessment lien (superior to mortgage) on the land
- No pledge needed for City/County to credit enhance bonds
- No reduction in City/County bonding capacity
- Only benefitted property owners pay assessment
- Magnitude of assessment fairly constant for property owner
- Assessment does not increase as value increases
- Assessment can be prepaid without penalty at any time

Mitigation of Risk: Non-Recourse

Offering Statement (*bolding added*):

THE BONDS ARE SPECIAL OBLIGATIONS OF THE CITY **PAYABLE SOLELY FROM PLEDGED REVENUES** AND ANY OTHER FUNDS HELD UNDER THE INDENTURE, AS AND TO THE EXTENT PROVIDED IN THE INDENTURE. **THE BONDS DO NOT GIVE RISE TO A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWERS OF THE CITY** AND ARE NOT PAYABLE EXCEPT AS PROVIDED IN THE INDENTURE. **THE OWNERS OF THE BONDS SHALL NEVER HAVE THE RIGHT TO DEMAND PAYMENT THEREOF OUT OF ANY FUNDS OF THE CITY OTHER THAN THE PLEDGED REVENUES AND ANY OTHER FUNDS HELD UNDER THE INDENTURE, AS AND TO THE EXTENT PROVIDED IN THE INDENTURE. THE CITY SHALL HAVE NO LEGAL OR MORAL OBLIGATION TO PAY THE BONDS OUT OF ANY FUNDS OF THE CITY OTHER THAN THE PLEDGED REVENUES.**

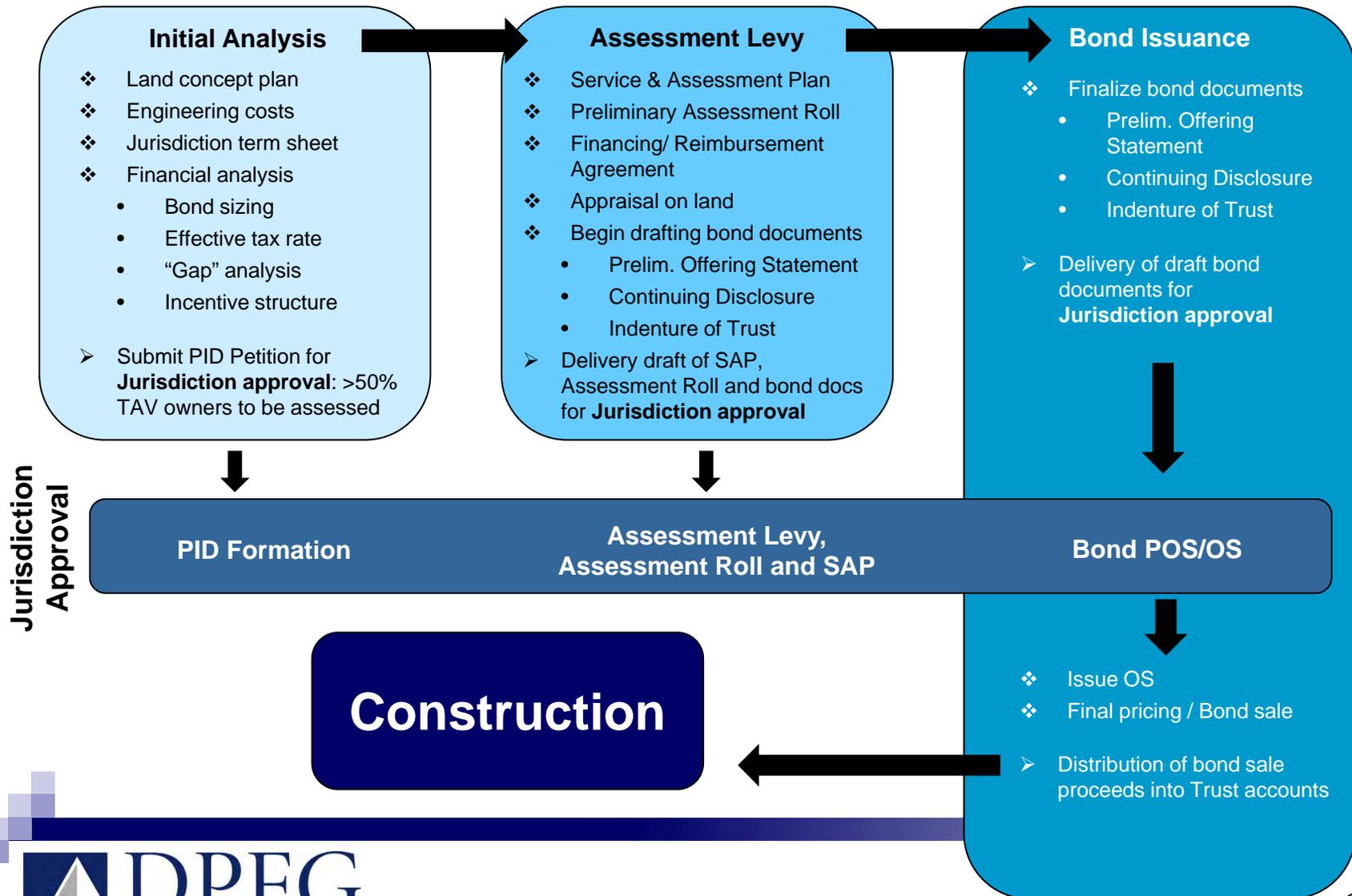
The Bond Indenture :

No provision of this Indenture, the Bonds, the Assessment Ordinance, or any agreement, document, instrument, or certificate executed delivered or approved in connection with the issuance, sale, delivery, or administration of the Bonds, **shall require the City to expend or risk its own general funds or otherwise incur any financial liability** (other than with respect to the Pledged Revenues) in the performance of any of its obligations hereunder, or in the exercise of any of its rights or powers, if in the judgment of the City there are reasonable grounds for believing that the repayment of such funds or liability is not reasonably assured to it.

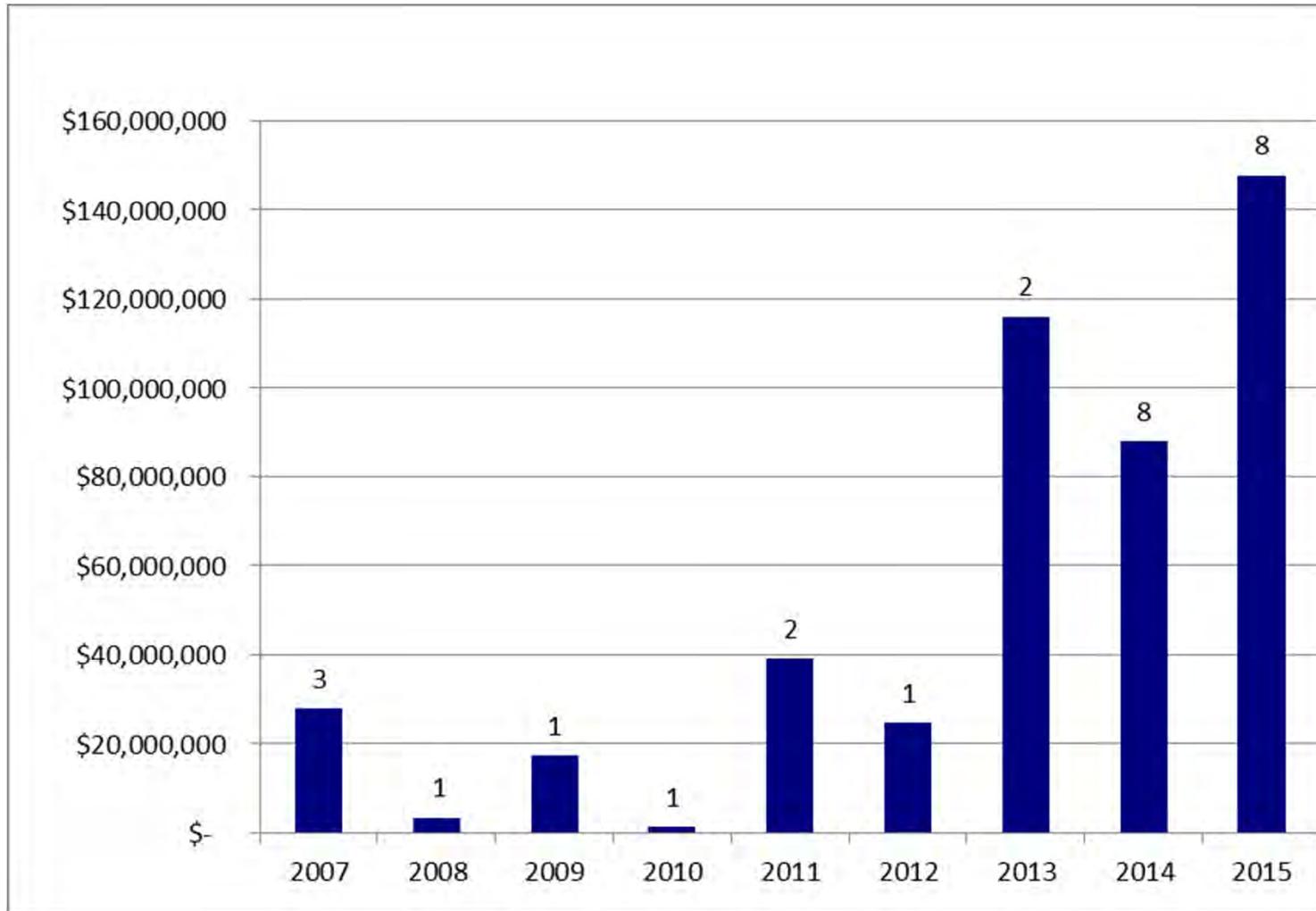
Equitable Allocation of Costs/Benefits

- The development area requiring the infrastructure pays for the infrastructure
- Within the development area, only those that benefit from the improvements pay for the improvements
- The more a property owner benefits, the more the property owner pays
- Payments run with the land, not with the property owner.
- Long-term utility and infrastructure assets are financed through long-term fixed-rate financing
- Bond funds can be used to construct the required infrastructure

Steps to Formation in Texas



Texas PID Bond Volume over Time



Recent Texas PID Bond Offerings

Jurisdiction	Project	Developer/ Owner	Bond Size	Value to Lien	Closing Date
Celina	Wells South*	Hillwood Communities	\$ 13,830,000	3.01	Dec-15
Celina	Sutton Fields*	Centurion American	\$ 28,385,000	2.63	Dec-15
Aubrey	Jackson Ridge	Centurion American	\$ 23,715,000	1.91	Dec-15
Hays County	La Cima*	La Cima Partners	\$ 19,200,000	3.80	Jul-15
McLendon Chisolm	Sonoma Verde	Sterling One Properties	\$ 7,600,000	4.11	Apr-15
Waxahachie	North Grove*	John Houston Homes	\$ 6,675,000	3.01	Mar-15
Westlake	Entrada	Centurion American	\$ 26,175,000	3.42	Feb-15
Celina	Lakes at Mustang Ranch	Cambridge	\$ 22,150,000	3.43	Jan-15
Galveston	Bayside at Waterman's*	Stonehenge Development	\$ 9,600,000	3.06	Dec-14
Leander	Oak Creek*	Sentinel/Cotter	\$ 5,200,000	4.02	Nov-14
Celina	Creeks of Legacy	Centurion American	\$ 15,500,000	2.80	Jul-14
Hackberry	Shores at Hidden Cove	Lennar	\$ 4,850,000	3.00	Jul-14
Flower Mound	River Walk at Central Park	Centurion American	\$ 16,000,000	3.09	May-14
Fate	Williamsburg	Centurion American	\$ 8,075,000	5.71	Apr-14
Little Elm	Valencia	Centurion American	\$ 16,240,000	3.26	Feb-14
Lavon	Grand Heritage	World Land	\$ 8,065,000		Sep-13
Austin	Estancia*	Stratford Land	\$ 12,590,000	3.00	Jul-14
The Colony	Nebraska Furniture Mart	Berkshire Hathaway	\$ 95,400,000		Feb-13
Lago Vista	Tessera*	Hines	\$ 24,690,000	3.31	Nov-12
Austin	Whisper Valley*	Taurus	\$ 33,985,168	4.35	Nov-11
Austin	Indian Hills*	Taurus	\$ 5,192,350	4.43	Nov-11

* DPFG served as Special Assessment Consultant to the Developer/Owner

Other Public Financing Mechanisms

- Tax increment reinvestment zones (TIRZ/TIFs)
- Municipal Utility Districts (MUDs)
- Water Control Improvement Districts (WCIDs)
- Municipal Management Districts (MMDs)
- Economic Development Grants (LGC Chapter 380/381)
- Other types of tax exempt development bonds
- Infrastructure participation agreements
- Partnerships with 4A/4B Corporations
- Federal grants (through public agency)
- Others

Public Financing Mechanism Comparison

	PIDs	MUDs	TIRZs	MMD's	WCIDs
Cost Recovery Method	Advance of Construction and/or Reimbursement	Reimbursement Only	Advance of Construction and/or Reimbursement	Advance of Construction and/or Reimbursement	Reimbursement Only
Jurisdiction	City, ETJ, or County	City, ETJ, or County	City or County	City/ETJ > 25,000 population	City, ETJ, or County
Source of repayment	Assessments	Taxes	Property & Sales Tax Increment	Assessments/Impact Fees/Taxes	Taxes
Life of Entity	Finite	Ongoing	Finite	Finite	Ongoing
Eligible Improvements	Water, Sewer, Drainage, Streets, Right of Ways, Parks, Landscaping, Sidewalks, Mass Transit, Libraries, Public Recreation Facilities, Street Lights, Off Street Parking, Pedestrian Malls, Affordable Housing, Formation Expenses	Water, Sewer, Drainage, Right of Ways, Arterial Roads (only if granted Road District powers), Recreational Facilities, Formation Expenses	Sewer, Street Lights, Streets, Utilities, Water, Flood and Drainage, Parking, Park,s Pedestrian Malls, Educational Facilities, Financing, Property Assembly, Professional Services, Administrative, Organizational, Operating Costs	Water, Sewer, Drainage, Right of Ways, Parks, Streets, Sidewalks, Mass Transit, Libraries, Street Lights, Off Street Parking, Pedestrian Malls, Advertising, Marketing, Formation Expenses	Water, Sewer, Drainage, Right of Ways, Formation Expenses

Question & Answer

Rick Rosenberg

Managing Principal ♦ DPF

609 Castle Ridge, Suite 310
Austin, TX78746

Rick.rosenberg@dpfg.com

512.732.0296 (direct)

512.567.8598 (cell)

Christine Maguire

Senior Manager ♦ DPF

609 Castle Ridge, Suite 310
Austin, TX78746

Christine.maguire@dpfg.com

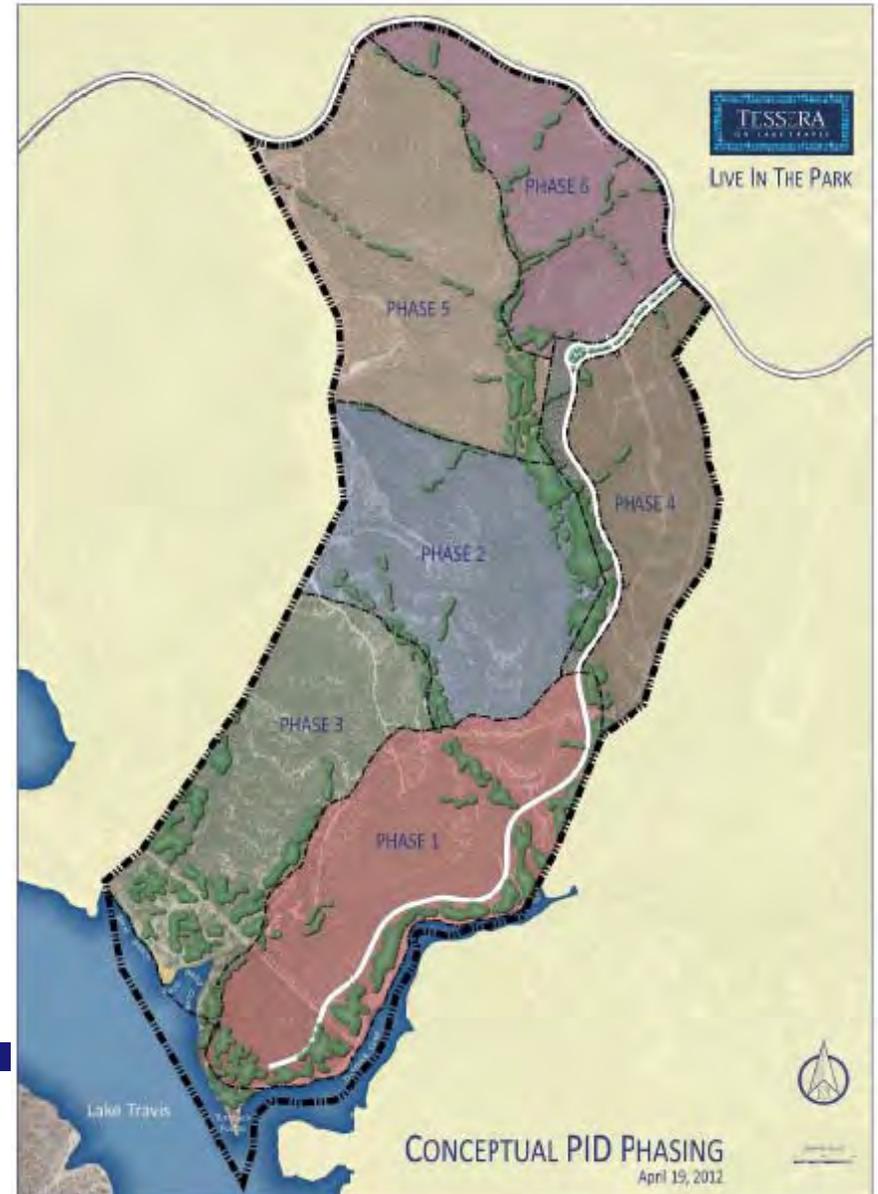
512.732.0295 (direct)

817.676.5293 (cell)

Tessera on Lake Travis

Project Overview

- 877 Gross Acres/558 Net Acres
- 2,000 Single Family Residential Units
- Supporting Commercial
- Amenities Include Swimming Pool, Clubhouse, Hike and Bike Trails, and Parks



The Challenge

In 2012...

- Major upfront infrastructure requirements:
 - \$3.2m offsite water
 - \$1.2m offsite sewer
 - \$5.7m arterial roadway
 - \$1.7m drainage
 - \$2.5m parks, landscape, amenities
 - \$3.8m engineering, construction management, other
 - **\$18.1m Total**
- Challenging lending environment with difficult terms and conditions to launch a large project.
- Infusion of additional equity would significantly reduce returns to developer

The Solution

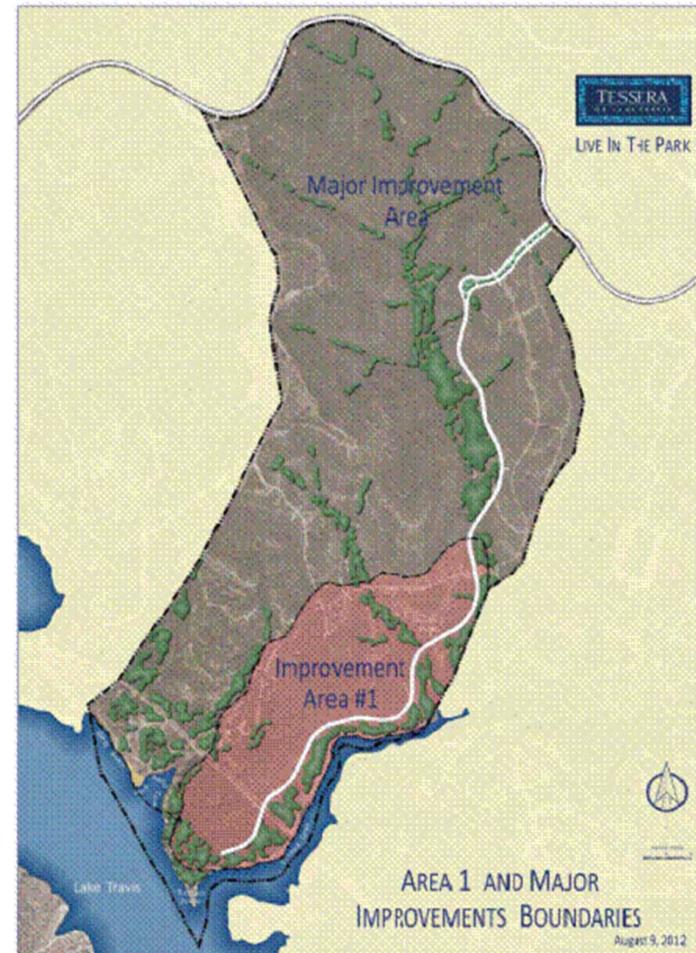
Negotiated Development Agreement with City:

- Provide City with “Superior Development”
- Install Amenities Desired by City Upfront
- Public Improvement District (“PID”)

PID Structure

Major Improvement Area Bonds

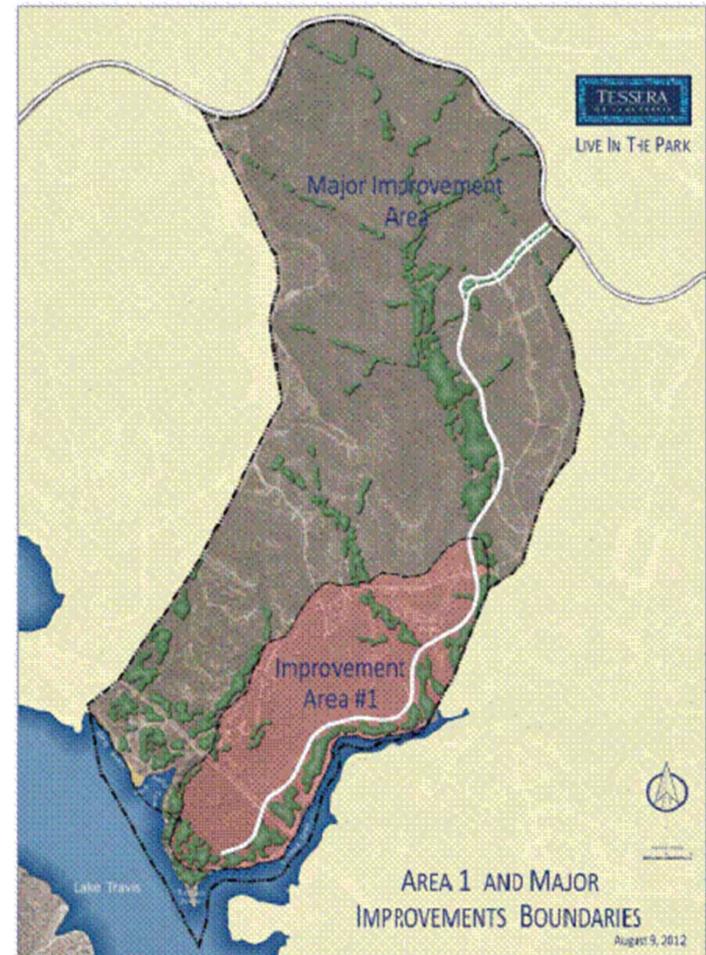
- Bonds secured by Major Improvement Area land only
- Contractors paid directly from PID bonds
- Non recourse to Developer or City
- 3.39:1 Value to Lien Ratio
- 15 Year Term
- 6.76% interest rate



PID Structure (cont.)

Improvement Area #1 Bonds

- Bonds secured by Improvement Area #1 land only
- Contractors paid directly from PID bonds
- Non recourse to Developer or City
- Builder contracts in place
- Developer guaranteed completion of a portion of the finished lots in IA#1
- 3.00:1 Value to Lien Ratio
- 30 year Term
- 5.88% interest rate



Costs Covered By Bonds

Authorized Improvement	Hard+ Soft Costs
Critical Infrastructure	
Subtotal - Critical Infrastructure	\$ 14,810,709
Parks	
Subtotal - Amenities and Parks	\$ 2,146,726
Entryway/Hardscape/Landscape	
Subtotal - Hardscape/Landscape	\$ 1,022,821
TOTAL	\$ 17,980,256

Improvement Area #1	
Approximate # of Residential Units (Rounded)	300
Approximate % of Total Units	15%
Proportionate Share of Costs	\$ 2,725,669

Major Improvement Area	
Approximate # of Residential Units (Rounded)	1,700
Approximate % of Total Units	85%
Proportionate Share of Costs	\$ 15,254,588

Authorized Improvement	Hard + Soft Costs
Improvements that benefit Phase 1A and Phase 1B (See Appendix H)	
Major Improvements	\$ 1,163,663
Critical Infrastructure	2,245,112
Parks	325,480
Entryway/Landscape/Hardscape	155,077
Total	\$ 3,889,332
Improvements that only benefit Phase 1A (See Appendix H)	
Major Improvements	\$ 785,301
Critical Infrastructure	\$ 1,515,120
Parks	\$ 219,651
Entryway/Landscape/Hardscape	\$ 104,654
Total	\$ 2,624,727
Grand Total	\$ 6,514,059

Developer Funds

Two Bond Obligations

Sources and Uses of Funds	Major Improvement Area Bonds	Improvement Area #1 Bonds and Developer Equity (*)	Summary
Sources of Funds			
Par Bond Amount	\$ 19,890,000	\$ 4,800,000	\$ 24,690,000
Original Issue Discount	\$ (298,449)	\$ -	\$ (298,449)
Developer Funds	\$ 3,360	\$ 2,625,367	\$ 2,628,727
Total Sources of Funds	\$ 19,594,911	\$ 7,425,367	\$ 27,020,278
Uses of Funds			
Deposit to Improvement Accounts of Project Fund	\$ 15,254,588	\$ 6,514,059	\$ 21,768,646
Deposit to Capitalized Interest Account of Bond Fund	\$ 1,346,062	\$ 219,436	\$ 1,565,498
Deposit to Reserve Fund	\$ 1,989,000	\$ 354,888	\$ 2,343,888
Cost of Issuance	\$ 534,487	\$ 168,345	\$ 702,832
Underwriters Discount	\$ 467,415	\$ 168,000	\$ 635,415
Property Tax Reserve Fund	\$ 3,360	\$ 640	\$ 4,000
Total Uses of Funds	\$ 19,594,912	\$ 7,425,367	\$ 27,020,278

- Bonds issued in late 2012
- Special assessments levied on MIA and IA#1 to pay for bond obligations
- Obligations spelled out in Trust Agreement
- Trustee: US Bank National Association

Major Improvement Area Assessments

Installment Due Date (a)	Major Improvement Area Bonds			Administrative Expenses (d)	Prepayment Reserve	Delinquency Reserve	Annual Installment
	Principal	Interest (b)	Debt Service (c)				
01/31/13	\$ -	\$ 1,060,315.00	\$ 1,060,315.00	\$ -	\$ -	\$ -	\$ 1,060,315.00
01/31/14	\$ -	\$ 1,334,663.00	\$ 1,334,663.00	\$ 40,279.47	\$ 39,780.00	\$ 59,670.00	\$ 1,474,392.47
01/31/15	\$ -	\$ 1,334,663.00	\$ 1,334,663.00	\$ 41,085.05	\$ 39,780.00	\$ 59,670.00	\$ 1,475,198.05
01/31/16	\$ 200,000.00	\$ 1,334,663.00	\$ 1,534,663.00	\$ 41,906.76	\$ 39,780.00	\$ 59,670.00	\$ 1,676,019.76
01/31/17	\$ 970,000.00	\$ 1,321,663.00	\$ 2,291,663.00	\$ 42,744.89	\$ 39,380.00	\$ 59,070.00	\$ 2,432,857.89
01/31/18	\$ 1,120,000.00	\$ 1,258,613.00	\$ 2,378,613.00	\$ 43,599.79	\$ 1,280.00	\$ 92,320.00	\$ 2,515,812.79
01/31/19	\$ 1,300,000.00	\$ 1,185,813.00	\$ 2,485,813.00	\$ 44,471.78	\$ -	\$ 88,000.00	\$ 2,618,284.78
01/31/20	\$ 1,400,000.00	\$ 1,101,313.00	\$ 2,501,313.00	\$ 45,361.22	\$ -	\$ 81,500.00	\$ 2,628,174.22
01/31/21	\$ 1,730,000.00	\$ 1,010,313.00	\$ 2,740,313.00	\$ 46,268.44	\$ -	\$ 74,500.00	\$ 2,861,081.44
01/31/22	\$ 1,855,000.00	\$ 895,700.00	\$ 2,750,700.00	\$ 47,193.81	\$ -	\$ 65,850.00	\$ 2,863,743.81
01/31/23	\$ 1,975,000.00	\$ 772,806.00	\$ 2,747,806.00	\$ 48,137.69	\$ -	\$ 56,575.00	\$ 2,852,518.69
01/31/24	\$ 2,105,000.00	\$ 639,494.00	\$ 2,744,494.00	\$ 49,100.44	\$ -	\$ 46,700.00	\$ 2,840,294.44
01/31/25	\$ 2,250,000.00	\$ 497,406.00	\$ 2,747,406.00	\$ 50,082.45	\$ -	\$ 36,175.00	\$ 2,833,663.45
01/31/26	\$ 2,405,000.00	\$ 342,719.00	\$ 2,747,719.00	\$ 51,084.10	\$ -	\$ 24,925.00	\$ 2,823,728.10
01/31/27	\$ 2,580,000.00	\$ 177,375.00	\$ 2,757,375.00	\$ 52,105.78	\$ -	\$ 12,900.00	\$ 2,822,380.78
	\$ 19,890,000.00	\$ 14,267,515.00	\$ 34,157,515.00	\$ 643,421.69	\$ 160,000.00	\$ 817,525.00	\$ 35,778,465.69

- 15 Year Bond Term
- Special Assessments Levied on 7 Parcels
- Hines owns all 7 tracts
- Unplatted land

Phase 1A + Phase 1B



- Phase 1A – 210 Platted Lots



- Phase 1B – 4 Tracts unplatted
- Anticipated lots: 106

IA#1 Special Assessments

- 30 Year Bond Term
- Special Assessments Levied on 316 Lots in 2 Phases

Installment Due Date (a)	Improvement Area Bonds			Administrative Expenses (d)	Prepayment Reserve	Delinquency Reserve	Annual Installment
	Principal	Interest (b)	Debt Service (c)				
01/31/13	\$ -	\$ 219,743.00	\$ 219,743.00	\$ -	\$ -	\$ -	\$ 219,743.00
01/31/14	\$ -	\$ 276,600.00	\$ 276,600.00	\$ 9,720.53	\$ 9,600.00	\$ 14,400.00	\$ 310,320.53
01/31/15	\$ 75,000.00	\$ 276,600.00	\$ 351,600.00	\$ 9,914.95	\$ 8,144.40	\$ 3,344.40	\$ 373,003.75
01/31/16	\$ 80,000.00	\$ 272,850.00	\$ 352,850.00	\$ 10,113.24	\$ -	\$ -	\$ 362,963.24
01/31/17	\$ 85,000.00	\$ 268,850.00	\$ 353,850.00	\$ 10,315.51	\$ -	\$ -	\$ 364,165.51
01/31/18	\$ 90,000.00	\$ 264,600.00	\$ 354,600.00	\$ 10,521.82	\$ -	\$ -	\$ 365,121.82
01/31/19	\$ 95,000.00	\$ 259,875.00	\$ 354,875.00	\$ 10,732.26	\$ -	\$ -	\$ 365,607.26
01/31/20	\$ 100,000.00	\$ 254,888.00	\$ 354,888.00	\$ 10,946.90	\$ -	\$ -	\$ 365,834.90
01/31/21	\$ 105,000.00	\$ 249,638.00	\$ 354,638.00	\$ 11,165.84	\$ -	\$ -	\$ 365,803.84
01/31/22	\$ 110,000.00	\$ 244,125.00	\$ 354,125.00	\$ 11,389.16	\$ -	\$ -	\$ 365,514.16
01/31/23	\$ 115,000.00	\$ 238,350.00	\$ 353,350.00	\$ 11,616.94	\$ -	\$ -	\$ 364,966.94
01/31/24	\$ 120,000.00	\$ 232,025.00	\$ 352,025.00	\$ 11,840.28	\$ -	\$ -	\$ 363,871.28

Development Status

- Lot sales began in 2nd Quarter 2014
- As of October 2015:
 - Of 210 total lots in IA#1
 - 72 sold and 138 under contract
 - 29 homes under construction; 13 homes sold and occupied; 3 model homes
 - Majority of property owners currently: Hines + Highland Homes + MHI Homebuilders
- More home owners anticipated 1/1/2016
- In compliance with Trust Agreement
- No late pays or delinquencies
- Next payments due 1/31/2016 from owners \$2,038,983



Questions?

Christine Maguire, AICP, EDFP

Senior Manger ♦ DPFG

609 Castle Ridge, Suite 310
Austin, TX78746

Christine.Maguire@dpfg.com

512-732-0295



AGENDA ITEM

City of Lago Vista

To: Mayor & City Council Council Meeting: January 7, 2016

From: Melissa Byrne Vossmer, City Manager

Subject: Discussion concerning CAPMetro

Request: Other **Legal Document:** Other **Legal Review:**

EXECUTIVE SUMMARY:

On May 19, 2015 the City sponsored the first Town Hall Meeting concerning CAPMetro held in a number of years. The Town Hall Meeting, held at the LVIDS Performing Arts Center (PAC), was the first step to initiate a community dialogue about the programs and services the City of Lago Vista receives from CAPMetro. It was a good meeting and about fifty persons were in attendance as well as representation by CAPMetro.

The reason the City reached out to schedule this Town Hall Meeting was the fact that Lago Vista had been a member of the CAPMetro service area for thirty (30) years and as such, seemed like it was an appropriate time to examine the programs, services and community needs and initiate a community dialogue about the future. Another reason was the fact that CAPMetro did not have ridership statistics about Route 214 that serves Lago Vista and had not, to anyones knowledge, visited or been in touch with the City or those customers about services, needs or issues in a number of years. It should be noted that the City of Lago Vista, since joining, has contributed 1% of our total annual sales tax. For FY14/15, ending September 30, 2015, the City contributed \$368,862 (not audited) for CAPMetro services.

At the Town Hall Meeting, the City received a lot of input about CAPMetro. A lot of the feedback received was in support of the transportation services and a request that CAPMetro reach out and listen to residents. It became clear from listening that CAPMetro had not been as proactive as they could have been in terms of soliciting feedback from users and / or making changes to services as a result of that feedback.

A positive outcome from the Town Hall Meeting has been two CAPMetro community

meetings they have held since May to solicit input. The first meeting on June 25th had approximately ten people in attendance. The second meeting on September 17th had about three people in attendance. In addition, the City received notice that CAPMetro was going to take the next several months and work through a comprehensive planning process for Lago Vista transit users.

In a June 5th Weekly Report to Council I outlined a plan to utilize a local resident, Jim Speckmann, as the City's community outreach on this project. The reasons for this were that Jim has over fifteen years of experience - including public transportation - and indicated a willingness to assist the community evaluate transit services. To that end, Mr. Speckmann will share comments concerning the services CAPMetro provides as part of the worksession discussion. In addition, he rode the route every day for a week in November and will share his findings / comments with Council.

One of the original recommendations from June was to form a Community Study Group, with very specific task(s) to help the City examine this issue. I recommended we put this on hold until such time the November elections were held and the new Council seated. It is time to consider establishment of this Committee for the single purpose of helping the City look at the issue of transit services, the need and what is the best way to address those needs. After thirty years, it is time to have a community discussion.

As part of the original examination process the City started working with Leonard Smith, an attorney, that has substantial experience in working with cities on CAPMetro issues. The presentation will be led by Mr. Smith, Mr. Speckmann and me.

Impact if Approved:

N/A

Impact if Denied:

N/A

Is Funding Required? Yes No **If Yes, Is it Budgeted?** Yes No N/A

Indicate Funding Source:

[Empty box]

Suggested Motion/Recommendation/Action

Motion to:

Motion to:

Motion to:

Known As:

Overview of CAPMetro Services and Discussion of Possible Actions

[Empty box]

Agenda Item Approved by City Manager

MEMORANDUM

To: Mayor Dale Mitchell & City Council
From: Leonard B. Smith
Date: January 7, 2016
Re: Possible withdrawal from Cap Metro; possible re-dedication of sales tax in the event of withdrawal

The purpose of this memorandum is to provide (i) a brief overview of the withdrawal process in Chapter 451, Subchapter M of the Transportation Code, (ii) a brief overview of sales tax re-dedication options in the event of withdrawal, and (iii) a brief note on possible concurrent withdrawal and re-dedication elections.

1. Possible Withdrawal from Cap Metro

The City of Lago Vista (the “City”) is a unit of election as defined by Sec. 451.601. This memorandum assumes that the City will initiate the withdrawal process, rather than its citizens attempting to do so by petition.

The City Council may order an election to be held on the issue of withdrawal. The election must be held on the first uniform election date after the expiration of 90 days after the approval of the election order. At this point, it appears that the next viable election date is November 8, 2016. For that uniform election date, the last possible date on which a withdrawal election can be ordered is August 9, 2016. Assuming that the City Council wishes to proceed with a withdrawal election on November 8, 2016, it is not advisable to delay calling the election until August 9. The City Council should sufficiently cushion notice of the election so that the 90 days deadline is never in question. The City must provide notice of the withdrawal election to Cap Metro, TXDOT, and the Texas Comptroller immediately upon calling the election.

The statute prescribes the language for the ballot proposition: “Shall the Capital Metropolitan Transportation Authority be continued in the City of Lago Vista?” A “no” vote is a vote in favor of withdrawal.

The statute requires the election to be held “... in the regular precincts and at the regular voting places.” The City Council will canvass the results after the election. Assuming a majority favors withdrawal, the date of the election canvass would be the “effective date of withdrawal.”

If a majority favors withdrawal, Cap Metro shall cease providing transportation services within the City (except to persons with disabilities), and the share of Cap Metro’s financial obligations that is attributable to the City shall cease to accrue (except for the continuing cost of transportation services to persons with disabilities).

The statute requires the Cap Metro board to certify the City’s net financial obligation to Cap Metro to the City and the comptroller. However, the statute does not establish a deadline for the

Cap Metro board to make this certification. The comptroller will continue to remit to Cap Metro sales tax collected in the City until the City's net financial obligation has been satisfied.

The statute sets forth the formula by which the City's net financial obligation will be calculated. If the City disputes Cap Metro's calculation, the City may challenge the calculation by a declaratory judgment action filed in Travis County District Court.

2. Possible re-dedication of sales tax in the event of withdrawal

Currently, the cap for municipal sales tax is two percent (2%). In Lago Vista, the sales tax is allocated evenly between the City (1%) and Cap Metro (1%). The Comptroller collects the sales tax and distributes it to the City and Cap Metro.

If the City's voters elect to withdraw from Cap Metro, the Comptroller will continue to collect the 1% sales tax dedicated to Cap Metro until such time as the City's net financial obligation to Cap Metro has been satisfied. Thereafter, the Comptroller will cease to collect the 1% dedicated to Cap Metro and that 1% becomes available for re-dedication to other eligible options. Available options are described below. Texas law does provide other options to certain eligible municipalities (e.g. Type A economic development sales tax and Sports and Community Venue sales tax). However, based on the information available to me at this time, the City does not qualify for these options.

- A. Type B Community Development sales tax in the amount of 1/8, 1/4, 3/8, or 1/2 of one percent.

All Texas cities are eligible to dedicate a Type B sales tax for community development. The statute does not mandate specific language for the ballot proposition. There are a wide variety of projects authorized for Type B funding. *See:* Secs. 505.151 - 505.158 The City Council has latitude to craft a ballot proposition covering a wide variety of appealing municipal projects. A sports venue project utilizing Type B funding can be eligible if approved in a subsequent election. *See:* Chaps. 500 – 502 and 505 of the Local Government Code.

- B. Street Maintenance sales tax in the amount of 1/8 of one percent increments up to one percent.

Chapter 327 of the Tax Code provides that revenue from this sales tax "... may be used only to maintain and repair municipal streets or sidewalks existing on the date of the election to adopt the law." The sales tax expires four years after authorization unless reauthorized in a subsequent election.

- C. Sales tax to support Municipal Development Corporation in the amount of 1/8, 1/4, 3/8, or 1/2 of one percent. *See:* Chap. 379A of the Local Government Code.

Chapter 379A of the Local Government Code authorizes creation of a municipal development corporation and dedication of a supporting sales tax. The general purpose of

the corporation and sales tax is to support job training and development of a skilled workforce.

- D. Sales tax to support a Municipal Development District in the amount of 1/8, 1/4, 3/8, or 1/2 of one percent.

Chapter 377 of the Local Government Code authorizes the creation of a municipal development district and dedication of a supporting sales tax. Eligible development projects include a convention center facility (e.g. convention center, civic center, civic center building, civic center hotel, auditorium, and parking facilities) and eligible Type B projects.

- E. Sales tax for Property Tax Relief in the amount of 1/8, 1/4, 3/8, or 1/2 of one percent.

Under Chapter 321 of the Tax Code, a city may dedicate sales tax for property tax relief and use the revenue as it would property tax revenue, with some temporary restrictions regarding the use of “excess revenue.” *See*: Secs. 321.506 - 7 of the Tax Code.

- F. Sales tax to support Crime Control and Prevention District in the amount of 1/8, 1/4, 3/8, or 1/2 of one percent.

Chapter 363 of the Local Government Code authorizes creation of a crime control and prevention district and dedication of a supporting sales tax. The district may engage in crime control and crime prevention programs, law enforcement related programs, “community policing” programs, treatment and prevention programs, court and prosecution services, and jail facility and staffing programs. *See*: Sec. 363.151 provides a lengthy list of program options.

3. Re-dedication election issues

Sales tax dedication conflicts can occur, and have occurred in Central Texas, between tax entities whose jurisdictions overlap. I have represented another Central Texas city in such a dispute with an emergency services district. Because of the potential for conflict, careful attention needs to be given to election timing. It may be desirable to explore the possibility of placing conditional sales tax re-dedication elections before the City’s voters on the same ballot as a withdrawal election, though a conditional re-dedication election may not be available or appropriate for particular re-dedication option(s). It also may be advisable to open discussions with any competing taxing jurisdiction in order to avoid competing dedication elections. It may be possible to satisfy multiple and competing public needs or desires given the broad scope of possible uses and options for possible rededication.

Cc: Melissa Byrne Vossmer, City Manager
Barbara Boulware Wells, City Attorney

PP Slide 1

Lago Vista City Council
Meeting On
January 7, 2016

PP Slide 2

Capital Metro is “Austin’s regional public transportation provider.”

Source: About Us on Capital Metro’s website. www.capmetro.org/aboutus/

PP Slide 3

Capital Metro’s Regional Services

- 50 Metro routes, two MetroRapid routes, eight Express routes and 19 UT shuttle routes
- 3,000 bus stops throughout Central Texas
- MetroRail passenger rail service between the City of Leander and downtown Austin
- Nine MetroRail stations **located along a 32-mile line**
- MetroAccess service for passengers with disabilities
- Vanpool coordination through RideShare service
- Freight rail service
- Seven **MetroBike shelters at MetroRail and MetroRapid stations**
- Cycling **partnership programs**
- Mobile ticketing app

Source: About Us on Capital Metro’s website. www.capmetro.org/aboutus/

PP Slide 4

Capital Metro’s Services in Lago Vista

Route 214 – Northwest Feeder/Flex
Weekday service only

Source: Schedules & Maps on Capital Metro’s website.
<http://www.capmetro.org/schedmap/?svc=0&f1=214&s=0&d=E>

PP Slide 5

Capital Metro’s services to Lago Vista will change on January 31, 2016.

PP Slide 6

Report From Jim Speckmann Regarding Cap Metro Ridership

And Future Service Options

PP Slide 6

Sales and Use Tax Collection in Lago Vista
Total: 8.25%

PP Slide 7

Sales Tax Breakdown
State of Texas: 6.25%
City of Lago Vista: 1.00%
Capital Metro: 1.00%

PP Slide 8

Capital Metro: Sales Tax Revenues Generated In Lago Vista

FY2009/10	\$ 270,075
FY2010/11	\$ 279,396
FY2011/12	\$ 286,889
FY2012/13	\$ 315,526
FY2013/14	\$ 365,709
FY 2014/15	\$ 368,862 (No Audited)
FY 2015/16	\$ 395,503 (Budgeted)

PP Slide 9

Local Sales Tax Growth Over Past 10+ Years

FY 2004/05:	\$173,718 actual
FY 2014/15:	\$368,862 (Not Audited)
FY 2015/16:	\$395,503 (Budgeted)

Increase: 112.34% over 10 years
127.67% over 11 years

PP Slide 10

Is Lago Vista, as a community, getting sufficient return on its annual investment in Cap Metro to continue making that annual investment?

PP Slide 12

Are the sales tax dollars contributed by Lago Vista taxpayers to Cap Metro fair in relation to the services actually provided to Lago Vista residents?

PP Slide 13

Could the sales tax dollars presently dedicated to Cap Metro have greater and/or more positive impact in Lago Vista if they could be spent in Lago Vista on local projects?

PP Slide 15

What sort of local projects might be eligible for funding with rededicated sales tax revenue?

PP Slide 16

Presenting the Issue to Lago Vista Voters
Involves Two Steps

PP Slide 17

Step 1:

Shall the Capital Metropolitan Transportation Authority be continued in the City of Lago Vista?

Source: Sec. 451.607(c) of the Transportation Code.

PP Slide 18

An election to withdraw **must** be held on the first applicable uniform election date occurring after the expiration of 90 days after the governing body orders the election.

Source: Sec. 4451.607(a) of the Transportation Code.

PP Slide 19

Deadline to call election for November 8, 2016: **August 9**

PP Slide 20

A vote to stay in: Yes

A vote to withdraw: No

PP Slide 21

Q: What happens if a majority votes “yes”?

A: Cap Metro continues to provide transportation services and to collect sales tax in Lago Vista.

PP Slide 22

Q: What happens if a majority votes “no”?

A: Cap Metro ceases providing transportation services (*) in Lago Vista, collects sales tax only until Lago Vista’s net financial obligation to Cap Metro is satisfied, and then ceases collecting sales tax in Lago Vista.

(*) Except for disability transit services mandated by Sec. 451.610 *et seq.* of the Transportation Code.

PP Slide 23

Q: Can Lago Vista rededicate the sales tax previously collected by Cap Metro?

A: Yes. Upon withdrawal from Cap Metro, Lago Vista’s voters can rededicate the sales tax previously collected to other statutorily authorized municipal purposes.

PP Slide 24

Options for rededication of sales and use taxes

PP Slide 25

Option 1: Type B Community Development Sales Tax

Maximum possible dedication: 0.5%

Source: Chapter 500 – 502 and 505 of the Local Government Code.

PP Slide 26

Chapter 505 authorizes a wide variety of Type B community development projects for:

Recreational or Community Facilities

Water Supply Facilities

Business Enterprises & Development

Economic Development

Affordable Housing

Sports Venue Project, if approved in a subsequent election

PP Slide 27

Option 2: Street Maintenance Sales Tax

Maximum possible dedication: 1.0%

Source: Chapter 327 of the Tax Code

PP Slide 28

The sales tax may be used only to maintain and repair municipal streets that existed on the date of the election to adopt the tax. It may not be used to build new streets.

Source: Sec. 327.008 of the Tax Code.

PP Slide 29

Option 3: Sales Tax to Support Municipal Development Corporation

Maximum possible dedication: 0.5%

Source: Chap. 379A of the Local Government Code

PP Slide 30

Powers of a Municipal Development Corporation

1. Job training
2. Early childhood development programs
3. After-school programs for primary and secondary schools
4. Funding for accredited postsecondary educational institutions to be used to award scholarships
5. Promotion of literacy
6. Development of a skilled workforce

Source: Sec. 379A.051 *et seq.* of the Local Government Code

PP Slide 31

Option 4: Sales Tax to Support a Municipal Development District

Maximum possible dedication: 0.5%

Source: Chap. 377 of the Local Government Code

PP Slide 32

Authorized Projects for a Municipal Development District

1. Authorized projects under Sec. 505.151 *et seq.* of the Local Government Code
2. Convention center, civic center, civic center building, civic center hotel, auditorium, and parking facilities

Source: Sec. 377.001(3) for definition of “development project”

PP Slide 33

Option 5: Sales Tax for Property Tax Relief

Maximum possible dedication: 0.5%

Source: Chap. 321 of the Tax Code

PP Slide 34

A city may use revenues from sales tax dedicated for property tax relief and use the revenue as it would property tax revenue. However, there are some restrictions on the use of “excess revenues” – the additional sales and use tax that exceeds the projected amount of property tax to be reduced for a given year.

Source: Sec. 26.041(d) and Secs. 321.506 - 7 of the Tax Code

PP Slide 35

Option 6: Sales Tax to Support a Crime Control and Prevention District

Maximum possible dedication: 0.5%

Source: Chap. 363 of the Local Government Code

PP Slide 35

A city may use revenues to support a detailed crime control plan and may finance all the costs of a crime control and crime prevention program. The statute includes a long list of eligible program components.

Source: Secs. 363.061 and 363.151 of the Local Government Code



AGENDA ITEM

City of Lago Vista

To: **Council Meeting:**

From:

Subject:

Request: **Legal Document:** **Legal Review:**

EXECUTIVE SUMMARY:

Please see the attached Commentary and background documents. Please excuse the poor copy of Map 1.

Impact if Approved:

Not subject to approval.

Impact if Denied:

Not subject to denial.

Is Funding Required? Yes No **If Yes, Is it Budgeted?** Yes No N/A

Indicate Funding Source:

Suggested Motion/Recommendation/Action

Motion to:

Approve Item

Motion to:

Motion to:

Known As:

Agenda Item Approved by City Manager

The City of Lago Vista passed the initial rebate ordinance in the year 2000. The initial rebate ordinance was passed to create a method for individuals that paid to have utilities extended to their property, to be reimbursed as others connected to the water or sewer line they had paid to extend. The ordinance has since been revised. The most recent revision of the ordinance was in 2012.

The 2012 revision included provisions for rebates to be paid on improvements constructed on a larger scale than water and sewer line extensions installed by individuals. The Interlocal Agreement between the City and LVISD specifically states LVISD would be eligible for rebates on facilities constructed for the high school project paid for by LVISD that have more capacity than required by the high school. The elevated water tank and the 8" force main meet this requirement.

The City's rebate ordinance calls for the facilities to be bid and requires preparation of a report on the facilities their cost, the excess capacity in the facilities and the areas to be served by them. The elevated storage tank was bid and the 8" force main was constructed by City Forces the costs in both instances being audited last year and accepted by both the School District and the City.

Map 1 showing the service area of the elevated tank is attached as is Map 2 showing the linear water and wastewater improvements installed by the school district and others that provide wastewater service in the high school and Marshall's Harbor area and water service in the high school, Marshall's Harbor and Marshall's Vista areas.

Elevated Water Tank

The elevated water tank cost \$1,168,381.00. The funds for construction of the elevated tank came from three sources: Lago Vista ISD, the City of Lago Vista, and Western Union Life Assurance Company (WULA). The City's contribution to the high school project was \$324,919.00. It should be noted that the contribution went to the project as a whole to help offset costs and provide for public access to recreation facilities. WULA contributed \$283,400.00 which covers the Marshall's Vista area (so no rebates are required from Marshall's Vista) and Lago Vista ISD contributed the remainder.

The elevated tank is the only water storage tank in the service area. It has a capacity of 400,000 gallons. TCEQ requires 200 gallons of storage per connection, so this tank will serve 2,000 connections or LUE's. The cost per LUE is \$584.19.

It is at this point the number of LUE's required by the high school becomes important. The number of LUE's used for the high school throughout planning and design of this project was 378 LUE's. However, this number of LUE's was established in error. The true number of LUE's for the high school should be between 93 and 108. One way to calculate the LUE's is to use 30 gallons per person per day for 1200 students and 60 staff. This yields 37,800 gallons of water per day. Divide the 37,800 gallons per day by 350 gallons per day per LUE yields, 108 LUE's. Looking at the City of Austin LUE chart, the LUE's for a high school with gym and cafeteria is one LUE for 13 students. Dividing 1200 students by 13 students per LUE yields, 93 LUE's.

The error appears to have been made by dividing the estimated daily **flow**, 37,800 gallons per day, by 100 gallons of elevated **storage** needed per LUE.

For our purposes we will use 93 LUE’s for the high school, doing so results in there being 866 rebateable LUE’s for the elevated water tank. Table 1 provides a summary of the number of LUE’s held by each entity and those on which LVISD may collect rebates. Table 1 shows LVISD may collect \$195,119.63 in rebates from homes constructed in the Montechino subdivision after the 64 homes served by the “Golf Ball” elevated storage tank are built. Table 1 further shows that LVISD may collect an additional \$310,789.35 in rebates from development occurring in areas shown on the elevated storage tank service area map not currently developed.

LVISD Rebate Calculation on Viking Tank						
22-Dec-15						
Viking EST						
2000	Connections	1 LUE = 1 Connection	Viking Tank			\$ 1,168,381.00
93	LV High School		Cost per LUE			\$ 584.19
473	City Contribution	No Rebate	\$324,919		556 LUE's	City assigned 83 LUE's to Marshall 's Vista to balance their pre-payment
568	Marshall Vista	No Rebate	\$283,400	pre-paid	485 LUE's	
866	Total Rebateable LUE's					
334	Montechino	Rebateable	\$ 195,119.63		398 LUE's less 64 served by Golf Ball	
532	Unspecified	Rebateable from Service Area	\$ 310,789.35		See Map	
		Total	\$ 505,908.97			

The second rebateable improvement made by LVISD is the wastewater force main constructed from Boggy Ford Road to the WWTP. This 8 inch force main was constructed at a cost of \$356,198.00 and has a total capacity of 600 gpm or 600 LUE’s. The cost per LUE is \$593.66. The force main serves or will serve the high school, 93 LUE’s, and the Montechino subdivision, 398 LUE’s. The Montechino LUE’s calculate to be \$236,276.68. The remaining capacity of the force main, 109 LUE’s, may be occupied by unspecified development.

Wastewater conveyance from the high school and Montechino area is principally accomplished through an 8” force main a portion of which is discussed above and was paid for entirely by LVISD. Map 2 shows the water distribution and wastewater collection lines serving the high school Montechino area. Please note the lines were constructed by several entities including the City of Lago Vista. Moving forward Montechino has expressed interest in requesting rebates for improvements which they have constructed.

Attachments:

City of Lago Vista LVISD Interlocal Agreement

City of Lago Vista Rebate Ordinance

City of Austin LUE Table

Map 1 Elevated Storage Tank Service Area

Map 2 Water and Wastewater Lines Serving High School Montechino Area

LVIS D INTERLOCAL ~~(SPORTS)~~
SIGNED

INTERLOCAL AGREEMENT REGARDING CONSTRUCTION OF WATER
AND WASTEWATER SYSTEM IMPROVEMENTS

THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

This Interlocal Agreement Regarding Construction of Water and Wastewater System Improvements (this "Agreement") is entered into as of the Effective Date, by and between the City of Lago Vista, a home rule municipal corporation of the State of Texas (the "City") and the Lago Vista Independent School District, an independent school district and a political subdivision of the State of Texas ("LVISD") contingent upon the Parties also entering into a Joint Facilities Use Agreement.

Recitals

A. WHEREAS, the City is a political subdivision of the State of Texas and the owner of certain water and wastewater facilities that it utilizes to provide water service to its retail and wholesale customers, including LVISD; and

B. WHEREAS, LVISD owns that approximate 101-acre tract of land located in Travis County being more particularly described in Exhibit "A" (the "Property") attached hereto on which it proposes to construct a high school and related facilities; and

C. WHEREAS, the Parties desire to enter into this Agreement pursuant to the Interlocal Cooperation Act in order to set forth the terms and conditions pursuant to which the Parties will provide for the design, construction and payment of improvements to facilities necessary for the City to expand its retail water and wastewater service to LVISD to include the Property; and

D. WHEREAS, the Parties have agreed to enter into a Joint Facilities Use Agreement allowing the City to make available additional funds from the City's Park Fund to LVISD.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereafter set forth, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

I.
DEFINITIONS

When used in this Agreement, the following terms will have the meanings set forth below:

1.1 "Agreement" means this Interlocal Agreement Regarding Construction of Water and Wastewater System Improvements.

1.2 "County" means Travis County, Texas.

- 1.3 “Effective Date” means the last day of execution of this Agreement by all parties hereto.
- 1.4 “Internal Easement” means the easement within the Property to be conveyed by LVISD to the City as more particularly described in Section 6.1 of this Agreement.
- 1.5 “Internal Facilities” means the internal domestic water and wastewater infrastructure to be constructed, owned, operated and maintained by LVISD within the Property. The Internal Facilities shall include all facilities and equipment required to connect the Internal Facilities to the Point of Delivery Meters. The Internal Facilities shall be owned and maintained by LVISD.
- 1.6 “Fire Loop” means the internal water line specific for the provision of fire protection. The Fire Loop will be connected directly to the 16-inch HDPE water line. The design and construction of the Fire Loop will be the responsibility of LVISD. Upon completion, LVISD will dedicate the Fire Loop and associated easement to the City. The City will then be responsible for the maintenance and operation of the Fire Loop.
- 1.7 “Notice and Opportunity to Cure” refers to the notice and cure procedures set forth in Section 8.4 of this Agreement.
- 1.8 “Water and Wastewater System Improvements” means, collectively, the improvements to be designed and constructed by or on behalf of the City as close as possible to the new LVISD High School building and generally consisting of a four hundred thousand (400,000) gallon elevated water storage tank, approximately 4,370 linear feet of 16-inch water line to connect the elevated water tank to the City’s existing 16-inch water line, and 1,063 linear feet of 4-inch sanitary sewer force main necessary to service the new High School an 8 inch HDPE sewer line of approximately 7,200, upgrades to the Allegiance Pump Station and related facilities, equipment and appurtenances, as more particularly depicted in Exhibit “A”.
- 1.9 “Water and Wastewater System Improvements Costs” means the costs of the elevated water tank, transmission line and sanitary sewer force main, including, without limitation, all costs of design, engineering, materials, labor, construction, and testing arising in connection with the Water and Wastewater System Improvements; all payments arising under any contracts entered into by or on behalf of the City for the construction of the Water and Wastewater System Improvements; all costs incurred by the City in connection with obtaining governmental approvals, certificates, or permits required as a part of the construction of the Water and Wastewater System Improvements; and all out-of-pocket expenses incurred by the City in connection with the design and construction of the Water and Wastewater System Improvements.
- 1.10 “Point of Delivery Meters” means the meters at which the transmission line and sanitary sewer force main will connect to the Internal Facilities, which meters shall also be the point of delivery at which the City shall provide retail water and wastewater service to the Property.
- 1.11 “Property” means that approximate 101- acre tract of land located in Travis County being more particularly described in Exhibit “A” attached hereto.

II. PROVISION OF RETAIL WATER AND WASTEWATER SERVICES

2.1 **Service.** The City agrees to provide retail water and wastewater service to the Property in accordance with and subject to the terms and conditions of the existing agreement between the Parties for such service, the City’s standard rules and policies, and the applicable laws and

regulations of the State of Texas. The City acknowledges that time is of the essence, and understands that the availability of potable water and wastewater service is necessary for the intended use of the Property as a high school. The City anticipates that the Water and Wastewater System Improvements will be completed, and retail water and wastewater service available to the Property, **on or before the project completion date of March 1, 2014.**

2.2. **Fire Flow.** It shall be the responsibility of the City to acquire approval from any local, state, or federal regulatory authorities regarding the adequacy of fire protection for the Property, including the local fire marshal.

III. INTERNAL FACILITIES

3.1 **General.** All domestic water distribution facilities, equipment and appurtenances located on the customer side of the Point of Delivery Meters will be owned by LVISD, and the City shall have no responsibility for ownership, operation, or maintenance of such facilities.

3.2 **Design of Internal Facilities and Fire Loop.** All physical facilities to be constructed or acquired as a part of the Internal Facilities and Fire Loop will be designed by a qualified registered professional engineer selected by LVISD. The Internal Facilities and Fire Loop shall be designed so as to provide continuous and adequate service within the Property and so as to ensure their compatibility with the City's connections. LVISD shall submit the proposed plans and specifications for the Internal Facilities, the Point of Delivery Meters and Fire Loop to the City for review and prompt approval, which shall not be unreasonably delayed or denied, prior to commencement of construction, so that the City may confirm the size and type of the Point of Delivery Meters, ensure the proposed facilities are compatible with the City System, and ensure that such facilities will not result in a cross-connection or potential hazard to the purity of the City's water supply.

3.3 **Cost of Internal Facilities and Fire Loop.** LVISD shall be responsible for the costs of the Internal Facilities, the Point of Delivery Meters and Fire Loop, including, without limitation, all costs of design, engineering, materials, labor, construction and inspection arising in connection with the Internal Facilities; all payments arising under any contracts entered into by LVISD for the construction of the Internal Facilities and Fire Loop; all costs incurred by LVISD in connection with obtaining governmental approvals, certificates, permits, easements, rights-of-way, or sites required as a part of the construction of the Internal Facilities and Fire Loop; and all out-of-pocket expenses incurred in connection with the construction of the Internal Facilities and Fire Loop.

3.4 **Cross-Connection and Backflow Prevention.** LVISD shall be responsible for installation, operation, maintenance and testing of all backflow prevention assemblies installed as part of the Internal Facilities. The proposed specifications for the backflow prevention assemblies shall be submitted to the City for review and prompt approval, which shall not be unreasonably delayed or denied. LVISD shall retain a properly licensed and qualified contractor to inspect and test the backflow prevention assemblies on an annual basis, and shall promptly provide a written copy of all test results to the City. LVISD acknowledges and agrees that City personnel shall have the right to inspect and test the backflow prevention assemblies to protect the City's water supply. Except in the event of emergencies, the City shall provide reasonable prior notice to LVISD of any such inspections, so that LVISD may have a representative observe any such inspections or testing.

3.5 **Domestic water supply and fire protection.** LVISD and the City shall mutually determine the point of connection(s) to the 16-inch PVC water line for purposes of domestic water supply and fire protection.

IV.
WATER AND WASTEWATER SYSTEM IMPROVEMENTS

4.1 General. The City shall be responsible, in consultation with LVISD, for the design, construction, and installation of the Water and Wastewater System Improvements, including, but not limited to, acquisition of any required easements and any and all necessary offsite raw water pump improvements. The City shall provide LVISD a summary of estimated costs for the Water and Wastewater System Improvements no later than **July 31, 2012**.

4.2 Tank site and access road. LVISD shall perform site grading for the tank site and for the access road to the tank site. The City shall provide surface course for the access road and security for the tank site as required, pursuant to the City's rights and duties under the easement instrument attached hereto as **Exhibit B**. Upon completion of the tank, LVISD shall convey the property on which the tank is located to the City at no additional cost.

4.3 Cost of Water and Wastewater System Improvements.

(a) LVISD will contribute to the Water and Wastewater System Improvements Costs a total of one million, five hundred and seventy four thousand nine hundred and nineteen dollars and no cents (\$1,574,919.00). The City will contribute two hundred and eighty three thousand four hundred dollars and no cents (\$283,400). LVISD and City will share equally any and all Water and Wastewater System Improvements Costs that exceed the contribution of LVISD and City set out in this subparagraph.

(b) The City will not be liable to any contractor, engineer, attorney, materialman or other party employed or contracted with in connection with the construction of the Internal Facilities and Fire Loop.

4.4 Oversizing Costs. In the event that the City oversizes any portion of the Water and Wastewater System Improvements beyond the sizes identified on **Exhibit "A"** attached hereto, the City will pay 100 percent of the costs and expenses of design and construction associated with such oversizing.

4.5 Operation and Maintenance Responsibility. The City will be responsible for ownership, operation and maintenance of the Water and Wastewater System Improvement and the resulting improvements to the City's water and wastewater system.

4.6 Records of Water and Wastewater System Improvements. LVISD shall have the right to review and audit the City's records related to design, construction and installation of the Water and Wastewater System Improvements, including the right to submit such records to design, engineering, and/or construction professionals designated by LVISD.

4.7 Building and Development Fees. As additional consideration, the City shall waive fees related to zoning, platting, and site development activities except those costs involving professional services and advertising. With regard to professional service costs, the City agrees to waive its normal markup of 12.5% on such fees. The City also agrees to waive any tap fees associated with the new facilities, however LVISD will be expected to pay for the cost related to meter acquisition and installation. Since a good portion of the building plan review and inspectional activity will be performed by outside agencies the City will expect LVISD to

provide for the costs related to building permit fees. .

**V.
REIMBURSEMENT FOR WATER AND WASTEWATER SYSTEM
IMPROVEMENT COSTS**

5.1 **Subsequent User Fee.** The Parties agree that the Water and Wastewater System Improvements will include capacity to provide water service beyond that which is necessary to serve LVISD's Property. The City agrees to reimburse LVISD from subsequent developer(s) or any subsequent users that utilize the transmission line and elevated water tank and have not contributed cash for the project, in an amount equal to a percentage of LVISD's total contribution. The 4" sanitary sewer force main is not subject to subsequent user fees. The City will remit payment thereof to LVISD in accordance with the following terms and conditions:

- (a) The City shall collect the subsequent user fees from developers or any subsequent users of property for which capacity in the transmission line and elevated water tank is used or useful who have not provided funding to participate in the projects;
- (b) The amount of pro rata reimbursement to be collected by the City from each developer or any subsequent users shall be calculated by the City in accordance with the applicable City Ordinance(s), as set forth in the formula attached as **Exhibit "C."** Each subsequent user fee payment obligation shall be set forth in the nonstandard service agreement entered into by the City with each such subsequent users;
- (c) The City shall pay all subsequent user fees collected from users to LVISD within 90 days after collection of same;
- (d) The City's obligation to collect the subsequent user fee and remit payment to LVISD shall terminate when the total payments by the City pursuant to this subsection 5.1 of the Agreement;
- (e) It is the Parties' mutual intent that the subsequent user fee shall not be considered an impact fee as described in Section 395.001 of the Local Government Code; and
- (f) If for any reason it is found or asserted by a court, regulatory agency or other authority that the subsequent user fee is an unauthorized impact fee, or cannot be charged or collected as contemplated herein for any reason, or the City otherwise determines in good faith after the exercise of reasonable diligence that it cannot recover the subsequent user fee from any one or more subsequent developer(s), the Parties agree that the City shall terminate collection of the fee immediately, and the City shall immediately refund the balance of the sum paid by LVISD to LVISD.

**VI.
REAL PROPERTY ACQUISITION**

6.1 **Internal Easement.** LVISD shall convey to the City, at no cost to the City, an exclusive water line easement and a non-exclusive temporary construction easement, along the frontage of and within the Property necessary to extend the transmission line and construct the elevated water tank, as depicted in Exhibits A and B.

6.2 **Off-Site Real Property Interests.** The City is responsible for securing, at the sole cost and expense of the City, all easements or other real property interests required for construction of the Water and Wastewater System Improvements not constructed within the Property.

**VII.
CONDITIONS, REPRESENTATIONS AND WARRANTIES**

7.1 **Representations of LVISD.** LVISD acknowledges, represents and agrees that:

(a) LVISD is a political subdivision of the State of Texas and has the requisite power and authority to take all necessary action to execute and deliver this Agreement and to perform all obligations hereunder;

(b) Execution of this Agreement and the consummation of the transactions contemplated hereunder will not constitute an event of default under any contract, covenant or agreement binding upon it, and will not violate the provisions of the United States Constitution, the Texas Constitution, or any federal, state or local law, ordinance or regulation; and

(c) This Agreement is a contract for goods and services for purposes of Chapter 271, Subchapter I, of the Texas Local Government.

The City is executing this Agreement in reliance on each of the warranties and representations set forth above and each such representation and warranty will survive the execution and delivery of this Agreement and the consummation of the transactions contemplated by this Agreement.

7.2 **Representations of the City.** The City represents and warrants to LVISD that:

(a) The City is a municipality of the State of Texas, and has the requisite power and authority to take all necessary action to execute and deliver this Agreement and to perform all obligations hereunder;

(b) The execution, delivery and performance of this Agreement have been duly authorized by all necessary action on the part of the City and the person executing this Agreement on behalf of the City has been fully authorized and empowered to bind the City to the terms and provisions of this Agreement;

(c) This Agreement does not contravene any law or any governmental rule, regulation or order applicable to the City;

(d) The execution and delivery of this Agreement and the performance by the City of its obligations hereunder do not contravene the provisions of, or constitute a default under, the terms of any indenture, mortgage, contract, resolution, or other instrument to which the City is a party or by which the City is bound;

(e) This Agreement is a contract for goods and services for purposes of Chapter 271, Subchapter I, of the Texas Local Government; and

(f) The City shall provide more than sufficient water and wastewater service to the Property on or before **March 1, 2014**.

LVISD is executing this Agreement in reliance on each of the warranties and representations set forth above and each such representation and warranty of the City will survive the execution and delivery of this Agreement and the consummation of each of the transactions contemplated by this Agreement.

VIII. REMEDIES

8.1 City Remedies. If LVISD fails or refuses to timely comply with any of its obligations hereunder, or if LVISD's representations, warranties or covenants contained herein are not true or have been breached, the City will have the right to enforce this Agreement by any remedy at law or in equity or under this Agreement to which it may be entitled; to terminate this Agreement; or to waive the applicable objection or condition.

8.2 LVISD Remedies. If the City fails or refuses to timely comply with its obligations hereunder, or if the City's representations, warranties or covenants contained herein are not true or have been breached, LVISD will have the right to enforce this Agreement by any remedy in equity to which it may be entitled, including termination, or waive the applicable objection or condition.

8.3 Waiver of Immunity. The Parties acknowledge and agree that this Agreement is subject to Chapter 271, Subchapter I, of the Texas Local Government Code, and the limited waiver of sovereign immunity provided in that Subchapter. The Parties further hereby agree and expressly authorize the prevailing party in an adjudication brought pursuant to this Agreement to recover its reasonable and necessary attorney's fees in accordance with Chapter 271, Subchapter I, of the Texas Local Government Code. Nothing in this section shall be construed to limit, or constitute a waiver of, any Party's sovereign or governmental immunity to claims of liability raised by third persons, and each Party specifically retains all immunity from suit and from damages that it may otherwise be entitled to under the laws of the State of Texas.

8.4 Notice and Opportunity to Cure. If either Party (referred to herein as the "Defaulting Party") fails to comply with its obligations under this Agreement or is otherwise in breach or default under this Agreement (collectively, a "Default") then the other Party (referred to herein as the "Non-Defaulting Party") may not invoke any rights or remedies with respect to the Default until and unless: (i) the Non-Defaulting Party delivers to the Defaulting Party a written notice (the "Default Notice") which specifies all of the particulars of the Default and specifies the actions necessary to cure the Default; and (ii) the Defaulting Party fails to cure, within ten (10) days after the Defaulting Party's receipt of the Default Notice, any matters specified in the Default Notice which may be cured solely by the payment of money or the Defaulting Party fails to commence the cure of any matters specified in the Default Notice which cannot be cured solely by the payment of money within a reasonable period of time after the Defaulting Party's receipt of the Default Notice or fails to thereafter pursue curative action with reasonable diligence to completion.

8.5 City's Duty to Refund to LVISD. The City's duties pursuant to this Agreement, including financial duties, shall be expended prior to LVISD's financial duties. If the Water and Wastewater System Improvements should require less than budgeted, LVISD shall be immediately refunded the corresponding amount by the City.

**IX.
NOTICES**

9.1 **Addresses.** All notices hereunder from LVISD to the City will be sufficient if sent by certified mail or facsimile transmission with confirmation of delivery, addressed to the City to the attention of City Manager, 5803 Thunderbird, P.O. Box 4727, Lago Vista, Texas, 78645, facsimile: (512) 267-7070. All notices hereunder from the City or LVISD will be sufficiently given if sent by certified mail or facsimile transmission with confirmation of delivery, addressed to LVISD to the attention of Superintendent of Schools, Lago Vista Independent School District, P.O. Box 4929, Lago Vista, Texas, 78645, Facsimile (512) 267-8304.

**X.
MISCELLANEOUS**

10.1 **Authority.** This Agreement is made in part under the authority conferred in Chapter 791, *Texas Government Code*.

10.2 **Term and Termination.** This Agreement shall be effective upon execution by both Parties and shall remain in effect for a period of ten (10) years, unless otherwise terminated according to its terms. Any outstanding payment obligation of either Party shall survive termination. Should any amount of the Subsequent User Fee remain outstanding at Termination, the City shall immediately pay LVISD that amount.

10.3 **Appropriation of Funds.** LVISD covenants that as of the date of execution of this Agreement, it reasonably believes that LVISD has appropriated or will appropriate sufficient funds available to make all payments for which it is responsible under this Agreement based upon the estimates furnished by the City. LVISD further agrees that its official or employee responsible for preparing budgets will provide appropriate funding for its payments hereunder in its annual budget request submitted to the governing body of LVISD. If the governing body of LVISD chooses not to appropriate funds for such payments, then the governing body will evidence such nonappropriation by omitting funds for such payments due during the applicable fiscal period from the budget that it adopts. The City agrees that LVISD's payment obligations hereunder will be a current expense and will not be interpreted to be a debt in violation of applicable law or constitutional limitations or requirements, and nothing contained herein will be interpreted as a pledge of general tax revenues, funds, or moneys. If sufficient funds are not budgeted or appropriated and budgeted by the governing body of LVISD and LVISD has exhausted all funds legally available for payments due hereunder, then LVISD will give written notice thereof to the City, this Agreement will terminate for all purposes, and the Parties will be without further obligation to each other. In the event of any such termination by LVISD, the City shall have no obligation to provide water and wastewater service to the Property, and shall refund to LVISD the balance of any funds held by the City from LVISD after payment of the City's costs and expenses incurred as of the date of, or arising out of, termination.

The City covenants that as of the date of execution of this Agreement, it reasonably believes that the City has appropriated or will appropriate sufficient funds available to make all payments for which it is responsible under this Agreement based upon the estimates furnished by LVISD, including but not limited to the appropriation of available Park Funds in the amount of three hundred twenty four thousand nine hundred and nineteen dollars and no cents (\$324,919.00). If the governing body of the City chooses not to appropriate funds for such payments, then the governing body will evidence such nonappropriation by omitting funds for such payments due during the applicable fiscal period from the budget that it adopts. LVISD agrees that the City's payment obligations hereunder will be a current expense and will not be interpreted to be a debt in violation of applicable law or constitutional limitations or requirements, and nothing contained herein will be interpreted as a pledge of general tax revenues, funds, or moneys. If sufficient funds are not budgeted or appropriated and budgeted by the governing body of the City and the City has exhausted all funds legally available for payments due hereunder, then the City will give written notice thereof to LVISD, this Agreement

will terminate for all purposes, and the Parties will be without further obligation to each other. In the event of any such termination by the City, LVISD shall have no obligation to provide water and wastewater service to the Property, and shall refund to the City the balance of any funds held by LVISD from the City after payment of LVISD's costs and expenses incurred as of the date of, or arising out of, termination.

10.4 Payments from Current Revenues. Any payments required to be made by a Party under this Agreement will be paid from current revenues or other funds lawfully available to the Party for such purpose.

10.5 Execution. This Agreement may be simultaneously executed in any number of counterparts, each of which will serve as an original and, will constitute one and the same instrument.

10.6 Costs and Expenses. Except as otherwise expressly provided herein, each Party will be responsible for all costs and expenses incurred by such Party in connection with the transaction contemplated by this Agreement.

10.7 Governing Law. This Agreement will be governed by the Constitution and laws of the State of Texas, except as to matters exclusively controlled by the Constitution and Statutes of the United States of America.

10.8 Successors and Assigns. The assignment of this Agreement by either Party is prohibited without the prior written consent of the other Party, which consent will not be unreasonably withheld. All of the respective covenants, undertakings, and obligations of each of the Parties will bind that Party and will apply to and bind any successors or assigns of that Party.

10.9 Headings. The captions and headings appearing in this Agreement are inserted merely to facilitate reference and will have no bearing upon its interpretation.

10.10 Partial Invalidity. If any of the terms, covenants or conditions of this Agreement, or the application of any term, covenant, or condition, is held invalid as to any person or circumstance by any court with jurisdiction, the remainder of this Agreement, and the application of its terms, covenants, or conditions to other persons or circumstances, will not be affected.

10.11 Waiver. Any waiver by any Party of its rights with respect to a default or requirement under this Agreement will not be deemed a waiver of any subsequent default or other matter.

10.12 Amendments. This Agreement may be amended or modified only by written agreement duly authorized by the governing body of the City and LVISD, and executed by the duly authorized representatives of all Parties.

10.13 Cooperation. The Parties agree to cooperate at all times in good faith to effectuate the purposes and intent of this Agreement. Without limitation, each Party agrees to execute and deliver all such other and further instruments and undertake such actions as are or may become necessary or convenient to effectuate the purposes and intent of this Agreement.

10.14 Venue. All obligations of the Parties are performable in Travis County, Texas and venue for any action arising hereunder will be in Travis County.

10.15 Third Party Beneficiaries. Except as otherwise expressly provided herein, nothing in this Agreement, express or implied, is intended to confer upon any person, other than the Parties, any rights, benefits, or remedies under or by reason of this Agreement.

10.16 Representations. Unless otherwise expressly provided, the representations, warranties, covenants, indemnities, and other agreements will be deemed to be material and continuing, will not be merged, and will survive the closing of this transaction and the conveyance and transfer of the Interests to be Acquired to the City.

10.17 **Exhibits.** All exhibits attached to this Agreement are hereby incorporated in this Agreement as if the same were set forth in full in the body of this Agreement.

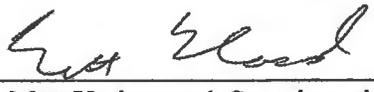
10.18 **Entire Agreement.** This Agreement, including the attached exhibits, contains the entire agreement between the Parties with respect to the subject matter hereof and supersedes all previous communications, representations, or agreements, either verbal or written, between the Parties with respect to such matter.

IN WITNESS WHEREOF, the Parties hereto have caused this instrument to be signed, sealed and attested in duplicate by their duly authorized officers, as of the Effective Date.

CITY OF LAGO VISTA

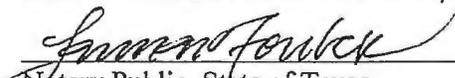
By: 
Bill Angelo, City Manager

LAGO VISTA INDEPENDENT SCHOOL DISTRICT

By: 
Matt Underwood, Superintendent

THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

This instrument was acknowledged before me on the 1ST day of NOVEMBER, 2012, by Bill Angelo, City Manager of the City of Lago Vista, a home rule municipal corporation of the State of Texas, on behalf of said municipal corporation.

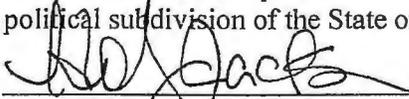


Notary Public, State of Texas



THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

This instrument was acknowledged before me on the 25th day of October, 2012, by Matt Underwood, Superintendent of Schools of the Lago Vista Independent School District, a political subdivision of the State of Texas, on behalf of said school district.



Notary Public, State of Texas

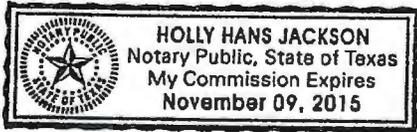


Exhibit "A"

Description of Property and Illustration of Water and Wastewater System Improvements

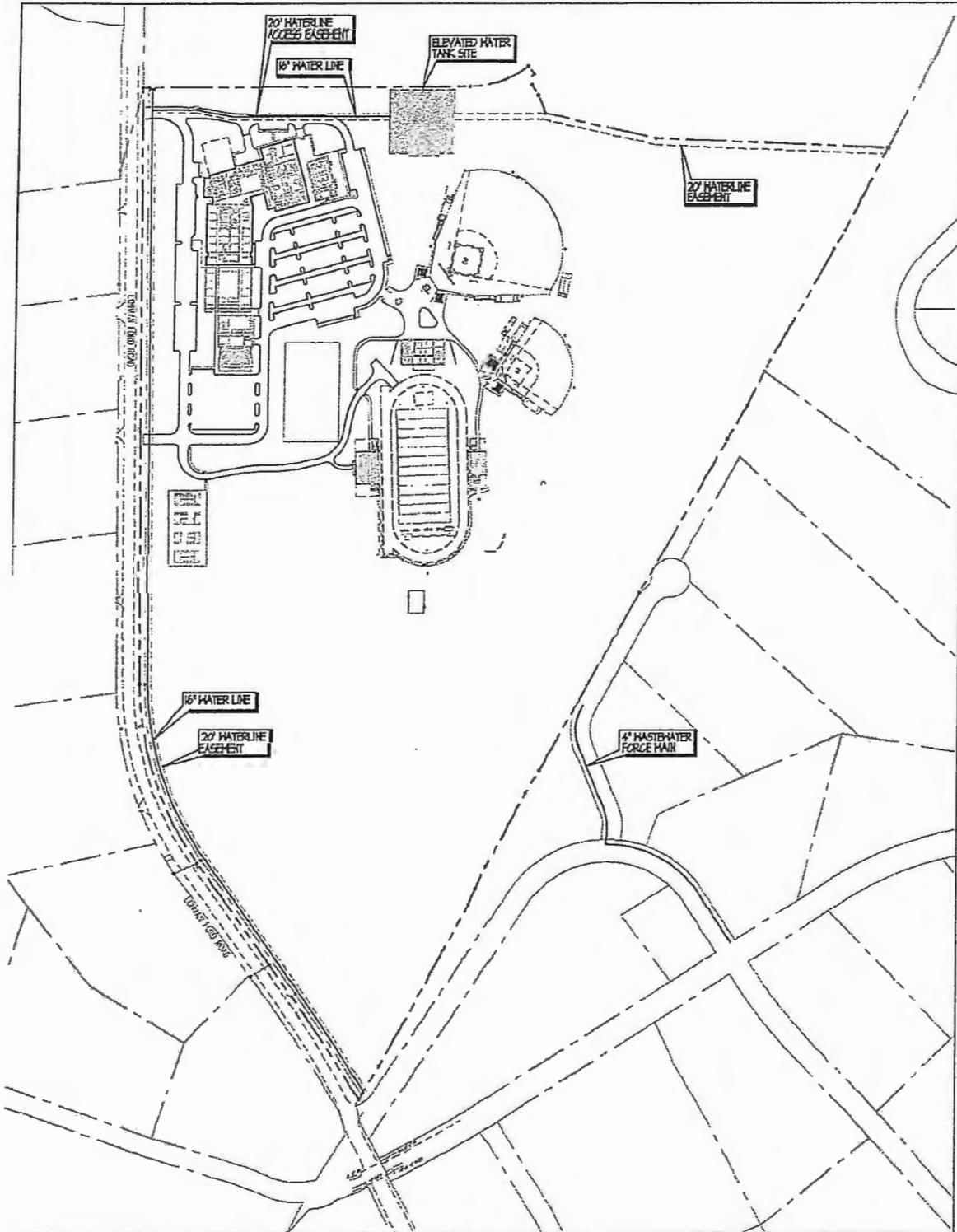


Exhibit "B"

WATER LINE AND FACILITIES EASEMENT

STATE OF TEXAS §

COUNTY OF TRAVIS §

DATE: October 22, 2012

GRANTOR: Lago Vista Independent School District, an independent school district and political subdivision of the State of Texas

GRANTOR'S MAILING ADDRESS: P.O. Box 4929
Lago Vista, Texas 78645

GRANTEE: City of Lago Vista, a home rule municipal corporation of the State of Texas

GRANTEE'S MAILING ADDRESS: P. O. Box 4727
Lago Vista, Texas 78645

CONSIDERATION: Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged.

GRANT: Grantor, for the CONSIDERATION paid to Grantor by Grantee, hereby grants, sells, and conveys to Grantee an exclusive easement (the "Water Line and Facilities Easement") in, upon, under, over the Water Line and Facilities Easement Tract (hereinafter defined), together with all and singular the rights and appurtenances thereto in any wise belonging, to have and hold to Grantee and Grantee's successors and assigns forever. The exclusive easement, rights, and privileges herein granted shall be used for the purposes of excavating for, laying, constructing, placing, operating, maintaining, reconstructing, replacing, rebuilding, upgrading, renewing, removing, inspecting, patrolling, changing, modifying, or repairing the PROJECT (as hereinafter defined), or any part of the PROJECT, and making connections therewith.

Grantor, for the CONSIDERATION paid to Grantor by Grantee, hereby further grants, sells, and conveys to Grantee a non-exclusive temporary construction easement (the "Temporary Construction Easement") upon and over the Temporary Construction Easement Tract (hereinafter defined) for the accommodation of construction equipment, materials and excavated earth. The Temporary Construction Easement shall terminate thirty days (30) after Grantee has completed initial construction of the authorized improvements in the Water Line and Facilities Easement.

DESIGNATION OF COURSE: The "Water Line and Facilities Easement Tract" is defined as a tract of land approximately 200' X 200' (40,000 square feet) upon, across, over and under the following described real property:

.918-acres of land, more or less, more particularly described by metes and bounds attached hereto as Exhibit A, and shown on a sketch attached hereto as Exhibit A-1, said exhibits being incorporated herein by reference for all purposes.

The non-exclusive "Temporary Construction Easement Tract" is defined as a tract of land being upon and across the surface only of the following described real property:

_____ - acres of land, more or less, more particularly shown on a sketch attached hereto as Exhibit B, said exhibit being incorporated herein by reference for all purposes.

PROJECT: Multiple water lines, a water tank, and all necessary or desirable facilities, equipment and appurtenances thereto including, without limitation, valves, meters and communication lines and related facilities, as described in detail in the "Interlocal Agreement Regarding Construction of Water and Wastewater System Improvements" entered into by Grantor and Grantee. In the event Grantor constructs an additional water line or lines in the future after construction of an initial water line, any such line or lines shall be constructed adjacent to and generally parallel with the first water line laid by Grantee within the Water Line and Facilities Easement.

OBLIGATION OF GRANTEE: By acceptance of this grant and utilization of any rights granted hereby, Grantee agrees that except as otherwise provided in this instrument, it will at all times, after doing any work pursuant to the rights hereby granted, restore the surface of the Water Line and Facilities Easement Tract and Temporary Construction Easement Tract to substantially the same condition as existed prior to such work taking into consideration the nature of the work being performed; and that Grantee will not do any act, or fail to do any act, that will be detrimental or create a hazard to the surface of the lands covered thereby or to the use thereof.

RIGHTS OF GRANTOR: Grantor shall have the right to abate any unauthorized use of the Water Line and Facilities Easement and any unauthorized use of the Temporary Construction Easement by Grantee by any lawful method. Grantor, its successors and assigns shall retain the right to use the surface of the lands within the boundary lines of the Water Line and Facilities Easement Tract, including, but not limited to, for the construction of roads, driveways, curbs, sidewalks, fences, and light poles; provided, however, that (1) no buildings, water quality or detention or similar drainage features, or permanent structures of any kind shall be placed, erected or maintained thereon; (2) such improvements shall not damage facilities located within, or materially interfere with Grantee's use and enjoyment of, the Water Line and Facilities Easement Tract; and (3) no subsurface utilities of any kind shall be located within the Water Line and Facilities Easement Tract that materially interfere with the exercise of Grantee's rights hereunder. Grantee agrees to repair damages that it causes to any of Grantor's authorized improvements within the Water Line and Facilities Easement Tract. Grantee shall not be

responsible for damage it causes to unauthorized improvements within the Water Line and Facilities Easement Tract. Notwithstanding any provision in this instrument to the contrary, in the event that Grantor modifies existing fencing or constructs new fencing on Grantor's property after the date of this instrument so as to deprive Grantee of access to and from the Water Line and Facilities Easement Tract (including access required for vehicles and equipment), Grantee shall not be responsible for repairing any damage it causes to such fencing in gaining access.

EXCLUSIVITY: Grantee's easement rights within the Water Line and Facilities Easement Tract shall be exclusive. Grantee's easement rights within the Temporary Construction Easement shall be non-exclusive.

HABENDUM: To HAVE AND HOLD the Water Line and Facilities Easement and Temporary Construction Easement and all and singular the rights and appurtenances thereunto belonging unto Grantee, its successors and assigns.

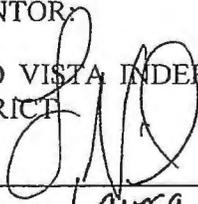
TERMINATION: The Water Line and Facilities Easement and Temporary Construction Easement shall terminate in the event of termination of that certain "Interlocal Agreement Regarding Construction of Water and Wastewater System Improvements" entered into by Grantor and Grantee. Under such circumstances, Grantee agrees to record an instrument in the Official Property Records of Travis County releasing all of its rights and interests to the Water Line and Facilities Easement and Temporary Construction Easement. In the event of such termination, Grantee may promptly remove or abandon all Project facilities located within the Water Line and Facilities Easement Tract, as determined in the sole discretion of Grantee.

SUCCESSORS AND ASSIGNS: The rights granted hereby and the rights, agreements and burdens pertaining thereto shall constitute a covenant running with the land and inure to the benefit of and shall be binding upon the Grantor, any other owner in the future on any part of the Water Line and Facilities Easement Tract and Temporary Construction Easement Tract, and the Grantee, and all of their respective successors, heirs, legal representatives, executors, administrators and assigns. Grantee's rights hereunder may be assigned in whole or in part to one or more assignees.

IN WITNESS WHEREOF, the GRANTOR has executed this instrument this 24th day of October, 2012.

GRANTOR:

LAGO VISTA INDEPENDENT SCHOOL DISTRICT

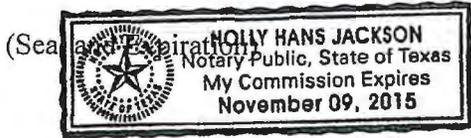
By: 
Name: Laura Vincent
Title: President

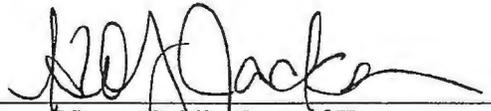
STATE OF TEXAS

§
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COUNTY OF TRAVIS

This instrument was acknowledged before me on the 24th day of October, 2012, by Laura Vincent, Board President of Lago Vista Independent School District, an independent school district of the State of Texas, on behalf of said school district.





Notary Public, State of Texas

After recording return to:
City of Lago Vista
P. O. Box 4727
Lago Vista, Texas 78645

Exhibit "C"

Subsequent User Fee Methodology

Living Unit Equivalent's (LUE) development needs ÷ total number of LUEs = X

Subsequent User Fee = X × [total cost of line]

(h) Funds presently maintained by the districts which are gained by the city on abolishing the districts shall be dedicated for use as utility funds and used for no other purposes.

 **Sec. 13.303 Continuing Certain Programs for Specified Time Periods**

(a) The personnel policies utilized by Lago Vista MUD and Travis County WC&ID for their employees will remain in effect until December 31, 1987, at which time all personnel will become subject to the city's Personnel Policy, unless there is an election to do so sooner by the employees.

(b) Permit renewals, bond programs and land purchase negotiations will be continued by the advisory boards subject to city council approval to the maximum practical extent.

(c) Effective January 1, 1988 a permanent city utility commission shall be created composed of six members. Initially, two members will be appointed by each advisory board and two members will be appointed by the city council. Of the two members appointed by each body, one will be appointed for a one year term and the other for a two year term. After the initial terms have expired, members will be appointed by the city council. The chairman of the commission shall be appointed by the mayor.

(Ordinance 87-08-27-01 adopted 8/27/87)

 **ARTICLE 13.400 ON-SITE SEWERAGE FACILITY RULES**

The city council of the City of Lago Vista, Texas hereby amends entirely ordinance No. 84-09-18-01 and Ordinance No. 85-11-12-04 by adopting the provisions of new sections of Texas Civil Statutes Article 4477-1 Articles 12, 19, 20 and 23-25, which authorize the Texas Board of Health to adopt rules covering construction standards for on-site sewerage facilities with said rules by the Texas Department of Health on file in the office of the city secretary and said rules being hereby adopted by the city council of the City of Lago Vista, Texas. (Ordinance 88-01-21-01 adopted 1/21/88)

 **ARTICLE 13.500 HOUSEHOLD GRINDER PUMPS**

(a) The city council of the City of Lago Vista Texas hereby authorizes individual household grinder pump units to be part of the sewage collection system and hereby provides for control of the operation and maintenance of the grinder pump units by the city, all in accordance with Texas Water Commission Rule 31 TAC 317.2 (d) (1,2&3).

(b) The specifications and materials allowed for use in the city shall be developed by the utility department and approved by the city council.

(Ordinance 90-11-15-01 adopted 11/15/01)

 **ARTICLE 13.600 RESERVED***

 **ARTICLE 13.700 WATER AND WASTEWATER LINE EXTENSIONS**

 **Sec. 13.701 Extensions to Existing Platted Lots**

Sections 13.702 through 13.704 apply to existing platted lots on which a building permit is requested and not for developer extended water or wastewater lines or facilities which are addressed in Section 13.705. (Ordinance 12-08-02-01, sec. 2, adopted 8/2/12)

 **Sec. 13.702 Extensions by the City**

The city shall install, construct and extend by city standards any city water or sewer line for a distance of up to one hundred fifty feet (150') as necessary to make any water or sewer tap. The applicable water or sewer tap fee shall include the cost and expense, if any, for extending any such line for a distance of up to 150' and no additional fee shall be charged by the city for any such line extension of 150' or less. The provisions of Section 13.704(c) shall not be applicable to any fee, charge or construction pursuant to this article.

Sec. 13.703 Payment of Costs

The actual costs and expenses for designing, constructing and extending the water and sewer lines of the city beyond 150' to serve or provide additional service to any property within the city shall be paid to the city in advance by the owner, agent or person making application for the line, extension, as provided in this article. The city manager may compare the actual costs to the original estimated costs and make an adjustment as is reasonable.

(Ordinance 00-09-06-01 adopted 9/6/00)

Sec. 13.704 Rebate Agreements

(a) Any person, firm or entity who complies with the terms and provisions of this article and who pays the costs and expenses for the construction of a water or sewer line pursuant to Section 13.703 above, which water or sewer line is within the city, shall be entitled to reimbursement or partial reimbursement as provided in this section.

(b) After the construction and final acceptance of any line construction pursuant to this section, the costs and expenses shall be submitted to the city manager for his review and consideration of a rebate agreement pursuant to subsection (c) hereinafter.

(Ordinance 94-03-17-02 adopted 3/17/94)

(c) Upon application, the city may enter into a rebate agreement providing for the city to rebate to the person paying for the construction of the line extension according to the cost per linear foot of the line for any property, other than the applicant's, that is directly serviced by the line. All property serviced by the line will be charged a prorated share of the linear foot cost of the line times the linear footage of the property serviced by the line. For instance, if a 500 linear foot line is constructed at a cost of \$5,000.00 then the linear foot cost would be \$10.00. If a property, other than the applicant's property, has 100 linear feet of property that is directly serviced by the line, then the owner of that property will be charged \$1,000.00 as an assessment for the construction of the line. Such assessments shall be paid at the time that an application for a water tap or a sewer tap for the property is made, regardless of who owns the property at the time the water or sewer tap application is made. Such assessments shall be rebated for a period of up to ten (10) years or until such time as one hundred percent (100%) of the reasonable and approved rebate agreement amount has been reimbursed, whichever comes first. (Ordinance 00-09-06-01 adopted 9/6/00)

(d) Utility Extension Estimate Required.

(1) Upon receipt of a building permit application for a residential dwelling or commercial structure, the city will initiate the preparation of a utility extension estimate for water and sewer service for the purpose of determining the availability and cost of extending water and/or sewer service to the property described in the permit application.

(2) The cost of preparing the estimate shall be assessed to the individual or entity submitting the application at the time the application is submitted. The fee to be assessed for the estimate shall be determined by the city manager based upon the actual cost of preparation plus an administrative charge designed to recover any and all costs incurred by the city for the preparation of the estimate.

(3) The estimate requirement may be waived by the city at the discretion of the city manager or his/her

designee on the following basis:

- (A) A current and accurate estimate exists for the extension of water and/or sewer service to the property.
- (B) The applicant provides written affidavit to the city that utility services will be provided to the property by other legal means.

(Ordinance 01-05-17-02 adopted 5/17/01)

Sec. 13.705 Extensions and Developer Rebate

The following sections shall apply to the approval and construction of a water and/or wastewater line extension(s) and associated facilities that are part of a development for which the lines and associated facilities are oversized by developers or property owners and for the purpose of reimbursing developers or property owners for the oversized lines and any associated facilities.

Sec. 13.706 Definitions

In this article:

Associated Facility. An apparatus or improvement that is used in conjunction with a water or wastewater line that provides water or wastewater service to a tract of land, regardless of where the associated facility is located. The term includes a lift station, pump station, storage tank, odor control device or facility, or an addition to an existing facility that increases the capacity of the existing facility to provide water or wastewater service.

Oversize. An increase in the size or capacity of a line or associated facility above the minimum size capacity, including flow requirements, that is necessary to provide water and wastewater service to a particular development.

Rebate Fee. A charge made against a lot, tract, or parcel for the purpose of reimbursing a developer a proportionate share of the costs of extending a water or wastewater line and associated facilities that serves the property against which the charge is made.

Service Extension. A water or wastewater line or an associated facility that is necessary to extend water or wastewater service from existing city water or wastewater lines or facility to a tract of land and across the tract or frontage of the tract to a point determined by the city manager or his designee to be consistent with the further service extension of the city water or wastewater utilities, provided that the extension across or through the tract does not extend beyond the property boundaries of the tract.

Water or Wastewater Line. Pipe and necessary appurtenances to a water or wastewater collection system attached to pipe. The term includes a valve, manhole, connection, air release, diversion, or other equipment necessary to make the water or wastewater collection system work in compliance with the city standards and standard drawings.

Sec. 13.707 Service Extension Requirements and Application

(a) Extension. A developer or property owner shall extend all water and wastewater lines and associated facilities needed to connect the development or land use with the city water or wastewater system. All costs of installing such facilities shall be borne by the developer or landowner, subject to rebate fees pursuant to this article and limitations in this article unless otherwise agreed in a utility agreement approved by the city council.

(b) Application.

- (1) A service extension application is required to:
 - (A) Provide city water or wastewater service to a tract of land, connecting to the existing water or wastewater system; or
 - (B) Provide water or wastewater service to a tract of land if an existing line or associated facility is unsuitable or insufficient to provide service to the tract.
- (2) The application for service shall be made to the city and shall include:
 - (A) A general description of the location, size, and capacity of the service extension;
 - (B) Additionally, if the service would be outside the city limits, the applicant may be required to fund a cost of service study to determine the water or wastewater rate. Whether or not a petition has been presented, service outside of the city limits may not be provided in all cases;
 - (C) If the developer requests rebate in accordance with this section, the application shall include a study determining the amount of cost reimbursement in accordance with Section 13.708, below; and
 - (D) Other Entity Service. If either water or wastewater service is to be provided by an entity other than the city, the applicant must include a commitment from the other entity to provide the other required service. The commitment must be in the form of a contract with the entity, a letter from the entity, or the approved minutes of the relevant meeting of the governing body of the entity.

(c) Administrative Approval of Extension Application.

- (1) The city manager or his designee may approve an application or contract for extension if:
 - (A) The requested service extension does not require oversizing or include a request for rebate of cost participation by the city; and
 - (B) The city manager or his designee determines that sufficient capacity exists or will be available to meet the projected demands of the development or land use to be served.
- (2) If either of these prerequisites is not met, a service extension contract or utility agreement approved by the city council will be required.
- (3) The city manager for any reason may ask the city council to review the application or extension contract, or utility agreement.

(d) Approval of Improvements.

- (1) After a service extension application or service extension contract has been approved, an applicant must submit construction plans for the needed improvements, to the city manager or his designee for review and approval of the size, capacity and routing of the improvements.
- (2) The city manager or his designee may approve the size, capacity, or routing of an improvement only if it complies with generally accepted engineering practices, the city's standard drawings, this code, and any applicable state or federal requirement.
- (3) Oversizing. Water and wastewater lines shall be oversized where needed to provide capacity to other existing or new developments in the area to be served in order to avoid duplication of facilities. Costs of oversizing will be apportioned in accordance with Section 13.708 below.
- (4) The location and size of all water and wastewater lines necessary to serve land to be developed

shall be in accordance with the city's plat regulations.

(5) When an existing water or wastewater line provides service and the line or lines were built as part of a water or wastewater line extension pursuant to a developer rebate agreement or contract, the developer or landowner shall pay the rebate fee established for the water or wastewater line before extension of or connection to such line is made.

(e) Expiration of Service Extension Approval.

(1) Unless extended under subsections (2) or (3), following, the approval of a service extension application remains valid until the latest of:

(A) The date on which the preliminary plat or final plat for the property to be served expires;

(B) Two (2) years from the date on which the service extension application was approved, if on or before that date:

(i) A final plat for the property to be served has not been recorded; and

(ii) Construction of the service extension has not begun; or

(C) Three (3) years from the date on which service extension was approved, if:

(i) On or before the date of final plat for the property to be served has not been recorded; and

(ii) Construction of the service extension began before the second anniversary of the date on which the service extension was approved, but on or before the third anniversary of that date, construction of the service extension has not been completed and accepted for operation and maintenance by the city.

(D) The date established in the service agreement, service contract or utility agreement.

(2) If construction of a service extension begins before the approval ceases to be valid under subsection (e)(1) the city manager or his designee may extend the approval of a service extension for a period of time estimated to be necessary to complete construction of the service extension.

(3) Under this subsection, if approval of a service extension requires a service extension contract or utility agreement:

(A) Construction of the service extension shall not begin until fiscal security is posted or money is deposited in conformance with subsection (f) below; and

(B) The service extension approval is extended until construction of the service extension is complete and the city accepts the lines and associated facilities constructed under the contract.

(f) Fiscal Security. Fiscal security in an amount equal to 100 percent of the estimated cost of the service extension, as approved by the city engineer, must be deposited in cash with the city in an escrow account. Alternatively, the developer or landowner may provide an irrevocable letter of credit approved by the city manager and city attorney that has a minimum term of three years.

(g) Exception, City Extension. Subsections (a) through (f) of this section have no application when the city determines to initiate construction of water or wastewater lines or associated facilities that serve multiple users. This provision may not be invoked to finance serial connections to lots in an existing subdivision.

(a) Eligible Projects. A developer or property owner that agrees to construct a water or wastewater line extension that on acceptance will become part of the city's utility system and which supplies capacity to other existing or new development, may apply to the city to establish a rebate fee to be paid by other users of the facilities and to reimburse the developer or property owner a proportional amount of the costs of constructing such improvements. The developer or property owner also may apply for cost participation by the city for the costs of oversizing water or wastewater lines in excess of one size larger than the city's standard size required to serve the development.

(b) Study to Determine Amount of Cost Rebate by Other Users.

(1) The amount of rebate fee to be paid by other users for a water or wastewater line extension, if any, shall be based on engineering cost estimates and a study submitted by the applicant approved in writing by the city engineer. The study shall aggregate the costs of associated improvements where feasible. The city shall establish guidelines and formulas for eligible costs to administer the study program.

(2) The study shall contain the following minimum elements:

(A) Identification of the area and all properties to be served by the water or wastewater lines or associated facilities to be installed;

(B) The costs of the lines and associated facilities;

(C) Apportionment of the costs of the facilities to be installed among lots, tracts or parcels to be served by the improvements, based on the capacity to be utilized by such properties, using accepted engineering standards and practices;

(D) Calculation of the maximum amount of the costs which are to be rebated to the developer or property owner, net costs attributable to the developer's or property owner's utilization of capacity of the lines or associated facilities; and

(E) Calculation of a rebate fee to be charged to those that would utilize the water or wastewater lines or associated facilities built by the applicant for rebate.

(c) Amount of Cost Participation.

(1) In the event the city requires oversizing of water or wastewater lines for a service extension, the city shall determine the amount of cost participation by the city based on the city engineer's calculation of engineering estimates of the costs attributable to the increase in the size of the lines exceeding one size larger than the city standard size, taking into consideration the degree to which the need for such oversizing is created by the development for which service is being requested. The developer or landowner shall not be entitled to reimbursement rebates received for any portion of the costs paid by the city, which rebates shall be paid to the city.

(2) If the developer or landowner disagrees with the determination of the amount it is required to pay or expend under this section, the developer may appeal to the city council by submitting a written appeal to the city manager. At the city council hearing of the appeal, the developer or landowner may present evidence and testimony. The city council shall make a determination within thirty (30) days after hearing the testimony.

(d) Service Extension Contract Required.

(1) The applicant for approval of a service extension must request the establishment of rebate fees or cost participation in writing at the time the applicant applies to the city for approval of the service extension. If the applicant for approval of service extension requests establishment of rebate fees or cost participation, a written service extension contract or utility agreement is required.

(2) The service extension contract or utility agreement shall include at a minimum the rebate fee and

cost participation, if any, approved by the city, the duration of the right to collect rebate fees, and provisions for the forfeiture of such fees to the city in the event they are not collected by the contracting party, his successor-in-interest, or assignee.

(3) An executed service extension contract or utility agreement may be assigned by the party requesting service extension with the written consent of the city manager or his designee, which shall not be unreasonably withheld.

(e) Approval Process.

(1) The city manager or his designee shall review each request for cost rebate from rebate fees or cost participation for oversizing lines and/or associated facilities.

(2) The city manager or his designee may approve the study for cost reimbursement from rebate fees or cost participation for oversizing lines, or the city council on review of the city manager decision may approve the study if they determine that:

(A) The lines to be extended and built are not included on the impact fee capital improvement plan;

(B) The size of each proposed line or facility complies with generally accepted engineering practices;

(C) The study proposing rebate fees fairly apportions the extension costs among prospective users of the lines to be installed;

(D) The proposed line is a reasonable extension or addition to the water and /or wastewater system; and

(E) Funds for participation in the costs of oversizing lines are available from an identified source of funds or that funds will be available to meet the proposed payment schedule.

(3) The city manager for any reason may present to the city council at the city manager's discretion any application for rebate or cost participation to include applications that the city manager does not approve.

(4) Upon approval of a request for rebate, any development on or user of property identified in the approved fee study thereafter that connects to or utilizes the capacity of the water or wastewater line or associated facilities for which a rebate fee has been established shall pay the applicable fee. Rebate fees shall be collected by the city before construction commences on any water or wastewater improvement to serve such land or before connection to the facility, whichever first occurs.

(f) Conditions of Rebate.

(1) A developer or property owner constructing the line or facility is not entitled to receive a rebate from rebate fees or cost participation payment unless the developer or landowner complies with each requirement or regulation of the city including those related to:

(A) The public advertising of the line or facility;

(B) The bidding on the line or facility;

(C) A performance or payment bond for the line or facility;

(D) A one-year warranty/maintenance bond on the line or facility in a form approved by the city attorney;

(E) The developer or property owner submits documentation to the city showing compliance with subsection (A) through (D) above; and

(F) The line or facility is inspected and accepted for use by the city.

(2) Funds to be rebated shall be based on the actual costs to construct the improvements as shown on invoices provided by the developer or landowner and the approved rebate formula. Payments of rebate amounts received by the city shall be made after the deduction of costs incurred by the city.

(3) The developer or property owner shall be entitled to rebate for a period of 10 years from the date of the approval of the rebate agreement or until such time as one hundred percent (100%) of the reasonable and approved contract amount has been reimbursed.

(g) Payment of Rebate Fees.

(1) Payment by those who make use of or connect to a line or facility for which a rebate has been approved shall make such payment to the city. The city shall make the rebate payment to the developer or landowner within 60 days of the rebate payment to the city except that portion of the rebate attributable to the city's cost participation for oversizing. The city shall not have any responsibility to the landowner or developer for rebate fees which are not received by the city for any reason.

(2) It shall be the responsibility of the service extension contract holder or his assignee to provide the city in writing current contact information. The city will mail rebate payments to the last contact of record reflected on its books. In the event that the service extension contract holder or his assignee has not collected rebate payments sent to the contact of record for a period of one year from the date such payment(s) is made, any remaining or accrued amounts shall become the funds of the city for purposes of expenditure as may be determined at the sole discretion of the city.

(Ordinance 12-08-02-01, sec. 3, adopted 8/2/12)

ARTICLE 13.800 MANDATORY GARBAGE COLLECTION SERVICE

The city council of the City of Lago Vista, Texas hereby establishes a policy whereby all residences within the city must utilize the city's contract carrier for garbage collection. (Ordinance 95-06-22-02 adopted 6/22/95)

ARTICLE 13.900 WATER WELLS

Sec. 13.901 Permit Application

Effective March 1, 2013, water well permits may be issued provided the following conditions are met:

(1) If the well is for potable water, the property on which the well is located must be more than 300 feet as measured within street ROW or a utility easement from the city water supply to the nearest property line on which the well is to be located.

(2) The landowner on whose property the well would be located provides documentation and a plumbing permit application from a water well driller licensed by the state that the well is in compliance with all laws of the state and all rules and regulations of the Texas Commission on Environmental Quality and the city plumbing code. Compliance and approval of the permit to drill the well shall be determined by the city manager or his designee.

(3) Water wells used for irrigation purposes only and their attached piping and related facilities shall not be attached to any plumbing or piping that is attached to a potable water supply.

LUE Assumptions per Land Use Type

City of Austin Water and wastewater Utility LUE Criteria
(effective date: February 7, 1986)

Definition: A living unit equivalent (LUE) is defined as the typical flow that would be produced by a single family residence (SFR) located in a typical subdivision. For water, this includes consumptive uses, such as lawn watering and evaporative coolers. The wastewater system does not receive all of these flows, so the flows expected differ between water and wastewater. The number of LUE's for a project are constant; only the water and wastewater flows are different.

One LUE produces: 2.2 GPM (Peak Hour) of water flow
1.3 GPM (Peak Day) of water flow
350 GPD (0.243 G.P.M.) average dry weather flow

Peak flow factor formula:
$$PF = \frac{18 + [0.0144(F)]^{0.5}}{4 + [0.0144(F)]^{0.5}}$$
 F = Average Flow (GPM)

Land Use	LUE Conversion
Residential	
One (1) Single Family Residence; Modular Home; Mobile Home	1 LUE
One (1) Duplex	2 LUE
One (1) Triplex, Fourplex; Condo Unit; P.U.D. Unit (6+ Units/Acre to 24 Units/Acre)	0.7 LUE/Unit
One (1) apartment Unit (24+ Units/Acre)	0.5 LUE/Unit
One (1) Hotel or Motel Room	0.5 LUE/Unit
Commercial	
Office	1 LUE/3,000 Sq.Ft. of Floor
Office Warehouse	1 LUE/4,000 Sq. Ft. of Floor
Retail; Shopping Center	1 LUE/1,660 Sq. Ft. of Floor
Restaurant; Cafeteria	1 LUE/200 Sq. Ft. of Floor
Hospital	1 LUE/Bed
Rest Home	1 LUE/2 Beds
Church (Worship Services Only)	1 LUE/70 Seats
High School (Includes Gym and Cafeteria)	1 LUE/13 Students
Elementary School (Includes Gym and Cafeteria)	1 LUE/15 Students

The following additional LUE Conversion factors were used in cases where the North Burnet/Gateway Plan proposes a land use not included in the City's LUE criteria list. These LUE conversion factors were generated by correlating them to an occupancy assuming one employee per 600 to 750 square feet.

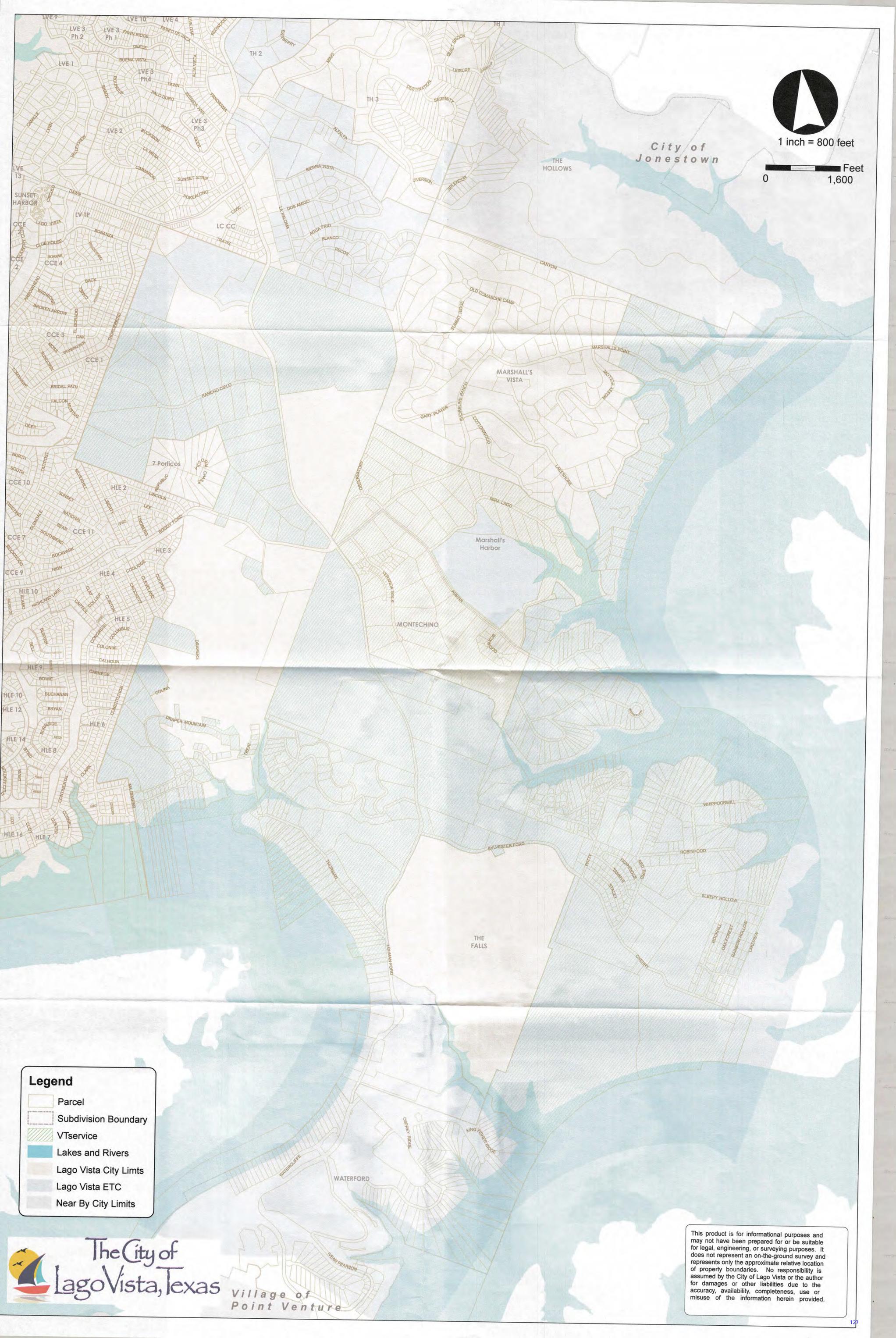
Land Use	LUE Conversion
Commercial Services	1 LUE/3,500 Sq. Ft. of Floor
Industrial Space	1 LUE/4,000 Sq. Ft. of Floor



1 inch = 800 feet

0 1,600 Feet

City of
Jonestown



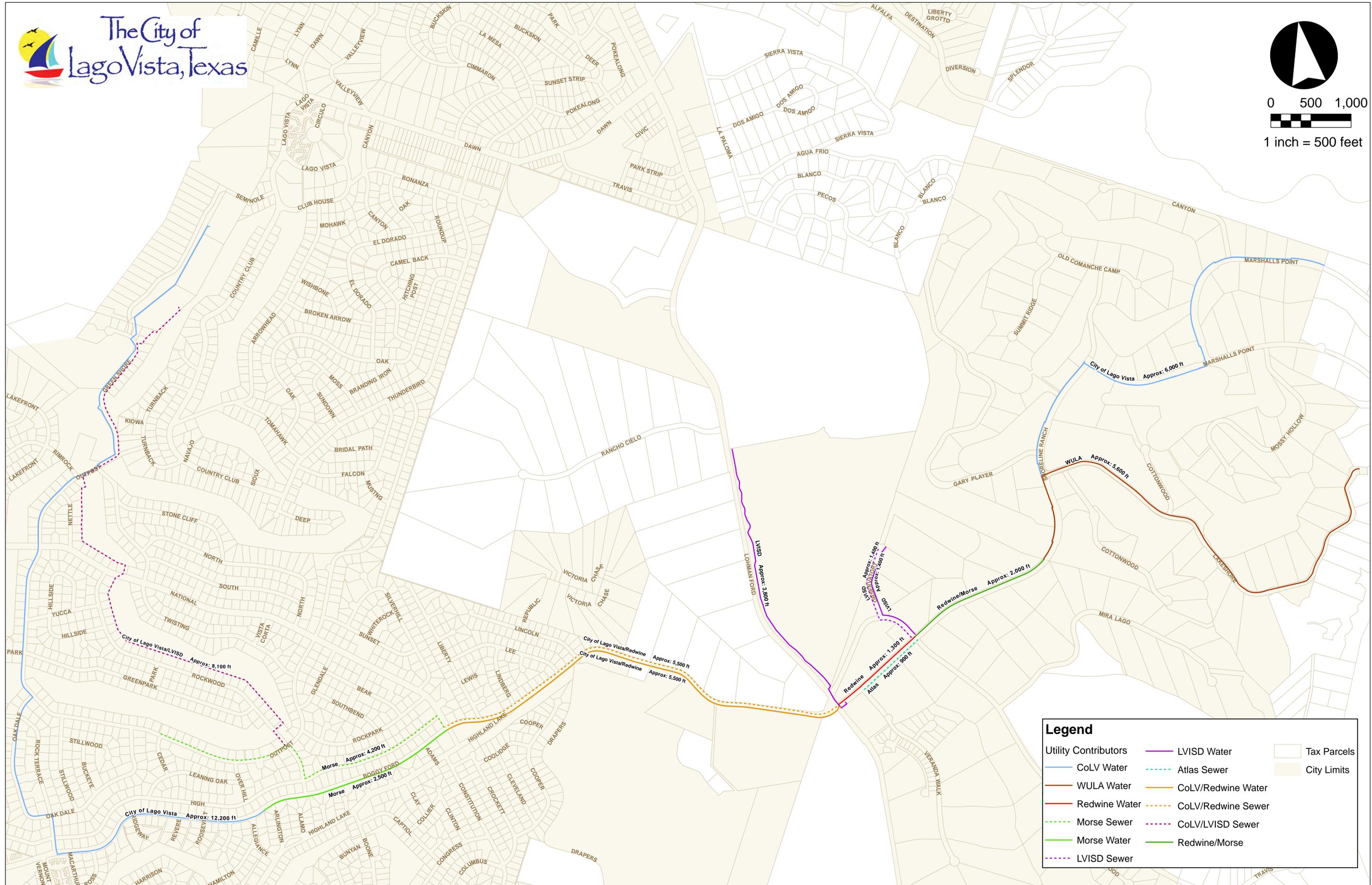
Legend

-  Parcel
-  Subdivision Boundary
-  VTservice
-  Lakes and Rivers
-  Lago Vista City Limits
-  Lago Vista ETC
-  Near By City Limits

This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries. No responsibility is assumed by the City of Lago Vista or the author for damages or other liabilities due to the accuracy, availability, completeness, use or misuse of the information herein provided.



Village of
Point Venture



Legend

Utility Contributors	— LVISD Water	□ Tax Parcels
— CoLV Water	- - - Atlas Sewer	■ City Limits
— WULA Water	— CoLV/Redwine Water	
— Redwine Water	- - - CoLV/Redwine Sewer	
- - - Morse Sewer	- - - CoLV/LVISD Sewer	
— Morse Water	— Redwine/Morse	
- - - LVISD Sewer		

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AGENDA ITEM

City of Lago Vista

To: **Council Meeting:**

From:

Subject:

Request: **Legal Document:** **Legal Review:**

EXECUTIVE SUMMARY:

The purpose of this Agenda Item is to provide an overview of the project to City Council.

The idea for this project was initially brought forward by former City Councilman Dick Bohn. Attached is a Power Point presentation which provides an overview of the project since July 2014.

Impact if Approved:

No decision necessary, brought forth to update City Council.

Impact if Denied:

No decision necessary, brought forth to update City Council so as to prepare for future direction of City Staff.

Is Funding Required? Yes No **If Yes, Is it Budgeted?** Yes No N/A

Indicate Funding Source:

\$20,000 Budgeted by City Council in FY15/16 Approved Budget.

Suggested Motion/Recommendation/Action

Motion to:

Approve Item

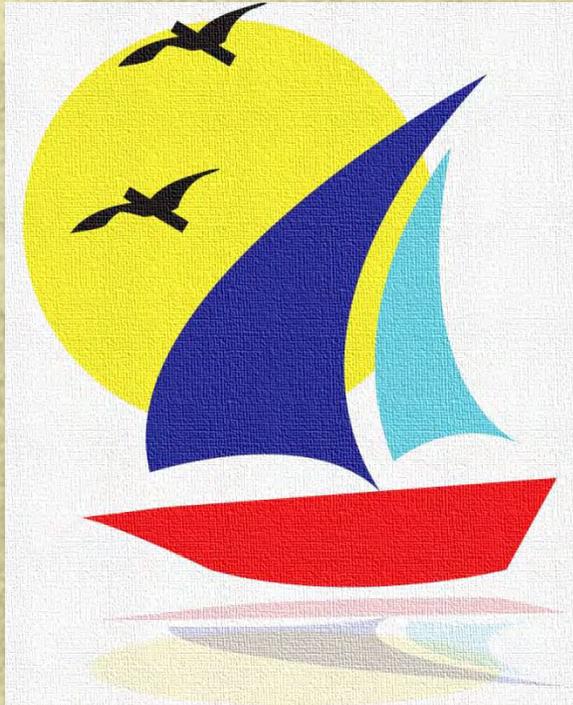
Motion to:

Motion to:

Known As:

Update on Veteran's Park Monument Project.

Agenda Item Approved by City Manager



History of Veteran's Park

UPDATE OF PAST ACTIVITIES

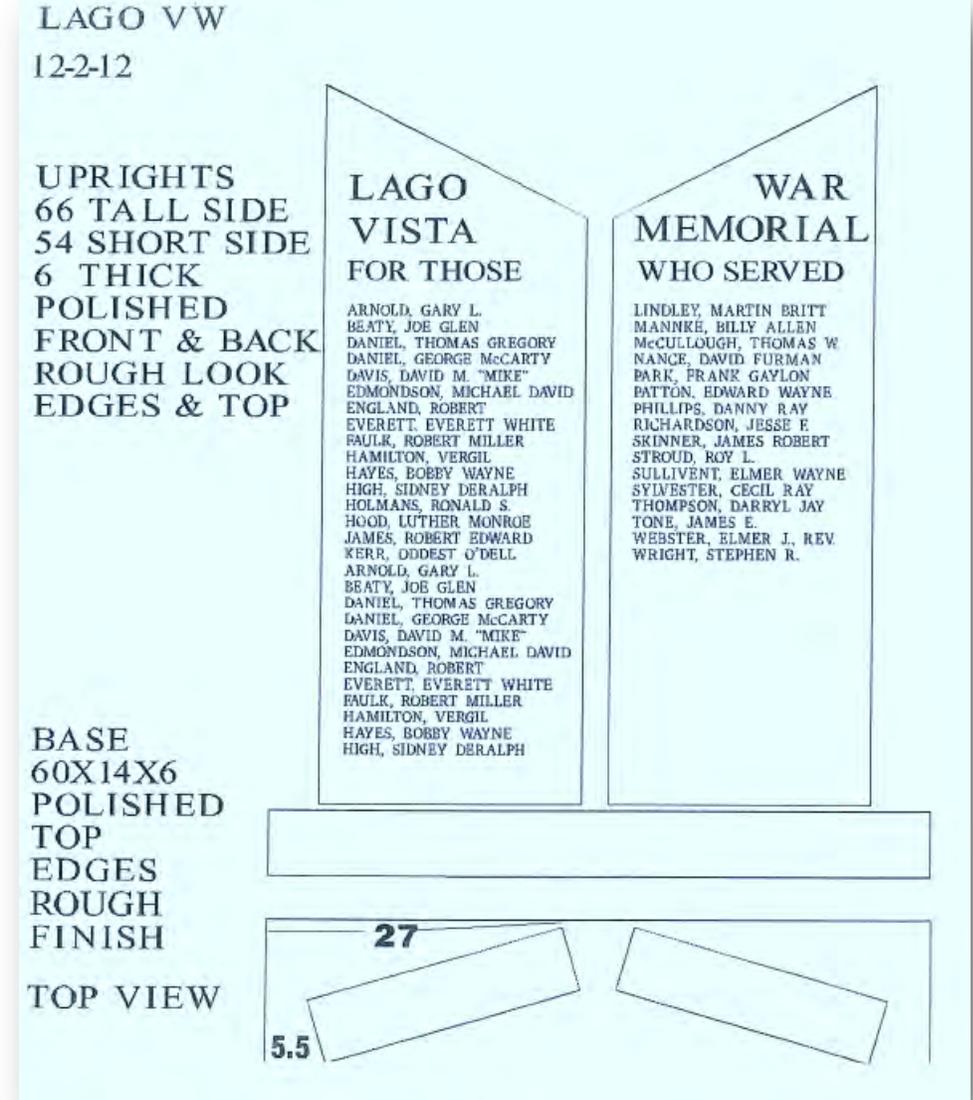
City of Lago Vista

History

Former City Councilman Dick Bohn has been developing a Veteran's Memorial Monument addition for the City's Veteran's Park for over 7 years as well as communicating with and gathering names of local Veteran's.

June 2014 - Councilman Dick Bohn discusses with City Manager a Veteran's Memorial at the existing Veteran's Park.

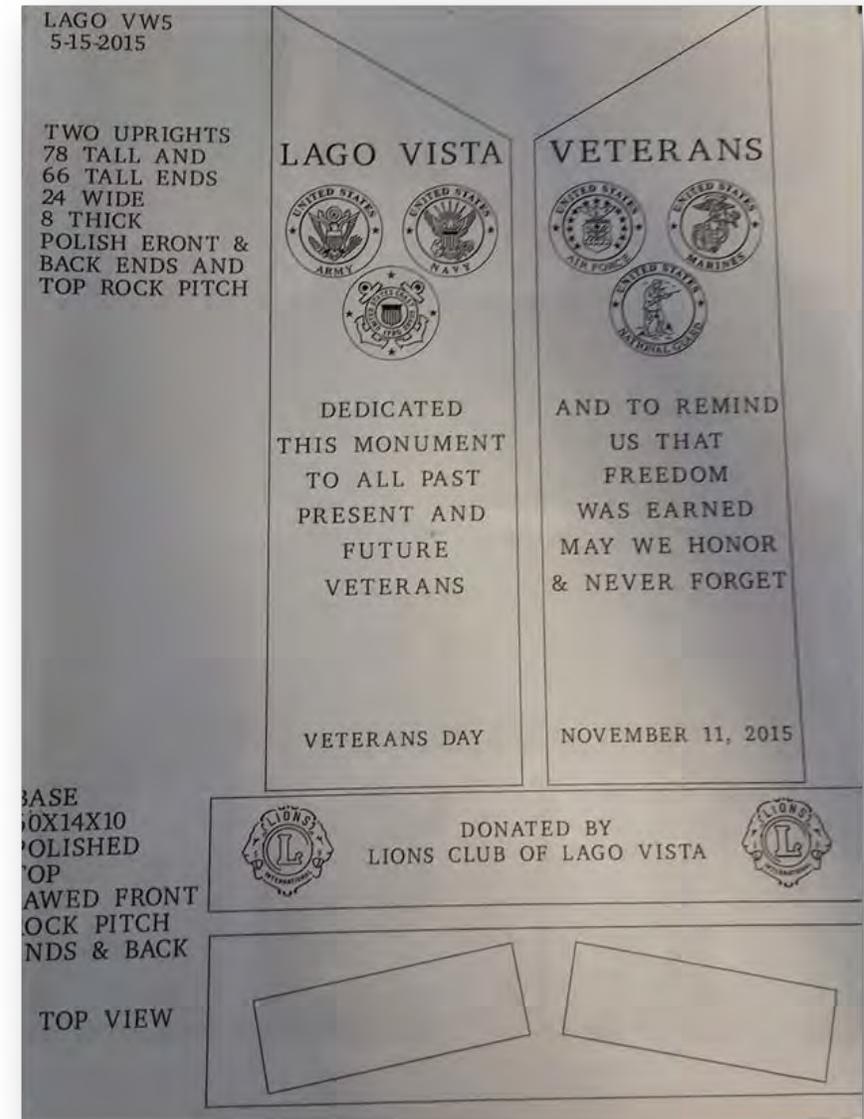
September 2014 – Project included in FY14/15 Approved Budget \$7,500.



History

April 2015 - City Manager asks City staff to help facilitate the request by reaching out to Michael Epps at the request of Councilman Dick Bohn, local Landscape Architect/Designer, to create a design to incorporate the granite monument into the park.

April 2015 - Councilman Dick Bohn, Frank Robbins, Michael Epps and Laura Fowler meet at Veteran's Park to discuss ideas and assesses the area.



History

June 2015 – City staff submits a rendition of the proposed monument to City Council.

June 2015 - After discussion, City Council requests a more lively monument. Possibly a sculpture.



History

June 2015 - City Council indicated feedback from community expressed desire to explore more ideas.

October 2015 - City staff meets with Dick Bohn. Considers creating a committee to receive public input and select a design direction and selection.

Funding

Funding – FY14/15 \$7,500 allotted by City Council. Funds were not carried over.

Funding – FY15/16 \$20,000 allotted by City Council for development of a park monument or sculpture to honor Veterans.

Lion's Club had offered to donate \$5,000 with an approved City Council Plan. Request the Lions be recognized with a plaque.

MEETING DATE: January 7, 2016

AGENDA ITEM: *EXECUTIVE SESSION*

Comments:

Convene into Executive Session pursuant to Sections 551.071 and 551.072, Texas Government Code and Section 1.05 Texas Disciplinary Rules of Professional Conduct regarding:

- a. Consultation with legal counsel regarding claims or possible claims, issues and possible actions related to repairs or damages at City facilities.
- b. Consultation with legal counsel regarding real property and possible issues and questions related to acquisition, sale or lease.

Motion by: _____

Seconded by: _____

Content of Motion: _____

Vote: Raley _____ ; **Shoumaker** _____ ; **Tidwell** _____ ; **R. Smith** _____ ;

Mitchell _____ ; **S. Smith** _____ ; **Cox** _____

Motion Carried: Yes _____ ; **No** _____

MEETING DATE: January 7, 2016

AGENDA ITEM: Reconvene from Executive Session into open session to take action as deemed appropriate in City Council's discretion regarding:

Comments:

- a. Consultation with legal counsel regarding claims or possible claims, issues and possible actions related to repairs or damages at City facilities.

- b. Consultation with legal counsel regarding real property and possible issues and questions related to acquisition, sale or lease.

Motion by: _____

Seconded by: _____

Content of Motion: _____

Vote: Raley _____; Shoumaker _____; Tidwell _____; R Smith _____;

Mitchell _____; S. Smith _____; Cox _____

Motion Carried: Yes _____; No _____