

Exhibit C

City of San Antonio Service Agreement for the Timms Property Annexation

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 the Timms Property, referred to as "Annexation Area," consisting of approximately 124.405 acres, generally located near the intersection of Fischer Road and Somerset Road in Southwest Bexar County, described as CB 4300 P-6 ABS 614 and CB 4300 P-5 ABS 614. The property owner has requested annexation by the City and will be developing the property as a residential subdivision.

ARTICLE 1. EFFECTIVE DATE

This Agreement shall be in effect commencing on the effective date of the annexation, unless otherwise stated in this Agreement.

ARTICLE 2. INTENT

It is the intent of the City that this Agreement provides for the delivery of full municipal services to the Annexation Area, as required and defined by the Texas Local Government Code. For purposes of this Agreement, "full municipal services" means all services provided by the City within its full-purpose boundaries. 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 3. SERVICE AGREEMENT

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 SERVICE REQUIREMENTS – 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 incorporated into the South Patrol District #6160, which is served by the South Patrol Substation, located at 711 West Mayfield, San Antonio, TX 78211. The City currently has six Police Substations. Each Substation is responsible for a Patrol "Service Area," under the command of a Police Captain. These Service Areas are divided into Patrol Sections, which are under the supervision of Police Sergeants. The Patrol Sections are then divided into "Patrol Districts." Generally, 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.

These factors will also determine the need for hiring additional patrol officers to ensure all patrol districts are adequately staffed 24 hours a day, seven days a week, and to maintain an average response time comparable to other areas of the city. There is no specific number of officers that can be assigned to a patrol district. Many times multiple officers are assigned to single districts.

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 through the use of fire engines, ladder trucks, full-time and peak period EMS ambulances, Medical Officers and Chief Officers.

C. Solid Waste Collection Services – In accordance with state law, the City is prohibited from

offering solid waste management services in the area for two years after the effective date of annexation unless a privately owned solid waste management service provider is unavailable. The City's Solid Waste Management Department will provide solid waste collection services at a level equivalent to those property owners within the current City limits after two years. Services are provided and fees are assessed in accordance with Chapter 14 of the City Municipal Code, and may be amended. Fees for services are assessed monthly on CPS Energy Utility bills. After two years all single family residential properties accessible from public streets must use City-provided service.

Monthly Solid Waste Fees are set annually by City Council:

- **Environmental Services Fees** – All residential and non-residential properties shall be assessed a monthly Environmental Service Fee of \$3.24 per unit for Fiscal Year (FY) 2019. The Environmental Fee is comprised of a \$2.24 Solid Waste Environmental Fee and a \$1.00 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.

The monthly fees, based on current Fiscal Year approved fees which are subject to change at the direction of the City Council, apply in accordance with the container size selected:

Size of Garbage Cart	FY 2019 Monthly Fees
Small (48 gallons)	\$16.76
Standard (64 gallons)	\$18.76
Large (96 gallons)	\$26.76

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 to be effective as of the beginning of January 2019. 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 6.0% of the customer base and 38.5% of SAWS' annual water sales, 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 Transportation and Capital Improvements Department (TCI) 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 TCI's response, such as potholes and 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
- Neighborhood Access and Mobility Program (NAMP)
- Emergency Street Closure Services
- Street Re-striping and 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 program schedule, potential for additional multiple year contract awards and improved utility coordination. During the 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, stop 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 called into the 311 call center.

Storm Water Utility – The Storm Water Utility is housed within the TCI Department. The Storm

Water Utility 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. The storm water utility fee is billed by SAWS on behalf of the City. The 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. More information about the storm water rate plan is available at the TCI department website at: <https://www.sanantonio.gov/TCI/Projects/Storm-Water-Fee>.

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

F. Operation and Maintenance of Parks, Playgrounds and Swimming Pools – Maintenance responsibilities for municipally owned parks in newly annexed 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 property 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 (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,
- Enforcement of garage sale permits, and
- The Code and ordinances enforced by DSD are subject to changes by the City Council.

B. Zoning – The Property owner will initiate 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	Yes	No (0%)	No (0%)

	100%	100%	(Steel frame – engineer’s sealed plans on site)	(Steel frame – engineer’s sealed plans on site)
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For new construction initiated after annexation permits, plan reviews, and inspections for all applicable codes shall be obtained and successfully passed. 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, applicant will be required to adhere to the City’s Tree and Landscape requirements. A one-stop development service 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 – New and existing businesses must obtain a Certificate of Occupancy and related licenses required by City code from the DSD, San Antonio Metropolitan Health District, and/or City Tax Office. 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 libraries to the Annexation Area are the Cortez Library, 2803 Hunter Boulevard, San Antonio, TX 78224 and the Johnston Library, 6307 Sun Valley Drive, San Antonio, TX 78227.

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 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 – The San Antonio Metropolitan Health District (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 through an interlocal agreement with Bexar County-University Health Systems. 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, swimming pools and mobile living parks;
- Enforcement of the City's smoking ordinance in public places and Tobacco 21 ordinance;
- Access to community health clinics; and
- Referrals to medical assistance program benefits

Metro Health would provide additional services for oversight of day care centers, semi-public swimming pools, air pollution education and source registration. For more information, visit www.sanantonio.gov/health.

G. Animal Care Services – 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 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 timing for the construction of capital projects that may be necessary for the delivery of municipal services will be done in accordance with the requirements of Subchapter C of Chapter 43, Local Government Code. Each component of the Capital Improvement Program is subject to the City providing the related service directly. In the event that 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 at this time to provide police services.

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

C. Emergency Medical Service – No capital improvements are necessary at this time 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 located within the municipal boundaries in connection with planning for new or expanded facilities and/or services. All other capital improvements will be considered through the 6-Year Capital Budget that represents the City's long-range physical infrastructure development and improve 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 4. 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 5. 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 6. SUMMARY OF THE WATER AND WASTE WATER 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 waste water facilities as incorporated by reference in the latest version of the Unified Development Code, in conformance with the Texas Local Government Code requirement that the Agreement have a summary of the service extension

policy.

Water and waste water 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 waste water 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 owner may make an application for an extension of service to SAWS Director of Infrastructure Development Department 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 owner 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(s) served by a septic system, the property owner(s) remains responsible for the operation and maintenance of the septic system. If the septic system fails, the property owner 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 property owner to connect to SAWS public waste water facilities.

This policy is set by the City Council and can be amended in the future by ordinance.

THEREFORE, IN WITNESS WHEREOF, the Parties have executed this Service Agreement this _____ day of _____, 2019.

CITY OF SAN ANTONIO

BY: _____

Name: _____

Title: _____

**REPRESENTATIVES OF THE
TIMMS PROPERTY
Annexation**

State of Texas §

§

County of Bexar §

This instrument was acknowledged before me on this ____ day of _____, 2019 by _____, with a title of _____ for the City of San Antonio, Texas municipal Corporation, on behalf of said corporation.

Date: _____

Notary Public, State of Texas

My Commission expires: _____