

EXHIBIT "C"
SERVICE AGREEMENT

**City of San Antonio
Municipal Service Agreement for Rosillo Properties**

Introduction

The City ("City") of San Antonio, Texas, is making this Service Agreement ("Agreement") available pursuant to Chapter 43 of the Texas Local Government Code. This Agreement relates to the annexation by the City of one parcel of land, totaling approximately 794.5 acres, "Annexation Area," generally located southeast of the intersection of Loop 410 and New Sulphur Springs Road, in the City's Extraterritorial Jurisdiction (ETJ), in East Bexar County, more particularly described in Exhibit A, as requested by R City Developments, Inc., the Property Owner (the "Owner"). The proposed Annexation Area is in a rural area and is currently primarily vacant, with some established residential, agricultural, and light commercial uses.

ARTICLE 1. INTENT

It is the intent of the City that services under this Agreement shall provide full municipal services as required and defined by the Texas Local Government Code. The City reserves the right guaranteed to it by the Texas Local Government Code, to amend this Agreement if the City Council determines that changed conditions or subsequent occurrence or any other legally sufficient circumstances exist under the Local Government Code, or other Texas laws to make this Agreement unworkable or obsolete or unlawful.

ARTICLE 2. GENERAL SERVICES

In general, this Agreement includes three service components: *(1) Annexation Service Requirements, (2) Additional Services and (3) a Capital Improvement Program.* As used in this Agreement, providing services includes having services provided by any method or means by which the City extends municipal services to any other area of the City. This may include causing or allowing private utilities, governmental entities, and other public and private non-profit service organizations to provide such services by contract in whole or in part. It may also include separate agreements with associations or similar entities. Services are provided and fees are assessed in accordance with City of San Antonio Municipal Code, as may be amended.

1. Annexation Services – The following services will be provided in the Annexation Area commencing on the effective date of the annexation for full purposes, unless otherwise noted.

A. Police Protection – The San Antonio Police Department (SAPD) will provide protection and law enforcement services in the newly annexed area upon the effective date of annexation. These services include:

- Routine patrols and responses;
- Handling of complaints and incident reports;

- Special units, such as traffic enforcement, criminal investigations, covert operations, K-9 Unit, Family Assistance Crisis Teams, Bomb Squad, and Special Weapons and Tactics Team (SWAT); and
- Any other services or programs provided to the citizens of San Antonio at the time of annexation.

The Annexation Area will be served by the East Patrol Substation, located at 3635 East Houston Street (Rosa Parks Way), San Antonio, TX 78219. The City currently has six Police Substations which are under the command of Police Captains. Each Substation is responsible for a Patrol "Service Area," which are divided into Patrol Sections. Police Sergeants have supervisory responsibilities over the Patrol Sections, which are subdivided into "Patrol Districts."

Patrol districts are staffed with at least one officer, 24 hours a day, seven (7) days a week. Generally, there is no specific number of officers that can be assigned to a patrol district. Many times, multiple officers are assigned to single districts. The "Patrol Districts" are geographically defined areas established for several reasons, including but not limited to:

- Serving as a manpower distribution tool based on call volume, population, area size, and geographic variables;
- Providing a means of establishing primary responsibility to individual officers, during their tour of duty, for various activities within a specific geographic area; and
- Providing an efficient and effective means of assigning, identifying, and locating officers, within a generalized area, using currently available technology.

The factors mentioned above will also determine the need for hiring additional patrol officers, ensure all patrol districts are adequately and continually staffed, and maintain an average response time comparable to other areas of the city.

Police services are initiated by on-sight officer activity, citizen requests, and any other means available. The most common means by which officers receive their assignments is through direct supervisory command and radio/computer transmissions by police dispatchers. SAPD San Antonio Fear Free Environment Unit (SAFFE) officers will be available to meet as requested to discuss police issues.

- B. Fire Protection and Emergency Medical Service (EMS)** – The San Antonio Fire Department (SAFD) will provide fire protection services and EMS to the Annexation Area consistent with the provision of services in like areas of San Antonio. Service will be provided using fire engines, ladder trucks, full-time and peak period EMS ambulances, Medical Officers and Chief Officers.
- C. Solid Waste Collection and Environmental Service Fees** – The City's Solid Waste Management Department (SWMD) will provide solid waste collection services to single-family residences accessible from a public road equivalent to single-family residences within the current City limits beginning two years after the date of annexation. Non-traditional

residential property or subdivisions with limited accessibility such as PUDs, IDZs, gated communities, etc. with five (5) units or more may be eligible for service by exception in accordance with Chapter 14 of the City Municipal Code. Services are provided and fees are assessed in accordance with Chapter 14 of the City Municipal Code, as may be amended. Fees for services are assessed monthly on CPS Energy Utility bills.

Monthly Fees are set annually by City Council and subject to change:

- Environmental Services Fees – Upon annexation, all residential and non-residential properties shall be assessed a monthly Environmental Service Fee of \$4.50 per unit. The Environmental Fee is comprised of a \$3.00 Solid Waste Environmental Fee and a \$1.50 Parks Environmental Fee. These fees are intended to defray municipal expenses necessary to cleaning up illegally dumped waste, collecting and disposing of dead animals, performing regulatory maintenance on closed landfills, providing environmental services to the City's park system, and equitably sharing costs for neighborhood clean-ups benefiting residents and businesses that do not pay a monthly solid waste processing fee.
- Solid Waste Fee – Beginning two (2) years after annexation, a monthly solid waste fee will be assessed to single-family residences receiving City solid waste collection services. Garbage containers are provided in three sizes. The monthly fee is in accordance with the size of garbage container selected by the resident. Recycling, organics, brush, and bulky trash collection are also provided.

D. Operation and Maintenance of Water and Wastewater Facilities – San Antonio Water System (SAWS) will maintain and operate the public water and wastewater facilities that are within its certified service area. Routine standard maintenance of the facilities is performed on a scheduled basis. Emergency maintenance and repairs receive immediate attention, and are available 24 hours a day, 7 days a week. The facilities will be maintained and operated in accordance with standard SAWS policies and procedures, and under the provisions of the SAWS Utility Service Regulations for the extension of facilities.

SAWS Monthly Rates – The SAWS rate structure is designed to provide balance between residential and business rates and to encourage conservation with rates that increase at higher levels of consumption. The current rates were approved by City Council. SAWS customers, after annexation, will pay the lower Inside City Limit rate as opposed to the Outside City Limit rate.

SAWS Water Conservation Programs & Rebates – SAWS water conservation education programs and rebates are available to SAWS residential and commercial customers. Educational resources regarding drought-tolerant plants are available at: www.GardenStyleSA.com.

With commercial customers accounting for 5.7% of the customer base and 35.3% of SAWS' annual water sales in gallons, there is great potential for water savings through commercial conservation programs. Commercial customers also have access to water conservation education and incentives. There are programs to make irrigation systems more efficient and customer rebates for big projects that address operational efficiencies. Detailed information

on these and other programs can be found on the SAWS website at: www.saws.org.

E. Operation and Maintenance of Roads and Streets, including Street Lighting – The Public Works Department (PWD) is responsible for the maintenance and repair of the City streets, bridges, and/or alley infrastructure within its jurisdiction. Curbs, sidewalks, driveways approaches, curb ramps and other street infrastructures are constructed in accordance with the City and the Americans with Disability Act (ADA) standards. Service requests or community concerns for PWD's response, such as potholes, street base and pavement repairs are initiated by contacting the City's 311 call center or online services. These services include:

- Emergency Pavement Repair
- Street Base and Pavement Repair
- Preventative Street Maintenance
- Guard Post and Guard Rail Maintenance
- De-icing and Snow Removal Services
- Emergency Street Closure Services
- Street Re-striping Marking Services

Infrastructure Management Program (IMP) is a five-year rolling program which focuses on the maintenance of City infrastructure. Services needs are identified city-wide and are scheduled for street maintenance, alley maintenance, drainage maintenance, sidewalks, traffic signals, pavement marking and Advance Transportation District (ATD) projects. The IMP provides a structured City program schedule, the potential for additional multiple year contract awards, and improved utility coordination. During the City's annual budget process, the IMP is presented to City Council for approval. Amendments may occur throughout the year due to coordination with utilities or unforeseen conditions, such as inclement weather. The goal of the IMP is to provide the best possible maintenance for the City.

Transportation Systems Management & Operations will provide regulatory signage services in the Annexation Area. Traffic signal stops and all other regulatory studies are conducted in conjunction with growth of traffic volumes. Traffic signs, signals, and markings are installed in conformance with the Texas Manual on Uniform Traffic Control Devices. Faded, vandalized, or missing signs are replaced as needed. "Call back" service is provided 24 hours a day, 365 days a year for emergency repair of critical regulatory signs. Requests for signage should be done through the City's 311 call center or online services.

Storm Water Engineering and Operations is housed within the PWD. The Storm Water team is responsible for drainage services, as well as the installation, operation, and maintenance of drainage infrastructure throughout San Antonio.

The Storm Water Utility Fee is intended to cover capital and maintenance expenses associated with drainage projects and fund operational services related to the Municipal Separate Storm Sewer System (MS4) Permit as required by Federal regulations. More information about the storm water rate plan is available at the City's PWD website at: <https://www.sanantonio.gov/PW/Projects/Storm-Water-Fee>.

The storm water utility fee is billed by SAWS on behalf of the City. Services are currently

provided by the SAWS, in accordance with the SAWS's approved business plan and as limited by applicable codes, laws, ordinances and special agreements. The fee will be assessed for the Annexation Area as the storm water will drain into the existing City facilities.

Street lighting – The planning of public streetlights is coordinated by the City's Development Services Department (DSD). CPS Energy will maintain public street lighting in accordance with the City's policies. The City assumes the cost of electricity for public streetlights.

F. Operation and Maintenance of Parks, Playgrounds and Swimming Pools – Maintenance responsibilities for municipally owned parks in the Annexation Area are the responsibility of the City. Any proposed or existing privately owned parks, playgrounds, swimming pools, recreational facilities and common spaces in the Annexation Area are the responsibility of the Owner(s).

G. Operation and Maintenance of Any Other Publicly Owned Facility, Building, or Service – Should the City acquire any other facilities, buildings, or services necessary for municipal services located within the Annexation Area, an appropriate City department will provide maintenance services for them.

2. ADDITIONAL SERVICES – Certain services, in addition to the above services, will be provided within the Annexation Area. They are as follows:

A. Code Compliance – The Code Compliance Division of DSD enforces City codes and regulations to protect the health, safety, and general welfare of the community. Current enforcement is provided to the following and is not limited to:

- Vacant dangerous premises and structures,
- Junked vehicles,
- Weeded vacant lots,
- Zoning (San Antonio City Code Chapter 35, Unified Development Code),
- Property maintenance,
- Minimum housing, including unsanitary premises,
- Front yard parking,
- Alley and right-of-way violations,
- Monthly inspections of salvage/junk yards,
- Monitoring and enforcing materials received at salvage/junk yards, and
- Enforcement of garage sale permits
- The Code and ordinances enforced by DSD are subject to changes by the City Council

B. Zoning – City Staff has initiated the zoning process for a permanent zoning classification. The Zoning Commission will conduct at least one public hearing and make a recommendation to the City Council regarding the proposed zoning. The City Council will consider the proposed zoning district concurrently with the annexation of the area at a public hearing. Zoning will be effective upon the effective date of annexation.

C. Building Permits – Incomplete construction may require building permits and/or inspections from the DSD in accordance with City codes and the tables below:

Vacant Lot Only; Construction not yet begun	Complete set of plans required
Foundation Only, up to 25%	Complete set of plans required; Engineer's letter required on foundation
Foundation and Partial Framing over 25% but not over 50% complete	Complete set of plans required minus foundation plans; Engineer's letter required on foundation
Foundation and Partial Framing over 50% complete	No plans required; fill out application only and declare percentage completed
Foundation, framing, sheetrock, mechanical, electric, plumbing, etc. Approximately 75% to 99% completed. Needs textone, flatwork, fence, finals only, etc.	No plans required; fill out application only for meter and CPS release

	No slab poured	Slab poured	Frame, no sheetrock	Sheetrocked
Building	100%	75%	50% Frame Inspection Required	25% Frame Inspection Required
Plumbing	100%	66% Rough-in required 100% gas permit	66% Rough-in required 100% gas permit	33% Plumbing final and 50% gas permit
Electrical	100%	100%	100% Rough-in required	50% Final Inspection
Mechanical	100%	100%	100% Rough-in required	Equipment only. Permit for air handler, cooling coil and condenser required
Plans	Yes 100%	Yes 100%	No (0%) (Steel frame – engineer's sealed plans on site)	No (0%) (Steel frame – engineer's sealed plans on site)

For new construction initiated after annexation of the area, permits, plan reviews, and inspections for all applicable codes shall be obtained and successfully passed. A demolition permit is

required before partial or complete demolition of a structure is performed. Other field inspections may be applicable for new commercial construction depending on the specific use and/or location of the project.

Permits may be applied for at the Cliff Morton Development and Business Services Center located at 1901 South Alamo Street, San Antonio, TX. In addition, as part of the permitting process, the applicant will be required to adhere to the City's Tree and Landscape requirements. The One-stop Development Services counter has been created to assist the public with any development questions that relate to building, plan review, street and sidewalk construction and storm water related issues.

D. Certificate of Occupancy – The Owners acknowledges that any new construction on the property completed after the effective date of annexation will require a Certificate of Occupancy from the City. In accordance with the adopted International Building Code, no person may occupy a building or a space without first obtaining a Certificate of Occupancy. Certificates of Occupancy may be applied for at the Cliff Morton Development and Business Services Center.

E. Library Services – The nearest library to the Annexation Area is the Schaefer Library, 6322 US Highway 87 East, San Antonio, TX 78222. The San Antonio Public Library locations provide the following services:

- Library materials for adults, young adults and children including books, periodicals, compact disks, DVD, videos, audio books, and electronic books;
- Programming for adults, young adults and children such as regularly scheduled story time;
- Book discussion groups and other topics of interest to the community; and
- Access to the website, databases and other computer programs, is available seven days a week through the San Antonio Public Library web address: www.mysapl.org/digital.

Professional staff is available to assist library customers with reference and reader's advisory questions and public meeting room space are available. More information is available at the San Antonio Public Library Website: www.mysapl.org.

F. Health Department Services – Metro Health currently provides certain public health services to include communicable disease control, emergency preparedness and response, and health education to individuals residing in the Annexation Area. Upon full purpose annexation the following additional services will become available:

- Investigation of public health related complaints including food borne illness, recreational water quality, and public swimming pools and spas, and investigation of toxic exposures;
- Permitting and routine sanitation inspections of food establishments, schools, day cares, and swimming pools;
- Enforcement of the City's smoking ordinance in public places;
- Access to community health clinics; and
- Referrals to medical assistance program benefits

For more information, visit the Metro Health website at: <https://www.sanantonio.gov/health>

G. Animal Care Services – The newly annexed area will receive the same level of service as within the current San Antonio City Limits. These services include, but may not be limited to, animal enforcement and control, educational and public outreach, low cost animal related resources as microchips and spay/neuter services, and community cat program services.

H. Other Services – City Departments with jurisdiction in the Annexation Area will provide services according to City policy and procedure.

3. CAPITAL IMPROVEMENTS PROGRAM – The City will initiate the construction of capital improvements as may be necessary for providing municipal services to the Annexation Area. The schedule for the construction of capital projects that may be necessary for the delivery of municipal services will be agreed upon by the City and the Owners in accordance with Subchapter C-3 of Chapter 43, Local Government Code.

Each component of the Capital Improvement Program is subject to the City providing the related service directly. If the related service is provided through a contract service provider, the capital improvement may not be constructed or acquired by the City but may be provided by the contract provider. The City may also lease buildings in lieu of construction of any necessary buildings.

A. Police Protection – No capital improvements are necessary currently to provide police services.

B. Fire Protection – No capital improvements are necessary to provide fire services.

C. Emergency Medical Service (EMS) – No capital improvements are necessary currently to provide EMS services.

D. Solid Waste Collection – No capital improvements are necessary at this time to provide solid waste collection services.

E. Roads and Streets – No newly constructed road or street related capital improvements are necessary at this time to provide services. The City will assume maintenance responsibilities for all public streets.

F. Parks, Playgrounds and Swimming Pools – No capital improvements are necessary at this time to provide parks and recreation services.

G. Library Services – No capital improvements are necessary at this time.

H. Capital Improvements Planning – The Annexation Area will be included with other territory within the municipality in connection with planning for new or expanded facilities and/or services. All other capital improvements will be considered through the six-year Capital Budget that represents the City's long-range physical infrastructure development

and improvement plan. Major funding sources are General Obligation Bonds, Certificates of Obligation, Storm Water Revenue Bonds, and Community Development Block Grants as applicable. Capital projects are placed in inventory by the City Council representative through input from community plans, existing neighborhood plans, community associations, neighborhood requests and other community processes.

ARTICLE 3. AMENDMENT: GOVERNING LAW

This Agreement may not be amended or repealed except as provided by the Texas Local Government Code or other controlling law. Neither changes in the methods or means of implementing any part of the service programs nor changes in the responsibilities of the various departments of the City shall constitute amendments to this Agreement, and the City reserves the right to make such changes. This Agreement is subject to and shall be interpreted in accordance with the Constitution and laws of the United States of America and the State of Texas, the Texas Local Government Code, and the orders, rules and regulations of governmental bodies and officers having jurisdiction.

ARTICLE 4. FORCE MAJEURE

In case of an emergency, such as Force Majeure as that term is defined in this Agreement, in which the City is forced to temporarily divert its personnel and resources away from the Annexation Area for humanitarian purposes or protection of the general public, the City obligates itself to take all reasonable measures to restore services to the Annexation Area of the level described in this Agreement as soon as possible. Force Majeure shall include, but not be limited to, acts of God, acts of the public enemy, war, blockages, insurrection, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, droughts, tornadoes, hurricanes, arrest and restraint of government, explosions, collisions and other inability of the City, whether similar to those enumerated or otherwise, which is not within the control of the City. Unavailability or shortage of funds shall not constitute Force Majeure for purposes of this Agreement.

ARTICLE 5. SUMMARY OF THE WATER AND WASTEWATER UTILITY SERVICE REGULATIONS

The following information is a summary of the SAWS Utility Service Regulations, adopted in 2016, for the extension of water and/or wastewater facilities as incorporated by reference in the latest version of the Unified Development Code.

Water and wastewater service is only provided to lots that have been properly subdivided and platted or are a legal lot. For property that is required by subdivision regulations to construct water or wastewater facilities connecting to the SAWS system, funding and construction of those facilities will remain the responsibility of the developer. If the specific undeveloped property does not have SAWS water or wastewater service fronting the property, the Property Owners (Owners) may make an application for an extension of service to SAWS Director of Development Engineering for review. If the Director determines that adequate capacity is available, or will be, and if the project does not include SAWS cost participation or reimbursement, and if the proposed facilities are a logical extension of SAWS water and/or wastewater system and the requested

extension meets the requirements of SAWS Utility Service Regulations, the extension size, capacity, and routing may be approved by the Director. Funding and construction of the facilities will be the responsibility of the developer.

Depending on the size of the new facilities and other conditions, with SAWS Board of Trustees approval, SAWS may reimburse the developer for a portion of the cost of constructing certain facilities. With Board approval, SAWS may reimburse costs associated with the oversize capacity of water and wastewater mains. The actual calculation of the cost participation and reimbursement amounts, including limits and the schedules for the payments, are included in SAWS Utility Service Regulations as incorporated by reference in the UDC.

For lots that have water or wastewater lines in the street fronting the lot, the Owners may receive water or wastewater service by applying for a tap permit and paying any required fees. The new customers will be required to pay the impact fees and all connection fees.

For property(ies) served by a septic system, the Property Owners remains responsible for the operation and maintenance of the septic system. If the septic system fails, the Owners must repair the system or pay to extend SAWS wastewater facilities to the property, if unavailable. Under certain circumstances the City Health Department and/or applicable regulatory agency for septic tanks may require the Owners to connect to SAWS public wastewater facilities.

ARTICLE 6. EFFECTIVE DATE

This Agreement shall be in effect and commence on the effective date of the annexation, unless otherwise stated. The Agreement will not have a term limit, as Annexation into the City of San Antonio provides for municipal services beginning on the effective date with no finality.

THEREFORE, IN WITNESS WHEREOF, the Parties have executed this Service Agreement this 9th day of September 2024.

CITY OF SAN ANTONIO

By: _____

Date: _____

Name: Bridgett White AICP, Director
Planning Department

The Owner(s)

By: [Signature]
(signature)

Print Name: Paul Basaldua

Title: President

Date: 9/9/24

State of Texas
County of Bexar

This instrument was acknowledged before me on the _____ day of _____, by Bridgett White, Director, Planning Department with the City of San Antonio, a Texas municipal corporation, on behalf of said corporation.

Notary Public, State of Texas
(Personalized Seal)

(Print Name of Notary Public here)

My commission expires the _____ day of _____.

State of Texas
County of Bexar

This instrument was acknowledged before me on the 9th day of September, by PAUL BASALDIA, the Property Owner.

[Signature]
Notary Public, State of Texas
(Personalized Seal)

Evelyn Marie Aguilar
(Print Name of Notary Public here)

My commission expires the 26th day of April, 2025.

