CITY OF SAN ANTONIO MUNICIPAL SERVICE PLAN FOR APPROXIMATELY 202.79 ACRES

The City (City) of San Antonio, Texas, is making this Municipal Service Plan (Plan) available pursuant to Chapter 43 of the Texas Local Government Code (TX LGC). This Plan relates to the annexation by the City of 202.79 acres consisting of 128.87 acres located at 11625 Old Corpus Christi Highway and 73.92 acres located at South IH 37, as requested by II Southfork Development, LTD (the Property Owner). The proposed annexation area is contiguous to the City limits and within southeast part of Antonio's Extraterritorial Jurisdiction (ETJ) and Bexar County.

Presently, the subject property consists of two vacant tracts of land appraised for ad valorem tax purposes as agricultural, wildlife management or timber use. The existing Owner, II Southfork Development, LTD is selling the property to Nabors Drilling USA, LP, whom plans to construct and develop a centrally located facility to repair and manufacture rig components.

The City of San Antonio approved development agreements for the two tracts which are related to the January 2014 Limited Purpose Annexation of South San Antonio. The development agreements guaranteed the continued extraterritorial status of agriculture properties pursuant to Section 43.035 of the TX LGC. The existing and proposed Owners have requested to terminate the development agreements and request full purpose annexation by the City of San Antonio. After annexation, the property would be located in City Council District 3.

EFFECTIVE TERM

This Plan shall be in effect for a ten-year period commencing on the effective date of the annexation, unless otherwise stated in this Plan, per TX LGC, Subsection 43.056 (l). Renewal of the Plan shall be at the option of the City. Such option may be exercised by the adoption of an ordinance by the City Council, which refers to this Plan and specifically renews this Plan for a stated period of time. The property owners of the annexation area may request extension of the service plan, and the plan may be extended upon the mutual agreement of the City and the property owner.

INTENT

It is the intent of the City that services under this Plan shall provide full municipal services as required and defined by the TX LGC. City services shall be provided at a level of services equal to current services available in the city, or equal to the level of services available in other parts of the city with topography, land use and population density similar to those contemplated or projected in the annexed area, whichever is applicable.

The City reserves the right guaranteed to it by the TX LGC, to amend this Plan if the City Council determines that changed conditions or subsequent occurrence or any other legally sufficient circumstances exist under the TX LGC, or other Texas laws to make this Plan unworkable or obsolete or unlawful.

SERVICE PLAN COMPONENTS

This Plan includes three service components: 1) Program for services to be provided on the effective date of annexation, 2) Additional services, and 3) A Capital Improvement Program.

1. PROGRAM FOR SERVICES TO BE PROVIDED ON THE EFFECTIVE DATE OF ANNEXATION

As referred to in this Plan, providing services includes the provision of services by any method or means by which the City extends municipal services to any other area of the city. This may include causing or allowing private utilities, governmental entities and other public and private non-profit service organizations to provide such services by contract in whole, or in part. It may also include separate agreements with associations or similar entities.

a. **Police Protection –** The San Antonio Police Department (SAPD) will provide protection and law enforcement services in the annexation area upon the effective date of annexation. The Annexation Areas will be served by the South Patrol Substation, located at 711 W. Mayfield. SAPD services include normal patrols and responses to call for services, handling of complaints and incident reports, special units, including traffic enforcement, criminal investigations, narcotics, gang suppression, and special weapon and tactics teams, on a citywide basis.

b. **Fire Protection** – The San Antonio Fire Department (SAFD) will provide emergency and fire prevention services and other services as needed, on the effective date of annexation. All San Antonio firefighters are certified by the Texas Commission on Fire Protection. The annexation area currently will be served by the fire station(s) No. 20 located at 3347 S W.W. White Rd and No 29 located at 827 Hot Wells. Above average response times are expected. On or around December 31, 2016 Fire Station 53 will be opening which will provide service to the annexation area and improve response times. SAFD services are provided based upon the available water, road and street conditions, and the distance from the existing fire station on a citywide basis. SAFD services include fire suppression and rescue, hazardous material mitigation and regulations, and rescue unit, emergency prevention and management, aircraft/rescue/ firefighting, technical rescue, public education effort, fire protection plan review and inspection.

c. **Emergency Medical Service (EMS)** – SAFD's EMS Division will provide emergency medical first response services to all patients in life threatening situation. All of SAFD personnel are certified as Emergency Medical Technician level or higher and assist EMS personnel with providing patient care. These services include emergency dispatch, pre-arrival first aid instructions, Coordination of other public safety support agencies, emergency advanced life support ambulance response, and medical rescue services.

d. **Solid Waste Services** – Solid waste services will be provided in accordance with the requirements and standards outlined in the Solid Waste Code, Chapter 14 of the City Code of Ordinances, to include applicable fees, including a monthly environmental fee. Presently, there are no residential services within the annexation area. Commercial customers including businesses, offices, retail stores, multi-family dwelling units, and planned unit developments may continue to contract with private waste haulers. In addition, private

waste haulers must have an active Waste Hauler Permit issued by the City's Solid Waste Management Department to operate within the City limits of San Antonio.

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

   Rates - After annexation, SAWS rate customers will pay "Inside City Limit" rate as opposed to the Outside City Limit rate. This will amount to an approximate 30% reduction in the average water bill and approximate 20% reduction in the average sewer bill. The rates are set by City Council and can be amended in the future.

f. **Maintenance of Roads and Streets** – The Street Maintenance Division of the Transportation & Capital Improvements Department (TCI) will maintain public streets over which the City has jurisdiction.

g. **Street lighting** - CPS Energy will maintain public street lighting in accordance with Sec. 43.056 (b) (6) of the TX LGC and the City's policies. Upon annexation, the City will assume the cost of electricity for public streetlights.

h. **Maintenance of Parks, Playgrounds, and Swimming Pools** – Presently, there are no publicly owned parks within the annexed areas. Should the City acquire any publicly owned parks within the annexation area, the City's Parks and Recreation department will be responsible for operation and maintenance services for them. Any proposed or existing privately owned parks, playgrounds, swimming pools, recreational facilities and common spaces in the annexation area are the responsibility of the property owner(s).

i. **Maintenance of Any Other Publicly Owned Facility, Building, or Service** – Should the City acquire any other facilities, buildings, or services necessary for municipal services located within the annexation area, an appropriate City department will provide maintenance services for such facilities.

2. ADDITIONAL SERVICES:

a. ***Development Services*** – Upon annexation, development services will be provided in accordance of Unified Development Code (UDC), Chapter 35 of the City Code of Ordinances and other applicable codes and standards. Included below are some of the services provided by the Development Services Department (DSD).

   Additional information regarding these services can be referenced by visiting www.sanantonio.gov/dsd. Please note that in some cases building permits and Certificates of Occupancy can be applied for on-line at the above referenced web page or at the Development and Business Services Center at 1901 South Alamo Street.

   - *Zoning* – The property owners have submitted a plan amendment for Specialized Center land use and associated zoning change to "I-2" Heavy Industrial zoning district. The

Zoning Commission will conduct at least one public hearing and make a recommendation to the City Council regarding the proposed zoning. The City Council will consider the proposed zoning district concurrently with the annexation of the area at a public hearing. Zoning will be effective upon the effective date of annexation.

- The "I-2" Heavy Industrial zoning district accommodates uses and activities which involve major transportation terminals, and manufacturing facilities that have a greater impact on the surrounding area than industries found in the "L" Light Industrial or" I-1" Industrial districts. These districts are located for convenient access to existing and future arterial thoroughfares and railway lines. Examples of permitted uses: acetylene gas manufacturing & storage, asphalt products, manufacturing, boiler & tank works, chemical process clothing manufacturing, and grain drying & milling.
- *Certificate of Occupancy (CofO)* – New and existing businesses must obtain a Certificate of Occupancy (CofO) and related licenses required by City Code from DSD, San Antonio Metro Health Department, or City Tax Office. In accordance with the 2015 International Building Code, no person may occupy a building or a space without first obtaining a CofO from the Building Official.
- *Nonconforming rights* – To establish nonconforming rights for zoning, property owners are encouraged to register existing land uses within one year of the annexation date with DSD. Uses that existed legally prior to annexation, generally become nonconforming after annexation because of the new zoning classification placed on the land.

  Registration of legal nonconforming uses allows property owners to apply for a *CofO*. Upon the issuance of the *CofO*, property owners may continue the legal nonconforming uses that existed prior to annexation. A *CofO* will be issued certifying only those uses required by applicable City and State codes. Unless exempted by Chapter 43, of the TX LGC, nonconforming rights to allow future construction of the development of a master plan must be filed within 60 days of annexation, with the DSD in accordance with UDC.
- *Building Permits* – Building permits are required for any construction or development activity. Incomplete construction must obtain building permits from DSD in accordance with City codes. Incomplete construction implies that final inspections have not been conducted and approved. For new commercial construction, incomplete construction indicates, that one has not obtained approved final inspections for building, mechanical, plumbing, electric, fire, traffic, drainage, sidewalks, irrigation, tree, and landscape field inspections. Other field inspections may be applicable for new commercial construction depending on the specific use and/or location of the project.
- *Tree and Landscape Requirements* – In addition, as part of the permitting process, applicant(s) will be required to adhere to the City's Tree and Landscape requirements.
- *Code Compliance* – The Code Compliance Division enforces City codes and regulations to protect the health, safety and general welfare of the community. Current enforcement is provided to the following and is not limited to vacant dangerous premises and structures, junked vehicles, weeded vacant lots, zoning, noise, illegal dumping, minimum housing, including unsanitary premises, front yard parking, water and sewer, livestock, alley and right-of-way violations, water leaks or discharges of wastewater on private or public property, monthly inspections of salvage/junk yards, monitoring and

enforcing materials received at salvage/junk yards, and enforcement of garage sale permits.

b. ***Storm Water Utility Services*** – The Storm Water Operation of Transportation and Capital Improvements (TCI) provide storm water management services including routine maintenance for public drainage channels and public storm sewers within dedicated public drainage easements as well as for engineering, design, and capital improvements associated with local drainage projects.

   On September 10, 2015, the San Antonio City Council approved revisions to the Storm Water Fee structure using an impervious cover approach and adopted a five-year rate plan. The fiscal year 2016, Storm Water Fee rates shall be effective January 1, 2016. The rates each year after 2016 shall be effective on the October 1 date occurring prior to the start of the succeeding calendar year (e.g. October 1, 2016 for new rates shown for FY 2017, October 1, 2017 for new rates shown for FY 2018, etc.). More information about the storm water rate plan is available at http://www.saws.org/service/rates/stormwater_fee.cfm.

   The storm water fee is billed by SAWS on behalf of the City of San Antonio. Services are currently provided by the SAWS, in accordance with the SAWS's approved business plan and as limited by applicable codes, laws, ordinances and special agreements. The fee will be assessed for the subject property as the storm water will drain into the exiting City of San Antonio facilities.

c. **Library Services** – For more than 110 years, the award-winning San Antonio Public Library (SAPL), has been a vital center for free learning, knowledge, communication, culture and enjoyment within and near the City of San Antonio and Bexar County. The Library system is comprised of a world-class Central Library, 26 branch libraries and a library outlet at the Briscoe Western Art Museum. Our Library system offers an extensive collection of eBooks, eAudiobooks, movies and music as well as physical items such as printed books and DVDs. All locations are hubs for Wi-Fi broadband access and provide access to computers and other digital technology. In addition, all locations offer programs to serve the needs and interests of the community, including programs for all ages that support early childhood literacy, education, culture and economic development. More information about library services are available at http://mysapl.org/

d. **Health Department Services–** Upon annexation, the San Antonio Metro Health Department (SAMHD) will provide a wide range of health related services including food establishment licenses, environmental health services, the investigation of public health related complaints, investigation of reported elevated Blood Lead Levels (BLL) in children, access to community health clinics, medical assistance program benefits and the enforcement of the City's health ordinances and regulations including smoking in public places ordinance, on the effective date of the annexation. *(At this time, there are no residents within the subject property*.)

   SAMHD would provide oversight of sanitation issues at day care centers, public or semi-public swimming pools, and the air quality business registration program. SAMHD would provide year round services for mosquito related surveillance and control programs. More information about the City's health services is available at: http://www.sanantonio.gov/health.

e. **Animal Care Services** – Newly annexed areas would receive new and additional services that are not medically related such as Animal Care. Once annexed, they would receive enhanced enforcement of animal related laws and low-cost services to assist residents remain responsible pet owners. Customers who need assistance with animal issues can call 311 and report the specific problem. The call will then be relayed to ACS Field Services for an appropriate response. Calls for services are prioritized according to the type of situation described by the caller, with emergencies receiving an immediate response.

f. **Other City Services** – The appropriate City department will provide services according to City's policy and procedure.

3. CAPITAL IMPROVEMENT PROGRAM

The City will initiate the construction of capital improvements as may be necessary for providing municipal services to the annexation area. The timing for the construction of capital projects that may be necessary for the delivery of municipal services will be done in accordance with the requirements of Subchapter C of Chapter 43, TX LGC.

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

a. **Police Protection** – No capital improvements are required to provide services.

b. **Fire Protection** – No capital improvements are required to provide services.

c. **Emergency Medical Services (EMS)** – No capital improvements are required to provide services.

d. **Solid Waste Collection** – No capital improvements are required to provide services.

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

f. **Street lights** – No capital improvements are required to provide services.

g. **Parks, Playgrounds and Swimming Pools** – No capital improvements are required to provide services.

h. **Library** – No capital improvements are required to provide services.

i. **Other Publicly-owned Facilities, Buildings or Services** – No capital improvements are required to provide services.

j. **Capital Improvements Planning** – No capital improvements are required to provide services.

AMENDMENT: GOVERNING LAW

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

FORCE MAJEURE

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

Attachment I:
Summary of 2016 SAWS Utility Service Regulations

The updated Utility Service Regulations (USR) were approved by SAWS Board of Trustees on February 9, 2016, and go into effect August 9, 2016. Attached is a summary of the SAWS USR, for the extension of water and/or wastewater facilities as incorporated by reference in the latest version of the Unified Development Code, and in conformance with the requirement in the TX LGC that the Plan has a summary of the service extension policy (SAWS USR).

Water and wastewater service is only provided to lots that have been properly subdivided and platted or are a legal lot. For property that is required by subdivision regulations to construct water of wastewater facilities connecting to the SAWS system, funding and construction of those facilities will remain the responsibility of the developer.

If the specific undeveloped property does not have SAWS water or wastewater service fronting the property, the owner may make an application for an extension of service to SAWS Director of Infrastructure Development Department for review. If the Director determines that adequate capacity is available, or will be and if the project does not include SAWS cost participation or reimbursement, and if the proposed facilities are a logical extension of SAWS water and/or wastewater system and the requested extension meets the requirements of SAWS USR, the extension size, capacity, and routing may be approved by the Director. Funding and construction of the facilities will be the responsibility of the developer. Depending on the size of the new facilities and other conditions, with SAWS Board of Trustees approval, SAWS may reimburse the developer for a portion of the cost of constructing certain facilities. With Board approval, SAWS may reimburse costs associated with the oversize capacity of water and wastewater mains. The actual calculation of the cost participation and reimbursement amounts, including limits and the schedules for the payments, are included in SAWS USR as incorporated by reference in the UDC. For lots that have water or wastewater lines in the street fronting the lot, the owner may receive water or wastewater service by applying for a tap permit and paying any required fees. The new customers will be required to pay the impact fees and all connection fees.

If a property is served by a septic system, the property owner(s) remains responsible for the operation and maintenance of their septic system. If the septic system fails, the property owner must repair the system or pay to extend SAWS wastewater facilities to the property, if unavailable. Under certain circumstances the City of San Antonio Metropolitan Health Department and/or applicable regulatory agency for septic tanks may require the property owner to connect to SAWS public wastewater facilities. This policy is set by the City Council and can be amended in the future by ordinance.