

**STAFF**  
**CITY HALL**

**STAFF  
FINANCE  
DEPARTMENT**

# 3rd Quarter Financials April – June 2024 Revenue vs Expense



1

## City of Blanco Revenue And Expense Report As of June 30, 2024

8/8/2024 9:07 AM

100 - General Fund	Current Month Expense/Rev	Year To Date Expense/Rev	Current Year Budget	Budget Balance Remaining	% Balance Remaining	Prior Year YTD Balance	Prior Year FY End Bal.
<b>Revenue Summary</b>							
-	147,733.97	2,019,926.06	3,000,582.51	980,656.43	32.68%	1,869,544.19	2,265,739.07
Revenue Totals	<u>147,733.97</u>	<u>2,019,926.06</u>	<u>3,000,582.51</u>	<u>980,656.43</u>	<u>32.68%</u>	<u>1,869,544.19</u>	<u>2,265,739.07</u>
<b>Expense Summary</b>							
00-General	0.00	50.04	0.00	(50.04)	0.00%	0.00	0.00
01-Council	790.00	7,284.08	16,400.00	9,115.92	55.58%	11,740.25	14,571.73
02-Administration	38,021.74	492,962.40	667,870.73	174,908.33	26.19%	515,013.05	717,162.85
03-Police	49,568.11	906,835.76	1,284,170.84	377,335.08	29.38%	899,179.22	1,173,264.24
04-Court	6,804.78	115,385.98	177,344.45	61,958.47	34.94%	122,096.98	93,884.33
05-Parks and Streets	2,334.93	13,441.05	55,046.15	41,605.10	75.58%	10,088.25	14,667.91
06-Non-Department	7,304.01	304,417.30	205,140.52	(99,276.78)	(48.39%)	442,232.18	491,923.94
Expense Totals	<u>104,823.57</u>	<u>1,840,376.61</u>	<u>2,405,972.69</u>	<u>565,596.08</u>	<u>23.51%</u>	<u>2,000,349.93</u>	<u>2,505,475.00</u>
Revenues Over(Under) Expenditures	<u>42,910.40</u>	<u>179,549.47</u>	<u>594,609.82</u>	<u>0.00</u>	<u>0.00%</u>	<u>(130,805.74)</u>	<u>(239,735.93)</u>

2

City of Blanco  
Revenue And Expense Report  
As of June 30, 2024

BUSINESS \$ 00.00

200 - Enterprise Fund	Current Month Expense/Rev	Year To Date Expense/Rev	Current Year Budget	Budget Balance Remaining	% Balance Remaining	Prior Year YTD Balance	Prior Year FY End Bal.
<b>Revenue Summary</b>							
-	222,329.45	2,174,828.87	2,417,450.00	242,621.13	10.04%	1,788,543.60	2,548,014.73
Revenue Totals	<u>222,329.45</u>	<u>2,174,828.87</u>	<u>2,417,450.00</u>	<u>242,621.13</u>	<u>10.04%</u>	<u>1,788,543.60</u>	<u>2,548,014.73</u>
<b>Expense Summary</b>							
00-General	2,053.98	16,768.25	20,000.00	3,231.75	16.16%	12,785.97	17,874.65
01-Water	124,543.65	1,271,326.19	1,162,212.77	(109,113.42)	(9.39%)	956,854.85	1,104,614.10
02-Sewer	109,418.26	1,865,998.21	1,435,558.85	(430,439.36)	(29.98%)	787,163.51	956,234.66
Expense Totals	<u>236,015.89</u>	<u>3,154,092.65</u>	<u>2,617,771.62</u>	<u>(536,321.03)</u>	<u>-20.49%</u>	<u>1,756,804.33</u>	<u>2,078,723.41</u>
Revenues Over(Under) Expenditures	<u>(13,686.44)</u>	<u>(979,263.78)</u>	<u>(200,321.62)</u>	<u>0.00</u>	<u>0.00%</u>	<u>31,739.27</u>	<u>469,291.32</u>

The 2023/2024 Budget failed to enter the funds carried over from 2022/2023 received from TWDB for the Lift Station Project. The Budget Amendment will be completed at the September Council meeting. The current year budget should reflect \$3,854,220.29 for the revenues and the current year budget should reflect \$3,594,625.65 for the expenses.

3

City of Blanco  
Revenue And Expense Report  
As of June 30, 2024

BUSINESS \$ 00.00

200 - I & S Fund	Current Month Expense/Rev	Year To Date Expense/Rev	Current Year Budget	Budget Balance Remaining	% Balance Remaining	Prior Year YTD Balance	Prior Year FY End Bal.
<b>Revenue Summary</b>							
-	11,803.92	523,324.85	545,759.44	22,434.59	4.11%	449,240.83	461,003.83
Revenue Totals	<u>11,803.92</u>	<u>523,324.85</u>	<u>545,759.44</u>	<u>22,434.59</u>	<u>4.11%</u>	<u>449,240.83</u>	<u>461,003.83</u>
<b>Expense Summary</b>							
01-water	0.00	59,171.25	202,907.00	143,735.75	70.84%	401,818.35	0.00
02-Sewer	0.00	27,577.18	55,308.44	27,731.26	50.14%	0.00	0.00
06-Non-Department	0.00	11,382.37	252,944.00	241,561.63	95.50%	14,000.09	0.00
Expense Totals	<u>0.00</u>	<u>98,130.80</u>	<u>511,159.44</u>	<u>413,028.64</u>	<u>80.80%</u>	<u>415,818.44</u>	<u>0.00</u>
Revenues Over(Under) Expenditures	<u>11,803.92</u>	<u>425,194.05</u>	<u>34,600.00</u>	<u>0.00</u>	<u>0.00%</u>	<u>33,422.39</u>	<u>461,003.83</u>

4

City of Blanco  
Revenue And Expense Report  
As of June 30, 2024

8/9/2024 3:49 AM

400 - Municipal Court Fund	Current Month Expense/Rev	Year To Date Expense/Rev	Current Year Budget	Budget Balance Remaining	% Balance Remaining	Prior Year YTD Balance	Prior Year FY End Bal.
<b>Revenue Summary</b>							
-	805.55	10,796.06	5,600.00	(5,196.06)	(92.79%)	6,342.18	10,519.45
Revenue Totals	805.55	10,796.06	5,600.00	(5,196.06)	-92.79%	6,342.18	10,519.45
<b>Expense Summary</b>							
04-Court Fund	0.00	0.00	1,700.00	1,700.00	100.00%	20,693.00	20,693.00
Expense Totals	0.00	0.00	1,700.00	1,700.00	100.00%	20,693.00	20,693.00
Revenues Over(Under) Expenditures	805.55	10,796.06	3,900.00	0.00	0.00%	(14,350.82)	(10,173.55)

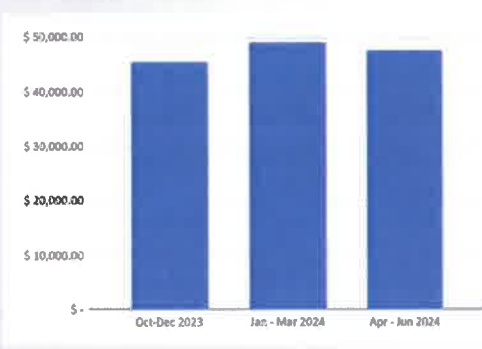
5

City of Blanco  
Revenue And Expense Report  
As of June 30, 2024

8/9/2024 3:09 PM

500 - Hotel/Motel Fund	Current Month Expense/Rev	Year To Date Expense/Rev	Current Year Budget	Budget Balance Remaining	% Balance Remaining	Prior Year YTD Balance	Prior Year FY End Bal.
<b>Revenue Summary</b>							
-	951.38	74,558.53	130,100.00	55,541.47	42.69%	82,830.34	111,625.42
Revenue Totals	951.38	74,558.53	130,100.00	55,541.47	42.69%	82,830.34	111,625.42
<b>Expense Summary</b>							
06-Non-Department	0.00	106,430.96	95,500.00	(10,930.96)	(11.45%)	90,435.00	92,877.00
Expense Totals	0.00	106,430.96	95,500.00	(10,930.96)	-11.45%	90,435.00	92,877.00
Revenues Over(Under) Expenditures	951.38	(31,872.43)	34,600.00	0.00	0.00%	(7,604.66)	18,748.42

6



### Quarterly Investment Report

Apr 2024 - Jun 2024

Accounts	Income Earned
General Operating	\$ 13,259.25
Water/Sewer Enterprise	\$ 2,047.29
Covid - 19	\$ 2,607.69
Municipal Court	\$ 1,748.92
CWSRF - WWTP	\$ 7,043.74
Hotel/Motel	\$ 2,506.61
I & S - MMA	\$ 5,668.71
WTP Construction Project	\$ 208.66
General Savings	\$ 3,628.11
Enterprise Savings	\$ 3,053.45
Lift Station Project	\$ 1,240.24
Wilmington Tr Series 2020	\$ 4,176.82
Wilmington Tr Series 2017A	\$ 312.68
<b>Total</b>	<b>\$ 47,502.17</b>

**STAFF  
POLICE  
DEPARTMENT**

# BLANCO POLICE DEPARTMENT MONTHLY STATISTICS 2024



January February March April May June July August September October November December

Crime Statistics																			YTD 2024	YTD 2023
<b>Major Crimes</b>																				
Assaults	3	1	2	0	6	2	2												16	5
Sexual Offenses	1	1	0	0	0	0	0												2	2
Other	0	0	0	3	0	0	0												3	0
<b>Burglaries</b>																				
Residence	0	0	1	1	0	0	0												2	1
Vehicle	0	0	1	3	0	0	0												4	0
Business	1	1	0	0	0	0	0												2	2
Theft	3	4	5	2	3	2	2												21	1
Criminal Mischief	1	1	3	4	4	0	1												14	3
Alcohol Violations	4	2	1	0	1	1	0												9	11
Narcotics Violations	4	3	2	1	1	1	2												14	11
<b>Arrests</b>																				
Individuals	10	5	5	0	0	2	2												24	25
Adult	10	5	5	0	3	2	2												27	21
Juvenile	0	0	0	0	0	0	0												0	4
Offenses	13	5	5	0	0	0	2												25	30
Felony	3	0	1	0	1	2	0												7	8
Misdemeanor	10	5	4	0	3	0	2												24	22
Emergency Detention	0	0	0	3	0	0	0												3	0
<b>Filed by CID</b>	6	1	1	2	1	1	1												13	17
<b>Calls for Service</b>																				
<b>Total Calls for Service</b>	252	218	176	173	239	170	186												1414	899
Assist EMS	2	1	2	3	1	0	0												9	20
Assist Fire	1	0	0	0	0	0	0												1	8
Assist Other Agency	20	14	13	4	4	1	2												58	34
Assist Public	7	9	5	4	7	3	2												37	31
Accidents	6	6	10	8	8	16	10												64	22
Disturbances	4	4	3	6	2	4	2												25	28
Suspicious Activity	29	14	10	10	1	6	9												79	81
Alarms	17	9	8	4	10	7	4												59	18
Animal Calls	4	7	6	7	8	4	0												36	15
City Ordinance Viol.	1	0	2	0	0	0	0												3	2
<b>Traffic Enforcement</b>																				
Citations	70	78	37	17	21	13	24												260	233
Warnings	116	174	103	68	44	46	81												632	494
Speeding	51	48	22	11	37	29	66												264	128
D.L. Violations	10	8	5	2	4	3	5												37	41
Registration	5	7	5	2	10	5	7												41	37
Insurance	0	8	5	2	0	2	3												20	18
Stop Sign/Light	3	1	0	0	1	7	7												19	5
Equipment	0	0	0	0	6	9	10												25	5
Other	1	6	0	0	5	5	10												27	28
<b>Other</b>																				
Time Out of City	41	20	21	1	7.47	4	4.2												98.7	77
Record Requests	17	8	3	21	8	9	10												76	37
Golf Cart Permits	0	0	0	1	0	0	0												1	0
Home Watches	97	94	32	39	39	1	1												303	399



**CONSENT**

**ITEM #1**

**BUDGET WORKSHOP  
OF THE GOVERNING BODY OF  
THE CITY OF BLANCO**

**Meeting Minutes  
July 9, 2024**

A budget workshop of the City Council, City of Blanco, Texas was held on July 9, 2024, at 3:00 pm at the Byars Building, 308 Pecan Street, Blanco, Texas.

The meeting was called to order at 3:00 pm by Mayor Arnold, followed by roll call announcing a quorum was present. Council members present: Mayor Arnold, Mayor Pro-Tem Mack-McClung and Council Members Swinson, Cargill, and Moore. Council Member Moses was absent.

City staff present: Warren Escovy, City Administrator, Laurie Cassidy, City Secretary, Dana Bundick, Interim Finance Director, and Chief Jerry Thornhill.

Mayor Arnold had no announcements.

**Public Comments:**

- Kenneth Welch, Blanco County resident, spoke regarding the budget and understands the Council has limited revenue and many expenses. He said certificates of obligation are intended to be for emergency or urgent matters and urged the Council to take these issues to the community and put it to the people for a vote. Need to address street repairs.
- Crystal Spybuck, Blanco County South Library Director, requested funds in the amount of \$15,000 again this year from the city and discussed the needs and uses for these funds.

**Budget Workshop**

1. Budget Discussion Workshop #1– No Action Taken

**Adjournment:**

**A motion was made by Mayor Pro-Tem Mack-McClung to adjourn the meeting, seconded by Council Member Moore, all in favor.**

**The meeting was adjourned at 4:33 pm.**

Respectfully submitted,

\_\_\_\_\_  
Mike Arnold, Mayor

ATTEST:

\_\_\_\_\_  
Laurie A. Cassidy, City Secretary

These minutes were approved on the \_\_\_\_\_ day of \_\_\_\_\_, 2024.

**CONSENT**  
**ITEM #2**

**REGULAR MEETING AND PUBLIC HEARING  
OF THE GOVERNING BODY OF  
THE CITY OF BLANCO**

**Meeting Minutes  
July 9, 2024**

A regular meeting of the City Council, City of Blanco, Texas was held on July 9, 2024, at 6:00 pm at the Byars Building, 308 Pecan Street, Blanco, Texas.

The meeting was called to order at 6:00 pm by Mayor Arnold, followed by roll call announcing a quorum was present. The Invocation and the Pledge of Allegiance was led by Rev. Bryn Caddell. Council members present: Mayor Arnold, Mayor Pro-Tem Mack-McClung and Council Members Swinson, Moses, Cargill, and Moore.

City staff present: Warren Escovy, City Administrator, Laurie Cassidy, City Secretary, Dana Bundick, Interim Finance Director, and Chief Jerry Thornhill.

Mayor Arnold made the following announcement:

- We have moved to Stage 4 Water Restrictions as of today, per orders from Texas Water Company, due to drought conditions.
- There is no burn ban at this time.

**Public Comments:**

- Amy Arnold, City of Blanco resident, expressed her disappointment in Council Member Ryan Moses' absence at the budget workshop today.
- Kenneth Welch, Blanco County resident, spoke regarding item #9, suggested keeping the 9.43-acre land asset and possibly leasing the property at this time. Item #10, regarding city hall, lease out old fire station and keep city hall or look for other locations.
- Stefanie Wright, City of Blanco resident, spoke as a private citizen regarding item #10, relocated of city hall, the square has a charming feel, how would the relocation impact the citizens and move off square. How would it be financed? Vacancy on square.

**PUBLIC HEARINGS:**

1. Approval of Special Use Permit to allow lot size variance at 919 Main Street (Harrison Heirs, Blk 20 (NE ¼), 0.42 acres, Blanco, Texas 78606, (Property Owner: Lynn and Pasquale DeVincenzo). **Opened Public Hearing at 6:03 pm, Closed Public Hearing at 6:05 pm.**
  - Lynn DeVincenzo, property owner, spoke regarding special use permit request. Seeking lot split and short-term rental, property is zoned R-5. Requesting lot split to divide personal property from business. Added additional parking and guest house are on separate utilities. Not changing any of the structures.
2. Approval of New Short-Term Rental permit, Main Street at 919 Main Street (Harrison Heirs, Blk 20 (NE ¼), 0.42 acres, Blanco, Texas 78606, (Property Owner: Lynn and Pasquale DeVincenzo).
3. Approval of Special Use Permit to allow building setback variance at 619 Live Oak Street (Anna Harrison, Blk 11 (NE ¼), 0.4429 acres, Blanco, Texas 78606, (Property Owner: Michael and Denise Crisp). **Opened Public Hearing at 6:05 and Closed Public Hearing at 6:08 pm.**

- Michael Crisp, property owner, spoke regarding, request for 5' setback variance on the rear of the property. The property is zoned R-3.
- Ms. Raul Uballe, City of Blanco resident, spoke regarding the special use permit application at 619 Live Oak Street. The family is concerned about losing part of their property with this variance.

**PRESENTATION:**

1. Jannette Goodall, Immediate Past President and 2024 TMCA Executive Board Member presented Laurie Cassidy, City Secretary with the Texas Municipal Clerks Association, Inc., Municipal Clerk's Office Achievement of Excellence Award.

**Staff Presentations:**

1. City Hall, Warren Escovy, City Administrator, spoke regarding completion of first budget workshop today, with the next one scheduled for August 13; Water Plant repairs are ongoing; PSI has received the new auto meters and will begin the swap out soon, the process will take a few months to complete; we are currently on Stage 4 water restrictions along with our neighboring counties including Comal and Kendall.
2. Police Department, Chief Thornhill presented the June Monthly Report. He announced that he has hired one new Police Officer who should be starting in a couple of weeks.

**Consent Agenda:** *The following items may be acted upon in one motion.* No separate discussion or action is necessary unless requested by the Mayor or a Council Member, in which those items will be pulled for separate consideration.

1. Approval of Minutes from the June 11, 2024, Regular Meeting.

**A motion was made by Council Member Swinson to approve the consent agenda item one as presented, seconded by Council Member Moore, all in favor, motion carried unanimously.**

**NEW BUSINESS: Consider, discuss, and take appropriate action on the following:**

1. Consideration, Discussion, and Take Possible Action on Approval of Special Use Permit to allow lot size variance at 919 Main Street (Harrison Heirs, Blk 20 (NE ¼), 0.42 acres, Blanco, Texas 78606, (Property Owner: Lynn and Pasquale DeVincenzo). Variance is to allow a lot size of approximately 5,500 square feet instead of the required 6,500 square feet in the R-5 zone as per table 5.1 in the UDC. Planning & Zoning Commission recommends approval of a variance for smaller lot size at 919 Main Street. **A motion was made by Council Member Swinson to approve Special Use Permit to allow lot size variance at 919 Main Street, seconded by Council Member Moore, all in favor, motion carried unanimously.**
2. Consideration, Discussion, and Take Possible Action on Approval of New Short-Term Rental permit, Main Street at 919 Main Street (Harrison Heirs, Blk 20 (NE ¼), 0.42 acres, Blanco, Texas 78606, (Property Owner: Lynn and Pasquale DeVincenzo). **A motion was made by Council Member Cargill to approve new Short-Term Rental permit, Main Street at 919 Main Street, seconded by Council Member Moore, all in favor, motion carried unanimously.**
3. Consideration, Discussion, and Take Possible Action on Approval of Special Use Permit to allow building setback variance at 619 Live Oak Street (Anna Harrison, Blk 11 (NE ¼), 0.4429 acres, Blanco, Texas 78606, (Property Owner: Michael and Denise Crisp). Request to allow a dual building line variance of 5' on the rear of the property instead of a 10' in an R-3 District.

Planning & Zoning Commission recommended disapproval of a 5' dual building line to allow the encroachment on the 10' rear building line. The 10' will be reestablished if the building is ever removed. There is an existing home and pool on the property. **A motion was made by Mayor Pro-Tem Mack-McClung to approve the Special Use Permit to allow building setback variance at 619 Live Oak Street, seconded by Council Member Swinson, all in favor, motion carried unanimously.**

4. Consideration, Discussion, and Take Possible Action on Approval of Ordinance 2024-O-0XX proposed amendment to the Unified Development Code (UDC) Chapter 4. Zoning Districts and Use Regulations, Section 4.11 Historic Preservation, B. Historic Preservation Commission, (2) The Commission shall consist of seven (7) members. **A motion was made by Council Member Moses to approve Ordinance 2024-O-0XX proposed amendment to the Unified Development Code (UDC) Chapter 4. Zoning Districts and Use Regulations, Section 4.11 Historic Preservation, B. Historic Preservation Commission, (2) The Commission shall consist of seven (7) members and allow three to live outside the ETJ but within the Blanco school district, seconded by Council Member Cargill, all in favor, motion carried unanimously.**
5. Consideration and action with respect to RESOLUTION AUTHORIZING PROCEEDING WITH ISSUANCE OF CERTIFICATES OF OBLIGATION AND FURTHER DIRECTING THE PUBLICATION OF NOTICE OF INTENTION TO ISSUE CITY OF BLANCO, TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2024A. Council Member Moore recused himself from this item due to family owning adjacent property. Certificate of Obligation of \$1.5 million from public works projects. Council discussed. There is an urgent need for these services. Mayor moved item to after new business item #9. A motion was made by Mayor Pro-Tem Mack-McClung to approve RESOLUTION AUTHORIZING PROCEEDING WITH ISSUANCE OF CERTIFICATES OF OBLIGATION AND FURTHER DIRECTING THE PUBLICATION OF NOTICE OF INTENTION TO ISSUE CITY OF BLANCO, TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2024A, seconded by Council Member Swinson, motion failed 2-2 with Council Members Moses and Cargill opposed and Council Member Moore abstained from vote. **A motion was made by Mayor Pro-Tem Mack-McClung to approve RESOLUTION AUTHORIZING PROCEEDING WITH ISSUANCE OF CERTIFICATES OF OBLIGATION AND FURTHER DIRECTING THE PUBLICATION OF NOTICE OF INTENTION TO ISSUE CITY OF BLANCO, TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2024A to include the categories of (i) water/wastewater system and related improvements, (ii) street improvements, to include acquisition of street maintenance equipment, (iii) public safety, to include improvements to the City's fire suppression system, and (iv) payment of professional services in connection therewith including legal, engineering, architectural and fiscal fees and the costs of issuing the Certificates (collectively the "Project"); total not to exceed \$2.5 million, seconded by Council Member Swinson, motion carried 3-1 with Council Member Moses opposed and Council Member Moore abstaining from the vote.**
6. Consideration, Discussion and Take Possible Action on Update/Report from the Transportation Planning and Advisory Committee Chair, Kenneth Welch, as well as, Reevaluation of Committee Members. Kenneth Welch spoke and gave an update on the Transportation Committee activities. TxDOT to announce one relief route this coming October. The committee is planning to hold a Public Forum on July 25 at 6:00 pm at the Buggy Barn. **Item Tabled-No Action Taken.**

7. Consideration, Discussion and Take Possible Action on Donation and Grandfathering of LED Sign to the Blanco County South Library District. Crystal Skybuck, Director, spoke about the history of the sign. In 2013 the City Council approached the library to install an electronic sign to advertise community events. The original MOU was for a 10 year period, city council was to maintain the sign and pay for the electricity. The council eventually contracted with the Chamber to manage the advertising for the sign. The sign was paid for through a grant received from PEC. The sign has now been inoperable since 2022 and the MOU has expired. The Library is seeking to obtain the sign from the city and will pay for electricity if they can take over use of sign. **The Council directed Warren to draft a new MOU to donate the sign to the Blanco County South Library District, process variance at no cost to the library and allow the library to proceed with fixing the sign. Take variance to Planning & Zoning Commission and City Council next month for approval.**
8. Consideration, Discussion, and Take Possible Action on Performance Review and Cost-Benefit Analysis of Inframark Contract. Warren gave background update. Asking Inframark to remove API this year as well as a 2% cost reduction. The Council discussed possibility of going out for bid and/or bringing the Public Works Department back if they cannot waive API and reduce costs. **Item Tabled – No Action Taken.**
9. Consideration, Discussion and Take Possible Action on: 1) Approval to Complete “land-only” as-is conventional appraisal at a cost not to exceed \$1,800.00 on City Surplus Property at Blanco Vista Estates, Lot 3 (9.43 Acres), and 2) Specify in Advance the Use of any Resulting Proceeds, in the Event a Sale is Authorized by Separate and Future Action of Council. The Council discussed the sale of the 9.43 acre property (which would revert back to residential if sold). Would only need a residential appraisal at a cost of \$500-\$600, not the previously estimated cost of \$1,800. Second option is to obtain a comparative market analysis for free. **A motion was made by Mayor Pro-Tem Mack-McClung to have Warren obtain a broker’s price opinion and determine opinion from the Blanco-Pedernales Groundwater Conservation District viability of the well, seconded by Council Member Moore, all in favor, motion carried unanimously.**
10. Consideration, Discussion and Take Possible Action on Approval to move forward with Draft Design Plan and Request for estimates on Construction of new City Hall building to include estimates for rental of current City Hall and Byars Buildings and Authorize City Administrator to look at financing terms. The Council discussed. **A motion was made by Mayor Pro-Tem Mack-McClung to allow city staff and council to complete feasibility study and financial analysis whether or not to move city hall offices and council chamber, seconded by Council Member Moore, motion carried 4-0 with Council Member Cargill abstained.**
11. Consideration, Discussion and Take Possible Action on Appointment and/or Reappointment of Members of the Capital Improvement and Asset Management Advisory Committee (CIAMAC). **A motion was made by Council Member Swinson to reappoint all current members for a three year term, seconded by Mayor Pro-Tem Mack-McClung, all in favor, motion carried unanimously.**
12. Consideration, Discussion, and Take Possible Action on Approval of Blanco Runs on Water Poster Campaign Sponsorship (Council Member Swinson). **A motion was made by Council Member Cargill to support the Blanco Runs on Water poster competition, promote on social media, and donate \$250.00, seconded by Mayor Pro-Tem Mack-McClung, all in favor, motion carried unanimously.**

**OLD BUSINESS: Consider, discuss, and take appropriate action on the following:**

1. Consideration, Discussion, and Take Possible Action on Approval of Cost Sharing Agreement between the City of Blanco and Akil Momin Regarding the Proposed Convenience Store and Gas Station (Warren Escovy, City Administrator). Council Member Moore recused himself from item, due to owning adjoining property. The Council discussed agreement with Neighbor's Market, development or shared cost agreement between City of Blanco and Neighbors Market. Staff recommends the Council approve the agreement and authorizes the City Administrator or Mayor to sign said agreement. **A motion was made by Mayor Pro-Tem Mack-McClung to approval in concept the wastewater development services agreement, seconded by Council Member Swinson, motion carried 3-1, with Council Member Moses opposed and Council Member Moore abstained from vote.**
2. Consideration and Discussion (No Action) on Introduction to Street Lights and Signage inside the City (Interim Chief/Lt. Jerry Thornhill). **Item Tabled until November – No Action Taken.**
3. Consideration, Discussion, and Take Possible Action on Approval of Use of HOT Funds to Employ Part Time Code Enforcement Officer to Enforce 15 Dark Sky Violations. The Council discussed. Cannot use HOT funds to employee code enforcement officer. **Item Tabled – No Action Taken.**

**Closed regular meeting and convened into executive session at 8:33 pm.**

**Executive Session in accordance with Texas Government Code:** in accordance with the authority contained in the Texas Government Code, Sections 551.071, 551.072, and 551.074.

1. Texas Government Code Sections 551.071 (Consultation with City Attorney) and Section 1.05, Texas Disciplinary Rules of Professional Conduct; Confer with City Attorney regarding City Water Agreements with GBRA and Texas Water Company
2. Texas Government Code Section 551.071 (Consultation with City Attorney) and Section 1.05, Texas Disciplinary Rules of Professional Conduct. Confer with City Attorney regarding legal issues associated with the Water Treatment Plant Project; Bids, Contract. Award and Notice to Proceed.
3. Texas Government Code Section 551.071 (Consultation with City Attorney) and Section 1.05, Texas Disciplinary Rules of Professional Conduct. Confer with City Attorney regarding legal issues associated with the Palomino Water Line Upgrade Alternatives.
4. Texas Government Code Section 551.071 (Consultation with City Attorney) and Section 1.05, Texas Disciplinary Rules of Professional Conduct. Confer with City Attorney regarding Performance Review and Cost-Benefit Analysis of Inframark Contract.
5. Texas Government Code Sections 551.071 (Consultation with City Attorney) and Section 1.05, Texas Disciplinary Rules of Professional Conduct; Consultation with City Attorney regarding disannexation request by John and Nancy Gilbert relating to a 3.17-acre tract of land and also removal from ETJ request by 3F Properties LLC relating to a 4.09-acre tract of land.
6. Texas Government Code Sections 551.071 (Consultation with City Attorney) and Section 1.05, Texas Disciplinary Rules of Professional Conduct; Consultation with City Attorney regarding Economic Development Project.
7. Texas Government Code Section 551.071 (Consultation with City Attorney) and Section 1.05, Texas Disciplinary Rules of Professional Conduct. Confer with City Attorney regarding Pending Legal Matters.



**Closed executive session at 9:58 pm and convened into regular meeting.**

New Business #8:

Consideration, Discussion, and Take Possible Action on Performance Review and Cost-Benefit Analysis of Inframark Contract. **A motion was made by Council Member Cargill to go out for RFQ for Operation, Maintenance and Management of Water and Wastewater Facilities, seconded by Council Member Moses, all in favor, motion carried unanimously.**

New Business#6

Consideration, Discussion and Take Possible Action on Update/Report from the Transportation Planning and Advisory Committee Chair, Kenneth Welch, as well as, Reevaluation of Committee Members. **A motion was made by Mayor Pro-Tem Mack-McClung to evaluate and make recommendations to clarify the current scope and structure of the Transportation Planning and Advisory committee (TPAC) by taking applications and making recommendations for ongoing membership and leadership, not later than July 30, seconded by Council Member Moses, motion carried 4-1 with Council Member Swinson opposed.**

**Adjournment:**

**A motion was made by Council Member Moses to adjourn the meeting, seconded by Council Member Cargill, all in favor.**

**The meeting was adjourned at 10:01 pm.**

Respectfully submitted,

\_\_\_\_\_  
Mike Arnold, Mayor

ATTEST:

\_\_\_\_\_  
Laurie A. Cassidy, City Secretary

These minutes were approved on the \_\_\_\_\_ day of \_\_\_\_\_, 2024.

**CONSENT**  
**ITEM #3**

**NEW BUSINESS**

**ITEM #1**



# **Principal Forgiveness Agreement Drinking Water State Revolving Fund**

**TEXAS WATER DEVELOPMENT BOARD**

**AND**

**CITY OF BLANCO**

**BLANCO COUNTY, TEXAS**

**TWDB COMMITMENT NO. LF1001769**

**TWDB PROJECT NO. 62938 (IUP FISCAL YEAR 2023)**

**TWDB RESOLUTION NO. 24-025**

**CFDA # 66.468**

---

CITY OF BLANCO  
TWDB COMMITMENT NO. LF1001769  
TWDB PROJECT NO. 62938  
TWDB RESOLUTION NO. 24-025

PRINCIPAL FORGIVENESS AGREEMENT

TABLE OF CONTENTS

**ARTICLE I. DEFINITIONS ..... 3**  
**ARTICLE II. AUTHORITY AND RECITALS ..... 5**  
**ARTICLE III. LEGAL REQUIREMENTS ..... 6**  
**ARTICLE IV. PLANNING, ACQUISITION, DESIGN, AND CONSTRUCTION ..... 8**  
**ARTICLE V. SPECIAL COVENANTS AND REPRESENTATIONS ..... 9**  
**ARTICLE VI. NON-PERFORMANCE AND REMEDIES ..... 11**  
**ARTICLE VII. GENERAL TERMS AND CONDITIONS ..... 12**

EXHIBITS

**TWDB Resolution No. 24-025 ..... EXHIBIT A**  
**City of Blanco’s Resolution..... EXHIBIT B**  
**List of Federal Laws and Authorities (Cross-Cutters) .....EXHIBIT C**  
**Davis-Bacon Contract and Subcontract Provisions..... EXHIBIT D**  
**Project Schedule .....EXHIBIT E**  
**Project Budget.....EXHIBIT F**  
**Escrow Agreement..... EXHIBIT G**

THE STATE OF TEXAS §  
COUNTY OF TRAVIS §

TWDB Commitment No. LF1001769

**PRINCIPAL FORGIVENESS AGREEMENT  
BETWEEN THE  
TEXAS WATER DEVELOPMENT BOARD  
AND THE  
CITY OF BLANCO**

WHEREAS, the City of Blanco (City), located in Blanco County, filed an application with the Texas Water Development Board (TWDB) for financial assistance in the amount of \$3,903,919 from the Drinking Water State Revolving Fund (DWSRF) to finance the planning, acquisition, design, and construction of certain water system improvements for the Project identified as Project No. 62938; and

WHEREAS, on May 9, 2024, the TWDB determined that the City qualifies for principal forgiveness because the project, or a portion of the project, meets Green Project requirements] pursuant to 31 TAC § 371.17 and the criteria set forth in the 2023 DWSRF Intended Use Plan (IUP) and agreed, pursuant to the TWDB Resolution to provide financial assistance in the amount of \$3,903,919 to the City and further agreed that \$513,919 will be forgiven; and

WHEREAS, the TWDB and the City are the Parties to this Agreement;

NOW, THEREFORE, the Parties mutually agree to the terms of this Agreement and to administer the Principal Forgiveness Funds provided through this Agreement in conformance with all applicable state and federal laws and regulations, the TWDB Resolution, and all terms and conditions set forth in this Agreement.

---

**ARTICLE I. DEFINITIONS**

---

The following terms, as used in this Agreement, have the meanings assigned below:

Agreement means this Principal Forgiveness Agreement and the attached exhibits.

CFR means the Code of Federal Regulations.

Commitment means an offer by the TWDB to provide financial assistance to an Applicant as evidenced by a TWDB resolution.

Construction Account means an account dedicated to the payment of Project costs, as defined by 31 TAC § 371.1(17) and required by the TWDB Resolution.

DWSRF means the Drinking Water State Revolving Fund, a program of financial assistance administered by the TWDB for water projects pursuant to the Safe Drinking Water Act, 42 U.S.C. §§ 300f—300j-27; applicable federal regulations; Texas Water Code, Chapter 15, § 15.6041; and 31 TAC Chapter 371.

Eligible Expenses means the expenses allowed by TWDB program requirements and authorized by the TWDB in the approved Project Budget.

EPA means the United States Environmental Protection Agency.

Escrow Account means an account established by the City that will be used to manage the Principal Forgiveness Funds in accordance with an escrow agreement acceptable to the Executive Administrator and attached as **EXHIBIT G** until the Executive Administrator authorizes the release of the Principal Forgiveness Funds to the Construction Account.

Executive Administrator means the Executive Administrator of the TWDB or a designated representative.

Financial Assistance means funding made available to eligible Applicants as authorized in 40 CFR § 35.3525, including principal forgiveness.

Force Majeure means acts of god, strikes, lockouts, or other industrial disturbances, acts of the public enemy, war, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, droughts, tornadoes, hurricanes, arrests and restraints of government and people, explosions, breakage or damage to machinery, pipelines or canals, and any other disabilities of either party, whether similar to those enumerated or otherwise, not within the control of the party claiming the inability that by the exercise of due diligence and care the party could not have avoided.

Green Project means a project or portion of a project that meets the EPA criteria for inclusion in the Green Project Reserve, including green infrastructure, water or energy efficiency improvements, or other environmentally innovative activities.

Green Project Reserve means the equivalent amount of the EPA capitalization grant that is reserved for projects that meet the EPA's criteria for green projects.

IUP means the Intended Use Plan, State Fiscal Year 2023, approved by the TWDB and the EPA in which the Project was prioritized for funding.

Obligations means the \$3,390,000 City of Blanco, Texas Combination Tax and Surplus Revenue Certificates of Obligation, Series 2024, together with all authorizing documents that evidence the portion of the financial assistance that is not forgiven, identified as L1001768.

Outlay Report means the TWDB form regarding the total amount of costs incurred by the City relating to the Project for the specified period.

Parties or Party means the TWDB and the City and their authorized successors and assignees.

Principal Forgiveness Funds means the portion of the Financial Assistance that is forgiven identified as LF1001769, in an amount not to exceed \$513,919.

Project means the project for which the TWDB is providing financial assistance under this Agreement and as further described in the TWDB Resolution and identified as Project No. 62938.

State means the State of Texas.

TWDB Resolution means TWDB Resolution No. 24-025, dated May 9, 2024, approving the application for financial assistance filed by the City, and authorizing the execution of this Agreement.

---

## ARTICLE II. AUTHORITY AND RECITALS

---

**2.01. AUTHORITY.** This Agreement is authorized by the Safe Drinking Water Act, 42 U.S.C. §§ 300f—300j-27, and is also governed by terms of the IUP; Texas Water Code, Chapter 6; Texas Water Code; Chapter 15, § 15.6041; 31 TAC Chapter 371; and the TWDB Resolution.

**2.02. RECITALS.** The Parties agree that the following representations are true and correct and form the basis of this Agreement:

- A. The TWDB may provide financial assistance in the form of additional subsidization, such as principal forgiveness, for all or a portion of the Project costs in an amount that the TWDB determines to be eligible.
- B. On May 9, 2024, the TWDB considered an application filed by the City for financial assistance from the DWSRF program. Based on the representations made by the City in that Application, the TWDB adopted the TWDB Resolution in which the TWDB:
  1. determined that the City is eligible for financial assistance and qualifies for principal forgiveness; and
  2. made a commitment to provide financial assistance through the purchase of bonds, in an amount not to exceed \$3,903,919 for the planning, acquisition, design, or construction of the Project and to provide additional subsidization in the form of principal forgiveness to the City in an amount not to exceed \$513,919 as Principal Forgiveness Funds without the expectation of repayment.
- C. The TWDB and the City enter this Agreement to set forth the terms and conditions for the Principal Forgiveness Funds. The Executive Administrator is authorized to execute this Agreement on behalf of the TWDB under the TWDB Resolution attached



to this Agreement as **EXHIBIT A**. The City is authorized to execute this Agreement through its authorized representative designated in a resolution duly adopted by the governing body of the City attached as **EXHIBIT B**.

- D. Nothing in this Agreement affects any provisions of the Obligations relating to the Financial Assistance amount not forgiven.

---

### ARTICLE III. LEGAL REQUIREMENTS

---

**3.01. APPLICABLE LAWS.** In consideration of the performance of the mutual agreements set forth in this Agreement, the City, by and through its designated and authorized representatives, agrees to plan, design, and/or construct the Project in compliance with the following:

- A. the Safe Drinking Water Act, 42 U.S.C. §§ 300f—300j-27, and EPA regulations at 40 CFR Part 35;
- B. all federal laws and regulations identified on **EXHIBIT C**;
- C. Texas Water Code; Chapter 15, § 15.6041;
- D. 30 TAC Chapter 290; and
- E. 31 TAC Chapter 371.

**3.02. LABOR STATUTES AND REGULATIONS.** The City agrees to comply with the following statutes and regulations and must execute the related certifications required by the TWDB. Further, the City must ensure that each contract for work on the Project also contains the following requirements:

- A. Equal Employment Opportunity. The City must comply with Executive Order 11246 of September 24, 1965, entitled “Equal Employment Opportunity,” as amended by Executive Order 11375 of October 13, 1967, and U.S. Department of Labor regulations at 41 CFR Chapter 60, relating to Office of Federal Contract Compliance, EEO. The City must include this provision in any contract or subcontract in excess of \$10,000 as required by 40 CFR § 31.36.
- B. Davis-Bacon Act Wage Rates. In accordance with the Safe Drinking Water Act, 42 U.S.C. §§ 300f—300j-27, the applicable IUP, and TWDB Guidance on Davis-Bacon Wage Rate Requirements, the City, its contractors and its subcontractors, for the Project that is funded in whole or in part with Principal Forgiveness Funds, must pay all laborers and mechanics at rates not less than those prevailing on similar projects in the same locality, as determined by the U.S. Secretary of Labor’s Wage and Hour Division, in conformance with the Davis–Bacon Act, 40 U.S.C. §§ 3141 - 3148, 29 CFR Part 5, relating to Labor Standards Provisions Applicable to Contracts Covering

Federally Financed and Assisted Construction, and 29 CFR Part 3, relating to Contractors and Subcontractors on Public Work Financed in Whole or in Part by Loans or Grants from the United States. All contracts and subcontracts for the construction of the Project carried out in whole or in part with assistance made available through this Agreement, must insert in full in any contract in excess of \$2,000 the contracts clauses as attached as **EXHIBIT D**.

- C. Contract Work Hours and Safety Standards Act. The City must ensure that its contractors and subcontractors comply with the Contract Work Hours and Safety Standards Act, 40 U.S.C. §§ 3701 - 3708 and 29 CFR Part 5.

**3.03. PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT.** The City must abide by the prohibition on certain telecommunications and video surveillance services or equipment as required by 2 CFR § 200.216.

**3.04 NO LOBBYING.** The City must comply with 40 CFR Part 34, relating to New Restrictions on Lobbying. The City agrees that none of the Principal Forgiveness Funds provided under this Agreement may be expended to pay any person for influencing or attempting to influence an officer or employee of any federal entity, or a Member of Congress, with regard to the awarding of any federal contract, federal grant, federal loan, or the extension, continuation, renewal, amendment or modification of any federal contract, loan, or grant. The City must require that all contracts in excess of \$100,000 for work implementing the Project contain the following statement: IN ACCORDANCE WITH THE BYRD ANTI-LOBBYING AMENDMENT, ANY RECIPIENT WHO MAKES A PROHIBITED EXPENDITURE UNDER TITLE 40 CFR PART 34 OR FAILS TO FILE THE REQUIRED CERTIFICATION OR LOBBYING FORMS SHALL BE SUBJECT TO A CIVIL PENALTY OF NOT LESS THAN \$10,000 AND NOT MORE THAN \$100,000 FOR EACH EXPENDITURE.

**3.05. IRON AND STEEL.** The City will abide by all applicable requirements related to the Build America, Buy America Act, Public Law 117-58.

**3.06. PROCUREMENT.** The City must comply with the following when procuring goods and services for work on the Project according to the requirements in this section.

- A. Debarred and Suspended Vendors. Prior to selecting any contractor, the City must ensure that the contractor is not listed on the federal Excluded Parties List System and is not suspended or disbarred by either the State or the federal government. See the following websites for lists of suspended and debarred federal and State vendors: [www.window.state.tx.us/procurement/prog/vendor\\_performance/debarred](http://www.window.state.tx.us/procurement/prog/vendor_performance/debarred) and [www.sam.gov](http://www.sam.gov).
- B. State Procurement Requirements. All purchases for goods, services or commodities made with funds provided under this Agreement must comply with State and local procurement and contracting laws.

- C. Disadvantaged Business Enterprises. The City must comply with 40 CFR Part 33, relating to Participation by Disadvantaged Business Enterprises in United States Environmental Protection Agency Programs.

**3.07. FINANCIAL, MANAGERIAL AND TECHNICAL CAPABILITIES**. The City must maintain its technical, financial, and managerial capability to ensure compliance with the Safe Drinking Water Act § 300-j12.

**3.08. ASSURANCES RELATED TO STATE FUNDS**.

- A. The City certifies that it is not prohibited from receiving state funds under Texas Penal Code § 1.10(d) (related to federal laws regulating firearms, firearm accessories, and firearm ammunition). The City also agrees that, during the term of this Agreement, the City shall immediately notify TWDB, in writing, of any suit against it by the Attorney General of Texas under Texas Penal Code § 1.10(f).
- B. The City certifies that it will not use state grant funds for expenditures related to lobbying activities under Texas Government Code § 556.0055.
- C. The City certifies that it is not prohibited from receiving state grant funds under Texas Local Government Code § 364.004 (related to public camping bans). The City also agrees that, during the term of this Agreement, the City shall immediately notify TWDB, in writing, of any suit against it by the Attorney General of Texas under Texas Local Government Code § 363.003.

---

**ARTICLE IV. PLANNING, ACQUISITION, DESIGN AND CONSTRUCTION**

---

**4.01. PROJECT REQUIREMENTS**. The City must comply with the following requirements:

- A. Plans and Specifications. The City must construct the Project in accordance with the plans and specifications sealed by a State licensed engineer and approved by the Executive Administrator in compliance with 31 TAC §§ 371.60 – 371.63.
- B. Changes to Plans and Specifications. The City must not make any changes to the scope of the Executive Administrator's approved Project or to the specifications for the Project including but not limited to changes to the Green Project Reserve portion of the Project without the written approval of the Executive Administrator.
- C. Project Schedule. The City must adhere to the TWDB approved Project schedule, attached as **EXHIBIT E**, and must timely and expeditiously use funds and complete the Project. The City must not exceed or revise the Project schedule except upon written approval from the TWDB. The City must not delay the Project completion date except by Amendment to this Agreement.

- D. Project Budget. The City is solely responsible for all costs that exceed the TWDB approved Project budget, attached as **EXHIBIT F**. The City must notify the Executive Administrator immediately when the Project budget appears not to be sufficient to complete the Project. The City must not exceed the Project budget except by Amendment to this Agreement.
- E. Environmental Compliance. The City must comply with all environmental conditions and must implement environmental mitigation measures as required through TWDB environmental review under 31 TAC Chapter 371, Subchapter E, including the standard emergency discovery conditions for threatened and endangered species and cultural resources.

**4.02. PROGRESS REPORTS.** The Executive Administrator may request reports on the progress of the Project at any time. The reports must contain information as directed by the Executive Administrator and must be submitted periodically as requested. The City must respond as requested and a failure to respond may result in withholding the release of funds from the Escrow Account.

---

#### **ARTICLE V. SPECIAL COVENANTS AND REPRESENTATIONS**

---

**5.01. CONDITIONS FOR DISBURSEMENT OF PRINCIPAL FORGIVENESS FUNDS.** No Principal Forgiveness Funds will be deposited into the Escrow Account or released until the applicable conditions in the TWDB Resolution and 31 TAC § 371.73, relating to Disbursement of Funds, are met. Construction funds will not be released unless the City has complied with 31 TAC Chapter 371, Subchapter E, relating to Environmental Reviews and Determinations, and 31 TAC §§ 371.60 - 371.63, relating to Engineering Review and Approval. If other conditions affect the release of funds, the Parties agree to negotiate in good faith regarding any new or different conditions that become applicable to the release of Principal Forgiveness Funds.

**5.02. DELIVERY OF PRINCIPAL FORGIVENESS FUNDS.** The TWDB will deposit the Principal Forgiveness Funds in an approved Escrow Account to be released to the City's Construction Account at the direction of the Executive Administrator.

- A. Outlay Reports and Invoices. The City must submit the following documentation:
1. TWDB Outlay Report forms identifying:
    - a. the total amount of expenses incurred by the City for the period covered by the Outlay Report; and
    - b. invoices, receipts, or other documentation satisfactory in form and substance to the TWDB sufficient to establish the requested amount as an eligible expense incurred by the City.

2. Outlay Report forms are due to TWDB quarterly during the planning, acquisition, and design phases and monthly during the construction phase of the Project until the completion of the Project.

B. Release from Escrow Account. The Executive Administrator will authorize the release of Principal Forgiveness Funds from Escrow when Outlay Reports have been approved by the TWDB.

**5.03. INELIGIBLE EXPENSES.** The City must use Principal Forgiveness Funds for Eligible Expenses. The City must return any Principal Forgiveness Funds that are used for expenses that cannot be verified as eligible or that are ineligible. The amount of Principal Forgiveness Funds used for any ineligible or unverified expenses will be credited against verified Eligible Expenses. If the total amount of Eligible Expenses is insufficient to fully offset the amount of improperly expended Principal Forgiveness Funds, the City must use other funds to fully repay the TWDB.

**5.04. FINAL ACCOUNTING.** Upon completion of the Project, the City must provide a final accounting of funds expended on the Project pursuant to 31 TAC § 371.86 and return any remaining Principal Forgiveness Funds in a manner determined by the Executive Administrator.

**5.05. LEGAL STATUS.** The City must notify the Executive Administrator before taking any action to alter its legal status in any manner.

**5.06. WATER CONSERVATION AND DROUGHT CONTINGENCY PLAN.** If applicable, the City must adopt and implement a water conservation and drought contingency plan that complies with Texas Water Code §§ 16.4021.

**5.07. WATER AUDIT.** If the City is a retail public utility as defined in Texas Water Code § 13.002 and the City provides potable water, then the City annually must perform and file with the TWDB a water audit computing the City's most recent annual system water loss. The first water audit must be submitted by May 1<sup>st</sup> following the passage of one year after the effective date of this Agreement and then by May 1<sup>st</sup> every year during the term of this Agreement. The City agrees to comply with 31 TAC § 358.6 relating to water audits.

**5.08. REGISTRATION.** Under the Federal Funding Accountability and Transparency Act of 2006, Pub. L. 109-282, as amended by Pub. L. 110-252, the City must obtain a Unique Entity Identification Number in the System for Award Management (SAM) and maintain current registration at all times while the Obligations are outstanding.

**5.09. ANNUAL FINANCIAL AUDIT.** During the Term of this Agreement, the City must submit an annual audit of the general-purpose financial statements prepared in accordance with Generally Accepted Accounting Principles (GAAP) by a certified public accountant or licensed public accountant. Audits must be submitted to the TWDB no later than 180 days after the close of the City's fiscal year.

**5.10. INVESTMENT AND COLLATERALIZATION OF PUBLIC FUNDS.** Financial Assistance funds are public funds and must be held at a designated state depository institution or other properly chartered and authorized institution in accordance with the Public Funds Investment Act, Government Code, Chapter 2256, and the Public Funds Collateral Act, Government Code, Chapter 2257.

---

**ARTICLE VI. NON-PERFORMANCE AND REMEDIES**

---

**6.01. STOP WORK ORDERS.**

- A. **Stop Work Order (SWO).** The Executive Administrator may issue a written SWO to the City at any time for failure to comply with any provision of this Agreement. The SWO will provide the City with notice of the facts supporting the determination to issue the SWO. The SWO may require cessation of work immediately or at a definite future date. The SWO will provide the City with a specified time to cure.
- B. **City's Response.** The City must provide a written response to the SWO and must provide the Executive Administrator with a detailed plan to address and cure the conditions causing the SWO. The City must provide the response within five business days from its receipt of the SWO.
- C. **Executive Administrator's Reply.** The Executive Administrator may accept, reject, or amend the City's plan and will provide notice of the action to the City within five business days of receipt of the plan. The Executive Administrator may issue an amended SWO that allows resumption of work contingent upon the City's execution of the plan to cure. The Executive Administrator may modify the City's plan to cure only in a manner consistent with the terms and conditions of this Agreement.
- D. **City's Option.** The City must notify the Executive Administrator within five business days whether it accepts the amended plan. If the City does not accept the amended plan, the Executive Administrator may terminate this Agreement. Upon successful completion of the plan to cure the conditions causing the SWO, the City must continue work to complete all obligations under this Agreement.

**6.02. TERMINATION.** The TWDB may terminate this Agreement in writing at any time. Upon receipt of a notice of termination, the City must immediately discontinue all work in connection with the performance of this Agreement and must promptly cancel all existing orders or other financial commitments chargeable to funding provided pursuant to this Agreement. Any costs for Eligible Expenses incurred prior to the receipt of the written notice by the City, however, will be payable from the funding provided pursuant to this Agreement. Within 30 days of the notice of termination, the City must submit a statement showing in detail the work performed, all payments received by the City, and all payments made by or due from the City to any contractor prior to the date of termination.

**6.03. SURVIVAL OF TERMS AND CONDITIONS.** Termination or expiration of this Agreement for any reason will not release either Party from any liabilities or obligations set forth in this Agreement that by their nature would be intended to be applicable following any termination or expiration.

**6.04. REAL ESTATE.** If the City purchases real estate for the Project with Principal Forgiveness Funds and any of the real estate or portion of the real estate is not used for the Project, the City must repay to the TWDB the full amount of the Principal Forgiveness Funds for purchase of the real estate not used for the Project. The amount will be due and payable within 90 days after termination or expiration of this Agreement.

**6.05. REMEDIES.**

- A. The City shall have all remedies available in law or equity.
- B. The TWDB shall have all remedies available in law or equity, including remedies available under Texas Water Code §§ 6.114 and 6.115.

---

**ARTICLE VII. GENERAL TERMS AND CONDITIONS**

---

**7.01. INSURANCE AND INDEMNIFICATION.**

- A. The City must at all times keep insured those portions of the Project as are customarily insured by political subdivisions in the State that operate like properties in similar locations under similar circumstances. The City must insure against risks, accidents, casualties, or loss in an amount that is customarily carried by municipalities and political subdivisions and is at least sufficient to protect the TWDB's interest in the Project.
- B. The City is solely responsible for liability resulting from acts or omissions of the City, its employees, contractors, or agents to the extent permitted by law.
- C. Principal forgiveness proceeds must not be used by the City when sampling, testing, removing, or disposing of contaminated soils or media at the project site. The City agrees that it is solely responsible for liability resulting from acts or omissions of the City, its employees, contractors, or agents arising from the sampling, analysis, transport, storage, treatment, recycling, and disposition of any contaminated sewage sludge, contaminated sediments or contaminated media that may be generated by the City, its contractors, consultants, agents, officials, and employees as a result of activities relating to the Project to the extent permitted by law.

**7.02. PERMITS.** The City is responsible for timely filing applications for all licenses, permits, registrations and other authorizations that the City has identified in the application for financial assistance as required for the planning, acquisition, design, and construction of the Project. The City must submit to the TWDB copies of all final licenses, permits,

registrations and other authorizations issued by local, state, and federal agencies within 30 days of receipt from the issuing agency.

**7.03. RECORDS.** The City must comply with all terms and conditions relating to records of the Project as follows:

- A. Duty to Maintain Records. The City must maintain financial accounting records relating to the Project in accordance with Generally Accepted Accounting Principles. The City must also require its contractors to maintain financial accounting records consistent with Generally Accepted Accounting Principles and with State laws applicable to government accounting. All accounting and other financial documentation must be accurate, current, and must reflect recordation of the transactions at or about the time the transactions occurred;
  1. Single Audit Act, 31 U.S.C. §§ 7501 - 7507. The City must comply with the Single Audit Act, with Office of Management and Budget Uniform Guidance, and with 2 CFR Part 200 to ensure any audit is conducted with applicable OMB requirements.
  2. Green Projects. If all or part of the Project is designated as a Green Project, then the City must maintain separate tracking of the expenses related to that Project or portion of the Project that has been designated as an approved Green Project.
- B. Duty to Retain Records. The City must retain all financial records and supporting documents and any other documents pertinent to the Project in accordance with the requirements of 31 TAC § 371.87, relating to Records Retention. The TWDB requires the City to retain all records related to this Agreement for a period of three years after the Obligations are paid in full (for all others).
- C. Public Records. The City agrees that all documents relating to this Agreement are subject to the Public Information Act, Texas Government Code, Chapter 552, and that these documents may not be withheld from public disclosure, except in accordance with law and with the rulings of the Texas Attorney General. The City must make any information created or exchanged pursuant to this Agreement available in a format that is accessible by the public at no additional charge unless otherwise excepted from disclosure under the Texas Public Information Act. The City must promptly respond to a request by the TWDB for copies of any of the City's records related to this Agreement.
- D. Access to Records.
  1. State Auditor. By executing this Agreement, the City accepts the authority of the Texas State Auditor's Office to conduct audits and investigations in connection with all Principal Forgiveness Funds received under this Agreement. The City must comply with directives from the Texas State Auditor



and must cooperate in any investigation or audit. The City agrees to provide the Texas State Auditor with access to any information the Texas State Auditor considers relevant to the investigation or audit. The City also agrees to include a provision in any contract or subcontract related to this Agreement that requires the contractor and the subcontractor to submit to audits and investigations by the Texas State Auditor's Office in connection with all Principal Forgiveness Funds received pursuant to the contract or subcontract.

2. TWDB, EPA, and Comptroller General of the United States. The City agrees that the TWDB, the EPA, and the Comptroller General of the United States will have full access to any books, documents, papers, and records related to the funds expended under this Agreement and these federal entities may audit, examine, copy excerpts, and make transcriptions of any books, documents, papers, and records. The standards of administration, property management, audit procedures, procurement and financial management, and the records and facilities of the City and its contractors are subject to audit and inspection by the TWDB and by the EPA and by any other authorized state or federal entity. All books, documents, papers, and records of the City related to this Agreement, including all contracts and subcontracts, must be made available for audit, examination, excerpt, and transcription within a reasonable time after a request from the state of Texas, TWDB, or EPA. The City understands and agrees that the EPA's Regional Administrator may, after a thirty-day written notice, review any records the Regional Administrator deems necessary to determine compliance with all requirements concerning the Principal Forgiveness Funds provided under this Agreement.
3. Failure to comply with applicable legal requirements and this Agreement may result in a default that results in a repayment of the assistance in advance of termination and final accounting.

**7.04. UPDATING INFORMATION.** The City must provide the TWDB with updated information, reports, statements, and certifications as requested by the Executive Administrator relating to the financial condition of the City or the Project and the use of Principal Forgiveness Funds. The City must promptly notify the TWDB of any material change in the activities, prospects, or conditions of the City relating to the Project, or its ability to perform its duties, covenants, obligations, and agreements under this Principal Forgiveness Agreement.

**7.05. FORCE MAJEURE.** Unless otherwise provided, neither the City nor the TWDB nor any agency of the State will be liable to the other for any delay in or failure of performance of a requirement contained in this Agreement caused by *Force Majeure*. The existence of the causes of delay or failure extends the period of performance until after the causes of delay or failure have been removed provided the non-performing Party exercises all reasonable due diligence to perform. Each Party must inform the other in writing with proof of receipt within five business days of the existence of *Force Majeure* or otherwise waive this right as a defense.

**7.06. NON-ASSIGNABILITY.** The terms and conditions of the financial assistance provided by this Agreement may not be assigned, transferred, or subcontracted in any manner without the express written consent of the TWDB.

**7.07. ENTIRE AGREEMENT AND AMENDMENT.** This Agreement, which incorporates all attached Exhibits, constitutes the entire agreement between the Parties. This Agreement may be amended only in writing signed by the Parties. The changes allowed under Section 4.01 do not require an amendment to this Agreement unless a change to the Project Schedule, **EXHIBIT E** or the Project Budget, **EXHIBIT F**, results in a different project completion date or total budget amount.

**7.08. NO WAIVER.** The failure of any Party to insist upon the strict performance of any of the terms, provisions, or conditions of this Agreement will not be construed as a waiver or relinquishment for the future of the strict performance of any other term, provision, or condition.

**7.09. NO DEBT CREATED.** Each Party agrees that, by this Agreement, the State, acting through the TWDB, is not lending its credit or in any manner creating a debt on behalf of the State. To the extent that the City is not securing the Obligations with ad valorem taxes, each Party agrees that under this Agreement the City is not lending its credit or in any other manner creating a debt on behalf of the City.

**7.10. LAW AND VENUE.** The validity, operation, and performance of this Agreement are governed by the laws of the State of Texas and applicable federal regulations, and the terms and conditions of this Agreement will be construed and interpreted in accordance with the laws of the State. The Parties agree that this Agreement is for the provision of financial assistance for the planning, design, acquisition, and construction of the Project and that all or part of the performance of the terms and obligations of the Agreement will be performed in Blanco County, Texas. Notwithstanding the location of the Project, the Parties agree that any proceeding brought for any breach of this Agreement involving the TWDB must be in Travis County, Texas. This section does not waive the sovereign immunity of the State, the TWDB, or the City.

**7.11. NOTICES.** All notices, notifications, or requests required or permitted by this Agreement must be in writing and must be transmitted by personal delivery or by United States certified mail, return receipt requested, postage prepaid, to the addresses of the Parties shown below. Notice will be effective when received by the Party to whom notice is sent.

Texas Water Development Board  
Attn: Executive Administrator  
Physical Address:  
1700 N. Congress Ave., 6<sup>th</sup> Floor  
Austin, Texas 78701-1496  
Mailing Address:  
P.O. Box 13231  
Austin, Texas 78711-3231

City of Blanco  
Attn: City Administrator  
Physical Address:  
300 Pecan Street  
Blanco, Teas 78606-0750  
Mailing Address:  
P.O. Box 750  
Blanco, Texas 78606-0750

**7.12. TERM.** This Agreement is effective on the date signed by the Executive Administrator. The Agreement expires on the successful completion of the Project and Final Accounting in accordance with Section 5.04 of this Agreement.

[remainder of page left intentionally blank]

DRAFT

**TEXAS WATER DEVELOPMENT BOARD**

\_\_\_\_\_  
Jeff Walker  
Executive Administrator

Date \_\_\_\_\_

DRAFT

**CITY OF BLANCO**

\_\_\_\_\_  
<<RESPONSIBLE OFFICIAL>>

<<TITLE>>

Date \_\_\_\_\_

DRAFT

**EXHIBIT A**  
TWDB Resolution No. 24-025

DRAFT

**A RESOLUTION OF THE TEXAS WATER DEVELOPMENT BOARD  
APPROVING AN APPLICATION FOR FINANCIAL ASSISTANCE IN THE AMOUNT OF  
\$3,903,919 TO THE CITY OF BLANCO  
FROM THE DRINKING WATER STATE REVOLVING FUND  
THROUGH THE PROPOSED PURCHASE OF  
\$3,390,000 CITY OF BLANCO, TEXAS COMBINATION  
TAX AND SURPLUS REVENUE CERTIFICATES OF OBLIGATION,  
PROPOSED SERIES 2024  
AND  
\$513,919 IN PRINCIPAL FORGIVENESS**

(24-025)

**Recitals:**

The City of Blanco (City), located in Blanco County, Texas, has filed an application for financial assistance in the amount of \$3,903,919 from the Drinking Water State Revolving Fund (DWSRF) to finance the planning, acquisition, design, and construction of certain water system improvements identified as Project No. 62938.

The City seeks financial assistance from the Texas Water Development Board (TWDB) through the TWDB's proposed purchase of \$3,390,000 City of Blanco, Texas Combination Tax and Surplus Revenue of Obligations, Proposed Series 2024 (together with all authorizing documents (Obligations)), and the execution of a Principal Forgiveness Agreement in an amount of \$513,919, all as is more specifically set forth in the application and in recommendations of the TWDB's staff.

The City has offered a pledge of ad valorem taxes and surplus revenues of the City's utility system as sufficient security for the repayment of the Obligations.

The commitment is approved for funding under the TWDB's pre-design funding option, and initial and future releases of funds are subject to 31 TAC § 371.13.

**Findings:**

1. The revenue or taxes pledged by the City will be sufficient to meet all the Obligations assumed by the City, in accordance with Texas Water Code § 15.607.
2. The application and assistance applied for meet the requirements of the Safe Drinking Water Act, 42 U.S.C. §§ 300f *et seq.*
3. The term of the Obligations does not exceed the expected useful life of the project proposed by the City.

4. The City has submitted a proposed program of water conservation for the more efficient use of water that will meet reasonably anticipated local needs and conditions and that incorporates practices, techniques or technology prescribed by the Texas Water Code and TWDB's rules.
5. The TWDB has approved a regional water plan for the region of the state that includes the area benefiting from the project and the needs to be addressed by the project will be addressed in a manner consistent with the approved regional and state water plans, as required by Texas Water Code § 16.053(j).
6. The City has completed a current water audit required by Texas Water Code § 16.0121 and 31 TAC § 358.6 and filed it with the TWDB in accordance with Texas Water Code § 16.053(j).
7. The TWDB has determined that the entire Project, or a portion of the Project, satisfies the applicable Intended Use Plan's criteria for Green Projects and is eligible for Principal Forgiveness in the amount of \$513,919.

NOW, THEREFORE, based on these findings, the TWDB resolves as follows:

A commitment is made by the TWDB to the City of Blanco for financial assistance in the amount of \$3,903,919 from the Drinking Water State Revolving Fund through the TWDB's proposed purchase of \$3,390,000 City of Blanco, Texas Combination Tax and Surplus Certificates of Obligation, Proposed Series 2024, and the execution of a Principal Forgiveness Agreement in the amount of \$513,919. This commitment will expire on November 30, 2024.

The commitment is conditioned as follows:

**Standard Conditions:**

1. This commitment is contingent on a future sale of bonds by the TWDB or on the availability of funds on hand as determined by the TWDB. If the financial assistance is funded with available cash-on-hand, the TWDB reserves the right to change the designated source of funds to bond proceeds issued for the purpose of reimbursing funds used to provide the financial assistance approved in this Resolution.
2. This commitment is contingent upon the issuance of a written approving opinion of the Attorney General of the State of Texas stating that all the requirements of the laws under which the Obligations were issued have been complied with; that the Obligations were issued in conformity with the Constitution and laws of the State of Texas; and that the Obligations are valid and binding obligations of the City.



3. This commitment is contingent upon the City's compliance with all applicable requirements contained in 31 TAC Chapter 371.
4. The Obligations must provide that the City agrees to comply with all the conditions set forth in the TWDB Resolution.
5. The Obligations must provide that the Obligations can be called for early redemption on any date beginning on or after the first interest payment date which is 10 years from the dated date of the Obligations at a redemption price of par together with accrued interest to the date fixed for redemption.
6. The City, or an obligated person for whom financial or operating data is presented to the TWDB in the application for financial assistance either individually or in combination with other issuers of the City's Obligations, or obligated persons, will, at a minimum, regardless of the amount of the Obligations, covenant to comply with requirements for continuing disclosure on an ongoing basis substantially in the manner required by the Securities and Exchange Commission (SEC) in 17 CFR § 240.15c2-12 (Rule 15c2-12) and determined as if the TWDB were a Participating Underwriter within the meaning of the rule, this continuing disclosure undertaking being for the benefit of the TWDB and the beneficial owners of the City's Obligations, if the TWDB sells or otherwise transfers the Obligations and the beneficial owners of the TWDB's bonds if the City is an obligated person with respect to those bonds under SEC Rule 15c2-12.
7. The Obligations must contain a provision requiring the City to levy a tax or maintain and collect sufficient rates and charges, as applicable, to produce system funds in an amount necessary to meet the debt service requirements of all outstanding obligations and to maintain the funds established and required by the Obligations.
8. The Obligations must include a provision requiring the City to use any financial assistance proceeds from the Obligations that are determined to be remaining unused funds, which are those funds unspent after the original approved project is completed, for enhancements to the original project explicitly approved by the Executive Administrator, or, if no enhancements are authorized by the Executive Administrator, requiring the City to submit a final accounting and disposition of any unused funds.
9. The Obligations must include a provision requiring the City to use any financial assistance proceeds from the Obligations determined to be surplus funds in a manner approved by the Executive Administrator. Surplus funds are funds remaining after completion of the project and completion of a final accounting.

10. The Obligations must contain a provision that the TWDB may exercise all remedies available to it in law or equity, and any provision of the Obligations that restricts or limits the TWDB's full exercise of these remedies will be of no force and effect.
11. Proceeds of this commitment are public funds. Therefore, the Obligations must include a provision requiring that these proceeds will be held at a designated state depository institution or other properly chartered and authorized institution in accordance with the Public Funds Investment Act, Government Code, Chapter 2256, and the Public Funds Collateral Act, Government Code, Chapter 2257.
12. Proceeds of this commitment must not be used by the City when sampling, testing, removing, or disposing of contaminated soils or media at the project site. The Obligations must include a provision that states the City is solely responsible for liability resulting from acts or omissions of the City, its employees, contractors, or agents arising from the sampling, analysis, transport, storage, treatment, recycling, and disposition of any contaminated sewage sludge, contaminated sediments or contaminated media that may be generated by the City, its contractors, consultants, agents, officials, and employees as a result of activities relating to the Project to the extent permitted by law.
13. Before closing, the City must submit documentation evidencing the adoption and implementation of sufficient system rates and charges or the levy of an interest and sinking tax rate (if applicable) sufficient for the repayment of all system debt service requirements.
14. Before closing, and if not previously provided with the application, the City must submit executed contracts for engineering and, if applicable, financial advisor and bond counsel for the project that are satisfactory to the Executive Administrator. Fees to be reimbursed under the contracts must be reasonable in relation to the services performed, reflected in the contract, and acceptable to the Executive Administrator.
15. Before closing, when any portion of the financial assistance is to be held in escrow or in trust, the City must execute an escrow or trust agreement, approved as to form and substance by the Executive Administrator, and must submit that executed agreement to the TWDB.
16. The Executive Administrator may require the City to execute a separate financing agreement in form and substance acceptable to the Executive Administrator.
17. The TWDB retains the option to purchase the Obligations in separate lots or on an installment basis, with delivery of the purchase price for each installment to be paid against delivery of the relevant installment of Obligations as approved by the Executive Administrator.

18. The Obligations must provide that the City will comply with all applicable TWDB laws and rules related to the use of the financial assistance.
19. The Obligations must provide that the City must comply with all conditions as specified in the final environmental finding of the Executive Administrator when issued including the standard emergency discovery conditions for threatened and endangered species and cultural resources.
20. The Obligations must contain a provision requiring the City to maintain insurance coverage sufficient to protect the TWDB's interest in the project.
21. The City must immediately notify TWDB, in writing, of any suit against it by the Attorney General of Texas under Texas Penal Code § 1.10(f) (related to federal laws regulating firearms, firearm accessories, and firearm ammunition).
22. The Obligations must provide that the City will submit annually an audit prepared by a certified public accountant in accordance with generally accepted auditing standards.

**Tax-Exempt Conditions:**

23. The City's bond counsel must prepare a written opinion that states that the interest on the Obligations is excludable from gross income or is exempt from federal income taxation. Bond counsel may rely on covenants and representations of the City when rendering this opinion.
24. The City's bond counsel opinion must also state that the Obligations are not "private activity bonds." Bond counsel may rely on covenants and representations of the City when rendering this opinion.
25. The Obligations must include a provision prohibiting the City from using the proceeds of this financial assistance in a manner that would cause the Obligations to become "private activity bonds" within the meaning of section 141 of the Internal Revenue Code of 1986, as amended (Code) and the Treasury Regulations promulgated under section 141 (Regulations).
26. The Obligations must provide that no portion of the proceeds of this commitment will be used, directly or indirectly, in a manner that would cause the Obligations to be "arbitrage bonds" within the meaning of section 148(a) of the Code and Regulations, including to acquire or to replace funds which were used, directly or indirectly, to acquire Nonpurpose Investments (as defined in the Code and Regulations) which produce a yield materially higher than the yield on the TWDB's

bonds that are issued to provide financing for this commitment (Source Series Bonds), other than Nonpurpose Investments acquired with:

- a. proceeds of the TWDB's Source Series Bonds invested for a reasonable temporary period of up to three (3) years after the issue date of the Source Series Bonds until the proceeds are needed for the facilities to be financed;
  - b. amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1(b) of the Regulations; and
  - c. amounts deposited in any reasonably required reserve or replacement fund to the extent the amounts do not exceed the least of maximum annual debt service on the Obligations, 125% of average annual debt service on the Obligations, or 10 percent of the stated principal amount (or, in the case of a discount, the issue price) of the Obligations.
27. The Obligations must include a provision requiring the City take all necessary steps to comply with the requirement that certain amounts earned on the investment of gross proceeds of the Obligations be rebated to the federal government to satisfy the requirements of section 148 of the Code. The Obligations must provide that the City must:
- a. account for all Gross Proceeds, as defined in the Code and Regulations, (including all receipts, expenditures, and investments) on its books of account separately and apart from all other funds (and receipts, expenditures and investments) and retain all records of the accounting for at least six years after the final Computation Date. The City may, however, to the extent permitted by law, commingle Gross Proceeds of its financing with other money of the City, provided that the City separately accounts for each receipt and expenditure of the Gross Proceeds and the obligations acquired with them;
  - b. calculate the Rebate Amount, as defined in the Code and Regulations, with respect to its financing, not less frequently than each Computation Date, in accordance with rules set forth in section 148(f) of the Code, section 1.148-3 of the Regulations, and the rulings under these sections. The City must maintain a copy of the calculations for at least six years after the final Computation Date;
  - c. as additional consideration for the making of this commitment, and to induce the making of the commitment by measures designed to ensure the excludability of the interest on the TWDB's Source Series Bonds from the gross income of the owners for federal income tax purposes, pay to the

United States the amount described in paragraph (b) above within 30 days after each Computation Date; and

- d. exercise reasonable diligence to assure that no errors are made in the calculations required by paragraph (b) and, if an error is made, to discover and promptly to correct the error within a reasonable amount of time including payment to the United States of any interest and any penalty required by the Regulations;
28. The Obligations must include a provision prohibiting the City from taking any action that would cause the interest on the Obligations to be includable in gross income for federal income tax purposes.
29. The Obligations must provide that the City will not cause or permit the Obligations to be treated as "federally guaranteed" obligations within the meaning of section 149(b) of the Code.
30. The transcript must include a No Arbitrage Certificate or similar Federal Tax Certificate setting forth the City's reasonable expectations regarding the use, expenditure, and investment of the proceeds of the Obligations.
31. The Obligations must contain a provision that the City will refrain from using the proceeds provided by this TWDB commitment or the proceeds of any prior bonds to pay debt service on another issue more than 90 days after the date of issue of the Obligations in contravention of the requirements of section 149(d) of the Code (relating to advance refundings).
32. The transcript must include evidence that the information reporting requirements of section 149(e) of the Code will be satisfied. This requirement may be satisfied by filing an IRS Form 8038 with the Internal Revenue Service. In addition, the applicable completed IRS Form 8038 or other evidence that the information reporting requirements of section 149(e) have been satisfied must be provided to the Executive Administrator within fourteen (14) days of closing. The Executive Administrator may withhold the release of funds for failure to comply.
33. The Obligations must provide that neither the City nor a related party will acquire any of the TWDB's Source Series Bonds in an amount related to the amount of the Obligations to be acquired from the City by the TWDB.
34. The City's federal tax certificate must provide that the weighted average maturity of the Obligations purchased by the TWDB does not exceed 120% of the weighted average reasonably expected economic life of the Project.

State Revolving Fund Conditions:

35. The City must submit outlay reports with sufficient documentation on costs on a quarterly or monthly basis in accordance with TWDB outlay report guidelines.
36. The Obligations must include a provision stating that all laborers and mechanics employed by contractors and subcontractors for projects will be paid wages at rates not less than those prevailing on projects of a similar character in the locality in accordance with the Davis-Bacon Act, and the U.S. Department of Labor's implementing regulations. The City, all contractors, and all sub-contractors must ensure that all project contracts mandate compliance with Davis-Bacon. All contracts and subcontracts for the construction of the project carried out in whole or in part with the financial assistance made available must insert in full in any contract in excess of \$2,000 the contract clauses as provided by the TWDB.
37. The Obligations must include a provision stating that the City must provide the TWDB with all information required to be reported in accordance with the Federal Funding Accountability and Transparency Act of 2006, Pub. L. 109-282, as amended by Pub. L. 110-252. The City must obtain a Unique Entity Identification Number and must register with System for Award Management (SAM) and maintain current registration at all times during which the Obligations are outstanding.
38. The Obligations must provide that all financial assistance proceeds will be timely and expeditiously used, as required by 40 CFR § 35.3135(d), and must provide that the City will adhere to the approved project schedule.
39. The Obligations and Principal Forgiveness Agreement must contain a covenant that the City will abide by all applicable construction contract requirements related to the use of iron and steel products produced in the United States, as required by 31 TAC § 371.4 and related State Revolving Fund Policy Guidelines.
40. The Obligations and Principal Forgiveness Agreement must contain a covenant that the City must abide by the prohibition on certain telecommunications and video surveillance services or equipment as required by 2 CFR § 200.216.
41. The Obligations and Principal Forgiveness Agreement must contain a covenant that the City will abide by all applicable requirements related to the Build America, Buy America Act, Public Law 117-58.

**Drinking Water State Revolving Fund Conditions;**

42. The City must pay at closing an origination fee approved by the Executive Administrator of the TWDB pursuant to 31 TAC Chapter 371.

43. Before closing, the Texas Commission on Environmental Quality must make a determination, the form and substance of which is satisfactory to the Executive Administrator, that the City has demonstrated the necessary financial, managerial, and technical capabilities to proceed with the project or projects to be funded with the proceeds of these Obligations.
44. Before the release of funds for professional consultants including, but not limited to, the engineer, financial advisor, and bond counsel, as appropriate, the City must provide documentation that it has met all applicable state procurement requirements as well as all federal procurement requirements under the Disadvantaged Business Enterprises program.

**Pledge Conditions:**

45. The Obligations must contain a provision that provides as follows:
  - a. if system revenues are actually on deposit in the Interest and Sinking Fund in advance of the time when ad valorem taxes are scheduled to be levied for any year, then the amount of taxes which otherwise would have been required to be levied and collected may be reduced to the extent and by the amount of revenues then on deposit in the Interest and Sinking Fund; or
  - b. if surplus revenues are based upon budgeted amounts:
    - i. the Obligations must include a requirement that the City transfer and deposit in the Interest and Sinking Fund each month an amount of not less than 1/12th of the annual debt service on the Obligations until the amount on deposit in the Interest and Sinking Fund equals the amount required for annual debt service on the Obligations; further, that the ordinance authorizing the issuance of the Obligations must include a requirement that the City must not transfer any funds from the City's pledged system revenues to any fund other than the Interest and Sinking Fund until an amount equal to the annual debt service on the Obligations for the then-current fiscal year has been deposited in the Interest and Sinking Fund;
    - ii. the Obligations must include a requirement that for each year the Obligations are outstanding, and before the time taxes are to be levied for that year, the City must establish, adopt, and maintain an annual budget that provides for either the monthly deposit of sufficient surplus pledged revenues or tax revenues or both, the monthly deposit of any other legally available funds on hand at the time of the adoption of the annual budget, or a combination of these, into the Interest and Sinking Fund for the repayment of the Obligations; and

- iii. the Obligations must include a requirement that the City must at all times maintain and collect sufficient rates and charges in conjunction with any other legally available funds so that after payment of the costs of operating and maintaining the system, it produces revenues in an amount not less than 1.10 times debt service requirements of all outstanding Obligations of the City and other obligations of the City which are secured in whole or in part by the pledged revenues, for which the City is budgeting the repayment of the Obligations, or the City must provide documentation which evidences the levy and collection of an ad valorem tax rate dedicated to the Interest and Sinking Fund, in conjunction with any other legally available funds, sufficient for the repayment of debt service requirements.

Special Conditions:

- 46. Before closing, the City must adopt and implement the water conservation program approved by the TWDB.
- 47. Before closing, the City must execute a Principal Forgiveness Agreement in a form and substance acceptable to the Executive Administrator.
- 48. The Principal Forgiveness Agreement must include a provision stating that the City must return any principal forgiveness funds that are determined to be surplus funds.

APPROVED and ordered of record this the 9th day of May 2024.

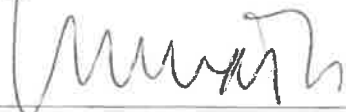
TEXAS WATER DEVELOPMENT BOARD



for Brooke T. Paup, Chairwoman

DATE SIGNED: 5/22/24

ATTEST:



Bryan McMath, Interim Executive Director



**EXHIBIT B**  
City of Blanco's Resolution

DRAFT

## Authorized Representative Agreement Execution Resolution

A RESOLUTION by the \_\_\_\_\_ of the City of Blanco (the "City") authorizing \_\_\_\_\_, the Designated Representative of the City, to execute an agreement with the Texas Water Development Board for funding in the amount of \$513,919.

WHEREAS, the Texas Water Development Board made a commitment to provide financial assistance in the form of a principal forgiveness in the amount of \$513,919 to the City to finance a water system upon execution of a principal forgiveness agreement; therefore

BE IT RESOLVED BY THE \_\_\_\_\_ OF THE CITY OF BLANCO:

SECTION 1. Approval of Agreement. The agreement setting out the terms and conditions of the financial assistance between the Texas Water Development Board and the City is approved and the City's Designated Representative is authorized to execute the agreement on behalf of the City.

SECTION 2. Effective Date. This Resolution shall become effectively immediately after its adoption.

PASSED AND APPROVED, this the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

ATTEST:

\_\_\_\_\_

By: \_\_\_\_\_

(Seal)

**EXHIBIT C**  
**List of Federal Laws and Authorities (Cross-Cutters)**

The basic rules for complying with cross-cutting federal authorities are set-out in the CWSRF regulations at 40 C.F.R. § 35.3145 and in the DWSRF regulations at 40 C.F.R. § 35.3575. A list of and link to these authorities is provided below and also available from the Environmental Protection Agency (EPA) at:  
[http://water.epa.gov/grants\\_funding/dwsrf/xcuts.cfm](http://water.epa.gov/grants_funding/dwsrf/xcuts.cfm). A handbook on the applicability of the cross-cutting federal authorities is available from EPA at:  
<http://www.epa.gov/owm/cwfinance/cwsrf/enhance/DocFiles/Other%20Docs/CrosscutterHandbook.pdf>.

**Environmental Authorities**

- Archeological and Historic Preservation Act of 1974, Pub. L. 86-523, as amended
- Clean Air Act, Pub. L. 84-159, as amended
- Coastal Barrier Resources Act, Pub. L. 97-348
- Coastal Zone Management Act, Pub. L. 92-583, as amended
- Endangered Species Act, Pub. L. 93-205, as amended
- Environmental Justice, Executive Order 12898
- Floodplain Management, Executive Order 11988 as amended by Executive Order 12148
- Protection of Wetlands, Executive Order 11990
- Farmland Protection Policy Act, Pub. L. 97-98
- Fish and Wildlife Coordination Act, Pub. L. 85-624, as amended
- National Historic Preservation Act of 1966, PL 89-665, as amended
- Safe Drinking Water Act, Pub. L. 93-523, as amended
- Wild and Scenic Rivers Act, Pub. L. 90-542, as amended

**Economic and Miscellaneous Authorities**

- Demonstration Cities and Metropolitan Development Act of 1966, Pub. L. 89-754, as amended, Executive Order 12372
- Procurement Prohibitions under Section 306 of the Clean Air Act and Section 508 of the Clean Water Act, including Executive Order 11738, Administration of the Clean Air Act and the Federal Water Pollution Control Act with Respect to Federal Contracts, Grants, or Loans
- Uniform Relocation and Real Property Acquisition Policies Act, Pub. L. 91-646, as amended
- Debarment and Suspension, Executive Order 12549

**Social Policy Authorities**

- Age Discrimination Act of 1975, Pub. L. 94-135
- Title VI of the Civil Rights Act of 1964, Pub. L. 88-352 (2)
- Section 13 of the Federal Water Pollution Control Act Amendments of 1972, Pub. L. 92-500 (the Clean Water Act)
- Section 504 of the Rehabilitation Act of 1973, Pub. L. 93-112 (including Executive Orders 11914 and 11250)
- Employment Opportunity, Executive Order 11246

- Women's and Minority Business Enterprise, Executive Orders 11625, 12138 and 12432
- Section 129 of the Small Business Administration Reauthorization and Amendment Act of 1988, Pub. L. 100-590

**The Civil Rights Act and related anti-discrimination statutes apply to all the operations of the SRF program.**

DRAFT

**EXHIBIT D**  
**Davis-Bacon Contract and Subcontract Provisions**

**(a) GENERAL CONTRACT AND SUBCONTRACT PROVISIONS.**

The subrecipient(s) shall insert in full in any contract in excess of \$2,000 which is entered into for the actual construction, alteration and/or repair, including painting and decorating, of a public building or public work, or building or work financed in whole or in part from Federal funds or in accordance with guarantees of a Federal agency or financed from funds obtained by pledge of any contract of a Federal agency to make a loan, grant or annual contribution (except where a different meaning is expressly indicated), and which is subject to the labor standards provisions of any of the acts listed in 29 CFR § 5.1 and the Consolidated Appropriations Act, 2016 (or subsequent federal law), the following clauses:

**(1) Minimum Wages**

(i) All laborers and mechanics employed or working upon the site of the work will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics.

Contributions made or costs reasonably anticipated for bona fide fringe benefits under section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of paragraph (a)(1)(iv) of this section; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in 29 CFR § 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided, that the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under paragraph (a)(1)(ii) of this section) and the Davis-Bacon poster (WH-1321) shall be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.

Subrecipients may obtain wage determinations from the U.S. Department of Labor's web site, [www.dol.gov](http://www.dol.gov).

(ii)(A) The subrecipient(s), on behalf of EPA, shall require that any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. The State award official shall approve a request for an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met:

(1) The work to be performed by the classification requested is not performed by a classification in the wage determination; and

(2) The classification is utilized in the area by the construction industry; and

(3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(B) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the subrecipient(s) agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), documentation of the action taken and the request, including the local wage determination shall be sent by the subrecipient (s) to the State award official. The State award official will transmit the request, to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Washington, DC 20210 and to the EPA DB Regional Coordinator concurrently. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification request within 30 days of receipt and so advise the State award official or will notify the State award official within the 30-day period that additional time is necessary.

(C) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the subrecipient(s) do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the award official shall refer the request and the local wage determination, including the views of all interested parties and the recommendation of the State award official, to the Administrator for determination. The request shall be sent to the EPA DB Regional Coordinator concurrently. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt of the request and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(D) The wage rate (including fringe benefits where appropriate) determined pursuant to paragraphs (a)(1)(ii)(B) or (C) of this section, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

(iii) Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor

shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

(iv) If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, Provided, That the Secretary of Labor has found, upon the written request of the contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.

## **(2) Withholding**

The subrecipient(s), shall upon written request of the EPA Award Official or an authorized representative of the Department of Labor, withhold or cause to be withheld from the contractor under this contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by the contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working on the site of the work, all or part of the wages required by the contract, the (Agency) may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

## **(3) Payrolls and basic records**

(i) Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification

of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.

(ii)(A) The contractor shall submit weekly, for each week in which any contract work is performed, a copy of all payrolls to the subrecipient, that is, the entity that receives the subgrant or loan from the State capitalization grant recipient. Such documentation shall be available on request of the State recipient or EPA. As to each payroll copy received, the subrecipient shall provide written confirmation in a form satisfactory to the State indicating whether or not the project is in compliance with the requirements of 29 CFR 5.5(a)(1) based on the most recent payroll copies for the specified week. The payrolls shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i), except that full social security numbers and home addresses shall not be included on the weekly payrolls. Instead the payrolls shall only need to include an individually identifying number for each employee (e.g., the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division Web site at <http://www.dol.gov/whd/forms/wh347instr.htm> or its successor site. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. Contractors and subcontractors shall maintain the full social security number and current address of each covered worker and shall provide them upon request to the subrecipient(s) for transmission to the State or EPA if requested by EPA, the State, the contractor, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this section for a prime contractor to require a subcontractor to provide addresses and social security numbers to the prime contractor for its own records, without weekly submission to the subrecipient(s).

(B) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

(1) That the payroll for the payroll period contains the information required to be provided under § 5.5 (a)(3)(ii) of Regulations, 29 CFR part 5, the appropriate information is being maintained under § 5.5 (a)(3)(i) of Regulations, 29 CFR part 5, and that such information is correct and complete;

(2) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in Regulations, 29 CFR part 3;

(3) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.



(C) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by paragraph (a)(3)(ii)(B) of this section.

(D) The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under section 1001 of title 18 and section 231 of title 31 of the United States Code.

(iii) The contractor or subcontractor shall make the records required under paragraph (a)(3)(i) of this section available for inspection, copying, or transcription by authorized representatives of the State, EPA or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the contractor or subcontractor fails to submit the required records or to make them available, the Federal agency or State may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

#### **(4) Apprentices and trainees**

(i) Apprentices. Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractor's or subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe

benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, the contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(ii) Trainees. Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(iii) Equal employment opportunity. The utilization of apprentices, trainees and journeymen under this part shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR part 30.

#### **(5) Compliance with Copeland Act requirements**

The contractor shall comply with the requirements of 29 CFR part 3, which are incorporated by reference in this contract.

**(6) Subcontracts.**

The contractor or subcontractor shall insert in any subcontracts the clauses contained in 29 CFR 5.5(a)(1) through (10) and such other clauses as the EPA determines may be appropriate, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in 29 CFR 5.5.

**(7) Contract termination; debarment.**

A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

**(8) Compliance with Davis-Bacon and Related Act requirements.**

All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR parts 1, 3, and 5 are herein incorporated by reference in this contract.

**(9) Disputes concerning labor standards.**

Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and Subrecipient(s), State, EPA, the U.S. Department of Labor, or the employees or their representatives.

**(10) Certification of eligibility.**

(i) By entering into this contract, the contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(ii) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(iii) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

**b. CONTRACT PROVISIONS FOR CONTRACTS IN EXCESS OF \$100,000**

Contract Work Hours and Safety Standards Act. The subrecipient shall insert the following clauses set forth in paragraphs (a)(1), (2), (3), and (4) of this section in full in any contract in an amount in excess of \$100,000 and subject to the overtime provisions of the Contract

Work Hours and Safety Standards Act. These clauses shall be inserted in addition to the clauses required by Item 3, above or 29 CFR 4.6. As used in this paragraph, the terms laborers and mechanics include watchmen and guards.

**(1) Overtime requirements**

No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

**(2) Violation; liability for unpaid wages; liquidated damages.**

In the event of any violation of the clause set forth in paragraph (b)(1) of this section the contractor and any subcontractor responsible therefore shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (b)(1) of this section, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (b)(1) of this section.

**(3) Withholding for unpaid wages and liquidated damages**

The subrecipient, upon written request of the EPA Award Official or an authorized representative of the Department of Labor, shall withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (b)(2) of this section.

**(4) Subcontracts**

The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (b)(1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (b)(1) through (4) of this section.

### **(c) MAINTENANCE OF RECORDS**

In addition to the clauses contained in Section (a), above, in any contract subject only to the Contract Work Hours and Safety Standards Act and not to any of the other statutes cited in 29 CFR 5.1, the Subrecipient shall insert a clause requiring that the contractor or subcontractor shall maintain payrolls and basic payroll records during the course of the work and shall preserve them for a period of three years from the completion of the contract for all laborers and mechanics, including guards and watchmen, working on the contract. Such records shall contain the name and address of each such employee, social security number, correct classifications, hourly rates of wages paid, daily and weekly number of hours worked, deductions made, and actual wages paid. Further, the Subrecipient shall insert in any such contract a clause providing that the records to be maintained under this paragraph shall be made available by the contractor or subcontractor for inspection, copying, or transcription by authorized representatives of the (write the name of agency) and the Department of Labor, and the contractor or subcontractor will permit such representatives to interview employees during working hours on the job.

### **(d) COMPLIANCE VERIFICATION**

(1) The subrecipient shall periodically interview a sufficient number of employees entitled to DB prevailing wages (covered employees) to verify that contractors or subcontractors are paying the appropriate wage rates. As provided in 29 CFR 5.6(a)(6), all interviews must be conducted in confidence. The subrecipient must use Standard Form 1445 (SF 1445) or equivalent documentation to memorialize the interviews. Copies of the SF 1445 are available from EPA on request.

(2) The subrecipient shall establish and follow an interview schedule based on its assessment of the risks of noncompliance with DB posed by contractors or subcontractors and the duration of the contract or subcontract.<sup>1</sup> Subrecipients must conduct more frequent interviews if the initial interviews or other information indicated that there is a risk that the contractor or subcontractor is not complying with DB. Subrecipients shall immediately conduct interviews in response to an alleged violation of the prevailing wage requirements. All interviews shall be conducted in confidence.

(3) The subrecipient shall periodically conduct spot checks of a representative sample of weekly payroll data to verify that contractors or subcontractors are paying the appropriate wage rates. The subrecipient shall establish and follow a spot check schedule based on its assessment of the risks of noncompliance with DB posed by contractors or subcontractors and the duration of the contract or subcontract. At a minimum, if practicable, the subrecipient should spot check payroll data within two weeks of each contractor or subcontractor's submission of its initial payroll data and two weeks prior to the completion

<sup>1</sup> The provision that read "At a minimum, the subrecipient should conduct interviews with a representative group of covered employees within two weeks of each contractor or subcontractor's submission of its initial weekly payroll data and two weeks prior to the estimated completion date for the contract or subcontract" was issued a waiver in EPA Class Deviation memo dated November 16, 2012.

date the contract or subcontract. Subrecipients must conduct more frequent spot checks if the initial spot check or other information indicates that there is a risk that the contractor or subcontractor is not complying with DB. In addition, during the examinations the subrecipient shall verify evidence of fringe benefit plans and payments thereunder by contractors and subcontractors who claim credit for fringe benefit contributions.

(4) The subrecipient shall periodically review contractors and subcontractors use of apprentices and trainees to verify registration and certification with respect to apprenticeship and training programs approved by either the U.S Department of Labor or a state, as appropriate, and that contractors and subcontractors are not using disproportionate numbers of, laborers, trainees and apprentices. These reviews shall be conducted in accordance with the schedules for spot checks and interviews described in Item 5(b) and (c) above.

(5) Subrecipients must immediately report potential violations of the DB prevailing wage requirements to the EPA Region 6 DB Coordinator, TWDB, and to the appropriate DOL Wage and Hour District Office listed at <http://www.dol.gov/whd/america2.htm>.

DRAFT

**EXHIBIT E**  
Project Schedule

DRAFT

## PROJECT SCHEDULE

Task	Schedule Date
Engineering Feasibility Report Completion (End of Planning Phase)	Jun 28, 2024
Design Phase Completion	December 20, 2024
Start of Construction	May 2, 2025
Construction Completion	May 14, 2027

DRAFT



**EXHIBIT F**  
Project Budget

DRAFT



## Project Budget Summary

Blanco

62938 - City of Blanco Water System Improvements

Budget Items	Description	This Commitment	Total
<b>Construction</b>			
Construction		\$2,809,043.00	\$2,809,043.00
<b>Subtotal for Construction</b>		<b>\$2,809,043.00</b>	<b>\$2,809,043.00</b>
<b>Basic Engineering Services</b>			
Construction Engineering		\$75,000.00	\$75,000.00
Design		\$296,356.00	\$296,356.00
Planning		\$20,000.00	\$20,000.00
<b>Subtotal for Basic Engineering Services</b>		<b>\$391,356.00</b>	<b>\$391,356.00</b>
<b>Special Services</b>			
Environmental		\$10,000.00	\$10,000.00
<b>Subtotal for Special Services</b>		<b>\$10,000.00</b>	<b>\$10,000.00</b>
<b>Fiscal Services</b>			
Bond Counsel		\$32,500.00	\$32,500.00
Financial Advisor		\$58,500.00	\$58,500.00
Fiscal/Legal		\$10,000.00	\$10,000.00
Issuance Costs		\$21,914.00	\$21,914.00
Loan Origination Fee		\$66,471.00	\$66,471.00
<b>Subtotal for Fiscal Services</b>		<b>\$189,385.00</b>	<b>\$189,385.00</b>
<b>Other</b>			
Land/Easements Acquisition		\$53,000.00	\$53,000.00
<b>Subtotal for Other</b>		<b>\$53,000.00</b>	<b>\$53,000.00</b>
<b>Contingency</b>			
Contingency		\$451,135.00	\$451,135.00
<b>Subtotal for Contingency</b>		<b>\$451,135.00</b>	<b>\$451,135.00</b>
<b>Total</b>		<b>\$3,903,919.00</b>	<b>\$3,903,919.00</b>

**EXHIBIT G**  
Escrow Agreement

DRAFT

## ESCROW AGREEMENT

THIS ESCROW AGREEMENT (Agreement), made by and between City of Blanco, a political subdivision of the State of Texas in Blanco County, Texas, (City), acting by and through \_\_\_\_\_ and \_\_\_\_\_, as Escrow Agent together with any successor in such capacity;

WITNESSETH:

WHEREAS, pursuant to a Principal Forgiveness Agreement, pursuant to which the City will accept certain contractual obligations (Obligations) to obtain financial assistance from the Texas Water Development Board (TWDB) for the purpose of funding a project identified as Project No. 62938 (Project); and

WHEREAS, the Escrow Agent is a state or national bank designated by the Texas Comptroller as a state depository institution in accordance with Texas Government Code, Chapter 404, Subchapter C, or is a designated custodian of collateral in accordance with Texas Government Code, Chapter 404, Subchapter D and is otherwise qualified and empowered to enter into this Agreement, and hereby acknowledges its acceptance of the terms and provisions hereof; and

WHEREAS, a condition of the Obligations is the deposit of the proceeds of the Obligations (Proceeds) in escrow subject to being withdrawn only with the approval of the Executive Administrator or another designated representative; provided, however, the Proceeds can be transferred to different investments so long as all parties hereto consent to such transfer;

NOW, THEREFORE, in consideration of the mutual agreements herein contained and in consideration of the amount of fees to be paid by the City to the Escrow Agent, as set forth on **EXHIBIT A**, the receipt of which is hereby acknowledged, and in order to secure the delivery of the Obligations, the parties hereto mutually undertake, promise, and agree for themselves, their respective representatives and successors, as follows:

**SECTION 1: ESCROW ACCOUNT(S).** Upon the delivery of the Obligations described above, the Proceeds identified under TWDB Commitment Number(s) LF1001769 shall be deposited to the credit of a special escrow account(s) or escrow subaccount(s) (Escrow Account(s)) maintained at the Escrow Agent on behalf of the City and the TWDB and shall not be commingled with any other accounts or with any other proceeds or funds. The Proceeds received by the Escrow Agent under this Agreement shall not be considered as a banking deposit by the City, and the Escrow Agent shall have no right to title with respect thereto except as Escrow Agent under the terms of this Agreement.

The Escrow Account(s) shall be entitled "TWDB LF1001769, CITY OF BLANCO PRINCIPAL FORGIVENESS AGREEMENT" and shall not be subject to warrants, drafts or checks drawn by the City but shall be disbursed or withdrawn to pay the costs of the Project for which the Obligations were issued or other purposes in accordance with the Principal Forgiveness Agreement and solely upon written authorization from the Executive Administrator or his/her

designated representative. The Escrow Agent shall provide to the City and to the TWDB the Escrow Account(s) bank statements upon request.

**SECTION 2: COLLATERAL.** All cash deposited to the credit of such Escrow Account(s) and any accrued interest in excess of the amounts insured by the FDIC and remaining uninvested under the terms of this Agreement shall be continuously secured by a valid pledge of direct obligations of the United States of America or other collateral meeting the requirements of the Public Funds Collateral Act, Texas Government Code, Chapter 2257.

**SECTION 3: INVESTMENTS.** While the Proceeds are held in escrow, the Escrow Agent shall invest escrowed Proceeds only in investments that are authorized by the Public Funds Investment Act, Texas Government Code, Chapter 2256 (PFIA). The City is responsible for directing the Escrow Agent to invest all public funds in a manner that is consistent with both the PFIA and its own written investment policy.

**SECTION 4: DISBURSEMENTS.** The Escrow Agent shall not honor any disbursement from the Escrow Account(s), or any portion thereof, unless and until it has been supplied with written approval and consent by the Executive Administrator or his/her designated representative. No written approval and consent by the Executive Administrator shall be required if the disbursement involves transferring Proceeds from one investment to another within the Escrow Account(s) provided that all such investments are consistent with the PFIA requirements.

**SECTION 5: UNEXPENDED FUNDS.** Any Proceeds remaining unexpended in the Escrow Account(s) after completion of the Project and after the final accounting has been submitted to and approved by the TWDB shall be disposed of pursuant to the provisions of the Obligations. The City shall deliver a copy of TWDB approval of the final accounting to the Escrow Agent together with instructions concerning the disbursement of unexpended Proceeds hereunder. The Escrow Agent shall have no obligation to ensure that such unexpended Proceeds are used as required by the provisions of the Obligations, that being the sole obligation of the City.

**SECTION 6: CERTIFICATIONS.** The Escrow Agent shall be authorized to accept and rely upon the certifications and documents furnished to the Escrow Agent by the City and shall not be liable for the payment of any funds made in reliance in good faith upon such certifications or other documents or approvals, as herein recited.

**SECTION 7: LIABILITY OF ESCROW AGENT.** To the extent permitted by law, the Escrow Agent shall not be liable for any act done or step taken or omitted by it or any mistake of fact or law, except for its negligence or default or failure in the performance of any obligation imposed upon it hereunder. The Escrow Agent shall not be responsible in any manner for any proceedings in connection with the Obligations or any recitation contained in the Obligations.

**SECTION 8: RECORDS.** The Escrow Agent will keep complete and correct books of record and account relating to the receipts, disbursements, allocations and application of the money deposited to the Escrow Account, and investments of the Escrow Account and all proceeds

thereof. The records shall be available for inspection and copying at reasonable hours and under reasonable conditions by the City and the TWDB.

**SECTION 9: MERGER/CONSOLIDATION.** In the event that the Escrow Agent merges or consolidates with another bank or sells or transfers substantially all of its assets or corporate trust business, then the successor bank shall be the successor Escrow Agent without the necessity of further action as long as the successor bank is a state or national bank designated by the Texas Comptroller as a state depository institution in accordance with Texas Government Code, Chapter 404, Subchapter C, or is a designated custodian of collateral in accordance with Texas Government Code Chapter 404, Subchapter D. The Escrow Agent must provide the TWDB with written notification within 30 days of acceptance of the merger, consolidation, or transfer. If the merger, consolidation or other transfer has occurred between state banks, the newly-created entity shall forward the certificate of merger or exchange issued by the Texas Department of Banking as well as the statement filed with the pertinent chartering authority, if applicable, to the TWDB within five business days following such merger, consolidation or exchange.

**SECTION 10: AMENDMENTS.** This Agreement may be amended from time to time as necessary with the written consent of the City and the TWDB, but no such amendments shall increase the liabilities or responsibilities or diminish the rights of the Escrow Agent without its consent.

**SECTION 11: TERMINATION.** In the event that this Agreement is terminated by either the City or by the Escrow Agent, the Escrow Agent must report said termination in writing to the TWDB within five business days of such termination. The City is responsible for ensuring that the following criteria are satisfied in selecting the successor escrow agent and notifying the TWDB of the change in escrow agents: (a) the successor escrow agent must be an FDIC-insured state or national bank designated by the Texas Comptroller as a state depository; (b) the successor escrow agent must be retained prior to or at the time of the termination; (c) an escrow agreement must be executed by and between the City and the successor escrow agent and must contain the same or substantially similar terms and conditions as are present in this Agreement; and (d) the City must forward a copy of the executed escrow agreement with the successor escrow agent within five business days of said termination. No funds shall be released by the TWDB until it has received, reviewed and approved the escrow agreement with the successor escrow agent. If the City has not appointed a successor escrow agent within thirty (30) days of the notice of termination, the Escrow Agent may petition any court of competent jurisdiction in Texas for the appointment of a successor escrow agent or for other appropriate relief, and any such resulting appointment shall be binding upon the City. Whether appointed by the City or a court, the successor escrow agent and escrow agreement must be approved by the TWDB for the appointment to be effective. The Escrow Agent is responsible for performance under this Agreement until a successor has been approved by the TWDB and has signed an acceptable escrow agreement.

**SECTION 12: EXPIRATION.** This Agreement shall expire upon final transfer of the funds in the Escrow Account(s) to the City.

**SECTION 13: POINT OF CONTACT.** The points of contact for the Escrow Agent and the TWDB are as follows:

(Printed Name of Escrow Agent)	Executive Administrator
Physical (Street) Address	Texas Water Development Board
Phone Number	1700 North Congress Avenue
Fax Number	Austin, Texas 78701
Email Address	

<<AUTHORIZED AGENT>>

<<LEGAL NAME OF ENTITY>>

<<PHYSICAL ADDRESS>>

**SECTION 14: CHOICE OF LAW.** This Agreement shall be governed exclusively by the applicable laws of the State of Texas. Venue for disputes shall be in the District Court of Travis County, Texas.

**SECTION 15: ASSIGNABILITY.** This Agreement shall not be assignable by the parties hereto, in whole or in part, and any attempted assignment shall be void and of no force and effect.

**SECTION 16: ENTIRE AGREEMENT.** This Agreement evidences the entire Escrow Agreement between the Escrow Agent and the City and supersedes any other agreements, whether oral or written, between the parties regarding the Proceeds or the Escrow Account(s). No modification or amendment of this Agreement shall be valid unless the same is in writing and is signed by the City and consented to by the Escrow Agent and the TWDB.

**SECTION 17: VALIDITY OF PROVISIONS.** If any term, covenant, condition or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.

**SECTION 18: COMPENSATION FOR ESCROW SERVICES.** The Escrow Agent shall be entitled to compensation for its services as stated in Exhibit A, which compensation shall be paid by the City but may not be paid directly from the Escrow Account(s).

**SECTION 19: ANTI-BOYCOTT VERIFICATION.** The Escrow Agent represents that, to the extent this Agreement constitutes a contract for goods or services within the meaning of Section 2271.002 of the Texas Government Code, as amended, solely for purposes of compliance with Chapter 2271 of the Texas Government Code, and subject to applicable Federal law, the Escrow Agent or any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the Escrow Agent either (i) meets one of the exemption criteria under Section 2271.002 of the Texas Government Code or (ii) does not boycott Israel and will not boycott Israel through the term of this Agreement. The term "boycott Israel" as used in this paragraph has the meaning assigned in Section 808.001 of the Texas Government Code, as amended.

**SECTION 20: IRAN, SUDAN AND FOREIGN TERRORIST ORGANIZATIONS.** The Escrow Agent represents that, to the extent this Agreement constitutes a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, as amended, solely for purposes of compliance with Chapter 2252 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, neither the Escrow Agent nor any wholly-owned subsidiary, majority-owned subsidiary, parent company or affiliate of the Escrow Agent (i) engages in business with Iran, Sudan, or any foreign terrorist organization as described in Chapters 806 or 807 of the Texas Government Code, or Subchapter F of Chapter 2252 of the Texas Government Code, or (ii) is a company listed by the Texas Comptroller of Public Accounts under Sections 806.051, 807.051, or 2252.153 of the Texas Government Code. The term "foreign terrorist organization" in this paragraph has the meaning assigned to such term in Section 2252.151 of the Texas Government Code.

**SECTION 21: ANTI-BOYCOTT VERIFICATION OF ENERGY COMPANIES.** To the extent this Agreement constitutes a contract for goods or services within the meaning of Section 2276.002 of the Texas Government Code, as amended, solely for purposes of compliance with Chapter 2276 of the Texas Government Code, the City and the Escrow Agent hereby certify that the aggregate value of this Agreement shall not exceed the dollar limitation set forth in Chapter 2276 of the Texas Government Code and is therefore exempt from Section 2276.002(b), Texas Government Code, as amended, pursuant to Section 2276.002(a)(2), Texas Government Code, as amended.

**SECTION 22: ANTI-BOYCOTT VERIFICATION OF FIREARM COMPANIES AND ASSOCIATED TRADE ASSOCIATIONS.** To the extent this Agreement constitutes a contract for goods or services within the meaning of Section 2274.002 of the Texas Government Code, as amended, solely for purposes of compliance with Chapter 2274 of the Texas Government Code, and subject to applicable Federal law, the City and the Escrow Agent hereby certify that the aggregate value of this Agreement shall not exceed the dollar limitation set forth in Chapter 2274 of the Texas Government Code and is therefore exempt from Section 2274.002(b), Texas Government Code, as amended, pursuant to Section 2274.002(a)(2), Texas Government Code, as amended.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective upon signature of both parties.

CITY OF BLANCO

By: \_\_\_\_\_  
Authorized Representative

Date: \_\_\_\_\_

City of Blanco

Address:



(Seal)

<<NAME OF BANK>>,  
as Escrow Agent

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

Address:

(Bank Seal)

DRAFT

**EXHIBIT A**  
Fee Schedule

DRAFT

**NEW BUSINESS**

**ITEM #2**

## Authorized Representative Agreement Execution Resolution

A RESOLUTION by the \_\_\_\_\_ of the City of Blanco (the "City") authorizing \_\_\_\_\_, the Designated Representative of the City, to execute an agreement with the Texas Water Development Board for funding in the amount of \$513,919.

WHEREAS, the Texas Water Development Board made a commitment to provide financial assistance in the form of a principal forgiveness in the amount of \$513,919 to the City to finance a water system upon execution of a principal forgiveness agreement; therefore

BE IT RESOLVED BY THE \_\_\_\_\_ OF THE CITY OF BLANCO:

SECTION 1. Approval of Agreement. The agreement setting out the terms and conditions of the financial assistance between the Texas Water Development Board and the City is approved and the City's Designated Representative is authorized to execute the agreement on behalf of the City.

SECTION 2. Effective Date. This Resolution shall become effectively immediately after its adoption.

PASSED AND APPROVED, this the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

ATTEST:

\_\_\_\_\_

By: \_\_\_\_\_

(Seal)

**NEW BUSINESS**

**ITEM #3**



# City of Blanco

P.O. Box 750 Blanco, Texas 78606  
Office 830-833-4525 Fax 830-833-4121

**STAFF REPORT: 8/13/24**

**DESCRIPTION:** Review selection of Engineering Firm for Approval of Engineering and Administration Services regarding TWDB Project

**ANALYSIS:** City received funding for Drinking Water State Revolving Fund (DWSRF) City of Blanco Water System Improvements, PIF Number 14442 for \$3.9 million with \$512,000 being grant money. Part of this PIF requires that an Engineering firm be selected for the project which includes the replacement of two waterlines and third project.

Ardurra and KSA Engineers responded to the RFQ that was posted in accordance to the Texas Water Development Board's specifications. In reviewing both proposals Ardurra meets the needs of the proposed projects very well.

**FISCAL IMPACT:**

**RECOMMENDATION:** Staff's recommendation is for Council to select Ardurra for Engineering and Administrative services.

**NEW BUSINESS**

**ITEM #4**



# City of Blanco

P.O. Box 750 Blanco, Texas 78606  
Office 830-833-4525 Fax 830-833-4121

**STAFF REPORT: 8/13/24**

**DESCRIPTION: Review Selection of Bond Counsel Services regarding TWDB Project**

**ANALYSIS: City received funding for Drinking Water State Revolving Fund (DWSRF) City of Blanco Water System Improvements, PIF Number 14442 for \$3.9 million with \$512,000 being grant money. Part of this PIF requires that a bond counsel be selected for \$3.4 million dollar bond portion of the project.**

McCall, Parkhurst, and Horton L.L.P and Norton, Rose, Fullbright, US LLP responded to the RFQ that was posted in accordance to the Texas Water Development Board's specifications. In reviewing both proposals McCall, Parkhurst, and Horton L.L.P meets the needs of the proposed projects very well.

**FISCAL IMPACT:**

**RECOMMENDATION: Staff's recommendation is for Council to select McCall, Parkhurst, and Horton L.L.P for Bond Counsel Services.**



**NEW BUSINESS**

**ITEM #5**



# City of Blanco

P.O. Box 750 Blanco, Texas 78606  
Office 830-833-4525 Fax 830-833-4121

STAFF REPORT: 8/13/24

DESCRIPTION: Review Selection of Financial Advisor for Financial Advisor Services

ANALYSIS: City received funding for Drinking Water State Revolving Fund (DWSRF) City of Blanco Water System Improvements, PIF Number 14442 for \$3.9 million with \$512,000 being grant money. Part of this PIF requires that a Financial Advisor be selected for the project

D.A. Davidson & Co. responded to the RFQ that was posted in accordance to the Texas Water Development Board's specifications. D.A. Davision's proposal for Financial Advisor the needs of the proposed projects very well.

FISCAL IMPACT:

RECOMMENDATION: Staff's recommendation is to select D.A. Davidson & Co. for Financial Advisor.

**NEW BUSINESS**

**ITEM #6**

**NEW BUSINESS**

**ITEM #7**

# Blanco-Pedernales Groundwater Conservation District

601 West Main, Johnson City, Texas 78636 | (830) 868-9196 | bpgcd.org

## MONITORING WELL AGREEMENT

**STATE OF TEXAS**

**COUNTY OF BLANCO**

**Grantor:**

**Grantor's Mailing Address:**

**Grantee:** Blanco Pedernales Groundwater Conservation District

**Grantee's Mailing Address:** 601 West Main, Johnson City, Texas 78636

**Grantor's Property:** \_\_\_\_\_ acres, as more particularly described on Exhibit A, which is attached hereto and incorporated herein for all purposes. Grantor's Property includes Grantor's water well referred herein as "monitoring well."

**Consideration:** The sum of ONE AND NO/100 Dollar (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which are acknowledged by Grantor.

**Grant of Rights under Agreement:** For the Consideration stated above, Grantor grants, sells, and conveys to Grantee and Grantee's successors and assigns the right to equip, operate, maintain, replace, repair, upgrade, and remove monitoring equipment and related facilities, on the Grantor's Property to obtain groundwater resource data and information.

**Terms and Conditions:**

Grantee shall have the right of pedestrian and vehicular ingress and egress over, across and upon the roadways needed to provide access to the site of the monitoring well on Grantor's Property for the purpose of installing, operating, repairing, inspecting, maintaining, replacing, and removing monitoring well equipment.

Grantee will restore the surface of any ground damaged, if any, during the process of equipping the monitoring well site to the extent reasonably practicable. Grantee shall be responsible for any damages caused by Grantee, its agents, contractors, and employees.

Grantor reserves the right to build fences that may cross roadways or utility lines related to the monitoring well site but Grantee shall not be denied access to the monitoring well site. Grantee may install locks on any fences or gates Grantee constructs to protect the monitoring well site but Grantor shall not be denied access or use of the property around the monitoring well site reserving only an area needed to protect the equipment associated with the monitoring well.

Grantor and Grantee agree that Grantor and Grantee may terminate this Agreement at any time after the effective date of this Agreement by giving the other party at least fifteen (15) days written notice of such termination. Grantee shall be allowed to remove all of Grantee's equipment located at the monitoring well site.

Grantee agrees to comply at all times and at its sole cost with all applicable federal, state and local laws, rules, regulations and safety standards, including the rules of the Blanco Pedernales Groundwater Conservation District (Grantee), in connection with Grantee's activities hereunder, including, without limitation, the construction, use, operation, maintenance and repair of Grantee's equipment and appurtenances hereunder.

The rights granted under this Agreement are subject to all encumbrances of record in the county public records or which are visible and on the ground in a manner that a corrected survey would reveal.

The grant of rights under this Agreement and all of the terms, provisions and obligations hereof shall be covenants running with the land and shall inure to the benefit of and be binding upon Grantor and Grantee and their respective administrators and successors whether or not the Agreement is referenced or described in any conveyance of all or such portion of the Grantor's Property. Grantee's rights hereunder may also be exercised, at Grantee's options, by Grantee's assigns, lessees, contractors, or agents. The grant of rights under this Agreement shall not be assigned by Grantee without the prior written consent of Grantor.

Grantor expressly reserves for itself, its successors or assigns, all rights to use Grantor's Property for purposes that do not interfere with the exercise by Grantee of the rights hereby granted under this Agreement.

Grantor and Grantee agree to hold harmless the other party against and for all liability, claims, and costs which either party may suffer or sustain or become liable for by reason of any accidents, damages or injuries either to the persons, property, or employees of either party or of any other parties in any manner arising from the activities performed under this Agreement.

This Agreement shall be construed under and in accordance with the laws of the State of Texas. Certain obligations of the parties created under this Agreement shall be performable in Blanco County, Texas. Both parties agree that any and all disputes shall be resolved by a court of competent jurisdiction in Blanco County.

No amendment, modification, or alteration of the terms of this Agreement shall be binding unless it is in writing, dated subsequent to the date of this Agreement, and duly executed by the parties to this Agreement.

In the event one or more provisions contained in this Agreement shall be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

This Agreement may be executed in duplicate originals on the respective dates of acknowledgment set forth below and shall be effective as of the latest date of acknowledgment set forth below.

**GRANTOR**

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

State of Texas           §  
                                  §  
County of Blanco       §

This instrument was acknowledged before me on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ by \_\_\_\_\_.

\_\_\_\_\_  
Notary Public, State of Texas

**BLANCO PEDERNALES GROUNDWATER CONSERVATION DISTRICT  
GRANTEE**

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

State of Texas           §  
                                  §  
County of \_\_\_\_\_ §

This instrument was acknowledged before me on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_, by \_\_\_\_\_ of the Blanco Pedernales Groundwater Conservation District on behalf of said district.

\_\_\_\_\_  
Notary Public, State of Texas

## Exhibit A

**Property Address:** \_\_\_\_\_

**Legal Description:** Abstract # \_\_\_\_\_

**Filed:** Deed Records, Blanco County Instrument # \_\_\_\_\_



**NEW BUSINESS**

**ITEM #8**

**NEW BUSINESS**

**ITEM #9**

**NEW BUSINESS**

**ITEM #10**

**NEW BUSINESS**

**ITEM #11**

**OLD BUSINESS**

**ITEM #1**

**HOSTED SOFTWARE AND SERVICES AGREEMENT  
BETWEEN H2O ANALYTICS CORP AND CITY OF BLANCO**

---

This **Hosted Software and Services Agreement** (the "Agreement") is entered into and made effective as of the latest date set forth on the signature page of this Agreement ("Effective Date"), by and between **H2O Analytics Corporation** ("H2O"), a Texas corporation, having a place of business at 6038 Sentry Point, Fischer, TX 78623, and **City of Blanco** ("Subscriber"), a political subdivision of the State of Texas, having a principal place of business at 300 Pecan St., Blanco, TX 78606.

**STATEMENT OF PURPOSE**

Subscriber is engaged in the water supply industry.

H2O offers a hosted software platform known as the *H<sub>2</sub>O Analytics Network* whereby it provides data, analytic and communication services (utilizing the internet and other means of communication), stores data, and distributes information to and for subscribers in connection with their water utility business (as further explained below), thereby reducing water losses, encouraging conservation and improving customer satisfaction.

The parties are entering into this Agreement to set forth the terms and conditions pursuant to which H2O will provide Subscriber access to the H<sub>2</sub>O Analytics Network.

**AGREEMENT**

In consideration of the mutual covenants and promises set forth below, and for other valuable consideration, the adequacy and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

**1. Definitions.**

Except as otherwise defined herein, the following capitalized terms shall have the meanings ascribed below:

"H<sub>2</sub>O Analytics Network" means the network owned by H2O to which Subscriber is given access and use as part of the Network Services and pursuant to the terms and conditions of this Agreement.

"Consulting Services" means those services provided by H2O to Subscriber pursuant to Section 2.2.

"Effective Date" means the latest date set forth on the signature page of this Agreement.

"Fixed Payments" means, collectively, the fixed payment amounts referenced in Section 3.2 of the Agreement and Section 2 of an applicable Schedule A.

"Freedom of Information Legislation" means, collectively, various state and federal laws that guarantee access to data held by the state. Public Information Act, Texas Government Code, Chapter 552 is one example of such legislation.

"Initial Interface" means the initial Interface provided by H2O to Subscriber to enable Subscriber to access the H<sub>2</sub>O Analytics Network (which, if modifications to the standard interface are necessary, shall be provided pursuant to the initial Statement of Work for Consulting Services).

"Interface(s)" means the Initial Interface and any subsequent interfaces or improvements or enhancements thereto developed by H2O as part of any Consulting Services.

"Licensed Program(s)" means a computer software program identified in an applicable Schedule A to this Agreement (and all enhancements, improvements or modifications thereto and all related Technical Documentation) applicable to a particular Network Service. Not all Network Services require Licensed Programs.

"Materials" means any Interfaces, materials, documentation or information provided by H2O to Subscriber pursuant to any Services.

"Network Data" means data accessed by Subscriber through the H<sub>2</sub>O Analytics Network (other than information owned by Subscriber).

"Network Services" means software services provided by H2O to Subscriber through access to the H<sub>2</sub>O Analytics Network as described in Section 2.1.

"NPI" means nonpublic information relating to customers and former customers of Subscriber. Subscriber information that is subject to Freedom of Information Legislation is not considered NPI.

"Services" means the Network Services, Consulting Services, Remote Support Services and other services provided by H2O to Subscriber under this Agreement.

"Statement of Work" means a written agreement executed by both parties that expressly incorporates the terms of this Agreement and pursuant to which H2O provides Consulting Services to Subscriber. Each Statement of Work shall comply with the requirements of Section 2.2.

"Subscriber" has the meaning set forth in the preamble to this Agreement.

"Subscriber Data" means data belonging to Subscriber including billing data, customer data, meter data, information related to water treatment and the water distribution network, and other data pertaining to Subscriber business operations which is transmitted to H2O via the Interface(s) for processing by the Network Services.

"Technology Documentation" means the user manuals (including electronic documentation) provided by H2O to Subscriber related to Subscriber's use of the Network Services and H<sub>2</sub>O Analytics Network, as updated from time to time by H2O.

"Remote Support Services" shall mean the telephone and network-based support services provided by H2O pursuant to Section 2.5 of this Agreement.

"Territory" means the United States of America.

"Variable Payments" means, collectively, the variable payment amounts referenced in Section 3.2 of this Agreement and Section 2 of an applicable Schedule A.

"VPN" means Virtual Private Network, a secured and authenticated data network which relies upon public telecommunication infrastructure.

## 2. H2O Services.

**2.1 Network Services.** During the term of this Agreement, H2O shall offer Network Services to Subscriber for use within the Territory. The Network Services shall consist of the following: (i) development of the Interfaces through Consulting Services; and (ii) commencing upon completion and installation of the Interface applicable to a specific Network Service, and continuing thereafter during the term of this Agreement, H2O shall provide Subscriber access to the H<sub>2</sub>O Analytics Network solely for the following purposes: (a) to transmit Subscriber Data to H2O for only those Network Services authorized in Section 1 of each Schedule A to this Agreement, and (b) to allow Subscriber to access data, analysis and communication services related to such Subscriber data to be formatted in standard forms and transferred between Subscriber, H2O and Subscriber's customers as described in the Technical Documentation. Each Schedule A to this Agreement shall be executed by both parties, expressly reference this Agreement, and be numbered consecutively, commencing with Schedule A-1. Subscriber is not authorized to utilize the H<sub>2</sub>O Analytics Network or Network Services to transmit Subscriber Data (or any related information) for any Network Services not authorized pursuant to an applicable Schedule A to this Agreement or outside the Territory. Each Schedule A hereto shall contain additional terms and conditions applicable to the Network Services authorized therein.

**2.2 Consulting Services; Development of Interfaces.** Pursuant to this Agreement and subject to the execution by the parties of an applicable Statement of Work, H2O shall provide user training services or Interface development or customization services pursuant to subsequent Statements of Work executed by both parties. All Consulting Services shall be provided on a time and materials basis at the hourly rates set forth in an applicable Statement of Work (or, if applicable, as set forth in Section 3.4).

Each Statement of Work shall include all material terms applicable thereto, including, without limitation, H2O's hourly rates for such services, a description of the Consulting Services to be performed, any Materials to be provided, and any additional specifications and use restrictions applicable thereto. All Statements of Work related to Consulting Services provided under this Agreement shall be numbered consecutively, commencing with Statement of Work B-1. In the event of a conflict between the terms of any Statement of Work and the provisions hereof, the terms of the Statement of Work shall control solely for purposes of that Statement of Work (unless the Statement of Work expressly provides for the amendment of this Agreement).

**2.3 License to Materials.** H2O grants to Subscriber a non-transferable, non-exclusive license to use the Materials during the term of this Agreement solely for Subscriber's internal use in connection with its access to the H<sub>2</sub>O Analytics Network and utilization of the Network Services pursuant to the terms of this Agreement. Subscriber shall not use, reproduce, prepare derivative works based upon, distribute copies of, perform, display, make, use, or sell the Materials or related Technical Documentation related thereto except as expressly authorized in this Agreement.

**2.4 License to Use Licensed Programs.** Subscriber's use of some Network Services may require Subscriber to utilize certain H2O Licensed Programs. In such event, the applicable Schedule A to this Agreement for such Network Services will contain additional terms and conditions identifying such Licensed Programs and related issues. Subject to all terms and conditions of this Agreement, commencing on the date Subscriber is provided access to each specific Licensed Program H2O grants to

Subscriber, for the term of such Schedule A, a non-exclusive, non-transferable license to use each Licensed Program within the Territory for Subscriber's own internal business operations in using the Network Services identified in such Schedule A. Subscriber shall not modify, reproduce, prepare derivative works based upon, distribute copies of, perform, display, make, use, or sell the Materials or related Technical Documentation related thereto except as expressly authorized in this Agreement.

**2.5 Remote Support Services.** H2O shall make telephone and network-based support services ("Remote Support Services") available for Subscriber's inquiries regarding problems in its use of the H<sub>2</sub>O Analytics Network. Remote Support Services shall be available through H2O's help desk approximately eight (8) hours a day (which, as of the Effective Date, are between the hours of 9:00 a.m. and 5:00 p.m., central time, Monday through Friday (excluding holidays recognized by H2O); these hours are subject to change upon prior written notice to Subscriber. H2O will issue Subscriber identification codes or passwords for accessing the Remote Support Services. Subscriber is responsible for all hourly charges incurred by parties using the identification codes or passwords issued to Subscriber. Remote Support Services are provided for the purpose of trouble shooting only, are not intended as a substitute for user training related to use of the H<sub>2</sub>O Analytics Network, and do not include any on-site services. H2O shall have no other obligation to provide support services for the Network Services other than as set forth in this Section 2.5. Support services not included within the Remote Support Services described in this Section 2.5 shall only be provided as Consulting Services pursuant to Section 2.2.

**2.6 Ownership.** All right, title and interest in and to the H<sub>2</sub>O Analytics Network, Network Data and any Licensed Programs and Materials, and in all patents, trademarks, copyrights, trade secrets, and all other intellectual property and proprietary rights therein, are owned by and shall remain the exclusive property of H2O (or by a third party who has authorized H2O to utilize such property). Subscriber acknowledges and agrees that it does not own, and shall not acquire, any right, title or interest in these items and rights (other than the limited license for use with the Network Services set forth in this Agreement), and that, if necessary, it agrees (and agrees to cause its employees) to perform any acts that may be reasonably necessary to transfer ownership of any right, title, and interest in the H<sub>2</sub>O Analytics Network, Network Data, and all Licensed Programs and Materials to H2O, including, but not limited to, the execution of further written assignments.

H2O agrees that it shall have no right, title or interest in or to the Subscriber Data, NPI or in any logos, service marks, trademarks, copyrights, trade secrets of Subscriber, and all other intellectual property and proprietary rights therein, pursuant to this Agreement and shall only be entitled to utilize such property as expressly provided herein.

**2.7 Use of Subscriber Name and Trademark.** Subscriber agrees that, during the term of this Agreement, H2O may reference on its H<sub>2</sub>O Analytics web site or in related publications that Subscriber is a user and/or subscriber of the H<sub>2</sub>O Analytics Network and is authorized to publish Subscriber's trademark on such web site or in such related publications.

**2.8 Commercial Computer Software.** The Licensed Software was developed entirely at private expense and is "commercial computer software" as that term is described within the applicable U.S. Government acquisition regulations. Accordingly, pursuant to FAR 12.212 and DFARS 227.7202, the use, modification, reproduction or disclosure of the Licensed Software by or for the U.S. Government, including any U.S. Government subcontractor, is subject solely to the terms and conditions expressed in this Agreement, except for provisions that are contrary to applicable mandatory federal laws. The parties recognize that state and local governments are not bound by the FAR.

## 3. Subscriber Obligations.

**3.1 Representations and Warranties.** Subscriber acknowledges, agrees and warrants that, during the term of this Agreement:

3.1.1 it shall acquire, provide and maintain, as applicable and at its sole expense, licenses for all other software, hardware, equipment, connections, facilities, services and other supplies necessary for the development of an Interface, its access to the H<sub>2</sub>O Analytics Network, and its use of the Network Services;

3.1.2 it shall be responsible for confirming the accuracy of all data and information supplied or received by it utilizing the H<sub>2</sub>O Analytics Network or Network Services;

3.1.3 it shall not (i) provide access to the H<sub>2</sub>O Analytics Network, the Network Services, Licensed Programs or Materials to any third party; (ii) use the H<sub>2</sub>O Analytics Network, the Network Services, Licensed Programs or Materials for third-party training, commercial time-sharing, out-sourcing, rental, or service bureau use; and (iii) assign, sublicense, lease, transfer, or rent the H<sub>2</sub>O Analytics Network, the Network Services, Licensed Programs or Materials; and (iv) reverse engineer, disassemble or decompile any software related to the H<sub>2</sub>O Analytics Network, the Network Services, Licensed Programs or Materials, or cause or permit such acts.

3.1.4 its access to and utilization of the H<sub>2</sub>O Analytics Network and Network Services shall at all times comply with the Technical Documentation;

3.1.5 it will not knowingly transmit data utilizing the Network Services or the H<sub>2</sub>O Analytics Network that contains computer code or instructions that will disrupt, damage or interfere with the H<sub>2</sub>O Analytics Network or related telecommunications equipment or that otherwise infringes or unlawfully misappropriates the intellectual property of any party.

**3.2 Payment for Network Services.** In addition to all other payment obligations set forth elsewhere in this Agreement, Subscriber shall pay to H2O for the Network Services the amounts set forth in an applicable Schedule A. H2O shall invoice Subscriber for all amounts payable under Section 2 of each applicable Schedule A. All "Fixed Payment" amounts owing under Section 2 of a Schedule A shall be due and payable by Subscriber to H2O, and shall be invoiced, as set forth in the applicable Schedule A. All "Variable Payment" amounts owing under Section 2 of a Schedule A shall be due and payable by Subscriber to H2O, and shall be invoiced on, the last day of the month in which incurred. All payment obligations pursuant to each Schedule A are in addition to any payment obligations under any other Schedule A's to this Agreement.

**3.3 Payment for Licensed Programs.** All one time fees for an applicable Licensed Program identified in an applicable Schedule A are due and payable by Subscriber to H2O, and Subscriber agrees to pay such amounts, on the date set forth in such Schedule A. H2O shall invoice amounts on the date set forth in the applicable Schedule A.

**3.4 Consulting Services Fees.** Any Consulting Services provided by H2O to Subscriber pursuant to this Agreement will be mutually agreed upon in advance in a Statement of Work signed by each of the parties. In the event a Statement of Work fails to state an hourly rate for such services, the hourly rate shall be H2O's standard rate for such services at such time. (For informational purposes only, as of the Effective Date, H2O's standard hourly rates for Consulting Services are \$125 per resource and are subject to change at any time). Fees for Consulting Services shall be invoiced by H2O to Subscriber once a month on the last day of the month in which such fees and expenses are incurred and are due and payable by Subscriber to H2O on the date of the invoice for such amounts.

**3.5 Other Expenses.** Subscriber shall pay H2O for all reasonable travel, living and out-of-pocket expenses incurred by H2O in providing Consulting Services to Subscriber (such expenses shall be presumed to be reasonable if they are consistent with H2O's

then current travel and expense policy, a copy of which is available to Subscriber at any time upon request). Such travel, living and out-of-pocket expenses shall be invoiced on the last day of the month in which incurred and are due and payable by Subscriber to H2O on the date of the invoice for such amounts.

**3.6 Remote Support Services Fees.** The initial three (3) hours of Remote Support Services for Subscriber during each calendar month shall be provided at no additional charge. All hours of Remote Support Services during each calendar month in excess of three (3) hours shall be provided, and Subscriber agrees to pay for such services, at the rate of \$85 per hour (subject to increase on reasonable prior written notice from H2O). H2O shall invoice Subscriber for all charges for Remote Support Services on a monthly basis on the last day of the month in which incurred, and such charges are due and payable by Subscriber to H2O on the date of the invoice for such amounts.

**3.7 Late Fees.** In the event Subscriber fails to pay any correct amounts pursuant to the terms of this Agreement within thirty (30) days of the date of its receipt of the applicable invoice for such amounts, H2O shall be entitled to charge, and Subscriber shall pay, a late fee equal to one and one half percent (1.5%) (or, if less, the highest rate of interest allowed by law) of the outstanding balance, or portion thereof, for each thirty (30) day period such amount or portion thereof remains outstanding after the applicable invoice date.

**3.8 Taxes.** The charges and fees set forth in this Agreement do not include taxes. If H2O is required to pay sales, use, property, value-added, or other federal, national, provincial, state or local taxes based on the licenses or services provided under the terms of this Agreement or on Subscriber's use of such services or licenses, then such taxes shall be billed to and promptly paid by Subscriber. This Section shall not apply to taxes based on H2O's income and property owned by H2O, which shall remain the responsibility of H2O.

**3.9 Price Changes for Schedule A Charges.** H2O reserves the right to increase all fees/charges described in any Schedule A to this Agreement at any time, provided that (i) such fees/charges are not increased more than once per year, and (ii) H2O notifies Subscriber of such increases for fees/charges no later than sixty (60) days prior to the effective date of such increases. Each Schedule A may contain additional terms related to increases in the charges set forth in such Schedule A.

**3.10 Charges Not Included.** Costs and expenses for any software, consulting services, materials and third party software, hardware or services not included in the fees/charges set forth in an applicable Schedule A of this Agreement shall be the responsibility of Subscriber.

**3.11 Invoices.** Invoices from H2O to Subscriber pursuant to this Agreement shall be sent to Subscriber at the following address:

Subscriber: City of Blanco  
Address: 300 Pecan St.  
Blanco, TX 78606  
Attn: Warren Escovy – City Administrator  
Email: cityadmin@cityofblancotx.gov  
Tel.: (830) 833-4525 EX105

**3.12 Communications Connectivity.** Subscriber shall provide its own Internet connectivity for transmission of Network Data to H2O and for accessing the Network Services. Subscriber will make VPN connectivity available to H2O for purposes of providing the Remote Support Services specified in Section 2.5 of this Agreement and the Consulting Services described in Section 2.2 of this Agreement and associated Statements of Work.

#### **4. Term and Termination.**



4.1 Term. The initial term of this Agreement shall commence on the Effective Date and shall continue for a period of three (3) years thereafter. This Agreement shall automatically renew thereafter for successive one (1) year periods, unless a written notice of non-renewal is provided by either party to the other not less than sixty (60) days prior to the expiration of the initial term or any subsequent renewal term.

4.2 Termination for Cause. In the event either party defaults under any other material obligation in this Agreement or an applicable Schedule A, the non-defaulting party shall give written notice of such default. If the defaulting party fails to cure such default within thirty (30) days its receipt of such default notice (or such other time agreed to in writing by the parties), the non-defaulting party may immediately terminate this Agreement or the applicable Schedule A by written notice to the defaulting party. The parties understand and agree that an applicable Schedule A may be terminated without terminating the Agreement or another Schedule A. The termination of this Agreement shall immediately terminate all Schedules hereunder.

4.3 Effect of Expiration or Termination. The expiration or termination of this Agreement shall not relieve Subscriber's obligations under this Agreement with respect to the payment of all fees and expenses incurred as of the effective date of such termination or that Subscriber is otherwise obligated to pay as of such date that are not the basis for Subscriber's termination for cause of this Agreement (if terminated for cause by Subscriber). In addition, upon expiration or termination of this Agreement, Subscriber shall immediately (i) discontinue use of the Network Services, the H<sub>2</sub>O Analytics Network and all Materials; (ii) deliver to H<sub>2</sub>O all physical copies of all Materials, including, without limitation, any Interfaces, and other proprietary and intellectual property of H<sub>2</sub>O that is in the Subscriber's possession; and (iii) within thirty (30) days after expiration or termination of this Agreement, an officer of Subscriber shall certify in writing to H<sub>2</sub>O that Subscriber has complied with the provisions of this Section 4.4. This requirement applies to copies in all forms, partial and complete, in all types of media and computer memory, and whether or not modified or merged into other materials.

4.4 Suspension of Network Services. H<sub>2</sub>O may immediately suspend Subscriber's use of the H<sub>2</sub>O Analytics Network if Subscriber uses such network in a manner that violates this Agreement that does, or is likely to, result in material harm to H<sub>2</sub>O or otherwise becomes more than sixty (60) days past due in any amounts owing under this Agreement. Such suspension shall continue until Subscriber confirms in writing that it has taken the necessary steps to terminate and prevent such unauthorized use or has paid the past due amounts. In the event of any such immediate suspension, H<sub>2</sub>O shall provide Subscriber oral or written notification of such suspension, which shall include a detailed description of the violation, within two (2) hours of such suspension so that Subscriber (i) knows about such suspension and violation, and (ii) the basis for the suspension.

4.5 Other Termination of Schedule A. Each Schedule A hereto may include additional terms and conditions related to the termination of that specific Schedule A.

## 5. Warranties.

5.1 Performance of Consulting Services. H<sub>2</sub>O shall perform the Consulting Services described in this Agreement in a workmanlike manner consistent with applicable industry standards, provided that Subscriber notifies H<sub>2</sub>O of any breach of this sentence within thirty (30) days after completion of the Consulting Services applicable to any alleged breach.

5.2 Warranty for Interfaces. H<sub>2</sub>O warrants that, for a period of sixty (60) days from the date of delivery to Subscriber, an Interface will perform according to the specifications set forth in the Technical Documentation or, if applicable, the Statement of Work.

5.3 Warranty for Licensed Programs. H<sub>2</sub>O warrants that, for a period of ninety (90) days from the date an applicable Schedule A is executed by the parties, the applicable Licensed Program (not including Materials), when used in accordance with the applicable Technical Documentation and consistent with the terms of this Agreement, will perform in substantial compliance with all material specifications for such Licensed Program as set forth in such Technical Documentation. In the event a Licensed Program fails to perform as warranted herein during such period, H<sub>2</sub>O shall make commercially reasonable efforts to correct any reproducible error condition reported to H<sub>2</sub>O during the applicable period. In the event H<sub>2</sub>O is unable to correct such reported reproducible error within a reasonable period of time, Subscriber, as Subscriber's sole and exclusive remedy and H<sub>2</sub>O's entire liability, shall be entitled to: (i) terminate the applicable Schedule A and (ii) a credit of the one-time license fees actually paid pursuant to this Agreement for such Licensed Program. In the event H<sub>2</sub>O provides such credit for the benefit of Subscriber, Subscriber shall return all copies of the Licensed Program to H<sub>2</sub>O. The limited warranty provided hereunder shall not apply to a Licensed Program to the extent it has been modified by other than H<sub>2</sub>O or not used in accordance with the Technical Documentation or this Agreement.

5.4 Disclaimer of Warranties. The warranties specified in this Section 5 are the complete warranties between H<sub>2</sub>O and Subscriber. **EXCEPT FOR THE LIMITED WARRANTIES SET FORTH IN THIS SECTION 5, H<sub>2</sub>O MAKES NO WARRANTY, CONDITION OR REPRESENTATION OF ANY KIND, EXPRESS OR IMPLIED, REGARDING THE SERVICES, THE H<sub>2</sub>O ANALYTICS NETWORK, THE NETWORK DATA, LICENSED PROGRAMS OR MATERIALS, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, OR THAT ANY USE OF THE SERVICES, H<sub>2</sub>O ANALYTICS NETWORK, NETWORK DATA OR SERVICES WILL BE UNINTERRUPTED OR ERROR-FREE OR MEET SUBSCRIBER'S REQUIREMENTS.**

## 6. Limitation of Liability.

6.1 UNDER NO CIRCUMSTANCES SHALL H<sub>2</sub>O (OR ITS SUPPLIERS AND CONTRACTORS) HAVE ANY LIABILITY TO SUBSCRIBER FOR ANY CONSEQUENTIAL (INCLUDING LOST PROFITS), EXEMPLARY, INCIDENTAL, INDIRECT OR SPECIAL DAMAGES OR COSTS RESULTING FROM ANY CLAIM (WHETHER IN CONTRACT, TORT, NEGLIGENCE, OR STRICT LIABILITY) RELATED TO OR ARISING OUT OF THIS AGREEMENT OR THE USE OR INABILITY TO USE, OR PERFORMANCE OR NONPERFORMANCE OF, THE NETWORK SERVICES, H<sub>2</sub>O ANALYTICS NETWORK, NETWORK DATA, LICENSED PROGRAMS OR MATERIALS, OR ANY COMPONENT THEREOF, EVEN IF H<sub>2</sub>O HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. H<sub>2</sub>O SHALL NOT BE LIABLE FOR ANY THIRD PARTY CLAIMS AGAINST SUBSCRIBER OTHER THAN AS EXPRESSLY PROVIDED IN THIS AGREEMENT.

6.3 Without limiting Section 6.1 above, H<sub>2</sub>O's liability (including its suppliers and contractors) for any breach(es) of this Agreement shall be limited to actual, direct damages incurred by Subscriber as a result of such breach, and its aggregate liability for such actual damages for any and all such breaches shall not exceed, under any circumstances, the aggregate amount of the charges and fees paid by Subscriber to H<sub>2</sub>O pursuant to this Agreement during the six (6) month period immediately preceding the most recent default by H<sub>2</sub>O of its obligations under this Agreement.

6.4 Subscriber agrees that H<sub>2</sub>O shall have no liability whatsoever, actual or otherwise, to Subscriber based on any of the following: (i) any delay, interruption in use of, failure in or breakdown of the Network Services, Licensed Programs or H<sub>2</sub>O Analytics Network or errors or defects in transmission occurring in the course of the use of the H<sub>2</sub>O Analytics Network; (ii) any unlawful or unauthorized use of the Network Services, Licensed Programs, H<sub>2</sub>O Analytics

Network, Network Data, or Materials; (iii) any loss of or damage to Subscriber's records or information; (iv) any claims based on third party communication provider services; or (v) any claim resulting from the termination of the Services.

6.5 H2O shall defend Subscriber, at H2O's expense, against a third party claim that the Licensed Programs or Materials as provided and used within the scope of this Agreement infringe or unlawfully misappropriate such party's United States patents, copyrights, trademarks, or trade secrets, and pay any amounts awarded by a court of appropriate jurisdiction to such third party to the extent based on such claims or otherwise included in a settlement of such claims approved by H2O, provided that: (a) Subscriber notifies H2O in writing promptly (but in no event more than thirty (30) days after) upon becoming aware of such a claim and (b) Subscriber allows H2O to control, and cooperates with H2O in, the settlement and defense of such claims. H2O shall have no authority pursuant to this Section 6.4 to agree to payment on behalf of Subscriber that will not be paid by H2O or to agree to other equitable relief not related to the Licensed Programs, Materials or Network Services.

H2O shall have no liability for any claim based, in whole or in part, on: (a) use of the Licensed Programs or Materials outside the scope of this Agreement; (b) use of a superseded or altered release of the Licensed Programs or Materials, if the infringement would have been avoided by the use of the current release of the Licensed Programs or Materials made available by H2O to Subscriber under this Agreement; (c) the combination, operation, or use of any Licensed Programs or Materials licensed hereunder with any software, hardware or other materials not represented in the applicable Technical Documentation as interoperable with the applicable Licensed Program or Materials; or (d) any modification of the Licensed Programs or Materials not made by H2O.

In the event the Licensed Programs or Materials are held to infringe or unlawfully misappropriate, or are believed by H2O to infringe or unlawfully misappropriate, a third party's United States patent, copyright, trademark, or trade secret, H2O shall have the option, at its expense, to (i) modify the Licensed Programs or Materials to be non-infringing; (ii) obtain for Subscriber a license to continue using the Licensed Programs or Materials, (iii) replace the Licensed Programs or Materials with alternative non-infringing software; or (iv) terminate the license for the infringing Licensed Programs or Materials and, to the extent applicable, refund the one time license fees paid for the applicable Licensed Programs or the fees paid for the Consulting Services paid by Subscriber to H2O to develop the Materials, if any.

This Section states H2O's entire liability, and Subscriber's exclusive remedy, for any claims for infringement or unlawful misappropriation, whether such action, claim or proceeding is based on breach of warranty or any other cause of action.

## 7. Confidentiality.

7.1 Confidential Information. By virtue of this Agreement, the parties may have access to information that is confidential to one another. "Confidential Information" shall mean: (i) the terms and pricing under this Agreement; (ii) the data being transmitted on behalf of Subscriber; (iii) information related to the H2O Analytics Network and any Licensed Programs or Materials (which shall be considered H2O's Confidential Information); (iv) NPI transmitted by or to Subscriber; and (v) all information clearly identified by either party as confidential at the time of disclosure (collectively, the "Confidential Information"). A party's Confidential information shall not include information that: (a) is or becomes a part of the public domain through no act or omission of the other party; (b) is lawfully disclosed to receiving party by a third party without an obligation of nondisclosure to the disclosing party; (c) is independently developed by the other party without reference to the Confidential Information; or (d) was already in the receiving party's possession prior to the Effective Date of this Agreement. Additionally, a party may disclose Confidential Information solely to the extent required

by subpoena, court order or government requirement to be disclosed, provided that the receiving party shall give the disclosing party prompt written notice of such subpoena, court order or government requirement so as to allow such disclosing party to have an opportunity to obtain a protective order to prohibit or restrict such disclosure. Confidential Information disclosed pursuant to subpoena, court order or government requirement shall otherwise remain subject to the terms applicable to Confidential Information.

7.2 Obligations of Non-Disclosure. During the term of this Agreement, the parties are authorized to use the Confidential Information of the other party solely for the purposes of this Agreement and to disclose such Confidential Information within such party on a need to know basis only. A party shall not disclose the Confidential Information of the other party to third parties other than as expressly authorized in this Agreement or as previously authorized in writing by the party owning such Confidential Information. The parties agree to use the same care and discretion to avoid the unauthorized disclosure, publication or dissemination of the other party's Confidential Information received pursuant to this Agreement as it uses to protect its own similar information that it does not wish to disclose, publish or disseminate (but in no event less than a reasonable standard of care).

7.3 Transmittal of Confidential Information. Subscriber understands that H2O cannot guarantee the security of such information when transmitted or accessible when using the internet or H2O Analytics Network or other third party communication providers. Provided that H2O is otherwise in compliance with its material obligations under Section 7.6, H2O shall not be liable or responsible to Subscriber or any other party for any losses, damages, claims, costs or other obligations arising out of or relating to any unauthorized access to, disclosure or use of such Subscriber data or other Confidential Information while such information is transmitted or accessible through the H2O Analytics Network, and shall have no responsibility or liability for any services performed by third party communication providers related to Subscriber's use of the H2O Analytics Network or any breach of confidentiality or security caused by Subscriber's failure to maintain the confidentiality and control of Subscriber's user identification numbers or passwords related to its use of the H2O Analytics Network.

7.4 Industry Tracking Information. Subscriber understands that, as part of the Network Services, H2O may aggregate and disclose information related to the subscribers to the Network Services, in general, of services for their various customers, and agrees that such disclosure shall not be considered or otherwise deemed a breach of this Agreement.

7.5 Disclosures Related to Network Services. Subscriber agrees that the purpose of certain Network Services is to view information and that Subscriber's customers may use the Network Services to share their information with others. Such usage is intended and does not constitute unauthorized disclosure of information. Subscriber shall indemnify and hold H2O harmless from and against any third party claims against H2O related to such disclosures. Additionally, H2O shall not be liable or responsible for any unauthorized disclosures by such customers of any Subscriber Confidential Information.

7.6 Information Security for NPI. For purposes of the NPI, H2O agrees as follows:

- (i) All NPI shall be considered Subscriber Confidential Information;
- (ii) Other than as expressly authorized in this Agreement or otherwise in writing by Subscriber, H2O shall not disclose NPI to any third party other than H2O's contractors or affiliates without the prior written consent of Subscriber;

- (iii) If H2O is required or permitted by law or regulation to disclose NPI under any circumstance not expressly authorized by this Agreement, H2O, where not prohibited by laws, shall notify Subscriber in writing prior to such disclosure if possible or immediately thereafter if prior disclosure is not possible;
- (iv) H2O agrees to take measures consistent with those taken with its own similar Confidential Information, but in no event less than reasonable measures, designed to: (a) protect the security and confidentiality of NPI; (b) protect against any reasonably anticipated threats or hazards to the security or integrity of NPI; and (c) protect against unauthorized access to or use of such Subscriber Information that could result in substantial harm to any of Subscriber's customers;
- (v) H2O agrees that, on not less than ten (10) business days prior written notice, Subscriber may audit H2O's compliance with its obligations related to such NPI by having H2O collect all such NPI then in its possession for review by Subscriber and have an officer of H2O certify in writing that H2O has not made any unauthorized use of the NPI as of the date of such written confirmation. Any such review shall take place at H2O's location, occur during normal business hours, last not more than two business days, and not unreasonably interfere with H2O's normal business operations. Subscriber shall comply with H2O's normal on site policies and regulations in connection with any such review.
- (vi) On receipt of written request by H2O from Subscriber following the expiration or termination of this Agreement, H2O shall return or certify that it has destroyed all NPI provided by Subscriber pursuant to this Agreement (provided, however, in the event that any such NPI is retained in any backup tapes (or similar media) for recovery purposes, such NPI on the back-up tapes shall remain subject to the terms hereof and be destroyed by H2O in the ordinary course of its business for such records); and
- (vii) The terms of this Section 7.6 applicable to NPI shall survive the expiration or termination of this Agreement and continue for so long as H2O has such Nonpublic Personal Information in its possession.

H2O shall promptly notify Subscriber if it determines that third parties have accessed the NPI other than as authorized herein. H2O shall respond promptly and thoroughly to Subscriber's requests for information concerning the specific security measures implemented by H2O, provided, however, that H2O shall not be obligated to disclose proprietary information related to the H2O Analytics Network or the security measures utilized in connection therewith.

Upon reasonable written notice to H2O (which in no event shall be less than ten (10) business days), Subscriber may, at its expense, inspect the information security systems implemented by H2O consistent with audits H2O allows to be conducted by its general customer base for subscribers to the H2O Analytics Network; provided, however, H2O shall not be required to disclose proprietary information related to the H2O Analytics Network or the security measures utilized in connection therewith that it does not make generally available to other subscribers for similar audits.

In the event Subscriber determines that the information security measures implemented by H2O are not adequate, Subscriber will notify H2O of such determination and outline the additional information security measures Subscriber believes should be implemented by Subscriber. In the event (i) H2O does not implement the security measures requested by Subscriber within a reasonable period of time, or (ii) if H2O does not provide the related

security information for the H2O Analytics Network that Subscriber considers relevant to its security audit as described in the preceding paragraph, Subscriber, as its sole and exclusive remedy and H2O's entire liability, may terminate this Agreement on written notice to H2O, and such written notice shall be effective on the sooner to occur of: (i) the termination date set forth in such notice of termination or (ii) sixty (60) days from H2O's receipt of such notice of termination.

## 8. Miscellaneous.

**8.1 Governing Law.** This Agreement and all performance hereunder shall be governed by the laws of the State of Texas, without regard for its conflicts of law principles.

**8.2 Notices.** All notices required hereunder shall be in writing and sent by first class mail and either (i) registered or certified mail, return receipt requested, or (ii) reliable overnight courier. Notices to H2O shall be addressed to: H2O Analytics Corporation, PO Box 29661, Austin, TX 78755, Attn: Jim Brown. Notices to Subscriber shall be addressed to: City of Blanco, 300 Pecan St., Blanco, TX 78606, Attn: Warren Escovy – City Administrator.

**8.3 Severability.** In the event any provision of this Agreement, or portions thereof, is held to be invalid, illegal, or unenforceable, they are to that extent deemed to be omitted and the remaining provisions of this Agreement will be effective.

**8.4 Waiver.** The waiver by either party of any default, breach, or right of this Agreement shall not constitute a waiver of any other or subsequent default, breach, or right.

**8.5 Survival.** The expiration or termination of this Agreement shall not relieve either party of any obligations of payment that accrued pursuant to the terms of this Agreement, or that such obligated party agreed to pay, prior to the effective date of such expiration or termination, and the parties' obligations under Sections 6 (Limitation of Liability), 7 (Confidentiality), and 8 (Miscellaneous) shall survive the expiration or termination of this Agreement.

**8.6 Force Majeure.** Neither party shall be responsible for failure to perform in a timely manner under this Agreement when its failure results from any of the following causes: Acts of God or public enemies, civil war, insurrection or riot, fire, flood, explosion, earthquake or serious accident, strike, labor trouble or any cause beyond its reasonable control.

**8.7 Assignment.** Subscriber party may not assign its rights or obligations under this Agreement, in whole or in part, without the prior written consent of H2O. Any purported assignment of rights in violation of this Section 8.7 is void.

Notwithstanding the foregoing, H2O agrees that Subscriber may assign this Agreement (in its entirety) to a third party in connection with such third party's purchase of all or substantially all of the assets of Subscriber, provided that any such assignment authorized in this Section 8.7 shall be subject to the following conditions: (a) the assignee is a water utility and is not a competitor, directly or indirectly, of H2O; and (b) the assignee expressly assumes all rights and obligations of Subscriber under this Agreement in a written agreement with H2O.

The assignment of this Agreement pursuant to this Section shall not relieve Subscriber of any obligations outstanding as of the effective date of such assignment. All rights and licenses of Subscriber hereunder shall terminate as of the effective date of any assignment of this Agreement; provided, however, Subscriber's obligations of confidentiality pursuant to Section 7 above shall continue in accordance with Section 7 indefinitely.

This Section shall not prohibit H2O's right to assign this Agreement; provided, however, that any assignee of this Agreement by H2O shall expressly assume H2O's obligations under this Agreement.

**8.8 Export Administration.** Subscriber is not authorized to transfer, or cause to be transferred, or utilize any Licensed Programs, Materials, Network Services or the H2O Analytics Network outside

the Territory. In the event Subscriber is subsequently authorized in writing by H2O to transfer or utilize any Licensed Programs or Materials outside such Territory, Subscriber agrees to comply fully with all relevant export laws and regulations of the United States to assure that neither the Licensed Programs or Materials, nor any direct product thereof, are exported, directly or indirectly, in violation of United States law.

**8.9 Dispute Resolution.** In the event of a dispute, the parties shall work together in good faith to resolve the matter through informal means, including timely escalation of the dispute to senior management having full settlement authority. If the dispute remains unresolved, the parties will use a mutually agreed non-binding alternative dispute resolution technique. Either party may seek a judicial resolution only after completion of the foregoing

procedures; provided, however, that either party may seek injunctive or other equitable relief to which they may be entitled at any time.

**8.10 Entire Agreement.** All Schedules and supplements attached to this Agreement are incorporated herein by reference and are expressly made a part of this Agreement (except supplements that require execution by the parties, which shall not be binding until executed by both parties). This Agreement constitutes the complete agreement between the parties and supersedes all prior or contemporaneous agreements or representations, written or oral, concerning the subject matter of this Agreement. This Agreement may not be modified or amended except in writing signed by a duly authorized representative of each party.

Each party has caused this Agreement to be executed by its duly authorized representative.

**H2O ANALYTICS CORPORATION**

**CITY OF BLANCO**

**By:** \_\_\_\_\_  
**Name:** \_\_\_\_\_  
**Title:** \_\_\_\_\_  
**Date:** \_\_\_\_\_

**By:** \_\_\_\_\_  
**Name:** \_\_\_\_\_  
**Title:** \_\_\_\_\_  
**Date:** \_\_\_\_\_

**SCHEDULE A-1  
HOSTED SOFTWARE AND SERVICES AGREEMENT  
BETWEEN H2O ANALYTICS CORP AND CITY OF BLANCO**

This **Schedule A-1 to the Hosted Software and Services Agreement** ("Schedule A") is effective as of the latest date on the signature section below ("Effective Date of this Schedule A") by and between **H2O Analytics Corporation** ("H2O"), a Texas corporation, having a place of business at 6038 Sentry Point, Fischer, TX 78623, and **City of Blanco** ("Subscriber"), a political subdivision of the State of Texas, having a principal place of business at 300 Pecan St., Blanco, TX 78606.

This Schedule A incorporates by reference that certain Hosted Software and Services Agreement of even date herewith (the "Agreement") by and between the parties, and Subscriber's access to the H2O Analytics Network and use of the Network Services shall be governed by the terms and conditions of the Agreement. The Agreement shall remain in full force and effect, except that it shall be supplemented as set forth in this Schedule A. Any capitalized terms that are not defined in this Schedule A shall have the meanings set forth in the Agreement. Should a conflict arise between this Schedule A and the Agreement, the provisions of this Schedule A shall control.

**1. Authorized Network Services.** Commencing on the Effective Date of this Schedule A and as the standard Interfaces for each such Network Service identified below are made available by H2O to Subscriber and continuing so long as such Network Services are offered through the H2O Analytics Network, H2O hereby authorizes Subscriber to utilize the H2O Analytics Network and Network Services within the Territory pursuant to the terms of the Agreement and this Schedule A:

- (a) H2O Analytic Engine;
- (b) Customer Messaging Service;
- (c) Billing System Interface module;
- (d) Hourly Meter Data Processing module;
- (e) Customer Portal;

**2. Payments for Network Services Authorized Pursuant to Section 1.**

**2.1 Payments for Network Services in Sections 1(a) through (e).** In addition to all other payment obligations elsewhere in the Agreement, Subscriber agrees to pay the following Fixed, Variable and Annual Support Payments for its use of the H2O Analytics Network and Network Services set forth in Sections 1(a) through (e) of this Schedule A:

(i) **Fixed Payment.** Fees due under this section will be paid on Subscriber's behalf by Ferguson. Subscriber is authorized to use the Network Services in conjunction with a utility customer-base not to exceed 1,300 connections. In the event that Subscriber's customer base exceeds 1,300 connections, incremental one-time payments will be due as described here:

Number of Subscriber Connections	One-Time Fee
1,301 – 1,500	\$ 1,200.00
Each additional 200 thereafter	\$ 1,200.00

(ii) **Telecom Payments.** Telephone call credits are charged per 60 second call segment and SMS credits are charged per 140 byte message segment. Call and SMS credits are charged based on monthly usage according to the following variable scale:

Calls and SMS Credits per Month	Charge per Credit
1 to 2,000	\$ 0.12
2,001 to 4,000	\$ 0.10
4,001 and up	\$ 0.08

(ii) **Annual Support Payments.** The first Annual Support Fee will be due six months from the Effective date of this Schedule A and will be paid on Subscriber's behalf by Ferguson. The subsequent Annual Support Fee of \$2,400.00 will be due 18 months from the Effective date of this Schedule A and will be due annually thereafter during the term of the Agreement and this Schedule A. In the event that incremental one-time payments are due as described in 2.1(i) above, corresponding increases in the Annual Support Payment equaling \$2.00 per incremental subscriber connection per year will be added to subsequent Annual Support Payments.

Subscriber understands and agrees that H2O may increase any fees/charges described in this Section 2.1 of Schedule A to this Agreement at any time, provided that (i) such fees/charges are not increased more than once per year, and (ii) H2O advises Subscriber of such increases for fees/charges no later than sixty (60) days prior to the effective date of such increases.

Each party has caused this Schedule A to be executed by its duly authorized representative.

**H2O ANALYTICS CORPORATION**

**CITY OF BLANCO**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**STATEMENT OF WORK B-1  
HOSTED SOFTWARE AND SERVICES AGREEMENT  
BETWEEN H2O ANALYTICS CORP AND CITY OF BLANCO**

This Schedule B-1 to the Hosted Software and Services Agreement ("Schedule B") is effective as of the latest date on the signature section below ("Effective Date of this Schedule B") by and between H2O Analytics Corporation ("H2O"), a Texas corporation, having a place of business at 6038 Sentry Point, Fischer, TX 78623, and City of Blanco ("Subscriber"), a political subdivision of the State of Texas, having a principal place of business at 300 Pecan St., Blanco, TX 78606.

This Schedule B incorporates by reference that certain Hosted Software and Services Agreement of even date herewith (the "Agreement") by and between the parties, and Subscriber's access to the H2O Analytics Network and use of the Network Services shall be governed by the terms and conditions of the Agreement. The Agreement shall remain in full force and effect, except that it shall be supplemented as set forth in this Schedule B. Any capitalized terms that are not defined in this Schedule B shall have the meanings set forth in the Agreement. Should a conflict arise between this Schedule B and the Agreement, the provisions of this Schedule B shall control.

Subscriber may terminate this Statement of Work at any time upon thirty (30) days prior written notice to H2O and its only obligation shall be to pay for Consulting Services rendered through the effective date of the termination.

**1. PROJECT ACTIVITIES AND DELIVERABLES**

The table below details tasks and deliverables for the H2O resources. These tasks and deliverables may change to accommodate the Subscriber's needs with the project. Any changes to these deliverables will follow the procedures outlined in Section 2.1 below.

Task Name	Description / Deliverable
Data Conversion Pipeline	Establish data mapping routines between Subscriber systems and Network Services for core tables including customers, locations, meter readings, and meters. Separate routines may be required for legacy / historical data.
Subscriber System Interfaces	Configure nightly automated extract / encrypt / transmit / decrypt / map processing pipeline for data conversion pipeline steps described in task above. Requires access to billing database or billing extract files.  Configure automated interface between Subscriber's REAdy Manager system and the Network Services, for the transmission of hourly meter readings and Infocodes. Requires access to the utility REAdy Manager system.
Hosted Service configuration	Setup templates for email, VoIP and SMS messages.
Marketing Information	Assist Subscriber in the development of marketing information for Subscriber's website, to educate end Customers on the benefits and functionality of the Customer Portal.
Testing and Training	Thoroughly test all system functions and obtain Subscriber signoffs.  Train Subscriber staff members on all system functions.

**2. PROJECT MANAGEMENT**

**2.1 Agreed-Upon Baseline**

This Statement of Work identifies the work activities that will be tracked, defines the boundaries for scope control, and clarifies many of the areas where issues may arise that need to be managed.

**2.2 Change Control Procedure**

The Change Control Procedure is a crucial mechanism that can affect the success or failure of this project. This process is the primary vehicle for containing scope and ensuring that management has the opportunity to make timely trade-offs between the three key project variables of cost, time and scope. It is imperative that potential changes are identified early, documented carefully, and resolved at the appropriate levels of responsibility. The following is the Change Order Procedure that will be followed by the parties:

i. Subscriber Shall Submit Change Orders In Writing. Should Customer desire to make a Change in the Consulting services described in the Statement of Work after the commencement of the Project, Subscriber shall submit a written request for such change ("Change Order Request") to the H2O project manager. For purposes of this Agreement, a "Change" is broadly defined as: work activities or work products not originally described in the Statement of Work Such request must be signed by an authorized representative of Subscriber.

ii. H2O must Respond with Estimated Impact (time and expense) within 5 Business Days, or within such time as the parties agree is reasonable depending upon the scope and urgency of the request, of receipt of the Change Order Request, the H2O project manager shall provide the Subscriber's project manager with a written estimate of the Impact of the Change described in the Change Order Request in relation to the estimated costs and expenses which will be incurred, as well as the impact on the timing and delivery of the deliverables described in the Project Plan ("Change Order Offer").

iii. Subscriber must Decide Whether to Proceed within 5 Business Days of receipt of the Change Order Offer. Subscriber shall have five (5) business days to indicate its acceptance of the Change Order Offer by having an authorized representative sign such Change Order Offer and deliver it to the H2O project manager. If the Change Order Offer is not delivered to H2O within five days after the estimate is delivered to Subscriber, it shall be deemed to have been rejected.

Each party has caused this Schedule B to be executed by its duly authorized representative.

**H2O ANALYTICS CORPORATION**

**CITY OF BLANCO**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

# **OLD BUSINESS**

## **ITEM #2**



**OLD BUSINESS**

**ITEM #3**

**Memorandum of Understanding  
Between**

Blanco County South Library District  
and  
City of Blanco, Texas

This Memorandum of Understanding (MOU) is hereby entered into by **Blanco County South Library District** (hereafter referred to as "Library"), a business located at 1118 Main Street, Blanco, Texas 78606, by and through its duly authorized representative, and the **City of Blanco**, Texas, a type A general law municipal corporation (hereafter referred to as "City") whose primary place of business is located at 300 Pecan St., Blanco, TX 78606, by and through its duly authorized Mayor. Library and City may be referred to herein individually as a "Party" or collectively as the "Parties."

**PREAMBLE**

**WHEREAS**, the governing bodies of each party find that the subject of this MOU is necessary for the benefit of the public and that the performance of this MOU is in the common interest of both parties; and

**WHEREAS**, Library and the City find that the development of an effective organizing framework to enhance cooperation and coordination among regional stakeholders is in the common interest of both parties; and

**WHEREAS**, Library and the City find that the efforts undertaken through this MOU will serve to fulfill program growth and library services to the citizens of Blanco, Texas.

**NOW THEREFORE**, Library and the City, hereby mutually agree to:

**I. CITY RESPONSIBILITIES**

1. The City agrees to donate the LED Sign to the Blanco County South Library District.
2. The City agrees to waive the variance application fee.

## II. LIBRARY RESPONSIBILITIES

1. The Library agrees to take responsibility for ownership, repair, and maintenance of the LED sign.
2. The Library agrees to go before Planning & Zoning Commission and the City Council to have variance approved to allow for electronic lighting of LED sign within the City of Blanco city limits.

## III. MISCELLANEOUS

1. Amendments. This MOU may be amended by mutual written agreement signed by the parties hereto.
3. Relationship of Parties. Nothing contained in this MOU shall be deemed to create a partnership, joint venture, or relationship of employment between the Parties. Neither Party shall have the authority to act on behalf of the other Party, or to commit any other Party in any manner or cause whatsoever, or to use any other Party's name in any way not specifically authorized by this MOU.
4. Liability. Neither Party shall be liable for any act, omission, representation, obligation or debt of the other Party.
5. Legal Effect of MOU. Library and City understand and agree that this MOU constitutes only an expression of intent and shall have no legal or binding effect on the parties.
6. Term and Termination
  - 10.1 This MOU is effective upon signatures by both parties.
  - 10.2 Either party may terminate this agreement upon 30 days' written notice to the other party.
  - 10.3 In the event of termination the Parties shall take the following steps:
    - a) Any ongoing projects shall be completed or terminated in accordance with the terms and conditions stipulated in the research agreement; and,
    - b) Any equipment, software, data, or materials acquired in connection with collaborative projects or activities shall be distributed between the Parties in accordance with the terms and conditions of the research agreement.

7. Contact information

Notices and correspondence concerning this MOU shall be sent to

**For Library:**

Crystal Spybuck  
Library Director  
1118 Main Street  
Blanco, TX 78606  
Phone: 830-833-4280  
Fax: 830-833-2680  
[blancotxlibrary@gmail.com](mailto:blancotxlibrary@gmail.com)>

**For City of Blanco, TX:**

Mike Arnold  
Mayor  
P.O. Box 750  
Blanco, TX 78606  
Phone : 830-833-4525  
Fax : 830-833-4121  
[mayor@cityofblanco.com](mailto:mayor@cityofblanco.com)

With copy to:

Tim Tuggey  
City Attorney  
Tim Tuggey Law  
Austin, Texas  
512.800.9925 Office

IN WITNESS WHEREOF, the Parties hereto have executed this Memorandum of Understanding to be effective as of the Effective Date.

**Blanco County South Library District**

By: \_\_\_\_\_  
Crystal Spybuck  
Library Director

Date: \_\_\_\_\_

**City of Blanco, TX**

By: \_\_\_\_\_  
Mike Arnold  
Mayor

Date: \_\_\_\_\_

**OLD BUSINESS**

**ITEM #4**



# City of Blanco

P.O. Box 750 Blanco, Texas 78606  
Office 830-833-4525 Fax 830-833-4121

STAFF REPORT: 8/13/24

**DESCRIPTION:** Discussion and possible approval or denial of an amended contract with Inframark

**ANALYSIS:** City of Blanco entered into an agreement with Inframark to provide utility operating services for a period of ten years. The contract spelled out that Inframark would operate the utility systems of Blanco, do light maintenance for City offices, mow the lawns to city parks, and minor repair as needed. The yearly fee from Inframark is \$1,230,000 (\$615K for water and sewer separately). The City pays an annual API (materials CPI) of about 4.8% which has increased the cost of running our Utility operations in our third year of the contract with out operator.

The issue with said company was two fold with both the City's ability to afford the service in question and not having other public works type services not addressed. The items not addressed with this contract was tree trimming, customer service inspections not being performed, street maintenance and the flushing of dead-end waterlines. Some of these items are utility operations issues and some are just public works issues that were never covered by the contract.

City Council instructed the City Administrator to go out for RFQ for utility operations and basic street repair. City Admin, Council member Cargill, and Mayor Arnold met with Inframark to discuss either a reduction in fee or adding value to make the service more affordable. Both options are in play.

Inframark's offer is as follows:

1. Mowing of city parks, right-of-ways, and rear easements identified in Schedule 5, and perform limb trimming in said city parks, right-of-ways, and rear easements.
2. Flush dead-end waterlines that are accessible on a monthly basis.



3. Remove animal carcasses within the Client's right-of-ways when such removal does not create a health or safety risk.
4. Perform maintenance for street sign and replace any street signs as necessary.
5. Perform up to fifteen (15) customer service inspections per month.
6. Perform light street maintenance to include pothole repairs and concrete curb and sidewalk repairs.

**Inframark is committed to hiring an additional employee and support at no added cost to the City.**

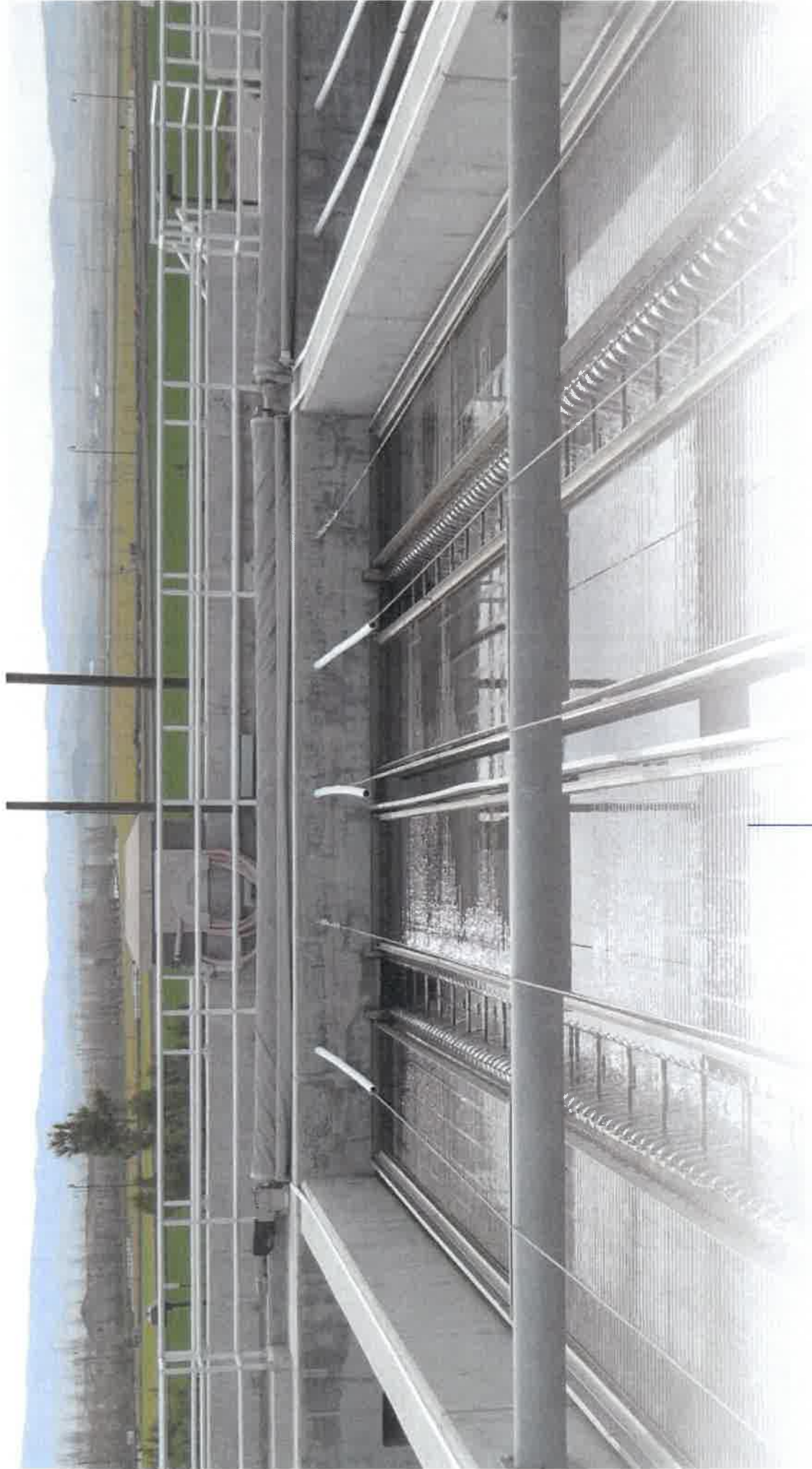
Inframark is willing to decrease the cap coverage admin fee from **15% to 5%** (Estimated to be about \$21,000 of savings to the City)

The cost savings (City's budget was committed to hiring a Public Works Employee to do street repair) of the new employee plus the decrease in the admin fee is approximately \$90,000. The value of the additional scope could be above \$100,000 a year. In the opinion of staff this a very good deal that is worth at least \$90,000.

City Public Works did some sporadic street and pothole repair. We have a pothole filling machine that has not been in use for at least 5 years. We could look at repairing this machine or buying a new machine.

**FISCAL IMPACT:** About \$90,000 in value

**RECOMMENDATION:** Staff's recommendation is to amend the Inframark contract to include this new service and pull back the RFQ.



# Blanco Contract Adjustment Proposal

August 5, 2024





## **Inframark's added scope at no added cost to the City**

- 1. Mowing of city parks, right-of-ways, and rear easements identified in Schedule 5, and perform limb trimming in said city parks, right-of-ways, and rear easements.**
- 2. Flush dead-end waterlines that are accessible on a monthly basis.**
- 3. Remove animal carcasses within the Client's right-of-ways when such removal does not create a health or safety risk.**
- 4. Perform maintenance for street sign and replace any street signs as necessary.**
- 5. Perform up to fifteen (15) customer service inspections per month.**
- 6. Perform light street maintenance to include pothole repairs and concrete curb and sidewalk repairs.**

# Inframark's contract adjustments

## Benefit to the City

1. **By Inframark taking on the added scope the City will not need to sell the 9 acres of land in order to hire an employee to complete road repairs and needed work around the City.**
2. **The City will also not need to sub-contract out the pot hole and light street maintenance repair**
3. **The City will save on the administrative fee for cap coverage by Inframark's willingness to reduce the fee from 15% to 5%.**
4. **The City won't need to sub-contract out for street sign maintenance and repair which helps towards the City's budget**
5. **Inframark will take care of water line flushing to maintain water quality throughout the system.**
6. **Through adding customer service inspections, Inframark will keep in touch with the community, customers and ensure leaks are addressed as proactively and promptly as possible.**

# Financial Comparison

Effective Date	Base Fee	Cap Fee	Total
10/1/2023	\$940,349	\$227,496	\$1,167,845
10/1/2024	\$986,935	\$238,766	\$1,225,701

Inframark is committed to hiring an additional employee and support at no added cost to the City. The 2024 base fee would only be adjusted by the contractual CPI which is estimated at 4.9%. Cap fee would be adjusted by estimated CPI. Inframark would suggest including an additional \$30K in the 2024 contract year to account for asphalt material and concrete as part of street maintenance. Inframark is willing to decrease the cap coverage admin fee from 15% to 5%

**OLD BUSINESS**

**ITEM #5**

Subject Comparative market analysis for Lt 3, Blanco Vista Estates

From Teri McKenzie <terimckenzie@gvtc.com>

To Warren Escovy City Adm <cityadmin@cityofblancotx.gov>

Date Thursday August 8, 2024 8:49:40 PM

Warren:

Comps were like picking a needle out of 10 haystacks.

I have zero sold comps, but have a few other comps. They are all on 281 and zoned commercial or unrestricted.

Subject property is on 9.43 acres of which I estimate 2 acres is in flood zone or creek area. There were no digital flood zone maps for subject property from FEMA, but normally creeks are in the X flood zones.

I estimate 672 linear feet of highway frontage but 145 ft of that is creek, so give or take 527 linear feet of usable land on Hwy 281.

I don't see an egress/ingress on the property but did read on the deed on Reservations #6, there is one there. Without an ingress/egress the property would be landlocked and would be unsaleable. For commercial use, there will need to be an ingress/egress from Hwy 281.

The best use for this property would be commercial or unrestricted. It will most likely be C1 with the neighborhood there. I don't believe the best use would be residential.

I have three comps, but no sales.

Comp 1 is 10.04 all usable acreage on the northern side of Blanco. Beautiful land, cleared, views, great location near 290 and, can go commercial or residential. Has ingress/egress/electrical and 500 linear feet on 281. It is priced at \$77,191 per acre. No flood zone or creeks. All in all Prettier property. It has been on the market 597 days, so almost two years.

The second one is closer to your property 0 N US Hwy 281, at and it has quite a bit of the land in the flood zone and has been listed for 782 days. I asked the listing agent where he got his comps and he said "it's just what the seller wanted for it". So I don't take this one too seriously. It is on 7.02 acres. Obviously overpriced. City water is close ...commercial or unrestricted. Its at \$115,000 per acre.

The third one is 8662 N US 281. 6.99 acres with 200 feet at the crossroads of 281 /290, a desirable intersection. Unrestricted, has two water wells and electric onsite. It just recently expired on 7/31/2024. This was listed at \$100,000 per acre.

I think the subject property would be closer to Comp 1 with adjustments for usable area, flood zone and aesthetics so with adjustments for creek ( 7.73 acre adjustment) and another \$40000 for clearing and aesthetics, which brings subject property to \$556,686. Keep in mind there are no sales comps so this is based on listing prices. I would probably recommend listing it at \$600,000 for commercial. On residential, I believe you will be looking at closer to \$300,000.

I hope this helps. I have back up material for you but my scanner is not working tonight so I will drop it by your office tomorrow.

Sincerely,

Teri McKenzie  
RE/MAX GENESIS REALTORS  
410 Main Street  
Blanco, Texas 78606  
210-275-2777

The market is slow right now because of the economy, and the stock market, and everyone is waiting to see what happens in the election.

***From Our Home to Yours,  
Teri and Doug McKenzie***

***The McKenzie Team  
RE/MAX GENESIS REALTORS***

**Teri - 210-275-2777 Doug: 210-275-1997 Office: 830-833-2000  
Exceptional Real Estate Service**

**[Search For Homes](#)**

[Texas Consumer Protection Notice](#)  
[TREC Information About Brokerage Services](#)



# 281 Highway, Blanco, Texas 78606

Listing ID: 4066991 LP: \$775,000



**Address:** [0 281 Hwy](#) **Std Status:** A/LAND  
**City:** Blanco, Texas 78606 **County:** Blanco  
**Parcel #:** [86629](#)  
**Subdivision:** none  
**Legal Desc:** ABS A0489 Survey 21 G W Pierce, Acres 10.04  
**Tax Blk:** **Tax Lot:**  
**Sch Dist:** [Blanco ISD](#) **MLS Area:** BL  
**Mid or JS:** [Blanco](#) **Elem:** [Blanco](#)  
**Type:** Single Lot **High:** [Blanco](#)  
**Lot Sz Acres:** 10.04 **Arch Aprv:**  
**Lot Sz Dim:** **\$/Acres:** \$77,191.24  
**Lot Sz SF:** 437,342

## General Information

**WaterFront:** No/None  
**FEMA Flood:** No  
**Horses:** Yes/Pasture  
**Disclosures:** Owner/Agent  
**Restrictions:** None  
**Zoning:**

**ETJ:** See Remarks  
**Endanger Sp:**  
**Builder Res:** No  
**Livestock:** Yes

## Exterior Information

**Comm Allow:** Yes  
**Fencing:** Livestock, Partial, Wire, See Remarks  
**Lot Feat:** Agricultural, Cleared, Level, Native Plants, Public Maintained Road, Trees-Medium (20 Ft - 40 Ft), Views  
**Community Feat:** None  
**Other Structures:** None  
**View:** Hill Country, Pasture  
**# Wells:** 0

**Corrals:**  
**Sheds:**  
**Surf Wtr:** No  
**Minerals:** See Remarks  
**# Ponds:**

## Additional Information

**List Agrmnt:** TXR/Exclusive Right To Sell  
**Spl List Cond:** None  
**Disclosures:** Owner/Agent  
**Docs Avail:** Survey  
**Comm Feat:** None

**Listing Svc:** Full Service

## Utility Information

**Water Src:** None  
**Utilities:** None  
**Sewer:** None  
**Gnd Wtr Con:** Yes

## Financial Information

**Estimated Tax:** \$13  
**Tax Exempt:** Agricultural  
**Special Assess:**  
**Buyer Incentive:** None  
**Accept Finance:** Cash, Conventional  
**Prefr'd Title Co.** Countywide Title

**Tax Annl Amt:**  
**Tax Assess Val:** \$190,760  
**Tax Year:** 2022  
**Tax Rate:** 1.4414  
**Possession:** Close Of Escrow, Funding

## Showing Information

**Occupant Type:**  
**Showing Reqs:** Appointment Only, Call Listing Agent, Pet(s) on Premises, See Showing Instructions, Sign on Property, Text Listing Agent  
**Showing Instr:** Please text or call LA for appointment. KEEP GATE CLOSED CATTLE ON PROPERTY!!! Gate is locked. Owners names: Nancy Marshall Stone, Robert Dale Marshall II, Jesse David Marshall and Jay Ryon Marshall  
**Lockbox SN#:**  
**Contact Name:** Melodie Noah  
**Contact Type:** Agent  
**Directions:** From Blanco - Drive North on US Hwy 281, Property is 2 miles north of the city limit sign. Property is on the east side (right hand side ) of roadway- look for sign.

**Owner Name:** See agent remarks  
**Access Code:** none  
**Contact Phone:** 830-431-0413  
**Show Service Ph:** 830-431-0413

## Remarks

**Private Remarks:** Please call or text LA for appointment. Gate is locked. Keep gate closed --cattle on property. Owner is a LREA. Owners names: Nancy Marshall Stone, Robert Dale Marshall II, Jesse David Marshall and Jay Ryon Marshall

**Public Remarks:** Rare find of 10.04 Acres Unrestricted/ Ag Exempt property with over 500 ft of US Hwy 281 road frontage. Located two miles north of the charming town of Blanco, this tracts offers a private entrance, phenomenal views of the hill country, mostly level usage land, and fencing on two sides. This tract has many wonderful oak trees and a mixture of rich soil that would make a perfect site for an agriculture - based business or home. Easy access to the wonderful opportunities of the Texas Wine Trail. Austin or San Antonio less than one hour away. Commercial or Residential usage.

*B 7/7/19  
Cleared  
pretty  
ingress  
electrical  
500 ft  
281 front  
Views*

**Agent Report**



**Addr:** 0 N US Hwy 281  
**Status:** Active  
**Area:** 3100  
**Int.St./Dir:** Heading North on Hwy 281 just south of the city of Blanco, property will be on the left. Look for sign, address has not been determined yet...  
**Subdivision:** PM Properties (Common) / O (Legal)  
**City:** Blanco  
**County:** Blanco  
**Legal:** 7.02 acres out of 26.61 acres, H Eggleston Survey No 24  
**Lot Size:** 7.02  
**Sch:** Blanco  
**Elem:** Blanco  
**Middle:** Blanco  
**High:** Blanco  
**Class:** Lots & Acreage  
**Grid:**  
**Zip:** 78606  
**CAN#:** 14921  
**Block:** 0  
**Lot Dimensions:**  
**Currently Leased:**  
**Lease Expiration:**

**MLS #:** 1615733  
**List Price:** \$805,000  
**AdSf:**  
**Lot:** 1  
**Type:** Other  
**Sale/Rent:** For Sale  
**Mo Lease:**

*\$115,000/Per acre  
for 0 high*

**Lot Description**

**Front Feet:** 312  
**Depth Feet:** 713  
**Total Acres:** 7.02  
**Price/Acre:**  
**Well Depth:**

**Utility Suppliers**

**Gas:** Blanco Hydro  
**Electric:** PEC  
**Garbage:** HC  
**Water:** Well,City  
**Sewer:** other  
**Other:**

**Assessments Mand/Mult HOA:** None/N

**HOA Name:**  
**HOA Fee / Freq / Trans Fee:** //

**Base Taxes**

**County:** \$522  
**City:** \$500.11  
**School:** \$1,340  
**Other:** \$180  
**Total:** \$2,542.11  
**Taxed by Mltpl Counties:** No

**Zoning:** MULTI USE

**Preferred Title Co.:** Countywide Title

*300 ft 281  
front plain*

**Owner:** Mancha  
**List Agent:** Michael Anderson  
**List Office:** All City San Antonio Registered Series  
**Ph to Show:** 210-222-2227

**Owner LREA/LREB:** No  
 (210) 818-6140  
 (210) 625-1459  
**Lockbox Type:** Other **Showing Contact:** Agent

**SC\$:** 0%  
**BC\$:** 3%  
**Bonus:** 0

**AgentRmrks:** Perfect location for a beautiful 7.02 acres of zoned multi use land just south of the quaint beautiful town of Blanco. Property could be commercial or residential, could be perfect 5-6 home subdivision or with approval any commercial need. 300 ft of 281 frontage, city water is close, backs up to Cielo Springs subdivision.

**Remarks:** Perfect 7.02 acres of multi use land in exploding Blanco, Texas. Highway frontage, City water is close on 281, blank canvas for so many uses. Residential, commercial, investment, inside the city of Blanco - great opportunity. City of Blanco and surrounding area is one of the fastest growing areas in the state of Texas as well as the US. When it's gone it's gone don't wait - opportunities are endless.

**Description:** Improved, Wooded, Cleared  
**Utility Avail:** Water System, Well Allowed, Electric, Other  
**Utility On Site:** Electric  
**Site/Area Ft:** Seasonal Creek, Other - See Remarks  
**Improvements:** Fencing, State Highway  
**Miscellaneous:** Not Applicable  
**Septic:** Required  
**Location:** Hill Country View, Country View, Gently Rolling, Level  
**Frontage:** FM/State Highway, U.S. Highway  
**Restrictions:** Other

**Other Structures:**  
**Terrain:** Level, Gentle Slope  
**Trees:** Few, Hardwood, Evergreen  
**Docs Avail:** Survey  
**Green Features:**

**Contingent Info:**  
**Contract Date:**  
**Closing Date:**  
**Sell Ofc:**

**Sale Trms:**  
**Sell Concess:** -  
**Selling Agent:**

**DOM/CDOM:** 782 / 782  
**Sell Points:**

**Sold Price:**  
**SQFT/Acre:**  
**Price per SQFT:**  
**Source SQFT Acre:**

All measurements, taxes, age, financial & school data are approximate and provided by other sources. Buyer should independently verify same before relying thereon.\*\*\*Copyright 2024 by SAN ANTONIO BOARD OF REALTORS\*\*\*

Prepared By: Teri McKenzie, ABR,CRS | RE/MAX Genesis | Cell: (210) 275-2777 | Email: terimckenzie@remax.net | 08/08/2024 02:52 PM



**Agent Report**



**Addr:** 8662 N Us 281  
**Status:** **Expired** (07/31/2024)  
**Class:** Commercial Land/Unimproved  
**MLS #:** 1728627  
**Area:** 3100  
**Grid:**  
**List Price:** \$599,000  
**Int.St./Dir:** From San Antonio head North on Hwy 281 through Blanco, entrance on the right off 281 prior to getting to the 290/281 turn off toward Austin.  
**City:** Blanco  
**Zip:** 78606  
**AdSf:**  
**County:** Blanco  
**CAN#:** R11595  
**Zoning:** NONE  
**Lease:** \$: \$0  
**Currently Leased:**  
**Legal:** NO LE HACE , LOT 50 , ACRES 6.99 HUD# TEX0451595 ,;S# N21465  
**Lease Expiration:**  
**Utility Suppliers**  
**Land Description**  
**Gas:** Land SqFt: 304484  
**Electric:** Prc/SqFt: \$998.33  
**Garbage:** Land Acres: 6.99  
**Water:** Price/Acre: \$85,693  
**Sewer:** Front Feet: 273  
**Other:** Lot Size: 6.99  
**Lot Dimensions:**

<b>Base Taxes</b>	<b>Existing Exemptions</b>	<b>Type:</b> Commercial Land	
County: \$1,933	Agric: No		
City: \$0	Other: No		
School: \$5,933		<b>Financials</b>	
Other: \$700		Preferred Title Co.: Countywide Title	
Total: \$8,566		PrTerms: Cash, Conventional	
<b>Owner:</b> Kevin Woodworth	<b>SC/\$:</b> 0%	<b>BC/\$:</b> 3%	<b>Owner LREA/LREB:</b> No
<b>List Agent:</b> Jenna Moore	650086	(830) 868-4663	<b>Bonus:</b>
<b>List Office:</b> Topper Real Estate	TOPR00	(830) 868-4663	<b>Agency Rsv:</b>
<b>Ph to Show:</b> 512-695-1799	<b>Showing Contact:</b> Agent	<b>Lockbox Type:</b> Combo	

**AgentRmrks:** Buyer will need to apply for a commercial entrance if needed for intended use.  
**Remarks:** UNRESTRICTED property with 200' of frontage road at the crossroads of Hwy 281/290 in the Texas Hill Country. This property offers a great opportunity to establish a residence or commercial business. Boasting amazing views, this property would be perfect for BnB, RV Park, tech, construction, or any other business you'd like to bring. Currently the property has two water wells and electric on site. There is a metal pole barn that will convey as well. All other structures will not convey but are for sale a... (text truncated for print)

<b>Present Use:</b> Commercial, Residential	<b>Rail:</b> No
<b>Frontage:</b> U.S. Highway	<b>Flood:</b> None
<b>Mineral Rights:</b> None	<b>Misc:</b>
<b>Docs Avail:</b> Survey	<b>Other Structures:</b> \$OTHER_STRUCTURES
<b>Restrictions:</b> Not Applicable/None	
<b>Utilities On Site:</b> Electricity, Water, Septic	
<b>Utility Available:</b>	
<b>Easements:</b> Electric	

<b>Contingent Info:</b>	<b>DOM/CDOM:</b> 190 / 190	<b>Sold Price:</b>
<b>Contract Date:</b>	<b>Sale Trms:</b>	<b>SQFT/Acre:</b>
<b>Closing Date:</b>	<b>Sell Concess: -</b>	<b>Price per SQFT:</b> \$998.33
<b>Sell Ofc:</b>	<b>Selling Agent:</b>	<b>Source SQFT Acre:</b>

All measurements, taxes, age, financial & school data are approximate and provided by other sources. Buyer should independently verify same before relying thereon.\*\*\*Copyright 2024 by SAN ANTONIO BOARD OF REALTORS\*\*\*

Prepared By: Teri McKenzie, ABR,CRS | RE/MAX Genesis | Cell: (210) 275-2777 | Email: terimckenzie@remax.net | 08/08/2024 02:48 PM

*Handwritten notes:*  
 \$100.00 per acre  
 6.99 acres  
 800' frontage  
 utility

access Rd. on 281  
landlocked  
easement needed

PID  
15849

9.43

Bl Vis E

L3'

TRAY 4356 TO 0045

MV : 443,3350

1800 203/403

30056236

98413713

48031C0110a eff. 2

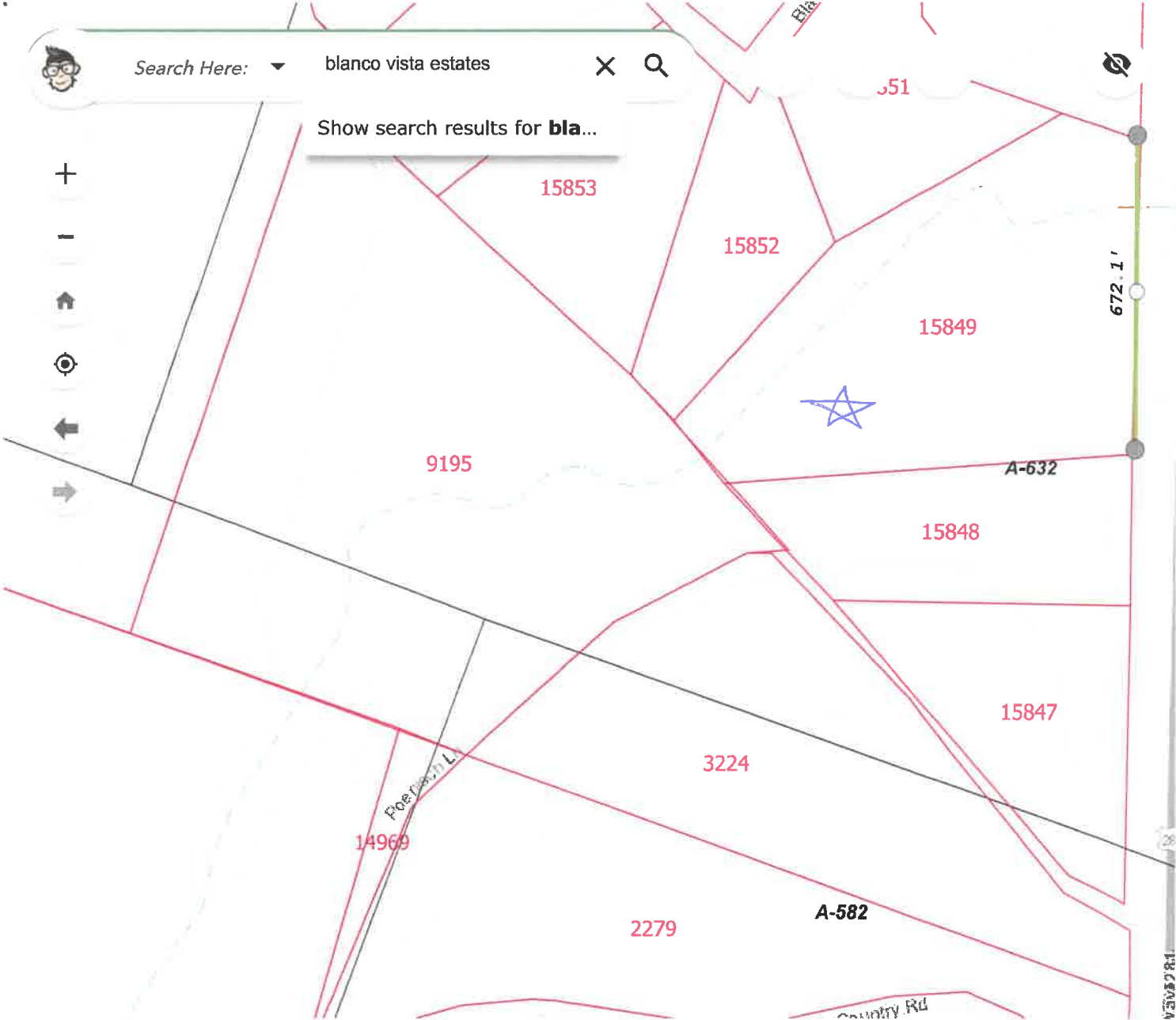


Search Here: ▾

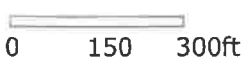
blanco vista estates



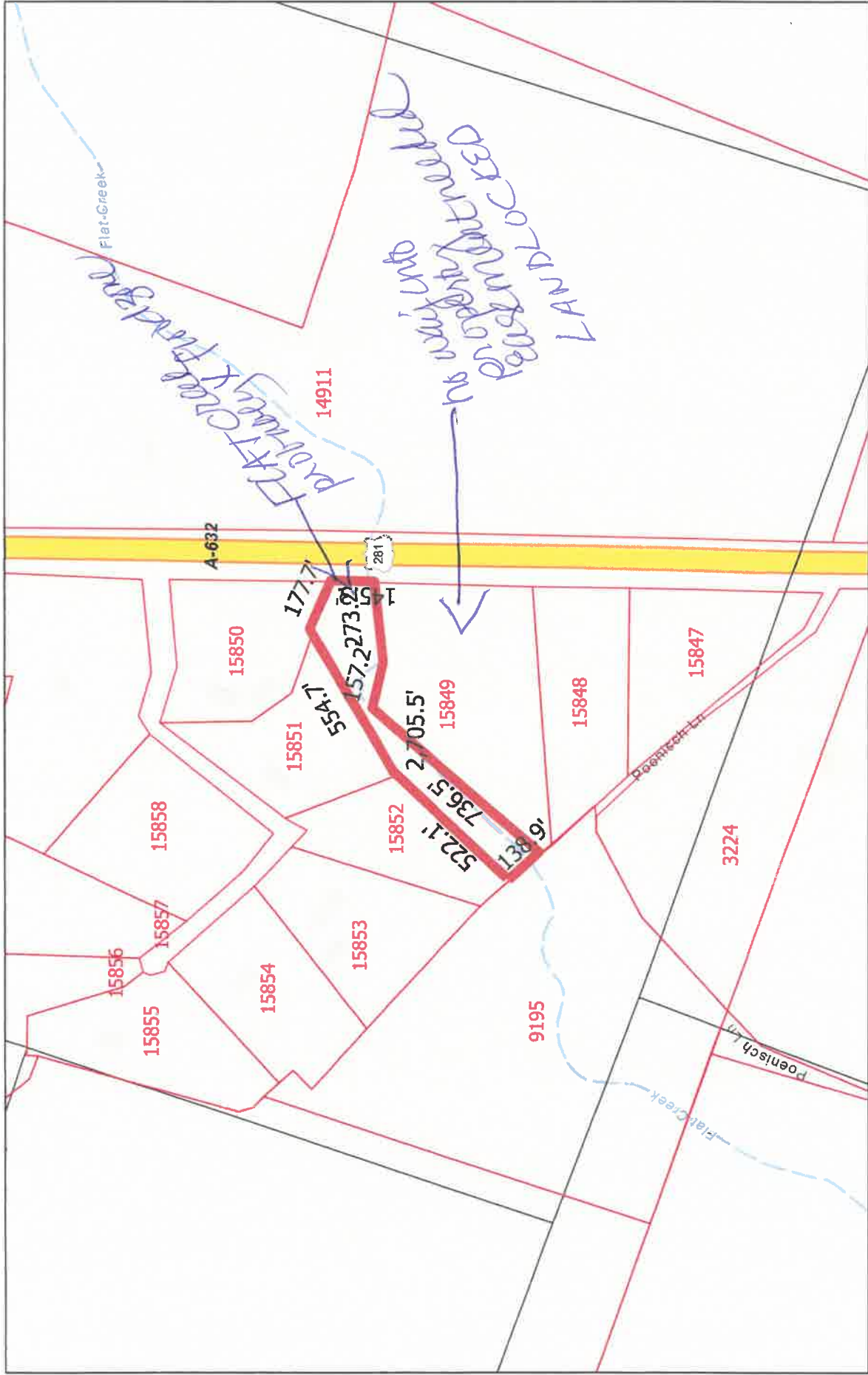
Show search results for bla...



30°03'14"N 98°24'36"W

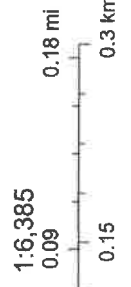


# Blanco CAD Web Map



8/8/2024, 5:57:25 PM

- Parcels
- Abstracts



Esri, Community Maps Contributors, Texas Parks & Wildlife, © OpenStreetMap, Microsoft, CONANP, Esri, TomTom, Garmin, SafeGraph,

Blanco County Appraisal District, BIS Consulting - www.bisconsulting.com  
 Disclaimer: This product is for informational purposes only and has not been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of boundaries.



**PIN**

Approximate location based on user input and does not represent an authoritative property location

**MAP PANELS**

- Selected Floodmap Boundary
- Digital Data Available
- No Digital Data Available
- Unmapped

**OTHER AREAS OF FLOOD HAZARD**

- Area of Minimal Flood Hazard Zone X
- Effluents TOBFA
- Area of Undetermined Flood Hazard Zone 0
- Otherwise Potentially
- Coastal Barrier Resource System Area

**SPECIAL FLOOD HAZARD AREAS**

- Without Base Flood Elevation (BFE) With BFE or Depth
- Regulatory Floodway
- 0.2% Annual Chance Flood Hazard, Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile Zone A
- Future Conditions 1% Annual Chance Flood Hazard Zone X
- Area with Reduced Flood Risk due to Levee, See Notes, Zone X
- Area with Flood Risk due to Levee Zone 0

**OTHER FEATURES**

- 20.2
- SEEA
- Wetland
- Coastal Transect
- Base Flood Elevation Line (BFE)
- Limit of Study
- Jurisdiction Boundary
- Coastal Transect Baseline
- Profile Baseline
- Hydrographic Feature
- Channel, Culvert, or Storm Sewer
- Levee, Dike, or Floodwall

**GENERAL STRUCTURES**

*\* No digital info available most likely in flood zone*

Share This Page.

- Home (<https://www.fema.gov/>)
- Download Plug-ins (<https://www.fema.gov/about/website-information/plugin>)
- About Us (<https://www.fema.gov/about>)
- Privacy Policy (<https://www.fema.gov/about/website-information/privacy-policy>)
- FOIA (<https://www.fema.gov/foia>)
- Office of the Inspector General (<https://www.oig.dhs.gov/>)
- Strategic Plan (<https://www.fema.gov/about/strategic-plan>)
- Whitehouse.gov (<https://www.whitehouse.gov/>)
- DHS.gov (<https://www.dhs.gov/>)
- Ready.gov (<https://www.ready.gov/>)
- USA.gov (<https://www.usa.gov/>)
- DisasterAssistance.gov (<https://www.disasterassistance.gov/>)



(<https://www.oig.dhs.gov/hotline>)

Official website of the Department of Homeland Security

Feedback



982158  
WARRANTY DEED

FILED this 27th day of Sept 1998

9:00 A M

DOROTHY UECKER  
COUNTY CLERK, BLANCO COUNTY, TEXAS  
By Dorothy Uecker Deputy  
Clerk

DATE: September 28, 1998

GRANTOR: BLANCO VISTA ESTATES I, LTD., a Texas limited partnership

GRANTOR'S MAILING ADDRESS: P. O. Box 26832, Austin  
Travis County, Texas 78755-0832

GRANTEE: CITY OF BLANCO, a municipal corporation of the County of Blanco, Texas

GRANTEE'S MAILING ADDRESS: P. O. Box 750, Blanco  
Blanco County, Texas 78606

CONSIDERATION:

TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and for which no lien is retained, either express or implied, TOGETHER WITH the grant of up to twenty-five (25) water taps or commitments for water (not including water meters) to be used in the Blanco Vista Estates subdivision, in accordance with all terms and conditions of that one certain Earnest Money Contract dated June 5, 1998, shall continue in full force and effect and survive closing.

PROPERTY (including improvements):

BEING Lot 3 of Blanco Vista Estates, a subdivision in Blanco County, Texas, according to the map or plat of record in Volume 1, Pages 233-235, Plat Records of Blanco County, Texas;

RESERVATIONS FROM AND EXCEPTIONS TO CONVEYANCE AND WARRANTY:

1. Restrictions recorded in Volume 188, Page 750, Official Public Records of Blanco County, Texas;
2. Easement to Pedernales Electric Cooperative, recorded in Volume 83, page 223, Deed Records of Blanco County, Texas;
3. Mineral reservation in Deed dated October 12, 1984, recorded in Volume 114, Page 785, Deed Records of Blanco County, Texas, together with all rights relating thereto, express or implied;
4. Utility Easement from James C. Bohls to Pedernales Electric Cooperative, Inc. Dated February 18, 1997, recorded in Volume 181, Page 329, official Public Records of Blanco County, Texas;
5. 50 foot drainage easement as shown on plat recorded in Volume 1, Page 233, Plat Records of Blanco County, Texas;
6. Ingress and egress easement as shown on plat recorded in Volume 1, Page 233, Plat Records of Blanco County, Texas;

*1/1/98*

Property Details

Account

Property ID: 15849

Type: R

Property Use:

Location

Situs Address: U.S. HWY 281,

Map ID:

Legal Description: BLANCO VISTA ESTATES , LOT 03 , ACRES 9.43

Abstract/Subdivision: SB0045

Neighborhood:

Owner

Owner ID: 2589

Name: CITY OF BLANCO

Agent:

Mailing Address: P O BOX 750  
BLANCO, TX 78606-8606

% Ownership: 100.0%

Exemptions: EX-XV -

For privacy reasons not all exemptions are shown online.

Property Values

577,500

weaver

creek 2  
600,000

\$ 249,129.87  
per

672 front

needs  
wages/land  
has total demand  
needs demand

Geographic ID: 18002031403

Zoning: C

Condo:

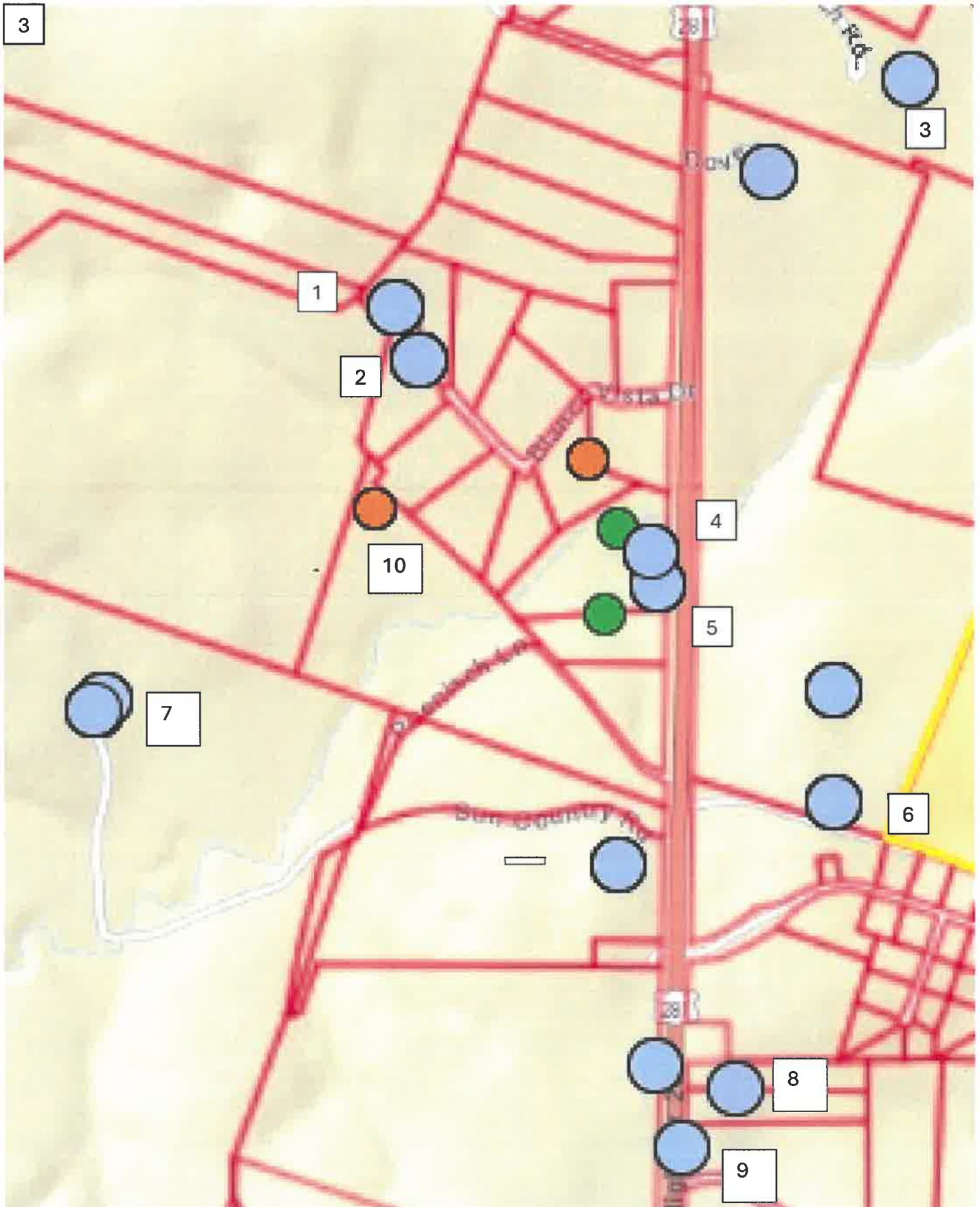
MapSCO:

<b>Improvement Homesite Value:</b>	\$0 (+)
<b>Improvement Non-Homesite Value:</b>	\$7,680 (+)
<b>Land Homesite Value:</b>	\$0 (+)
<b>Land Non-Homesite Value:</b>	\$435,670 (+)
<b>Agricultural Market Valuation:</b>	\$0 (+)
<b>Market Value:</b>	\$443,350 (=)
<b>Agricultural Value Loss:</b> ①	\$0 (-)
<b>HS Cap Loss/Circuit Breaker:</b> ②	\$0 (-)
<b>Appraised Value:</b>	\$443,350
<b>Ag Use Value:</b>	\$0

Information provided for research purposes only. Legal descriptions and acreage amounts are for appraisal district use only and should be verified prior to using for legal purpose and or documents. Please contact the Appraisal District to verify all information for accuracy.



# City of Blanco – Lot 15849



Well #1 – Borehole Depth 420 ft.

Well #2 – Borehole Depth 405 ft

Well #3 – Borehole Depth 160 ft

Well #4 – Borehole Depth TEST WELL – Non operational

Well #5 – Borehole Depth TEST WELL - Non operational

Well #6 – Borehole Depth 462 ft

Well #7 - Borehole Depth 296 ft

Well #9 - Borehole Depth 386 ft

Well #10 - Borehole Depth 420 ft, 20 gpm

In comparison:

Rockin J Ranch Wells: #20040078, Well #1, Borehole Depth 340 ft, 500+ gpm

#20040079, Well #2, Borehole Depth 290 ft, monitoring well