AGENDA
CITY COUNCIL REGULAR MEETING
CITY COUNCIL CHAMBERS
5803 THUNDERBIRD
LAGO VISTA, TX
NOVEMBER 5, 2026 AT 3:00 PM

REGULAR SESSION WILL RECONVENE AT 4:00PM

JOIN MEETING VIA VIDEO CONFERENCE

Please join my meeting from your computer, tablet or smartphone.
https://meet.goto.com/242387805
You can also dial in using your phone.
Access Code: 242-387-805
United States: +1 (646) 749-3122

I. CALL TO ORDER, CALL OF ROLL

Shane R. Saum, Mayor
Amanda Chavarria, Council Member
Jess Hall, Council Member
Adam Benefield, Council Member
Norma Owen, Mayor Pro Tem
Karen Van Ness, Council Member
Paul Prince, Council Member
Ron Joy, Interim City Manager

II. EXECUTIVE SESSION

Convene into a closed Executive Session pursuant to;

1. Consultation with City Attorney pursuant to Texas Government Code § 551.071 regarding legal issues related to one or more items listed on this agenda, where confidential attorney-client advice is necessary.

2. Discussion and/or action regarding the appointment of Executive Director position Pursuant to Texas Government Code Section 551.074 (Personnel Matters).

3. Discussion and/or action concerning legal questions and advice related to proposed updates/amendments to the City Charter following review by legal counsel pursuant to Texas Government Code Section 551.071.

4. Consultation with the City Attorney pursuant to Texas Government Code Section 551.071 regarding legal issues, rights, obligations, potential liabilities, and contractual and regulatory considerations associated with the Lakeside at Tessera development, including the potential

acquisition, acceptance, ownership, operation, and maintenance of water infrastructure and facilities; related engineering, infrastructure capacity, water supply, water usage, service obligations, and associated matters.

5. Discussion with City Attorney pursuant to Sec. 551.071, (legal advice) regarding pending litigation against the City of Lago Vista –David vonOhlerking v. City of Lago Vista et al., Cause No. D-1-GN-26-010381, in the 98th Judicial District, Travis County, Texas

III. ACTION ON EXECUTIVE SESSION ITEMS (action and/or vote may be taken on the following agenda items):

Reconvene from Executive Session into open session to act as deemed appropriate in City Council's discretion regarding:

1. Consultation with City Attorney pursuant to Texas Government Code § 551.071 regarding legal issues related to one or more items listed on this agenda, where confidential attorney-client advice is necessary.

2. Discussion and/or action regarding the appointment of Executive Director position Pursuant to Texas Government Code Section 551.074 (Personnel Matters).

3. Discussion and/or action concerning legal questions and advice related to proposed updates/amendments to the City Charter following review by legal counsel pursuant to Texas Government Code Section 551.071.

4. Consultation with the City Attorney pursuant to Texas Government Code Section 551.071 regarding legal issues, rights, obligations, potential liabilities, and contractual and regulatory considerations associated with the Lakeside at Tessera development, including the potential acquisition, acceptance, ownership, operation, and maintenance of water infrastructure and facilities; related engineering, infrastructure capacity, water supply, water usage, service obligations, and associated matters.

5. Discussion with City Attorney pursuant to Sec. 551.071, (legal advice) regarding pending litigation against the City of Lago Vista –David vonOhlerking v. City of Lago Vista et al., Cause No. D-1-GN-26-010381, in the 98th Judicial District, Travis County, Texas

IV. INVOCATION

V. PLEDGE OF ALLEGIANCE, PLEDGE TO TEXAS FLAG

VI. CITIZEN COMMENTS

In accordance with the Open Meetings Act, Council is prohibited from acting or discussing (other than factual responses to specific questions) any items not on the agenda.

To participate in the citizen comments portion of the meeting, you must submit a completed form. If you are attending the meeting in the City Council Chambers you must complete the form available at that location and provide it to the Mayor prior to the start of the meeting. If you will be participating using the online videoconferencing tool, you must complete the form and submit it by email in accordance with the instructions included within the form. It is found on the City's website at the link below. The Council will reconvene from executive session at or around 4:00

p.m.

Citizen Participation Registration Form

VII. PRESENTATIONS & PROCLAMATIONS

1. Presentation by Mayor Shane R. Saum.

VIII. ACTION ITEMS

1. Discussion, consideration, and possible action regarding Individual Project Order No. 4 with DCS Engineering, LLC, for the Effluent Management/ Expansion – Cedar Breaks Irrigation Master Plan, in an amount not to exceed $216,975.00; and authorizing the City Manager to execute the project order.

2. Discussion, consideration, and possible action regarding Contract Amendment No. 2 to the Professional Services Agreement with Garver, LLC, for the Wastewater Treatment Plant Improvements Project, revising the project scope and reducing the total not-to-exceed agreement amount to $1,573,768.10; and authorizing the City Manager to execute the amendment.

3. Discussion, consideration, and possible action regarding the City of Lago Vista's participation in the Texas Water Development Board (TWDB) Clean Water State Revolving Fund (CWSRF) program for the City's wastewater treatment plant improvements project, including consideration and approval of applications, resolutions, certifications, and other documents necessary to advance the funding process; discussion of financing requirements, potential funding and repayment structures, and associated obligations; authorization for appropriate City officials to execute necessary documents; and direction to City staff, financial advisors, bond counsel, and other consultants regarding next steps.

4. Approve the minutes of the October 15, 2026, City Council Meeting.

IX. WORK SESSION

1. Discussion and possible action to repeal Ordinance No. 17-07-06-01 and Chapter 8.700 curfew violation for minors.

2. Discussion regarding the use of fireworks, including consideration of potential amendments, restrictions, and enforcement provisions.

3. Discussion and possible action regarding policies and procedures governing the use of the City of Lago Vista's official logo, seal, likeness, and other identifiable City imagery in political campaign signs, advertisements, and promotional materials.

4. Discussion and possible action regarding the City Council meeting dates for the Holidays.

5. Discussion and possible action regarding the Unified Development Code (UDC) Subcommittee and potential resumption of meetings.

6. Discussion regarding the release of an easement at Dawn Park.

7. Discussion regarding the City's purchasing, procurement, and contracting policies and procedures, including ethical contracting standards, vendor integrity and accountability, contract preparation and execution, document security and version control, disclosure and approval of proposed contract modifications, verification of executed agreements, enforcement provisions, and potential amendments to existing policies or adoption of an ordinance establishing uniform contracting safeguards for the City of Lago Vista.

8. Discussion regarding the City Charter review and amendment process, including proposed Charter amendments, legal and procedural requirements, public participation, development of a review and approval schedule, and necessary actions and deadlines associated with submitting proposed Charter amendments to the voters at the May 2027 uniform election.

9. Discussion regarding EPA Community Grant for the Lago Vista Wastewater Treatment and Effluent Management Engineering Project, including the proposed funding allocation for the WWTP and Effluent Management engineering projects.

10. Discussion and possible action regarding the replacement of the main effluent transmission line from Pond 17 to Pond 2.

X. ITEMS OF COMMUNITY INTEREST

XI. STAFF AND COUNCIL LIAISON REPORTS

A. Routine Reports from City Staff.

B. Routine Reports from City Council Board/Commission/Committee Liaisons.

XII. ADJOURNMENT

IT IS HEREBY CERTIFIED that the above Notice was posted on the Bulletin Board in accordance with Government Code section 551.041 located at all times in City Hall in said City by 6:00 pm on the 29th day of October 2026.

_____

Robin Smith , City Secretary

THIS MEETING SHALL BE CONDUCTED PURSUANT TO THE TEXAS GOVERNMENT CODE SECTION 551.001 ET SEQ. AT ANY TIME DURING THE MEETING THE COUNCIL RESERVES THE RIGHT TO ADJOURN INTO EXECUTIVE SESSION ON ANY OF THE ABOVE POSTED AGENDA ITEMS IN ACCORDANCE WITH THE SECTIONS 551.071, 551.072, 551.073, 551.074, 551.075 OR 551.076.

THE CITY OF LAGO VISTA IS COMMITTED TO COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT. REASONABLE MODIFICATIONS AND EQUAL ACCESS TO COMMUNICATIONS WILL BE PROVIDED UPON REQUEST.

AT THIS MEETING AT THE STATED LOCATION, A QUORUM OF THE CITY COUNCIL WILL BE PHYSICALLY

PRESENT, AND THIS NOTICE SPECIFIES THE INTENT TO HAVE A QUORUM PRESENT THERE, AND THE MEMBER OF THE CITY COUNCIL PRESIDING OVER THE MEETING WILL BE PHYSICALLY PRESENT AT THAT LOCATION. ONE OR MORE MEMBERS OF THE CITY COUNCIL MAY PARTICIPATE IN THIS MEETING REMOTELY, AND IF SO, VIDEOCONFERENCE EQUIPMENT PROVIDING TWO-WAY AUDIO AND VIDEO DISPLAY AND COMMUNICATION WITH EACH MEMBER WHO IS PARTICIPATING BY VIDEOCONFERENCE CALL WILL BE MADE AVAILABLE.

CONTINUATION OF MEETING: If the City Council is unable to complete consideration of the posted agenda, the Council may recess and continue the meeting on the following regular business day, including the following Friday when applicable, as authorized by Texas Government Code § 551.0411. The date, time, and location of the continued meeting will be publicly announced before recess.

2025-2026-Adopted-Budget-PDF

AGENDA ITEM NO. VII.1

Item Cover Page

CITY COUNCIL AGENDA ITEM REPORT

DATE: November 5, 2026

SUBMITTED BY: Shane Saum, Mayor

SUBJECT: Presentation by Mayor Shane R. Saum.

AGENDA ITEM NO. VIII.1

Item Cover Page

CITY COUNCIL AGENDA ITEM REPORT

DATE: November 5, 2026

SUBMITTED BY: Victor Manzano, CIP Manager

SUBJECT: Discussion, consideration, and possible action regarding Individual Project Order No. 4 with DCS Engineering, LLC, for the Effluent Management/ Expansion – Cedar Breaks Irrigation Master Plan, in an amount not to exceed $216,975.00; and authorizing the City Manager to execute the project order.

BACKGROUND: manage treated wastewater flows. As wastewater flows increase, the City will need to expand its available disposal and beneficial-reuse capacity while also evaluating the infrastructure necessary to support future phases of the system.

Individual Project Order No. 4 provides for development of a citywide effluent/reclaimed-water master plan intended to establish a coordinated framework for the City's Effluent Management / Expansion program. The effort will evaluate the capacity and limitations of the existing Cedar Breaks system, future irrigation acreage needs, and the transmission, pumping, storage, and distribution improvements that may be required as the system expands.

The study will also evaluate opportunities to increase beneficial reuse of treated effluent, including potential Type I reclaimed-water applications, and develop a phased capital-improvement approach with planning-level costs to help guide future projects.

In addition to the long-range planning effort, the scope includes Phase I preliminary engineering for the first improvement identified through the study. This allows the City to begin advancing a near-term expansion project while establishing the broader plan for future effluent management needs.

Final design of the initial Phase I improvement is not included in the current project order. Following completion of preliminary engineering, a separate professional-services amendment will be required to establish the final-design scope and fee.

FINDINGS: Staff recommends the proposed master-planning approach because it addresses the City's near-term need for additional effluent

disposal capacity while also providing a framework for future system expansion.
The scope will allow the City to evaluate Cedar Breaks capacity and expansion needs in conjunction with the transmission, pumping, storage, reclaimed-water, and other infrastructure required to support the overall effluent system.
Including Phase I preliminary engineering within the current scope allows the first identified improvement to advance without waiting for a separate planning effort to be completed. Final design would be brought back for separate authorization once the Phase I scope and cost are better defined.

FINANCIAL IMPACT:

Individual Project Order No. 4 is a lump-sum professional-services agreement in the amount of $216,975. The proposed EPA funding allocation for this agreement is $173,580, with a required City grant match of $43,395.
The EPA funding plan also includes a $109,526 placeholder for future Phase I final design. This amount is not part of the current project order and would require a separate professional-services amendment following completion of preliminary engineering.

RECOMMENDATION:

Approve Individual Project Order No. 4 with DCS Engineering, LLC, in an amount not to exceed $216,975.00 for Effluent Management/ Expansion – Cedar Breaks Irrigation Master Plan; and authorize the City Manager to execute the project order, subject to final legal review and applicable grant requirements.

ATTACHMENTS:
Project No. 4.pdf

INDIVIDUAL PROJECT ORDER No. 4

Describing a specific agreement between DCS (the Consultant), and City of Lago Vista (the Client) in accordance with the terms of the Master Agreement for Continuing Professional Services dated March 5, 2026, which is incorporated herein by reference. The work performed by the Consultant will be done confidentially at all times. No information will be shared or discussed with anyone other than the Client and the Client's specified interested parties unless prior authorization from the Client is received in writing by the Consultant.

Identification of Project: Cedar Breaks Irrigation Master Plan
DCS Project No: 20101709

Specific Scope of Basic Services:
DCS Engineering, LLC (DCS) will provide civil engineering services to full fill the City's goal to develop a phased master plan that expands the City's effluent reuse infrastructure to support long-term disposal needs while providing flexibility for future system improvements including reclaimed water uses.

The primary reason for this master plan is to generate and document the plan to treat the ultimate anticipated effluent flows and/or monetize the effluent produced by the WWTP via reclaimed water sales. We understand that the ultimate WWTP flow will be about 2.4 mgd from the City's service area. By developing a master plan first with a clear vision of what the system(s) will look like when completed, allows the City to proceed with maximum efficiency in leveraging existing infrastructure, minimizing construction of temporary/undersized/ oversized infrastructure, maximize the potential to sell reclaimed water, potentially reduce potable water demands, potentially reduce the ultimate potable surface water treatment capacity, and/or potentially sell excess surface water rights to another entity.

Once the ultimate system is known, fully informed decisions can be made to define the scope of work required at this time to expand the effluent disposal system(s). The goal of this first construction project is to minimize it's cost and defer any unnecessary capital expenditures to a future date (triggered by well-defined milestones in the master plan). Furthermore, the master plan will include a list of capital of improvement projects with associated construction costs and schedules to implement so the City is fully positioned in a proactive stance for implementing and funding its upcoming infrastructure needs.

With the above said and in the interest of expediting the first required project, the preliminary engineering task is included in the attached scope of work. Once the first project has been clearly identified and agreed to with staff, DCS will begin the preliminary engineering on that project's scope of work while the master plan proceeds through the later stages of completion. Upon completion of this preliminary engineering, DCS will provide another proposal for the final design of the project.

The anticipated project deliverables and engineering efforts will include:

- Evaluation of the existing Cedar Breaks irrigation and effluent reuse system including acreage requirements to achieve an ultimate flow of 2.4 mgd for WWTP effluent disposal.
- Calculate available disposal capacity of the existing acreage (in mgd for WWTP capacity)
- Development of a phased expansion plan for the reclaimed water distribution system to support future reclaimed water needs including diameters and routing.
- The master plan with phased recommendations for future implementation and planning-level cost estimates.
- Hydraulic modeling and identification of infrastructure improvements, including transmission mains, pumping, pond storage, ground storage tanks, and distribution facilities.
- Evaluation of effluent storage tank and pump station to provide reclaimed water to future developments where feasible.
- Additional operational improvements needed to improve system flexibility.
- Identification of additional testing, permitting, or regulatory requirements necessary to support future expansion.
- Sunset Park Athletic Fields
    - Evaluate the infrastructure necessary to convert the existing athletic fields at Sunset Park to Type I reclaimed water irrigation. (Assuming Aqua disk filter is installed at the WWTP)

- Identify improvements required to connect to the existing purple pipe infrastructure.
- Identify treatment, storage, pumping, or other infrastructure necessary to support public reclaimed water used irrigation.

- Future Reclaimed Water Areas
  - Evaluate additional public facilities and future service areas that could utilize reclaimed water.
  - Identify infrastructure improvements necessary to serve these areas.
  - Evaluate implementation strategies, including Type I conversion requirements, storage tanks, transmission mains, pumping facilities, and other infrastructure needed to expand reclaimed water use in a cost-effective manner.

Tasks will include the following:

Task 200 – Data Collection & Compilation

1. Coordinate with the Operator to obtain historical flow, sampling data, and other pertinent information as may be necessary for the analysis.
2. Conduct up to two (2) meetings with the Operator and/or City Staff regarding facility history.
3. Conduct two (2) site visit to existing TLAP facility to field measure existing facilities and collect data.

Task 205 – TLAP System and Reclaimed Water System Evaluation & Analysis

1. Review and confirm historical flows and system demands.
2. Compare actual flows and water characteristics against TCEQ regulations and long term soil impact.
3. Identify options to increase the capacity of the existing TLAP system considering the existing infrastructure at the facility.
4. Identify improvements that will be needed at the facility to achieve an ultimate WWTP effluent disposal of 2.4 mgd.

Task 210 - Engineer's Opinion of Most Probable Construction Cost

1. Prepare conceptual engineers' opinion of most probable construction cost for all projects included on the capital improvement project list. The Engineer shall not be required to guarantee the accuracy of these estimates.

Task 215 – Preliminary Engineering Design – Phase I

1. DCS will identify the scope of work required to complete the final design phase including but not limited to identification of surveying, geotechnical investigation with borings for final design, easement identification, detention analysis, etc. DCS will obtain quotes for the work and include those fees in our Final Design Proposal.
2. Refine the conceptual engineers' opinion of most probable construction cost (OPC) for the projects to a higher level of detail and accuracy for use as the preliminary engineering OPC. The Engineer shall not be required to guarantee the accuracy of these estimates.
3. Coordination with Regulatory Agencies, Private Utilities, and Potential Utility Customers
   a. Regulatory Agencies: The Consultant shall identify the regulatory agencies for which permitting of construction activities will be required and shall meet with, and coordinate with these agencies to brief them on the particulars associated with this Project and gather permitting information which will be useful in ordinance compliance and final design. The Consultant will prepare and process permits required by outside agencies. Client shall be responsible for permit fees and signatures as necessary for processing. TCEQ, Client will be coordinated with for work within rights of way.
   b. Private Utility Companies (Gas, Electric, Telephone, and Cable): The Consultant shall review the preliminary plans with each private utility to clearly set forth the project objectives and to determine if any utility has any concerns or objections. Effort will be expended to resolve any potential conflicts as well as to absolve the concerns and/or objections.

c. Preliminary Design of plans and profiles, facility layouts, preliminary details, preliminary technical specifications, and a preliminary Engineer's Opinion of Probable Cost will be provided to Client to conclude the efforts. Upon review by Client, Consultant will include Client staff comments and submit Preliminary Design to the City for approval. The Consultant will then prepare a final design proposal in preparation to move forward into the final design phase.

Task 220 – Master Plan Report

1. Prepare a draft Master Plan documenting and summarizing the findings.
2. Create a PowerPoint presentation summarizing the study and present it to City Council.
3. Conduct up to two (2) meetings with the City of Lago Vista to discuss study results with supporting PowerPoint presentation and/or Master Plan.
4. Finalize Master Plan.

Additional Services if required:

Additional Services are those that are specifically excluded from this Individual Project Order, but which could become necessary or desired at some time during the project. The Consultant shall perform Additional Services only as authorized to do so by the Client. If the Client requests Additional Services, the Consultant will prepare a specific scope and budget for the services requested for review and approval, prior to initiating the services.

- Preparation of stamped plans and specifications for the initial phase of improvements, along with TCEQ permitting support as required.
  - Provide sufficient irrigation acreage to support approximately 100 acres
  - Evaluating opportunities to exceed that acreage where practical to provide additional operational flexibility and improve effluent dispersion.
- Effluent Fill Station
  - Evaluate the feasibility of constructing an effluent fill station for future developer and contractor use.
  - Identify storage, pumping, metering, operational requirements, and permitting considerations.

Owner's Responsibilities

- Owner shall have those responsibilities set forth in the Master Agreement for Continuing Professional Services.

Schedule:

- Consultant shall have those responsibilities set forth in the Master Agreement for Continuing Professional Services.
- Authorization to Proceed: Signing of this Agreement for services shall be authorization by the Client for DCS to proceed with the work. The timeline is based the below assumed Authorization to Proceed date from the Client.
- The below schedule reflects a total of nine (9) months to complete the scope of work in this proposal.
- DCS anticipates two months for data collection and compilation including field visits. Once all data collection has been completed, the analysis is expected to take five months. Once the analysis is complete, a meeting with the City of Lago Vista will be set to discuss the study results. An additional two months for the client to review the draft report and consultant to incorporate the client's review comments into the final master plan is shown in the below timeline.

o Authorization to Proceed	November 6, 2026
o Data Collection & Compilation	January 6, 2027
o Evaluation & Analysis	April 6, 2027
o Preliminary Engineering Design – Phase I start	June 6, 2027
o Draft Master Plant Report	June 6, 2027
o Engineer's OPC	June 6, 2027
o Receive Client Comments	July 6, 2027
o Power Point Presentation to City Council	July 21, 2027
o Final Master Plan Report	August 6, 2027
o Preliminary Engineering Design – Phase I completion	August 6, 2027

Deliverables:
- Master Plan
- PowerPoint Presentation Summarizing Study

Terms of compensation:
Client shall pay Engineer for services rendered as follows:
- DCS Engineering, LLC will invoice monthly for services rendered the preceding month based on the percentage of services completed. Client shall pay DCS Engineering, LLC within 30 days for the services rendered and invoiced.
- We propose to provide the services described above on a lump sum (LS) fee basis as noted in the table below, by task. Our proposed fees for the above scope of work are shown by task on the table below. The above referenced services will be performed within the duration discussed above.

Fee Schedule

Task	Description	Lump Sum Fee
200	Data Collection & Compilation	$35,720.00
205	Evaluation & Analysis	$84,585.00
210	Engineer's Opinion of Most Probable Construction Costs	$18,280.00
215	Preliminary Engineering Design – Phase I	$40,000.00
220	Master Plan Report	$38,390.00
	Total Lump Sum Fee =	**$216,975.00**

ACCEPTED:

CITY OF LAGO VISTA

BY: _____

TITLE: _____

DATE: _____

DCS

BY: _____

TITLE: Principal

DATE: 10/9/26

AGENDA ITEM NO. VIII.2

Item Cover Page

CITY COUNCIL AGENDA ITEM REPORT

DATE: November 5, 2026

SUBMITTED BY: Victor Manzano, CIP Manager

SUBJECT: Discussion, consideration, and possible action regarding Contract Amendment No. 2 to the Professional Services Agreement with Garver, LLC, for the Wastewater Treatment Plant Improvements Project, revising the project scope and reducing the total not-to-exceed agreement amount to $1,573,768.10; and authorizing the City Manager to execute the amendment.

BACKGROUND: Garver was previously retained to provide engineering services for expansion of the City's wastewater treatment plant from 1.0 MGD to 1.5 MGD. Following subsequent evaluation of plant conditions, operational priorities, and project costs, the City shifted the near-term project from a capacity expansion to improvements at the existing 1.0 MGD facility.

Council previously directed staff to advance the tertiary filtration and dewatering improvements independently and to separately evaluate the mechanical bar screen and grit chamber before proceeding with those components.

Contract Amendment No. 2 removes the 1.5 MGD expansion and establishes a revised scope for packaged AquaDisk cloth-media tertiary filtration, including TCEQ Chapter 210 Type I reclaimed-water permitting support, and replacement of the existing belt filter press with a volute press within the existing dewatering building.

The revised scope includes project administration, permitting, 60%, 90%, and 100% design, bidding services, construction administration, construction observation, and SUE services.

FINDINGS: The revised scope aligns the engineering agreement with Council's direction to advance tertiary filtration and dewatering as separate bid packages while deferring the mechanical bar screen and grit chamber for additional evaluation.

Under the revised EPA grant workplan, eligible WWTP planning,

permitting, design, and bid-phase professional services may be funded through the grant. Construction administration and construction observation will be City-funded and will not be charged to the EPA grant.

No construction contract is being awarded by this action. Future construction contracts will return to Council separately

FINANCIAL IMPACT:

The total professional services agreement will be reduced from $2,821,902.00 to $1,573,768.10.

The revised agreement consists of:
· $608,491.10 for previously completed work under the original scope; and
· $965,277.00 for the revised WWTP engineering scope.

Of the $965,277.00 revised scope, $610,999.00 is included within the revised EPA grant project budget, consisting of up to $488,799.20 in EPA funding and $122,199.80 in required City cost share.

Construction administration and construction observation totaling $354,278.00 will be funded by the City outside of the EPA grant.

Wastewater impact fees were previously identified as a potential funding source for the WWTP Improvements Project; however, staff is no longer recommending the use of wastewater impact fees for these improvements. Staff recommends funding the applicable City-funded portion through available 2024 Certificate of Obligation bond proceeds and/or Utility Reserves, subject to confirmation of available balances and final budget allocation.

RECOMMENDATION:

Approve Contract Amendment No. 2 with Garver, LLC, to discontinue the previously authorized 1.5 MGD WWTP expansion design and advance engineering for the tertiary filtration and dewatering improvements as separate bid packages; reduce the total professional services agreement amount to $1,573,768.10; and authorize the City Manager to execute the amendment, subject to final legal review and applicable grant requirements.

ATTACHMENTS:

WWTP Improvements â€“ Contract Amendment No. 2.pdf

AMENDMENT TO AGREEMENT FOR PROFESSIONAL SERVICES
CITY of LAGO VISTA
Lago Vista, Texas
Project No. 2302195

CONTRACT AMENDMENT NO. 2

This Contract Amendment No. 2 ("Amendment"), effective on the date last written below, shall amend the original contract between the City of Lago Vista, Texas ("Owner") and Garver, LLC ("Garver"), dated December 11, 2024, as previously amended by Contract Amendment No. 1 dated May 2, 2025 (collectively, the "Agreement").

This Amendment revises the project scope to cover design and construction administration services for the immediate improvements to the existing WWTP. The WWTP expansion to 1.5 mgd will no longer be covered under this project scope. The revised scope of improvements generally includes services for the following:

- Tertiary Filtration: Design a new packaged tertiary filter system utilizing Aqua-Aerobic AquaDisk cloth media disk filters. Garver will pre-select the filter manufacturer and pre-negotiate pricing for inclusion in the bid documents. Garver will apply for a Type I reuse permit with TCEQ.
- Dewatering: Design a new dewatering system within the existing dewatering building. The existing belt filter press (BFP) will be removed, and a new volute press will be installed in its place. No structural modifications to the existing dewatering building are anticipated; process piping will be modified as needed. Garver's scope includes assisting the Owner in identifying and procuring a temporary/rental dewatering system for the Owner’s use while the existing BFP is removed from service.

The total maximum compensation under the Agreement is hereby reduced from $2,821,902.00 to $1,573,768.10, consisting of $608,491.10 for Part 1 - Original Scope and $965,277.00 for Part 2 - Revised Scope, as detailed in Exhibit B. Of the $2,213,410.90 in unbilled compensation remaining under the Agreement prior to this Amendment, $965,277.00 is reallocated to Part 2, and the balance of $1,248,133.90 is released and shall no longer be payable under the Agreement.

Exhibit A (Scope of Services) and Exhibit B (Compensation Schedule) of the Agreement are hereby replaced in their entirety with the Exhibit A and Exhibit B attached to this Amendment. As reflected in the attached Exhibits, the scope of services and compensation under the Agreement are hereby divided into two parts: Part 1 - Original Scope, and Part 2 - Revised Scope, as further described below.

EXHIBIT A

(SCOPE OF SERVICES)

PART 1 - ORIGINAL SCOPE (CLOSED)

Effective upon execution of this Amendment, Tasks 1 through 14, as described in Exhibit A to the Agreement (as previously amended by Contract Amendment No. 1), are closed. Services performed and billed under those Tasks through Invoice No. 2302195-8 (services through August 29, 2025) are accepted as the complete compensation for the original scope, and the maximum compensation payable for each such Task is reduced to the amount billed to date for that Task, as shown in Exhibit B - Part 1 to this Amendment. Garver shall have no further obligation to perform, and Owner shall have no obligation to pay for, any additional services under original Tasks 1 through 14, except to the extent such services are re-scoped and re-authorized under Part 2 below or a future amendment to the Agreement. All other terms and conditions of the Agreement not modified by this Amendment remain in full force and effect. For reference, Tasks 1 through 14 are as follows:

- Task 1 - Project Administration
- Task 2 - TCEQ Permitting
- Task 3 - Topographic Survey
- Task 4 - Preliminary Engineering Report
- Task 5 - 30% Design Deliverable
- Task 6 - 60% Design Deliverable
- Task 7 - 90% Design Deliverable
- Task 8 - Bid-Ready Design Deliverable
- Task 9 - TCEQ Plans and Specifications Permitting Set
- Task 10 - Bidding Services
- Task 11 - Construction Administration Services
- Task 12 - Construction Inspection
- Task 13 - Geotechnical Engineering
- Task 14 - SUE Services (Additional Services)

PART 2 - REVISED SCOPE

Garver will provide the professional engineering services described below in support of the revised scope of immediate improvements to the Owner's existing WWTP, generally consisting of a new packaged tertiary filtration system utilizing AquaDisk cloth media filters, and a new volute press to be installed within the existing dewatering building. It is assumed that the filters and volute press will be bid under separate covers at separate times.

GENERAL

Generally, the Part 2 scope of services includes:

- Task 1 - Project Administration
- Task 2 - Permitting Support
- Task 3 - 60% Design Deliverable
- Task 4 - 90% Design Deliverable
- Task 5 - 100% Design Deliverable
- Task 6 - Bidding Services
- Task 7 - Construction Administration Services
- Task 8 - Construction Observation Services
- Task 9 - SUE Services

SCOPE OF WORK

1. Task 1 - Project Administration

Garver will provide project administration services for the revised scope of improvements, including:

1.1. Host a virtual kickoff meeting to discuss the revised project scope, team roles and responsibilities, communication protocols, and schedule; develop and provide meeting minutes.

1.2. Update the Project Management Plan (PMP) and Quality Control/Assurance Plan to reflect the revised scope of improvements.

1.3. Prepare monthly progress/status reports sufficient to support monthly billings, and host monthly design coordination calls with the Owner. Monthly progress calls will conclude following the advertisement of both projects.

1.4. Prepare for and attend up to two City Council meetings to discuss project progress and delivery methods.

2. Task 2 – Permitting Support

Garver will prepare and submit an application to the Texas Commission on Environmental Quality (TCEQ) to authorize the use of Type I reclaimed water from the Owner's WWTP under Title 30 Texas Administrative Code (TAC) Chapter 210, amending the Owner's existing Type II reclaimed water authorization. Garver will:

2.1. Attend one (1) virtual meeting with the Owner to confirm the proposed Type I reclaimed water uses, user locations, delivery points, and any reclaimed water users other than the Owner.

2.2. Prepare the Chapter 210 application, including TCEQ forms, a description of the reclaimed water uses and delivery system, reclaimed water quality and monitoring requirements, storage facilities, and a location map of the producer, user sites, and distribution system, as required by 30 TAC Chapter 210.

2.3. Submit a draft application to the Owner for review in electronic (.pdf) format, incorporate Owner comments, and submit the final application to TCEQ.

2.4. Respond to up to two (2) rounds of TCEQ technical comments or notices of deficiency and coordinate with TCEQ staff through issuance of the authorization.

3. Task 3 - 60% Design Deliverable

Garver will prepare two 60% design sets for the project, one set for each of the two bid packages. The 60% design task will include the following:

3.1. Evaluate AquaDisk cloth media disk filters as the recommended tertiary filtration technology. Garver will prepare a request for proposal (RFP) for the manufacturer to obtain initial pricing for inclusion in the bid documents with final pricing to be provided at the time of project bidding.

3.2. Perform a site visit to evaluate the existing dewatering building and proposed tertiary filter area. Garver will perform a 3D scan of the existing dewatering building.

3.3. Evaluate the existing dewatering building and confirm use of a single volute press within the existing building. Assist the Owner with identifying a temporary/rental BFP for use while the existing BFP is removed. Confirm that no structural modifications to the existing dewatering building are anticipated and identify process piping modifications needed.

3.4. Prepare design information memorandums (DIMs) and a table of contents for the planned specifications.

3.5. Prepare 60% design drawings and technical specifications.

3.6. Prepare an estimate of construction quantities and a preliminary AACE Class 3 opinion of probable construction cost.

3.7. Conduct QA/QC of the 60% design and attend an in-person 60% Design Review Workshop with the Owner.

4. Task 4 - 90% Design Deliverable

During the 90% design phase, Garver will:

4.1. Incorporate comments from the 60% review to advance the design.

4.2. Prepare specification books for both bid sets including technical specifications and front-end documents, and prepare 90% design drawings.

4.3. Prepare an updated estimate of construction quantities and a preliminary AACE Class 2 opinion of probable construction cost.

4.4. Conduct QA/QC of the 90% design and attend an in-person 90% Design Review Workshop with the Owner.

4.5. At the 90% design stage, Garver will submit sealed plans and specifications along with a sealed transmittal letter to the TCEQ for review.

4.6. Garver will respond to TCEQ comments and adjust drawings and specifications as needed to ensure compliance with TCEQ rules and regulations.

5. Task 5 - 100% Design Deliverable

During the 100% (Contract Documents) design phase, Garver will:

5.1. Incorporate comments from the 90% review and finalize the design drawings and specifications.

5.2. Finalize construction quantities and prepare a final AACE Class 1 opinion of probable construction cost.

5.3. Conduct QA/QC of the 100% design packages.

6. Task 6 - Bidding Services

Bidding assistance will include the following efforts. It is assumed that the bidding efforts will be completed across two independent bid periods for both individual projects:

6.1. Prepare and submit the Advertisement for Bids to the Owner for publication; post the advertisement, construction contract documents, and associated information on the Owner's preferred bidding platform.

6.2. Support the contract documents by preparing addenda as appropriate, and assist the Owner in reviewing and addressing bidder questions during the bid period.

6.3. Prepare for and participate in one pre-bid meeting for each project and attend the bid opening for each project.

6.4. Prepare the bid tabulation.

6.5. Prepare construction contracts and conformed documents.

7. Task 7 – Construction Administration Services

Construction administration will include the following efforts across both projects. It is assumed that there will be two separate contractors with separate work schedules for each project, spanning a maximum of fifteen (15) total working months across both projects:

7.1. Issue a Notice to Proceed letter to the Contractor

7.2. Prepare for and attend the preconstruction meeting.

7.3. Attend biweekly virtual progress/coordination meetings with the Owner/Contractor for a period not to exceed fifteen (15) months. Up to ten (10) meetings will be attended in person.

7.4. Evaluate and respond to construction material submittals and shop drawings. Corrections or comments made by Garver on the shop drawings during this review will not relieve Contractor from compliance with requirements of the drawings and specifications. The check will only be for review of general conformance with the design concept of the Project and general compliance with the information given in the contract documents. The Contractor will be responsible for confirming and correlating all quantities and dimensions, selecting fabrication processes and techniques of construction, coordinating his work with that of all other trades, and performing his work in a safe and satisfactory manner. Garver's review shall not constitute approval of safety precautions or constitute approval of construction means, methods, techniques, sequences, procedures, or assembly of various components. When certification of performance characteristics of materials, systems or equipment is required by the Contract Documents, either directly or implied for a complete and workable system, Garver shall be entitled to rely upon such submittal or implied certification to establish that the materials, systems or equipment will meet the performance criteria required by the Contract Documents.

7.5. Issue instructions to the Contractor on behalf of the Owner and issue necessary clarifications (respond to RFIs) regarding the construction contract documents.

7.6. Maintain a set of working drawings and prepare and furnish record drawings based on Contractor redlines.

7.7. When authorized by the Owner, prepare change orders for changes in the work from that originally provided for in the construction contract documents.

8. Task 8 – Construction Observation Services

8.1. Provide one part-time (16-hours per week) construction observer / resident project representative (RPR) for up to 40 weeks of active construction performance time across both projects. If the construction period extends beyond the time established in this agreement or if the Owner wishes to increase the time or frequency of the observation, the Owner may request a supplemental agreement from Garver. The inspector shall provide the following services for each contract:

- Prepare and provide weekly status report to the Owner.
- Consult with and advise Owner regarding significant changes/issues during the construction period.
- Maintain a file with lists of quantities incorporated into the work, test reports, certifications, shop drawings and submittals, and other appropriate information.
- Review the Contractor's progress payment requests based on the actual quantities of contract items completed and accepted and make a recommendation to the Owner regarding payment.
- Maintain a project diary, including notations of areas where observation was not possible due to staff and time.
- Participate in startups, particularly Functional Demonstration Testing of control systems, to ensure the systems operate as intended.
- Review and maintain punch lists as required for issuance of Substantial Completion and Final Completion.
- Oversee project closeout requirements such as occupancy, deliverables, and Owner training.
- Participate in final Project inspection and submit final pay request.
- Verify Contractor provides Operations and Maintenance manuals and other as-built information in a timely manner that is coordinated with training of Owner staff and operations of the Project assets; and notify Owner of any incompleteness.
- Report to Owner whenever Garver believes that any construction will not produce a completed project that conforms to Owner objectives and/or Contract Documents. Advise the Owner of construction that should be corrected or rejected, or should be uncovered for observation, special testing, inspection, or approval. Any such items will be logged throughout the construction duration for tracking purposes.
- In performing construction observation services, Garver cannot guarantee the performance of the Contractor(s), nor be responsible for the actual supervision of construction operations, the means, methods, techniques, sequences, or procedures of construction selected or used by the Contractor(s), or for the safety or security measures that the Contractor(s) takes or should take. However, if at any time during construction Garver observes that the Contractor's work does not comply with the construction contract documents, Garver will notify the Contractor of such non-compliance and instruct him to correct the deficiency and/or stop work, as appropriate for the situation. Garver will also record the observance,

the discussion, and the actions taken. If the Contractor continues without satisfactory corrective action, Garver will notify the Owner immediately, so that appropriate action under the Owner's contract with the Contractor can be taken.

- Limitations of Authority of RPR:
  - The RPR shall not authorize any deviation from the contract documents or substitution of materials or equipment (including "or-equal" items), unless authorized by Owner and the Engineer of Record (EOR).
  - The RPR shall not exceed the limitations of the EOR's authority as set forth in the agreement or the contract documents.
  - The RPR shall not undertake any of the responsibilities of the contractor, subcontractor, suppliers, or the contractor's superintendent.
  - The RPR shall not advise on, issue directions relative to or assume control over any aspect of the means, methods, techniques, sequences or procedures of construction unless such advice or directions are specifically required by the contract documents.
  - The RPR shall not advise on; issue directions regarding or assume control over safety precautions and programs in connection with the work or any activities or operations of Owner or the contractor.
  - The RPR shall not accept shop drawings or sample submittals from anyone other than the contractor.
  - The RPR shall not participate in a specialized field, laboratory tests, or inspections conducted by others, except as specifically authorized by Owner and the EOR.

9. Task 9 - SUE Services

9.1. Garver will engage a subsurface utility exploration (SUE) subconsultant for utility location services on an as-needed basis to support the revised scope of improvements.

Summary of Project Deliverables

- Draft and final permit application in electronic (.pdf) format
- 60% Design Drawings and Specifications in electronic (.pdf) format
- 90% Design Drawings and Specifications in electronic (.pdf) format
- 100% Design Drawings and Specifications in electronic (.pdf) format
- Conformed Drawings and Specifications in electronic (.pdf) format
- Record Drawings in electronic (.pdf) format

Extra Work

The following items are not included under this Amendment but will be considered extra work:

- Design of the headworks improvements
- 30% design deliverable
- Submittal of permitting sets to entities other than the TCEQ.
- Site survey
- Grant application support or any other funding assistance.

- Floodplain evaluations/revisions.
- Construction materials testing.
- Payment of any permit application fees.
- Environmental review.
- Design of SCADA system improvements outside of the dewatering and filter areas.
- SCADA programming.
- Evaluation of contractor bids
- Redesign for the Owner's convenience or due to changed conditions after previous alternate direction and/or approval.
- Submittals or deliverables in addition to those listed herein.

Schedule

Garver shall begin work under this Amendment within ten (10) calendar days of a Notice to Proceed (NTP) and shall complete the work in accordance with the schedule below:

Work Item Description	Calendar Days
Virtual Kickoff Meeting	Within 14 days of the NTP
Site Visit	Within 21 days of the NTP
Deliver 60% Design Documents	Within 90 days of Site Visit
Deliver 90% Design Documents	Within 60 days of receiving City comments on 60% design
Deliver 100% Design Documents	Within 30 days of receiving City comments on 90% design

Note: Actual schedules for each of the two bid packages may vary based on project progress. Schedules shown are the maximum anticipated delivery time for each bid package.

EXHIBIT B

(COMPENSATION SCHEDULE)

The table below presents a summary of the fee amounts and fee types under the Agreement, as revised by this Amendment.

Part 1 - Original Scope

The Original Fee Amount column reflects the fee amounts under the Agreement prior to this Amendment (as previously amended by Contract Amendment No. 1). The Revised Fee Amount column reflects each Task's fee amount as capped at the amount billed to date, per Invoice No. 2302195-8 (services through August 29, 2025).

WORK DESCRIPTION	ORIGINAL FEE AMOUNT	REVISED FEE AMOUNT	FEE TYPE
TASK 1 - Project Administration	$ 42,631.00	$ 23,447.05	LUMP SUM
TASK 2 - TCEQ Permitting	$ 87,095.00	$ 87,095.00	LUMP SUM
TASK 3 - Topographic Survey	$ 55,608.00	$ 55,608.00	LUMP SUM
TASK 4 - Preliminary Engineering Report	$ 77,319.00	$ 73,453.05	LUMP SUM
TASK 5 - 30% Design Deliverable	$ 414,148.00	$ 331,318.40	LUMP SUM
TASK 6 - 60% Design Deliverable	$ 461,784.00	$ 0.00	LUMP SUM
TASK 7 - 90% Design Deliverable	$ 475,160.00	$ 0.00	LUMP SUM
TASK 8 - Bid-Ready Design Deliverable	$ 157,820.00	$ 0.00	LUMP SUM
TASK 9 - TCEQ Plans and Specifications Permitting Set	$ 9,769.00	$ 0.00	LUMP SUM
TASK 10 - Bidding Services	$ 46,444.00	$ 0.00	LUMP SUM
TASK 11 - Construction Administration Services	$ 243,552.00	$ 0.00	LUMP SUM
TASK 12 - Construction Inspection	$ 655,960.00	$ 0.00	LUMP SUM
TASK 13 - Geotechnical Engineering	$ 44,612.00	$ 35,689.60	LUMP SUM
TASK 14 - SUE Services	$ 50,000.00	$ 1,880.00	TIME & MATERIALS
Subtotal for Part 1 - Original Scope	**$ 2,821,902.00**	**$ 608,491.10**	

Part 2 - Revised Scope

WORK DESCRIPTION	FEE AMOUNT	FEE TYPE
Task 1 - Project Administration	$ 22,619.00	LUMP SUM
Task 2 - Permitting Support	$ 27,648.00	LUMP SUM
Task 3 - 60% Design Deliverable	$ 251,718.00	LUMP SUM
Task 4 - 90% Design Deliverable	$ 116,132.00	LUMP SUM
Task 5 - 100% Design Deliverable	$ 78,084.00	LUMP SUM
Task 6 - Bidding Services	$ 77,950.00	LUMP SUM
Task 7 - Construction Administration Services	$ 219,558.00	LUMP SUM
Task 8 - Construction Observation Services	$ 134,720.00	LUMP SUM
Task 9 - SUE Services	$ 36,848.00	TIME & MATERIALS
Total	**$ 965,277.00**	

This Amendment may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, Owner and Garver have executed this Amendment effective as of the date last written below.

City of Lago Vista, Texas

By: _____
Signature

Name: _____
Printed Name

Title: _____

Date: _____

Attest: _____

Garver, LLC

By: _____
Signature

Name: _____
Printed Name

Title: _____

Date: _____

Attest: _____

AGENDA ITEM NO. VIII.3

Item Cover Page

CITY COUNCIL AGENDA ITEM REPORT

DATE: November 5, 2026

SUBMITTED BY: Shane Saum, Mayor

SUBJECT: Discussion, consideration, and possible action regarding the City of Lago Vista's participation in the Texas Water Development Board (TWDB) Clean Water State Revolving Fund (CWSRF) program for the City's wastewater treatment plant improvements project, including consideration and approval of applications, resolutions, certifications, and other documents necessary to advance the funding process; discussion of financing requirements, potential funding and repayment structures, and associated obligations; authorization for appropriate City officials to execute necessary documents; and direction to City staff, financial advisors, bond counsel, and other consultants regarding next steps.

AGENDA ITEM NO.
VIII.4

Item Cover Page

CITY COUNCIL AGENDA ITEM REPORT

DATE: November 5, 2026

SUBMITTED BY: Robin Smith, City Secretary

SUBJECT: Approve the minutes of the October 15, 2026, City Council Meeting.

RECOMMENDATION: Approval of the October 15, 2026, City Council Meeting Minutes.

ATTACHMENTS:
26-10-15-CC-Draft Minutes.pdf

CITY COUNCIL REGULAR MEETING MINUTES
THURSDAY, OCTOBER 15, 2026
2:30 PM
CITY COUNCIL CHAMBERS
5803 THUNDERBIRD
LAGO VISTA, TX

Shane R Saum, Mayor
Adam Benefield, Member
Norma Owen, Mayor Pro Tem
Paul Prince, Member
Amanda Chavarria, Member
Karen Van Ness, Member
Jess Hall, Member
Ron Joy, Interim City Manager
Brad Bullock, City Attorney

Present: Shane R Saum, Adam Benefield, Norma Owen, Paul Prince, Amanda Chavarria, Karen Van Ness, Jess Hall, Ron Joy, Brad Bullock

REGULAR SESSION WILL RECONVENE AT

4:00PM JOIN MEETING VIA VIDEO CONFERENCE

Please join my meeting from your computer, tablet or smartphone.
https://meet.goto.com/242387805
You can also dial in using your phone.
Access Code: 242-387-805
United States: +1 (646) 749-3122

I. CALL TO ORDER, CALL OF ROLL

Shane R. Saum, Mayor
Amanda Chavarria, Council Member
Jess Hall, Council Member
Adam Benefield, Council Member
Norma Owen, Mayor Pro Tem
Karen Van Ness, Council Member
Paul Prince, Council Member
Interim City Manager, Ron Joy

The meeting was called to order at 2:30 pm.
Mayor Pro Tem states regular items to be discussed in Executive Session; IX (1), IX (2), IX (3).

II. EXECUTIVE SESSION

Convene into a closed Executive Session pursuant to;

1. Consultation with City Attorney pursuant to Texas Government Code § 551.071 regarding legal issues related to one or more items listed on this agenda, where confidential attorney-client advice is necessary.

2. Discussion regarding the reorganization of the City's organizational structure and related personnel matters pursuant to Texas Government Code Section 551.074 Personnel Matters.

3. Consultation with the City Attorney pursuant to Texas Government Code Section 551.071, regarding legal issues related to Lakeside at Tessera.

4. Receive legal briefing regarding from City Attorney regarding pending or contemplated personnel investigations pursuant to Texas Gov't Code Sec. 551.074 (Personnel)

III. ACTION ON EXECUTIVE SESSION ITEMS (action and/or vote may be taken on the following agenda items):

Reconvene from Executive Session into open session to act as deemed appropriate in City Council's discretion regarding:

Council reconvened into open session at: 4:36 pm

City Attorney, Brad Bullock gives update on Executive items discussed. IX (2) and IX (3).

1. Consultation with City Attorney pursuant to Texas Government Code § 551.071 regarding legal issues related to one or more items listed on this agenda, where confidential attorney-client advice is necessary.
   No Action

2. Discussion regarding the reorganization of the City's organizational structure and related personnel matters pursuant to Texas Government Code Section 551.074 Personnel Matters.

   Moved by Norma Owen; seconded by Paul Prince to Approve As directed in Executive Session.

   Motion Passed: 7- 0

   Voting For: Shane R Saum, Adam Benefield, Norma Owen, Paul Prince, Amanda Chavarria, Karen Van Ness, Jess Hall

   Voting Against: None

3. Consultation with the City Attorney pursuant to Texas Government Code Section 551.071, regarding legal issues related to Lakeside at Tessera.
   No Action

4. Receive legal briefing regarding from City Attorney regarding pending or contemplated personnel investigations pursuant to Texas Gov't Code Sec. 551.074 (Personnel)
   No Action

IV. INVOCATION

Invocation led by -Todd Garvia

V. PLEDGE OF ALLEGIANCE, PLEDGE TO TEXAS FLAG

VI. CITIZEN COMMENTS

In accordance with the Open Meetings Act, Council is prohibited from acting or discussing (other than factual responses to specific questions) any items not on the agenda.

Citizen Comments received by Dave Stewart with donated time by Robert Owen, Heinz Grether with donated time by Ebz vonOhlerking.

VII. PRESENTATIONS & PROCLAMATIONS

1. Proclamation Declaring October 16-24, 2026 as Friends of the Library Week.
   Mayor Saum read Proclamation to Friends of the Library.

   The City's Communication & Marketing Manager, Amanda Harkins announced the City Halloween contest winners. (1) Bailey Hartnett - GIS Tech (2) Development Services Team (3) SRO Officer Tim Edwards

VIII. CONSENT

1. Approve the minutes of the September 25, 2026, Called City Council Meeting.

   Moved by Norma Owen; seconded by Amanda Chavarria to Approve. Motion

   Passed: 7- 0

   Voting For: Shane R Saum, Adam Benefield, Norma Owen, Paul Prince, Amanda Chavarria, Karen Van Ness, Jess Hall

   Voting Against: None

2. Approve the minutes of the October 1, 2026, City Council Meeting.

   Moved by Norma Owen; seconded by Amanda Chavarria to

   Approve. Motion Passed: 7- 0

   Voting For: Shane R Saum, Adam Benefield, Norma Owen, Paul Prince, Amanda Chavarria, Karen Van Ness, Jess Hall

   Voting Against: None

IX. ACTION ITEMS

1. Consider, discuss, and possibly take action on Ordinance No. 26-10-15-01; Recommendation from the Building and Standards Commission for the updates to Chapter 3.12 of the Building Regulations regarding Property Maintenance, Substandard And Dangerous Buildings And Structures.
   Tam PIeklik, Development Services Supervisor updates Council on the Ordinance presented. Council discusses.

Moved by Amanda Chavarria; seconded by Norma Owen to Refer to legal to prepare Ordinance and bring back to the 2nd meeting in November.

Motion Passed: 7- 0

Voting For: Shane R Saum, Adam Benefield, Norma Owen, Paul Prince, Amanda Chavarria, Karen Van Ness, Jess Hall

Voting Against: None

2. Consider, discuss, and possibly take action regarding the First Amendment to the Development and Annexation Agreement between the City of Lago Vista and W Land Development Management, LLC, for the approximately 109.4251-acre Groseclose Tract, known as the Luna Ridge development.
Citizen Comment received by Dave Stewart.
Citizen Comment read in by Mayor Saum from Paul Roberts.

Moved by Adam Benefield; seconded by Amanda Chavarria to

Table. Motion Tabled: 7- 0

Voting For: Shane R Saum, Adam Benefield, Norma Owen, Paul Prince, Amanda Chavarria, Karen Van Ness, Jess Hall

Voting Against: None

3. Consider, discuss, and possibly take action regarding the City's partnership with the North Lake Travis Chamber of Commerce & Visitors Center, including a Hotel Occupancy Tax operating agreement, a service agreement for non-HOT eligible City services and events, procedures for HOT-funded event reimbursements, amendment of the current event reimbursement limit from 50% to up to 100% of eligible expenses, and consideration of funding for Brews & Balloons 2026.
Councilor Benefield opens discussion on this item.
Citizen Comment received by Allison Sargent.

a) Funding for Brews & Balloons 2026.

Moved by Norma Owen; seconded by Jess Hall to
Approve $30,000.00 Advance and pay up to $50,000.00 to North Lake Travis Chamber of Commerce's 2026 Brews & Balloons event, subject to the City Manager, Finance Department, and City Attorney verifying eligible expenditures, identifying lawful and available funding sources, and establishing appropriate documentation, accounting, and reconciliation requirements. Mayor to execute contract for Brews and Balloons.

Motion Passed: 7- 0

Voting For: Shane R Saum, Adam Benefield, Norma Owen, Paul Prince, Amanda Chavarria, Karen Van Ness, Jess Hall

Voting Against: None

b) Amendment of the Current HOT FUND event reimbursement from 50 % to 100 %.

Motion by Norma Owen; seconded by Karen Van Ness: To amend the City's HOT event reimbursement policy to increase the maximum reimbursement from 50% to **up to 100% of documented, HOT-eligible event expenses**, subject to applicable law, available funding, and City approval. This change provides Council greater flexibility without expanding what is legally eligible for HOT funding.

Motion Passed: 7-0

Voting For: Shane R Saum, Adam Benefield, Norma Owen, Paul Prince, Amanda Chavarria, Karen Van Ness, Jess Hall

Voting Against: None

c) Enter into Professional Service Agreement with the Chamber of Commerce

Motion by Paul Prince; Seconded by Norma Owen to approve a three-month professional service agreement with the Chamber of Commerce receiving 10,177.00 per month from General Fund but for the Chamber to use qualifying Hot FUNDS first. Direct staff, council and the Chamber to have Strategic Plan Discussion prior to expiration of the agreement.

Motion Passed 6-0

Voting For: Adam Benefield, Norma Owen, Paul Prince, Amanda Chavarria, Karen Van Ness, Jess Hall

Voting Against: Shane R. Saum

4. Consider, discuss, and possibly take action regarding the Comprehensive Plan Update as it relates to the Future Land Use Map (FLUM) limited to review and possible addition of commercial designations to the FLUM, and provide direction to staff regarding preparation of the draft in accordance with direction on commercial designations.
   Councilor Prince opens discussion to consider directing staff to work on Commercial designations on the FLUM.
   Citizen Comment received by Kevin Sullivan, Dave Stewart and David vonOhlerking.
   Council continues discussion.

   Moved by Norma Owen; seconded by Karen Van Ness to Approve as Amended Move to approve.
   Send FLUM back to staff to review 6 items.

Bring the items to the Strategic Planning meeting in November.

1. Identifying opportunities for coordinated commercial centers rather than disconnected commercial strips.
2. Evaluating the actual developable commercial acreage, considering topography, road access, utility capacity, and other development constraints.
3. Determining which locations are best suited for different types of commercial, employment, retail, service, and commercial-related mixed-use development.
4. Identifying appropriate transitions and buffering to protect adjoining residential neighborhoods.
5. Reviewing whether existing commercial zoning classifications, including C-1, C-2, C-3, CM, and CA, adequately support the proposed commercial land-use direction, and identifying potential zoning tools or amendments for future Council consideration.
6. Further evaluating the previously identified commercial opportunity areas, including the potential consolidation of the north side of Dawn Drive with Area 7. Overlay structure for homes used as business. Employment Service District.

Motion Passed: 7- 0

Voting For: Shane R Saum, Adam Benefield, Norma Owen, Paul Prince, Amanda Chavarria, Karen Van Ness, Jess Hall

Voting Against: None

5. Consider, discuss, and possibly take action regarding the selection of a candidate for the Texas Municipal League (TML) Region 10 Director election ballot.

Moved by Norma Owen; seconded by Paul Prince to Approve Vote for Mayor NaCole Thompson for the TML Region 10 Director Board.

Motion Passed: 5- 2

Voting For: Shane R Saum, Norma Owen, Paul Prince, Karen Van Ness, Jess Hall

Voting Against: Adam Benefield, Amanda Chavarria

6. Consider, discuss, and possibly take action to ratify the acceptance of Assistant Chief Thomas Franco as Interim Police Chief.

Moved by Paul Prince; seconded by Jess Hall to

Approve. Motion Passed: 7- 0

Voting For: Shane R Saum, Adam Benefield, Norma Owen, Paul Prince, Amanda Chavarria, Karen Van Ness, Jess Hall

Voting Against: None

X. WORK SESSION

1. Discuss the 2027 Economic Development and tourism strategy for the City.
   Director of Economic Development Eric Zeno presents presentation.
   Chamber of Commerce Director Allison Sargent presents Chamber presentation.

XI. ITEMS OF COMMUNITY INTEREST

XII. STAFF AND COUNCIL LIAISON REPORTS

A. Routine Reports from City Staff.

Interim City Manager Ron Joy reminded residents that City's Trash Off event is scheduled this weekend.

Economic Development Director Eric Zeno updated that the next Economic Development Business Roundtable will be held on November 5th.

B. Routine Reports from City Council Board/Commission/Committee Liaisons.

Councilor Chavarria provided an update regarding the Women's Club turkey raffle and announced the Mix and Mingle event at the K Oaks Clubhouse on November 5 and KLVB Governor's Award presentation scheduled for November 5.

Mayor Pro Tem Norma Owen provided an update from the Economic Development Corporation (EDC) meeting.

Mayor Saum provided updates on upcoming community events, including the Fall Festival scheduled for Friday through Sunday, from 10:00 a.m. to 7:00 p.m., located across from the high school; an additional Fall Festival at the high school; and the Hope Center event scheduled for Sunday.

*Councilor Van Ness **p**rovided an update from the Parks and Recreation Advisory Committee (PRAC) meeting.*

Councilor Prince provided an update regarding the Library Book Sale also announced Rolling Hills' annual Market Day and Fall Fest, including a chili cook-off contest, scheduled from 10:00 a.m. to 2:00 p.m.

XIII. ADJOURNMENT

Mayor Saum adjourned the meeting at 9:18 pm

[Signatures to follow]

CITY OF LAGO VISTA

_____
Shane R. Saum, Mayor

ATTEST:

_____
Robin Smith, City Secretary

On a motion by Councilmember _____, seconded by Councilmember _____, the above and foregoing instrument was passed and approved.

AGENDA ITEM NO. IX.1

Item Cover Page

CITY COUNCIL AGENDA ITEM REPORT

DATE:	November 5, 2026
SUBMITTED BY:	Stephanie Alff, Court Administrator
SUBJECT:	Discussion and possible action to repeal Ordinance No. 17-07-06-01 and Chapter 8.700 curfew violation for minors.
BACKGROUND:	Texas House Bill 1819 (88th Legislature, 2023), signed by Governor Greg Abbott on June 9, 2023, and effective September 1, 2023, prohibits cities and counties in Texas from adopting or enforcing juvenile curfew ordinances for individuals under 18 years of age.
FINDINGS:	Local governments can no longer enact or enforce daytime or nighttime curfews that restrict the movement of minors.
FINANCIAL IMPACT:	N/A
RECOMMENDATION:	Create new Ordinance repealing Ordinance No. 17-07-06-01 and Chapter 8.700, which pertain to juvenile curfew

ATTACHMENTS:
Lago_Vista_Curfew_Repeal_Ordinance.pdf

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAGO VISTA, TEXAS, REPEALING ORDINANCE NO. 17-07-06-01 AND CHAPTER 8.700, ESTABLISHING A JUVENILE CURFEW FOR MINORS; FINDING THAT THE ORDINANCE IS PREEMPTED BY STATE LAW; PROVIDING A REPEALER CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR CODIFICATION; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, on July 6, 2017, the City Council of the City of Lago Vista adopted Ordinance No. 17-07-06-01 establishing a juvenile curfew for minors within the City; and

WHEREAS, the Texas Legislature adopted House Bill 1819, which prohibits political subdivisions from adopting or enforcing juvenile curfew ordinances; and

WHEREAS, House Bill 1819 became effective September 1, 2023; and

WHEREAS, the City Council finds that Ordinance No. 17-07-06-01 and Chapter 8.700 should be repealed in order to ensure compliance with state law; and

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LAGO VISTA, TEXAS:

SECTION 1. FINDINGS INCORPORATED.
The findings set forth above are incorporated herein.

SECTION 2. REPEAL OF JUVENILE CURFEW ORDINANCE.
City of Lago Vista Ordinance No. 17-07-06-01 and Chapter 8.700 is hereby repealed in its entirety.

SECTION 3. CODIFICATION.
The City Secretary and Code Publisher are directed to amend the Code of Ordinances to reflect the repeal. Editor note: Former juvenile curfew regulations adopted by Ordinance No. 17-07-06-01 on July 6, 2017, were repealed by Ordinance No. _____ on _____, 2026, following state preemption under Texas House Bill 1819.

SECTION 4. SAVINGS CLAUSE.
The repeal shall not affect any right, duty, obligation, proceeding, prosecution, or penalty accrued prior to the effective date of this Ordinance to the extent permitted by law.

SECTION 5. SEVERABILITY.
If any provision of this Ordinance is held invalid, the remaining provisions shall remain in full force and effect.

SECTION 6. REPEALER.
All ordinances or parts of ordinances in conflict with this Ordinance are repealed to the extent of such conflict.

SECTION 7. OPEN MEETINGS.
The meeting at which this Ordinance was adopted was open to the public and proper notice was given as required by law.

SECTION 8. EFFECTIVE DATE.
This Ordinance shall become effective immediately upon passage and approval according to law.

PASSED AND APPROVED this _____ day of _____, 2026.

CITY OF LAGO VISTA, TEXAS

_____
Shane R. Saum, Mayor

ATTEST:

_____
Robin Smith, City Secretary

APPROVED AS TO FORM:

_____
City Attorney

AGENDA ITEM NO. IX.2

Item Cover Page

CITY COUNCIL AGENDA ITEM REPORT

DATE: November 5, 2026

SUBMITTED BY: Police Department

SUBJECT: Discussion regarding the use of fireworks, including consideration of potential amendments, restrictions, and enforcement provisions.

BACKGROUND: It has been identified the use of fireworks as an issue for discussion and consideration of potential regulations within the City of Lago Vista. Fireworks may present public safety concerns, including the risk of fires, personal injury, property damage, and disturbances to residents and surrounding neighborhoods.

RECOMMENDATION: Consider directing staff and the City Attorney to prepare an ordinance prohibiting the possession, use, discharge, and/or sale of fireworks within the city limits, as appropriate under applicable law. The ordinance may include provisions addressing enforcement, penalties, exceptions, and coordination with applicable state laws.

ATTACHMENTS:
Proposed Firework Ordinance.pdf

CITY OF LAGO VISTA, TEXAS

PROPOSED FIREWORKS REGULATION ORDINANCE

ORDINANCE NO. 26-_____

AN ORDINANCE OF THE CITY OF LAGO VISTA, TEXAS, PROHIBITING THE DISCHARGE AND USE OF FIREWORKS WITHIN THE INCORPORATED CITY LIMITS YEAR-ROUND; ESTABLISHING DEFINITIONS, EXCEPTIONS, ENFORCEMENT AUTHORITY, AND PENALTIES; PROVIDING FOR COORDINATION WITH THE ADOPTED INTERNATIONAL FIRE CODE; PROVIDING FOR SEVERABILITY, REPEAL OF CONFLICTING PROVISIONS, CODIFICATION, PUBLICATION, AND AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Lago Vista, Texas, finds that the discharge and use of fireworks within a residential community may create risks of fire, personal injury, property damage, disturbance to residents, and unnecessary demands on police, fire, and emergency medical services; and

WHEREAS, the City Council seeks to protect the health, safety, and welfare of residents, visitors, and property owners through consistent, year-round regulation of fireworks within the incorporated limits of the City; and

WHEREAS, Texas Occupations Code § 2154.004 recognizes municipal authority to enact ordinances prohibiting or further regulating fireworks, subject to applicable law; and

WHEREAS, the City has adopted the 2021 International Fire Code, with local amendments, under Section 3.106 of the City Code of Ordinances; and

WHEREAS, the City Council desires to establish a clear, enforceable prohibition against the discharge and use of fireworks within the City limits while preserving the application of state law and the City's adopted fire code;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LAGO VISTA, TEXAS, AS FOLLOWS:

SECTION 1. PURPOSE AND INTENT

The purpose of this ordinance is to protect public safety, prevent fires and property damage, reduce the risk of injury, and establish a uniform prohibition against the

discharge and use of fireworks within the incorporated limits of the City of Lago Vista, Texas.

The City Council intends that the prohibition apply throughout the calendar year, including holidays, weekends, and other special occasions, unless an exception is expressly authorized under this ordinance and applicable law.

SECTION 2. DEFINITIONS

For purposes of this ordinance:

A. Fireworks. “Fireworks” means a composition or device designed to produce a visible or audible effect by combustion, explosion, deflagration, or detonation and included within the definition of fireworks under Texas Occupations Code Chapter 2154, as amended.

B. Discharge or use. “Discharge or use” means to ignite, explode, launch, fire, set off, or otherwise activate fireworks to produce a visible or audible effect.

C. City limits. “City limits” means the incorporated territorial boundaries of the City of Lago Vista, Texas, as legally established and amended.

D. Authorized personnel. “Authorized personnel” means law enforcement officers, fire prevention personnel, code enforcement personnel, or other officials authorized by law to enforce applicable provisions of this ordinance.

SECTION 3. PROHIBITION ON DISCHARGE AND USE

A. General prohibition. A person commits an offense if the person discharges or uses fireworks within the incorporated city limits of the City of Lago Vista, Texas, except as expressly authorized under Section 4 of this ordinance.

B. Year-round application. The prohibition applies at all times throughout the year. No general holiday exception is established for Independence Day, New Year's Eve, New Year's Day, or any other date.

C. Location. This prohibition applies throughout the incorporated city limits, including public streets, parks, rights-of-way, residential properties, commercial properties, and other locations within the City, subject to applicable law and any express exception in this ordinance.

D. Property ownership. A person's ownership, lease, or lawful occupancy of the property where fireworks are discharged does not exempt that person from this ordinance.

E. Consent. Consent from a property owner or occupant does not authorize conduct prohibited by this ordinance.

F. Separate conduct. Each separate act of discharging or using fireworks may constitute a separate offense, subject to applicable law and the requirements governing prosecution and assessment of penalties.

SECTION 4. LIMITED EXCEPTIONS

A. Emergency and legally exempt activities. This ordinance shall not be interpreted to prohibit emergency signaling devices, military activities, or other activities expressly exempt from the applicable statutory definition or prohibition, to the extent required by controlling state or federal law.

B. Official public displays. A fireworks display shall not be permitted within the City merely because a state license or permit has been obtained. Any proposed City-sponsored or otherwise authorized public display must receive the prior written approval required by the City Council and all approvals required by applicable law and the adopted Fire Code. The City Attorney shall confirm that the proposed approval process is legally permissible before this subsection is finalized.

C. No general consumer exception. There shall be no general exception allowing residents or visitors to discharge consumer fireworks during holidays, on private property, or during periods when a county burn ban is not in effect.

SECTION 5. RELATIONSHIP TO THE ADOPTED FIRE CODE

A. Existing fire code. This ordinance supplements the City's adopted fire code, including Section 3.106 of the Code of Ordinances and the applicable provisions of the 2021 International Fire Code, as locally amended.

B. Consistency. This ordinance shall be interpreted consistently with applicable state and federal law. Where an additional permit, safety requirement, or prohibition applies under the adopted Fire Code, compliance with this ordinance does not excuse compliance with that requirement.

C. Conflicts. If a provision of this ordinance conflicts with a controlling state or federal law, the controlling law shall govern to the extent of the conflict. The City

Attorney shall determine whether amendments to the adopted Fire Code or related City Code provisions are necessary to ensure consistency.

D. No implied authorization. Nothing in this ordinance shall be interpreted as authorizing fireworks use that is otherwise prohibited by the adopted Fire Code or applicable law.

SECTION 6. ENFORCEMENT

A. Enforcement authority. This ordinance may be enforced by Lago Vista Police Department officers and other City personnel who are legally authorized to enforce the applicable provisions.

B. Police response. Upon receiving a complaint or observing a suspected violation, an officer may investigate the circumstances, determine whether a violation occurred within the City limits, identify involved persons when legally appropriate, document the incident, and take enforcement action consistent with applicable law and department policy.

C. Documentation. When practicable, enforcement documentation should include:

1. The date, time, and location of the incident;

2. The basis for determining that the incident occurred within the City limits;

3. The observed or reported conduct;

4. Witness statements, photographs, recordings, or other available evidence;

5. The identity of the alleged violator, when established; and

6. The enforcement action taken.

D. Enforcement discretion. Officers shall exercise discretion consistent with applicable law, department policy, the available evidence, and the seriousness of the conduct. Nothing in this ordinance requires an arrest or citation when the legal requirements for that action are not satisfied.

E. Fire and emergency response. When a suspected violation creates an immediate fire or life-safety hazard, officers may request fire or emergency medical assistance as appropriate.

F. Evidence and property. Evidence shall be handled in accordance with applicable law and department policy. This ordinance does not independently authorize a search, seizure, confiscation, or destruction of fireworks where such action is not otherwise authorized by law.

SECTION 7. PENALTIES

A. General penalty. A person who violates this ordinance shall be subject to the fine authorized by Texas law and the applicable general-penalty provisions of the City Code of Ordinances.

B. Maximum fine. Before final adoption, the City Attorney shall determine whether this ordinance qualifies as a regulation governing fire safety under Texas Local Government Code § 54.001(b)(1). If applicable, the maximum fine may not exceed $2,000 per offense. If that provision does not apply, the otherwise applicable statutory maximum shall govern.

C. Separate offenses. Separate acts may be charged as separate offenses when authorized by law. A continuing violation shall not automatically be treated as a separate offense for each day unless permitted by applicable law and the City's Code of Ordinances.

D. Other remedies. Nothing in this section limits any other lawful remedy available to the City, including injunctive relief where authorized by law.

SECTION 8. SEVERABILITY

If any provision of this ordinance is held invalid or unenforceable by a court of competent jurisdiction, that determination shall not affect the remaining provisions, which shall remain in effect to the fullest extent permitted by law.

SECTION 9. REPEALER AND CONFLICTING PROVISIONS

All ordinances, resolutions, or portions of the Code of Ordinances in conflict with this ordinance are repealed only to the extent of the conflict.

The City Attorney and City Secretary are directed to identify any existing fireworks or fire-code provisions that require express amendment, repeal, or coordination before this ordinance is codified.

SECTION 10. CODIFICATION AND PUBLICATION

The City Secretary is authorized and directed to record, publish, and codify this ordinance in the Code of Ordinances of the City of Lago Vista, Texas, in accordance with applicable law.

SECTION 11. EFFECTIVE DATE

This ordinance shall take effect upon passage, approval, and publication as required by applicable law.

PASSED AND APPROVED by the City Council of the City of Lago Vista, Texas, on the _____ day of _____, 2026.

CITY OF LAGO VISTA, TEXAS

_____

Mayor, Shane R. Saum

ATTEST:

_____

City Secretary, Robin Smith

AGENDA ITEM NO. IX.3

Item Cover Page

CITY COUNCIL AGENDA ITEM REPORT

DATE: November 5, 2026

SUBMITTED BY: Mayor Pro-Tem Owen, Mayor Pro-Tem

SUBJECT: Discussion and possible action regarding policies and procedures governing the use of the City of Lago Vista's official logo, seal, likeness, and other identifiable City imagery in political campaign signs, advertisements, and promotional materials.

BACKGROUND: The City of Lago Vista's official logo, seal, and other identifiable municipal imagery represent the City as a governmental institution and may convey an appearance of official City authorization, sponsorship, or endorsement when incorporated into campaign materials.

Questions regarding the use of these images present an opportunity for City Council to review the City's existing policies, applicable ordinances, administrative practices, and legal authority governing their use.

The purpose of this agenda item is to evaluate whether existing standards adequately distinguish official City communications from political campaign communications and whether additional clarification or procedures are appropriate.

The discussion is intended to address policy and process prospectively and consistently, without determining the merits of any individual complaint or candidate's conduct.

FINDINGS: MATTERS FOR COUNCIL CONSIDERATION

1. Review existing City ordinances, policies, and practices governing the reproduction or use of the City's official logo, seal, and identifiable municipal imagery.
2. Clarify whether and under what circumstances authorization is required for use of these images in political campaign signs, advertisements, websites, social media, and other promotional materials.
3. Distinguish use of the City's official logo or seal from photographs of public buildings, landmarks, signs, and other recognizable community imagery.
4. Evaluate whether existing standards adequately address the potential for an appearance of official City endorsement.
5. Identify the appropriate City official or department responsible

for reviewing requests, providing guidance, and addressing potential unauthorized use.

6. Consider whether written guidelines, public communication, or amendments to existing policies are warranted, subject to applicable state and federal law.

FINANCIAL IMPACT: To be determined by staff. The initial discussion is intended as a policy and procedural review.

RECOMMENDATION: Receive a legal and administrative overview of existing requirements and consider providing direction to the City Manager to develop or clarify policies and procedures concerning the use of official City imagery in political campaign materials.

Any proposed policy changes would return to Council for consideration as appropriate.

AGENDA ITEM NO. IX.4

Item Cover Page

CITY COUNCIL AGENDA ITEM REPORT

DATE: November 5, 2026

SUBMITTED BY: Shane Saum, Mayor

SUBJECT: Discussion and possible action regarding the City Council meeting dates for the Holidays.

AGENDA ITEM NO. IX.5

Item Cover Page

CITY COUNCIL AGENDA ITEM REPORT

DATE: November 5, 2026

SUBMITTED BY: Karen Van Ness, Council Member

SUBJECT: Discussion and possible action regarding the Unified Development Code (UDC) Subcommittee and potential resumption of meetings.

AGENDA ITEM NO. IX.6

Item Cover Page

CITY COUNCIL AGENDA ITEM REPORT

DATE: November 5, 2026

SUBMITTED BY: Karen Van Ness, Council Member

SUBJECT: Discussion regarding the release of an easement at Dawn Park.

AGENDA ITEM NO. IX.7

Item Cover Page

CITY COUNCIL AGENDA ITEM REPORT

DATE: November 5, 2026

SUBMITTED BY: Shane Saum, Mayor

SUBJECT: Discussion regarding the City's purchasing, procurement, and contracting policies and procedures, including ethical contracting standards, vendor integrity and accountability, contract preparation and execution, document security and version control, disclosure and approval of proposed contract modifications, verification of executed agreements, enforcement provisions, and potential amendments to existing policies or adoption of an ordinance establishing uniform contracting safeguards for the City of Lago Vista.

BACKGROUND: The City of Lago Vista enters into numerous contracts and agreements involving public funds, municipal services, infrastructure, professional services, and other City resources. Maintaining public trust and protecting taxpayer interests requires clear, consistent, and enforceable standards governing how these agreements are negotiated, approved, executed, and administered. Recent contracting matters have highlighted opportunities to strengthen the City's existing purchasing and contracting procedures, particularly regarding document security, disclosure of proposed modifications, verification of executed agreements, and adherence to terms approved by City Council.

Of particular concern is the practice of transmitting editable contract documents for execution, which creates unnecessary opportunities for changes to be made without the knowledge or approval of all parties. The City should establish procedures requiring final agreements to be transmitted through secure, controlled, noneditable execution processes, with any proposed modifications clearly identified and reviewed before execution.

Additionally, the City should consider establishing uniform ethical contracting standards applicable to vendors, contractors, organizations receiving City funding, and other parties entering into agreements with the City. These standards should reinforce transparency, accountability, good-faith negotiations, and compliance with applicable procurement requirements.

FINDINGS: The City Council should evaluate whether existing purchasing

policies and administrative procedures provide adequate safeguards or whether additional protections should be established through amendments to those policies or adoption of a formal ordinance. Areas for consideration include:
Contract Document Security: Requiring final agreements to be transmitted for signature through secure, controlled, noneditable execution processes rather than editable documents.
Disclosure of Modifications: Requiring all proposed changes to previously reviewed or approved
agreements to be clearly identified through redlined documents or other written disclosure.
Council Approval and Contract Authority: Establishing clear procedures to ensure substantive changes to Council-approved agreements are not implemented without appropriate authorization.
Verification and Recordkeeping: Requiring verification of returned agreements against approved versions before execution, with appropriate document retention and audit trails.
Vendor Integrity and Ethical Standards: Establishing uniform expectations for honesty, transparency, accurate representations, and good-faith conduct by parties contracting with the City.
Accountability and Enforcement: Evaluating appropriate remedies and procedures for undisclosed modifications, material misrepresentations, or other violations of established contracting standards, consistent with applicable law.
Uniform Application: Determining how these safeguards should apply across City departments and various types of agreements, including professional services, procurement, development agreements, grants, and agreements involving public funding.

FINANCIAL IMPACT: N/A

ATTACHMENTS:
Purchasing Policy.pdf

PURCHASING POLICIES AND PROCEDURES

CITY OF
LAGO VISTA
TEXAS

Adopted September 7, 2023
Amended September 19, 2024
Amended October 2, 2025

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II. Introduction

City purchasing staff have the responsibility to obtain the most value for the tax dollar in a fair, efficient, and equitable manner. Sound purchasing guidelines contribute greatly to the economical and effective operation of the City and provide the public confidence and trust in government.

The mission of the City of Lago Vista Finance department is to procure quality goods and services necessary to provide the citizens with the services they expect at the best possible price within the guidelines of all applicable federal, state, and municipal purchasing laws, while complying with best practices and state procurement laws.

a. Purpose

The purpose of this Purchasing Policies and Procedures (PPP) Manual is to establish standard practices and procedures to create an efficient and effective purchasing program for the City of Lago Vista. The PPP Manual, as established by the City Manager and approved by the City Council, shall be a complete source of purchasing information and procedures for purchasing of all commodities, contractual services, and equipment. The PPP serves as a guide for those employees granted purchasing privileges in the name of the City of Lago Vista. The guidelines set forth apply to all personnel who participate in the actions and decisions relating to the procurement and are intended to provide a complete understanding of purchasing policies, procedures, and practices. Explanation of each department's responsibility and role in the procurement function is outlined below, as well as an overall summary of the entire purchasing process.

b. Purchasing Objective

The City shall promote and protect its governmental integrity. Public employees must, therefore, discharge their duties impartially to assure fair, competitive access to City procurement. Moreover, the City's officers, directors, and employees shall conduct themselves in a way that fosters public confidence in the integrity of the City.

The employees of the City responsible for purchasing must

i. purchase the proper goods or services to suit the City's needs;
ii. obtain the best possible price for the goods or services;
iii. have the goods or services available when and where the City needs them;
iv. assure a continuing supply of needed goods and services;
v. guard against misappropriation of City funds;
vi. facilitate cooperation with other governmental units;
vii. maximize competition from responsible bidders;
viii. safeguard public funds and receive the best value for the public dollar;
ix. refrain from use of public spending to enrich elected officials or City employees; and
x. refrain from making purchases for personal use in the City's name.

c. Governing Authority

This policy is adopted to enforce and require compliance with the below-listed current State of Texas and local and purchasing laws. Should there be a conflict between this document and state law, state law as amended controls.

- Texas Local Government Code Chapters 252 and 271;
- Texas Government Code Chapters 552, 791, 2251, 2252, 2253, Subchapter B, 2254; and 2269;
- The City of Lago Vista City Charter; and
- The City of Lago Vista Code of Ordinances.

Regardless of the expenditure and applicability of state competitive bidding requirements, it is the policy of the City to see competition that produces the highest quality of goods and services at the lowest possible price.

III. Duties and Responsibilities

a. City Council

Except for emergency purchases, the budgeted purchase of items or services exceeding one hundred thousand dollars ($100,000) and any non-budgeted purchase exceeding fifty thousand dollars ($50,000) shall require prior approval of the City Council.
The City Council shall endeavor to hold an emergency meeting to authorize emergency purchases where feasible. If that is not possible, such purchases shall be submitted to the City Council for ratification.
Emergency purchases in excess of one hundred thousand dollars ($100,000) shall be limited to incidents that threaten public health or safety, cause damage to persons or property, or situations in which inaction would result in substantial financial loss to the City. Emergency purchases are also subject to all applicable exemptions under Texas Local Government Code Chapter 252.
All budgeted contracts or expenditures exceeding one hundred thousand dollars ($100,000), and all non-budgeted amounts exceeding fifty thousand dollars ($50,000), must be approved in advance by the City Council, regardless of the procurement method.
This requirement applies to:

- Budgeted purchases made within the same fiscal year from the same vendor for the same goods or services that total more than one hundred thousand dollars ($100,000), and
- Any contract executed for more than one hundred thousand dollars ($100,000), regardless of its term, and any non-budgeted amount exceeding fifty thousand dollars ($50,000).

b. City Manager

The purchase of items or services valued at five thousand dollars ($5,000) up to one hundred thousand dollars ($100,000), except for non-budgeted amounts exceeding fifty thousand dollars ($50,000), shall require approval from the City Manager.
The City Manager holds ultimate responsibility for all purchases made on behalf of the City of Lago Vista. The City Manager shall establish and propose rules and regulations, subject to City Council approval, governing the purchase and procurement of all goods and services. These approved procedures shall be followed by all City employees.
The City Manager has the sole authority to approve any deviation from established purchasing regulations. If improper purchasing practices occur, the City Manager may take disciplinary action

against the responsible individual and/or department. Disciplinary measures may include restricted purchasing privileges, restitution, suspension, termination, or any other action deemed appropriate by the City Manager.
The City manager shall determine the purchasing authority limits of all Department Heads and other employees on a case-by-case basis; however, under no circumstances shall that authority exceed five thousand dollars ($5,000).

c. Legal

The City Attorney provides legal advice and guidance on purchasing law and regulation and will prepare formal correspondence if needed.

d. Finance Department

The Finance Department is responsible for procurement of goods and services obtained by quotes, price agreements, and inter-local agreements. The department is also responsible for:

i. ensuring statutory compliance by the City with all applicable laws and regulations;
ii. ensuring City departments receive prompt delivery of goods and services requested through inter-local agreements, request for quotes, and price agreements;
iii. developing and maintaining reliable alternate sources of supply and a competitive atmosphere in pricing and performance by vendors;
iv. assisting departments in planning purchases for submission in the annual budget process;
v. where possible and practical, may combine purchases of similar items to allow for better pricing and establish a more competitive atmosphere;
vi. coordinating and assisting purchasing with various departments supplies, materials, and contractual services for the City;
vii. expediting goods and services in normal and emergency situations by utilizing known cooperative purchasing contracts, vendor contacts and services;
viii. joining with other governmental agencies in cooperative purchasing plans when it is in the best interest of the City; and
ix. ensuring the expenditures of City funds are conducted in such a manner that all transactions will pass audits with respects to State, Federal, and City procurement regulations.

e. Department Head

Department Heads are responsible for ensuring that all personnel in their department are knowledgeable of and fully understand the purchasing procedures established by the PPP Manual. By following the requirements established in the PPP Manual, Department Heads will assist by giving sufficient lead time to obtain proposals, quotations, or bids for goods and services requested by the departments so that the goods and services may be delivered by the requested due date.

Through proper planning of purchases, each department will be able to realize savings through competition between vendors and minimize the potential for shortages of commodities and materials.

In accordance with the PPP, the Department Head shall:

i. inform and support departmental personnel on the requirements of the PPP and ensure adherence;
ii. communicate needs for supplies, equipment, and materials to the city manager;

iii. communicate requests for services and goods with enough lead time so that procurements can be made using applicable purchasing policy procedures.
iv. utilize effective material requirements planning to maximize efficiency for City procurement;
v. provide accurate and complete information on items requested and timely preparation of requisitions;
vi. prepare item descriptions, specifications, or statements of work to assist in negotiation of materials, supplies, services, or equipment of a technical or unusual nature requested, and suggest possible sources of supply;
vii. designate certain employees with authority to prepare requisitions and make requests for purchase of certain items; and
viii. inspect or supervise the inspection of materials, supplies, services, and equipment delivered and determine acceptableness of their quality, quantity, and conformance with specifications as requested.

Finance Department will maintain a list of personnel authorized to make purchases. It is the responsibility of the Department Heads to make additions or deletions to that list as needed.

f. Department Supervisor

Each Department Head has the authority and is authorized to delegate purchasing authority to supervisors for purchases of three thousand dollars ($3,000) or less. All invoices shall be signed by the supervisor or department designee and/or submitted to the Department Head who will return the invoice to the Accounts Payable office.

IV. Ethics

a. Employee Code of Ethics

In accordance with the City's Ethics Policy as codified in the Code of Ordinances, amended, no Officer, City Official or employee of the City shall have a financial interest, direct or indirect, in any contract with the City, or be financially interested directly or indirectly in the sale to the City of any land, materials supplies, or services, except on behalf of the City as an officer or employee. Any knowing and willful violation of this Section shall constitute malfeasance in office and any officer or employee determined to have violated this section in the sole discretion of the City Manager shall be removed from his office or position. Any violation of this Section with the knowledge, expressed or implied, of the person or corporation contracting with the governing body of the City shall render the contract involved void per the City of Lago Vista Home-Rule Charter, Article XI, Section 11.04.

By participating in the purchasing process, employees of the City of Lago Vista agree to:
i. avoid the intent and appearance of unethical or compromising practice in relationships, actions, and communications;
ii. demonstrate loyalty to the City by diligently following the lawful instructions of the employer, using reasonable care of the authority granted;
iii. refrain from any private business or professional activity that would create a conflict between personal interests and the interest of the City;

iv. refrain from soliciting or accepting money, loans, credits, prejudicial discounts, and the acceptance of gifts, entertainment, favors or services from present or potential suppliers per City of Lago Vista Home-Rule Charter, Article XI, Section 11.06 and the City's Ethics Policy.
v. avoid dispensing special favors or privileges to anyone, whether as payment for services or not; and refrain from acceptance for self or family members favors or benefits under circumstances which might be construed by a reasonable person as influencing the performance of your employment duties;
vi. engage in no business with the City, directly or indirectly, which is inconsistent with the conscientious performance of Governmental duties;
vii. handle confidential or proprietary information of the City or suppliers with due care and proper consideration of ethical and legal ramifications;
viii. never use any information gained confidentially in the performance of job-related duties as a means of making private profit;
ix. promote positive supplier relationships through courtesy and impartiality in all phases of the purchasing cycle;
x. know and obey the letter and spirit of laws governing the purchasing function and remain alert to the legal ramifications of purchasing decisions;
xi. expose corruption and fraud wherever discovered; and
xii. uphold these principles, ever conscious that public office is a public trust.

b. Vendor Code of Ethics

City of Lago Vista is committed to a procurement process which fosters fair and open competition, while conducting business under the highest ethical standards and fostering the public trust. To achieve these purposes, City requires each vendor who seeks to do business with the City to subscribe to the following Code of Ethics. A Vendor:

i. Shall not submit a bid or proposal that is not competitive, consistent, and appropriate for the specifications submitted;
ii. shall not discuss with other vendors intending to bid on the same contract or similar City contract for the purpose of limiting competition.
iii. shall not make any attempt to induce any individual or entity to submit or not submit a bid proposal;
iv. shall not disclose the terms of its bids or proposal, directly or indirectly, to any other competing vendor prior to the bid proposal closing date and time;
v. will completely perform any contract awarded at the contracted price pursuant to the terms set forth in the contract;
vi. will submit timely, accurate and appropriate invoices for goods and/or services performed under the contract;
vii. will not offer or give any gift, item, or service of value, directly or indirectly, to a City employee, employee family member, or other vendors contracted by the City; and
viii. A Vendor will not cause, influence, or attempt to cause or influence, any City employee or City Official, which might tend to impair his/her objectivity or independence of judgment; or to use, or attempt to use his/her official position to secure any unwarranted privileges or advantages for that vendor or for any other person.

Any vendor who violates the code of ethics is subject to being barred from use by the City of Lago Vista.

V. Gifts and Gratuities

Before accepting any gift, the employees will need to consider whether the gift complies with the limitations set forth in the City of Lago Vista Ethics Policy and Employee Handbook. A City employee may not solicit or accept any benefit, gift favor, funds, or service they know, or suspect is offered to influence their official conduct. The employee may accept unsolicited advertising or promotional materials such as pens, pencils, note pads, calendars, and other items of cumulative value less than fifty dollars ($50.00). Employees should use their judgement but, should refuse gifts that a reasonable person may believe could have the appearance of impropriety or influence.

VI. General Purchasing Procedures

a. Signatory Authorities and Approval Thresholds

The City is required to follow the bidding or proposal procedures outlined in the *Local Government Code Chapter 252*, when making an expenditure of more than one hundred thousand dollars ($100,000). The City Council has the authority or may designate the authority to commit funds. Following is the delegable authority as approved by the City Council or City Manager as appropriate:

i. $0 - $3,000 = Supervisors
ii. $0 - $4,999 = Department Head
iii. $0 - $100,000 (Budgeted) = City Manager
iv. $50,000 - $100,000 (Non-Budgeted) = City Council
v. $100,001 and Above = City Council

All budgeted contracts and /or expenditures more than one hundred thousand dollars ($100,000), and any non-budgeted contracts and /or expenditures exceeding fifty thousand dollars ($50,000) must be approved in advance by City Council regardless of the procurement method. This requirement applies to:

- Budgeted purchases made within the same fiscal year from the same vendor for the same goods or services that total more than one hundred thousand dollars ($100,000), and
- Any contract executed for more than one hundred thousand dollars ($100,000), regardless of its term, and any non-budgeted amount exceeding fifty thousand dollars ($50,000).

Authority to sign contracts or agreements approved by the City Council on behalf of the City is granted to the City Manager. This applies to all types of documents including, but not limited to purchase requisitions, contracts for services, leases, rental agreements, service/maintenance agreements, facility use agreements, etc.

Employees delegated authority to make and approve purchases will be held accountable for ensuring that each purchase is made in accordance with this policy and all applicable federal, state, and local law, procedures, directions, and good business practices. The delegation of authority to obligate the city for purchases under $100,000 is not assignable to others without the express and written consent of the City Manager.

Expenses should be made with budgeted funding. If an expenditure is not budgeted within the fiscal

year, the expenditure should be brough to the City Council for a budget amendment.

b. Purchasing Limits at a Glance

Dollar Amount	Forms	Supervisor	Department Head	City Manager	City Council
$3,000 or less	Invoice	✓			
$ 3,001 - $5,000	Purchase Order		✓		
$5,001 - $100,000 (Budgeted)	Contract and/or Purchase Order			✓	
$50,000- $100,000 (Non Budgeted)	Contract and/or Purchase Order				✓
$100,001+	Formal Solicitation and Requisition				✓
Emergency Purchase	Emergency Purchase Summary			✓ $100,000 or less	✓ $100,001 +

c. Purchasing Process

Purchases $3,000 and under no quotes are required, though efforts must be made to obtain the best value purchase for the City, while also utilizing our local preference program.

i. All purchases of more than three thousand dollars ($3,000) shall be made by Purchase Order. Quotes will need to be obtained from three (3) vendors for purchases over $3,000. Exceptions include:
   - Emergency Purchases as stated in Texas Local Government Code Government Code Chapter 252.
   - Single Source Contracts
   - Captive Equipment
   - Unforeseen damage to public machinery, equipment, or other property.
   - Renewable Contracts, Maintenance Agreements, memberships.
   - Ongoing necessary costs, i.e. utilities, phone services, postage, internet, etc.

ii. Purchasing requisitions will be initiated by City departments and used to generate a Purchase Order. The Department Head or their designee shall approve all requisitions prior to submittal to the Finance Department.

iii. A purchase requisition must clearly and accurately represent the following requirements:
   - Company Name or suggested vendor
   - Date
   - Quantity and unit of item(s)

- Description of goods or services ordered
- Unit price
- Discount (if applicable)
- Prices extended and total
- Freight and/or delivery (if applicable)
- Account to be charged

d. Requisition Process

No ordering of goods and services of three thousand dollars ($3,000) or more will be processed through the Finance Department without a requestion.

e. Payment of Vendors

When the goods or services are received by the requesting department, the department must submit the original invoice attached to the Purchase Order to the Finance Department to ensure timely payment. Invoices will be paid within thirty (30) calendar days of receipt of goods or services or invoice date, whichever is later in accordance with State law. The City will take advantage of all discounts, when possible.

f. Tax Exemptions

The City of Lago Vista is exempt from payment of sales and use taxes under Texas Tax Code Chapter 151, for the purchase of tangible personal property. Any use of the City's tax exemption certificate for personal purchase is prohibited and a violation of criminal law. Anyone using the City's tax exemption certificate for personal purchase may be subject to prosecution under Texas Penal Code, Chapter 39, Abuse of Office. The Texas Sales Tax Exemption Certificate may be requested from the Finance Department.

g. Capitalized Fixed Assets

A capitalized fixed asset is tangible and intangible property that the City can leverage as a resource in providing services to the residents and inhabitants of the City. A capitalized fixed asset includes but is not limited to land, infrastructure, buildings, furniture and fixtures, motor vehicles and equipment with a cost of five thousand dollars ($5,000) or more and a useful life of more than two (2) years.

Capitalized fixed assets are acquired for use in normal operations and can be sold as surplus after designated by the City Council at the end of its useful life. These assets are long term in nature and are subject to depreciation. Capitalized assets and projects should be charged to a capital project asset account.

h. Formal Solicitation Procedure/ Competitive Bidding/Competitive Proposals

Contracts shall be awarded by competitive bidding for any solicitation that is projected to exceed one hundred thousand dollars ($100,000) unless a specific exemption applies and is documented. State law requires a formal, competitive process for purchases of more than one hundred thousand dollars ($100,000) per Texas Local Government Code Government Code Chapter 252. Care should be taken, and legal advice sought where appropriate, to verify whether one of the sixteen (16) general exemptions delineated in Section 252.022 applies to the purchase or solicitation.

i. Specifications and Announcement

The requesting Procurement Manager will issue the correct type of solicitation (Invitation for Bid-IFB, Request for Proposals (RFP) or Request for Qualifications-RFQ). The solicitation must be published in accordance with Local Government Code Section 252.041 and posted on the City Website. Any bids or proposals that allow for electronic submission must follow the City's Ordinance regarding this process. The Procurement Manager will also send the package to the vendors on available distribution lists and vendors recommended by the requesting department. While the solicitation is in the vendor's hands, no communication between any responding vendor and any city staff or city council member, except the Procurement Manager and the Legal Department will be allowed concerning the outstanding solicitation. Any contact concerning the solicitation with staff or city council may be grounds for disqualification of a vendor's response. Communication for business not concerning the solicitation is acceptable.

ii. Bid Opening, Evaluation and Award

The Procurement Manager will execute the bid opening. A tabulation of the responses will be created and will delineate the response containing best value for the City. The contract, after review and approval by the City attorney if necessary, must be awarded to the lowest responsible bidder or to the bidder who provides goods and services at the best value for the municipality, The terms and conditions of the solicitation must indicate the criteria and corresponding weight for each criterion that will be used in the evaluation as per Texas Local Government Code 252.043. The criteria may include but are not limited to

- purchase price;
- reputation of the bidder;
- quality of the proposed goods or services;
- extent to which the goods or services meet the municipality's needs;
- bidder's past relationship with the municipality;
- impact on the ability of the municipality to comply with laws and rules relating to contracting with HUB and nonprofit organizations employing persons with disabilities;
- long-term cost to the municipality to acquire the bidder's goods or services; or
- any relevant criteria specially listed in the solicitation.

After final negotiation, if necessary, the purchase and contract must be approved by the City Council. Department Head shall prepare the Executive Summary to present to the City Council.

If contract extensions are included in the solicitation, these should also be included in the City Council agenda item so the contract can be renewed without having to go back to the City Council for approval. Department Head will issue a formal letter to the vendor when renewing a contract and the vendor has the right to refuse the extension, a copy of the letter of contract extension must be placed in the contract and bid files.

iii. Change Orders

After the award of the contract, if the City requests an alteration in the scope of work, a Change Order may be issued to the contract that involves an increase or decrease to the scope of work or amount. All Change Orders must be in writing and signed off by the

Department Head or City Manager. A change order is required if, after the contract has been executed, one or more of the following events occur:

- Changes in plans or specifications are necessary, or
- It is necessary to increase or decrease the quantity of work of materials, equipment or supplies to be furnished.

Material changes in the scope, quantities or related work may not be made. A material change is defined as substantial revisions. Department Heads may approve written change orders to contracts within their supervision in the amounts up to five thousand ($5,000) per change order.

The City Manager may approve written Change Orders to all contracts in the amounts of one hundred thousand dollars ($100,000) or less up to an aggregate total for the entire contract of one hundred thousand dollars $100,000). Any change orders increasing the total contract to more than one hundred thousand dollars ($100,000+) must be approved by City Council and every Change Order thereafter must go to City Council unless the Council has given a specified amount to not exceed.

However, the sum of all approved Change Orders, regardless of amount, may not exceed twenty-five percent (25%) of the original, total contract amount. Any change greater than twenty-five percent (25%) will require a new solicitation, as per Texas Local Government Code 252.048(d). Change Orders to construction contracts must comply with Texas Local Government Code Section 271.060 .

VII. Contract Management

City Departments will send the original of all contracts to the City Secretary and a copy to the Finance Department for entering into the City's financial system. All change orders, authorization of change in services, and final payment requests will be provided to the Finance Department for review for contract compliance and for further processing. For contacts utilizing Federal funds, contractor oversight will comply with 2 CFR 200.318b. The City Manager is responsible for the settlement of all contractual and administrative issues arising out of procurements.

For all contracts that require approval by City Council, the Finance Department will maintain all Certificates of Interested Parties Form 1295 and all non-disclosure statements for any employee or participant involved in the creation of specifications, evaluation of bid/proposal or award of contract.

VIII. Legal Requirements

a. Historically Underutilized Businesses

If the City is processing a Request for Quote of more than three thousand dollars ($3,000) but less than one hundred thousand dollars ($100,000), per Texas Local Government Code, Section 252.0215, at least two (2) HUB vendors need to be contacted on a rotating basis. Historically Underutilized Business (HUB) vendors are identified through the State of Texas Comptroller's Centralized Master Bidders List (CMBL) – HUB Directory Search for Williamson and Travis County by commodity code.

b. Debarment Verification

The Finance Department will perform a debarred vendor check to ensure that the selected vendor is not debarred from doing business with the State or Federal Government for any one-time purchase or contract that is twenty-five thousand dollars ($25,000) or more.

IX. Items That Do Not Require Competitive Bidding or Competitive Proposals

Texas law specifically exempts certain types of contracts from the competitive bidding process. Texas Local Government Code Section 252.022 lists sixteen (16) types of expenditures that are not subject to the competitive bidding or competitive proposal requirements. Such goods and services may be acquired by the issuance of a purchase order or execution of a contract.

a. Emergency Purchases

Emergency Purchases are made to meet critical, unforeseen needs of the City. This can occur as a result of a public calamity that requires the immediate appropriation of money to relieve the necessity of the municipality's residents or to preserve the property of the municipality. Valid Emergencies are also those that occur as a result of the breakdown of equipment which must be kept in operation to maintain the public's safety or health, or whose breakdown would result in the disruption of City operations. (Texas Local Government Code Section 252.022 (a)(1),(2) and (3).)

Create a form, file, and general ledger subaccount to track emergency purchases.

b. Personal, Professional or Planning Services

i. Personal Services: Personal services includes only those services which are performed personally by the individual who contracted to perform them, and the contract should mainly pay for the labor of the individual providing the service, not for such things as insurance or materials.

ii. Professional services: Professional services have been described as those services which are mainly mental or intellectual rather than physical or manual. The Texas Government Code Section 2254.002 lists ten (10) types of services that constitute professional services for purposes of State and local contracts and funds management. These include accounting, architecture, landscape architecture, land surveying, medicine, optometry, professional engineering, real estate appraising, professional nursing and forensic science. Cities have also used this exception to hire attorneys. The City may not select a provider of professional services, group, or association of providers or award a contract for the services based on competitive bids submitted for the contract or for the services but, shall make the selection and award based on demonstrated competence and qualifications to perform the services for a fair and reasonable price. The professional fees under the contract must be consistent with and not higher than the recommended practices and fees published by the applicable professional associations and may not exceed any maximum provided by law (Texas Government Code 2254.002 and 2254.003.) If the City cannot negotiate a satisfactory contract with the most highly qualified provider, then the City shall formally end negotiations with that provider, select the next most highly qualified provider and attempt

to negotiate a contract with that provider at a fair and reasonable price.

iii. Planning Services: Planning Services is defined in Texas Local Government Code Section 252.001(5) as services primarily intended to guide governmental policy to ensure the orderly and coordinated development of the state or of municipal, county, metropolitan or regional land areas.

c. Work performed and paid for by the day as work progresses

The Texas Government Code Section 2254.002 specifically excepts from bidding requirements, work that is performed and paid for by the day as the work progresses. The Contract may not pay for work to be performed in the future regardless of whether the contract is performed and paid for on a daily basis.

d. Lease or Purchase of land or a right-of-way

In accordance with Texas Government Code Section 2254.002, the purchase of land or right-of-way is exempt from competitive bidding requirements. However, this exemption does not apply to the ***sale*** of real property. Subject to certain exceptions in Texas Local Government Code Chapter 272, the sale of real property can be accomplished in any of three ways: 1. Notice and bidding procedures under Section 272.001; 2. Public Auction in accordance with Texas Local Government Code Chapter 253; or 3. The use of a broker (on MLS for 30 days) Texas Local Government Code Chapter 253.

Section 272.001(b) lists seven exceptions to the notice and bidding requirements: (1) narrow strips of land, or land that because of its shape, lack of access to public roads, or small area cannot be used independently under its current zoning or under applicable subdivision or other development control ordinances; (2) streets or alleys, owned in fee or used by easement; (3) land or a real property interest originally acquired for streets, rights-of-way, or easements that the political subdivision chooses to exchange for other land to be used for streets, rights-of-way, easements, or other public purposes, including transactions partly for cash; (4) land that the political subdivision wants to have developed by contract with an independent foundation; (5) a real property interest conveyed to a governmental entity that has the power of eminent domain; (6) a municipality's land that is located in a reinvestment zone designated as provided by law and that the municipality desires to have developed under a project plan adopted by the municipality for the zone; or (7) a property interest owned by a defense base development authority established under Chapter 378, Local Government Code.

e. Sole source purchases

Sole Source purchases are items that are available from only one source including:

i. items that are available from one source because of patents, copyrights, secret processes, or natural monopolies;
ii. films, manuscripts, or books;
iii. gas, water, and other utility services;
iv. captive replacement parts or components for equipment;
v. books, papers, and other library materials for a public library that are available only from the persons holding exclusive distribution rights to the materials; and
vi. management services provided by a nonprofit organization to a municipal museum, park, zoo, or other facility to which the organization has provided significant financial or other

benefits.

Budgeted Sole source purchases over one hundred thousand dollars ($100,000) and any non-budgeted sole source purchase exceeding fifty thousand dollars ($50,000) shall require prior approval of the City Council.

f. Purchase of rare books, papers and other library materials for a public library

Competitive bidding is not required for the purchase of books, papers, and other materials for a public library if those books, papers, or other materials are available only from the persons holding exclusive distribution rights to the materials. Additionally, competitive bidding requirements do not apply to the purchase of rare books, papers and other rare library materials for a public library.

g. Paving, Drainage, Street widening, and other public improvements, or related matters

This exception only applies if at least one-third of the cost is to be paid by or through special assessments levied on property that will benefit from the improvements, for example, if the streets are paid with PID funds or by assessments collected by an HOA or POA.

h. Certain public improvements

This exception applies only to those public improvement projects, already in progress, authorized by the voters of the municipality, for which there is a deficiency of funds for completing the project in accordance with the plans and purposes authorized by the voter.

i. Developer participation projects

This exception requires payment under a contract by which a developer participates in the construction of a public improvement as provided by Subchapter C, Chapter 212.

j. Personal property sold

This exception applies to property that is sold (A) at an auction by a state licensed auctioneer; (B) at a going out of business sale held in compliance with Subchapter F, Chapter 17, Business & Commerce Code; (C) by a political subdivision of this state, a state agency of this state, or an entity of the federal government; or (D) under an interlocal contract for cooperative purchasing administered by a regional planning commission established under Chapter 391.

Otherwise, the lease or lease/purchase of personal property procured by other methods must comply with the competitive bidding or proposal requirements if the expenditure is $100,000 or more.

k. Services performed by blind or severely disabled persons

Competitive bidding does not apply to the purchase of services performed by blind or severely disabled persons.

l. Goods purchased by a municipality for subsequent retail sale by the municipality

m. Gas, Electricity, water and other utility services

Competitive bidding is not required for the purchase of gas, water and other utility services if those services are available from only one source. The competitive bidding requirements do not apply to an expenditure for electricity.

n. Advertising, other than legal notices

Competitive bidding is not required for advertising by a city, other than legal notices.

o. Cooperative Purchasing

Cooperative Purchasing allows entities to order under established contacts without additional formal bidding. The City of Lago Vista, as a government entity, is eligible to participate in cooperative purchasing programs, provided the contracts were competitively advertised and awarded; no additional justification or bidding is required.

When purchasing advertised goods or services through a request for bids/RFP; if the goods are of a nature and character that it is feasible and advantageous to require discounts or special prices for other interested government entities as well as the City, Purchasing shall include a Cooperative Purchasing Clause requiring vendors to agree to make their prices available to other entities who enter into a Interlocal/ Cooperative Purchasing Agreement with the City.

All Interlocal/Cooperative purchasing Agreements, whether entered by the City with another government entity or local cooperative organization, or vice versa, must be approved by the City Council.

X. Grants Compliance

Once a grant has been approved following the City's Grants Compliance Guidelines, expending approved grant funds requires the City to follow Section 8, Uniform Guidance - Federal Procurement Rules, 2 CFR 200.320. In most cases the City's purchasing thresholds are more conservative than the Federal purchasing thresholds. However, purchasing guidelines for each grant are unique and must be reviewed in advance of collecting bids, proposals, or quotes. The requirements may include but are not limited to Davis-Bacon Wage Determination, National Environmental Policy Act, National Historic Preservation Act, Solid Waste Disposal Act, Buy-American initiative, E-Verify, and other requirements outlined in the Grant Submission instructions.

The Finance Department will perform a debarred vendor check to assure that the selected vendor is not debarred from doing business with the State or Federal Government on any purchase or contract that is twenty- five thousand dollars ($25,000) or more. The purchaser shall verify using the EPLS website, Sam.gov.

XI. Enforcement

a. Internal Enforcement

Employees who violate the provisions of the PPP are subject to disciplinary action pursuant to the City of Lago Vista Personnel Manual.

b. Criminal Penalties for Violation of Competitive Bidding Laws

Purchasing strategies to avoid competitive bidding requirements are prohibited by state law. Texas Local Government Code, Section 252.062, states, "A municipal officer or employee commits an offense if the officer or employee intentionally or knowingly makes or authorizes separate, sequential, or component purchases to avoid competitive bidding requirements of Section 252.021." Section 252.001 defines these terms as follows:

i. Component Purchases means purchases of the component parts of an item that in normal purchasing practices would be purchased in one purchase.
ii. Separate Purchases means purchases, made separately, of items that in normal purchasing practices would be purchased in one purchase.
iii. Sequential Purchases means purchases, made separately, of items that in normal purchasing practices would be purchased in one purchase.

Texas Local Government Code Chapter 252 establishes criminal penalties for violation of procurement laws. It reads in pertinent part:

(a) A municipal officer or employee commits an offense if the officer or employee intentionally or knowingly makes or authorizes Separate, Sequential, or Component purchases to avoid the competitive bidding requirement of Section 252.021. An offense under this subsection is a Class B misdemeanor.
(b) A municipal officer or employee commits an offense if the officer or employee intentionally or knowingly violates Section 252.021, other than by conduct described by Subsection (a). An offense under this subsection is a Class B misdemeanor.
(c) A municipal officer or employee commits an offense if the officer or employee intentionally or knowingly violates this chapter, other than by conduct described by Subsection (a) or (b). An offense under this subsection is a Class C misdemeanor.

c. Removal; Ineligibility

The final conviction of a municipal officer or employee for an offense under Local Government Code Section 252.062(a) or (b) results in the immediate removal from office or employment of that person.

For four years after the date of the final conviction, the remove officer or employee is ineligible:

i. To be a candidate for or to be appointed or elected to a public office in this state
ii. To be employed by the municipality with which the person served when the offense occurred; and
iii. To receive any compensation through a contract with that municipality

This section does not prohibit the payment of retirement or workers' compensation benefits to the removed officer or employee.

d. Injunction

If the contract is made without compliance with applicable State or local laws, it is void and the performance of the contract, including the payment of any money under the contract, may be enjoined by:

i. Any property tax paying resident of the municipality, or
ii. A person who submitted a bid for a contract for which the competitive sealed bidding requirement applies, regardless of residency, if the contract is for the construction of public works.

XII. Credit/Procurement Cards

a. Purpose

The purpose of the Credit/P-card Program is to provide the City with an efficient and controllable method of making small dollar commodity, service, and travel purchases. This program is to be used to procure low-value maintenance, repair, and operational expense items. By using the credit card, it will simplify the payment process and take advantage of the rebate program the card provider offers. The City will issue cards via the provider of its choice. This card policy is not intended to replace, but rather supplement existing purchasing petty cash, travel, and other City policies. The same restrictions that apply to other methods of purchasing also apply to the Credit cards.

b. Eligibility

If requested and approved by the City Manager, a Credit/P-card will be issued to each department and be the responsibility of the Department Head or his/her designee. Criteria for determining which departments should be issued a department card:

- Will the use of the Credit/P-Card enhance productivity?
- Will the use of a Credit/P-Card reduce paperwork?
- Will the Credit/P-Card be utilized regularly for the purchasing of authorized (budgeted) goods, supplies and services?

c. Usage

The card program is not intended to avoid or bypass the competitive bid requirements per Texas Local Government Code 252.021, appropriation of funds processes, approval, or payment processes. Rather, the program complements the existing processes. Expenditures may not exceed appropriations under current City policy. Each card will have a purchase limit. The limits for daily and monthly purchases on the Department Head Credit/P-Cards are set by the City Manager. In no case will limits exceed five thousand dollars ($5,000). Limits can be changed on a temporary or permanent basis when warranted and a written request is received by the Program Administrator or the Department Head.

Credit cards may be used for small dollar purchases which conform to the purchasing policy and that do not exceed the cards maximum limit.

Acceptable purchases are:

(a) maintenance and repair of equipment;
(b) operation expense items;
(c) registration fees;
(d) travel expenses (must adhere to the Travel Policy); and
(e) other items in that department's scope of business.

Purchase made on the card will be for City business only. The card is not a personal line of credit and must never be used for personal or private purchases of any nature. When in doubt as to whether a purchase is allowable under the City policy, the cardholder should either contact the Finance Department before making the purchase or make payment personally and seek reimbursement from the City afterwards. Please remember that reimbursements for any out-of-pocket purchase made without authorization is subject to the City Manager's approval.
Unauthorized purchases or use of the card in violation of this City policies are prohibited, and purchaser will be subject to disciplinary action.

d. Penalties for Improper Use

The card is to be used only by the department/cardholder to pay for non-personal transactions. Improper use of the card can be considered misappropriation of City funds and may result in disciplinary action up to and including termination of employment. Improper use will result in revoking the card. In addition, the cardholder is personally liable for payment for improper purchases, including those in excess of dollar amounts appropriated or authorized by the City and subject to criminal prosecution under the Travis County judicial system.

e. Duties and Responsibilities

i. Program Administrator

The program Administrator is the Finance Director or their designee. The Program Administrator manages the Credit/P-card Program and has the following responsibilities:

(a) establishing credit card accounts and limits;
(b) acting as the point of contact for any Credit Card Program questions;
(c) ensuring compliance with the Credit/P-card Policy and the Purchasing Policy;
(d) reviewing all credit card transactions monthly; and
(e) terminate cards as needed.

ii. Departmental Responsibility

The City Manager determines who will be issued a card and the monthly limits assigned. The Department Heads will also ensure that purchases are authorized and adhere to City policies. Departments may implement more stringent internal authorization procedures that must be followed in order to make purchases with the card. Department Heads are responsible for approving receipts and making sure the statements for each card are reconciled and turned in to

the Finance Department within fifteen (15) days of the statement date to facilitate timely payments.

iii. Cardholder

(a) The employee who is issued a card is called a "Cardholder" whether it is issued in their name or just in their custody (i.e., department card).
(b) Every transaction made using the Credit card must have corresponding backup in accordance with the Fiscal and Budgetary Policy and all other City of Lago Vista policies accounting system.
(c) Each Cardholder shall use the card only for authorized purchases. A hardcopy itemized receipt must be obtained from the vendor each time the card is used and be signed by the Cardholder. Online and telephone charges must also be documented by a receipt, so the Cardholder shall request the vendor send them a receipt.
(d) The Cardholder is responsible for immediately notifying the Credit card provider, their supervisor, and the Program Administrator if the card is lost or stolen.
(e) Each Cardholder must acknowledge receipt of the Credit card, understand the rules of usage, and sign the user agreement. Failure to abide by this Credit/P-card Policy may result in disciplinary action, up to and including termination of employee. The Cardholder will be required to reimburse the City for any unauthorized transaction.
(f) Upon resignation or termination of employment of a Cardholder, the Department Head shall notify the Program Administrator immediately, and the card shall be turned in to the Program Administrator.

f. Credit Card Provider

The Credit Card Provider will send the Cardholder and the City's Finance Department a billing statement once each month for all transactions that have taken place in the previous month's statement cycle. This statement can also be obtained online. The Cardholder is responsible for reconciling their respective statement, matching each transaction with a receipt as soon as it is received. If a transaction is listed which is not known to the Cardholder, the Cardholder is responsible for immediately notifying the Credit Card Provider and the Program Administrator of the disputed charge. It is imperative that each Cardholder promptly process the transactions and forward receipts to their supervisor. If a receipt is lost, a lost receipt form must be filled out and signed by the City Manager.

g. Transaction/Card Limits

Each individual credit card will have transactions and/or spending limits. The Chief Financial Officer in coordination with the Department Head has the authority to limit types of purchases, places for purchases, and hours of day purchases can be made on individual cards. The total purchase price as printed on the individual credit card receipt is known as the "transaction amount". The credit card may be limited by the merchant type, transaction amount, and monthly transaction limit. Each Cardholder will be set up with limits for each of these categories and will be made aware of the limits. A card transaction will be denied when swiped if the transaction exceeds any of the limits. The card transaction limits may not exceed those set in the policy guidelines.

h. Sales Tax

As a tax-exempt government agency, the City of Lago Vista does not pay sales tax. Cardholders will be provided a copy of the City's tax exemption certificate when requested. Cardholders are responsible for ensuring that the merchant does not include sales tax in the transaction if possible. In the event sales tax is charged, the cardholder is required to go back to the vendor/merchant to request a refund of the sales tax paid. If a refund is not possible, the cardholder is required to submit a memorandum monthly to the Finance Department that includes an explanation as to why the sales tax paid cannot be credited along with a copy of the receipts showing the sales tax paid.

i. Late Fees or Finance Charges

No late fees or finance charges shall be paid by the City under terms of procurement card program. If late fees or finance fees are incurred, the Department Head /Cardholder will be responsible for paying those fees.

j. Returns

Each Cardholder is responsible for coordinating returns with the vendor and making sure a proper credit slip is obtained. Credit shall be issued to the Cardholder's account. **Cash refunds are not allowed**.

k. Restrictions and Exemptions

Employees may not use the card for personal use or any activity not directly related to the task they are performing for the City, including but not limited to:

i. Any purchases of items for personal use.
ii. cash refunds or advances.
iii. any purchase of goods/services or from a merchant type not considered prudent or of good judgement;
iv. any purchases set up as reoccurring;
v. no purchases are to be processed through the employee's personal account online. You must establish a City account to process the purchase;
vi. any transaction amount greater than the Cardholder's transaction limit;
vii. items under contract unless an emergency exception is granted;
viii. alcohol or liquor of any kind. Patronization of bars, drinking places, and package stores must not be paid for with the credit card;
ix. in town meals without a proven business such as a City hosted event;
x. gifts to friends or relatives in lieu of meals and lodging;
xi. life travel accident insurance premiums;
xii. parking fines and traffic tickets;
xiii. clothing and clothing rental;
xiv. laundry, valet, or dry-cleaning charges;
xv. repairs or towing of personal vehicles;
xvi. babysitting / pet sitting;
xvii. expense for travel companions;
xviii. mini-bar refreshments or other snacks in addition to the meal reimbursement;
xix. separate, sequential, and component purchases or any transaction made with intent to circumvent the City Purchasing Policy or state law;

xx. any transactions that may cause or be perceived to cause damage to the City of Lago Vista's reputation and goodwill, and/or reflect poorly on the ethical and moral decision-making of the Cardholder, staff, and elected officials; or

xxi. any other purchase specifically excluded in the City Purchasing Policy

l. Documentation

Each Cardholder/department will maintain a purchasing log. The log records the transaction date, vendor name, the merchandise purchased, dollar value of sale, how the order was placed (via Internet, phone, fax, mail, or in person), citywide or individual contract number (if applicable), and purpose of purchase. A separate line is required for each purchase. An itemized receipt for each purchase should be stapled to the log to expedite reconciliation with the billing statement. The log must be reviewed and signed by the Department Head/Cardholder and submitted to Finance for review.

Personal Use Restriction

The card may not be used to pay spouse/family expenses incurred while traveling. Only City business expenses are allowable, and the Cardholder must pay personal expenses separately.

m. Obtaining a Credit Card

Steps to obtain a credit card:

1. Department Head submits a request in writing to the City Manager for a credit card who determines the appropriate monthly transaction limits.
2. The Program Administrator will request the Credit Card Provider to issue credit cards.
3. Upon receipt of the card, the Program Administrator will have the Cardholder sign the Credit Cardholder Agreement and
4. The Finance Department will provide training on proper use and limitations of City credit cards. The new Cardholder receives copies of:
    - Credit Cardholder Agreement
    - Credit Card Policy
    - Purchasing Policy
    - Travel Policy

n. Revocation of the Credit Card

The credit card is subject to revocation at any time at the discretion of the City Manager or Chief Financial Officer. When a card is revoked, changes are made online and take effect immediately. The City Manager or Chief Financial Officer are further authorized to temporarily suspend use of the card via electronic methods if unauthorized use is discovered and such use poses a threat to internal financial controls.

XIII. Travel Expense/Reimbursement

a. Purpose

The purpose of this administrative regulation is to establish the rules and procedures governing travel expenditures of salaried and non-salaried employees and public officers of the City of Lago Vista when on official travel for the City and to be in compliance with state law.

It is the City's policy to pay for, or reimburse, all reasonable and necessary expenses incurred by a City employee or City Official travels when the employee travels on City-related business in accordance with this policy.

b. Transportation

The most efficient and economical mode of travel must be used. Air travel arrangements are to be made by each department. Air travel must be booked at the most discounted fare basis whenever possible. When authorized an employee using a personal vehicle on City business shall be paid an amount per mile equivalent to the current IRS rate or shall be paid the equivalent of a coach airline fare, whichever results in the lower cost to the City. In instances of approved private vehicle use, reimbursement will also be made for mileage tolls and parking fees. Receipts are required for toll and parking fees, as well as for taxi cabs, limos, and other modes of transportation. The City will pay for rental vehicles upon written approval of the City Manager (or designee).

c. Travel Approval and Cash Advances

All travel and cash advances must be approved in advance by the employee's Department Head (or designee), unless otherwise stated in this policy. In addition, any travel out of state must be approved by the City Manager as set out below.

d. Lodging

Expenses for lodging are to be at the single room rate unless an employee is approved in advance for double occupancy. An itemized hotel receipt must be provided.

e. Meals

The City shall pay actual necessary food expenses for an employee or City official traveling on City business. Expenses for meals shall be reimbursed by per diem allowances. A per diem allowance equal to the greater of the State of Texas Travel Reimbursement Rates as published at https://fmx.cpa.texas.gov/fmx/travel/textravel/rates/current.php or fifty-nine dollars ($59.00) per day is authorized based on thirteen dollars ($13.00) for breakfast, fifteen dollars ($15.00) for lunch, twenty-six dollars ($26.00) for dinner and five dollars ($5.00) for incidentals.

f. Incidental Expenses

The City will reimburse for incidental expenses associated with lodging and meals when they are incurred for City business reasons. Examples of reimbursable incidental expenses include but are not limited to mandatory charges or mandatory service charges; telephone calls; toll charges; parking charges; repair charges for city-owned vehicles; and postage. Tips or gratuities over twenty percent (20%) and excess baggage charges for personal belongings are not reimbursable expenses. Allowances include taxes and tips and may be reduced by twenty-five percent (25%) for first and last days of travel.

g. Internet Expense

Only reasonable and necessary computer-related expenses for City business reasons will be reimbursed.

h. Non-Allowable Expenses

Expenses or charges for items listed in 11(k) above the following will normally not be reimbursed and must be paid for by the employees, nor will:

i. In-hotel pay television and movies
ii. Dry cleaning and laundry
iii. Health club and spas
iv. Expenses of a spouse or family members
v. Alcoholic beverages, or
vi. Other items of a personal nature

i. Request for Reimbursement and Return of Unexpended Funds

Upon return to the City, a complete accounting of all expenditures of City funds is to be filed within three (3) working days on the City's Expense Form. Receipts for all expenses, including hotel bills and registration fees, must be attached to the statement. Authorized expenses in excess of advance funds received will be reimbursed with proper approval.

j. Travel to Training

The current mileage reimbursement will be paid to City Officials and employees who must use their personal vehicles to travel to a training destination further than their designated work location or other City locations and/or facilities. Reimbursement will be made for miles driven from the normal work location or employee's home whichever is less. Actual mileage reading must be submitted for reimbursement. Employees will be paid for time traveling to and from training destinations. Travel time will be considered hours worked for the purpose of calculating overtime.

k. Expenses Not Covered in Policy

The City Manager's approval must be obtained prior to any expenditure of funds for items or charges which are not specifically addressed in the travel policy.

l. Exceptions

Employees who receive monthly automobile allowances are eligible for mileage reimbursements for out of city travel. Employees who travel in a city-owned vehicle will be reimbursed for the documented actual cost of fuel, oil, or other expenses related to the safe operation of the vehicle, which were necessary during the course of the employee's use of the vehicle on official business.

m. Compliance

Abuse of this policy, including falsifying expense reports or submitting false claims, will result in disciplinary action, up to and including termination of employment.

XIV. Glossary

Award -- Approval by the City Council, City Manager, or Department Head, under whose authority a purchase or purchase order is approved.

Best Value -- If the sealed competitive bidding requirement applies to the contract for goods or services, the contract may be awarded to the lowest, responsible bidder or to bidder who provides goods or services at the best value for the city. In determining the best value for the city, we may consider the following:

- purchase price;
- quality of the bidder's goods or services;
- the reputation of the bidders and the bidder's goods or services;
- the extent to which the foods or services meet the City's needs;
- the bidder's past relationship with the City;
- the impact on the ability of the city to comply with the laws and rules relating to contracting with historically underutilized businesses and non-profit organizations employing persons with disabilities;
- the total long-term cost to the City to acquire the bidder's goods or services, and
- any relevant criteria specifically listed in the request for bids or proposal.

Bid -- A complete, properly signed response to an Invitation for Bid. Which if accepted, would bind the Bidder to perform the resulting agreement.

Bidder -- A person, entity, or firm that submits a Bid, signed by an authorized representative, in response to an Invitation for Bid.

Budgeted –An expenditure, project, or purchase that has been formally included and approved within the annual budget adopted by the City Council of the City of Lago Vista.

Change Order -- A document modifying information concerning goods and/or services, price, and/or quantities in an existing contract/purchase order; if the total amount of the contract/purchase order is increased by the change order; the change order may require approval by different authority than that used to approve the contract/purchase order and/or previous change orders. The total of all change orders cannot exceed twenty-five percent (25%)of the original contact/purchase order amount, per Local Government Code 252.048(d). Any changes greater than twenty-five percent (25%) will require a new solicitation.

City Council -- The elected officials of the City of Lago Vista, Texas given the authority to exercise such powers and jurisdiction of all City business as conferred by the City Charter and the State of Texas Constitution and Laws.

Competitive Bidding -- A process wherein a vendor openly competes with other vendors, through a formal or informal process, for the City's business.

Component Purchases -- Purchases of component parts of an item that in normal purchasing practices would be purchased in one purchase.

Contract -- A mutually binding legal document obligating the Vendor to furnish the goods. Equipment or services specified within the solicitation and obligating the City to compensate in accordance with the conditions of the Contract.

Contractor -- The successful vendor(s) awarded a contract by the City of Lago Vista.

Cumulative Purchases - Purchases within a commodity over a fiscal year that are used City wide.

Department Head – A person in authority within the department and is administratively responsible for its entire operations.

Department Supervisor – A person immediately in line after the Department Head who is responsible for monitoring and regulating the performance of delegated duties.

Emergency -- Purchases that are made to meet critical, unforeseen needs of the City, where the City's ability to serve the public would be impaired if the purchase is not made immediately. Emergency purchases are exempt from standard purchasing procedures and must qualify for exemption as stated in Local Government Code Section 252.022. Emergency purchases must follow the procedure set forth in this manual.

Goods -- A generic term that includes all types of property to be purchased by the City, equipment, supplies, materials, component, and repair parts.

Invitation to Bid/ Request for Bid -- A formal written document that requests from bidder as a firm price and delivery details for specified goods or services, An invitation to bid is always required when the anticipated level of expenditure will be greater than $100,000. It may be used anytime the City Manager deems it is justified.

Non-Budgeted -- An expenditure, project, or purchase that has not been specifically included or approved within the annual budget adopted by the City Council of the City of Lago Vista. Non-budgeted expenditures may occur when a need arises after budget adoption and are subject to additional approval requirements as outlined in the City's procurement policies.

Interlocal Agreement -- An agreement made between two governmental entities to purchase goods or perform governmental functions and services (such as purchasing, records management, police/fire protection, public health, etc.)

Personal Services -- Services provided to the City personally by a particular individual. This does not include Professional services.

Professional Services -- Services rendered by a person or firm that requires years of education and service for one to attain competence and which calls for higher order of intelligence, skill, and learning. (Mental or intellectual skills, rather than physical or manual) When the Request for Proposal is used for the selection of professional service as allowed in the Local Government Code 252.022(a)(4), the City shall comply with Government Code 2254.003 in the procurement of these

services. The City shall not award a contract for these services based on competitive bids but shall make the selection and award on the basis of demonstrated competence and qualifications for fair and reasonable price. Fees must be consistent with and not higher than the recommended practices and fees published by the applicable professional associations and may not exceed any maximum(s) provided by law.

Purchase -- An act that includes the acquisition of goods or services, to include the act of leasing personal or real property. Separate, sequential, and component purchases shall be treated as a single purchase.

Purchase Order -- A written document issued by the City to a vendor formalizing all the terms and conditions of a proposed transaction, to include but not limited to, a description of the requested item, delivery schedule, terms of payment, transportation, delivery location, price, quantity, and special instructions. The purchase order conveys to the vendor the authority to deliver and invoice the City for the goods and/or services for an agreed upon price.

Quotes --

- Verbal Quote - A verbal quote is obtained from a potential vendor that has the ability to provide the goods/services. This quote must include the individual's name, company name, phone number, and the dollar amount of the quote for the goods/services.
- Written Quote - The written quote is provided by the potential vendor that states the goods/services pricing as well as the delivery date/terms. This quote can be used as a reference when placing the order with the vendor.
- No Bid or Non-Responsive Bid - An opportunity was given to a potential vendor in which they have not responded or responded with a "no bid".

Request for Proposal (RFP) -- A formal written document (solicitation) requesting potential vendors to make an offer for goods or services to the City. The request for proposal method of procurement may be used for all goods and services. RFPs differ from bids in that the City is seeking a solution, as described in the document, not a bid/quotation meeting firm specifications for the lowest price. Proposals are evaluated based on criteria formulated around the most important features of a product or service, of which quality, testing, references, availability, or capability may be overriding factors, and the price is not the sole factor of the award. All requests for proposals is kept secret during negotiations until a contract is awarded.

Request for Qualifications (RFQs) -- A formal written document (solicitation) used when soliciting providers of architectural, engineering, and surveying services, and professional services. The City shall comply with Government Code 2254.004 in the procurement of these services. The City must first select the most highly qualified provider of those services on the basis of demonstrated competence and qualifications. After a firm has been selected based on qualifications and experience, then a fair and reasonable fee shall be negotiated. If a satisfactory contract cannot be negotiated with the most highly qualified provider of architectural, engineering, or land surveying services, the City shall formally end negotiations with that firm and select the next most highly qualified firm and begin negotiations with that provider for a fair and reasonable price.

Requisition -- The source document for all purchasing activity. The form communicates a department's needs to the Purchasing Department and grants authorization to enter a contractual relationship for delivery of goods and/or services. A requisition is utilized for communicating

internal requirements and should not be used by the departments for the order and delivery of goods/or services. All documentation supporting the request for purchase should be attached to the requisition.

Separate Purchases -- Purchases made separately of items that in normal purchasing practices would be purchased in one purchase.

Sequential Purchases -- Purchases made over a period of time of items that in normal purchasing practices would be purchased in one purchase.

Services -- A generic term to include all work or labor performed for the City on an independent contractor basis, including maintenance, construction, manual, clerical, or professional services.

Sole Source -- Purchases of goods or services that are available from only one supplier. There may be just one vendor because of copyrights, or patents, or simply because the vendor is the only one that supplies the goods or services. These purchases are exempt from the standard bidding requirements and must qualify as outlined in Local Government Code 252.002.

Specifications -- Statements containing a detailed description of the terms of the contract, as well as a specific details for the goods and/or services. The details or specifications should be descriptive, but not restrictive.

Vendor -- Person or business enterprise providing goods, equipment, labor and/or services to the City as fulfillment of obligations arising from a contract or purchase order.

AGENDA ITEM NO. IX.8

Item Cover Page

CITY COUNCIL AGENDA ITEM REPORT

DATE: November 5, 2026

SUBMITTED BY: Shane Saum, Mayor

SUBJECT: Discussion regarding the City Charter review and amendment process, including proposed Charter amendments, legal and procedural requirements, public participation, development of a review and approval schedule, and necessary actions and deadlines associated with submitting proposed Charter amendments to the voters at the May 2027 uniform election.

AGENDA ITEM NO. IX.9

Item Cover Page

CITY COUNCIL AGENDA ITEM REPORT

DATE: November 5, 2026

SUBMITTED BY: Victor Manzano, CIP Manager

SUBJECT: Discussion regarding EPA Community Grant for the Lago Vista Wastewater Treatment and Effluent Management Engineering Project, including the proposed funding allocation for the WWTP and Effluent Management engineering projects.

BACKGROUND: The City was awarded a $750,000 EPA Community Grant on September 22, 2026, for planning and design of wastewater treatment plant and effluent-management improvements. The grant requires a $187,500 City contribution, resulting in a total grant project amount of $937,500. The project period began October 1, 2026, and continues through February 1, 2028.

The City's first semi-annual progress report covers the April 1 through September 30, 2026 reporting period. Because the grant was awarded near the end of that reporting period and the project period did not begin until October 1, no grant-funded engineering activities or expenditures occurred during the reporting period.

The report was originally due October 30, 2026. EPA has extended the City's deadline to November 12, 2026, to allow the City to complete the current engineering approvals and ensure the revised grant workplan, project scopes, schedule, and funding allocation are consistent with the engineering agreements considered by Council.

Staff has been coordinating with EPA regarding the revised workplan and eligible costs. The federal award and required City contribution remain unchanged.

FINDINGS: The revised grant approach maintains the original purpose of the award while aligning the workplan with the current WWTP Improvements and Effluent Management / Expansion engineering scopes.

EPA funding will be limited to eligible planning, permitting, design, and bid-phase professional services. WWTP construction administration and construction observation will be funded by the City outside of the grant.

Following Council consideration of the related engineering agreements, staff will finalize the revised workplan and semi-annual progress report for submission to EPA by the November 12th

extended deadline.

FINANCIAL IMPACT: The total anticipated engineering program is $1,291,778. The EPA grant provides up to $750,000 in federal funding with a required City match of $187,500. An additional $354,278 for WWTP construction administration and construction observation is outside the EPA-funded planning/design scope and will be City-funded.
The Effluent Management allocation includes a $109,526 placeholder for future Phase I final design, which is not included in the current engineering proposal. A detailed funding allocation is included as an attachment.

RECOMMENDATION: Discussion only. No formal action is requested.

ATTACHMENTS:
EPA Community Grant - Funding Allocation Summary.pdf

EPA Community Grant - Funding Allocation Summary

WWTP Improvements -Funding Plan					
		Task Cost	Proposed EPA Funding	Required City Grant Match	City Funding Outside of Grant
Project Admin	Task 1	$ 22,619.00	$ 18,095.20	$ 4,523.80	$ -
Permitting Support	Task 2	$ 27,648.00	$ 22,118.40	$ 5,529.60	$ -
60% Design	Task 3	$ 251,718.00	$ 201,374.40	$ 50,343.60	$ -
90% Design	Task 4	$ 116,132.00	$ 92,905.60	$ 23,226.40	$ -
100% Design	Task 5	$ 78,084.00	$ 62,467.20	$ 15,616.80	$ -
Bidding Services	Task 6	$ 77,950.00	$ 62,360.00	$ 15,590.00	$ -
Construction admin	Task 7	$ 219,558.00	$ -	$ -	$ 219,558.00
Construction obs.	Task 8	$ 134,720.00	$ -	$ -	$ 134,720.00
SUE Services	Task 9	$ 36,848.00	$ 29,478.40	$ 7,369.60	$ -
Total		$ 965,277.00	$ 488,799.20	$ 122,199.80	$ 354,278.00

Construction admin/obs are outside the EPA-funded planning/design scope and will be City-funded.

Effluent Management Improvements – Funding Plan					
		Task Cost	Federal Funded	Required City Grant Match	City Funding Outside of Grant
Data Collection	Task 200	$ 35,720.00	$ 28,576.00	$ 7,144.00	$ -
Evaluation and Analysis	Task 205	$ 84,585.00	$ 67,668.00	$ 16,917.00	$ -
OPCC	Task 210	$ 18,280.00	$ 14,624.00	$ 3,656.00	$ -
Preliminary Design	Task 215	$ 40,000.00	$ 32,000.00	$ 8,000.00	$ -
Master Plan Report	Task 220	$ 38,390.00	$ 30,712.00	$ 7,678.00	$ -
Future Phase I Final Design Placeholder		$ 109,526.00	$ 87,620.80	$ 21,905.20	$ -
Proposal Total		$ 216,975.00	$ 173,580.00	$ 43,395.00	$ -
Total with Phase I Final Design Placeholder		$ 326,501.00	$ 261,200.80	$ 65,300.20	$ -

*Placeholder not within current proposal

Overall Project Financial Summary				
Project	Total cost	Federal Funded	Required City Share	City Funding Outside of Grant
WWTP Improvements & Effluent Management Planning / Design	$ 1,291,778.00	$ 750,000.00	$ 187,500.00	$ 354,278.00

AGENDA ITEM NO. IX.10

Item Cover Page

CITY COUNCIL AGENDA ITEM REPORT

DATE: November 5, 2026

SUBMITTED BY: Jess Hall

SUBJECT: Discussion and possible action regarding the replacement of the main effluent transmission line from Pond 17 to Pond 2.

ATTACHMENTS:
10292026_Pond 17 to Pond 2 Memorandum.pdf

Memorandum

To: Mayor and City Council

From: Ernesto Rios, Director of Public Works

Date: October 29, 2026

Subject: Pond 17 to Pond 2 Effluent Transmission Line

Staff recommends not including the replacement of the transmission line from pond 17 to pond 2 with the current scope of the irrigation project. Staff recognizes the value of replacing the line, but the available budget has not been verified and costs for other pond work remain unresolved. This memorandum explains the planned use of the line, the pressure testing, and the funding and pricing concerns supporting that recommendation.

Existing line and planned use

The existing line is PVC and was installed in approximately 1971. It currently carries effluent used to irrigate the golf course. Pond 2 has been constructed, and a new irrigation system is being installed. Once the new system is in service, the existing line will transfer effluent from Pond 17 to Pond 2 instead of supplying the golf course irrigation system directly.

The line's age is a consideration in planning for replacement. The change in use does not establish how much service life remains. Staff's recommendation to defer replacement is based on budget constraints and outstanding project needs.

Pressure testing and future operation

The line will remain pressurized under the planned configuration. The future operating pressure has not yet been confirmed. The current test results of operations at 120 PSI should not be presented as the pressure the line will operate at after the change in use.

Replacement pricing

An approximate replacement cost of $200,000 for approximately 4,926 feet was discussed using pricing from the current irrigation project's Adjustment bid quantities. Those prices apply to the irrigation contractor's pipe work within that project. The transmission line involves a different engineer and different specifications.

The adjustment bid pricing provides a pricing reference, but it does not establish the cost of a separate transmission line replacement project. That cost needs to be developed using the applicable engineering requirements and project scope, then established through the appropriate bidding process.

Budget balance and remaining pond work

Approximately $2 million remaining in the budget was mentioned during the previous Council discussion. Finance has not verified that balance. Until the balance and outstanding project costs are confirmed, the amount available for transmission-line replacement has not been established.

Several pond needs remain unresolved and must be considered when reviewing the available funding:

Pond 17. Rehabilitation is still pending. The method for taking the pond out of service during construction remains subject to engineering review. Options under consideration include using a berm to divide the pond and completing the work in two sections, or using frac tanks for temporary effluent management. The selected approach will affect the cost of the work. Those costs have not yet been established.

Pond 14. Repairs are still needed. Staff is waiting for a contractor's proposal for leak detection. The investigation and resulting repair needs must be accounted for when reviewing the remaining budget.

Cedar Breaks pond. The pond liner is leaking and needs prompt repair. Broader rehabilitation is also needed in the near term. These needs must be considered along with the other pending pond work before determining how much funding is available for line replacement.

Staff recommendation

Staff recommends not to include the transmission-line replacement from the current irrigation project and considering it as a separate project at a later time. Before bringing a replacement project forward, staff recommends verifying the budget balance, establishing the remaining pond project costs, and obtaining an engineering scope and cost estimate for the transmission line.

Replacement would then proceed through the appropriate bidding process based on the transmission line's own specifications and scope. This approach allows Council to consider the replacement cost alongside the other outstanding needs and the funding actually available.