City of Windcrest

CITY COUNCIL MEETING @ 6 P.M.
WINDCREST CITY HALL
JUNE 1, 2020

CITY COUNCIL CHAMBERS @ 8601 MIDCROWN **6:00 P.M.**

NOTICE IS HEREBY GIVEN THAT A CITY OF WINDCREST CITY COUNCIL MEETING WILL BE HELD AT WINDCREST CITY HALL, IN THE CITY COUNCIL CHAMBERS LOCATED AT 8601 MIDCROWN, WINDCREST, TEXAS ON THE 1ST DAY OF JUNE 2020, STARTING AT 6:00 P.M. DURING THE MEETING THE FOLLOWING SUBJECTS WILL BE CONSIDERED AND THE COUNCIL MAY TAKE ACTION ON ANY OF THE LISTED SUBJECTS.

THE CITY COUNCIL RESERVES THE OPTION TO RECESS THE MEETING DURING THE EVENING OF JUNE 1, 2020, AND TO RECONVENE THE MEETING ON THE FOLLOWING DAY, JUNE 2, 2020, AT 9:00 A.M. AT THE WINDCREST CITY HALL, 8601 MIDCROWN, WINDCREST, TEXAS.

DISABILITY ACCESS STATEMENT

The City of Windcrest Council Chambers are wheelchair accessible, and accessible parking spaces are available. In compliance with Americans with Disabilities Act, the City of Windcrest will provide reasonable accommodations for persons attending the meeting. To better serve you, requests should be received 48 hours prior to the meeting. Please contact the City Secretary's Office, at 210-655-0022 ext. 2150 or 711 Texas Relay Service for the Deaf.

I. **CALL TO ORDER**

II. **ROLL CALL**

III. **PLEDGE OF ALLEGIANCE AND INVOCATION**

IV. **APPROVAL OF MINUTES FROM THE DEPARTMENT HEAD REPORTS OF MAY 18, 2020**

THE FOLLOWING ITEMS MAY BE CONSIDERED AT ANY TIME DURING THE REGULAR COUNCIL MEETING:

V. **CITIZENS TO BE HEARD**

a) Citizens may address the City Council on topics not on the agenda for no more than three (3) minutes. Only a maximum of four (4) members of the public will be permitted in the City Council Chambers at a time. All attendees will be required to be screened for present signs of COVID-19 prior to entering City Hall. Four (4) hours prior to the meeting, an email to the city secretary at citysecretary@windcrest-tx.gov is required to be added to the attendee list to ensure proper physical distancing seating inside and outside City Council Chambers. An email statement may be sent to the City Secretary @ citysecretary@windcrest-tx.gov to be read into the meeting to City Council. Statements will be provided to Council and available to the public not in attendance after the meeting.

b) In addition to the foregoing, citizens shall also have the opportunity to address the City Council during consideration of posted agenda items for no more than six (6) minutes. Only a maximum of four (4) members of the public will be permitted in the City Council Chambers at a time. All attendees will be required to be screened for present signs of COVID-19 prior to entering City Hall. Four (4) hours prior to the meeting, an email to the city secretary at citysecretary@windcrest-tx.gov is required to be added to the attendee list to ensure proper physical distancing seating inside and outside City Council Chambers. An email statement may be sent to the City Secretary @ citysecretary@windcrest-tx.gov to be read into the meeting to City Council. Statements will be provided to Council and available to the public not in attendance after the meeting.

c) A City Official may make a statement of specific factual information in response to an inquiry made by a member of the public, or a recitation of existing policy in response to an inquiry made by a member of the public.

VI. Discussion & Action

a) City Council will discuss and may take action a proposed Fiscal Year 2020-2021 Budget and Tax Process Calendar. [Rafael Castillo, Jr., City Manager]

b) City Council will review, discuss and may take action on hiring of the approved 6 professional firefighters, to include but not limited to the hiring process and procedures and the receive an update from Chief Kramer on the status of hiring. [Joan Pedrotti, Mayor Pro Tem Pedrotti]

c) City Council will review, discuss and may take action on the listed contracts held with the City of Windcrest. [Rafael Castillo, Jr., City Manager]
   i. Sparkling Clear Window and Commercial Cleaning Services
   ii. Lone Star Ambulance Service 1, LLC d/b/a Allegiance Mobile Health
   iii. Clean Scapes, LP

VII. City Manager's Report

VIII. General Announcements & Future Agenda Items Requested

Per Ordinance No. 618, repealing Ordinance No. 593; Section 9: Every agenda shall include an item entry granting a member the opportunity to propose an item for consideration of future agendas for Regular or Special Meetings. Any member may request the inclusion of such items at any meeting.

IX. Adjournment

AGENDA NOTICES

Decorum Required:

Any disruptive behavior, including shouting or derogatory statements or comments may be ruled out of order by the Presiding Officer. Continuation of this type of behavior could result in a request by the Presiding Officer that the individual leave the meeting, and if refused, an order of removal.

Action by Council Authorized:

The City Council may vote and/or act upon any item within this Agenda. The Council reserves the right to retire into executive session concerning any of the items listed on this Agenda, pursuant to and in accordance with Texas Government Code § 551.072 (Deliberations about Real Property); § 551.073 (Deliberations about Gifts & Donations); § 551.076 (Deliberations about Security Devices); §551.087 (Economic Development); and, § 551.071 to seek the advice of its attorney about pending or contemplated litigation, settlement offer or on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas conflict with the Open Meetings Act and may invoke this right where the City Attorney, the Mayor or a majority of the Governing Body deems an executive session is necessary to allow privileged consultation between the City Attorney and the governing body, if considered necessary and legally justified under the Open Meetings Act. The attorney may appear in person, or appear in executive session by conference call in accordance with applicable state law.

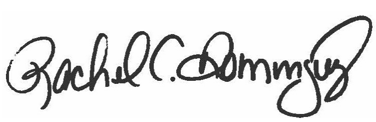
EXECUTIVE SESSIONS APPROVED BY CITY ATTORNEY:

This agenda has been reviewed and approved by the City's legal counsel and the presence of any subject in any Executive Session portion of the agenda constitutes a written interpretation of Texas Government Code Chapter 551 by legal counsel for the body and constitutes an opinion by the attorney that the items discussed therein may be legally discussed in the closed portion of the meeting considering available opinions of a court of record and opinions of the Texas Attorney General known to the attorney. This provision has been added to this agenda with the intent to meet all elements necessary to satisfy Texas Government Code Chapter 551.144(c) and the meeting is conducted by all participants in reliance on this opinion.

ATTENDANCE BY OTHER ELECTED OR APPOINTED OFFICIALS:

It is anticipated that members of other city boards, commissions and committees may attend the meeting in numbers that may constitute a quorum of such other city boards, commissions and committees, so that notice is hereby given that the meeting is also a meeting of the other city boards, commissions and committees whose members are in attendance. The members of the other city boards, commissions and committees may participate in discussions which occur at the meeting, but no action will be taken by the other boards, commissions and committees whose members are in attendance.

I, the undersigned authority, do hereby certify that the above Notice of Meeting of the City Council of the City of Windcrest is a true and correct copy of said Notice and was posted on the bulletin board at City Hall of said City in a convenient place to the public and said Notice was posted more than seventy-two (72) hours prior to the meeting on June 1, 2020.



Rachel C. Dominguez, City Secretary

City of Windcrest

MEETING MINUTES

DEPARTMENT HEAD REPORTS @ 5 P.M.

Windcrest City Hall
8601 Midcrown
Windcrest, Texas 78239

Webex Teleconference Meeting#296 913 272

MONDAY, MAY 18, 2020	**5:00 PM**	**CITY COUNCIL CHAMBERS**

I. CALL TO ORDER: Meeting was called to order at 5:06 P.M.

II. ROLL CALL: City Secretary, Rachel C. Dominguez, took roll call noting a quorum with the following Councilmembers present:

PRESENT: 6 – Mayor Dan Reese, Councilman Wes Manning, Place 1, Councilwoman Cindy Strzelecki, Place 2, Councilman Gregory Turner, Place 3, Councilman Frank Archuleta, Place 4, and Mayor Pro Tem Joan Pedrotti

III. PLEDGE OF ALLEGIANCE AND INVOCATION: Mayor Reese led the Pledge of Allegiance to the Flag of the United States of America and delivered the Invocation.

IV. MONTHLY DEPARTMENT HEAD REPORTS FOR MONTH ENDING APRIL 2020 FOR FY 2019/2020

a) Briefing and discussion on the monthly Fire Department reports for the month of April, to include Summary of Calls along with response times for the City, County, and Annex area.

Dan Kramer, Fire Chief, reported training classes have transitioned to an online format. The DPO State Skills testing is scheduled for May. Chief Kramer stated E-2 is in service and the "first out" engine, while E-1 is out of service. Engine 145 is anticipated to be placed in service on May 15th. Chief Kramer report the Fire Department participated in a retirement and community feel good parade in support of lifting community spirits. Employee COVID-19 screenings continue to be performed on a daily basis. Chief Kramer reported Fire responded to 29 calls while EMS responded to 67 calls. A monthly department report was provided to City Council.

b) Briefing and discussion on the monthly Windcrest Volunteer Fire Association financial report for the month of April. [Lilia Ayla, President]

Lilia Ayala, President of the Windcrest Volunteer Fire Association, provided a monthly report to the City Council. Ms. Ayala reported the Windcrest Volunteer Fire Association bank balances total $109,357.63.

c) Briefing and discussion on the monthly Police Department reports including Code Enforcement and Animal Control reports for the month of April. [Darrell Volz, Chief of Police]

Darrell Volz, Chief of Police, reported aggravated assault and assault family violence calls increased in April for Windcrest and Bexar County. Chief Volz stated vehicle burglaries increased in April. He reported the Windcrest Police Department Facebook page posted video screenshots from security cameras provided by residents and victims seeking community help to identify individual engaging in the illegal activity recorded. A monthly department report was provided to City Council.

d) Briefing and discussion on the monthly Municipal Court report for the month of April. [Claudia Carrera, Municipal Assistant Court Administrator]

Claudia Carrera, Municipal Assistant Court Administrator, reported due to the COVID-19 shutdowns and precautions, the warrant officer's activity, arrest and incarcerations reduced. Ms. Carrera report the year to date collections totaled $55,086.85, still exceeding the year to day FY18/19 collections. A monthly department report was provided to City Council.

e) Briefing and discussion on the monthly Public Works and Landscaping reports for the month of April. [Tom Garcia, Director of Public Works]

Tom Garcia, Director of Public Works, reported 870 hours worked during the month of April. Due to the COVID-19 shutdown, staff worked staggered schedules and the following projects: street and branch clearing; power washing at City Hall; trimmed hedges and trees on Walzem Islands; repaired speed limit sign at Roughrider and Windsor Hill; and installed a Plexiglas barrier at Post Office counter. A monthly department report was provided to City Council.

f) Briefing and discussion on the monthly City of Windcrest Economic Development Corporation report for the month of April. [Jennifer Newman, President of the City of Windcrest Economic Development Corporation]

Jennifer Newman, President of the City of Windcrest Economic Development Corporation (WEDC), reported the WEDC reached out to local businesses offering assistance with information on federal financial assistance related to COVID-19 funding. She reported sixty-six (66) employees within the business district were laid off. Applebee's and Holiday Inn Express laid off 80-90% of their workforce. Ms. Newman stated WEDC staff participated a webinar providing tips on attracting key audiences and customers. A monthly department report was provided to City Council.

g) Briefing and discussion on the monthly Civic Center report for the month of April. [Don Hakala, Municipal Finance Director]

Don Hakala, Municipal Finance Director, reported due to the COVID-19 shutdown no events were held at the Civic Center. No reservations were made during April; however, it is anticipated reservations may be arranged in May for later months in the year.

h) Briefing and discussion on the monthly Office of the City Secretary reports for the month of April. [Rachel C. Dominguez, City Secretary]

Rachel C. Dominguez, City Secretary, reported forty-two (42) permits were issued in April, collecting $7,589.42 in payments. Fifty-two (52) permit inspections and eleven (11) health inspections were conducted. Ms. Dominguez reported beginning March 17, public information requests were placed on hold in accordance with the Attorney General business day guidelines. Once City Hall reopens responses to incoming requests will be worked on. Ms. Dominguez stated the City Hall Post Office is temporarily closed. A monthly department report was provided to City Council.

i) Briefing and discussion on past and upcoming City projects and events. [Elizabeth Dick, Public Affairs / PR / Marketing / Event Specialist]

Elizabeth Dick, Public Affairs & Events Specialists, reported on various community "good spirits" parades held in the city. Ms. Dick stated she is still available to assists community members with their grocery shopping or other needs to help reduce public exposure.

V. ADJOURNMENT OF DEPARTMENT HEAD REPORTS

Department Head reporting adjourned at 5:24pm. Mayor Reese dismissed City Council members until 6 pm for the City Council Meeting.

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Rachel C. Dominguez, City Secretary

CITY OF WINDCREST
DRAFT 5/1/2020. Budget & Tax Calendar
FY 2020-2021

Date	Event	Requirement/Action
May 13-18, 2020	Budget Instructions Distributed to Departments	‣ Budget printouts & request forms distributed to departments.
June 1, 2020	Regular Council Meeting	‣ Director of Finance presents a brief overview of the budget process to Council and seeks Council input on key budget policies and initiatives
June 1, 2020	Department Budget Requests Due	‣ Departments enter detailed line item requests into budget worksheets & submit forms electronically to Finance Department.
June 1-5,2020	Budget Preparation	‣ City Manager & staff review requests; department heads meet w/Manager; staff prepares draft budgets.
June 15-19, 2020	Budget meetings with DH	‣ Departments meet with CM, FD, AFD, Budget review and discussion.
		‣
July 13, 2020 9AM	Special Council Meeting/Budget Workshop	‣ Budget Workshop, Department Presentations and discussion.
July 15, 2020 9AM	Special Council Meeting/Budget workshop	‣ Budget Workshop, Department Presentations and discussion.
July 17, 2020 6PM	Special Council Meeting/Budget workshop	‣ Budget Workshop, Department Presentations and discussion.
July 24-27, 2020	Certified Tax Roll	‣ BCAD delivers certified ad valorem tax values
August 1, 2020	File proposed budget with City Secretary	‣ Must be at least 30 days before budget adoption (budget may be modified after this date) Required by the City Ordinance 621. ‣ Post proposed budget on City website
August 3, 2020	Regular Council Meeting	‣ City Council acts on Tax Rate Public Hearing (PH) Notice, Budget Public Hearn (PH) Notice.
August 9, 2020	Notice of Public Hearings	‣ Publish in newspaper and on City website notice of PH's on tax rate. ‣ Publish notice of PH on budget (at least 10 days before PH)
August 25, 2020 6PM	Special Council Meeting	‣ PH on Budget (Ordinance 1st reading)
August 31, 2020 6PM	Special Council Meeting	‣ PH on Tax Rate (Ordinance 1st reading)
September 3, 2020 9AM	Special Council Meeting	‣ Adopt Budget (Ordinance 2nd reading) ‣ Resolution to Ratify Budget ‣ Adopt Tax Rate (Ordinance 2nd reading)

- *Dates and times in red are subject to change upon the City Council approval of the Budget Calendar FY 20-21.*

2020 TAX AND BUDGET DEADLINES FOR CITIES WITH POPULATIONS OF LESS THAN 30,000[1]

S.B. 2, the also known as the Texas Property Tax Reform and Transparency Act of 2019, passed during the 2019 legislative session and makes significant changes to the property tax rate setting process. Most of the changes made by S.B. 2 became effective on January 1, 2020, and are incorporated into this memo.

A city that is considered to have a "low tax levy" under Tax Code Section 26.052 (a city that levies under $500,000 in total property taxes and levies a tax rate under $.50 per $100) may choose to provide notice of its tax rate under that section of the Tax Code instead of Sections 26.04(e) and 26.06 of the Tax Code. A "low tax levy" city that chooses to provide notice under Section 26.052 of the Tax Code need not hold a public hearing on the tax rate, and is required to provide mailed or published notice of the tax rate no later than seven days before the date the city adopts the tax rate. If the city chooses to publish notice of the tax rate in the newspaper, the city must also provide public notice of its proposed tax rate by posting notice of the proposed tax rate, along with the information in Tax Code Sec. 26.052(e), prominently on the home page of the city's website. The budget deadlines listed below still apply to "low tax levy" cities.

These are absolute deadlines, and assume the city waits until the last minute for each step. In most cases the city would be wise to act well in advance when possible.

Adopted Rate Exceeds Voter-Approval Tax Rate	**Adopted Rate Doesn't Exceed Voter-Approval Tax Rate**
July 17 – last day for budget officer to **file proposed budget** with municipal clerk if the city plans to wait until August 17 to adopt the tax rate. TEX. LOC. GOV'T CODE § 102.005 (*before 30th day before tax rate adopted* – thus, if a city plans to adopt tax rate before August 17, the proposed budget must be filed sooner). The proposed budget must contain a special cover page if the budget will raise more total property taxes than the previous year. The city secretary must post the proposed budget on the city's website if the city maintains one. Additionally, the proposed budget must include a line item comparing expenditures in the proposed budget and actual expenditures in the preceding year for: (1) notices required to be published in the newspaper; and (2) directly or indirectly influencing or attempting to influence the outcome of legislation or administrative action, as those terms are defined in Government Code Sec. 305.002. TEX. LOC. GOV'T CODE § 140.0045. **July 25 –** Chief appraiser must deliver certified appraisal roll or certified estimate of taxable value to assessor. TEX. TAX CODE § 26.01(a). Pursuant to S.B. 2, a chief appraiser may submit a certified estimate of taxable value in lieu of a certified appraisal roll if the	**July 25 –** Chief appraiser must deliver certified appraisal roll or certified estimate of taxable value to assessor. TEX. TAX CODE § 26.01(a). Pursuant to S.B. 2, a chief appraiser may submit a certified estimate of taxable value in lieu of a certified appraisal roll if the appraisal review board for the appraisal district does not approve the appraisal records for the district by July 20. TEX. TAX CODE § 26.01(a-1). If the assessor receives a certified estimate of taxable values, the officer or employee designated by the city council must calculate the no-new-revenue tax rate and voter-approval tax rate using the estimate. TEX. TAX CODE § 26.04(c-2). **August 7 –** The designated officer or employee must submit the no-new-revenue and voter-approval tax rates to the city council by this date, or as soon thereafter as practicable. TEX. TAX CODE § 26.04(e). (Note: nothing in the Tax Code requires the designated officer or employee to calculate the de minimis rate for a city under 30,000 in population. Cities are encouraged to communicate with their designated officer or employee in advance of this date to confirm the calculation of the de minimis rate.) Additionally, the designated officer or employee must post the calculated no-new-revenue tax

appraisal review board for the appraisal district does not approve the appraisal records for the district by July 20. Tex. Tax Code § 26.01(a-1). If the assessor receives a certified estimate of taxable values, the officer or employee designated by the city council must calculate the no-new-revenue tax rate and voter-approval tax rate using the estimate. Tex. Tax Code § 26.04(c-2).

August 7 – The designated officer or employee must submit the no-new-revenue and voter-approval tax rates to the city council by this date, or as soon thereafter as practicable. Tex. Tax Code § 26.04(e). (Note: nothing in the Tax Code requires the designated officer or employee to calculate the de minimis rate for a city under 30,000 in population. Cities are encouraged to communicate with their designated officer or employee in advance of this date to confirm the calculation of the de minimis rate.) Additionally, the designated officer or employee must post the calculated no-new-revenue tax rate and voter-approval tax rates, along with certain debt information, on the home page of the city's website in the form prescribed by the comptroller. *Id*. As soon as practicable after the designated officer or employee calculates the no-new-revenue tax rate and the voter-approval tax rate of the city, the designated officer or employee shall submit the tax rate calculation forms used in calculating the rates to the county assessor-collector for each county in which all or part of the city is located. Tex. Tax Code § 26.04(d-3).

August 6 – last day to publish **notice of budget hearing**. Tex. Loc. Gov't Code § 102.0065 (not later than 10th day before the budget hearing). Note that the notice may not be published earlier than the 30th day before the hearing. The budget hearing notice must contain specific information about property tax increases. Tex. Loc. Gov't Code §102.0065(d).

August 10 – Continuous **Internet and T.V. notice of tax rate public hearing** begins, if applicable. Tex. Tax Code § 26.065. The notice must be posted continuously for at least seven days immediately before the public hearing on the proposed tax rate increase and at least seven days immediately before the date of the vote proposing the increase in the tax rate. *Id*. For content of published notice and Internet and T.V. notice, see Tax Code Sections 26.06(b-1), (b-2), and (b-3). (Note: although there is no statutorily-defined procedure for the city council to follow in determining the proposed tax rate, this date effectively serves the deadline, as the required notice would include the proposed tax rate.)

August 12 – Last day to **publish notice of tax rate hearing**. Tex. Tax Code § 26.06(a) (the public hearing may not be held before the fifth day after the date the

rate and voter-approval tax rates, along with certain debt information, on the home page of the city's website in the form prescribed by the comptroller. *Id*. As soon as practicable after the designated officer or employee calculates the no-new-revenue tax rate and the voter-approval tax rate of the city, the designated officer or employee shall submit the tax rate calculation forms used in calculating the rates to the county assessor-collector for each county in which all or part of the city is located. Tex. Tax Code § 26.04(d-3).

August 29 – last day for budget officer to **file proposed budget** with municipal clerk if the city plans to wait until September 29 to adopt the tax rate. Tex. Loc. Gov't Code § 102.005 (*before 30th day before tax rate adopted* – thus, if a city plans to adopt tax rate before September 29, the proposed budget must be filed sooner). The proposed budget must contain a special cover page if the budget will raise more total property taxes than the previous year. The city secretary must post the proposed budget on the city's website if the city maintains one. Additionally, the proposed budget must include a line item comparing expenditures in the proposed budget and actual expenditures in the preceding year for: (1) notices required to be published in the newspaper; and (2) directly or indirectly influencing or attempting to influence the outcome of legislation or administrative action, as those terms are defined in Government Code Sec. 305.002. Tex. Loc. Gov't Code § 140.0045.

September 18 – last day to publish **notice of budget hearing**. Tex. Loc. Gov't Code § 102.0065 (not later than 10th day before the budget hearing). Note that the notice may not be published earlier than the 30th day before the hearing. The budget hearing notice must contain specific information about property tax increases. Tex. Loc. Gov't Code §102.0065(d).

September 22 – Continuous **Internet and T.V. notice of tax rate public hearing** begins, if applicable, and if the proposed tax rate will exceed the no-new-revenue rate. Tex. Tax Code § 26.065. The notice must be posted continuously for at least seven days immediately before the public hearing on the proposed tax rate increase and at least seven days immediately before the date of the vote proposing the increase in the tax rate. *Id*. For content of published notice and Internet and T.V. notice, see Tax Code Sections 26.06(b-1), (b-2), and (b-3). (Note: although there is no statutorily-defined procedure for the city council to follow in determining the proposed tax rate, this date effectively serves the deadline, as the required notice would include the proposed tax rate.)

notice of the public hearing is given). The notice may be delivered by mail to each property owner, or may be published in a newspaper. TEX. TAX CODE § 26.06(c). If the notice is published in the newspaper, the city must also post the notice prominently on the home page of the city's website from the date the notice is first published until the public hearing is concluded. *Id*. The notice must include the table described in Tax Code Section 26.062. A city adopting a rate triggering an automatic election or the ability to petition for an election must modify the notice in accordance with Tax Code Section 26.063.

August 16 – last day for **hearing on budget**. TEX. LOC. GOV'T CODE § 102.006(b) (hearing shall be before the date of the tax levy). Note that the hearing must be after the 15th day after the proposed budget is filed with the clerk. Also, the city must take some sort of **action on the budget** at conclusion of hearing. TEX. LOC. GOV'T CODE § 102.007. This action could be the adoption of the budget, or else a vote to postpone the final budget vote. It is generally accepted that the city need not adopt the budget at the end of the hearing.

August 17 – city should **adopt the budget** no later than this date. TEX. LOC. GOV'T CODE § 102.009 (city may only levy taxes in accordance with budget, and because levy cannot take place later than August 17 (see below), this is the effective deadline for property taxing cities). The city council must take a separate ratification vote to adopt any budget that will raise total property tax revenue. TEX. LOC. GOV'T CODE § 102.007(c). The budget must contain a special cover page that includes: (a) a specific statement on the whether the budget raises more, less, or the same amount of property tax revenue compared to the previous year's budget; (b) the record vote of each member of the city council by name voting on the adoption of the budget; (c) the city property tax rates for the preceding and current fiscal years, including the adopted rate, no-new-revenue tax rate, no-new-revenue maintenance and operations tax rate, voter-approval tax rate, and debt rate; and (d) the total amount of city debt obligations secured by property taxes. TEX. LOC. GOV'T CODE § 102.007(d). The adopted budget, including the cover page, must be posted on the city's website if the city has one.

August 17 – Must **hold tax rate hearing** and **adopt a tax rate exceeding the greater of the taxing unit's voter-approval tax rate or de minimis tax rate** no later than this date. TEX. TAX CODE § 26.05(a) (city council must adopt a tax rate that exceeds the voter-approval tax rate not later than the 71st day before the November uniform election date; however, the city council must order the automatic election by no later than the 78th day before the November election date under Election Code Section 3.005(c), effectively

September 24 – Last day to **publish notice of tax rate hearing**, if the proposed tax rate will exceed the no-new-revenue rate, **or the meeting to adopt the tax rate**, if the tax rate does not exceed the no-new-revenue rate. TEX. TAX CODE § 26.06(a) (the public hearing may not be held before the fifth day after the date the notice of the public hearing is given). The notice may be delivered by mail to each property owner, or may be published in a newspaper. TEX. TAX CODE § 26.06(c). If the notice is published in the newspaper, the city must also post the notice prominently on the home page of the city's website from the date the notice is first published until the public hearing is concluded. *Id*. The notice must include the table described in Tax Code Section 26.062. A city adopting a rate triggering an automatic election or the ability to petition for an election must modify the notice in accordance with Tax Code Section 26.063.

September 28 – last day for **hearing on budget**. TEX. LOC. GOV'T CODE § 102.006(b) (hearing shall be before the date of the tax levy). Note that the hearing must be after the 15th day after the proposed budget is filed with the clerk. Also, the city must take some sort of **action on the budget** at conclusion of hearing. TEX. LOC. GOV'T CODE § 102.007. This action could be the adoption of the budget, or else a vote to postpone the final budget vote. It is generally accepted that the city need not adopt the budget at the end of the hearing.

September 29 – city should **adopt the budget** no later than this date. TEX. LOC. GOV'T CODE § 102.009 (city may only levy taxes in accordance with budget, and because levy cannot take place later than September 29 (see below), this is the effective deadline for property taxing cities). The city council must take a separate ratification vote to adopt any budget that will raise total property tax revenue. TEX. LOC. GOV'T CODE § 102.007(c). The budget must contain a special cover page that includes: (a) a specific statement on the whether the budget raises more, less, or the same amount of property tax revenue compared to the previous year's budget; (b) the record vote of each member of the city council by name voting on the adoption of the budget; (c) the city property tax rates for the preceding and current fiscal years, including the adopted rate, no-new-revenue tax rate, no-new-revenue maintenance and operations tax rate, voter-approval tax rate, and debt rate; and (d) the total amount of city debt obligations secured by property taxes. TEX. LOC. GOV'T CODE § 102.007(d). The adopted budget, including the cover page, must be posted on the city's website if the city has one.

September 29 – Must **hold tax rate hearing** (if applicable) and **adopt tax rate** no later than this date. TEX. TAX CODE § 26.05 (or 60th day after receipt of

making the deadline to adopt the tax rate the 78th day before the November uniform election date). The hearing must be held on a weekday that is not a public holiday. TEX. TAX CODE § 26.06(a). The city council may vote on the proposed tax rate at the public hearing. If the city council does not vote on the proposed tax rate at the public hearing, the city council shall announce at the public hearing the date, time, and place of the meeting at which it will vote on the proposed tax rate, and that meeting may not be held later than the seventh day after the date of the public hearing. TEX. TAX CODE § 26.06(e). The city council must separately approve the maintenance and operations component and the debt service component of the tax rate. TEX. TAX CODE § 26.05(a). The motion to adopt a tax rate that exceeds the no-new-revenue rate must be made precisely as follows: "I move that the property tax rate be increased by the adoption of a tax rate of (specify tax rate), which is effectively a (insert percentage by which the proposed tax rate exceeds the no-new-revenue tax rate) percent increase in the tax rate." If the tax rate will exceed the no-new-revenue tax rate, the vote on the ordinance setting the tax rate must be a record vote and must be approved by at least 60 percent of the members of the city council. TEX. TAX CODE § 26.05(b). Tax Code Section 26.05 contains several other precise requirements regarding notice in the tax rate ordinance itself that must be complied with if the city adopts a rate exceeding the no-new-revenue tax rate. The city council may not hold its public hearing or public meeting to adopt a tax rate until the fifth day after the date the chief appraiser of each appraisal district in which the city participates has delivered its tax estimate notice under Tax Code Sec. 26.04(e-2) and made various types of tax rate information and the tax rate calculation forms available on to the public via the property tax database under Tax Code Sec. 26.17(f). TEX. TAX CODE. § 26.05(d-1). **August 17** – If the city adopts a rate exceeding the greater of the taxing unit's voter-approval tax rate or de minimis tax rate, the city must **order the automatic election** to approve the tax rate no later than the 78th day before the November uniform election date. TEX. ELEC. CODE § 3.005(c). At the election, the ballots shall be prepared to permit voting for or against the proposition: "Approving the ad valorem tax rate of $_____ per $100 valuation in (name of city) for the current year, a rate that is $_____ higher per $100 valuation than the voter-approval tax rate of (name of city), for the purpose of (description of purpose of increase). Last year, the ad valorem tax rate in (name of city) was $__________ per $100 valuation." The ballot proposition must include the adopted tax rate, the difference between the adopted tax rate and the voter-approval tax rate, and the city's tax rate for the preceding tax year in the appropriate places.	appraisal roll, whichever is later. If the city uses the 60 day rule, almost every date in this memo would need to be recalculated). The hearing must be held on a weekday that is not a public holiday. TEX. TAX CODE § 26.06(a). The city council may vote on the proposed tax rate at the public hearing. If the city council does not vote on the proposed tax rate at the public hearing, the city council shall announce at the public hearing the date, time, and place of the meeting at which it will vote on the proposed tax rate, and that meeting may not be held later than the seventh day after the date of the public hearing. TEX. TAX CODE § 26.06(e). The city council must separately approve the maintenance and operations component and the debt service component of the tax rate. TEX. TAX CODE § 26.05(a). The motion to adopt a tax rate that exceeds the no-new-revenue rate must be made precisely as follows: "I move that the property tax rate be increased by the adoption of a tax rate of (specify tax rate), which is effectively a (insert percentage by which the proposed tax rate exceeds the no-new-revenue tax rate) percent increase in the tax rate." S.B. 1760 (2015) provides that if the tax rate will exceed the no-new-revenue tax rate, the vote on the ordinance setting the tax rate must be a record vote and must be approved by at least 60 percent of the members of the city council. TEX. TAX CODE § 26.05(b). Tax Code Section 26.05 contains several other precise requirements regarding notice in the tax rate ordinance itself that must be complied with if the city adopts a rate exceeding the no-new-revenue tax rate. The city council may not hold its public hearing or public meeting to adopt a tax rate until the fifth day after the date the chief appraiser of each appraisal district in which the city participates has delivered its tax estimate notice under Tax Code Sec. 26.04(e-2) and made various types of tax rate information and the tax rate calculation forms available on to the public via the property tax database under Tax Code Sec. 26.17(f). TEX. TAX CODE. § 26.05(d-1).

TEX. TAX CODE § 26.07(c). **August 24** – A city adopting a tax rate that exceeds the voter-approval tax rate, but is less than the de minimis tax rate, must **adopt its tax rate** no later than this day. TEX. TAX CODE § 26.05(a) (city council must adopt a tax rate that exceeds the voter-approval tax rate not later than the 71st day before the November uniform election date). The city council must separately approve the maintenance and operations component and the debt service component of the tax rate. TEX. TAX CODE § 26.05(a). The motion to adopt a tax rate that exceeds the no-new-revenue rate must be made precisely as follows: “I move that the property tax rate be increased by the adoption of a tax rate of (specify tax rate), which is effectively a (insert percentage by which the proposed tax rate exceeds the no-new-revenue tax rate) percent increase in the tax rate.” If the tax rate will exceed the no-new-revenue tax rate, the vote on the ordinance setting the tax rate must be a record vote and must be approved by at least 60 percent of the members of the city council. TEX. TAX CODE § 26.05(b). Tax Code Section 26.05 contains several other precise requirements regarding notice in the tax rate ordinance itself that must be complied with if the city adopts a rate exceeding the no-new-revenue tax rate.	

[1] This memo does not apply to a city with a population of less than 30,000 if that city’s de minimis rate does not exceed the city’s voter-approval rate. The very few cities in the state that fit that category should refer to TML’s memo on tax and budget deadlines for cities with populations of 30,000 or more.

<u>Senate Bill 2 – Explanatory Q&A</u>

Prepared by TML Staff
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Senate Bill 2, also known as the Texas Property Tax Reform and Transparency Act of 2019, was passed by the Texas Legislature in 2019. At its most fundamental level, S.B. 2 reforms the system of property taxation in three primary ways: (1) lowering the tax rate a taxing unit can adopt without voter approval and requiring a mandatory election to go above the lowered rate; (2) making numerous changes to the procedure by which a city adopts a tax rate; and (3) making several changes to the property tax appraisal process.

When does S.B. 2 go into effect?

The vast majority of the bill, including the new tax rate calculations, took effect on January 1, 2020. A few other provisions, including those related to the use of comptroller forms in calculating the tax rate and injunctive relief for failure to comply with statutory requirements, do not go into effect until January 1, 2021.[1]

Are there any provisions that a city needed to comply with before January 1, 2020?

Yes, only one. Section 106 of the bill provides that, not later than 30 days after the section becomes effective, taxing units must submit to their county assessor-collectors the worksheets used by the taxing unit to calculate the effective and rollback tax rates for the 2015-2019 tax years. The county assessor-collector, in turn, must post the worksheets on the county's website. This section took effect on the 91st day after the last day of the legislation session, at which point cities had 30 days to submit their worksheets. Thus, the deadline for cities to submit their worksheets to the county assessor-collector was September 25, 2019.

What terminology was changed?

Prior to S.B. 2, the term "effective tax rate" referred to the benchmark tax rate needed to raise the same amount of maintenance and operations property taxes on existing property as the previous year, after taking into account changes in appraised values. S.B. 2 changed the terms "effective tax rate" and "effective maintenance and operations tax rate" to "no-new-revenue tax rate" and "no-new-revenue maintenance and operations tax rate," respectively.

Additionally, the term "rollback tax rate" was changed to "voter-approval tax rate." More significant than the change in terminology is the modification to both the voter-approval rate

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[1] In addition to these sections, pursuant to Section 105 of S.B. 2, each taxing unit located wholly or primarily in an appraisal district established in a county with a population of less than 200,000 need not comply with Tax Code Secs. 26.04(e-2), 26.05(d-1) and (d-2), 26.17, and 26.18 until the 2021 tax year.

formula (discussed in the next question), and the requirement that cities hold automatic elections to approve tax rates exceeding the voter-approval tax rate.

How does S.B. 2 modify the calculation of a city's rollback tax rate?

Under pre-S.B. 2 law, a city's rollback rate was the rate necessary to raise precisely eight percent more maintenance and operations tax revenue as the year before after taking into account appraisal fluctuations. The debt service component of the tax rate is then added to the product of the effective maintenance and operations rate and 1.08.

In addition to changing the terminology from "rollback rate" "to "voter-approval rate," S.B. 2 lowers the multiplier used in the rate calculation from 8 percent to 3.5 percent for cities that aren't considered to be "special taxing units," which is nearly every Texas city. To illustrate, the old calculation of a city's rollback rate was as follows:

Rollback Rate = (Effective Maintenance and Operations Rate x 1.08) + current debt service tax rate

Under S.B. 2, that calculation now looks like this:

Voter-Approval Rate = (No-New-Revenue Maintenance and Operations Rate x 1.035) + current debt service tax rate

TEX. TAX CODE § 26.04(c).

There are some other adjustments as well. Most notably, under the new formula a city adds its "unused increment rate" to the 3.5 percent limit on maintenance and operations increases. Unused increment is discussed in greater detail below.

Does S.B. 2 modify the procedure for approval of a tax rate that exceeds the voter-approval rate?

Yes. Previously, any rate adopted that exceeded the 8 percent rollback rate triggered the ability of citizens to petition to hold an election to "roll back" the tax rate to the rollback rate. Generally speaking, S.B. 2 requires a city to hold an automatic election (i.e., the bill eliminates the petition requirement) on the November uniform election date if it adopts a rate exceeding the 3.5 percent voter-approval rate. *See* TEX. TAX CODE § 26.07. That said, some cities under 30,000 population are not subject to the automatic election requirement associated with adopting a rate exceeding the new voter-approval rate.

What is a special taxing unit?

Under S.B. 2, a special taxing unit is a taxing unit that remains subject to the 8 percent voter-approval rate and is not subject to the new 3.5 percent voter-approval rate. Two types of taxing units—junior college districts and hospital districts—are expressly considered to be "special taxing units" under the new legislation. TEX. TAX CODE § 26.012(19). Beyond that, only a taxing unit other than a school district with a proposed maintenance and operations tax rate of 2.5 cents or less per $100 of taxable value is considered to be a special taxing unit. In other words, if a city is proposing a tax rate of only 2.5 cents or less, it could continue to calculate the voter-approval rate using 8 percent.

According to the Texas Comptroller's property tax data, of the more than 1000 Texas cities that had adopted property taxes in 2017, only four of those cities had tax rates of less than 2.5 cents per $100. (Website of Texas Comptroller of Public Accounts, Property Tax Survey Data and Reports – 2017 City Values, https://comptroller.texas.gov/taxes/property-tax/reports/index.php.)

What is the unused increment rate?

Included within the voter-approval rate calculation in S.B. 2 is a new term called the "unused increment rate." The unused increment rate can be used to increase the voter-approval rate, depending upon the tax rates adopted by the city in the previous three years.

In essence, the "unused increment rate" is the 3-year rolling sum of the difference between the adopted tax rate and voter-approval rate. Put differently, the city has the ability to "bank" any unused amounts below the voter-approval rate to use for up to three years. Conversely, if the city adopts the voter-approval rate all years between 2020 and 2022, the unused increment rate would be zero. Under no circumstance can the unused increment rate be less than zero. *See* TEX. TAX CODE § 26.013(b)(1).

The legislature's stated goal in relation to the unused increment rate is to discourage taxing units from adopting a rate equal to the 3.5 percent voter-approval rate every year. Under the new framework, a city that experiences exceptional growth in sales tax revenues in a year, for instance, may be able to adopt a rate less than the 3.5 percent voter-approval rate and bank the difference for a future year when sales taxes perform worse than expected. On the other hand, many cities will be forced to go up to the 3.5 voter-approval rate every year just to keep up with rising costs. For those cities, the unused increment rate will be a non-factor.

S.B. 2 provides that, for each tax year before the 2020 tax year, the difference between the taxing unit's voter-approval tax rate and actual tax rate is considered to be zero. *Id*. § 26.013(c). This means that any difference between the 2019 rollback rate and adopted rate cannot be used to increase the unused increment rate in the three subsequent tax years.

What is the de minimis rate?

The de minimis rate is a new tax rate calculation added by S.B. 2 that is designed to give smaller taxing units, including cities, some relief from the 3.5 percent voter-approval tax rate.

The de minimis rate is defined as the sum of:

1. a taxing unit's no-new-revenue maintenance and operations rate;
2. the rate that, when applied to a taxing unit's current total value, will impose an amount of taxes equal to $500,000; and
3. a taxing unit's current debt rate.

TEX. TAX CODE § 26.012(8-a).

In a nutshell, the de minimis rate was added to S.B. 2 to allow smaller cities some flexibility to adopt a tax rate that generates $500,000 more in property tax revenue than the previous year. The thinking was that applying a 3.5 percent voter-approval rate in some very small communities would unnecessarily restrict revenue growth to sometimes just a nominal amount, and the application of the lowered voter-approval rate created an unfair result for small towns.

Are all cities required to calculate and use the de minimis rate?

No. The provisions of S.B. 2 relating to the de minimis rate apply only to a city with a population of less than 30,000. *See* TEX. TAX CODE §§ 26.063 and 26.075. A city with a population of less than 30,000 must calculate a de minimis rate.[2] Cities with populations of 30,000 or more do not calculate the de minimis rate or receive any of the fiscal flexibility associated with the de minimis rate.

How does the de minimis rate work?

If the city with a population of less than 30,000 adopts a tax rate that exceeds the greater of the city's voter-approval tax rate or the de minimis tax rate, the city council must order an election to approve the adopted tax rate for the November uniform election date. TEX. TAX CODE § 26.07(b).

But what if a city with a population of less than 30,000 adopts a tax rate that exceeds the voter-approval rate but not the de minimis rate? It is possible, depending on the facts, that the voters would be required to petition for a tax approval election instead of the city being required to hold an automatic election.

A city's voters are required to submit a petition to hold a tax approval election if:

1. the city's de minimis rate exceeds the voter-approval rate; and

[2] Although nothing in S.B. 2 expressly requires a city under 30,000 in population to calculate the de minimis rate, the alternative notice provisions in Tax Code Sec. 26.063 and the petition requirements in Sec. 26.075 apply only to a city under 30,000 in population if the de minimis rate exceeds the voter-approval rate. Practically speaking, the only way for a city under 30,000 population to know if these statutes apply is to calculate the de minimis rate.

2. the city's adopted rate is: (a) equal to or lower than the de minimis rate; and (b) greater than the greater of the city's voter-approval tax rate (a 3.5 percent rate plus the unused increment rate) or the voter-approval tax rate calculated as if the city were a special taxing unit (an 8 percent rate).[3]

Id. § 26.075.

If the adopted rate is less than either the voter-approval tax rate or voter-approval tax rate for a special taxing unit, the city is not subject to the petition requirements. Essentially, one of these smaller cities that has a de minimis rate that exceeds the 3.5 percent voter-approval tax rate can adopt a rate all the way up to the de minimis rate without an automatic election in November. However, under the bill an 8 percent voter-approval rate (similar to pre-S.B. 2 law) still applies to them in a limited way. If the city's adopted rate exceeds an 8 percent voter-approval rate (but is lower than the de minimis rate) the city is subject to a petition from the voters to conduct a voter-approval election.

The bill's language regarding the de minimis rate is extremely complicated, so it may be helpful to map out the different scenarios for a city. If a city under 30,000 population has a de minimis rate that exceeds the 3.5 voter-approval rate the following rules apply:

- If the city's adopted rate exceeds de minimis rate – Automatic election in November.
- If the city's adopted rate is equal to or lower than de minimis rate but exceeds the greater of the 3.5 voter-approval tax rate or an 8 percent voter-approval tax rate applicable to a special taxing unit – Citizens may petition for an election.
- If the city's adopted rate is lower than de minimis rate and does not exceed the greater of the 3.5 voter-approval tax rate or an 8 percent voter-approval tax rate applicable to a special taxing unit – No election required (automatic or petition).

What is the petition and election process in a city under 30,000 that adopts a tax rate equal to or lower than the de minimis rate, but higher than an 8 percent voter-approval tax rate?

A petition for an election to determine whether to reduce the city's adopted tax rate is valid only if the petition:

1. states that it is intended to require an election in the city on the question of reducing the city's adopted tax rate for the current year;
2. is signed by at least three percent of the registered voters of the city determined according to the most recent list of those voters; and
3. is submitted to the city council not later than the 90th day after the date on which the city council adopts the tax rate.

[3] How could the city's voter-approval tax rate exceed the voter-approval tax rate calculated as if the city were a special taxing unit? It is possible that a city's voter-approval tax rate is higher depending upon the amount of the unused increment rate. Even if it isn't likely, it is possible that a city could bank enough unused increment over a three year window for the 3.5 percent voter-approval rate to exceed the 8 percent voter approval rate for a special taxing unit.

TEX. TAX CODE § 26.075(d).

The city council shall determine whether the petition is valid not later than the 20th day after the date on which the petition is submitted. *Id*. § 26.075(e). If the petition is deemed valid, the city council shall order the election be held on the next uniform election date that allows sufficient time to comply with the requirements of other law. *Id*. § 26.075(f).

At the election, the ballots must be prepared to permit voting for or against the following proposition: "Reducing the tax rate in (name of city) for the current year from (insert tax rate adopted for current year) to (insert voter-approval tax rate)." *Id*. § 26.075(g). Note that, if approved, the tax rate would be reduced to the city's actual voter-approval tax rate, not the 8 percent voter approval tax rate for a special taxing unit. *See Id*. § 26.075(c). If the tax rate is reduced and a property owner already paid taxes calculated using the higher tax rate, the city must refund the difference between the amount of taxes paid and the amount due under the reduced tax rate. *Id*. § 26.075(k).

Are there any other adjustments for cities that can be made to the 3.5 percent voter-approval rate?

Yes. S.B. 2 adds an adjustment to the no-new-revenue maintenance and operations rate—and therefore also the voter-approval rate—for eligible county hospital expenditures. TEX. TAX CODE § 26.0443. The definition of "eligible county hospital" includes a hospital that is owned or leased jointly by a city and a county, and an "eligible county hospital expenditure" includes the amount paid by a city in the tax year preceding the tax year for which the tax is adopted to maintain and operate an eligible county hospital. *Id*. If a city makes these expenditures, and the expenditures exceed the amount of the same expenditures from the preceding tax year, the city may increase its no-new-revenue maintenance and operations tax rate in accordance with an adjusted formula provided by statute. *Id*. § 26.0443(b).

Does the 3.5 percent voter-approval rate calculation include new property?

No. S.B. 2 modified the multiplier in the voter-approval tax rate calculation, reducing it from 8 percent to 3.5 percent. The new 3.5 percent multiplier is applied to the no-new-revenue maintenance and operations tax rate, which used to be called the effective maintenance and operations tax rate. Although the name of that tax rate changed, the calculation did not. The effective maintenance and operations tax rate excluded new property value from the calculation, and the no-new-revenue maintenance and operations rate calculation continues to do so.

Did S.B. 2 change the way cities finance certificates of obligation?

No. At one point during the legislative process, a version of S.B. 2 was considered that would have excluded all non-voter approved debt instruments payable from property taxes from the definition of debt in the Tax Code. This would have forced cities to finance some certificates of obligation through the maintenance and operations tax rate instead of debt service. The result would have been having the lowered 3.5 voter-approval tax rate apply to all maintenance and operations expenses in addition to tax-supported certificates of obligation. Fortunately for Texas cities, the harmful certificate of obligation provision was stripped out of the bill in its final form.

How do the new tax rate calculations in S.B. 2 affect cities that have adopted the dedicated sales tax for property tax relief?

The changes made to the tax rate calculations by S.B. 2 also apply to the tax rate calculations for cities that have adopted the sales tax for property tax relief. *See* TEX. TAX CODE § 26.041. The sales tax for property tax relief (referred to in state statute as the "additional sales and use tax") is designed to offset an equivalent amount of city property tax revenue by reducing a city's voter-approval tax rate by the amount of sales tax revenue that corresponds with the portion of the sales tax rate dedicated to property tax relief. According to comptroller data[4], 395 cities have adopted the sales tax for property tax relief.

The voter-approval tax rate calculation in cities that have adopted the sales tax for property tax relief contains a 3.5 percent multiplier and unused increment rate adjustment, just like the calculation for any other city. Before S.B. 2, cities with the sales tax for property tax relief were deducting sales tax revenue from a property tax rate formula that used an eight percent multiplier. Now, the baseline rate is lowered due to the 3.5 percent multiplier, and the sales tax revenue is deducted from that rate. The end result is that cities that have adopted the sales tax for property tax relief will see their voter-approval rates lowered by a greater amount than those cities without the sales tax for property tax relief.

Does a city get any relief from the lowered voter-approval rate during a disaster?

Yes, in two different ways. First, a city council may direct the designated officer or employee[5] to calculate the voter-approval tax rate in the manner provided for a special taxing unit (8 percent) if any part of the city is located in an area declared a disaster area during the current tax year by the governor or by the president of the United States. TEX. TAX CODE § 26.04(c-1). The designated officer or employee shall continue calculating the voter-approval tax rate using 8 percent instead of 3.5 percent until the earlier of:

1. the second tax year in which the total taxable value of property in the city exceeds the total taxable value of property taxable by the city on January 1st of the tax year in which the disaster occurred; or

[4] https://comptroller.texas.gov/taxes/sales/city-additional-tax.php.
[5] The term "designated officer or employee" is not a new one added by S.B. 2. The city council has the ability to designate any officer or employee to calculate the tax rate. Tax Code § 26.04(c). The designated officer or employee is commonly a city finance officer or even a chief appraiser or county assessor-collector. Because of the increased responsibilities under S.B. 2, cities are encouraged to consult with their designated officer or employee about the changes well in advance of S.B. 2 taking effect. If that is the chief appraiser or county assessor-collector, the city may wish to revisit any written agreements currently in place.

2. the third tax year after the tax year in which the disaster occurred.

Id.

The other S.B. 2 provision pertaining to disasters gives cities the ability to avoid an automatic tax rate approval election following certain disasters. When an increased expenditure of money by a city is necessary to respond to a disaster, including a tornado, hurricane, flood, wildfire, or other calamity, but not including a drought, that impacted the city and the governor has declared any part of the city as a disaster area, an election (petitioned or automatic) is not required to approve the tax rate adopted by the governing body for the year following the year in which the disaster occurs. *Id*. § 26.07(b).

When must the tax rate be adopted?

While the Tax Code still requires a city to adopt its tax rate before the later of September 30th or the 60th day after the certified appraisal roll is received by the city, S.B. 2 moves up the date on which a city must adopt a tax rate that exceeds the voter-approval tax rate. TEX. TAX CODE § 26.05(a). If a city adopts a rate exceeding the voter-approval tax rate, it must do so not later than the 71st day before the November uniform election date, which is the first Tuesday following the first Monday in November. *Id*.; *See also* TEX. ELEC. CODE § 41.001(a)(3).

Because S.B. 2 is designed to have cities' automatic tax rate approval elections held on the November uniform election date, the legislature deemed it necessary to require cities to adopt their tax rates earlier to provide ample time to order the election. Indeed, S.B. 2 requires the city council to order the tax rate approval election not later than the 71st day before the date of the election. TEX. TAX CODE § 26.07(c). The 71st day will change every year depending upon when the November election date occurs, but generally it will occur in mid-to-late August.

Using the 71st day before election day as the deadline to order the election in S.B. 2 appears to be a drafting mistake by the legislature. The Election Code provides that, for an election held on a uniform election date, the election shall be ordered not later than the 78th day before election day. TEX. ELEC. CODE § 3.005(c). Further, the Election Code provides that the 78-day deadline supersedes any law outside the Election Code to the extent of any conflict. *Id*. § 3.005(b). Because the 78th day deadline for ordering the election expressly prevails over the 71st day deadline in S.B. 2, a city must order its election by no later than the 78th day before the November uniform election date. Even though the election must be ordered by the 78th day before the election, theoretically a city could push off the adoption of a tax rate exceeding the voter-approval tax rate until the 71st day before the election as provided by S.B. 2.

Interestingly, this expedited tax rate adoption calendar applies to a city under 30,000 that adopts a tax rate that exceeds the voter-approval rate, even if the city's adopted rate does not exceed the de minimis tax rate. *See* TEX. TAX CODE § 26.05(a). If *any* city adopts a tax rate that exceeds the voter-approval rate, it must do so by the 71st day before the November uniform election date.

Because state law provides that a city may levy taxes only in accordance with the budget, a city must adopt its budget before it adopts its tax rate, regardless of the deadline to do so. *See* TEX. LOC. GOV'T CODE § 102.009(a). If a city adopts a tax rate in August that exceeds the voter-approval tax rate, it must adopt its budget before doing so.

What is the election process for a city that must hold an automatic election to approve a tax rate?

A city with a population of 30,000 or more that adopts a tax rate exceeding the voter-approval tax rate, or a city with a population of less than 30,000 that adopts a tax rate exceeding the greater of the taxing unit's voter-approval tax rate or de minimis rate must hold an automatic election to approve the adopted tax rate as required by Texas Tax Code Sec. 26.07. As mentioned above, a city to which Sec. 26.07 applies must order its election by the 78th day before the November uniform election date. TEX. ELEC. CODE § 3.005(c).

The ballots must be prepared to permit voting for or against the following proposition: "Approving the ad valorem tax rate of $____ per $100 valuation in (name of taxing unit) for the current year, a rate that is $____ higher per $100 valuation than the voter-approval tax rate of (name of taxing unit), for the purpose of (description of purpose of increase). Last year, the ad valorem tax rate in (name of taxing unit) was $_____ per $100 valuation." TEX. TAX CODE § 26.07(c).

Although most of the required ballot language is fairly straightforward, cities have raised questions about what exactly would satisfy the requirement to describe the purpose of the increase. For example, it may not be easy to discern if an increased expenditure is attributable to the revenue derived from the amount by which a city goes over the voter-approval tax rate, or if the expenditure was something the city prioritized in its budget that would have been covered by city's adoption of the voter-approval tax rate or even the no-new-revenue tax rate. Without any additional statutory guidance, cities would appear to maintain the discretion to make a reasonable determination under this provision. Cities are encouraged to consult with their city attorney about the ballot language describing the purpose of the increase.

What happens if voters don't approve a city tax rate exceeding the voter-approval rate?

If voters do not approve the city's adopted tax rate at a tax rate approval election, the city's rate for the current tax year is set at the voter-approval tax rate. TEX. TAX CODE § 26.07(e). If property owners pay their taxes using the originally adopted tax rate and the voters ultimately reject that rate at an election in November, the city must refund the difference between the amount of taxes paid and the amount of taxes due under the voter-approval tax rate. *Id*. § 26.07(g).

What happens if the city doesn't receive the certified appraisal roll on time?

Prior to the passage of S.B. 2, the law required the chief appraiser to submit the certified appraisal roll to the assessor for each taxing unit by July 25th. TEX. TAX CODE § 26.01(a). The certified roll could be certified once the appraisal review board has completed substantially all timely filed protests so that the amount of undetermined value is not more than five percent of the total appraised value of all taxable properties. *Id*. § 41.12(b). The deadline for appraisal review boards to complete substantially all of their work was July 20th, though appraisal districts located in counties with populations of one million or more could postpone this deadline until August 20th. *Id*. § 41.12(c).

Certifying the tax roll triggers the tax rate setting process, as a city may not calculate the tax rates without a firm grasp the appraised values contained in the certified roll. Because a city that adopts a rate exceeding the voter-approval rate must act quickly, the timely delivery of the certified tax roll becomes even more important under S.B. 2. Delivery of the certified appraisal roll by August 20th or later is completely untenable for cities given the new deadlines for adopting the tax rate under S.B. 2.

Instead of requiring all appraisal review boards to complete substantially all protests by July 20th so the roll can be certified by the chief appraiser by July 25th, S.B. 2 instead gives chief appraisers an alternative to submitting a certified roll to the assessor. S.B. 2 amends the Tax Code to provide that, if the appraisal review board has not approved the appraisal records by July 20th, the chief appraiser shall prepare and certify to the assessor for each taxing unit an *estimate* of the taxable value by not later than July 25th. *Id*. § 26.01(a-1). If a certified estimate is provided instead of a certified appraisal roll, the officer or employee designated by the city council shall calculate the no-new-revenue tax rate and voter-approval tax rate using the certified estimate of taxable value. *Id*. § 26.04(c-2).

What changes were made to how a city provides notice of its tax rate every year?

Prior to the passage of S.B. 2, most cities provided notice of their property tax rates pursuant to Local Government Code Section 140.010. That statute was repealed by S.B. 2 and replaced with a few different mechanisms for providing notice of the city's tax rate:

- By August 7th or as soon thereafter as practicable, the designated officer or employee of a city must post notice on the city's website, in the form prescribed by the comptroller, the following: (1) the no-new-revenue tax rate and the voter-approval tax rate, along with an explanation of how they were calculated; (2) the estimated amount of interest and sinking fund balances and the estimated amount of maintenance and operation or general fund balances remaining at the end of the current fiscal year that are not encumbered with or by corresponding existing debt obligations; and (3) a schedule of the city's debt obligations. TEX. TAX CODE § 26.04(e).
- New notice provisions for the public hearing on the tax rate, loosely based upon the tax rate notice located in Local Government Code Sec 140.010 that was repealed by S.B. 2, are included in the bill. A different notice is required for each of the following scenarios: (1) the proposed tax rate exceeds the no-new-revenue tax rate and the voter-approval tax rate; (2) the proposed tax rate exceeds the no-new-revenue tax rate but does not exceed

the voter-approval tax rate; and (3) the proposed tax rate does not exceed the no-new-revenue tax rate but exceeds the voter-approval tax rate; and (4) in a city with a population of less than 30,000 in which the de minimis tax rate exceeds the voter-approval tax rate, the proposed tax rate exceeds the voter-approval rate. *Id.* §§ 26.06(b-1) – (b-3), 26.063.

- S.B. 2 includes new notice provisions for the meeting to vote on a proposed tax rate that does not exceed the lower of the no-new-revenue tax rate or voter-approval tax rate. (Note: this notice is similar to the notice requirements related to the public hearing on the tax rate, except that no public hearing is required because the proposed rate doesn't exceed the lower of the no-new-revenue rate or voter-approval rate.) *Id.* § 26.061.
- S.B. 2 also requires a table to be included at the end of the notice of the hearing on the tax rate or meeting to adopt the tax rate, as applicable, that compares the taxes imposed on the average residence homestead in the city last year to the taxes proposed to be imposed on the average residence homestead this year.

How must the tax comparison table be formatted?

In addition to requiring specific language both before and after the table, S.B. 2 requires the table itself to be generally formatted as follows (example for 2020 tax year):

	2019	**2020**	**Change**
Total Tax Rate (per $100 of value)	2019 adopted rate	2020 proposed rate	Statement of nominal and percentage difference
Average Homestead Taxable Value	2019 average taxable value of residence homestead	2020 average taxable value of residence homestead	Statement of percentage difference
Tax on Average Homestead	2019 Amount of taxes on average homestead	2020 amount of taxes on average homestead	Statement of nominal and percentage difference
Total tax levy on all properties	2019 Levy	(Proposed rate x current total value)/100	Statement of nominal and percentage difference

See TEX. TAX CODE § 26.062.

Are low-tax-levy cities exempt from the new notice requirements?

Mostly, yes. Just like the law prior to S.B. 2, cities with low tax levies have a simplified tax rate notice and are exempt from the other notice requirements in the Tax Code. A "low tax levy" city is one that levies under $500,000 in total property taxes and has a tax rate under $.50 per $100 of valuation. *See* TEX. TAX CODE § 26.052(a). Under S.B. 2, any such city is exempt from both the requirement to post tax rate and debt notice on the city's website under Tax Code Sec. 26.04(e), and the new notices of the tax rate hearing or meeting to adopt the tax rate in Tax Code Secs. 26.06 and 26.063.

A low-tax levy city must, however, provide notice of the meeting to vote on a proposed tax rate that does not exceed the lower of the no-new-revenue or voter-approval tax rate pursuant to Tax Code Sec. 26.061. The notice may be delivered by mail or published in the newspaper. *See Id.* §§ 26.061(d) and 26.06(c). If the notice is published in the newspaper, the city must also post the notice prominently on the home page of the city's website from the date the notice is first published until the public hearing is concluded. *Id.* § 26.06(c).

If a low-tax-levy city publishes in the newspaper simplified notice as authorized under Tax Code Sec. 26.052(e), the city must also provide public notice of its proposed tax rate by posting the simplified notice prominently on the city's website. *Id.* § 26.052(f).

Does a city need to use a specific form to calculate its tax rate?

Yes. The comptroller is required to create tax rate calculation forms to be used by cities and other taxing units when calculating their property tax rates. TEX. TAX CODE § 5.07(f). The forms are required to be in an electronic format and have blanks that can be filled in electronically. *Id*. § 5.07(g). Further, the forms must be capable of being certified by the designated officer or employee of a city after completion as accurately calculating the applicable tax rates and using values that are the same as the values shown in either the city's certified appraisal roll or the certified estimate of taxable value. *Id*. The forms also must be capable of being electronically incorporated into the property tax database maintained by each appraisal district (discussed in greater detail below) and electronically submitted to the county assessor-collector. *Id*.

The designated officer or employee of the city is required to use the tax rate calculation forms prescribed by the comptroller to calculate the no-new-revenue tax rate and the voter-approval tax rate. *Id.* § 26.04(d-1). The designated officer or employee of the city may not submit the no-new-revenue tax rate and the voter-approval tax rate to the city council, and the city council may not adopt a tax rate, until the designated officer or employee certifies on the tax rate calculation forms that he or she has accurately calculated the tax rates and has used values that are the same as the values show in the city's certified appraisal roll in performing the calculations. *Id.* § 26.04(d-2).

As soon as practicable after the designated officer or employee calculates the no-new-revenue and voter-approval tax rates, he or she must electronically submit the tax rate calculation forms used in calculating the rates to the county assessor-collector for each county in which the city is located, and the assessor-collector must post the forms on the county's website. *Id.* §§ 26.04(d-3), 26.16(d-1). (Note: These statutory requirements are not effective until January 1, 2021.)

The city council must include as an appendix to the city's budget for a fiscal year the tax rate calculation forms used by the designated officer or employee of the city to calculate the no-new-revenue tax rate and the voter-approval tax rate of the city for the tax year in which the fiscal year begins. *Id.* § 26.04(e-5). (Note: This statutory requirement is not effective until January 1, 2021.)

Is a city still required to hold two public hearings on the tax rate if the rate exceeds the no-new-revenue rate?

No. Before S.B. 2, when a city proposed a tax rate that exceeded the lower of the effective tax rate or the rollback rate, the city was required to hold two public hearings prior to adopting the tax rate. Due to the compressed timeframe for adopting a tax rate that exceeds the voter-approval rate, the drafters of S.B. 2 eliminated one of the existing tax rate hearings. Under S.B. 2, a city that adopts a rate exceeding the lower of the no-new-revenue tax rate or the voter-approval tax rate must only hold one public hearing. *See* TEX. TAX CODE § 26.05(d).

The lone public hearing under the new law may not be held before the fifth day after the date the notice of the public hearing is given. *See Id.* § 26.06(a). The city council also may not hold its public hearing or public meeting to adopt a tax rate until the fifth day after the date the chief appraiser of each appraisal district in which the city participates has delivered its tax estimate notice under Tax Code Sec. 26.04(e-2) and made various tax rate information and the tax rate calculation forms available on to the public via the property tax database under Tax Code Sec. 26.17(f) (discussed in greater detail below). *Id.* § 26.05(d-1). In fact, the city council is prohibited from adopting a tax rate until the chief appraiser has given notice and updated the property tax database. *Id.* § 26.05(d-2).

May the city council vote to approve the tax rate at the public hearing on the tax rate?

Yes. As opposed to prior law, which required a city to space out its two public hearings as well as the meeting to adopt the tax rate, the law as amended by S.B. 2 expressly authorizes the city council to vote on the proposed tax rate at the public hearing. *See* TEX. TAX CODE § 26.06(d). Again, this change reflects the reality that if a city council must adopt a tax rate that exceeds the voter-approval tax rate, it must act quickly to do so.

What is the property tax database?

S.B. 2 requires the chief appraiser of each appraisal district to create and maintain a property tax database that: (1) contains information that is provided by taxing units located in the appraisal district; (2) is continuously updated as preliminary and revised data becomes available and is provided by the designated officers or employees of taxing units; (3) is accessible to the public; and (4) is searchable by property address and owner. TEX. TAX CODE § 26.17(a).

The property tax database is required to include various types of information with respect to each property listed on the appraisal roll for the appraisal district. A city's designated officer or employee is required to electronically incorporate the following information into the database as the information becomes available:

1. the no-new-revenue tax rate and the voter-approval tax rate;
2. the proposed tax rate;
3. the date, time, and location of the public hearing, if applicable, on the proposed tax rate;
4. the date, time, and location of the public meeting, if applicable, at which the tax rate will be adopted; and
5. the tax rate calculation forms.

Id. § 26.17(e).

Does S.B. 2 require a city to create a website?

Not quite. S.B. 2 requires every taxing unit to either maintain an internet website or have access to a generally accessible Internet website that may be used for the purposes of posting tax rate and budget information. TEX. TAX CODE § 26.18. A "taxing unit" means any city "that is authorized to impose and is imposing ad valorem taxes on property… ." TEX. TAX CODE § 1.04(12). Thus, any city that has adopted a property tax rate must comply with the website requirements in S.B. 2.

The term "generally accessible Internet website" is not defined in the bill, but presumably refers to Facebook or some other website that is widely accessible and on which the city can post its information.

What is a city required to post on its website under S.B. 2?

The information required to be posted on a city's website, or generally accessible Internet website, includes:

1. The name of each member of the city council;
2. The mailing address, email address, and telephone number of the city;
3. The official contact information for each member of the city council;
4. The city's budget for the previous two years;
5. The city's proposed or adopted budget for the current year;
6. The change in the amount of the city's budget from the preceding year to the current year, by dollar amount and percentage;
7. The amount of property tax revenue budgeted for maintenance and operations for the current year and previous two years;
8. The tax rate for maintenance and operations adopted by the city for the current year and previous two years;
9. The tax rate for debt service adopted by the city for the current year and previous two years; and
10. The most recent financial audit of the city.

TEX. TAX CODE § 26.18.

Can a city reduce compensation to a first responder due to the enactment of S.B. 2?

No, at least not for the fiscal year beginning in 2020. Section 119 of the bill prohibits a city from adopting a budget for the fiscal year beginning in 2020 or taking any other action that has the effect of decreasing the total compensation to which a first responder (peace officer, firefighter, or certain licensed providers of emergency medical services) employed by the city was entitled in the preceding fiscal year. "Compensation" is defined to include a salary, wage, insurance benefit, retirement benefit, or similar benefit an employee receives as a condition of employment. A city is not legally prohibited by S.B. 2 from reducing first responder compensation in a budget other than the one adopted for fiscal year 2020.

What are the legal ramifications for a city that doesn't comply with all of the new legal requirements in S.B. 2?

Just like the law prior to the passage of S.B. 2, a person owning taxable property in the city is entitled to an injunction either preventing the adoption of a tax rate or restraining the collection of taxes by the city if the city or designated officer or employee of the city, as applicable, has not complied with procedural certain requirements in the Tax Code. *See* TEX. TAX CODE §§ 26.04(g) and 26.05(e). In either scenario, the city has an affirmative defense in an action for an injunction that the failure to comply with the procedural requirements was in good faith. *Id*. The statutes authorizing injunctive relief, as amended by S.B 2, are not effective until January 1, 2021.

Outline of Fire Department Hiring Process

Applications Opened: 03/04/2020 (Internal and External Postings)

Application Period Closed: 04/03/2020

Physical Agility Test: 04/06/2020

Written Test: 04/06/2020

Oral Interview Panel: 04/20/2020

- **Interview Panel**
  - Interim Fire Chief William Hilburn (Kirby Fire Department)
  - Police Chief Darrell Volz (Windcrest Police Department)
  - Sergeant James Cole (Windcrest Police Department)
  - Fire Marshal Tim Zelenak (Windcrest Fire Department)

Final Scored Ranking Released: 04/20/2020

After City Counsel review conditional job offers sent: 05/06/2020

- **Offer Conditions:**
  - Successful completion of the thorough background check being completed by Windcrest Police Department
  - Successful completion of a polygraph examination
  - Successful completion of a medical examination
  - Successful completion of a drug screen

Background Investigations: IN PROCESS

Polygraph Examinations: PENDING

Medical Evaluations: PENDING

Drug Screens: PENDING

Fire Chief's Interview: PENDING

Anticipated Firefighter Start Date: TBD

RESOLUTION NUMBER 2020-***

A RESOLUTION AUTHORIZING AN ANNUAL RENEWAL OF THE AGREEMENT FOR CITY HALL AND CIVIC CENTER JANITORIAL SERVICES AND AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE A CONTRACT FOR SUCH SERVICES

WHEREAS, on June 18, 2018 the City of Windcrest accepted the bid from Sparkling Clear Window & Commercial Cleaning Services. in the amount of $26,774.96 (City Hall) per FY 18-19 and $23,147.00 (Civic Center) per FY 18-19, with two one-year extensions; and

WHEREAS, the City Council extended (1st year extension) said contract through September 30, 2020; and

WHEREAS, the City Council desires to extend (2nd extension) said contract through September 30, 2021; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Windcrest, Texas, that:

1. Sparkling Clear Window & Commercial Cleaning Services is hereby engaged to provide janitorial services for the Civic Center to be funded from the Civic Center Department/General Fund for the fiscal year starting October 1, 2020 and ending September 30, 2021 with no increase, not to exceed $10,635.00.

2. Sparkling Clear Window & Commercial Cleaning Services is hereby engaged to provide janitorial services for the City Hall to be funded from the Facility Division/General Fund for the fiscal year starting October 1, 2020 and ending September 30, 2021 with no increase, not to exceed $22,840.00.

3. The City Manager is authorized to negotiate and execute a contract with Sparkling Clear Window & Commercial Cleaning Services for such services.

DULY PASSED AND APPROVED, on the _____ day of ______, 2020 at a regular meeting of the City Council of the City of Windcrest, Texas, which meeting was held in compliance with the Open Meetings Act, Tex. Gov't. Code, §551.001, et. seq. at which meeting a quorum was present and voting.

CITY OF WINDCREST, TEXAS

____

Dan Reese, Mayor

ATTEST:

____
Rachel C. Dominguez, City Secretary

APPROVED:

____
Ryan S. Henry, City Attorney

RATE LETTER

SPARKLING CLEAR
WINDOW & COMMERCIAL CLEANING SERVICES

City of Windcrest,

5.18.20

This letter is to inform you that we are not proposing any increase for the contract year of '20 - '21 for City Hall. We appreciate your business and look forward to continuing our working relationship.

Thank you,

Brandy West
Sparkling Clear

Resolution 2019-725(R)
Approved on 7.15.19
10.01.19 - 9.30.20.

CLEANING SERVICES AGREEMENT

THIS CLEANING SERVICES AGREEMENT (the "Agreement") dated this _____22nd_________ day of __July______, ___2019_____

BETWEEN:

City of Windcrest of 8601 Midcrown Dr., Windcrest, TX 78239
(the "Client")

- AND -

Sparkling Clear Window & Commercial Cleaning Services. of 11127 Ballard Peak, San Antonio TX, 78254 (the "Contractor")

BACKGROUND:

A. The Client is of the opinion that the Contractor has the necessary qualifications, experience and abilities to provide cleaning services to the Client.

B. The Contractor is agreeable to providing such cleaning services to the Client on the terms and conditions set out in this Agreement.

IN CONSIDERATION OF the matters described above and of the mutual benefits and obligations set forth in this Agreement, the receipt and sufficiency of which consideration is hereby acknowledged, the Client and the Contractor (individually the "Party" and collectively the "Parties" to this Agreement) agree as follows:

Services Provided

1. The Client hereby agrees to engage the Contractor to provide the Client with the following cleaning services (the "Services"):

- strip and wax all VCT flooring; power scrub and grout cleaning of ceramic tile; initial clean to include all detail listed below; and
- clean and sanitize restroom facilities; clean and disinfect kitchen area; sweep and mop all floors; vacuum and spot clean carpets; empty, clean and sanitize waste receptacles;

dust/damp wipe hard surfaces; maintain all entryways; clean and/or polish all glass and bright work..

2. The venue for delivery of the Services is:

- City of Windcrest.

3. The Contractor will provide the Services on Monday through Friday, 4:00 p.m. to 6:00 a.m..

4. The Services will also include any other cleaning tasks which the Parties may agree on. The Contractor hereby agrees to provide such Services to the Client.

Term of Agreement

5. The term of this Agreement (the "Term") will begin on the date of this Agreement and will remain in full force and effect until September 30, 2020, subject to earlier termination as provided in this Agreement. The Term of this Agreement may be extended with the written consent of the Parties.

6. In the event that either Party wishes to terminate this Agreement prior to September 30, 2020, that Party will be required to provide 30 days' written notice to the other Party.

Performance

7. The Parties agree to do everything necessary to ensure that the terms of this Agreement take effect.

Currency

8. Except as otherwise provided in this Agreement, all monetary amounts referred to in this Agreement are in USD (US Dollars).

Compensation

9. The Contractor will charge the Client for the Services at the rate of $22,840.00 per year (the "Compensation").

10. The Client will be invoiced every month.

11. Invoices submitted by the Contractor to the Client are due within 7 days of receipt.

12. The Contractor will not be reimbursed for any expenses incurred in connection with providing the Services of this Agreement.

Confidentiality

13. Confidential information (the "Confidential Information") refers to any data or information relating to the business of the Client which would reasonably be considered to be proprietary to the Client including, but not limited to, accounting records, business processes, and client records and that is not generally known in the industry of the Client and where the release of that Confidential Information could reasonably be expected to cause harm to the Client.

14. The Contractor agrees that they will not disclose, divulge, reveal, report or use, for any purpose, any Confidential Information which the Contractor has obtained, except as authorized by the Client or as required by law. The Contractor further agrees that they will not disclose, divulge, reveal, report or use, for any purpose, any personal information of the Client, without the prior written consent of the Client. The obligations of confidentiality will apply during the term of this Agreement and will survive indefinitely upon termination of this Agreement.

Return of Property

15. Upon the expiry or termination of this Agreement, the Contractor will return to the Client any property, documentation, records, or Confidential Information which is the property of the Client.

Capacity/Independent Contractor

16. In providing the Services under this Agreement it is expressly agreed that the Contractor is acting as an independent contractor and not as an employee. The Contractor and the Client acknowledge that this Agreement does not create a partnership or joint venture between them and is exclusively a contract for service. The Client is not required to pay, or make any contributions to, any social security, local, state or federal tax, unemployment compensation, workers' compensation, insurance premium, profit-sharing, pension or any other employee benefit for the Contractor during the Term. The Contractor is responsible for paying, and complying with reporting requirements for, all local, state and federal taxes related to payments made to the Contractor under this Agreement.

Notice

17. All notices, requests, demands or other communications required or permitted by the terms of this Agreement will be given in writing and delivered to the Parties at the following addresses:

a. City of Windcrest

8601 Midcrown Dr., Windcrest, TX 78239

b. Sparkling Clear Window & Commercial Cleaning Services.
11127 Ballard Peak, San Antonio TX, 78254

or to such other address as either Party may from time to time notify the other, and will be deemed to be properly delivered (a) immediately upon being served personally, (b) two days after being deposited with the postal service if served by registered mail, or (c) the following day after being deposited with an overnight courier.

Indemnification

18. Except to the extent paid in settlement from any applicable insurance policies, and to the extent permitted by applicable law, each Party agrees to indemnify and hold harmless the other Party, and its respective directors, shareholders, affiliates, officers, agents, employees, and permitted successors and assigns against any and all claims, losses, damages, liabilities, penalties, punitive damages, expenses, reasonable legal fees and costs of any kind or amount whatsoever, which result from or arise out of any act or omission of the indemnifying party, its respective directors, shareholders, affiliates, officers, agents, employees, and permitted successors and assigns that occurs in connection with this Agreement. This indemnification will survive the termination of this Agreement.

Additional Clause

19. If any special services are needed between the contract period of October 1, 2019 and September 30th, 2020 i.e.; floor services. There will be a negotiated price for floor care only, separate of the annual contract rate for daily cleaning services.

Modification of Agreement

20. Any amendment or modification of this Agreement or additional obligation assumed by either Party in connection with this Agreement will only be binding if evidenced in writing signed by each Party or an authorized representative of each Party.

Time of the Essence

21. Time is of the essence in this Agreement. No extension or variation of this Agreement will operate as a waiver of this provision.

Assignment

22. The Contractor will not voluntarily, or by operation of law, assign or otherwise transfer its obligations under this Agreement without the prior written consent of the Client.

Entire Agreement

23. It is agreed that there is no representation, warranty, collateral agreement or condition affecting this Agreement except as expressly provided in this Agreement.

Enurement

24. This Agreement will enure to the benefit of and be binding on the Parties and their respective heirs, executors, administrators and permitted successors and assigns.

Titles/Headings

25. Headings are inserted for the convenience of the Parties only and are not to be considered when interpreting this Agreement.

Gender

26. Words in the singular mean and include the plural and vice versa. Words in the masculine mean and include the feminine and vice versa.

Governing Law

27. This Agreement will be governed by and construed in accordance with the laws of the State of Texas.

Severability

28. In the event that any of the provisions of this Agreement are held to be invalid or unenforceable in whole or in part, all other provisions will nevertheless continue to be valid and enforceable with the invalid or unenforceable parts severed from the remainder of this Agreement.

Waiver

29. The waiver by either Party of a breach, default, delay or omission of any of the provisions of this Agreement by the other Party will not be construed as a waiver of any subsequent breach of the same or other provisions.

IN WITNESS WHEREOF the Parties have duly affixed their signatures under hand and seal on this 22nd day of July, 2019.

City of Windcrest

Per:________________ (Seal)

Sparkling Clear Window & Commercial Cleaning Services.

Per: B West (Seal)

RATE LETTER

SPARKLING CLEAR
WINDOW & COMMERCIAL CLEANING SERVICES

City of Windcrest, 5.18.20

This letter is to inform you that we are not proposing any increase for the contract year of '20 - '21 for Civic Center. We appreciate your business and look forward to continuing our working relationship.

Thank you,

BWest

Brandy West
Sparkling Clear

Resolution 2019-7.25(R)
Approved on 7.15.19
10.01.19 - 9.30.20

CLEANING SERVICES AGREEMENT

THIS CLEANING SERVICES AGREEMENT (the "Agreement") dated this ___22nd_____________ day of __July______, ____2019____

BETWEEN:

City of Windcrest (Civic Center) of 9310 Seal Drive Windcrest, TX 78239
(the "Client")

- AND -

Sparkling Clear Window & Commercial Cleaning Svc. of 11127 Ballard Peak (the "Contractor")

BACKGROUND:

A. The Client is of the opinion that the Contractor has the necessary qualifications, experience and abilities to provide cleaning services to the Client.

B. The Contractor is agreeable to providing such cleaning services to the Client on the terms and conditions set out in this Agreement.

IN CONSIDERATION OF the matters described above and of the mutual benefits and obligations set forth in this Agreement, the receipt and sufficiency of which consideration is hereby acknowledged, the Client and the Contractor (individually the "Party" and collectively the "Parties" to this Agreement) agree as follows:

Services Provided

1. The Client hereby agrees to engage the Contractor to provide the Client with the following cleaning services (the "Services"):

- strip and wax all stained concrete and/or VCT flooring; machine scrub Mosaic tile.; and
- clean and sanitize restroom facilities; clean and disinfect kitchen area; sweep and mop all floors; vacuum and spot clean carpets; empty, clean and sanitize waste receptacles; dust/damp wipe hard surfaces; maintain all entryways; clean and/or polish all glass and

bright work..

2. The venue for delivery of the Services is:

- Civic Center.

3. The Contractor will provide the Services on Periodically; according to schedule that is to be provided by the City of Windcrest..

4. The Services will also include any other cleaning tasks which the Parties may agree on. The Contractor hereby agrees to provide such Services to the Client.

Term of Agreement

5. The term of this Agreement (the "Term") will begin on the date of this Agreement and will remain in full force and effect until September 30, 2020, subject to earlier termination as provided in this Agreement. The Term of this Agreement may be extended with the written consent of the Parties.

6. In the event that either Party wishes to terminate this Agreement prior to September 30, 2020, that Party will be required to provide 30 days' written notice to the other Party.

Performance

7. The Parties agree to do everything necessary to ensure that the terms of this Agreement take effect.

Currency

8. Except as otherwise provided in this Agreement, all monetary amounts referred to in this Agreement are in USD (US Dollars).

Compensation

9. The Contractor will charge the Client for the Services at the rate of $10,635.00 per year (the "Compensation").

10. The Client will be invoiced every month.

11. Invoices submitted by the Contractor to the Client are due within 7 days of receipt.

12. The Contractor will not be reimbursed for any expenses incurred in connection with providing the Services of this Agreement.

Confidentiality

13. Confidential information (the "Confidential Information") refers to any data or information relating to the business of the Client which would reasonably be considered to be proprietary to the Client including, but not limited to, accounting records, business processes, and client records and that is not generally known in the industry of the Client and where the release of that Confidential Information could reasonably be expected to cause harm to the Client.

14. The Contractor agrees that they will not disclose, divulge, reveal, report or use, for any purpose, any Confidential Information which the Contractor has obtained, except as authorized by the Client or as required by law. The Contractor further agrees that they will not disclose, divulge, reveal, report or use, for any purpose, any personal information of the Client, without the prior written consent of the Client. The obligations of confidentiality will apply during the term of this Agreement and will survive indefinitely upon termination of this Agreement.

Return of Property

15. Upon the expiry or termination of this Agreement, the Contractor will return to the Client any property, documentation, records, or Confidential Information which is the property of the Client.

Capacity/Independent Contractor

16. In providing the Services under this Agreement it is expressly agreed that the Contractor is acting as an independent contractor and not as an employee. The Contractor and the Client acknowledge that this Agreement does not create a partnership or joint venture between them, and is exclusively a contract for service. The Client is not required to pay, or make any contributions to, any social security, local, state or federal tax, unemployment compensation, workers' compensation, insurance premium, profit-sharing, pension or any other employee benefit for the Contractor during the Term. The Contractor is responsible for paying, and complying with reporting requirements for, all local, state and federal taxes related to payments made to the Contractor under this Agreement.

Notice

17. All notices, requests, demands or other communications required or permitted by the terms of this Agreement will be given in writing and delivered to the Parties at the following addresses:

a. City of Windcrest (Civic Center)
9310 Seal Drive Windcrest, TX 78239

b. Sparkling Clear Window & Commercial Cleaning Svc.
11127 Ballard Peak

or to such other address as either Party may from time to time notify the other, and will be deemed to be properly delivered (a) immediately upon being served personally, (b) two days after being deposited with the postal service if served by registered mail, or (c) the following day after being deposited with an overnight courier.

Indemnification

18. Except to the extent paid in settlement from any applicable insurance policies, and to the extent permitted by applicable law, each Party agrees to indemnify and hold harmless the other Party, and its respective directors, shareholders, affiliates, officers, agents, employees, and permitted successors and assigns against any and all claims, losses, damages, liabilities, penalties, punitive damages, expenses, reasonable legal fees and costs of any kind or amount whatsoever, which result from or arise out of any act or omission of the indemnifying party, its respective directors, shareholders, affiliates, officers, agents, employees, and permitted successors and assigns that occurs in connection with this Agreement. This indemnification will survive the termination of this Agreement.

Additional Clause

19. If any special services are needed between the contract period of October 1, 2019 and September 30th, 2020 i.e.; floor services. There will be a negotiated price for floor care only, separate of the annual contract rate for daily cleaning services.

Modification of Agreement

20. Any amendment or modification of this Agreement or additional obligation assumed by either Party in connection with this Agreement will only be binding if evidenced in writing signed by each Party or an authorized representative of each Party.

Time of the Essence

21. Time is of the essence in this Agreement. No extension or variation of this Agreement will operate as a waiver of this provision.

Assignment

22. The Contractor will not voluntarily, or by operation of law, assign or otherwise transfer its obligations under this Agreement without the prior written consent of the Client.

Entire Agreement

23. It is agreed that there is no representation, warranty, collateral agreement or condition affecting this Agreement except as expressly provided in this Agreement.

Enurement

24. This Agreement will endure to the benefit of and be binding on the Parties and their respective heirs, executors, administrators and permitted successors and assigns.

Titles/Headings

25. Headings are inserted for the convenience of the Parties only and are not to be considered when interpreting this Agreement.

Gender

26. Words in the singular mean and include the plural and vice versa. Words in the masculine mean and include the feminine and vice versa.

Governing Law

27. This Agreement will be governed by and construed in accordance with the laws of the State of Texas.

Severability

28. In the event that any of the provisions of this Agreement are held to be invalid or unenforceable in whole or in part, all other provisions will nevertheless continue to be valid and enforceable with the invalid or unenforceable parts severed from the remainder of this Agreement.

Waiver

29. The waiver by either Party of a breach, default, delay or omission of any of the provisions of this Agreement by the other Party will not be construed as a waiver of any subsequent breach of the same or other provisions.

IN WITNESS WHEREOF the Parties have duly affixed their signatures under hand and seal on this ________________ day of ________, ________.

City of Windcrest (Civic Center)

Per:__________________________ (Seal)

7.22.19

Sparkling Clear Window & Commercial Cleaning Svc.

Per:__________________________ (Seal)

RESOLUTION NO 2019-726

A RESOLUTION AUTHORIZING A ONE YEAR EXTENSION OF THE AGREEMENT FOR AMBULANCE AND EMERGENCY MEDICAL SERVICES WITH LONE STAR AMBULANCE SERVICE 1, LLC d/b/a ALLEGIANCE MOBILE HEALTH

WHEREAS, the City of Windcrest contracted with Lone Star Ambulance Service 1, LLC d/b/a Allegiance Mobile Service for emergency and non-emergency medical services effective October 1, 2019; and

WHEREAS, the City of Windcrest and Lone Star Ambulance Service 1, LLC d/b/a Allegiance Mobile Service desire to extend their relationship for emergency and non-emergency medical services for another year commencing October 1, 2019 through September 30, 2020.

WHEREAS, or the City Council can instruct the staff to do an RFP.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WINDCREST that the contract with Lone Star Ambulance Service 1, LLC d/b/a Allegiance Mobile Service is extended from October 1, 2019 through September 30, 2020 and the City Manager is authorized to execute an extension on behalf of the city.

Passed and approved this 15th day of July, 2019.

City of Windcrest, Texas

Dan Reese, Mayor

Attest:

Rachel C. Dominguez, City Secretary

Approved:

Ryan Henry, City Attorney

AN AGREEMENT FOR AMBULANCE AND EMERGENCY AND NON-EMERGENCY MEDICAL SERVICES

THIS AGREEMENT is made and entered into this 30 day of September, 2017, by and between Lonestar Ambulance Service 1, LLC d/b/a Allegiance Mobile Health and The City of Windcrest, Texas ("City"), effective October 1, 2017, (the effective date).

RECITALS:

A. **Allegiance** and its subsidiaries herein referred to as "Ambulance Service" are the owner and operator of certain emergency and non-emergency medical care vehicles and equipment designed to provide emergency and non-emergency medical care and assistance and has in its employ, trained personnel whose duties are related to the use of such vehicles and equipment and to the equipment and to the provision of emergency and non-emergency medical services.

B. City desires to contract with **Allegiance** and its subsidiaries to provide emergency and non-emergency medical services to its citizens.

C. **Allegiance** and its subsidiaries desire to contract with City to provide emergency and non-emergency medical services to citizens of Windcrest.

NOW THEREFORE, in consideration of the mutual covenants and promises hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

ARTICLE I
DEFINITIONS

1.1 Unit Availability, **Allegiance** shall provide the services of one (1) MICU (mobile intensive care unit) ambulance 24/7/365.

1.2 ALS, Advance Life Support as defined in the Texas Emergency Medical Service Act (Health and Safety Code, §773.003)

1.3 BLS, Basic Life Support as defined in the Texas Emergency Medical Service Act (Health and Safety Code, §773.003)

1.4 First Responder Organization, A group or association of certified emergency medical services personnel that working in cooperation with a licensed emergency medical services provider, provide immediate on-scene care to ill or injured persons but does not transport those persons, as defined in the Texas Emergency Medical Service Act (Health and Safety Code, §773.003).

1.5 MICU, Mobile Intensive Care Unit as defined in the Texas Emergency Medical Service Act (Health and Safety Code, §773.003)

ARTICLE II
DESCRIPTION OF SERVICES AND SERVICE AREA

2.1 Scope of Agreement. During the term of this Agreement, **Allegiance** on an exclusive basis agrees to furnish ambulance, emergency and non-emergency medical services, as set out herein to the residents of Windcrest, Texas. These services shall be rendered by **Allegiance** to all areas located inside the boundaries of City of Windcrest, but shall not be limited to the same. The service area under this Agreement shall be designated as, but not limited to, the geographic area depicted by the map attached hereto as Exhibit A. This Agreement addresses both emergency 911 service and non-emergency patient transfers.

2.2 Provision of Services. Without limiting its obligation to provide good quality ambulance emergency and non-emergency medical services under this Agreement, **Allegiance.** agrees to follows:

Allegiance. shall manage all day-to-day operations, including field operations, billing, collections, purchasing and other operational functions. **Allegiance** shall negotiate all mutual aid agreement, maintain all facilities and equipment, hire/terminate and provide or arrange for in-service training of all field personnel, propose and provide justification for rate changes, manage all billing and collection functions, solicit in good faith the recommendations of City, the public and other healthcare facilities operating within City of Windcrest in providing emergency and non-emergency medical service, and generally manage all aspects of the ambulance system operations.

ARTICLE III
RESPONSIBILITES OF ALLEGIANCE.

3.1 Prime Responsibilities of **Allegiance** expressly agrees to manage the actual delivery of ambulance, emergency and non-emergency medical services to the service area. City is interested only in the results obtained under this agreement; subject to the requirements placed upon **Allegiance** by this agreement, the manner and means of providing the services are under the sole control of **Allegiance.** The following list contains **Allegiance** primary responsibilities only to be provided at **Allegiance** cost and expense. Numerous ancillary functions are also **Allegiance** responsibility, at its cost and expense, such as compliance with insurance requirements, personnel recruitments, disaster readiness, inventory control, etc.

a. Employ and manage all ambulance personnel; require that ambulance meet State requirements for licensure and certifications;

b. Provide adequate opportunity for employee and volunteer in-service training sufficient to meet State recertification requirements and clinical standards;

c. Provide all necessary and appropriate backup vehicles and equipment;

d. Furnish all fuel, lubricants, vehicle/equipment repairs and disposable medical supplies;

e. Develop, negotiate and maintain hospital/ambulance policies, patient "exchange" policies and fire department post relationships where appropriate;

f. Maintain good working relationships with area law enforcement agencies;

g. Provide the public with information concerning **Allegiance** services;

h. Conduct all billing and collection activities and procedures; however, **Allegiance** shall not delay or deny treatment or transport due to patient's inability to pay;

i. Interface with appropriate State and local 911 dispatching agencies;

j. Ensure professional conduct and appearance of all office and field personnel;

k. Work out mutually beneficial support agreements with neighboring ambulance services;

l. Provide training to First Responder and Volunteer Fire/Ambulance personnel on EMS system policies, procedures and proper equipment usage;

m. Maintain State and local vehicle permits and personnel certifications and the State provider's licensure;

n. **Allegiance** shall carry equipment in each vehicle necessary for the treatment and transportation of children; and

o. Maintain and pay for all telephone listings and/or advertising

3.2 Rights and Responsibilities of Field Personnel. **Allegiance** shall ensure that professional field paramedics shall have a direct linkage on a real time basis to those physicians who are empowered to oversee clinical policy and procedure. This direct linkage and personnel responsibility applies to compliance of vehicles, on-board equipment and collection and recording of primary data. Personnel are prohibited from operating equipment that is substantially out of compliance with system standards. Personnel are prohibited from falsifying or omitting data from reports.

3.3 Professional Skills and Training of **Allegiance** Personnel. All of **Allegiance** personnel are required to attend training sessions as required by State and Federal Law, rules and regulations dealing with the certification and regulations of professional field paramedics. **Allegiance** is responsible for ensuring that all field personnel working in the system possess appropriate understanding of the ambulance service system.

3.4 Work Schedules and Working Conditions. **Allegiance** is required to utilize reasonable working schedules, shift assignments and to provide adequate working conditions. **Allegiance** is expected to ensure that field personnel working extended shifts part-time jobs or overtime, will not negatively affect patient care. **Allegiance** must comply with all State and Federal wage and labor laws.

3.5 Use of Mutual Aid Providers to Meet Unit Availability Requirements. **Allegiance** may arrange and utilize mutual aid agreements with neighboring EMS providers and may utilize services furnished by such neighboring providers toward fulfillment of **Allegiance.** Unit Availability requirements under this agreement. If any compensation to the neighboring provider is agreed to, it is the responsibility of **Allegiance.**to provide such compensation.

3.6 Character and Competence of Employees. All persons employed by **Allegiance** in the performance of work under his Agreement shall be competent and hold appropriate valid permits for their professions as required by State and Federal law, rules and regulations. It is understood and agreed that **Allegiance** shall abide by all recognized and customary procedures and standards for patient care and ambulance maintenance and also abide by all rules and regulations for patient care and ambulance maintenance.

3.7 Professional Conduct and Dress. **Allegiance** agrees that its employees and agents will provide courteous and professional conduct and appearance at all times. The ambulance service personnel shall have an adopted uniform to be worn when on duty. Uniform styles shall be determined by **Allegiance.** Name tags and level of training patches shall be worn by personnel. To the extent permitted by law, **Allegiance.**is responsible for requiring its employees to undergo blood and urine test to determine the presence of infectious disease or illegal drug use. Meeting requirements under OSHA regulations are the responsibility of **Allegiance.**

3.8 Key Personnel. **Allegiance** shall furnish the personnel identified in its bidder's proposal and throughout the term of the Agreement. **Allegiance** shall be expected to continue to furnish the same personnel or replacement personnel with equal or superior qualifications.

3.9 Standards for Vehicle and Equipment Maintenance.
a. Equip each emergency ambulance with all required equipment and supplies for MICU operations as required by the Texas Department of State Health Services.

b. All motor vehicles used for the purpose of providing ambulance service hereunder, shall be designated to transport ill, sick or injured persons in comfort and safety and shall be maintained in clean, sanitary and good mechanical condition at all times in compliance with any applicable State and Federal standards, rules and regulations for ambulances.

c. All mechanical, safety and special equipment shall be subject to inspection at any reasonable time by representatives of City.

d. No ambulance that has been substantially damaged or altered shall be again placed in service until it has been adequately and properly repaired.

ARTICLE IV
PAYMENTS AND FEES

4.1 Fees. The City agrees to pay each one-year period in twelve (12) equal payments of $5,000.00. The following annual amounts are as follow:

10/01/2017 to 09/30/2018 : $60,000

4.2 Charges for Patient Services. Charges for Patient Services provided under this agreement for the first year are attached hereunto in "Exhibit B".

4.3 Effect of Changes in Federal Reimbursement Guidelines/Disruption in flow or reimbursement or revenue as related to events beyond the control of either parties (i.e. terrorist acts). City and **Allegiance** accept and acknowledge that the Federal Government may change the Federal Reimbursement Guidelines for compensation for ambulance services that will affect the reimbursement for **Allegiance** for Medicaid and Medicare patients. If the changes are to such extent that **Allegiance** gross revenue is adversely affected by fifteen percent (15%) or more of its previous years revenue, **Allegiance** will have the right to bring the issue to City during the period allowed for an annual adjustment to increase in the annual subsidy. If City refuses to adjust the subsidy, **Allegiance** will have the right to terminate this contract, without penalty, subject to the provisions under Paragraph 6.4.

4.6 Changes Due to Other Circumstances. City and **Allegiance** agree to appropriately negotiate changes to this Agreement in the event that circumstances beyond the control of either party (national disaster, terrorist activities, etc.) adversely prevent the Parties from fulfilling their obligations as described in this Agreement.

4.7 Termination The City may terminate this Contract at any time, with or without cause, upon **forty-five (45)** calendar days written notice. Upon the Contractor's receipt of such notice, the Contractor shall cease work immediately. The Contractor shall be compensated for the services satisfactorily performed prior to the termination date.

a. If, through any cause, the Contractor fails to fulfill its obligations under this Contract, or if the Contractor violates any of the agreements of this Contract, the City has the right to terminate this Contract by giving the Contractor **five (5)** calendar days written notice to the Contractor. The Contractor will be compensated for the services satisfactorily performed before the termination date.

ARTICLE V
REPORTS & ACCOUNTING

5.1 **Allegiance** at its cost and expense, shall provide and deliver in writing, to City the following operational information:
a. A monthly summary of **Allegiance** number of calls within the service area by volume and nature.

5.2 Data Collection and Reporting Required. **Allegiance** data collection and reporting systems shall meet the following minimum standards, which reports shall be furnished and delivered, in writing to City at least monthly or upon request.

a. For each request for ambulance service, communications personnel shall complete approved dispatch documentation;

b. For each call on which an ambulance was dispatched, but where no patient was transported, **Allegiance** personnel shall complete a report;

c. For each patient transported, **Allegiance** ambulance personnel shall complete a approved patient report form consistent with provider licensure requirements;

d. **Allegiance** shall furnish to all employees approved "Incident Report Forms" and shall require employees to utilize such forms;

e. **Allegiance** shall furnish to its employees approved "Equipment Failure Report Forms," and shall **utilize** such forms in conjunction with **Allegiance** maintenance program;

f. **Allegiance** shall see that all **Allegiance** employees are appropriately certified, as required by law, regulation, rule or ordinance at both State and local levels and keep records of participation in quality assurance and in-service training programs; and

ARTICLE VI
TERM & TERMINATION

6.1 Term of Agreement and Renewal Provisions. This Agreement shall commence on the Effective Date of this Agreement and continue for a period of one year (the "Initial Period"). Parties may continue this agreement under the terms hereof for three (3) additional three (1) year periods upon the parties mutual agreement.

6.2 Termination upon application of Paragraph 4.3. In the event **Allegiance** elects to terminate this contract under Paragraph 4.3, **Allegiance** will notify City forty-five (45) days prior to the termination date. **Allegiance** will make a good faith effort to assist City in locating another provider, provide such information necessary for any potential provider to make a decision to accept a contract with City (subject to safeguards for confidential matters) and assist in the transfer of service.

ARTICLE VII
OTHER PROVISIONS

7.1 Insurance requirements. **Allegiance** at its cost and expense, shall furnish in writing proof of coverage for the insurance requirements stipulated below. No ambulance shall be operated by **Allegiance** unless there is insurance coverage in full force and effect, which insurance coverage provided for at least the following:

a. Public liability insurance in an amount not less than one million dollars ($1,000,000) for each injury to or death of each person; all such insurance coverage to apply to claims arising out of the operations of the ambulance service authorized by this contract.

b. Public liability insurance in an amount not less than two million dollars ($2,000,000) as general aggregate limits; all such insurance coverage to apply to claims arising out of the operations of the ambulance service authorized by this contract.

c. Uninsured motorist coverage in an amount of five hundred thousand dollars ($500,000) to the bodily injury liability limits set forth in subsection (a) above.

d. Certificates or Insurance for the policies required herein shall be provided to City, in writing prior to commencing operations and thereafter upon request.

e. Every insurance policy required shall extend for the period to be covered by the license granted **Allegiance** for the ambulance service and the insurer shall be obligated to give not less than thirty (30 days written notice to City before any cancellation or other termination of any such policy earlier than its termination date.

f. The cancellation or the termination of any policy required herein shall automatically revoke and terminate the agreement for ambulance service granted by City unless another insurance policy complying with the insurance section provisions is provided in full force and effect at the time of such cancellation.

g. Each insurance policy required herein shall name as additional insured the following: City of Windcrest, Texas including The City's Officers and Employees.

h. **Allegiance** shall indemnify and save harmless the City of Windcrest and its officers, agents and employees from all suits, actions, losses, damages, claims or liability of any character, type or description including without limiting the generality of the foregoing all expenses of litigation, court costs, attorney's fees for injury or death to any person or injury to any property, received or sustained by any person or persons or property arising out of the occasioned by the acts of **Allegiance** its officers, agents or employees in the execution of performance of this contract.

7.2 Disaster Assistance. During a declared disaster, locally or in a neighboring jurisdiction, **Allegiance** shall follow the County's Emergency Management Plan and commit such resources as are necessary and appropriate, given the nature of the disaster. **Allegiance** shall be exempt from unit availability standards during periods of defined disasters. When the disaster assistance has been terminated, **Allegiance** shall resume normal operations as rapidly as is practical.

7.3 Outside Work. **Allegiance** shall not be prohibited from doing other work provided the services do not detract from **Allegiance** responsibilities and contractual commitments under this contract or to City. **Allegiance** and its employees shall not engage in any activities that violate any Federal, State and local law regulations or ordinance, this contract, or any activity that brings discredit to **Allegiance** and/or City.

7.4 **Allegiance** Medical Director. **Allegiance** Medical Director shall be responsible for purposes of State and Federal requirements and also this contract, for paramedic provider organizations, for purchasing of controlled drugs and other controlled supplies, as well as for issuing and signing written standing orders.

7.5 Compliance with Applicable Laws, Rules and Regulations Required. All services furnished by **Allegiance** shall be rendered in full compliance with all applicable Federal, State and local laws, rules and regulations and ordinances. It shall be **Allegiance** role responsibility to determine which laws, rules, regulations and ordinances apply to the services rendered under this Agreement and to maintain compliance at all times. For example: Under Title VII of the Civil Rights Act of 1964, no person shall, on the ground of race, color, sex, national origin or religion be discriminated against. This Agreement is subject to the requirements of the Title VII of the Civil Rights Act of 1964 and all Federal statues and State regulations with respect to equal employment opportunities. **Allegiance.** agrees to comply with all Federal and State anti-discrimination laws.

7.6 Compliance with Abuse Regulations. **Allegiance** must also comply with the Texas Department of Human Services regulations concerning the prompt reporting of any suspected abuse of a child or elderly person.

7.7 Emergency Management and Mutual Aid. **Allegiance** agrees to accept responsibilities for duties assigned by City and the Emergency Management Director of the County. **Allegiance** shall enter into mutual aid agreements with other surrounding area EMS services to assure the prescribe level of response and service under both routine conditions and catastrophic events.

7.8 Cooperation with other EMS providers. To the extent allowed by law, **Allegiance** agrees to exchange appropriate and pertinent information with other EMS providers, including service areas and primary location and number of ambulances available for immediate response.

7.9 Permits. **Allegiance** shall be the holder of the State ambulance license and of the State and local vehicle permits to be used in the performances of this contract. **Allegiance** shall make all necessary payments for licenses and permits for the ambulance operations. **Allegiance** shall furnish City with proof of such licenses or permits. **Allegiance** shall be responsible for verifying that its employees' State and local certification if applicable are in order and current at all times.

7.10 Audits and Inspections. At any time during normal business hours and as often as may be necessary, City representatives may observe **Allegiance** operations and **Allegiance** shall make available to City for its examination any information with respect to all matters covered by the Agreement.

7.11 No Estimated Business Volume. City makes no representations concerning the number of emergency and non-emergency calls or transports, quantities or length of long distance transfer service or frequency or special events coverage, which will be associated with this Agreement.

ARTICLE VIII
MISCELLANEOUS PROVISIONS

8.1 Independent Contractor. **Allegiance** shall perform this Agreement as in independent contractor and nothing herein contained shall be construed to be inconsistent with that relationship or status. Nothing in this Agreement shall in any way be construed to constitute **Allegiance** as the agent, employee or representative of City. The manner and method of completing the work undertaken by **Allegiance** shall be determined by its sole discretion.

8.2 Governing Law. This agreement is performable in the City of Windcrest, Texas and shall be subject to and governed according to the laws of the State of Texas, irrespective of the fact that either party is or may become a resident of another state. Both parties agree the venue for legal proceedings shall be in Bexar County, Texas.

8.3 Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their respective successors, assigns or other legal representatives.

8.4 Assignment. No right or obligation hereunder may in any way whatsoever be assigned or delegated to a third party without the express prior written consent of the other party hereto, and any attempted assignment without such consent shall be considered null and void.

8.5 Legal Fees. In the event either party brings any action for any relief, declaratory or otherwise, arising out of this Agreement or on account of any breach or default hereof, the prevailing party shall be entitled to receive from the other party, reasonable attorneys' fees, costs and expenses related to such action.

8.6 Severability. If any portion or portions of this Agreement shall be for any reason invalid or unenforceable, the remaining portion(s) shall be valid and enforceable and carried into effect unless to do so would clearly violate the present legal and valid intention of the parties hereto.

8.7 Notices. Any notice required or permitted to be given pursuant to any provisions of this Agreement shall be given in writing and either delivered in person, by electronic transmission, deposited in the United States mail, postage pre-paid, registered or certified mail, return receipt requested, properly addressed or by a nationally recognized overnight courier service to the following addresses:

Lonestar Ambulance Service 1 dba
Allegiance Mobile Health
3201 S. Austin AveSte 335
Georgetown, Texas 78626
Attention: Daniel Gillespie
Regional President

City of Windcrest
8601 Midcrown Dr
Windcrest, Texas 78239
Attention: Rafael Castillo,
City Manager

The notification addresses listed above can be changed by either party with proper notice as listed above.

8.8 Entire Agreement. This Agreement constitutes the entire agreement and understanding between the parties with respect to the subject matter hereof and supersedes any previous agreement or understanding, whether oral or otherwise. No modification of this Agreement shall be valid unless writing and signed by each of the parties hereto.

8.9 Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original, but all of which shall constitute one and the same instrument.

8.10 Execution by Facsimile; Delivery of Original Signed Agreement. This Agreement may be executed by facsimile and shall be deemed effectively executed upon the receipt by both parties hereto of the last page of this Agreement duly executed by the other party. Each party to this Agreement agrees to deliver two (2) original, inked and signed Agreements within two (2) days of faxing the executed last page hereof.

8.11 Dispute Resolution. If a dispute arises between the parties in connection with this agreement, the parties agree to meet within 10 days of notice of the dispute in an attempt in good faith to negotiate a resolution of the dispute. If a resolution of the dispute is not achieved within 20 days of the meeting, either party may request mediation. The mediation shall be conducted by a mutually acceptable neutral person not affiliated with either of the parties, with such mediation to occur within 40 days after the original dispute notice. If the mediation fails to settle the dispute, either party may seek appropriate legal action to resolve the dispute (provided that interim or provisional relief such as a temporary restraining order, preliminary injunction or other equitable relief may be sought during the resolution process).

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their authorized representatives on the day and year first above written.

LoneStar Ambulance Service 1 dba

Allegiance Mobile Health

Daniel K. Gillespie, Regional President

Honorable Alan Baxter, Mayor

ATTEST:

Rafael Castillo, Jr.

City of Windcrest City Manager

APPROVED AS TO FORM

Michael S. Brenan

City of Windcrest City Attorney

RESOLUTION NO. 2019- 727

A RESOLUTION ACCEPTING THE PROPOSAL OF CLEAN SCAPES, LP TO PERFORM GREEN SPACE MAINTENANCE SERVICES AND AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT FOR SUCH SERVICES

WHEREAS, the City has received a proposal from Clean Scapes, LP to perform green space maintenance services in response to a RFP published by the City to solicit such services; and

WHEREAS, Clean Scapes, LP was the lowest proposer for such services and the City desires to accept its proposal.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Windcrest, Texas, that the City of Windcrest hereby accepts the proposal of Clean Scapes, LP to perform green space maintenance services and authorizes the City Manager to execute a contract with Clean Scapes, LP for such services.

PASSED AND APPROVED this the 15th day of July, 2019.

City of Windcrest, Texas

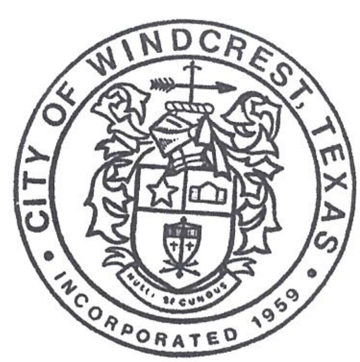
Dan Reese, Mayor

ATTEST:

Rachel C. Dominguez, City Secretary

APPROVED AS TO FORM:

Ryan S. Henry, City Attorney



Clean Scapes

LANDSCAPING

Clean Scapes - San Antonio, LLC

LANDSCAPE MAINTENANCE AGREEMENT - "CITY OF WINDCREST"

This agreement is entered into between Clean Scapes - San Antonio, LLC, hereinafter, Contractor, and "The City of Windcrest" hereinafter, Agent or Representative for work to be performed upon the designated property of the owner at: **"CITY OF WINDCREST, 8601 MIDCROWN DRIVE, WINDCREST TX 78239".**

DATES: OCTOBER 1, 2019 - SEPTEMBER 30, 2020

LANDSCAPE MAINTENANCE -

1. All landscaped areas will be serviced to keep a neat and tidy appearance. During the active growth season, the property will be serviced on a schedule, except when weather interferes with our schedule.
2. An experienced area manager will visit the property 26 times per year to ensure customer satisfaction and superior results. As requested, an area manager will meet periodically with an assigned customer representative to discuss progress and satisfaction with landscaping services.
3. All trees, tree wells, buildings, beds, and other obstacles will be trimmed around using a string-trimmer.
4. All curbs and sidewalks in areas A and B will be edged during the mowing schedule.
5. All grass and other debris caused by contractor will be blown from sidewalks, curbs, exterior parking island areas, and breezeways after each mowing and disposed of at an offsite facility.
6. Trash will be picked up prior to mowing. If trash should be run over by the mowers, it will be raked and removed. Trash will be disposed of at an offsite facility.

LANDSCAPING

We will provide landscape maintenance services, including mowing, trimming, weed control, fertilizer.

General

1. Clean Scapes management will be responsible for any plant damage caused by our crews.
2. All proper insurance will be in force at all times. An Insurance Certificate will be provided upon contract execution.
3. All Clean Scapes field employees will be uniformed and easily recognized by you and your staff.
4. All crews have a crew leader with direct communication to area managers.
5. Severe weather clean up is not included in this agreement. We will be available for this service at an additional charge to the contract. Severe weather includes, but is not limited to, ice storms, wind storms, tornadoes, earthquakes, hurricanes, or flooding. As a proven courtesy, our contract customers will always receive preferential treatment for this service.
6. Repairs for damage caused by native Texas wildlife are excluded from this agreement.
7. During the non-cutting season, the property will be visited and serviced every two weeks. At that time the property will be policed and blown. Windblown trash and debris will continue to be removed on the property during these visits.
8. Customer will provide appropriate secure parking for our vehicles.
9. The property manager will approve all work before work begins.

Terms of the Agreement: The duration of this agreement is October 1, 2019 to September 1, 2020. All labor and materials for mowing, irrigation, and fertilization are included in this agreement.

The City of Windcrest has the option to renew this agreement on its anniversary date unless the scope of services and/or conditions or specifications change. Any pricing changes (increase or decrease) will be submitted 30 days prior to the contract's anniversary date. Pricing is shown pre-tax.

Price of the Work: Contract Price: See Exhibit A - Price Schedule for pricing

Installment Payments: Initials:______________

A. Installment Payment Details as Quoted Above

If the above block is initialed, the owner/representative elects to pay the price for the work each month and payable as follows: billing is at the first of each month and due by the end of that month.

PAYMENT ADDRESS:
Payments will be made to: Clean Scapes, LP
PO Box 203070
Austin, TX 78720

If the Owner fails to make any installment payment when due, the Contractor shall cease working and render an invoice adjusted in the manner hereinafter set out:

a) The invoice amount shall be adjusted by reducing the price of the work under this agreement by the Contractor's projected actual costs of labor and materials left to be supplied under this agreement as of the date the work is stopped.

JBN

b) Owner/Representative acknowledges that the work to be performed by the Contractor under the agreement varies with the seasons of the year and the amount of each periodic installment bears no relationship to the amount of work actually performed by the Contractor during that specific period of time.

c) Owner/Representative agrees to pay the balance due on the invoice as adjusted within 30 days of it being rendered by the Contractor, thereafter the balance of the invoice as adjusted shall accrue interest at the rate of 1.5 percent per month until paid.

d) Owner/Representative agrees to reimburse the Contractor for the actual cost of any attorney fees that it incurs in the collection of any balance due under this agreement.

LIMITED WARRANTY

Contractor warrants to provide superior service, Contractor shall, in lieu of all remedies, without charge, use such materials and labor as are necessary to correct the work. This warranty runs only to the Owner named in the agreement, and is effective only if written notice of a claim is delivered to the Contractor; and the Owner/Representative is not in default under any of the payment provisions of the agreement.

TERMINATION

This contract may be canceled by either party with a minimum written 30-day notice without cause.

ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, ARE EXCLUDED. CONTRACTOR is responsible only for damage caused by CONTRACTOR. CONTRACTOR is not responsible for any consequential or economic loss or damage caused by the OWNER.

ENTIRE AGREEMENT: This agreement represents the entire contract between the parties. No verbal agreements, condition or representations are valid unless appearing on both copies. All modifications must be in writing and acknowledged by the Contractor and Owner.

This agreement is to be governed by the laws of the State of Texas and is binding upon the heirs, personal representatives, successors and assigns of the parties.

Proposed by:	Accepted by:
By: Brett Nichols	By:
Title: Principal	Title: City Manager
Date: September 12, 2019	Date: 9.12.19

Exhibit A

2019 - 2020
City of Windcrest Pricing

ID	Location	Acreage	MAR. - SEPT. MOWING CYCLE COST (DAYS)			OCT.-FEB. MOWING CYCLE COST (DAYS)		
ID	AREA "A"		7	10	14	15	30	45
1	Windy Hollow	9.44	$443.14	$464.88	$482.96	$482.96	$510.65	$584.55
2	Autumn Sunset	18.71	$901.50	$925.59	$955.16	$955.16	$1,005.15	$1,104.68
6	Crestwind Ditch and Park	2.1	$97.03	$111.58	$123.45	$123.45	$142.66	$183.60
3	Brook Falls Pond #1	11.64	$558.91	$580.11	$602.81	$602.81	$642.72	$702.98
3	Brook Falls Pond #2	2.83	$135.70	$147.44	$162.78	$162.78	$187.46	$209.57
3	Brook Falls Pond #3	0.99	$48.44	$55.23	$61.60	$61.60	$75.42	$88.85
	TOTAL	**45.71**	**$2,184.71**	**$2,284.83**	**$2,388.76**	**$2,388.76**	**$2,564.05**	**$2,874.22**
	AREA "B"		10	15	25	30	45	60
4	DALELER DITCH	2.88	$150.64	$162.02	$178.23	$193.59	$207.65	$235.10
5	WINDSOR HILL/ SUBWAY DRAINAGE EASMENT	1.65	$86.49	$92.82	$100.47	$108.48	$129.43	$148.33
5	WINDSOR HILL/ WINDWAY DRAINAGE EASMENT	5.12	$267.91	$293.88	$311.05	$327.87	$366.90	$414.50
5	WINDSOR HILL/ MIDCROWN DRAINAGE EASMENT	7.11	$370.98	$385.46	$408.10	$450.32	$492.67	$541.31
	TOTAL	**16.76**	**$876.02**	**$934.18**	**$997.84**	**$1,080.25**	**$1,196.64**	**$1,339.24**

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