

AGENDA
REGULAR MEETING OF THE CITY COUNCIL
CITY OF LIVE OAK
WILL BE HELD AT THE LIVE OAK COUNCIL CHAMBERS
8001 SHIN OAK DRIVE
TUESDAY, JULY 30, 2024, AT 7:00 P.M.
FOLLOWING THE ECONOMIC DEVELOPMENT CORPORATION MEETING

The public may watch the meeting live at www.liveoaktx.net by clicking "Live Meetings" button.

1. CALL TO ORDER
2. INVOCATION/PLEDGE OF ALLEGIANCE
3. ROLL CALL
4. CITIZENS TO BE HEARD

Per The City of Live Oak's Code of Ordinances

Section 2-21.5 (1) Live Oak Municipal Code: The rules of courtesy are adopted for persons in attendance at all meetings of Council include: "Those signed up to speak under Citizens To Be Heard shall be called upon in the order that they have registered. No personal attacks shall be allowed by any speaker."

Section 2-21.1 – Preservation of order includes: "The mayor shall preserve order and decorum, prevent personal references to Council Members or impugning of other members' motives."

5. CONSENT AGENDA
 - A. City Council to approve attendance to the 2024 Texas Municipal League Conference from October 9th through October 11th, 2024, in Houston, Texas—Mrs. Gaytan
 - B. City Council to approve the cancellation of the October 8, 2024, City Council meeting due to the 2024 Texas Municipal League Conference in Houston, Texas—Mrs. Gaytan
6. SPECIAL CONSIDERATION
 - A. Presentation of Employee of the Quarter - April through June 2024, Savanna Nava, Permit Technician—Mr. Ruthven and Mr. Bealor
7. NEW BUSINESS
 - A. Presentation, discussion, and possible action to accept the 2024 Live Oak Parks, Recreation, and Open Space Master Plan—Mr. Wagster
 - B. Presentation, discussion, and possible action to accept the 2024 Facilities Master Plan—Mr. Wagster
 - C. Discussion and possible action regarding the Classification and Compensation Study findings and recommendations by Public Sector Personnel Consultants—Mr. Kowalik
 - D. Presentation, discussion, and possible action for employee related benefits, including medical, dental, vision, group life, AD & D, voluntary life, and voluntary short-term disability for employees for FY 2024-2025—Mr. Kowalik and Representative from HUB Consulting
 - E. Presentation and discussion regarding the San Antonio River Authority (SARA) fees charged for the transportation, treatment and disposal of sewage generated within the City of Live Oak, Texas—Mr. Kowalik

- F. Discussion and possible action regarding a Resolution of the City Council authorizing the City Manager to execute a Chapter 380 Agreement for the purpose of public improvements for a waterline extension with BSC-Stotan San Antonio PROPCO, L.P.—Mrs. Lowder
- G. Discussion and possible action to accept and award a bid from Abelar Incorporated in the amount of \$274,834.00; authorize the City Manager to enter into an agreement to construct the 2024 Shin Oak to Village Oak Trail Project and further authorize the City Manager to enter a change order for additional work not to exceed 10% or \$27,483.40—Mr. Wagster
- H. Discussion and possible action for City Council to accept and approve the Monthly Financial Report ending May 31, 2024—Mr. Kowalik
- I. Discussion and possible action to vote on a proposal to consider a property tax increase or a proposal to not exceed the lower of the “No-New-Revenue” rate or the “Voter-Approval” rate—Mr. Kowalik

8. CITY COUNCIL REPORT

- A. City Council Members report regarding discussion of City issues with citizens.

9. EXECUTIVE SESSION


- A. The City Council shall meet in Executive Session under Texas Government Code Section 551.074, Personnel Matters, to discuss the following:
 - i. Six-month evaluation of the City Manager as required in the employment agreement.
- B. Reconvene into open session for possible action on item discussed in Executive Session as necessary.

10. GENERAL ANNOUNCEMENTS FOR CITY COUNCIL AND STAFF

- A. City Council
- B. Staff

11. ADJOURNMENT

I certify that the above notice of meeting was posted on the bulletin board of the City Hall, 8001 Shin Oak Drive, City of Live Oak, Texas, on July 25, 2024, by 5:00 p.m.



Isa Gaytan, TRMC
City Secretary

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretative services must be made 48 hours prior to this meeting. Please contact the City Secretary's Office, for concerns or requests, at (210) 653-9140, Ext. 2213

The City Council for the City of Live Oak reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by the Texas Open Meetings Act, Texas Governmental Code §§ 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberation about Security Devices), and 551.086 (Economic Development), and any other provision under Texas law that permits a governmental body to discuss a matter in a closed executive session.

REQUEST ALL PHONES BE TURNED OFF, WITH THE EXCEPTION OF EMERGENCY ON-CALL PERSONNEL

It is possible that a quorum of the Live Oak Economic Development Corporation, Parks and Recreation Commission, Planning and Zoning Commission and Board of Adjustment Commission could attend this meeting. The individual members will not engage in any discussion or deliberation on any matters presented by the agenda.



CITY COUNCIL AGENDA ITEM FORM

Meeting Date July 30, 2024

Agenda item: 5A

Prepared by: Isa Gaytan City Secretary

Reviewed by: Anas Garfaoui, City Manager

Department: Administration

AGENDA ITEM DESCRIPTION:

City Council to approve City Council Members attend the Annual Texas Municipal League Conference October 9 through October 11, 2024, Houston, Texas.

Staff Briefing:

City Council members is requesting approval to attend the TML Annual Conference in Houston, Texas.

ACTION:

- ☐ Ordinance ☐ Resolution
- ☐ Proclamations ☐ Special Presentation
- ☐ Finance Report ☐ Public Hearing
- ☐ Other

Cost:	
Budgeted	\$23,000.00
Actual	Unknown at this time
Acct. Name	Conf & Training
Acct. Fund	10-401.425
Other Funding	
Strategic Goal #	1,2, &3

Strategic Goals: 1- Stability, 2- Secure, 3 - Supportive and 4 - Beautiful

Staff Recommended Motion:

Under Consent Agenda.



CITY COUNCIL AGENDA ITEM FORM

Meeting Date: July 30, 2024

Agenda item: 5B

Prepared by: Isa Gaytan, City Secretary

Reviewed by: Anas Garfaoui, City Manager

Department: Administration

AGENDA ITEM DESCRIPTION:

City Council to approve the cancellation of the October 8, 2024, City Council meeting due to the TML Conference in Houston, Texas.

Staff Briefing:

Requesting cancellation of the October 8, 2024, City Council meeting.

ACTION:

- ☐ Ordinance ☐ Resolution
- ☐ Proclamation ☐ Special Presentation
- ☐ Finance Report ☐ Public Hearing
- ☒ Other

Cost:	
Budgeted	
Actual	
Acct. Name	
Acct. Fund	
Other Funding	
Strategic Goal #	3 & 4

Strategic Goals: 1- Stable, 2- Secure, 3 - Supportive and 4 - Beautiful

Staff Recommended Motion:

Under Consent Agenda.



CITY COUNCIL AGENDA ITEM FORM

Meeting Date July 30, 2024

Agenda item: 6A

Prepared by: Ron Ruthven, Assistant City Manager

Reviewed by: Anas Garfaoui, City Manager

Department: Development Services

AGENDA ITEM DESCRIPTION:

Presentation of Employee of the Quarter – April through June 2024 – Savanna Nava, Permit Technician.

STAFF BRIEFING:

Savanna Nava has been selected as the City of Live Oak's Employee of the Quarter because of her exceptional customer service skills and team spirit. For the past two years, Savanna has been the primary face of the Development Services department working with citizens, contractors, designers and developers at the front counter and on the phone. She has proven to be a fast learner, resourceful, and innovative, and she's not afraid to take the initiative to solve complex problems. She consistently receives praise from development customers for her hands on service, providing assistance to customers navigating the City's development processes and procedures. We recognize and thank Savanna for her excellent work and the value she brings to the team. She is a true example of Team Live Oak.

ACTION:

- ☐ Ordinance ☐ Resolution
- ☐ Proclamations ☒ Special Presentation
- ☐ Finance Report ☐ Public Hearing
- ☐ Other

Cost:	
Budgeted	
Actual	
Acct. Name	
Acct. Fund	
Other Funding	
Strategic Goal #	2 and 3

Strategic Goals: 1- Stability, 2- Secure, 3 - Supportive and 4 - Beautiful

Staff Recommended Motion:

None.



CITY COUNCIL AGENDA ITEM FORM

Meeting Date: July 30, 2024

Agenda item: 7A

Prepared by: Mark Wagster, Director

Reviewed by: Anas Garfaoui, City Manager

Department: Public Works

AGENDA ITEM DESCRIPTION:

Presentation, discussion, and possible action to accept the 2024 Live Oak Parks, Recreation, and Open Space Master Plan.

Staff Briefing:

Paul Howard with Burditt Land and Place and his team have been working on the parks master plan since February of this year. Mr. Howard will present the plan to City Council.

ACTION:

- ☐ Ordinance ☐ Resolution
- ☐ Proclamation ☐ Special Presentation
- ☐ Finance Report ☐ Public Hearing
- ☒ Other

Cost:	
Budgeted	
Actual	
Acct. Name	
Acct. Fund	
Other Funding	

Strategic Goals: 1- Stability, 2- Secure, 3 - Supportive and 4 - Beautiful

Staff Recommended Motion:

Motion to accept the 2024 Live Oak Parks, Recreation, and Open Space Master Plan.



CITY COUNCIL AGENDA ITEM FORM

Meeting Date: July 30, 2024

Agenda item: 7B

Prepared by: Mark Wagster, Dir. Public Works

Reviewed by: Anas Garfaoui, City Manager

Department: Public Works

AGENDA ITEM DESCRIPTION:

Presentation, discussion, and possible action to accept the 2024 Facilities Master Plan.

Staff Briefing:

The team at Huitt Zollars Inc. have been working on the Facilities Master Plan since February of this year. Guillermo Cabrera, AIA and Vice President of Huitt-Zollars, Inc. will lead the team to present the plan to City Council.

ACTION:

- ☐ Ordinance ☐ Resolution
- ☐ Proclamation ☐ Special Presentation
- ☐ Finance Report ☐ Public Hearing
- ☒ Other

Cost:	
Budgeted	
Actual	
Acct. Name	
Acct. Fund	
Other Funding	

Strategic Goals: 1- Stability, 2- Secure, 3 - Supportive and 4 - Beautiful

Staff Recommended Motion:

Motion to accept the 2024 Facilities Master Plan.



CITY COUNCIL AGENDA ITEM FORM

Meeting Date: July 30, 2024

Agenda item: 7C

Prepared by: L. Kowalik, Director

Reviewed by: Anas Garfaoui, City Manager

Department: Finance/HR

AGENDA ITEM DESCRIPTION:

Discussion and possible action regarding the Classification and Compensation Study findings and recommendations by Public Sector Personnel Consultants.

Staff Briefing:

In the current 2023/2024 budget, City Council authorized staff to contract with a professional consultant for the purpose of performing a Classification and Compensation Study for the City of Live Oak. The consultant firm of Public Sector Personnel Consultants (PSPC) was awarded the study as a result of a Request for Qualifications process. The Consultant was provided a timeline to complete the study. The study has been completed and Sam Heinz, Senior Consultant with PSPC, will be presenting the firm's findings and recommendations at the City Council meeting.

Staff has had several meetings and discussions with the consultants throughout the process. After reviewing the recommendations that will be presented, staff is assured that the proposed pay structure will again make the City of Live Oak a marketable place to work across all positions. The City is in a very good position to be able to fund the recommendations that is being presented in next year's budget. Staff is excited to be able to present these final findings and recommendation to council for approval.

ACTION:

- ☐ Ordinance ☐ Resolution
- ☐ Proclamations ☐ Special Presentation
- ☐ Finance Report ☐ Public Hearing
- ☒ Other

Cost:	
Budgeted	
Actual	
Acct. Name	
Acct. Fund	
Other Funding	
Strategic Goal #	

Strategic Goals: 1- Stable, 2- Secure, 3 - Supportive and 4 - Beautiful

CITY COUNCIL AGENDA ITEM FORM

Staff Recommended Motion:

Staff's recommended motion is for the council to approve the findings and recommendations as presented for the Classification and Compensation Study and fund the recommendations in the 2024/2025 proposed budget.

07.9.2024

Findings and Recommendations of the FY24 Salary and Benefits Survey

To:

Anas Garfaoui, City
Manager of Live Oak, TX

From:

Sam Heinz, Senior
Consultant, Public Sector
Personnel Consultants

CC:

The City of Live Oak
Council and Mayor

Re:

Classification and
Compensation Study
Highlights

A. Position Classification Study

PSPC distributed Position Analysis Questionnaires to all employees to learn about their position tasks and duties. PSPC provided a recommendation for titling and FLSA status for all positions.

Findings:

- 1) 54 distinct occupational job classifications within the City.
- 2) 70% of positions to retain current titling.
- 3) 24% of positions to receive a titling modification.
- 4) 6% of positions to be reclassified or assigned to a new title.

B. Salary Survey

PSPC collected pay plans from fifteen regional public sector employers as well as private sector data to determine the City's pay competitiveness.

Findings:

- 1) 78% of the survey sample is BEHIND the market average midpoint (<-5%).
- 2) 20% of the survey sample is at a COMPETITIVE rate in relation to the market average midpoint (+/- 5%).
- 3) 2% of the survey sample is AHEAD of the market average midpoint (>5%).

C. Benefits Survey

PSPC collected benefits data on Vacation Leave Accrual, Sick Leave Accrual, Sick Leave Buy-Back, Holiday Accrual, Certification Pay, Education Pay, and Flex-Time policies.

Findings:

- 1) The City is NOT competitive in its number of annual holidays. The survey average is 13 holidays per year while the City of Live Oak currently has 10.

Public Sector Personnel Consultants

Tel 1-888-522-7772

2824 N. Power Road #113-
486, Mesa, AZ 85215

compensationconsulting.com
sam@pspc.us



D. Estimated Fiscal Impact

PSPC has assigned each position to a range on the Permanent Salary Schedule that aligns to 105% of the prevailing market midpoint.

- 1) For employees in single-incumbent positions, the employee is placed on the step that is closest to, but not less than, their current salary.
- 2) For employees in multiple-incumbent positions, the lowest paid employee is placed on the step that is closest to, but not less than, their current salary; remaining employees are placed on the step that maintains current step relationships within the classification so as to prevent pay compression.
- 3) A .87% Across-the-Board Adjustment is applied to the Permanent Salary Schedule, resulting in each employee receiving a pay adjustment of at least 3%, with the average adjustment being 6.75%.

For positions in Public Safety, pay ranges have been modeled so that the range for each rank is within +/- 5% of the prevailing market average minimum, midpoint, and maximum.

Fire Notes:

- 1) The "Fire Lieutenant 2nd Class" position has been eliminated. The two incumbents in this role have been placed in the "Fire Lieutenant" classification.
- 2) Because the job description for "Firefighter/EMT" requires that all personnel within this rank be certified as Driver/Operators, the pay range for "Firefighter/EMT" is a blended range between the market survey averages for "Firefighter/EMT" and "Fire Driver/Operator."
- 3) Step modifications proposed for "Firefighter/EMT" and "Fire Lieutenant" to align minimum, midpoint, and maximum within +/- 5% of survey averages.
- 4) The average increase for fire personnel is 7.29%.

Police Notes:

- 1) No change to the number of steps per rank.
- 2) 10% Across-the-Board aligns all ranks within +/- 5% of the survey average minimum, midpoint, and maximum.
- 3) The average increase for police personnel is 6.37%.

TOTAL ESTIMATED COST:

\$489,020 or 6.31% of current payroll.

Public Sector Personnel Consultants

Tel 1-888-522-7772

**2824 N. Power Road #113-
486, Mesa, AZ 85215**

**compensationconsulting.com
sam@pspc.us**





CITY COUNCIL AGENDA ITEM FORM

Meeting Date: July 30, 2024

Agenda item: 7D

Prepared by: Leroy Kowalik, Director

Reviewed by: Anas Garfaoui, City Manager

Department: Finance Department

AGENDA ITEM DESCRIPTION:

Presentation, discussion and possible action regarding employee related benefits, including medical, dental, vision, group life, AD&D, voluntary life, and voluntary short-term disability for FY 2024-2025.

Staff Briefing:

IPS/HUB International (HUB) will be making a presentation to City Council. HUB and city staff communicated several times this year to go over the current plans, strategies for this next year's plan cycle and results of the renewal process. The City has experienced some positive claims ratios over the last several years. This year, the City of Live Oak is seeing a slightly higher claims ratio. Blue Cross Blue Shield (BCBS) submitted their initial renewal proposal at an 18.7% increase. After negotiations, BCBS gave their best and final renewal at a 9.9% increase. HUB and staff are recommending staying with our current medical plan at the 9.9% increase. The City's vision plan will stay with Avesis at no increase to premiums. The City's dental plan with BCBS will see a 5% increase to accommodate a higher-than-average claims ratio. HUB will continue to finalize everything between now and the City Council meeting on July 30th. HUB will present all group benefit costs at the meeting. The 2024/2025 working draft budget was presented with a 10% increase from current year rates. The City has set its Open Enrollment for August 14th.

Brett Bowers, with IPS/HUB International, will make a brief presentation to Council and be available for questions concerning the rates, the process and their final recommendations.

ACTION:

- ☐ Ordinance ☐ Resolution
- ☐ Proclamations ☒ Special Presentation
- ☐ Finance Report ☐ Public Hearing
- ☐ Other

Cost:	
Budgeted	
Actual	
Acct. Name	
Acct. Fund	
Other Funding	
Strategic Goal #	3

Strategic Goals: 1- Stability, 2- Secure, 3 - Supportive and 4 - Beautiful

CITY COUNCIL AGENDA ITEM FORM

Staff Recommended Motion:

The recommended motion is for approval of the City's benefit package in accordance with the recommendations of IPS/HUB Consulting for the plan year 2024-2025.



CITY COUNCIL AGENDA ITEM FORM

Meeting Date: July 30, 2024

Agenda item: 7E

Prepared by: L. Kowalik, Director

Reviewed by: Anas Garfaoui, City Manager

Department: Finance Department

AGENDA ITEM DESCRIPTION:

Presentation and discussion regarding the San Antonio River Authority (SARA) fees charged for the transportation, treatment and disposal of sewage generated within City of Live Oak, Texas.

Staff Briefing:

The Cities of Live Oak, Universal City and Converse along with the SARA Retail System contract with the San Antonio River Authority for the transportation, treatment and disposal of sewage at the Salitrillo Wastewater Treatment Plant (WWTP) Facility. Each year with input from all listed entities, SARA calculates the annual revised wholesale sewer rate to cover costs of the contractual commitment for the treatment of the sewage generated from within each entity and the maintenance of the WWTP.

Here is a brief description of the rate calculation process. The process for this calculation starts with each entity supplying SARA with their winter month's consumption averages and residential and commercial customer counts. SARA inputs this information into the rate models which includes their operational and debt expenses for the facility and treatment of the sewage. Once the rate is calculated, SARA hosts a meeting with all three cities represented, to present, discuss and validate the new proposed rates. Under the current ILA, after this meeting, cities may present this new rate to their respective councils.

Based on 5,000 gallons, the FY2024 system wide rate to the Cites was \$30.13 (9.44% increase) for residential. The commercial user rate increased to \$5.85 per 1,000 gallons (9.35% increase). Based on the same 5,000 gallons, the FY2025 proposed rate is \$32.48 (7.80% increase) for residential. The proposed commercial user rate is \$6.14 per 1,000 gallons (4.96% increase).

Specifically for the City of Live Oak, the current (2023/2024) wholesale treatment charge per residential customer is \$29.35 at a winter average of 4,628 gallons. The proposed charge per residential customer for 2024/2025 will be \$31.24 at a winter average of 4,519 gallons. The result is a 6.44% (\$1.89 per month/per resident) increase.

The various components are as follows: O&M/Variable rate increase to \$2.57/1000 gallons from \$2.10/1000 gallons and the fixed charge remained the same at \$19.63. The City's 2023/24 winter average is 4,519 gallons which is lower than last year's winter average of 4,628 gallons.

The current (2023/2024) commercial (other than residential) rate is \$5.85 per 1,000 gallons. The proposed rate for 2024/2025 will increase to \$6.14 per 1,000 gallons. This is a 4.96% increase.

CITY COUNCIL AGENDA ITEM FORM

The biggest reason for past increases was attributed to the Salitrillo Plant Expansion Project. This year's rate increase is attributed to current inflation and postponed projects within the Salitrillo watershed. The increase to the commercial rate is attributed to a subsidy/equity correction in the rate calculation according to SARA.

SARA will begin assessing these new rates on October 1, 2024 which is the beginning of our fiscal year.

These wholesale rates are factored in when setting the City's total utility customer rates.

Historic SARA Wholesale Charges for the City of Live Oak:

<u>Fiscal Year</u>	<u>Charge</u>	<u>Winter Average</u>
2008/09	\$ 8.94	5,491
2009/10	9.96	6,277
2010/11	10.75	5,637
2011/12	10.50	5,868
2012/13	9.63	5,285
2013/14	10.68	5,235
2014/15	11.10	5,275
2015/16	10.92	4,954
2016/17	9.11	4,036
2017/18	13.19	4,923
2018/19	14.75	4,804
2019/20	16.83	4,589
2020/21	19.70	4,599
2021/22	23.33	4,850
2022/23	26.85	4,665
2023/24	29.35	4,628
2024/25	31.24	4,519

CITY COUNCIL AGENDA ITEM FORM

ACTION:

- ☐ Ordinance ☐ Resolution
- ☐ Proclamations ☒ Special Presentation
- ☐ Finance Report ☐ Public Hearing
- ☐ Other

Cost:	
Budgeted	
Actual	
Acct. Name	Sewage Treatment
Acct. Fund	Utility Operations
Other Funding	
Strategic Goal #	1, 3

Strategic Goals: 1- Stability, 2- Secure, 3 - Supportive and 4 - Beautiful

Staff Recommended Motion:

No action required.



CITY COUNCIL AGENDA ITEM FORM

Meeting Date: July 30, 2024

Agenda item: 7F

Prepared by: Donna Lowder, Manager

Reviewed by: Anas Garfaoui, City Manager

Department: Economic Development

AGENDA ITEM DESCRIPTION:

Discussion and possible action regarding a Resolution of the City Council authorizing the City Manager to execute a Chapter 380 Agreement for the purpose of public improvements waterline extension with BSC-Stotan San Antonio PROPCO, L.P.

STAFF BRIEFING

Staff and the City Attorney have been coordinating the efforts on the Public Improvement known as the Toepperwein Warehouse Waterline since April 2024 and are now ready to move forward with the construction and agreement.

The agreement includes construction documentation for the design of entrance not to exceed \$175,000.00 as a reimbursement to BSC-Stotan San Antonio PROPCO, LP once all waterline construction and conditions are satisfied. This action would require a Resolution of the City Council authorizing the City Manager to enter into this 380 Agreement. The Developer has agreed, in exchange as a consideration for funding by the City, to satisfy and comply with certain terms and conditions, including the construction of the Public Improvement located adjacent to the Toepperwein Warehouse property along the frontage of Toepperwein Road in Live Oak, Texas.

ACTION:

- ☐ Ordinance ☒ Resolution
- ☐ Proclamation ☐ Staff
- ☐ Presentation
- ☐ Other

Cost: \$175,000.00	
Budgeted	\$175,000
Actual	
Acct. Name	
Acct. Fund	
Other Funding	

Strategic Goals: 1- Stability, 2- Secure, 3 - Supportive and 4 - Beautiful

Staff Recommended Motion:

Move to approve a Resolution by the City Council of the City of Live Oak, Texas authorizing the City Manager to execute a Chapter 380 Agreement for the Purpose of Public Improvements Waterline Extension with BSC-Stotan San Antonio Propco LP; and authorizing any additional actions reasonably necessary therewith; providing a severability clause and establishing an effective date.

RESOLUTION NO. _____

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF LIVE OAK, TEXAS AUTHORIZING THE CITY MANAGER TO EXECUTE A CHAPTER 380 AGREEMENT FOR THE PURPOSE OF PUBLIC IMPROVEMENTS WATERLINE EXTENSION WITH BSC-STOTAN SAN ANTONIO PROPCO LP; AND AUTHORIZING ANY ADDITIONAL ACTIONS REASONABLY NECESSARY THEREWITH; PROVIDING A SEVERABILITY CLAUSE AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, the City of Live Oak has determined that it is necessary to contract for public improvements waterline extension services to better serve its citizens and protect the public health, safety and welfare of them and the City; and

WHEREAS, the City staff determined BSC-Stotan San Antonio PROPCO, LP is a highly qualified provider for public improvement services based on competence and qualifications and negotiated a fair and reasonable price which meets the qualifications for providing construction services; and

WHEREAS, Texas Local Government Code Chapter 380 authorizes the City Council to approve grants of public money to promote state or local economic development and to stimulate business and commercial activity in the municipality; and

WHEREAS, the City Council hereby finds that it is in the best interest of the City to enter into a 380 Economic Development Agreement by and between BSC-Stotan San Antonio PROPCO, LP. and the City of Live Oak, for the purpose of public improvements in the form of a waterline extension as part of a development that will expand business opportunity in the city.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LIVE OAK, TEXAS THAT:

Section 1. The City Council hereby approves and accepts the Chapter 380 Agreement as set out in **Exhibit “A”**.

Section 2. The City Manager, or his designee, is hereby authorized to execute the Professional Services Agreement, on behalf of the City, and such other documents and instruments reasonably necessary to conclude the transaction.

Section 3. All resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

Section 4. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 5. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the

application of such provision to other persons and circumstances shall nevertheless be valid, and the City Council hereby declares that this Resolution would have been enacted without such invalid provision.

Section 6. It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, Texas Government Code, as amended.

Section 7. This Resolution shall be in force and effect from and after its final passage, and it is so resolved.

PASSED AND ADOPTED, this **30th** day of **July**, 2024.

CITY OF LIVE OAK, TEXAS

Mary M. Dennis, Mayor

ATTEST:

Isa Gaytan, City Secretary

(CITY SEAL)

APPROVED AS TO FORM:

City Attorney

EXHIBIT A
CHAPTER 380 AGREEMENT

CHAPTER 380 ECONOMIC DEVELOPMENT AGREEMENT

THIS AGREEMENT ("Agreement") by and between **BSC-STOTAN SAN ANTONIO PROPCO LP**, a Texas limited partnership ("Developer") and the **CITY OF LIVE OAK, TEXAS** ("City"), a home rule municipal corporation (City and Developer collectively referred to as the "Parties" and sometimes individually as a "Party"), is entered into upon the "Effective Date," as more clearly defined herein.

WHEREAS, Developer owns approximately 38.971 acres of real property in the City of Live Oak, Texas, being more particularly described as set forth **Exhibit "A"** (the "Property"); and

WHEREAS, Developer intends to develop the Property as a warehouse project with related facilities, parking and amenities (the "Project"). The public improvements are more particularly described in specifications related to the construction of the public improvements prepared by Pape-Dawson Engineers (hereafter collectively called "the Specifications") attached hereto as **Exhibit "B"**; and

WHEREAS, in accordance with Article III, Section 52-a of the Texas Constitution, and Section 380.001 of the Texas Local Government Code ("Section 380"), the City may establish and provide for the administration of a program for making loans and grants of public money to promote state or local economic development and to stimulate business and commercial activity in the City; and

WHEREAS, City shall reimburse the Developer from funding advanced to the City by the Live Oak Economic Development Corporation in support of the Project; and

WHEREAS, by Resolution No. 2042, the City Council authorized expenditure of the Live Oak Economic Development Corporation in the amount of \$175,000.00 for a waterline extension at the Project for future business development; and

WHEREAS, the City Council of the City of Live Oak, Texas, has adopted Resolution No. _____ on July 30, 2024 (the "Resolution"), authorizing the City Manager to enter into this Agreement; and

WHEREAS, Developer has agreed, in exchange and as consideration for funding by the City, to satisfy and comply with certain terms and conditions, including the construction of the Public Improvements (as more fully defined below); and

WHEREAS, the Parties hereby agree, based on the cost itemization attached as **Exhibit "C"** hereto, that the cost of the Public Improvements, including any design and engineering, is estimated to be One Hundred Seventy-Five Thousand United States Dollars (\$175,000.00) (the "Estimated Total Improvement Cost"); and

WHEREAS, the City and Developer agree that the provisions of this Agreement substantially advance a legitimate interest of the City by providing public infrastructure, expanding the tax base of the City, increasing employment and promoting economic development.

NOW, THEREFORE, for and in consideration of the promises and the mutual agreements set forth herein, the Parties hereby agree as follows:

ARTICLE I RECITALS

1. Recitals. The recitals set forth above are declared true and correct by the Parties and are hereby incorporated as part of this Agreement.

ARTICLE II AUTHORITY AND TERM

1. Authority. The City's execution of this Agreement is authorized by Chapter 380 of the Texas Local Government Code and constitutes a valid and binding obligation of the City. The City acknowledges that Developer is acting in reliance upon the City's performance of its obligations under this Agreement in making the decision to commit substantial resources and money to the establishment of the Project, hereinafter established.

2. Term. This Agreement shall become enforceable upon the Effective Date, hereinafter established, and shall continue until the Expiration Date, hereinafter established, or until the Maximum Grant Amount has been reached, or by Section Article IV 1.(b), unless terminated sooner or extended by mutual agreement of the Parties in the manner provided for herein.

ARTICLE III DEFINITIONS

As used in this Agreement, the following terms shall have the meanings ascribed below. All undefined terms shall retain their usual and customary meaning as ascribed by common and ordinary usage.

"Actual Total Improvement Costs" means the actual cost of the Public Improvements, as determined by the Construction Progress Reports, including design and engineering, as itemized in **Exhibit "C"**.

"Bankruptcy" or "Insolvency" shall mean the dissolution or termination of a Party's existence as a going business, insolvency, appointment of receiver for any party of such Party's property and such appointment is not terminated within ninety (90) days after such appointment is initially made, any general assignment for the benefit of creditors, or the commencement of

any proceeding under any bankruptcy or insolvency laws by or against such party and such proceeding is not dismissed within ninety (90) days after the filing thereof.

“Effective Date” shall mean the date of approval by City Council.

“Expiration Date” shall mean the earlier of:

1. Five (5) years from the Effective Date of this Agreement, however, the Agreement will automatically renew for an additional five (5) year period if Developer has not yet received the Maximum Grant Amount; or
2. The date of termination, provided for under Article VIII of this Agreement.

“Estimated Total Improvement Cost” means the estimated cost of the Public Improvements, including design and engineering, in the amount of One Hundred Seventy-Five Thousand United States Dollars (\$175,000.00) as reflected on **Exhibit “C”**.

“Force Majeure: shall mean any contingency or cause beyond the reasonable control of a party, including, without limitation, acts of God or the public enemy, war riot, civil commotion, insurrection, government or de facto governmental action (unless caused by the intentionally wrongful acts or omissions of a party), fires, explosions or floods, strikes, slowdowns or work stoppages.

“Fiscal Year” shall mean October 1st of any given calendar year through September 30th of any given following calendar year.

“Gender”: The gender of the wording throughout this Agreement shall always be interpreted to mean either sex, and where the context requires, the plural of any word shall include the singular.

“Grant(s)” shall mean the total cumulative reimbursement of \$175,000.00.

“Grant Period” shall mean a full calendar year beginning January 1 and ending December 31, except that the first Grant Period shall be from the City Acceptance Date of the Public Improvements through December 31 of the same year.

“Hard Costs” shall mean the actual costs of construction, labor, and materials incurred by Developer for Public Improvements.

“Maximum Grant Amount” shall mean a cumulative maximum amount not to exceed One Hundred Seventy-Five Thousand United States Dollars (\$175,000.00).

“Project” shall mean the complete development of the Public Improvements that shall substantially comply with the Project Improvements Site Plan, attached hereto as **Exhibit “B”**.

“Property” shall mean the real property described in **Exhibit “A”**, upon which the Project, authorized by this Agreement, shall be constructed.

“Public Improvements” shall collectively mean the improvements constructed by the Developer including, a waterline extension, as more particularly described in the Project Improvements Site Plan, attached hereto as **Exhibit “B”**.

“Soft Costs” shall mean architectural, engineering, and legal fees incurred by Developer for Public Improvements.

“State of Texas” shall mean the Office of the Texas Comptroller, or its successor.

ARTICLE IV ECONOMIC DEVELOPMENT GRANTS

1. Grants.

a. City’s Contribution.

In consideration of the obligations incurred by the Developer pursuant to this Agreement, the City agrees to participate in the funding of the actual construction costs of the public improvements listed in **Exhibit “C”** said amount not to exceed \$175,000.00 (“City Contribution”). Actual costs are to be verified by submission of receipts and invoices. The contingency amount listed in Exhibit “C” in excess of \$100,000 may only be used upon written agreement by the City.

b. Reimbursement of City’s Contribution.

City’s Contribution shall be reimbursed to the Developer. City shall reimburse Developer for the Public Improvements in two (2) installments: (i) within ninety (90) days of final acceptance of the Public Improvement by the City and (ii) receipt of all documentation evidencing the final cost of the Public Improvement. The total reimbursements paid by the City shall not exceed the Maximum Grant Amount.

c. Current Revenue.

The Grants made hereunder shall be paid solely from lawfully available funds that have been appropriated by the City. The Grant shall be paid solely from appropriations from funds of the City as may be legally set aside for such purpose consistent with Article III, Section 52(a) of the Texas Constitution. Further, City shall not be obligated to pay any commercial bank lender or similar institution for any loan or credit agreement made by Developer. None of the City’s obligations under this Agreement shall be pledged or otherwise encumbered in favor of any commercial lender and/or similar financial institution.

ARTICLE V CONDITIONS TO ECONOMIC DEVELOPMENT GRANTS

The obligation of the City to pay **GRANTS** shall be conditioned upon Developer's continued compliance with and satisfaction of each of the conditions set forth in this Agreement.

1. Developer shall have substantially completed all of the Public Improvements in substantial accordance with the Project Improvement Site Plan as set forth in **Exhibit "B"**.

2. Payment Requirement. Developer shall, as a condition precedent to the payment of any **GRANT**, provide the City with a Payment Request in suitable form for the applicable **GRANT** period.

3. Construction Progress Reports. Beginning _____, Developer shall deliver to City the following reports:

(a) Certified invoices of actual Hard and Soft Costs incurred by Developer to complete the Public Improvements described in Article V.1, including a proposed completion date.

4. Recapture. Upon the occurrence and during the continuation of a Default (subject to applicable notice and cure periods) by Developer of any materials terms in this Agreement, the City shall, after providing Developer notice and an opportunity to cure, issue Developer a written Notice of Termination in which case the City may have the right to recapture all **GRANTS** provided to Developer. Upon issuance of the Notice of Termination, Developer shall have one hundred twenty (120) days to repay the City the amount of disbursed **GRANTS** Developer has received from the Effective Date of this Agreement to the date of the Notice of Termination.

5. Guidelines for Submission. The following shall constitute the guidelines for the timely submission of Payment Requests and the disbursement of grants pursuant to this Agreement. Payments from City to Developer shall occur within 90 days of receipt of the following, upon approval of the sufficiency by the City Manager:

- (a) Documentation that a public bidding process was utilized
- (b) The as-built drawings
- (c) Affidavit of bills paid for suppliers and sub-contractors
- (d) Cancelled checks evidencing final payments
- (e) Two year warranty bond for the improvements

6. Additional Request for Improvements. The City will not require Developer to undertake construction of improvements in addition to the Public Improvements set out in Exhibit B.

ARTICLE VI COVENANTS AND DUTIES

1. Developer's Covenants and Duties. Developer makes the covenants and warranties to the City and agrees to timely and fully perform the obligations and duties contained in Article V of this Agreement. Any false or substantially misleading statements contained herein or failure to timely and fully perform those obligations and duties within this Agreement shall be an act of Default by the Developer.

(a) Developer is authorized to do business and is in good standing in the State of Texas and shall remain in good standing in the State of Texas and the United States of America during any term of this Agreement.

(b) The execution of this Agreement has been duly authorized by Developer's authorized agent, and the individual signing this Agreement is empowered to execute such Agreement and bind the entity. Said authorization, signing, and binding effect is not in contravention of any law, rule, regulation, or of the provisions of Developer's by-laws, or of any agreement or instrument to which Developer is a party to or by which it may be bound.

(c) Developer is not a party to any bankruptcy proceedings currently pending or contemplated, and Developer has not been informed of any potential involuntary bankruptcy proceedings.

(d) Subject to the terms and provisions of this Agreement, Developer shall timely and substantially comply with all of the terms and conditions of this Agreement in all material respects.

(e) Subject to the terms and provisions of this Agreement, Developer agrees to complete, or cause to be completed, the Public Improvements described herein at its sole cost and expense. Developer also agrees to obtain or cause to be obtained, all necessary permits and approvals from City and/or all other governmental agencies having jurisdiction over the construction of Public Improvements to the Property.

(f) To the extent not already attached to this Agreement as **Exhibit "B,"** Developer agrees to prepare, or cause to be prepared, plans and specifications for the Public Improvements prior to starting any construction.

(g) Developer agrees to supervise the construction of the Project and cause the construction to be performed substantially in accordance with the Public Improvements approved by the City in accordance with federal, state and local laws and ordinances and this Agreement.

(h) Developer shall be responsible for paying, or causing to be paid, to City and all other governmental agencies the cost of all applicable permit fees and licenses required for construction of the Project. Developer agrees to develop the Project in accordance with the ordinances, rules, and regulations of the City in effect on the date the Project was designated, unless specified otherwise in this Agreement. Developer, in its sole discretion, may choose to comply with any or all City rules promulgated after the Effective Date of this Agreement.

(i) Developer agrees to commence and complete the Project in substantial accordance with the Project Improvements Site Plan, subject to Force Majeure.

(j) Developer shall, at its own cost and expense, maintain or cause to be maintained, the Public Improvements and all the other public improvements identified within **Exhibit “B”** until acceptance by the City, as evidenced by written acceptance by the City Manager, and for two years thereafter. Developer, its agents, employees, and contractors will not interfere with reasonable use of all the Public Improvements by the general public. Developer shall dedicate streets and roads to the City, if such streets and roads have not previously been dedicated to the City, at no additional cost or expense to City within sixty (60) days after completion and acceptance of the Public Improvements.

(k) Subject to reimbursement by the City in accordance with terms and provisions of this Agreement, the cost of the Public Improvements and all other improvement expenses associated with the Project shall be funded through the use of Developer’s own capital or through credit secured solely by the Developer.

(l) In accordance with Texas Government Code section 2264.051 Developer certifies that it, and all branches, divisions or departments of Developer do not and will not knowingly employ an undocumented worker, as that term is defined in the section.

(m) Developer shall submit written annual reports, starting no later than thirty (30) days following the end of the Fiscal Year in which construction of the Public Improvements commenced, and thereafter through the duration of construction of the Public Improvements by Developer, and until the earlier of (i) substantial completion of the Public Improvements or (ii) the Maximum Grant Amount has been disbursed to Developer, on its construction progress and construction expenses to City.

(n) Developer shall pay, or cause to be paid, monthly rates and charges for all utilities (such as water, electricity, and sewer services) used by Developer in regard to the development of the Project, the Property for all areas owned by Developer during construction of the Project, and for so long as Developer owns those areas.

(o) **Developer Bears Risk of Reimbursement.** Developer represents that it understands that any contributions made by Developer in anticipation of reimbursement from Grant Funds shall not be, nor shall be construed to be, financial obligations of the City. Developer shall bear all risks associated with reimbursement.

2. **City’s Covenants and Duties.**

(a) **Grant Payment.** The City is obligated to pay Developer an amount not to exceed the Maximum Grant Amount from sources contemplated by this Agreement over a period not to exceed the Expiration Date, subject to Developer’s timely and satisfaction of all applicable duties and terms under Article IV and Article VIII.3 of this Agreement in all material respects. Further,

City's obligations to pay Developer shall cease upon the earlier of: (1) payment in full of the Maximum Grant Amount; (2) reaching the Agreement's Expiration Date; or (3) Default by Developer in accordance with Article VI.3.

3. Substantial Compliance and Default. Failure by either Party to timely and substantially comply with any performance requirement, duty, or covenant shall be considered an act of Default if uncured within sixty (60) days of receiving written notice from the other Party. Failure of Developer to timely and substantially cure a continuing Default (after notice and opportunity to cure) will give the City the right to terminate this Agreement, as reasonably determined by the City Council of the City of Live Oak, Texas.

ARTICLE VII DEVELOPMENT STANDARDS

1. Plan. As stated previously, the Project shall be developed in substantial accordance with the Project Improvements Site Plan, attached hereto as **Exhibit "B"**. Developer may submit an updated Project Improvements Site Plan after the Effective Date of this Agreement, provided however, that the amended Project Improvements Site Plan is approved by the City.

2. Maintenance and Dedication. The general process for the dedication and maintenance requirements for public improvements, as more specifically outlined in the City's Unified Development Code and Specifications, is as follows:

- (a) Developer submits plans and specifications for public improvements (water main extension) prepared by a Texas Licensed Professional Civil Engineer
- (b) City Approves plans and specifications.
- (c) Developer hires utility contractor approved by the City of San Antonio Water System (SAWS) to construct and install water main extension.
- (d) SAWS approved contractor constructs and installs public utility improvements with ongoing onsite inspections by city.
- (e) Water main is super chlorinated and tested per Texas Commission of Environmental Quality (TCEQ) guidelines.
- (f) Water main passes TCEQ sanitation tests and it is pressurized and placed into active service.
- (g) Developer secures 2-year maintenance bond in the amount of 25% of the project cost to begin upon acceptance by the city.
- (h) City Accepts water main extension by letter on city letterhead.

ARTICLE VIII TERMINATION

1. Termination. This Agreement shall terminate upon the earliest occurrence of any one or more of the following:

- (a) The written agreement of the Parties;

- (b) The Agreement's Expiration Date;
- (c) In accordance with Section Article IV 1.(b);
- (d) Default in accordance with Article VI.3; or
- (e) The Payment of the entire Maximum Grant Amount.

2. Termination by Maximum Grant Amount. If the Agreement is terminated by reaching the Maximum Grant Amount, the City is required to issue a letter to the Developer stating that the Maximum Grant Amount has been reached.

3. Termination by Failure to Perform. If the Developer does not substantially complete the Public Improvements and they are not accepted by the City within 18 months of the Effective Date of this Agreement, all subject to Force Majeure and additional time that may be granted by the City Manager as provided herein, the City shall deliver to Developer a written Notice of Termination in which case the City may withhold further payments to Developer. Such notification shall include: (1) the reasons for such termination; and (2) the effective date of such termination. This Agreement will automatically terminate on the date set forth in the Notice of Termination. Additional time may be granted only upon written approval by the City Manager.

ARTICLE IX DISPUTE RESOLUTION

1. Mediation. If a dispute arises out of or relates to this Agreement or the breach thereof, the Parties shall first in good faith seek to resolve the dispute through negotiation between the upper management of each respective Party. If such dispute cannot be settled through negotiation, the Parties agree to try in good faith to settle the dispute by mediation under the Commercial Mediation Rules of the American Arbitration Association, San Antonio, Texas, before resorting to arbitration, litigation, or some other dispute resolution procedure; provided that a Party may not invoke mediation unless it has provided the other Party with written notice of the dispute and has attempted in good faith to resolve such dispute through negotiation. Notwithstanding the foregoing, any Party may seek immediate equitable relief, without attempting to settle a dispute through mediation, in any case where such Party is entitled to equitable relief by law, the terms of the Agreement, or otherwise. All costs of negotiation, mediation, and arbitration collectively known as alternate dispute resolution ("ADR") shall be assessed equally between the City and Developer with each party bearing their own costs for attorneys' fees, experts, and other costs of ADR and any ensuing litigation.

2. During the term of this Agreement, if Developer files and / or pursues an adversarial proceeding against the City regarding this Agreement without first engaging in good faith mediation of the dispute, then, at the City's option, all access to the Grants provided for hereunder may be deposited with a mutually acceptable escrow agent that will deposit such funds in an interest bearing account until the resolution of such adversarial proceeding.

3. Under no circumstances will the Grant funds received under this Agreement be used, either directly or indirectly, to pay costs or attorney fees incurred in any adversarial proceeding regarding this Agreement against City.

ARTICLE X MISCELLANEOUS

1. Binding Agreement. The terms and conditions of this Agreement shall be binding on and inure to the benefit of the City, Developer, and their respective successors and assigns. The City Manager shall be responsible for the administration of this Agreement and shall have the authority to execute any instruments, duly approved by the City Council of the City of Live Oak, Texas, on behalf of the City related thereto.

2. Mutual Assistance. City and Developer will do all things reasonably necessary or appropriate to carry out the terms and provisions of this Agreement and to aid and assist each other in carrying out such terms and provisions.

3. Representations and Warranties. City represents and warrants to Developer that this Agreement is within their authority, and that they are duly authorized and empowered to enter into this Agreement, unless otherwise ordered by a court of competent jurisdiction. Developer represents and warrants to the City that it has the requisite authority to enter into this Agreement.

4. Assignment. Developer shall have the right to assign all of its rights, duties, and obligations under this Agreement to a duly qualified third party with prior written approval of the City Council of the City of Live Oak, Texas. Any assignment provided for herein shall not serve to enlarge or diminish the obligations and requirements of this Agreement, nor shall they relieve Developer of any liability to the City including any required indemnity in the event that any Assignee hereof shall at any time be in Default (subject to applicable notice and cure periods) of the material terms of this Agreement.

5. Independent Contractors.

(a) It is expressly understood and agreed by all Parties hereto that in performing their services hereunder, Developer at no time will be acting as an agent of the City and that all consultants or contractors engaged by Developer respectively will be independent contractors of Developer; and nothing contained in this Agreement is intended by the Parties to create a partnership or joint venture between the Parties and any implication to the contrary is hereby expressly disavowed. The Parties hereto understand and agree that City will not be liable for any claims that may be asserted by any third party occurring in connection with services performed by Developer respectively under this Agreement, unless any such claims are due to the fault of the City.

(b) By entering into this Agreement, the Parties do not waive, and shall not be deemed to have waived, any rights, immunities, or defenses either may have, including the defense of parties, and nothing contained herein shall ever be construed as a waiver of sovereign or official immunity by the City with such rights being expressly reserved to the fullest extent authorized by law and to the same extent which existed prior to the execution hereof.

(c) No employee of City, or any councilmember or agent of City, shall be personally responsible for any liability arising under or growing out of this Agreement.

6. Notice. Any notice required or permitted to be delivered hereunder shall be deemed delivered by actual delivery, delivery by commercial courier service for overnight delivery (with fees prepaid), facsimile with receipt confirmation, or by depositing the same in the United States Mail, postage prepaid and certified with return receipt requested, addressed to the Party at the address set forth below:

If intended for City:

City of Live Oak
8001 Shin Oak Drive
Live Oak, Texas 78233
Attn: City Manager

With a copy to:

Denton, Navarro, Rocha, Bernal & Zech, PC
Attention: T. Daniel Santee
2517 North Main Avenue
San Antonio, TX 78212

If to the Developer:

BSC-STOTAN SAN ANTONIO PROPCO LP
c/o Stotan Industrial
One North Wacker Drive, Suite 440
Chicago, IL 60606
Attention: Bobby Patterson and James McGill

With a copy to:

Dykema Gossett PLLC
39577 Woodward Avenue, Suite 300
Bloomfield Hills, Michigan 48304
Attention: Kyle R. Hauberg

Either Party may designate a different address at any time upon written notice to the other Party.

7. Governmental Records. All invoices, records and other documents required for submission to the City pursuant to the terms of this Agreement are Governmental Records for the purposes of Texas Penal Code Section 37.10.

8. Governing Law. The Agreement shall be governed by the laws of the State of Texas, and the venue for any action concerning this Agreement shall be in Bexar County, Texas. The Parties agree to submit to the personal and subject matter jurisdiction of said court.

9. Amendment. This Agreement may be amended by mutual written agreement of the Parties, as approved by the City Council of the City of Live Oak, Texas.

10. Legal Construction. In the event any one or more of the provisions contained in this Agreement shall, for any reason, be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect other provisions of this Agreement, and it is the intention of the Parties to this Agreement that, in lieu of each provision that is found to be illegal, invalid, or unenforceable, a provision be added to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid, or unenforceable.

11. Interpretation. Each of the Parties has been represented by counsel of their choosing in the negotiation and preparation of this Agreement. Regardless of which Party prepared the initial draft of this Agreement, this Agreement shall, in the event of any dispute, whatever its meaning or application, be interpreted fairly and reasonably and neither more strongly for or against any Party.

12. Entire Agreement. This Agreement constitutes the entire agreement between the Parties with respect to the subject matter covered in this Agreement. There is no other collateral oral or written agreement between the Parties that, in any manner, relates to the subject matter of this Agreement, except as provided for in any Exhibits attached hereto or duly approved amendments to this Agreement, as approved by the City Council of the City of Live Oak, Texas.

13. Paragraph Headings. The paragraph headings contained in this Agreement are for convenience only and will in no way enlarge or limit the scope or meaning of the various and several paragraphs.

14. Counterparts. This Agreement may be executed in counterparts. Each of the counterparts shall be deemed an original instrument, but all of the counterparts shall constitute one and the same instrument.

15. Exhibits. Any Exhibits attached hereto are incorporated by reference for all purposes.

16. Survival of Covenants. Any of the representations, warranties, covenants, and obligations of the Parties, as well as any rights and benefits of the Parties, pertaining to a period of time following the termination of this Agreement shall survive termination.

17. Employment of Undocumented Workers. During the term of this Agreement, Developer agrees to not knowingly employ any undocumented workers, and, if convicted of a violation under 8 U.S.C. Section 1324a(1), Developer shall be in Default and repay the amount of the Grants and any other funds received by Developer from the City as of the date of such violation within one hundred twenty (120) days after the date Developer is notified by the City of such violation, plus interest at the rate of six percent (6.00%) compounded annually from the date of the violation until paid in full. Developer is not liable for an unknown violation of this Section by a subsidiary, affiliate, or franchisee of Developer or by a person with whom Developer contracts provided however that identical federal law requirements provided for herein shall be included as part of any agreement or contract which Developer enters into with any subsidiary, assignee, affiliate, or franchisee for which Grants provided herein will be used.

18. Indemnification.

**DEVELOPER AGREES TO DEFEND, INDEMNIFY AND HOLD THE CITY,
THEIR RESPECTIVE OFFICERS, AGENTS AND EMPLOYEES**

(COLLECTIVELY THE “CITY”) HARMLESS FROM AND AGAINST ANY AND ALL REASONABLE LIABILITIES, DAMAGES, CLAIMS, LAWSUITS, JUDGMENTS, ATTORNEY FEES, COSTS, EXPENSES AND ANY CAUSE OF ACTION THAT DIRECTLY RELATES TO ANY OF THE FOLLOWING: ANY ACT OR OMISSION OR BREACH OR NON-PERFORMANCE BY DEVELOPER UNDER THIS AGREEMENT EXCEPT THAT THE INDEMNITY PROVIDED HEREIN SHALL NOT APPLY TO ANY LIABILITY RESULTING FROM THE ACTION OR OMISSIONS OF THE CITY. THE PROVISIONS OF THIS SECTION ARE SOLELY FOR THE BENEFIT OF THE PARTIES HERETO AND NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY.

19. Additional Instruments. City and Developer agree and covenant to cooperate, negotiate in good faith, and to execute such other and further instruments and documents as may be reasonably required to fulfill the public purposes provided for and included within this Agreement.

20. Future permits. Developer acknowledges that the inclusion of the Project Improvements Site Plan and Public Improvements Cost Itemization, as **Exhibits “B” and “C”** herein, in no way infers the City’s approval of any aspect of the proposed Project; but, rather, such exhibits represent certain requirements for Developer’s eligibility to receive Grant payments under this Agreement. All aspects of the Project must comply with applicable provisions of the City’s Code of Ordinances, Unified Development Code, and other codes as may have been adopted by the City, in order to obtain necessary approvals of officers or staff of the city under the review processes set out in such codes.

21. Disclosure of Business Relationships/Affiliations; Conflict of Interest Questionnaire. Developer represents that it is in compliance with the applicable filing and disclosure requirements of Chapter 176 of the Texas Local Government Code, Conflicts of Interest Questionnaire and Chapter 2252 of the Texas Government Code, Form 1295 Certificate of interested Parties online filing with the Texas Ethics Commission.

22. Boycott Israel requirement. Pursuant to State law, the Developer recognizes that ESD#1 may not enter into a contract with a company for goods and services unless the contract contains a written verification from the company that it; (i) does not boycott Israel; and (ii) will not boycott Israel during the term of the contract (Texas Government Code, Chapter 2270.002). As such, the Developer hereby verifies that it does not boycott Israel, and agrees that, during the term of this Agreement, will not boycott Israel as that term is defined in the Texas Government Code, Section 808.001, as amended. Further, the Developer hereby certifies that it is not a company identified under Texas Government Code, Section 2252.152 as a company engaged in business with Iran, Sudan, or Foreign Terrorist Organization.

[SIGNATURES ON THE FOLLOWING PAGES]

Executed to be effective as of this 30 day of July, 2024.

CITY OF LIVE OAK, TEXAS

By: _____

ATTEST:

City Secretary

APPROVED ONLY AS TO FORM:

City Attorney

[SIGNATURES CONTINUE ON THE FOLLOWING PAGE]

DEVELOPER:

BSC-STOTAN SAN ANTONIO PROPCO LP,
a Texas limited partnership

By: BSC-Stotan San Antonio GP LLC,
a Delaware limited liability company,
its General Partner

By: BSC-Stotan San Antonio Venture LLC,
a Delaware limited liability company,
its Manager

By: Stotan Agarita LLC,
a Delaware limited liability company,
its Manager

By: Stotan Toepperwein LLC,
a Delaware limited liability company,
its Manager

By: Stotan Industrial LLC,
a Delaware limited liability company,
its Manager

By:



James McGill, President

Signature Page

EXHIBITS

Exhibit "A"	Legal Description of the Property
Exhibit "B"	Project Improvements Site Plan
Exhibit "C"	Public Improvements Cost Itemization

EXHIBIT "A"

LEGAL DESCRIPTION OF PROPERTY

A 38.971 acre tract of land situated within the corporate limits of the City of Live Oak, Bexar County, Texas, out of the Jose Maria Ocon Survey No. 279, Abstract 864, County Block 5042, the Francisco Villarial Survey No. 309, Abstract 776, County Block 5048, and the Hypolito Mendiola Survey No. 308, Abstract 491, County Block 5038, being all of a called 38.972 acre tract conveyed unto Agarita Toepperwein, LLC by deed executed January 28, 2022 and recorded in Document No. 20220023552, Official Public Records of Bexar County, Texas, inclusive of Lot 1, GUNN TOEPPERWEIN ROAD, recorded in Volume 9563, Page 88, Deed and Plat Records of Bexar County, Texas. In all, said 38.971 acre tract being more particularly described as follows, with bearings based on the Texas Coordinate System established for the South Central Zone from the North American Datum of 1983 NAD 83 (NA2011) epoch 2010.00:

BEGINNING: at a ½" iron rod found with plastic cap marked "Baker" on the east right-of-way line of Toepperwein Road, an 86-foot wide public right-of-way as shown on Bexar County Right-of-way map B-1190, same being the common south corner of a 64.584 acre tract conveyed unto Lookout Properties by deed executed December 23, 1987 and recorded in Volume 4231, Page 1344, said Official Public Records, and the west corner of said 38.972 acre tract;

THENCE: departing said east right-of-way line, with and along the common southeast lines of said 64.584 acre tract and a 1.1478 acre tract conveyed unto Mario F. Alonso and Veronica A. Alonso by deed executed March 30, 2001 and recorded in Volume 8849, Page 2089, said Official Public Records, and the northwest line of said 38.972 acre tract, North 53° 40' 42" East, 1,601.80 feet to a ½" iron rod found with plastic cap marked "BMB" on the southwest line of an existing variable width drain easement, recorded in Volume 9571, Pages 159-160, said Deed and Plat Records, same being at the common east corner of said 64.584 acre tract and the north corner of said 38.972 acre tract;

THENCE: with and along the common southwest lines of said existing variable width drain easement and an existing variable width drain easement recorded in Volume 9581, Page 195, said Deed and Plat Records, and the northeast line of said 38.972 acre tract, South 30° 21' 18" East, 1,272.87 feet to a ½" iron rod found at the common west corner of Lot 5, LIVE OAK TOWN CENTER, recorded in Volume 9724, Pages 23-29, said Deed and Plat Records, and the south corner of said existing variable width drain easement recorded in said Volume 9581, Page 195;

THENCE: continuing with and along said northeast line, South 30° 37' 30" East, 174.34 feet to a ½" iron rod found on the southwest line of said Lot 5, same being at the common east corner of said 38.972 acre tract and the north corner of an 8.072 acre tract conveyed unto BA & W Enterprises, Inc., and Ace Walker by deed executed September 1, 2010 and recorded in Volume 14630, Page 431, said Official Public Records;

THENCE: with and along the common northwest line of said 8.072 acre tract, and a southeast line of said 38.972 acre tract, South 57° 22' 06" West, 448.08 feet to a ½" iron rod found at a

Exhibit "A"

common south exterior corner of said 38.972 acre tract, and the east corner of Lot 1, Block 50, DAVCEL SUBDIVISION, recorded in Volume 9000, Page 137, said Deed and Plat Records;

THENCE: with and along the common lines of said Lot 1, Block 50, and said 38.972 acre tract, the following courses:

North 32° 31' 40" West, 405.21 feet to a ½" iron rod found;

South 57° 26' 23" West, 771.85 feet to a ½" iron rod found with plastic cap marked "Pape Dawson";

North 32° 33' 43" West, 202.14 feet to a ½" iron rod found;

And South 71° 02' 34" West, 468.60 feet to a ½" iron rod found with plastic cap marked "Baker" on said east right-of-way line, same being at the beginning of a non-tangent curve whose radius point bears South 79° 06' 03" West, 1,883.64 feet;

THENCE: with and along said east right-of-way line, the following courses:

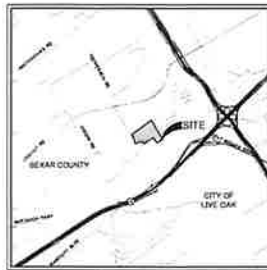
Northerly with the arc of said non-tangent curve through a central angle of 19° 27' 36", having a chord bearing and distance of North 20° 37' 45" West, 636.69 feet, and an arc length of 639.76 feet to a mag nail set with washer stamped "Pape Dawson";

And North 30° 21' 33" West, 1.14 feet to the POINT OF BEGINNING, and CONTAINING 38.971 acres, or 1,697,591 square feet of land, more or less.

EXHIBIT “B”
PROJECT IMPROVEMENTS SITE PLAN
[SEE ATTACHED]

TOEPPERWEIN WAREHOUSE PUBLIC IMPROVEMENTS

LIVE OAK, TEXAS
CIVIL CONSTRUCTION PLANS



LOCATION MAP
NO. 10-041

PREPARED FOR:
AGARITA TOEPPERWEIN CO, LLC
115 W. EL PRADO DR., STE 5
SAN ANTONIO, TX 78212

DECEMBER 2023



PAPE-DAWSON ENGINEERS
1000 NORTH 10TH STREET, SUITE 100, DALLAS, TEXAS 75201
TEL: 214-742-1000 FAX: 214-742-1001
WWW.PAPE-DAWSON.COM

SHEET INDEX	
Sheet Description	Sheet No.
PUBLIC IMPROVEMENTS COVER SHEET	CS.00
GENERAL CONSTRUCTION NOTES	CS.10
EROSION & SEDIMENTATION CONTROL PLAN	CS.20
EROSION & SEDIMENTATION CONTROL NOTES	CS.25
PUBLIC WATER PLAN - SHEET 1 OF 3	CS.30
PUBLIC WATER PLAN - SHEET 2 OF 3	CS.31
PUBLIC WATER PLAN - SHEET 3 OF 3	CS.32
PUBLIC SANITARY SEWER PLAN AND PROFILE	CS.40
UTILITY DETAILS	CS.50
EXISTING CONCRETE DRAIN PLAN	CS.51



PAPE-DAWSON ENGINEERS
1000 NORTH 10TH STREET, SUITE 100, DALLAS, TEXAS 75201
TEL: 214-742-1000 FAX: 214-742-1001
WWW.PAPE-DAWSON.COM

CS.00

TOEPPERWEIN WAREHOUSE
PLAT NO. 08037Z PD JOB NO. 5095-11

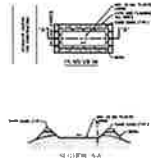
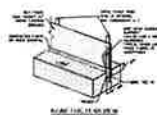
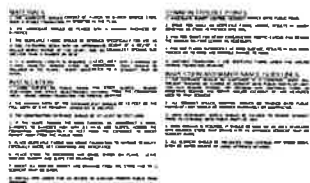
TOEPPERWEIN WAREHOUSE
PLAT NO. 08037Z PD JOB NO. 5095-11

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TOEPFERWEIN WAREHOUSE LIVE OAK, TEXAS		PAPE-DAWSON ENGINEERS 5000 W. 10TH ST. SUITE 1000 DALLAS, TEXAS 75207 TEL: 214-343-1111 FAX: 214-343-1112			SHEET NO. _____ DATE OF DESIGN _____ DATE _____
GENERAL CONSTRUCTION NOTES					



[illegible]

TOEPERWEIN WAREHOUSE
LIVE OAK, TEXAS

PAPE-DAWSON ENGINEERS

10000 W. 10th Street, Suite 100, Dallas, Texas 75243
 Phone: (214) 343-1111 Fax: (214) 343-1112
 Email: info@pape-dawson.com Website: www.pape-dawson.com

PROJECT NO. _____

DATE _____

SCALE _____

BY _____



NAME _____
DATE _____
PERIOD _____
PAGE NO. _____

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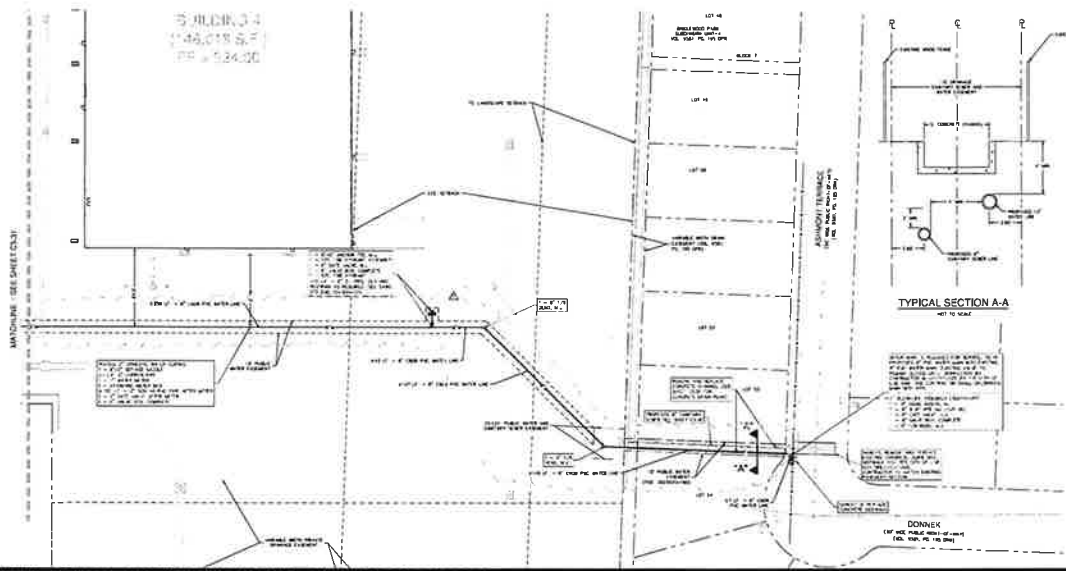
OF THIS PROJECT, THE CONTRACTOR SHALL INCREASE 1941 CUMULATIVE RECORDS BY FIVE PERCENT FOR PROPOSED UTILITIES. THE CONTRACTOR SHALL BE RESPONSIBLE FOR CORROBORATING, VERIFYING THE EXACT LOCATION AND DEPTH OF ANY UTILITIES IN CONTACT WITH EXISTING UTILITIES. THIS SHALL BE DONE BY MEANS OF A UTILITY LOCATING AND RECORDING

CAUTION¹¹

CONTRACTORS SHALL BE REQUIRED TO LOCATE ALL PUBLIC UTILITIES TO BE EXCAVATED INCLUDING BUT NOT LIMITED TO: WATER, SEWER, REFRIGERANT AND FUEL GAS LINES, FIRE LARMS AND ELECTRICAL, SECURITY ELECTRICAL, TELEPHONE CABLES, AND CABLES. CONTRACTORS SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY UTILITY LOCATIONS. ANY UTILITY LOCATIONS NOT SHOWN SHOULD BE COMMUNICATED TO THE PROJECT ENGINEER IN WRITING PRIOR TO THE COMMENCEMENT OF THE CONTRACTOR'S WORK. CONTRACTORS SHALL BE RESPONSIBLE FOR THE LOCATION OF ALL UTILITIES PRIOR TO THE START OF CONSTRUCTION. CONTRACTORS SHALL BE RESPONSIBLE FOR THE PROTECTION OF ALL UTILITIES. CONTRACTORS SHALL BE RESPONSIBLE FOR THE PROTECTION OF ALL UTILITIES. CONTRACTORS SHALL BE RESPONSIBLE FOR THE PROTECTION OF ALL UTILITIES.

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NOTE

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TYPICAL SECTION A-A

DONNEK



**PAPE-DAWSON
ENGINEERS**

OEPPERWEIN WAREHOUSE
LIVE OAK, TEXAS

LIVE OAK, TEXAS
PUBLIC WATER PLAN - SHEET 3 OF 3

C5.3

TOEPPERWEIN WAREHOUSE
LIVE OAK, TEXAS

PUBLIC WATER PLAN - SHEET 3 OF 3

PAPE-DAWTON

© 2000 Blackwell Science Ltd, *Journal of Internal Medicine* 247: 101–107

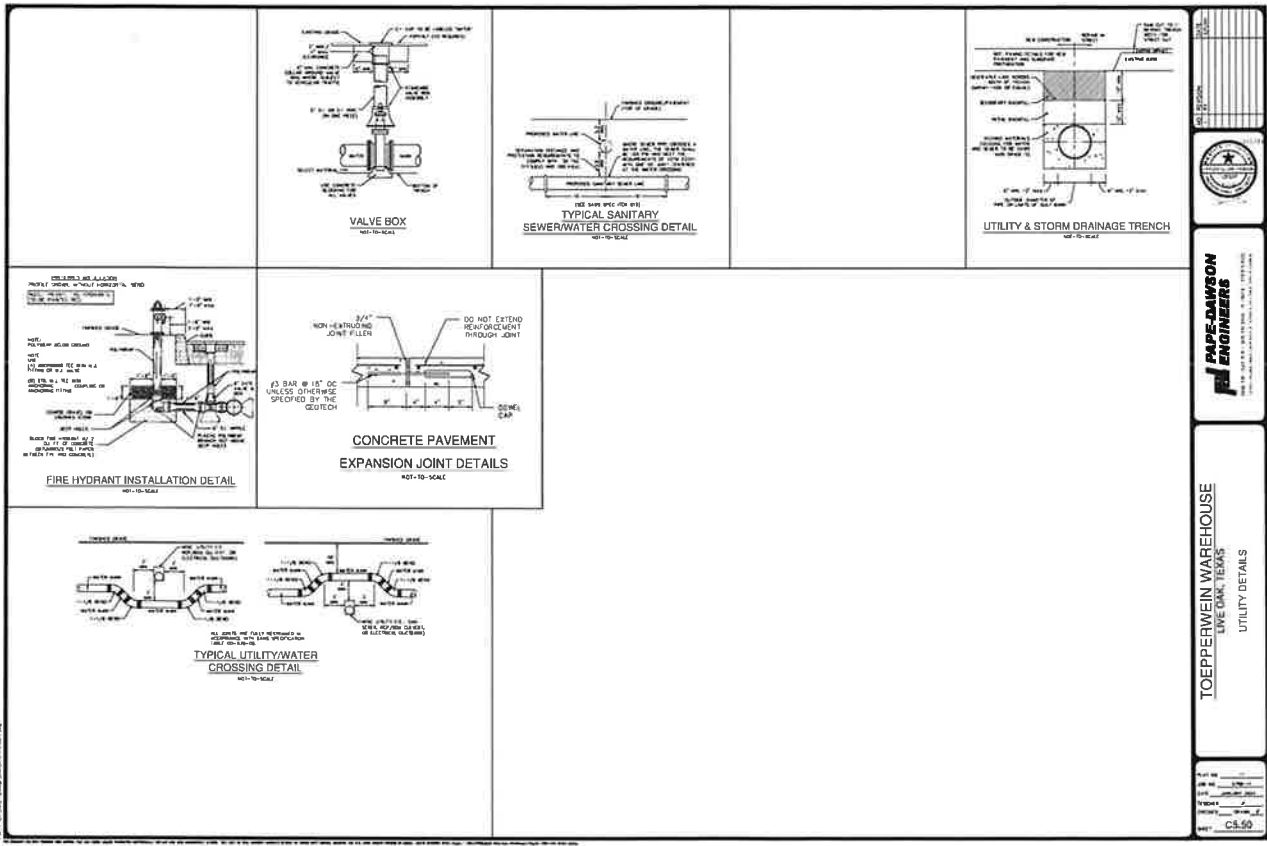
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 Date _____
 Page _____
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 Teacher _____

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CS 40



PAPE-DAWSON ENGINEERS
PAPE, DAWSON, AND ASSOCIATES, INC.
1000 W. 10TH STREET, SUITE 100
DALLAS, TEXAS 75201
TEL: 214-742-1111
FAX: 214-742-1112
WWW.PAPE-DAWSON.COM

TOEPPERWEIN WAREHOUSE
LIVE OAK, TEXAS

UTILITY DETAILS

PROJECT NO. _____

DATE _____

SCALE _____

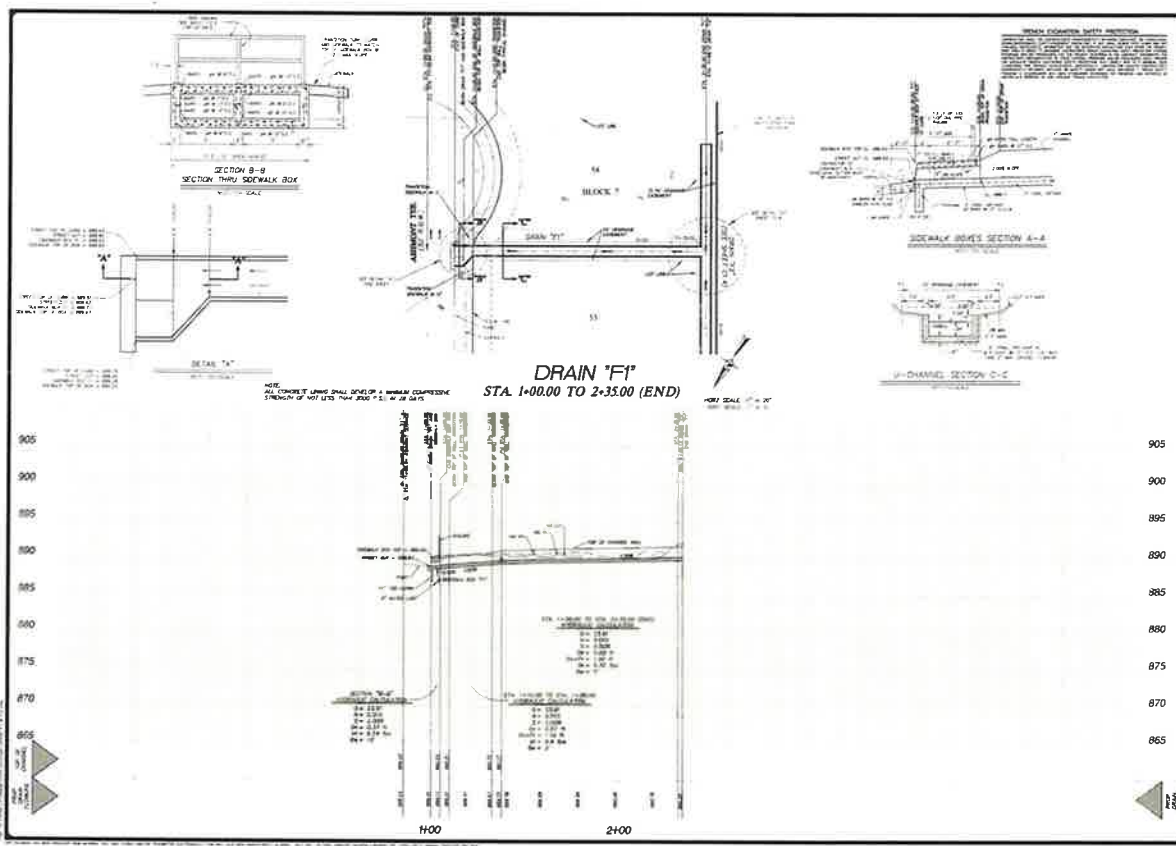
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DATE	_____
BY	_____
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PROJECT NO.	_____
SCALE	_____
BY	_____
CHECKED	_____
DATE	_____
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TOEPPERWEIN WAREHOUSE
LIVE OAK, TEXAS
EXISTING CONCRETE DRAIN PLAN

BRIDLEWOOD PARK SUBDIVISION
UNIT-4
DRAIN 'F' PLAN & PROFILE

PAPE-DAWSON ENGINEERS
INC.
REGISTERED PROFESSIONAL ENGINEERS
STATE OF TEXAS
No. 123456
Exp. 12/31/2024

DATE: 11/11/2023
BY: JAL/BJE
CHECKED: JAL/BJE
PROJECT: C19

DATE	11/11/2023
BY	JAL/BJE
CHECKED	JAL/BJE
PROJECT	C19
SCALE	AS SHOWN
PROJECT	TOEPPERWEIN WAREHOUSE
LOCATION	LIVE OAK, TEXAS
EXISTING CONCRETE DRAIN PLAN	
PROJECT NO.	C551

PERMIT SET

EXHIBIT "C"

PUBLIC IMPROVEMENTS COST ITEMIZATION

OPINION OF PROBABLE CONSTRUCTION COST

SUBDIVISION NAME: Toepperwein Warehouse

DEVELOPER: Stotan Industrial

PLAT NO.:

ENGINEER: Pape-Dawson Engineers

Live Oak Public Improvements

ITEM NO.	DESCRIPTION	UNIT	QTY	UNIT PRICE	AMOUNT
1.	Mobalization	LS	1	\$20,000.00	\$20,000.00
2.	Revegetation	AC	2.09	\$3,850.00	\$8,046.50
3.	TPDES	LS	1	\$15,000.00	\$15,000.00
	Subtotal				\$43,046.50
<i>Sewer</i>					
1.	Remove & Replace Curb and Sidewalk Box	SY	112	\$150.00	\$16,800.00
2.	8" SDR 26 PVC Sewer Pipe (6'-10' Deep)	LF	158	\$100.00	\$15,800.00
3.	Standard Manhole (0'-6')	EA	2	\$8,200.00	\$16,400.00
4.	Manhole Extra Depth (>6')	VF	6.67	\$600.00	\$4,002.00
5.	Trench Excavation Protection	LF	158	\$2.00	\$316.00
6.	Sewer Main Television Inspection (8"-15")	LF	131	\$4.00	\$524.00
	Sewer - Subtotal				\$53,842.00
<i>Water</i>					
1.	Tie to existing 12" PVC Main	EA	1	\$5,000.00	\$5,000.00
2.	Tie to existing 8" PVC Main	EA	1	\$2,665.00	\$2,665.00
3.	12" C900 PVC Water Pipe	LF	807	\$130.00	\$104,910.00
4.	8" C900 PVC Water Pipe	LF	1982	\$100.00	\$198,200.00
5.	6" DI Pipe	LF	101	\$150.00	\$15,150.00
6.	Trench Excavation Protection	LF	2890	\$3.50	\$10,115.00
7.	2" Blowoff (Temporary)	EA	2	\$1,600.00	\$3,200.00
8.	2" Blowoff (Permanent)	EA	1	\$1,800.00	\$1,800.00
9.	Standard Fire Hydrant Assembly	EA	5	\$5,500.00	\$27,500.00
10.	12" Gate Valve, MJ	EA	1	\$2,500.00	\$2,500.00
11.	8" Gate Valve, MJ	EA	3	\$2,465.00	\$7,395.00
12.	Pipe Fittings	TON	2.378	\$3,600.00	\$8,560.80
	Water - Subtotal				\$386,995.80
TOTAL:					\$483,884.30

PREPARED BY: Joshua Ficarro, P.E.

P:\57\98\11\Excel\Cost Estimates\OPC\240116-OPC (Toepperwein).xls

Exhibit "C"



CITY COUNCIL AGENDA ITEM FORM

Meeting Date: July 30, 2024

Agenda item: 7G

Prepared by: Mark Wagster, Director

Reviewed by: Anas Garfaoui, City Manager

Department: Public Works

AGENDA ITEM DESCRIPTION:

Discussion and possible action to accept and award a bid from Abelar Inc. in the amount of \$274,834.00; authorize the City Manager to enter into an agreement to construct the 2024 Shin Oak to Village Oak Trail Project and further authorize the City Manager to enter a change order for additional work not to exceed 10% or \$27,483.40.

Staff Briefing:

This project will create a connective and accessible concrete park trail from Village Oak Dr. to Shin Oak Dr. The new trail will make great use of the land adjacent to the existing drainage channel.

Using the formal bid process, seven (7) contractors delivered bids for the 2024 Shin Oak to Village Oak Trail Project. Abelar Inc. supplied the lowest bid of \$274,834.00 and Jerdon Enterprise LP delivered the highest bid at \$455,759.00.

Staff recommends the City Council award the bid to Abelar Inc. The contractor performed excellent work recently completing the Woodcrest Trail Project and the Swimming Pool Liner Replacement Project. The contractor has successfully completed large projects for the neighboring cities of Universal City and San Antonio. Attachments include a copy of the bid tabulation, and a letter of recommendation from the city engineer.

Funding for this project is in the current budget at the amount of \$200,000. Inflation is the primary cause for the project to bid at a higher amount than the amount forecasted in the budget. Staff requests additional funding in the amount of \$100,000 from the EDC for this project.

Staff recommends granting authorization of a change order for any unforeseen cost not to exceed 10% or \$27,483.40.

ACTION:

- ☐ Ordinance ☐ Resolution
- ☐ Proclamations ☐ Special Presentation
- ☐ Finance Report ☐ Public Hearing
- ☒ Other

Cost: \$274,834.00 10% or \$27,483.40 Total \$302,317.00	
Budgeted	\$200,000
Actual	
Acct. Name	EDC Supported Projects
Acct. Fund	Capital Projects Fund
Other Funding	
Strategic Goals	1, 3, & 4

Strategic Goals: 1- Stability, 2- Secure, 3- Supportive and 4- Beautiful

CITY COUNCIL AGENDA ITEM FORM

Staff Recommended Motion:

Motion to accept and award a bid from Abelar Inc. in the amount of \$274,834.00 for the 2024 Shin Oak to Village Oak Park Trail Project; authorize the City Manager to enter into an agreement and further authorize the City Manager to enter a change order for additional work not to exceed 10% or \$27,483.40.



July 15, 2024

Mr. Mark Wagster
Public Works Director
8001 Shin Oak Dr.
Live Oak, TX 78233

Reference: Contract Award Letter – Shin Oak to Village Oak Trail Project
6S Job No. 2023-068-13

Dear Mr. Wagster:

On July 11, 2024, bids for the referenced project were opened and read aloud. Based on the information we received, to the best of our knowledge and belief, the lowest and best qualified bid is that of Abelar Inc. with a base bid of \$274,834.00. Therefore, we recommend the award of the contract to Abelar Inc. in the amount of \$274,834.00.

If you have any questions, please contact us.

Sincerely,

A handwritten signature in black ink, appearing to read "Joe A. Cantu".

Joe A. Cantu, P.E.
Vice President

Attachments: Bid Tabulation

\\\\10.120.120.55\\6S Files\\Projects\\2023\\2023-068-13 - Shin Oak Village Trail\\450 CPS\\060 Corres\\Recommendation of Award\\Recommendation of Award Letter.docx

P.O. Box 689, Pleasanton, Texas 78064
TBPE F-18435
t 830.570.3220
www.6s-engineering.com

6S Engineering, Inc.



CITY OF LIVE OAK
SHIN OAK TO VILLAGE OAK TRAIL PROJECT - BID TAB

Item	Description	Unit	Quantity	Engineering Estimate	Arakia Inc	Presidio Contracting LLC	Industrial Construction Co.	J.S. Company LLC	Arac Co	Jerdon Enterprises LP	JROD Concrete LLC
Base Bid											
LIVE OAK TRAIL PROJECT											
100.1	MOBILIZATION	LS	1	\$ 24,168.05	\$ 24,168.05	\$26,108.00	\$21,500.00	\$30,000.00	\$15,000.00	\$42,000.00	\$2,500.00
100.2	INSURANCE AND BOND	LS	1	\$ 6,591.45	\$4,000.00	\$6,720.00	\$14,200.00	\$5,000.00	\$12,000.00	\$12,400.00	\$7,689.40
101.1	PREPARING RIGHT OF WAY (SITE CLEARING)	LS	1	\$ 1,500.00	\$6,500.00	\$7,250.00	\$28,436.00	\$5,000.00	\$10,000.00	\$39,000.00	\$4,500.00
103.3	REMOVE EXISTING SIDEWALK & DRIVEWAY	SF	1675	\$ 5.00	\$ 8,375.00	\$2,550	\$6,500	\$5,000.00	\$6,000.00	\$3,200	\$6,000.00
103.1	REMOVE EXISTING CONCRETE CURB	LF	125	\$ 5.00	\$ 625.00	\$4,650	\$10,871.25	\$5,000	\$10,000.00	\$3,200	\$10,000.00
104.1	EXCAVATION	CY	415	\$ 20.00	\$ 8,300.00	\$4,650	\$20,842.50	\$95.00	\$10,000	\$68.00	\$19,500.00
104.1	EMBANKMENT	CY	415	\$ 75.00	\$31,125.00	\$16,413.25	\$20,842.50	\$95.00	\$10,000	\$68.00	\$19,500.00
200.1	FLEXIBLE BASE (4" COMP. DEPTH)	SY	1250	\$ 10.00	\$12,500.00	\$110.00	\$13,610.00	\$25.00	\$30.00	\$60.00	\$60.00
205.4	HOT MIX ASPHALTIC PAVEMENT TYPE D/2" COMP. DEPTH (X 1,000)	SY	47	\$ 50.00	\$ 2,350.00	\$14.50	\$18,125.00	\$25.00	\$31,250.00	\$80.00	\$18,750.00
500.1	CONCRETE CURB	LF	125	\$ 20.00	\$ 2,500.00	\$50.00	\$6,250.00	\$50.00	\$45.00	\$34.00	\$31.00
500.1	CONCRETE SIDEWALK (6" THICK)	SY	1460	\$ 78.00	\$113,880.00	\$107.75	\$22,093.75	\$100.00	\$143,680.00	\$121.00	\$178,680.00
502.1	ADA RAMPS (TYPE III WITH DETECTABLE WARNING PLATE)	EA	6	\$ 1,300.00	\$ 7,800.00	\$80.90	\$116,070.00	\$100.00	\$18,000.00	\$2,700.00	\$2,500.00
503.2	PORTLAND CEMENT CONCRETE DRIVEWAY (COMMERCIAL)	SY	32	\$ 90.00	\$ 2,880.00	\$1,425.00	\$15,600.00	\$175.00	\$4,000.00	\$125.00	\$4,000.00
506.1	CONCRETE RIPRAP (5" THICK)	SY	15	\$ 225.00	\$ 3,375.00	\$262.30	\$3,934.50	\$192.00	\$250.00	\$285.00	\$325.00
506.1	CONCRETE RETAINING WALLS (COMB. TYPE)	CY	25	\$ 900.00	\$ 22,500.00	\$722.50	\$18,062.50	\$1,000.00	\$1,800.00	\$41,250.00	\$30,000.00
515.1	TOPSOIL	CY	50	\$ 30.00	\$ 1,500.00	\$17.50	\$8,750.00	\$75.00	\$3,750.00	\$58.00	\$85.00
520.1	BLOCK SOD (BERMUDA OR ST. AUGUSTINE)	SY	1200	\$ 3.00	\$ 3,600.00	\$15.45	\$18,540.00	\$10.00	\$12,000.00	\$10.00	\$11,400.00
522.0	REMOVE EXIST. SIDEWALK PIPE RAIL	LF	16	\$ 10.00	\$ 160.00	\$23.00	\$368.00	\$30.00	\$480.00	\$27.00	\$432.00
527.1	SIDEWALK PIPE RAILING 3" (GALVANIZED)	LF	65	\$ 115.00	\$ 7,475.00	\$105.40	\$6,851.00	\$190.00	\$12,350.00	\$290.00	\$18,540.00
530.1	REMOVE EXIST. SIDEWALK SIGN (PEDESTRIAN)	LS	1	\$ 3,000.00	\$ 3,000.00	\$3,555.00	\$4,500.00	\$12,000.00	\$5,000.00	\$16,900.00	\$3,500.00
531.3	WT-15 BICYCLE & PEDESTRIAN CROSSING SIGN WITH CROSSING AHEAD SIGN	EA	2	\$ 300.00	\$ 600.00	\$966.40	\$498.00	\$1,000.00	\$500.00	\$502.00	\$700.00
531.9	WT-12 (PEDESTRIAN CROSSING) W/ WT-6 (DIAGONAL ARROW)	EA	1	\$ 250.00	\$ 250.00	\$585.40	\$1,500.00	\$1,000.00	\$350.00	\$502.00	\$350.00
531.9	LEFT SIGN	EA	1	\$ 150.00	\$ 150.00	\$385.40	\$1,100.00	\$1,000.00	\$350.00	\$502.00	\$350.00
531.9	RIGHT SIGN	EA	1	\$ 100.00	\$ 100.00	\$199.95	\$400.00	\$1,000.00	\$350.00	\$502.00	\$350.00
531.67	14" WHITE LINE	EA	1	\$ 250.00	\$ 250.00	\$26.40	\$225.00	\$1,000.00	\$350.00	\$502.00	\$350.00
535.7	24 INCH WHITE LINE (3M TAPE)	LF	50	\$ 5.00	\$ 250.00	\$2.70	\$136.50	\$8.00	\$400.00	\$2.30	\$10.00
535.7	STRAIGHT WHITE ARROW	EA	4	\$ 105.00	\$ 420.00	\$31.60	\$126.40	\$35.00	\$126.00	\$27.00	\$105.00
540.6	CONSTRUCTION EXITS (INSTALL REMOVE)	SY	340	\$ 30.00	\$ 10,200.00	\$21.30	\$7,242.00	\$11.00	\$3,740.00	\$23.00	\$7,500.00
540.9	TEMPORARY SEDIMENT CONTROL FENCE	LF	1075	\$ 3.00	\$ 3,225.00	\$4.60	\$4,942.50	\$4.00	\$4,300.00	\$2.80	\$3,775.00
Sub Totals				\$250,475.10	\$274,834.00	\$298,394.85	\$330,900.50	\$388,070.00	\$388,312.30	\$468,799.00	\$381,138.40
Grand Total				\$250,475.10	\$274,834.00	\$298,394.85	\$330,900.50	\$388,070.00	\$388,312.30	\$468,799.00	\$381,138.40

NOTES RED INDICATES MATHEMATICAL ERROR



CITY COUNCIL AGENDA ITEM FORM

Meeting Date: July 30, 2024

Agenda item: 7H

Prepared by: L. Kowalik, Director

Reviewed by: Anas Garfaoui, City Manager

Department: Finance

AGENDA ITEM DESCRIPTION:

Discussion and possible action to accept and approve the monthly financial report for the period ending May 31, 2024.

Staff Briefing:

The presented financial reports are cumulative from October 1, 2023, through the period ending date. These reports are presented to keep the City Council, Mayor and City Manager up to date on the financial condition of the City of Live Oak.

Attached is a memorandum outlining some of the major points of interest, along with, the Financial Report for the period ending May 31, 2024. The financial reports are cumulative from October 1, 2023, through the ending period. This report is also unaudited and subject to slight changes.

ACTION:

- ☐ Ordinance
- ☐ Resolution
- ☐ Proclamations
- ☐ Special Presentation
- ☒ Finance Report
- ☐ Public Hearing
- ☐ Other

Cost:	
Budgeted	
Actual	
Acct. Name	
Acct. Fund	
Other Funding	
Strategic Goal #	1 and 3

Strategic Goals: 1- Stable, 2- Secure, 3 - Supportive and 4 - Beautiful

Staff Recommended Motion:

Motion is to accept the monthly financial report for the period ending May 31, 2024.

MEMORANDUM

Date: July 30, 2024

To: Mayor and City Council

Via: Anas Garfaoui, City Manager

From: Leroy Kowalik, Finance Director

RE: Financial update through period ending May 31, 2024

Attached is a financial report for all funds that represents a snapshot of the financial status as of May 31, 2024. This report represents eight months into the fiscal year; therefore, revenues and expenditures should be targeted around the 67% of budget. Interfund transfers are recorded for quarterly financial reports. The amounts reflected in the attached report are unaudited and are subject to minor changes. In the remainder of this memo, I have focused on some of the points of interests within some of the major funds. Should you desire further information or more detailed information, please feel free to contact me at your convenience. This financial update is cumulative (October 2023 through ending period).

General Fund:

Overall revenues are at 77% of budget. Revenues are above the target percentage primarily because of timing of which the City receives its different revenue sources. Property taxes are already at 96% because the largest portion of property tax revenue comes to the City in late December through January. Other taxes including sales tax revenue are at 66%. Sales tax remittance for October 2023 thru May 2024 was lower (1.02%) than the same months in 2022-2023. Fines & forfeitures are at 95%. Permits and Licenses are at 91%. Franchise fees (53%) and Service Use fees (35%) are below the targeted percentage but mainly because of when they are paid to the City. Some of the franchise fees accrue and pay out quarterly and service use fees are seasonal. Interest is at 187% which is indicative of where the Federal Funds Rate is.

Overall expenditures are just below target at 58% of budget. Most of the departments are close to the targeted percentage. One thing that affect the overall percentage is the timing of some of the larger expenditures. Longevity pay is paid out in November. Workers Comp and Property and Liability Insurance are paid early in the fiscal year. Other several annual expenditures don't get started till the spring and summer months. There are several departments that are slightly lower than the target mainly because of vacancies, emergency contingencies that were budgeted and seasonal activities. Outstanding encumbrances are approximately \$285,426 for items placed on order but have not been received. Once again, transfers and some accruals are recorded on a quarterly basis.

As of the report date, total revenue recorded through May, 2024 is \$13,076,055. Total expenditures recorded through the same period are \$11,629,457. This activity results in a current net gain of \$1,446,598. This current net gain brings the City's General Fund balance to \$16,256,137. This is a normal pattern for this period of the Fiscal Year.

The Capital Project Funds:

The Capital Project Funds are created with specific projects to get accomplished.

As of May 2024:

The 2022 GO Bond Fund was created to track the receipt of the bond proceeds and accompany interest income and the expenditures to be made in accordance with the street projects identified as part of the 2022 bond election. As of this period, \$594,194 was recorded as interest income. \$7,323,340 was expended on project work. The fund balance as of this period is \$11,305,916.

The Capital Project Fund is where the City tracks a variety of projects that are not recorded through the General Fund. This keeps this function separate from General Fund operations. The fund balance as of this period is \$4,965,404. As of this period, \$973,521 has been expended on project work.

The Utility Funds:

The Utility operating fund is above target on revenue collections (73%) and above the target on expenditures (76%). Recorded revenues are below expenditures through May 2024 by \$17,038. There are some accruals that get recorded on a quarterly basis and are not reflective in this report. Also, the City's annual water lease payment and EAA management fees get paid early in the year. Cash and cash equivalents (working capital) is currently at \$255,311. Operating transfers occur on a quarterly basis. The fund balance for the Utility R&R fund through this period is \$1,026,891. Again, the transfers into this fund are recorded on a quarterly basis.

The Stormwater Utility Fund revenues are right at the target at 66%. Expenditures are below at 48%. The cash and cash equivalents (working capital) for the Stormwater fund is currently \$358,297. As with the other funds, operating transfers out occur on a quarterly basis and will draw this fund balance down.

The summary report for all funds, supporting this memo is attached. For detailed information, or should you have any questions, please contact me.

**City of Live Oak
General Fund**

For the Period Ending May 31, 2024

	Original Budget	Budget Adjustments	Current Budget	Year-to-Date Actual	%
Revenue:					
Taxes - Ad Valorem	\$ 5,018,229	\$ -	\$ 5,018,229	\$ 4,841,729	96%
Taxes - Sales Tax, Mixed Beverage	9,037,659	-	9,037,659	5,979,364	66%
Franchise Fees	1,129,000	-	1,129,000	594,685	53%
Permits & Licenses	298,100	-	298,100	272,005	91%
Grants & Intergovernmental	230,000	-	230,000	135,000	59%
Service Use Fees	115,200	-	115,200	40,709	35%
Fines and Forfeitures	486,000	-	486,000	460,817	95%
Interest	200,000	-	200,000	373,011	187%
Miscellaneous	66,000	-	66,000	137,735	209%
Total Revenues:	16,580,188	-	16,580,188	12,835,055	77%
Expenditures by Department:					
City Council	45,650	-	45,650	21,127	46%
Council Contingency	200,000	-	200,000	-	0%
City Manager's Office	336,950	-	336,950	177,223	53%
City Secretary's Office	616,575	-	616,575	431,275	70%
Municipal Court	424,605	-	424,605	262,717	62%
Finance	881,425	-	881,425	539,285	61%
Emergency Management	21,835	-	21,835	9,947	46%
Police Department	5,329,455	-	5,329,455	3,475,446	65%
Communication Services	910,580	-	910,580	540,837	59%
Fire and EMS Services Department	3,632,095	-	3,632,095	2,389,719	66%
Public Works	1,824,600	-	1,824,600	775,695	43%
Streets Maintenance	947,900	-	947,900	424,509	45%
Animal Control	364,554	-	364,554	206,582	57%
Parks Maintenance	1,104,700	-	1,104,700	557,554	50%
Recreation	428,050	-	428,050	281,559	66%
Planning and Zoning	246,750	-	246,750	38,875	16%
Development Services	289,450	-	289,450	118,131	41%
Information Technology	500,140	-	500,140	289,316	58%
Total Expenditures	18,105,314	-	18,105,314	10,539,797	58%
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	(1,525,126)	-	(1,525,126)	2,295,258	
Other Sources and (Uses):					
Interfund Transfers In	482,000	-	482,000	241,000	50%
Interfund Transfers Out	(2,172,819)	-	(2,172,819)	(1,089,660)	50%
Total Other Sources and Uses:	(1,690,819)	-	(1,690,819)	(848,660)	50%
Net Change in Fund Balance	(3,215,945)	-	(3,215,945)	1,446,598	
Beginning Fund Balance - October 1, 2023	\$ 14,556,076	\$ 253,463	\$ 14,809,539	\$ 14,809,539	
Ending Fund Balance - May 31, 2024	\$ 11,340,131	\$ 253,463	\$ 11,593,594	\$ 16,256,137	
Approved Designated Fund Balance Appropriations					
Undesignated Fund Balance	3,215,945	-	3,215,945	-	
	3,215,945	-	3,215,945	-	

City of Live Oak
Asset Replacement Fund

For the Period Ending May 31, 2024

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Current Budget</u>	<u>Year-to-Date Actual</u>	<u>%</u>
Revenue:					
Interest	\$ 65,000	\$ -	\$ 65,000	\$ 100,876	155%
Miscellaneous	-	-	-	28,050	0%
Total Revenues:	65,000	-	65,000	128,926	198%
Expenditures:					
Vehicles/Equipment	964,000	-	964,000	734,621	76%
Total Expenditures	964,000	-	964,000	734,621	76%
Excess (Deficiency) of Revenues Over (Under) Expenditures	(899,000)	-	(899,000)	(605,695)	
Other Sources and Uses:					
Interfund Transfers In	1,176,409	-	1,176,409	588,205	50%
Total Other Sources and Uses:	1,176,409	-	1,176,409	588,205	50%
Net Change in Fund Balance	277,409	-	277,409	(17,490)	
Beginning Fund Balance - October 1, 2023	<u>\$ 2,736,473</u>	<u>\$ 15,862</u>	<u>\$ 2,752,335</u>	<u>\$ 2,752,335</u>	
Ending Fund Balance - May 31, 2024	<u>\$ 3,013,882</u>	<u>\$ 15,862</u>	<u>\$ 3,029,744</u>	<u>\$ 2,734,845</u>	

**City of Live Oak
Abatement Fund**

For the Period Ending May 31, 2024

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Current Budget</u>	<u>Year-to-Date Actual</u>	<u>%</u>
Revenue:					
Service Fees	\$ 7,000	\$ -	\$ 7,000	\$ 34,247	489%
Total Revenues:	7,000	-	7,000	34,247	489%
Expenditures:					
Public Works	16,000	-	16,000	-	0%
Total Expenditures	16,000	-	16,000	-	0%
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,000)	-	(9,000)	34,247	
Other Sources and Uses:					
Interfund Transfers In	10,000	-	10,000	5,000	50%
Total Other Sources and Uses:	10,000	-	10,000	5,000	50%
Net Change in Fund Balance	1,000	-	1,000	39,247	
Beginning Fund Balance - October 1, 2023	<u>\$ 7,354</u>	<u>\$ 4,800</u>	<u>\$ 12,154</u>	<u>\$ 12,154</u>	
Ending Fund Balance - May 31, 2024	<u>\$ 8,354</u>	<u>\$ -</u>	<u>\$ 13,154</u>	<u>\$ 51,401</u>	

**City of Live Oak
Debt Service Fund**

For the Period Ending May 31, 2024

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Current Budget</u>	<u>Year-to-Date Actual</u>	<u>%</u>
Revenue:					
Taxes - Ad Valorem	\$ 2,135,686	\$ -	\$ 2,135,686	\$ 2,056,200	96%
Interest	<u>12,000</u>	<u>-</u>	<u>12,000</u>	<u>45,800</u>	<u>382%</u>
Total Revenues:	2,147,686	-	2,147,686	2,102,000	98%
Expenditures:					
Debt Service	<u>3,234,450</u>	<u>-</u>	<u>3,234,450</u>	<u>540,725</u>	<u>17%</u>
Total Expenditures	<u>3,234,450</u>	<u>-</u>	<u>3,234,450</u>	<u>540,725</u>	<u>17%</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,086,764)	-	(1,086,764)	1,561,275	
Other Sources and Uses:					
Interfund Transfers In	<u>1,086,764</u>	<u>-</u>	<u>1,086,764</u>	<u>543,382</u>	<u>50%</u>
Total Other Sources and Uses:	<u>1,086,764</u>	<u>-</u>	<u>1,086,764</u>	<u>543,382</u>	<u>50%</u>
Net Change in Fund Balance	-	-	-	2,104,657	
Beginning Fund Balance - October 1, 2023	<u>\$ 497,180</u>	<u>\$ 44,362</u>	<u>\$ 541,542</u>	<u>\$ 541,542</u>	
Ending Fund Balance - May 31, 2024	<u>\$ 497,180</u>	<u>\$ 44,362</u>	<u>\$ 541,542</u>	<u>\$ 2,646,199</u>	

**City of Live Oak
Forfeiture Fund**

For the Period Ending May 31, 2024

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Current Budget</u>	<u>Year-to-Date Actual</u>	<u>%</u>
Revenue:					
Fines & Forfeitures	\$ 52,000	\$ -	\$ 52,000	\$ 84,306	162%
Interest	3,000	-	3,000	9,242	308%
Total Revenues:	<u>55,000</u>	<u>-</u>	<u>55,000</u>	<u>93,548</u>	<u>170%</u>
Expenditures:					
Federal Forfeitures	103,000	-	103,000	\$ 35,243	34%
State Forfeitures	-	-	-	-	0%
Total Expenditures	<u>103,000</u>	<u>-</u>	<u>103,000</u>	<u>\$ 35,243</u>	<u>34%</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(48,000)	-	(48,000)	\$ 58,305	
Net Change in Fund Balance	(48,000)	-	(48,000)	\$ 58,305	
Beginning Fund Balance - October 1, 2023	<u>\$ 203,429</u>	<u>\$ 144,201</u>	<u>\$ 347,630</u>	<u>\$ 347,630</u>	
Ending Fund Balance - May 31, 2024	<u>\$ 155,429</u>	<u>\$ 144,201</u>	<u>\$ 299,630</u>	<u>\$ 405,935</u>	

**City of Live Oak
Federal /State Grants**

For the Period Ending May 31, 2024

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Current Budget</u>	<u>Year-to-Date Actual</u>	<u>%</u>
Revenue:					
Grants & Intergovernmental Allocations	\$ -	\$ -	\$ -	\$ -	0%
Interest	-	-	-	-	<u>0%</u>
Total Revenues:	-	-	-	-	0%
Expenditures:					
Project Construction	-	-	-	-	<u>0%</u>
Total Expenditures	-	-	-	-	<u>0%</u>
Net Change in Fund Balance	-	-	-	-	
Beginning Fund Balance - October 1, 2023	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
Ending Fund Balance - May 31, 2024	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	

**City of Live Oak
Child Safety Fund**

For the Period Ending May 31, 2024

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Current Budget</u>	<u>Year-to-Date Actual</u>	<u>%</u>
Revenue:					
Grants & Intergovernmental Allocations	\$ 16,000	\$ -	\$ 16,000	\$ 13,016	81%
Interest	4,000	-	4,000	4,859	121%
Total Revenues:	20,000	-	20,000	17,875	89%
Expenditures:					
Police Department	3,500	-	3,500	588	17%
Fire & Inspections	2,500	-	2,500	1,696	68%
Public Works-General	44,735	-	44,735	-	0%
Total Expenditures	<u>50,735</u>	<u>-</u>	<u>50,735</u>	<u>2,284</u>	<u>5%</u>
Net Change in Fund Balance	(30,735)	-	(30,735)	15,591	
Beginning Fund Balance - October 1, 2023	<u>\$ 152,329</u>	<u>\$ 1,461</u>	<u>\$ 153,790</u>	<u>\$ 153,790</u>	
Ending Fund Balance - May 31, 2024	<u>\$ 121,594</u>	<u>\$ 1,461</u>	<u>\$ 123,055</u>	<u>\$ 169,381</u>	

**City of Live Oak
Court Technology Fund**

For the Period Ending May 31, 2024

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Current Budget</u>	<u>Year-to-Date Actual</u>	<u>%</u>
Revenue:					
Fines & Forfeitures	\$ 13,000	\$ -	\$ 13,000	\$ 11,046	85%
Interest	2,000	-	2,000	4,371	219%
Total Revenues:	15,000	-	15,000	15,417	103%
Expenditures:					
Municipal Court	26,000	-	26,000	14,426	55%
Total Expenditures	26,000	-	26,000	14,426	55%
Net Change in Fund Balance	(11,000)	-	(11,000)	991	
Beginning Fund Balance - October 1, 2023	<u>\$ 118,326</u>	<u>\$ 973</u>	<u>\$ 119,299</u>	<u>\$ 119,299</u>	
Ending Fund Balance - May 31, 2024	<u>\$ 107,326</u>	<u>\$ 973</u>	<u>\$ 108,299</u>	<u>\$ 120,290</u>	

**City of Live Oak
Court Security Fund**

For the Period Ending May 31, 2024

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Current Budget</u>	<u>Year-to-Date Actual</u>	<u>%</u>
Revenue:					
Fines & Forfeitures	\$ 13,000	\$ -	\$ 13,000	\$ 13,052	100%
Interest	<u>1,000</u>	<u>-</u>	<u>1,000</u>	<u>2,204</u>	<u>220%</u>
Total Revenues:	14,000	-	14,000	15,256	109%
Expenditures:					
Municipal Court	<u>25,375</u>	<u>-</u>	<u>25,375</u>	<u>10,304</u>	<u>41%</u>
Total Expenditures	<u>25,375</u>	<u>-</u>	<u>25,375</u>	<u>10,304</u>	<u>41%</u>
Net Change in Fund Balance	(11,375)	-	(11,375)	4,952	
Beginning Fund Balance - October 1, 2023	<u>\$ 64,252</u>	<u>\$ 5,283</u>	<u>\$ 69,535</u>	<u>\$ 69,535</u>	
Ending Fund Balance - May 31, 2024	<u>\$ 52,877</u>	<u>\$ 5,283</u>	<u>\$ 58,160</u>	<u>\$ 74,487</u>	

City of Live Oak
Hotel Occupancy Tax (HOT) Fund

For the Period Ending May 31, 2024

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Current Budget</u>	<u>Year-to-Date Actual</u>	<u>%</u>
Revenue:					
Occupancy Tax	\$ 615,000	\$ -	\$ 615,000	\$ 285,023	46%
Interest	25,000	-	25,000	48,143	193%
Total Revenues:	640,000	-	640,000	333,166	52%
Expenditures:					
Administration Department	640,000	-	640,000	305,205	48%
Total Expenditures	640,000	-	640,000	305,205	48%
Net Change in Fund Balance	-	-	-	27,961	
Beginning Fund Balance - October 1, 2023	<u>\$ 1,286,958</u>	<u>\$ (460)</u>	<u>\$ 1,286,498</u>	<u>\$ 1,286,498</u>	
Ending Fund Balance - May 31, 2024	<u>\$ 1,286,958</u>	<u>\$ (460)</u>	<u>\$ 1,286,498</u>	<u>\$ 1,314,459</u>	

**City of Live Oak
Emergency Radio System Fund**

For the Period Ending May 31, 2024

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Current Budget</u>	<u>Year-to-Date Actual</u>	<u>%</u>
Revenue:					
Service Use Fees	\$ 5,000	\$ -	\$ 5,000	\$ 1,200	24%
Interest	<u>2,000</u>	<u>-</u>	<u>2,000</u>	<u>2,948</u>	<u>147%</u>
Total Revenues:	7,000	-	7,000	4,148	59%
Expenditures:					
Emergency Radio System	<u>19,070</u>	<u>-</u>	<u>19,070</u>	<u>1,044</u>	<u>5%</u>
Total Expenditures	<u>19,070</u>	<u>-</u>	<u>19,070</u>	<u>1,044</u>	<u>5%</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(12,070)	-	(12,070)	3,104	
Other Sources and Uses:					
Interfund Transfers Out	<u>(10,000)</u>	<u>-</u>	<u>(10,000)</u>	<u>(5,000)</u>	<u>50%</u>
Total Other Sources and Uses:	<u>(10,000)</u>	<u>-</u>	<u>(10,000)</u>	<u>(5,000)</u>	<u>50%</u>
Net Change in Fund Balance	(22,070)	-	(22,070)	(1,896)	
Beginning Fund Balance - October 1, 2023	<u>\$ 93,634</u>	<u>\$ 511</u>	<u>\$ 94,145</u>	<u>\$ 94,145</u>	
Ending Fund Balance - May 31, 2024	<u>\$ 71,564</u>	<u>\$ 511</u>	<u>\$ 72,075</u>	<u>\$ 92,249</u>	

**City of Live Oak
PEG Fund**

For the Period Ending May 31, 2024

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Current Budget</u>	<u>Year-to-Date Actual</u>	<u>%</u>
Revenue:					
Franchise Fee	\$ 45,000	\$ -	\$ 45,000	\$ 24,659	55%
Total Revenues:	45,000	-	45,000	24,659	55%
Expenditures:					
Capital Outlay	65,000	-	65,000	-	0%
Total Expenditures	65,000	-	65,000	-	0%
Net Change in Fund Balance	(20,000)	-	(20,000)	24,659	
Beginning Fund Balance - October 1, 2023	<u>\$ 430,444</u>	<u>\$ 1,717</u>	<u>\$ 432,161</u>	<u>\$ 432,161</u>	
Ending Fund Balance - May 31, 2024	<u>\$ 410,444</u>	<u>\$ 1,717</u>	<u>\$ 412,161</u>	<u>\$ 456,820</u>	

City of Live Oak
Alamo Regional SWAT Fund

For the Period Ending May 31, 2024

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Current Budget</u>	<u>Year-to-Date Actual</u>	<u>%</u>
Revenue:					
Intergovernmental	\$ 52,000	\$ -	\$ 52,000	\$ 52,000	100%
Total Revenues:	52,000	-	52,000	52,000	100%
Expenditures:					
Capital Outlay	44,640	-	44,640	21,926	49%
Total Expenditures	44,640	-	44,640	21,926	49%
Excess (Deficiency) of Revenues Over (Under) Expenditures	7,360	-	7,360	30,074	
Other Sources and Uses:					
Interfund Transfers In	6,500	-	6,500	6,500	100%
Total Other Sources and Uses:	6,500	-	6,500	6,500	100%
Net Change in Fund Balance	13,860	-	13,860	36,574	
Beginning Fund Balance - October 1, 2023	<u>\$ 86,457</u>	<u>\$ (10,832)</u>	<u>\$ 75,625</u>	<u>\$ 75,625</u>	
Ending Fund Balance - May 31, 2024	<u>\$ 100,317</u>	<u>\$ (10,832)</u>	<u>\$ 89,485</u>	<u>\$ 112,199</u>	

**City of Live Oak
2022 G.O. Bond Fund**

For the Period Ending May 31, 2024

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Current Budget</u>	<u>Year-to-Date Actual</u>	<u>%</u>
Revenue:					
Interest	\$ 400,000	\$ -	\$ 400,000	\$ 594,194	149%
Total Revenues:	400,000	-	400,000	594,194	149%
Expenditures:					
Professional Fees	305,000	-	305,000	-	0%
Construction Costs	17,833,362	296,700	18,130,062	7,323,340	40%
Total Expenditures	<u>18,138,362</u>	<u>296,700</u>	<u>18,435,062</u>	<u>7,323,340</u>	<u>40%</u>
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	(17,738,362)	(296,700)	(18,035,062)	(6,729,146)	
Net Change in Fund Balance	(17,738,362)	(296,700)	(18,035,062)	(6,729,146)	
Beginning Fund Balance - October 1, 2023	<u>\$ 17,738,362</u>	<u>\$ 296,700</u>	<u>\$ 18,035,062</u>	<u>\$ 18,035,062</u>	
Ending Fund Balance - May 31, 2024	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,305,916</u>	

**City of Live Oak
Capital Projects Fund**

For the Period Ending May 31, 2024

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Current Budget</u>	<u>Year-to-Date Actual</u>	<u>%</u>
Revenue:					
Interest	\$ 75,000	\$ -	\$ 75,000	\$ 160,591	214%
Total Revenues:	75,000	-	75,000	160,591	214%
Expenditures:					
Professional Fees	855,000	-	855,000	134,698	16%
Capital Outlay - Equipment	389,328	200,000	589,328	388,455	66%
Construction	1,978,598	-	1,978,598	450,368	23%
Total Expenditures	<u>3,222,926</u>	<u>200,000</u>	<u>3,422,926</u>	<u>973,521</u>	<u>28%</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,147,926)	(200,000)	(3,347,926)	(812,930)	
Other Sources and Uses:					
Interfund Transfers In	1,847,500	200,000	2,047,500	1,023,750	50%
Total Other Sources and Uses:	<u>1,847,500</u>	<u>200,000</u>	<u>2,047,500</u>	<u>1,023,750</u>	<u>50%</u>
Net Change in Fund Balance	(1,300,426)	-	(1,300,426)	210,820	
Beginning Fund Balance - October 1, 2023	<u>\$ 2,922,183</u>	<u>\$ 1,832,401</u>	<u>\$ 4,754,584</u>	<u>\$ 4,754,584</u>	
Ending Fund Balance - May 31, 2024	<u>\$ 1,621,757</u>	<u>\$ 1,832,401</u>	<u>\$ 3,454,158</u>	<u>\$ 4,965,404</u>	

**City of Live Oak
Utility Operations Fund**

For the Period Ending May 31, 2024

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Current Budget</u>	<u>Year-to-Date Actual</u>	<u>%</u>
Revenue:					
Utility Revenue	\$ 5,849,250	\$ -	\$ 5,849,250	\$ 4,261,930	73%
Total Revenues:	5,849,250	-	5,849,250	4,261,930	73%
Expenditures:					
Administration Department	317,200	-	317,200	184,079	58%
Public Works General	4,926,647	-	4,926,647	3,776,138	77%
Total Expenditures	<u>5,243,847</u>	<u>-</u>	<u>5,243,847</u>	<u>3,960,217</u>	<u>76%</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	605,403	-	605,403	301,713	
Other Sources and Uses:					
Interfund Transfers In	29,500		29,500	14,750	50%
Interfund Transfers Out	(667,002)	-	(667,002)	(333,501)	50%
Total Other Sources and Uses:	<u>(637,502)</u>	<u>-</u>	<u>(637,502)</u>	<u>(318,751)</u>	<u>50%</u>
Net Change in Fund Balance	(32,099)	-	(32,099)	(17,038)	
Beg. Net Working Cap - October 1, 2023	<u>\$ 384,461</u>	<u>\$ (112,112)</u>	<u>\$ 272,349</u>	<u>\$ 272,349</u>	
End. Net Working Cap. - May 31, 2024	<u>\$ 352,362</u>	<u>\$ (112,112)</u>	<u>\$ 240,250</u>	<u>\$ 255,311</u>	

City of Live Oak
Utility Development and Renewals/Replacement Fund

For the Period Ending May 31, 2024

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Current Budget</u>	<u>Year-to-Date Actual</u>	<u>%</u>
Revenue:					
Interest	\$ 25,000	\$ -	\$ 25,000	\$ 34,828	139%
Miscellaneous	<u>75,000</u>	<u>-</u>	<u>75,000</u>	<u>-</u>	<u>0%</u>
Total Revenues:	100,000	-	100,000	34,828	35%
Expenditures:					
Public Works General	<u>605,000</u>	<u>-</u>	<u>605,000</u>	<u>192,624</u>	<u>32%</u>
Total Expenditures	<u>605,000</u>	<u>-</u>	<u>605,000</u>	<u>192,624</u>	<u>32%</u>
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	(505,000)	-	(505,000)	(157,796)	
Other Sources and Uses:					
Interfund Transfers In	<u>310,000</u>	<u>-</u>	<u>310,000</u>	<u>155,000</u>	<u>50%</u>
Total Other Sources and Uses:	<u>310,000</u>	<u>-</u>	<u>310,000</u>	<u>155,000</u>	<u>50%</u>
Net Change in Fund Balance	(195,000)	-	(195,000)	(2,796)	
Beginning Fund Balance - October 1, 2023	<u>\$ 998,278</u>	<u>\$ 31,409</u>	<u>\$ 1,029,687</u>	<u>\$ 1,029,687</u>	
Ending Fund Balance - May 31, 2024	<u>\$ 803,278</u>	<u>\$ 31,409</u>	<u>\$ 834,687</u>	<u>\$ 1,026,891</u>	

City of Live Oak
Storm Water Utility Fund

For the Period Ending May 31, 2024

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Current Budget</u>	<u>Year-to-Date Actual</u>	<u>%</u>
Revenue:					
Utility Revenue	\$ 658,000	\$ -	\$ 658,000	\$ 435,227	66%
Total Revenues:	658,000	-	658,000	435,227	66%
Expenditures:					
Operations	872,200	-	872,200	418,880	48%
Total Expenditures	872,200	-	872,200	418,880	48%
Excess (Deficiency) of Revenues Over (Under) Expenditures	(214,200)	-	(214,200)	16,347	
Other Sources and Uses:					
Interfund Transfers Out	(43,231)	-	(43,231)	(21,616)	50%
Total Other Sources and Uses:	(43,231)	-	(43,231)	(21,616)	50%
Net Change in Fund Balance	(257,431)	-	(257,431)	(5,269)	
Beg. Net Working Cap - October 1, 2023	\$ 395,877	\$ (32,311)	\$ 363,566	\$ 363,566	
End. Net Working Cap. - May 31, 2024	\$ 138,446	\$ (32,311)	\$ 106,135	\$ 358,297	

**City of Live Oak
Economic Development Corporation**

For the Period Ending May 31, 2024

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Current Budget</u>	<u>Year-to-Date Actual</u>	<u>%</u>
Revenue:					
Taxes - Other	\$ 2,833,886	\$ -	\$ 2,833,886	\$ 1,924,824	68%
Interest & Miscellaneous	135,000	-	135,000	202,727	150%
Total Revenues:	2,968,886	-	2,968,886	2,127,551	72%
Expenditures:					
Administration Department	783,420	-	783,420	275,940	35%
Utilities/Water Rights	300,000	-	300,000	-	0%
Land	157,310	-	157,310	1,528	1%
Unspecified Projects	100,000	-	100,000	-	0%
Total Expenditures	1,340,730	-	1,340,730	277,468	21%
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,628,156	-	1,628,156	1,850,083	
Other Sources and Uses:					
Interfund Transfers Out	(1,980,621)	(200,000)	(2,180,621)	(1,090,310)	50%
Total Other Sources and Uses:	(1,980,621)	(200,000)	(2,180,621)	(1,090,310)	50%
Net Change in Fund Balance	(352,465)	(200,000)	(552,465)	759,773	
Beginning Fund Balance - October 1, 2023	<u>\$ 4,961,360</u>	<u>\$ (124,213)</u>	<u>\$ 4,837,147</u>	<u>\$ 4,837,147</u>	
Ending Fund Balance - May 31, 2024	<u>\$ 4,608,895</u>	<u>\$ (324,213)</u>	<u>\$ 4,284,682</u>	<u>\$ 5,596,920</u>	



CITY COUNCIL AGENDA ITEM FORM

Meeting Date: July 30, 2024

Agenda item: 71

Prepared by: Leroy Kowalik, Director

Reviewed by: Anas Garfaoui, City Manager

Department: Finance

AGENDA ITEM DESCRIPTION:

Discussion and possible action to vote on a proposal to consider a property tax increase or a proposal to not exceed the lower of the “No-New-Revenue” rate or the “Voter-Approval” rate.

Staff Briefing:

This is a formalized process required by Truth-in-Taxation laws.

The governing body must either submit and vote on a proposal for no tax increase reflective of a tax rate that does not exceed the lower of the calculated “No-New-Revenue” (NNR) rate or “Voter-Approval” (VA) rate;

OR

The governing body must submit and vote on a proposal to consider a property tax increase that would be reflective of a tax rate above the lower of the NNR or VAR.

Truth-in-Taxation is a concept embodied in the Texas Constitution and the Tax Code that requires local taxing units to make taxpayers aware of tax rate proposals. It gives taxpayers an opportunity to limit tax increases. It also provides guidance to local jurisdictions in the calculation, presentation, public notices and adoption of municipal property tax rates. There are certain steps that are required along the way. We are currently at one of those required steps.

Truth-in-Taxation laws require a municipality to have a recorded vote on any proposal to increase taxes. This means, if a municipality proposes a tax rate which is higher than the calculated NNR or VAR rate, a proposal must be made, seconded, and a recorded vote is taken. This triggers a public hearing on the tax increase proposal. A notice of the public hearing is placed in the newspaper notifying taxpayers of how much the proposed increase is, the reason for the tax increase, the recorded vote of the council of the tax increase and the place and time of the public hearings.

Bexar County prepares the official rate calculations for the City of Live Oak. Bexar County prepares the rate calculations for most taxing jurisdictions during the weeks of July 22 – August 2. The Finance Department also prepared these calculations for confirmation; but again, only Bexar County’s calculation is official.

CITY COUNCIL AGENDA ITEM FORM

At the July 16th budget workshop, City Council provided direction to staff, by consensus, to proceed with the budget process with the mindset of staying at the lower of the NNR or VAR. This agenda item will formalize the truth in taxation process of setting a proposed rate. This is not a vote to adopt the tax rate, but to set a proposed rate. At the time of preparing this agenda item, the proposed NNR and VA Rates were not available. Staff will update this information before the council meeting.

Current year's (2023) total tax rate	\$0.385790/\$100 valuation
Proposed year's (2024) calculated NNR rate	\$0._____/ \$100 valuation
Proposed year's (2024) calculated VA Rate	\$0._____/ \$100 valuation

The City's 2024/2025 working draft budget, as was presented and discussed at the budget workshop on July 16th, was composed with the concept of staying at the NNR tax rate. The NNR tax rate breaks down into the two component rates which are the Debt Service (I&S) and Maintenance and Operations (M&O) rates.

According to preliminary information provided to us from BCAD, the average market (appraised) value for a resident homestead is decreasing by 1.807%. This usually means that our calculated NNR rate could be slightly higher than our current tax rate. Preliminary numbers are also reflecting \$47,018,565 in "new taxable value" being added to the rolls this year. This is for property that was not taxed last year (new development). Total valuation of properties that were on the rolls already last year, is approximately 2.569% higher than last year. Again, these calculations are using preliminary numbers that we receive and not the certified numbers.

Please keep in mind that this action tonight is **NOT** to adopt a tax rate but rather to vote on a proposal for a possible tax increase. The action tonight sets the stage for the completion of the draft budget and initiates any required public hearings on a tax increase.

Also, Council cannot later adopt a tax rate that will exceed any rate that will be determined tonight.

If required, the City would conduct the required public hearing on the tax rate on: Sept. 10th

The City Council is schedule to adopt the 2024/2025 budget and adopt the 2024 property tax rate on September 10, 2024 which is a regular scheduled council meeting.

It is staff's recommendation to not exceed the lower of the calculated NNR tax rate or the VAR for the 2024/2025 budget year. If Council accepts the staff recommendation by the motion and vote tonight, then staff will proceed with any and all advertisements required by Senate Bill 2 that will reflect the proposed property tax rate being the lower of the NNR or VAR calculated by Bexar County

CITY COUNCIL AGENDA ITEM FORM

ACTION:

- ☐ Ordinance ☐ Resolution
☐ Proclamations ☐ Special Presentation
☐ Finance Report ☐ Public Hearing
☒ Other

Cost:	
Budgeted	
Actual	
Acct. Name	
Acct. Fund	
Other Funding	
Strategic Goal #	1

Strategic Goals: 1- Stable, 2- Secure, 3 - Supportive and 4 - Beautiful

Staff Recommended Motion:

** If City Council wishes to put forth a proposal to consider a property tax increase that would be reflective of a tax rate that is equal to or below the lower of the “No-New-Revenue” or “Voter-Approval” rate, the following can be used.

“Motion is to approve a proposal to consider a property tax rate that will not exceed the lower of “No-New-Revenue” tax rate or the “Voter-Approval” rate which, by definition, would generate approximately the same amount of tax revenue from properties tax in the preceding year.”

OR

** If City Council wishes to put forth a proposal to consider a property tax increase that would be reflective of a tax rate above the lower of the “No-New-Revenue” or “Voter-Approval” rate, the following must be used.

“Motion is to approve a proposal to consider an increase to total tax revenue from properties on the tax roll in the preceding tax year by _____ percent. The desired total tax rate would be _____ per \$100 valuation.”

(This vote must be recorded and will be published on the inside cover of the 2024/25 budget and the City’s website.)

CITY OF LIVE OAK

CITY COUNCIL CERTIFIED AGENDA – EXECUTIVE SESSION

I, Mary M. Dennis, Mayor of Live Oak, Texas, do hereby certify that on July 30, 2024, at _____ p.m., the City Council convened into Executive Session.

Present were Councilmembers: Mayor Mary M. Dennis
Councilman/Mayor Pro-Tem Bob Tullgren
Councilmember Dr. Erin Perez
Councilmember Ed Cimics
Councilmember Aaron Dahl
Councilmember Mendell Morgan

Also present were: Anas Garfaoui, City Manager

The subject matter of the deliberation is as follows:

- A. The City Council shall meet in Executive Session under Texas Government Code Section 551.074, Personnel Matters, to discuss the following:
 - i. Six Month evaluation of the City Manager as required in the employment agreement.

The City Council completed its Executive Session at _____ p.m.

CERTIFICATION:

I hereby certify that this Agenda of the Executive Session of the City Council of the City of Live Oak, Texas, is a true and correct record of the proceedings pursuant to Chapter 551, Government Code, Vernon's Texas Codes Annotated.

WITNESS my hand this the _____ day of July 2024

Mary M. Dennis, Mayor