City Council Agenda
05/18/2016

Notice is hereby given of a regular meeting of the City Council of City of San Angelo to be held on May 18, 2016 at 8:30 AM at the McNease Convention Center – South Meeting Room, 501 Rio Concho Drive, San Angelo, Texas, for the purpose of considering the following agenda items.

1. **Call to Order**
2. **Prayer and Pledge**
3. **Proclamations/Recognitions**
    a. Recognition of the Central High School Speech & Debate team's success at the district, state and national levels.
    b. Recognition of the City of San Angelo for receiving Class 1 ISO (Insurance Services Organization) Rating
    c. "Building Safety Month" May 2016 to be received by Building Official Al Torres
    d. “The Lady in Blue Celebration” to be accepted by Bishop Michael J. Sis, Bishop of San Angelo
    e. Recognition of Nikki Powell 4th Grade Teacher at McGill Elementary
4. **Public Comment**

Issues or items that are not on the agenda may be raised by the public at this time. Citizens should speak from the podium, begin by stating their name and limit remarks to less than five minutes. Council members may request that a discussed item be placed on a future agenda. The Council takes public comment on all Regular Agenda items during the discussion of those items.

5. **Consent Agenda (Old Business)**
    a. Consider approving the:

        1. May 3, 2016 City Council regular meeting minutes; and
        2. May 3, 2016 City Council special joint meeting with City of San Angelo Development Corporation (B.Kendrick)

    b. Consider approving an agreement with the Texas Southwest Council, Inc. Boy Scouts of America for the property and camp at 7677 S. Country Club Rd. at Lake Nasworthy and authorizing the City Manager to execute said agreement (C.White)
    c. Consider approving a Memorandum of Understanding with Goodfellow Air Force Base (GAFB) for tour of water treatment plant facilities and authorizing City Manager to execute all related documents (A. Strube)

d. Consider approving a recommendation by the COSADC Board for the negotiation and execution of a real estate sales contract for the sale of approximately 2 acres of land located at the San Angelo Business & Industrial Park to Falls Capital, Inc. (Wornat-Abilene, LLC) at a price of $29,000 per acre, with 6% realtor fees to be paid by buyer. - (R.Pena)

e. Consider approval of Interlocal Agreement between the Health and Human Services Commission of the State of Texas and the City of San Angelo for reimbursement of $30,000 for architectural design services for project at Chase State Office Building - (R.Bluthardt)

f. Second Reading on an ordinance amending Chapter 2, “Administration and Personnel”, Article 2.07, “Boards, Committees, and Commissions”, Division 10, “Tax Increment Reinvestment Zone Board”, and removing Chapter 2, “Administration and Personnel”, Article 2.07, “Boards, Committees, and Commissions”, Division 11, “Downtown Development Commission” - (J. James)

g. Consider approving amendments to the bylaws for the Tax Increment Reinvestment Zone Board - (J. James)

h. Consider approval of Interlocal Agreement between the Tom Green County Appraisal District and the City of San Angelo regarding the ownership, usage, service, maintenance and location of a certain Xerox model 6204 wide format printer/scanner/copier (A.Torres)

i. Consideration and Approval of a Resolution approving a change in the rates of Atmos Energy Corporation, Mid-Tex as a result of a settlement between Atmos and the Atmos Texas Municipalities under the Rate Review Mechanism. (T.James)

6. **Special Agenda**

a. Consider adopting a resolution canvassing returns and declaring the results of the General Election held on the 7th day of May, 2016; providing a severability clause; and providing for an effective date - (Presentation by Mayor Morrison and City Clerk Bryan Kendrick)

b. Administration of Oaths of Office and presentation of Certificates of Election - (Administered by Judge Allen Gilbert and presentation by Mayor Morrison)

c. Introduction of Special Guests

d. Consider appointment of Mayor Pro-Tempore

7. **Note: A reception will immediately follow the Special Agenda. The Regular Agenda with the newly seated Council Members will begin approximately 30 minutes after the recess for the reception.**

8. **Regular Agenda**

a. Presentation and discussion of the actuarial report by Towers Watson on the status of the workers' compensation, liability, and property insurance programs - (Presentation by Risk Manager Charles Hagen and Jason Martin, Senior Consultant, Towers Watson)

b. Consider adopting a resolution for grant funding in the amount not to exceed $300,000 from Bureau of Reclamation's WaterSMART Title XVI Water Reclamation and Reuse Program (Presentation by Water Utilities Assistant Director Allison Strube)

c. Consider awarding RFB WU-05-15 Professional Services contract for the 2016 Water Master Plan to CDM Smith, Inc. of Austin, Texas in the amount of $314,460, budgeted for purchase FY2016, and authorizing the City Manager or designee to execute any related documents - (Presentation by Water Utilities Director Bill Riley)

d. Consider a resolution ordering that a Runoff Election be held on July 2, 2016, for the purpose of electing municipal officers; ordering publication; making provisions for the conduct of the election; providing for severability; and providing for an effective date (una Resolución, convocando una segunda votación (elección de desempate) se celebrará en dicha ciudad el 2 de Julio, 2016, para la elección de oficiales municipales; ordenando publicación, haciendo provisiones para la conducta de dichas eleccion; previendo por divisibilidad; y previendo una fecha de vigencia - (Presentation by City Clerk Bryan Kendrick)

9. Closed Session

Executive Session under the provision of Government Code, Title 5. Open Government; Ethics, Subtitle A. Open Government, Chapter 551. Open Meetings, Subchapter D. Exceptions to Requirement that Meetings be Open under the following sections:

a. Section 551.071(2) consult with attorney when the governmental body seeks the advice of its attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter, regarding a contract for electricity.

b. Section 551.071(1)(A) consult with attorney when the governmental body seeks the advice of its attorney about pending or contemplated litigation regarding:

    1. 2013 Sealcoating Program Contract;
    2. Templeton Construction, Inc.; and
    3. Denise Kendall V COSA ZBA 16C070-L2 (3221 RED BLUFF ROAD)

10. Follow Up and Administrative Issues

a. Consider possible action on matters discussed in Executive/Closed Session, if needed

b. Consider approving Board nomination:

   Zoning Board of Adjustments: Aaron Nelson (Mayor - Alternate) to a first term ending January 2018

c. Announcements and consideration of Future Agenda Items

11. Adjournment

CERTIFICATION

I hereby certify that the above notice of meeting was posted on the bulletin board at the City Hall of the City of San Angelo, Texas, on the 13th day of May 2016, at 10:00 a.m.

____

Bryan Kendrick, City Clerk

All agenda items are subject to action. All contracts/agreements are presented in substantially the attached form. The City Council reserves the right to consider business out of posted order and/or meet in a closed session on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551, of the Texas Government Code.

In compliance with the Americans with Disabilities Act, the City of San Angelo will provide for reasonable accommodations for persons attending City Council meetings. To better serve you, requests should be received 48 hours prior to the meetings. Please contact the City Clerk’s Office at 325-657-4405.

City Council meetings are broadcast on Channel 17-Government Access at 10:30 A.M. and 7:00 P.M. every day for two weeks beginning on the Thursday after each meeting.

Recognition

There's no debating this point: Central High School has one of the state's premiere speech and debate programs. This year again offered ample proof of that.

Led by coaches Julie Schniers and Tim Haynes, the powerhouse Central Bobcats this year sent 44 qualifiers – the most in the state – to the Texas Forensic Association's state competition. Among all private and public schools of all classifications, Central High finished fifth in the state with 14 quarter-finalists, six semi-finalists and one state title. Seniors Hannah McIver and Brian Kyle Frizzell claimed the title of 2016 Duet State Champions.

Additionally, Central ranks in the top 5 percent in the nation among schools in the National Speech & Debate Association. Eight Bobcats will compete at nationals in June in Salt Lake City, Utah. In UIL competition this year, Central qualified two duos for state in cross-examination debate and four students in the Congress discipline. Another dozen students advanced to UIL regional competition.

Therefore, I, Dwain Morrison, Mayor of the City of San Angelo, on behalf of the City Council, do hereby recognize and applaud

The Central High School Speech & Debate Program

for its achievements and positive determination to make a difference in our community.

***In Witness Whereof,** I have hereunto set my hand and have caused the Official Seal of the City of San Angelo to be affixed this 18th day of May, 2016.*

Dwain Morrison
Mayor of the City of San Angelo

Proclamation

The City's continuing efforts to address the critical issues of safety, energy efficiency, water conservation, and resilience in the built environment that affect our citizens, both in everyday life and in times of natural disaster, give us confidence that our structures are safe and sound

Our confidence is achieved through the devotion of vigilant guardians- building safety and fire prevention officials, architects, engineers, builders, tradespeople, laborers and others in the construction industry - who work year-round to ensure the safe construction of buildings

Building Safety Month is sponsored by the International Code Council, to remind the public about the critical role of our communities' largely unknown guardians of public safety - our local code officials - who assure us of safe, efficient and livable buildings

Therefore, I, Dwain Morrison, Mayor of the City of San Angelo, Texas, on behalf of the City Council, do hereby proclaim the month of May 2016 as

"Building Safety Month"

in San Angelo, Texas

In Witness Whereof, *I have hereunto set my hand and have caused the Official Seal of the City of San Angelo to be affixed this 18th day of May, 2016.*

Dwain Morrison
Mayor of the City of San Angelo

Proclamation

The Jumano Indians were an important part of San Angelo's history and were peaceful farmers and trader. The tradition says that Sor María de Jesús de Agreda of Agreda, Spain, known as the "Lady in Blue," appeared miraculously to the Jumanos many times, teaching them tenets of the Christian faith

In the 1600's, when Jumano Indians approached Spanish Franciscans in New Mexico, the Jumanos carried Christian crosses and asked to be baptized, explaining they had been instructed by the Lady in Blue

The Franciscan priests did baptize Jumanos in the river of pecan trees and pearls which celebrates San Angelo as the place our Christian faith was born in Texas

The Jumanos are coming to the land of their ancestors to join in the celebration of the Lady in Blue

The near-by sacred pictographs at Paint Rock on the Campbell Ranch, where Jumanos likely created some of the pictographs are another testimony to the Jumano heritage

The works of Marilyn Fedewa, noted biographer of María of Ágreda : Mystical Lady in Blue, and the music of Cynthia Jordan, composer of the music dedicated to the Lady in Blue, will be part of the ceremonies

Once again the citizens of San Angelo and area towns will warmly welcome the Jumano Indians, all Native Americans, and special guests

There are many events planned for Sunday, May 22, 2016, the day of The Lady in Blue Celebration, beginning at 5:00 p.m. with the Jumano ***c****eremony at the river across Celebration Bridge and ending with the Tour of the National Ceramics Exhibit at 8:00 p.m.*

The community is cordially invited to join in the celebration to honor our West Texas history. This is a great opportunity to be part of the historical and noteworthy time to honor the San Angelo area's multicultural history and Christian heritage.

Therefore, I, Dwain Morrison, Mayor of the City of San Angelo, Texas, on behalf of the City Council, do hereby proclaim, May 22, 2016 as

"THE LADY IN BLUE CELEBRATION"

In San Angelo, Texas,

In Witness Whereof, *I have hereunto set my hand and have caused the Official Seal of the City of San Angelo to be affixed this 18th day of May, 2016.*

Dwain Morrison
Mayor of the City of San Angelo

Recognition

Nikki Powell is a 4th grade teacher at McGill Elementary. Mrs. Powell at 8 years old decided that she would become a teacher. Although life took her through different paths the desire to teach weight heavily on her

Mrs. Powell worked as a stylist at several salons around her hometown of Buffalo Gap. There she was introduced to fulfilling a salon managerial position in San Angelo and relocated. While there she enrolled at ASU to complete her education and on December 2012 she graduated from Angelo State with a Bachelors of Science in Interdisciplinary Studies

After obtaining her degree, she decided to be a stay at home mommy, but after a few years she continued to have the need and desire to start her new journey as a teacher. The sweat and tears finally paid off when Mrs. Powell was hired by SAISD in 2015.

This year one of her students, 10 year old, Anysa Patino has nominated her as the best 4th grade teacher. Anysa says Mrs. Powell is loyal, sweet, kind, and she never gives up on her students.

Therefore, I, Dwain Morrison, Mayor of the City of San Angelo, on behalf of the City Council, do hereby recognize and applaud

Nikki Powell

***fo**r her dedication and positive determination for making a difference in our community*

***In Witness Whereof,** I have hereunto set my hand and have caused the Official Seal of the City of San Angelo to be affixed this 18th day of May 2016.*

Dwain Morrison
Mayor of the City of San Angelo

City of San Angelo, Texas
Regular City Council Meeting
Tuesday, May 3, 2016

Present:

Mayor Dwain Morrison
Mayor Pro tem Johnny Silvas, SMD 3
Council Member Rodney Fleming, SMD 1
Council Member Marty Self, SMD 2
Council Member Lucy Gonzales, SMD 4
Council Member Elizabeth Grindstaff, SMD 5
Council Member Charlotte Farmer, SMD 6

1. Call to Order

With a quorum of the City Council Members present, Mayor Morrison called the regular session of the San Angelo City Council to order at 8:38 a.m. on Tuesday, May 3, 2016, in the San Angelo McNease Convention Center, 501 Rio Concho Drive, San Angelo, Texas 76903.

2. Prayer and Pledge

An invocation was provided by Joe Hodges, Minister with Robert Lee Bible Baptist; and the pledges were led by Brice Carr (1st grader) from Wall Elementary

3. Proclamations/Recognitions

"Simply Texas Blues Festival Day" May 14, 2016, to be accepted by San Angelo Blues Society President Clay Hubbard

Recognition of "El Charro Diaz"

"Police Week" May 15-21, 2016, and "Peace Officers Memorial Day" May 15, 2016 was accepted by Assistant Police Chiefs: Kevin Hollway, Robert Martinez and Jeff Fant

“San Angelo Pan American Golf Association Day” May 14, 2016 was accepted by representatives from the San Angelo Pan American Golf Association

"Mental Health Awareness Month" May 2016, was accepted by Dusty McCoy, West Texas Counseling & Guidance Executive Director and Greg Rowe, MHMR Services for the Concho Valley Executive Director

“Historic Preservation Month” May 2016 was accepted by Del Velasquez, Executive Director of Downtown San Angelo

4. Public Comment

Citizen Harry Thomas encourages everyone to vote and noted it was the last day of early voting.

5. Consent Agenda

a. Approval of the:

April 19, 2016 City Council regular meeting minutes; and

April 19, 2016 City Council special joint meeting with City of San Angelo Development Corporation

b. Approval of a resolution finding that AEP Texas North Company's application for approval of a Distribution Cost Recovery Factor to increase distribution rates in the amount of $16,414,394 within the City should be denied; and finding that the City's reasonable rate case expenses shall be reimbursed by the Company

c. Approval of Change Order No. 1. to the Fire and Security Equipment and Service Agreement between Ener-Tel Services, Inc. and the City of San Angelo to provide for the repair/replacement of the fire alarm and sprinkler systems and all associated work at 8193 Hangar Rd. in the amount of $235,560

d. Approval of a Memorandum of Agreement with Goodfellow Air Force Base (GAFB) for the exchange of services and authorizing City Manager to execute all related documents

e. Approval of adopting a resolution authorizing the mayor to execute a tax-resale (quitclaim) deed conveying all right, title and interest of the City of San Angelo, and all other taxing units interested in the Tax Foreclosure Judgment or Tax Warrant:

- 1415 N. Magdalen, Acct #24-44100-0000-002-00; Cause No. A-14-0041-TAX;$16,353
- 822 Antonio; Acct #02-11900-001-005-00; Cause No D-10-0076-TAX; $3000

f. Approval of accepting an Interlocal Agreement with the City of Fredericksburg, Texas for the occasional, temporary use of an asphalt milling machine owned by the City of San Angelo

g. Second reading and approval of adopting an Ordinance approving a request for Case Z16-01 from Jared Matlock to authorize a Rezoning from the Low Rise Multi-family Residential (RM-1) Zoning District to the Office Commercial (CO) Zoning District, on 0.14 acres generally located along the south side of West First Street, across from Farr Street

h. Second reading and approval of adopting an Ordinance approving a request for Case Z16-02 from Bryan Burger to authorize a Rezoning from the Light Manufacturing (ML) Zoning District to the General Commercial (CG) Zoning District, on 1.30 acres generally located at the corner of Knickerbocker Road and South Jackson Street

i. Second reading and approval of adopting an ordinance amending the 2015-2016 budget for a capital project

Motion: Council Member Grindstaff made a motion, seconded by Council Member Fleming, to approve the Consent Agenda, as presented, with the exception of item 5c. The motion carried unanimously (7) ayes to (0) nays.

Motion: Council Member Grindstaff made a motion, seconded by Council Member Silvas, to approve item 5c, as presented. The motion carried unanimously (6) ayes to (0) nays, with Councilmember Self abstaining.

6. Regular Agenda

a. Presentation of report from the Chamber of Commerce Economic Development Council and the Convention & Visitors Bureau (CVB) - (A presentation was made by CVB Vice President Pamela Miller and Chamber Vice President for Economic Development Michael Looney)

No action was taken on this item

b. Update on issuance of Certificates of Obligation and Series 2008 and Series 2009 Refunding Bonds - (A presentation was made by Finance Director Tina Carriger and Vince Viaille, Specialized Public Finance, Inc.)

No action was taken on this item

c. Approval of adoption of a resolution authorizing application for financial assistance from the Texas Water Development Board for water and sewer system improvements; and making certain findings in connection therewith - (A presentation was made by Water Utilities Director Bill Riley)

Public comments were made by Mike Boyd, Vince Vialle, Ted Weatherford, and H.R. Wardlaw.

Motion: Council Member Rodney Fleming made a motion, seconded by Council Member Marty Self, to adopt the resolution as presented. The motion carried (6) ayes to (1) nays, with Council Member Johnny Silvas casting the dissenting vote.

At 10:40 a.m. the Council convened into Executive Session for item 7b.

At 10:58 a.m. the Council reconvened into Regular Session

d. Approval of First Reading and Public Hearing on an ordinance amending Chapter 2, "Administration and Personnel", Article 2.07, "Boards, Committees, and Commissions", Division 10, "Tax Increment Reinvestment Zone Board", and removing Chapter 2, "Administration and Personnel", Article 2.07, "Boards, Committees, and Commissions", Division 11, "Downtown Development Commission" - (A Presentation was made by Planning & Development Services Director Jon James)

Public comments were made by Lee Pfluger, Jim Turner, Travis Stribling, Del Velasquez, and Bill Dendle.

At 12:03 p.m. the Council recessed for a Special Joint Meeting with COSA DC.

At 1:06 p.m. the Council convened into Executive Session for item 7a and 7c.

At 1:49 p.m. the Council reconvened into Regular Session

Motion: Council Member Self made a motion, seconded by Council Member Grindstaff, to approve the first reading of the ordinance, as presented, with the exception of adding 1 nonvoting member from Downtown San Angelo, Inc,. 1 nonvoting member from the Chamber of Commerce, designating the representatives from Goodfellow Air Force Base, San Angelo Independent School District, and Angelo State University as nonvoting members; and adding the stipulation that Council Members from Single Member Districts two, three, and four will nominate representatives who work, live or own property in the North TIRZ; adding the stipulation that Council Members from Single Member Districts one, five, and six will nominate representatives who work, live, or own property in the South TIRZ. The motion carried (6) ayes to (1) nays, with Council Member Farmer casting the dissenting vote.

e. Postponement of discussion and consideration of amendments to the bylaws for the Tax Increment Reinvestment Zone Board

Consensus of City Council was to postpone this item until the next City Council Meeting.

f. Presentation on the Wayfinding Master Plan and direction from Council - (A presentation was made by Planning & Development Services Director Jon James)

No action was taken on this item.

g. Second public hearing and approval of adopting ordinances amending Appendix A fee schedule and chapter 11 of the code of ordinances:

- Amending article A6.000 "Park Use Fees" (Real Estate/Finance);
- Amending article A1.000 "Animal Control Services Fees";
- Amending article 11.05 "Water Conservation and Drought Contingency Plan" and article A.8000 "Utility Related Fees"; and
- Amending article A.8000 "Utility Related Fees" and chapter 11 "Utilities", article 11.02 "water and sewer service" - (A presentation was made by Budget Manager Morgan Chegwidden)
  Public comments were made by Del Velasquez.

Motion: Council Member Farmer made a motion, seconded by Council Member Self, to adopt the ordinance, as presented. The motion carried (6) ayes to (1) nays, with Mayor Morrison casting the dissenting vote.

h. Approval of adopting a resolution enacting standard water conservation level of the City's Water Conservation / Drought Contingency Plan - (A presentation was made by Water Utilities Assistant Director Allison Strube)

Motion: Council Member Fleming made a motion, seconded by Council Member Self, to adopt the resolution, as presented. The motion carried unanimously (7) ayes to (0) nays.

7. Closed Session

Executive Session was held under the provision of Government Code, Title 5. Open Government; Ethics, Subtitle A. Open Government, Chapter 551. Open Meetings, Subchapter D. Exceptions to Requirement that Meetings be Open under the following sections:

a. Section 551.071(1)(A) consult with attorney when the governmental body seeks the advice of its attorney about pending or contemplated litigation regarding:
   ~~1. 2013 Sealcoating Program Contract;~~
   2. Martifer-Hirschfeld Energy Systems, LLC ET. AL.
   ~~3. Templeton Construction, Inc.; and~~
   ~~4. Denise Kendall V COSA ZBA 16C070-L2 (3221 RED BLUFF ROAD)~~
b. Section 551.071(2) consult with attorney when the governmental body seeks the advice of its attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter, regarding the contract with the Health Foundation
c. Section 551.072 Deliberations about Real Property regarding a future Police Administration Building

8. Follow Up and Administrative Issues

a. Approval of action on matters discussed in executive/closed session

Motion: Council Member Fleming made a motion, seconded by Council Member Silvas, to adopt a resolution related of a settlement agreement terminating litigation between the City of San Angelo and City of San Angelo Development Corporation as plantiffs and Martifer Hirschfeld Energy Systems, LLC, Et Al as defendants. The motion carried unanimously (7) ayes to (0) nays.

b. Announcements and consideration of Future Agenda Items

9. Adjournment

Motion: Council Member Grindstaff made a motion, seconded by Council Member Silvas, to adjourn the meeting. The motion carried unanimously (7) ayes to (0) nays.

There being no further business, the meeting was adjourned at 2:46 p.m.

THE CITY OF SAN ANGELO

____
Dwain Morrison, Mayor

ATTEST:

____
Bryan Kendrick, City Clerk

In accordance with Chapter 2, Article 2.300, of the Official Code of the City of San Angelo, the minutes of this meeting consist of the preceding Minute Record and the Supplemental Minute Record. Details on Council meetings may be obtained from the City Clerk's Office or a video of the entire meeting may be purchased from the Public Information Officer at 481-2727. (Portions of the Supplemental Minute Record video tape recording may be distorted due to equipment malfunction or other uncontrollable factors.)

City of San Angelo, Texas
Special Joint Meeting of the City Council of City of San Angelo
and the City of San Angelo Development Corporation
Tuesday, May 3, 2016

Present:

Mayor Dwain Morrison
Council Member Rodney Fleming
Council Member Marty Self
Council Member Johnny Silvas
Council Member Lucy Gonzales
Council Member Elizabeth Grindstaff
Council Member Charlotte Farmer

1. Call to Order

With a quorum of the City Council Members present, Mayor Morrison called the special joint meeting of the City Council of City of San Angelo and City of San Angelo Development Corporation to order at 12:06 p.m. on Tuesday, May 3, 2016, in the San Angelo McNease Convention Center, 2nd Floor Suite A, 501 Rio Concho Drive, San Angelo, Texas 76903.

2. Closed Session

Executive Session under the provision of Government Code, Title 5. Open Government; Ethics, Subtitle A. Open Government, Chapter 551. Open Meetings, Subchapter D. Exceptions to Requirement that Meetings be Open under the following section:

a. Section 551.071(1)(A) consult with attorney when the governmental body seeks the advice of its attorney about pending or contemplated litigation regarding Martifer-Hirschfeld Energy Systems, LLC ET. AL.

3. Adjournment

Motion: Council Member Silvas made a motion, seconded by Council Member Self, to adjourn the meeting. The motion carried unanimously (7) ayes to (0) nays.

There being no further business, the meeting was adjourned at 1:06 p.m.

THE CITY OF SAN ANGELO

____
Dwain Morrison, Mayor

ATTEST:

____
Bryan Kendrick, City Clerk

In accordance with Chapter 2, Article 2.300, of the Official Code of the City of San Angelo, the minutes of this meeting consist of the preceding Minute Record and the Supplemental Minute Record. Details on Council meetings may be obtained from the City Clerk's Office or a video of the entire meeting may be purchased from the Public Information Officer at 481-2727. (Portions of the Supplemental Minute Record video tape recording may be distorted due to equipment malfunction or other uncontrollable factors.)

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

THE CITY OF SAN ANGELO TEXAS

Requestor: Carl White, Parks and Recreation Director, Parks and Recreation, 325-657-4450

Meeting Date: May 18, 2016

Item type: Consent Item

Caption:

Consider approving an agreement with the Texas Southwest Council, Inc. Boy Scouts of America for the property and camp at 7677 S. Country Club Rd. at Lake Nasworthy and authorizing the City Manager to execute said agreement (C.White)

Summary/History:

Staff recommends approving a lease agreement with the Texas Southwest Council, Inc. Boy Scouts of America for scout camp property located off Country Club Drive at Lake Nasworthy and authorizing the City Manager to execute the agreement.

The basic parameters of the proposed lease include:

- 5-year lease with 1 option to renew the lease for 3 years
- lease of the scout camp property located off Country Club Drive at Lake Nasworthy
- annual payment of $500 a year for the first term of the lease
- annual payment of $550 a year for the second term of the lease
- Requirements to provide utilities at lessee's expense
- Requirements to provide maintenance of the building at lessee's expense
- Standard insurance coverage

The organization has previously leased the property. The current lease expired on December 31, 2013 but is still active due to a month-to-month "Hold Over" clause.

Financial Impact:

There is no cost to the City for executing this agreement. The Texas Southwest Council, Inc. Boy Scouts of America will pay the City an annual fee of $500 for use of the property.

Other Information/Recommendation:

Staff recommends approval.

Attachments:

1. Lease Agreement for Boy Scout Camp 16-338_PARKS_TX_SW_COUNCILBSA_NASWORTHY_LSE.docx

Presentation:

Approvals/Reviews:

Carl White	Created/Initiated

Carl White	Approved
Theresa James	Approved
Tina Carriger	Approved
Theresa James	Approved
Becky Dunn	Approved
Bryan Kendrick	Final Approval

Organizational Lease Agreement
By and Between City of San Angelo, Texas, and Texas Southwest Council, Inc.

Effective Date: May 1, 2016

Landlord: **CITY OF SAN ANGELO**, a Texas home rule municipal corporation

Landlord's Address: 72 W. College Avenue, San Angelo, Tom Green County, Texas 76903

Tenant: **TEXAS SOUTHWEST COUNCIL, INC., BOY SCOUTS OF AMERICA**, a Texas Nonprofit Corporation

Tenant's Address: P.O. Box 1584, San Angelo, Texas 76902

Office Phone: (325) 655-7107 EXT. 44 Email: devin.koehler@scoutig.org

Leased Premises: SURFACE ESTATE ONLY of approximately 20.24 acres of land, situated in San Angelo, Tom Green County, Texas, as described in **Exhibit "A"** ("Leased Premises") attached hereto and being made a part hereof, at or near the waters of Lake Nasworthy or the Concho River (hereinafter "Lake or River").

Effective Date: May 1, 2016

Initial Term: The initial term of this Lease shall commence on May 1, 2016 and terminate on May 31, 2021.

Option to Extend Term: Tenant shall have one option to extend the term of this Lease for an additional three years, commencing June 1, 2021 through May 31, 2024, on the same terms and conditions, including that annual rent shall increase as herein provided. Not earlier than June 1, 2020, Tenant shall provide Landlord with at least sixty (60) days written notice of exercise of its option to extend the initial lease term through May 31, 2024.

Permitted Use: Tenant shall possess and utilize the Leased Premises solely for activities associated with the Boy Scouts of America program in the City of San Angelo, such as conducting scout camps and outdoor recreational activities and for uses incidental thereto, and for other such non-profit activities for the benefit of local boys and girls groups and no other purpose.

Annual Rent: The initial Annual Rent payment for rent through May 31, 2017, shall be due and payable on execution of this Lease, in the sum of FIVE HUNDRED AND NO/100 DOLLARS ($500.00). Annual Rent payments in that amount shall be due and payable on or before June 1st of each year thereafter during the Initial Term of this Lease.

Annual Rent for Extended Term: Should the term of this Lease be extended beyond expiration of the initial term of this Lease pursuant to Tenant's option to extend, annual rent payments during the extended term of this Lease shall be due and payable on or before June 1st of each year, commencing June 1, 2021, in the sum of FIVE HUNDRED FIFTY AND NO/100 DOLLARS ($550.00).

Clauses and Covenants

A. Tenant agrees to—

1. Lease the Premises for the entire Term beginning on the Effective Date and ending on the Termination Date.

2. Obey all laws, ordinances, rules and regulations relating to Tenant's use and maintenance of the Leased Premises, including those certain ordinances of the City Council of the City of San Angelo, ("Council"), adopted April 2, 1951, as amended from time to time and known as the Lake Nasworthy-Twin Buttes Ordinances. Tenant understands and agrees that this Lease Agreement does not exempt Tenant from application of any of the ordinances, rules and regulations now or hereafter applicable to Lake Nasworthy. Any breach of said ordinances, rules or regulations shall be deemed a default of this Lease Agreement, and, at the option of the Landlord, may result in termination of this Lease.

3. Pay in advance the Initial Rent Payment, and on or before **June 1st** of each year during the term of this Lease, the Annual Rent to Landlord at Landlord's Address, 72 W. College, San Angelo, Texas 76903.

4. Pay to Landlord a late charge or interest for any rent received by Landlord after the date that the rent is due in accordance with applicable ordinances (Including City of San Angelo Code of Ordinances, Appendix A "Fee Schedule", Section A6.001: *"If any Lake Nasworthy lease fee is not paid in full on or before the due date specified in the lease, in addition to any other penalty or remedy available under the lease, a late fee of twenty dollars ($20.00) per month for each month or part of month that the fee and any accrued late charges remain unpaid shall be incurred by and collected from the person or entity owing the sum.")* , provided however, that acceptance by Landlord of late charges or interest shall not be construed as a waiver of the right of Landlord to terminate this Lease at its option as authorized herein.

5. Pay all taxes on Tenant's property located on the Leased Premises.

6. Use the Leased Premises only for activities associated with the Boy Scouts of America program in the City of San Angelo and for uses incidental thereto and for other such non-profit activities for the benefit of local boys and girls groups and no other purpose. If at any time the leased premises and any improvements thereon shall cease to be used for such purpose, it shall be considered a default and termination may occur as provided in this lease.

7. At Tenant's sole expense, keep and maintain fences and other improvements now on the Leased Premises in good condition, maintain landscape, and keep said Premises clean and cleared of all objectionable matter, including accumulations of trash, personal property, brush, and accumulations of dead vegetation. In the event Tenant shall fail to

maintain Leased Premises in a manner acceptable to Landlord as herein required, after notice of default to Tenant, Landlord may enter upon the Leased Premises without further notice and cause Leased Premises to be cleaned, cleared, and mowed, and may dispose of all objectionable matter in the manner deemed appropriate by Landlord. Tenant expressly authorizes the cost of any such clearing, cleaning, mowing and disposal to be billed to Tenant separately as additional rent or added to the next Annual Rent payment due, plus interest accruing thereon at the lesser rate of ten percent (10%) per annum or the maximum interest rate permitted by law, beginning thirty (30) days from the date on which the work is completed, and continuing until such cost is paid in full.

8. Maintain the pecan trees on Leased Premises. Pecans produced from said trees shall be the property of Tenant during the term of this Lease.

9. Indemnify, Defend, and Hold Harmless Landlord as follows: **TENANT FURTHER AGREES TO INDEMNIFY DEFEND, AND HOLD HARMLESS, LANDLORD, ITS OFFICERS, AGENTS AND EMPLOYEES, FROM ANY AND ALL CLAIMS (INCLUDING BUT NOT LIMITED TO CLAIMS FOR DEATH, PERSONAL INJURY AND PROPERTY LOSS OR DAMAGE), FAULT, LIABILITIES, DEMANDS, SUITS, CAUSES OF ACTIONS OR PROCEEDINGS OF ANY KIND OR NATURE, INCLUDING ATTORNEYS' FEES AND COST OF DEFENSE, WHICH THE INDEMNIFIED PARTIES MAY INCUR ARISING OUT OF THE NEGLIGENCE, ERROR, OMISSION, INTENTIONAL ACTS OR OTHER CAUSE, RESULTING DIRECTLY OR INDIRECTLY FROM, OR IN ANY WAY TO, THE EXERCISE OF THE PRIVILEGES CONFERRED BY THIS LEASE. THIS INDEMNIFICATION, DEFEND AND HOLD HARMLESS AGREEMENT SHALL SURVIVE THE TERM OF THIS AGREEMENT AS LONG AS ANY LIABILITY COULD BE ASSERTED. NOTHING HEREIN SHALL REQUIRE THE INDEMNIFYING PARTY TO INDEMNIFY, DEFEND OR HOLD HARMLESS ANY INDEMNIFIED PARTY FOR THE INDEMNIFIED PARTY'S OWN GROSS NEGLIGENCE OR WILLFUL MISCONDUCT**.

10. Maintain Insurance as follows:

a. Tenant shall, at all times during the term hereof, maintain such insurance coverage as may be required by City of the types and in the amounts specified in **Exhibit "B"** attached hereto, which by this reference is incorporated into this Agreement for all purposes, and with insurers licensed to do business in Texas. All insurance required herein will defend and shall be drawn in the name of Tenant, with City, its council members, board and commission members, officials, agents, guests, invitees, consultants and employees named as additional insureds, except on coverage for Workers' Compensation. Every policy required above shall be primary insurance. Any insurance or self-insurance benefits carried by City, its officers, or its employees, shall be excess and not contributory to that provided by Tenant. All such insurance, including renewals, shall be subject to the approval of City for adequacy of protection and evidence of such coverage shall be furnished to City on Certificates of Insurance indicating such insurance to be in force and effect and providing that it will not be canceled during the performance of Services under this Agreement without thirty (30) calendar days prior written notice to City. Completed Certificates of Insurance shall be filed with City's Risk Manager at City Hall, 72 W. College Avenue, San Angelo, Texas 76903, prior to Tenant occupying or utilizing the Leased Premises, provided however, that Tenant shall at any time upon request file duplicate copies of the policies of such insurance with City.

b. Tenant shall notify City's Risk Manager of any reduction or exhaustion of insurance policy aggregate limits. Should Tenant fail to immediately secure other insurance, as specified, for any policy canceled before expiration of the Lease Term or any extension thereof, City may procure such insurance and assess the cost thereof against Tenant as additional rent.

c. Tenant shall require its insurance carrier(s), with respect to Commercial General Liability and Automobile Liability insurance policies, to waive all rights of subrogation against City, its council members, board and commission members, officials, agents, guests, invitees, consultants and employees.

d. The procuring of such policies of insurance shall not be construed to be a limitation upon Tenant's liability or as a full performance of its obligations under the indemnification provisions of this Lease. Tenant's obligations are, notwithstanding said policies of insurance, for the full and total amount of any damage, injury or loss caused by or attributable to its occupation or control over the Leased Premises pursuant to this Lease or any extension thereof.

11. Vacate the Leased Premises on the last day of the Term.

B. Tenant agrees not to—

1. Use the Leased Premises for any purpose other than the Permitted Use, including that:

a. No improvements or construction work, including but not limited to living quarters, buildings, pump houses, water wells, storage buildings, excavations, fills, or other types of structures or improvements shall be built or placed on the Leased Premises.

b. No storage of personal property shall be permitted on the Leased Premises, including equipment, machinery, vehicles, appliances, temporary electrical wiring, materials, or supplies.

2. Create or allow any nuisance or waste on Leased Premises.

3. Alter the Leased Premises, including:

a. Clearing new roads, or locating on Leased Premises any type of manufactured housing or mobile home.

b. Removing any trees from Leased Premises without first obtaining permission from Landlord.

4. Allow a lien to be placed on the Leased Premises.

5. Assign this Lease or sublease any portion of the Leased Premises without Landlord’s written consent.

6. Hunt on the Leased Premises or allow anyone else to do so.

7. Litter or leave trash or debris on the Leased Premises.

C. Landlord agrees to—

Lease to Tenant the Leased Premises beginning on the Commencement Date and ending on the Termination Date or expiration of the extended term as applicable pursuant to the option to extend provided for hereinabove, unless earlier terminated as herein provided, subject to: easements of record, Landlord’s reservation of right to execute and deliver mineral leases, and Landlord’s reservation of right to grant utility easements and rights-of way for streets and alleys, and further subject to Tenant’s compliance with the terms and conditions of this Lease.

D. Landlord agrees not to—

Allow any use of the Leased Premises inconsistent with Tenant’s Permitted Use, subject to the reservations of rights herein stated, and so long as Tenant is not in default.

E. Landlord and Tenant mutually agree to the following:

1. *Rent Adjustment*. Landlord and Tenant agree Landlord shall have the right to make an adjustment in the Annual Rent upon any extension or renewal of this Lease.

2. *Temporary Improvements.* Tenant may place temporary improvements on Leased Premises only with the prior, written approval of Landlord. Such improvements shall be for purposes of activities associated with the Boy Scouts of America program only. Temporary improvements for other purposes are prohibited. Nothing shall be constructed, placed, or planted on Leased Premises which will in any way obstruct the natural flow of drainage or of rising water. Temporary improvements shall not include walls or be more than ten (10) feet in height. Tenant shall secure any required permits prior to placement of any temporary improvement on the Leased Premises. Temporary improvements shall be constructed in compliance with all applicable codes, laws, rules or regulation. Improvements permitted and erected by Tenant shall be Tenant's property during the Term of this Lease. Prior to termination of this Lease, Tenant shall remove all alterations, additions and improvements erected by Tenant and restore the Leased Premises to its original condition by the date of Lease termination or upon earlier vacating of the Leased Premises. However, Landlord shall have the right to elect, during the thirty (30) days prior to termination or earlier vacating of the Leased Premises, that any such alterations, additions and improvements shall become the property of Landlord as of the date of termination or upon earlier vacating of the Leased Premises, and that they shall not be removed by Tenant. If any property which is required to be removed is not removed, then Landlord, in addition to all other rights or remedies may, at its

election, deem that the property has been abandoned by Tenant to Landlord, but no such election shall relieve Tenant of the cost to remove the property or repair any damage.

3. *Water Usage.* Tenant, may, upon receipt of an annual water use permit from Landlord, as provided in City of San Angelo Code of Ordinances, use water from the Lake or River for domestic purpose and watering of existing trees and shrubs, but no water is to be removed from or transported off Leased Premises. Use of water for irrigation is expressly prohibited. Tenant shall use water in a conservative manner taking any drought conditions into consideration. Any abusive use of water shall be grounds for Landlord in denying the use of water to Tenant. Tenant shall pay raw water use charges as set by Landlord.

4. *(Intentionally left blank)*

5. *Flooding or Other Water Damage or Destruction.* The parties hereto acknowledge that the Leased Premises are within an area subject to flooding and variations in Lake or River water level. It is expressly agreed between the parties that neither Landlord nor any of its officers, officials, council members, agents or employees shall be liable to Tenant for any damages caused in any manner, negligent or otherwise, by water, flooding, water run-off variation in level of Lake or River waters, or overflow of the rivers, creeks, or channels which serve as sources of water supply to the Lake or River, nor by reason of any work or maintenance by Landlord, deemed necessary or desirable in Landlord's sole judgment, for the maintenance of said Lake or River, Lake or River level, or its sources of water supply. Any such damages that may be occasioned thereby during the term of this Lease Agreement or any extension thereof are hereby waived by Tenant, and Tenant does hereby forever release and discharge Landlord from liability for any such loss or claim of loss.

6. *Release of Claims*. Tenant expressly releases Landlord, its officials, officers, agents, and employees from any and all claims and damages of any kind whatsoever by reason of the condition of Leased Premises, or any improvements thereon, or any damages or loss incurred by Tenant relating to Tenant's use of the Leased Premises or exercise of the privileges granted hereunder.

7. *Reservations.* Landlord reserves the privilege and right for itself and its assignees, to execute and deliver oil, gas and other mineral leases upon the Leased Premises, right-of-way easements for gas, oil, water, or wastewater pipelines, sewer mains, telephone, telegraph or electric pole transmission lines, or other utility easements, and right-of-ways for streets or alleys, on, under, over or across said Leased Premises, or any part thereof, and in such event this lease shall be subject and subordinate to the rights, terms and privileges of any such mineral leases, utility easements or street and alley right-of-ways.

8. Termination of Lease for Public Purposes. If Landlord shall deem that Leased Premises are required for any public purpose during the term of this Lease, Landlord shall have the right to terminate this Lease by giving ninety (90) days written notice to Tenant of Landlord's election to terminate the Lease. Tenant shall promptly deliver possession of Leased Premises to Landlord on the effective date of termination.

9. *No Encumbrances*. Tenant shall not have the right to encumber the Leased Premises.

10. *Transfer, Assignment and Subletting.* Tenant may not transfer, assign or sublet the Leased Premises, in whole or in part, without the prior written consent of the Landlord, which consent may be withheld in the sole discretion of Landlord.

11. *Debts Related to Leased Premises.*

a. Utilities: Any utility charges relating to Tenant's occupancy, control or use of the Leased Premises shall be paid in full by Tenant when due. Failure to timely pay such charges shall, at the option of Landlord, result in termination of this Lease.

b. Taxes: It is further understood and agreed that Tenant shall pay and discharge all taxes, general and special assessments, and other charges of every description which during the term of this Lease may be levied on or assessed against the Leased Premises and all interest therein and all improvements and other property thereon, whether belonging to Landlord or Tenant, or to which either of them may become liable. Tenant shall pay all such taxes, charges, and assessments to the public officer charged with the collection thereof not less than fifteen (15) days before the same shall become delinquent, and Tenant agrees to indemnify and save harmless Landlord from all such taxes, charges and assessments. Failure to pay such taxes and special assessments as provided herein shall, at the option of Landlord, result in termination of this Lease.

12. *Default by Tenant/Events.* The following shall constitute events of default by Tenant:

a. failing to timely pay Annual Rent; or,

b. failing to comply within thirty (30) days after written notice with any provision of this Lease Agreement other than failing to timely pay Annual Rent.

13. *Default by Tenant/Landlord's Remedies.* Landlord's remedy for Tenant's default, after compliance with the notice provisions hereof, is to terminate this Lease Agreement by written notice, take possession of the Leased Premises, and seek judicial relief for costs, rents due and such other damages or relief to which Landlord may be entitled. Landlord may enter and take physical possession and control over the Leased Premises on termination of this Lease by self-help, and may prohibit the Tenant in default or any other person who may be occupying the Leased Premises, from access thereto or the use thereof, and shall not be liable in trespass or for damages therefore.

14. *Default/Waiver/Mitigation.* It is not a waiver of default if the Landlord fails to declare immediately a default or delays in taking any action. Pursuit of any remedy set forth in this Lease does not preclude pursuit of other remedies under this Lease or provided by law.

15. *Reimbursement of Landlord's Expenses.* Tenant shall pay on demand all of Landlord's expenses including, but not limited to, attorney's fees and court costs incurred in enforcing any of Tenant's obligations under this Lease or in terminating this Lease and retaking physical possession of the Leased Premises on Tenant's default.

16. *Amendment of Lease.* This Lease may be amended only by an instrument in writing signed by Landlord and Tenant.

17. *Disclaimer of Warranties.* ALL WARRANTIES OF LANDLORD THAT MAY ARISE IN COMMON LAW ARE EXCLUDED LANDLORD GIVES NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE CONDITION OF THE LEASED PREMISES OR ANY IMPROVEMENTS THEREON, INCLUDING WARRANTY OF HABITABILITY OR FITNESS FOR A PARTICULAR USE. THERE ARE NO IMPLIED WARRANTIES OF MERCHANTABILITY, OF FITNESS FOR A PARTICULAR PURPOSE, OR OF ANY OTHER KIND ARISING OUT OF THIS LEASE AGREEMENT, AND THERE ARE NO WARRANTIES THAT EXTEND BEYOND THOSE EXPRESSLY STATED IN THIS LEASE.

18. *Notices.* Any notice required or permitted under this Lease must be in writing and delivered to the address for the recipient party. Any notice required by this Lease will be deemed to be delivered (whether actually received or not) on the third day after deposited with the United States Postal Service, postage prepaid, certified mail, return receipt requested, and addressed to the intended recipient at the address below. Notice may also be given by personal delivery or commercial courier delivery and will be effective when actually received. Any address for notice may be changed by written notice delivered to the other party as provided herein.

LANDLORD:
City of San Angelo
Parks & Recreation Dept.
72 W. College Ave.
San Angelo, Texas 76903

TENANT:
Texas Southwest Council, Inc.,
Boy Scouts of America
P.O. Box 1584
San Angelo, Texas 76902

19. *Estoppel Certificate.* By the execution hereof, Tenant acknowledges that Landlord has fully complied with and performed all of Landlord's obligations under that certain Lease Agreement of the Leased Premises, entered into by and between Landlord and Tenant, effective January 1, 2009.

20. *Entire Agreement.* This Lease Agreement constitutes the entire agreement of the parties concerning the lease of the Premises by Landlord to Tenant. There are no representations, warranties, agreements, or promises pertaining to the lease of the Leased Premises by Landlord to Tenant that are not in this Lease Agreement.

EXECUTED in duplicate originals the __________ day of _________________, 2016.

TENANT:

TEXAS SOUTHWEST COUNCIL, INC., BOY SCOUTS OF AMERICA

____
Devin D. Koehler, Scout Executive

LANDLORD:
CITY OF SAN ANGELO

Attest:

____
Bryan Kindrick, City Clerk

By: __________________________________
Daniel Valenzuela, City Manager

STATE OF TEXAS §
COUNTY OF TOM GREEN §

This instrument was acknowledged before me on the ______ day of __________, 2016, by DEVIN D. KOEHLER, Scout Executive of the Texas Southwest Council, Inc., Boy Scouts of America.

____
Notary Public, State of Texas

STATE OF TEXAS §
COUNTY OF TOM GREEN §

This instrument was acknowledged before me on the _____ day of ________________, 2016, by **DANIEL VALENZUELA**, as City Manager of the **CITY OF SAN ANGELO**, a Texas municipal corporation, on behalf of said corporation.

____
Notary Public, State of Texas

Organizational Lease Agreement
By and Between City of San Angelo, Texas, and Texas Southwest Council, Inc.

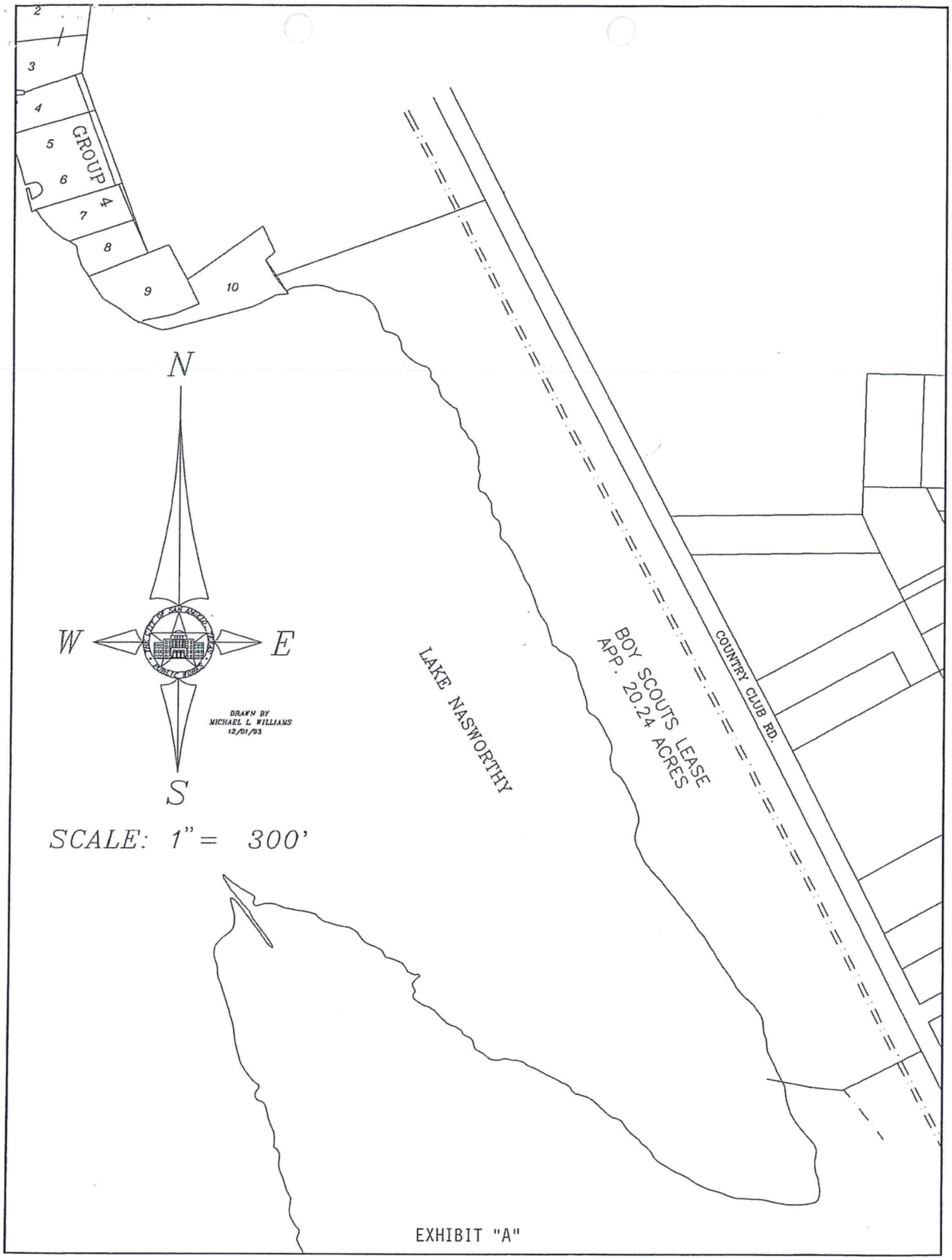
APPROVED AS TO CONTENT	APPROVED AS TO FORM
____________________________________	____________________________________
Carl White, Director of Parks & Recreation	Dan T. Saluri, Deputy City Attorney

APPROVED AS TO RISK

____

Charles Hagen, Risk Manager

EXHIBIT "A"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SCALE: 1" = 300'
LAKE NASWORTHY
BOY SCOUTS LEASE
APP. 20.24 ACRES
COUNTRY CLUB RD.
EXHIBIT "A"

EXHIBIT “B”

SPECIAL INSURANCE RIDER

TYPES AND AMOUNTS OF INSURANCE REQUIRED. Provider shall obtain and continuously maintain in effect at all times during the term hereof, at Provider’s sole expense, insurance coverage as follows with limits not less than those set forth below:

1.1 Commercial General Liability. Tenant shall obtain and maintain policies of insurance covering the Leased Premises and Tenant’s activities thereon at all times during the Term, including comprehensive general liability insurance with a minimum combined occurrence and annual limitation of $1,000,000.00. This policy shall be an occurrence-type policy and shall protect Tenant and additional insureds against all claims arising from bodily injury, sickness, disease or death of any person (other than Tenant’s employees) and damage to property of City or others arising out of the act or omission of Provider or its agents and employees. This policy shall also include protection against claims for the contractual liability assumed by Provider under the paragraph of this Agreement entitled “Indemnification”.

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

Requestor: Allison Strube, Water Utilities Assistant Director, Water Utilities, 325-657-4209

Meeting Date: May 18, 2016

Item type: Consent Item

Caption:

Consider approving a Memorandum of Understanding with Goodfellow Air Force Base (GAFB) for tour of water treatment plant facilities and authorizing City Manager to execute all related documents (A. Strube)

Summary/History:

This is a Memorandum of Understanding (MOU) with Goodfellow Air Force Base (GAFB) to provide site visitation of Water Treatment Facilities to GAFB. The services that are being exchanged are; GAFB touring the facility to further increase their knowledge and understanding of infrastructure and City Water Utilities' personnel providing guided tour of the facility on a date agreed upon by both parties. GFAB initiated and requested this MOU to gain onsite training and assessment of local operations.

Financial Impact:

No Fiscal Impact

Other Information/Recommendation:

Staff recommends approval.

Attachments:

1. Memorandum of Understanding GAFB - COSA-WTP MOU.pdf

Presentation:

Approvals/Reviews:

Allison Strube	Created/Initiated
Bill Riley	Approved
Theresa James	Approved
Tina Carriger	Approved
Theresa James	Approved
Becky Dunn	Approved
Bryan Kendrick	Final Approval

MEMORANDUM OF UNDERSTANDING BETWEEN

SAN ANGELO WATER TREATMENT FACILITY
SAN ANGELO, TEXAS

AND

315TH TRAINING SQUADRON
GOODFELLOW AFB, TEXAS

FOR

TARGETING FUNDAMENTALS COURSE FIELD TRIP/SITE VISIT
MOU FB3030-16104-003

This is a Memorandum of Understanding (MOU) between the San Angelo Water Treatment Facility and the 315th Training Squadron (315 TRS). When referred to collectively, they are referred to as the "Parties".

1. BACKGROUND: A Training Working Group (TWG) meeting was held on 29 February - 4 March, 2016 at Goodfellow AFB, TX. During the TWG, the attendees identified the need for a targeting fundamental-level course that would fulfill the requirements for non-targeteer specific Air Force personnel. At that time a Course Training Standard (CTS) was developed and line items agreed upon by all attendees. In accordance with AETCI 36-2641, the CTS serves as a contract between AETC and its customers and identifies a course's required training and proficiency level. One of the requirements agreed upon at the TWG was the need for a line item to facilitate a field trip/site visit. These line items, Importance of Targeting, Intermediate Target Development, Weaponeering Fundamentals, and Collateral Damage Methodology, to include Principles of Targeting, Target Vulnerabilities, Capabilities Considerations, Collateral Concerns, and the Sensitive Target Approval and Review Process (line item 1.4.2, 3.4, 4.2.1, 4.2.2, 4.4.1, and 4.4.3 of the CTS), is satisfied in the most efficient and effective manner by a field trip/site visit to various locations in San Angelo, TX.

2. AUTHORITY AND REFERENCES

2.1. AFI 25-201

2.2. DoDI 4000.19

2.3. AETCI 36-2641

2.4. Targeting Fundamentals Course (X3OZR14N3 0A3E) Course Training Standard (CTS)

3. PURPOSE: This MOU specifies the functions and responsibilities of the San Angelo Water Treatment Facility and the 315 TRS with regard to the Targeting Fundamentals Course field trip/site visit outlined within. This field trip/site visit is essential to fulfilling the requirements of the CTS, levied by the TWG to educate the students about the newer electrical hardware being utilized in the facility and its potential to be adversely affected from infiltrators. The effects of destruction to the treatment facility and any environmental hazards posed by the damage would also be discussed, as well as whether or not there is a susceptibility associated with this "target" that would allow us to achieve effects without actually striking it - essentially targeting an outer lying power supply or control point, temporarily disabling the facility.

4. UNDERSTANDINGS OF THE PARTIES:

4.1. Mutual Understanding Amongst all Parties:

4.1.1. This MOU will not supersede operational requirements as this field trip/site visit will only take place as the operational unit's mission allows.

4.1.2. Pursuant to the referenced CTS line item, the Targeting Fundamentals Course will conduct one field trip/site visit per class (minimum of six per year).

4.2. San Angelo Water Treatment Facility shall:

4.2.1. Provide a guided tour of the facility to include any functions and elements critical to the facility's function.

4.2.2 Provide a guided tour of the facility to include a briefing on the infrastructure of the complex.

4.3. The 315 TRS shall:

4.3.1. Coordinate with designated San Angelo Water Treatment Facility representative(s) on the date of the field trip/site visit availability and ensure scheduling flexibility with regard to the field trip/site visit.

4.3.2. Procure ground transportation for students to and from San Angelo Water Treatment Plant via the 17 LRS.

5. PERSONNEL: Each Party is responsible for all costs of its personnel, including pay, support, and travel. Each Party is responsible for supervision and management of its personnel.

6. GENERAL PROVISIONS:

6.1. POINTS OF CONTACT: The following points of contact will be used by the Parties to communicate in the implementation of this MOU. Each Party may change its point of contact upon reasonable notice to the other Party.

6.1.1. For San Angelo Water Treatment Facility

San Angelo Water Treatment Facility
1324 Metcalf Street
San Angelo, TX. 76903
Phone: 325-481-2722

6.1.2. For the 315 TRS

315 TRS/XP
154 Canberra Street
Goodfellow AFB, TX. 79608
Phone: DSN 477-5698

6.2. CORRESPONDENCE: All correspondence to be sent and notices to be given pursuant to this MOU will be addressed to the staff designated in sections 6.1.1. and 6.1.2. as required.

6.3. FUNDS AND MANPOWER: This MOU does not document nor provide for the exchange of funds or manpower between the Parties nor does it make any commitment of funds or resources.

6.4. MODIFICATION OF MOU: This MOU may be modified by the written agreement of the Parties, duly signed by their authorized representatives. This MOU will be reviewed annually on or around the anniversary of its effective date, and triennially in its entirety.

6.5. DISPUTES: Any disputes relating to this MOU will, subject to any applicable law, Executive order, directive, or instruction, be resolved by consultation between the Parties or in accordance with DoDI 4000.19.

6.6. TERMINATION OF UNDERSTANDING: This MOU may be terminated in writing at will by any of the affected parties.

6.7. TRANSFERRABILITY: This MOU is not transferable except with the written consent of the Parties.

6.8. ENTIRE UNDERSTANDING: It is expressly understood and agreed that this MOU embodies the entire understanding between the Parties regarding the MOU's subject matter.

6.9. EFFECTIVE DATE: This MOU takes effect beginning on the day after the last Party signs.

6.10. EXPIRATION DATE: This MOU expires on 30 April 2018.

7. APPROVED:

Signature
JASON E. KULCHAR, Maj, USAF
Commander, 315th TRS

(Date)

Signature
MR. DANIEL VALENZUELA
City Manager, San Angelo

(Date)

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

THE CITY OF SAN ANGELO TEXAS

Requestor: Robert Schneeman, Economic Development Coordinator, Economic Development, 325.653.7197

Meeting Date: May 18, 2016

Item type: Consent Item

Caption:

Consider approving a recommendation by the COSADC Board for the negotiation and execution of a real estate sales contract for the sale of approximately 2 acres of land located at the San Angelo Business & Industrial Park to Falls Capital, Inc. (Wornat-Abilene, LLC) at a price of $29,000 per acre, with 6% realtor fees to be paid by buyer. - (R.Pena)

Summary/History:

Falls Capital Inc. (Wornat-Abilene, LLC)has made an offer for 2 acres more or less at the Industrial Park at a sales price of $29,000 per acre. This is the first offer brought to staff through a real estate broker. In this case, the broker is a buyer's broker so the real estate commission will be paid by the buyer. The proposed contract has a rather long feasibility period due to the fact that the buyer's proposed build to lease tenant will be a Federal Government entity. Although the buyer does not anticipate needing the entire period, he feels it is necessary to allow for the possibility. Buyer is in the process of scheduling a closing date of May 18, 2016 or immediately thereafter.

Financial Impact:

$58,000 revenue less closing costs

Other Information/Recommendation:

Attachments:

1.	Wornat Sales Contract	Wornat Contract.pdf
2.	exhibit	Falls Capital EXHIBIT 8.5x11.pdf

Presentation:

None

Approvals/Reviews:

Robert Schneeman	Created/Initiated
Roland Pena	Approved
Theresa James	Approved
Tina Carriger	Approved
Theresa James	Approved
Becky Dunn	Approved
Bryan Kendrick	Final Approval

Real Estate Sales Contract

This Contract to buy and sell real property ("Contract") is between Seller and Buyer as identified below and is effective on the date ("Effective Date") of the last of the signatures by Seller and Buyer as Parties to this Contract and by Title Company (as hereinafter defined) to acknowledge receipt of the Earnest Money(as hereinafter defined). Buyer must deliver the Earnest Money to Title Company and obtain Title Company's signature before the Earnest Money Deadline provided in Section A.1. for this Contract to be effective. If the Earnest Money is paid by check and payment on presentation is refused, Buyer is in default.

Seller(s): CITY OF SAN ANGELO DEVELOPMENT CORPORATION

Address: 69 North Chadbourne, San Angelo, Tom Green County, Texas 76903

Phone: (325) 657-4407 Fax: (325) 481-2695

Type of entity: a Texas nonprofit economic development corporation organized pursuant to the Texas Development Corporation Act

Buyer: Wornat-Abilene, LLC

Address: 207 Craik St., Marlin, Falls County, Texas 76661

Phone: (254) 803-9636 Fax: N/A

Type of entity: a Texas for profit corporation

Buyer's Broker: Larry Jolley, Larry Jolley Real Estae, 2437 College Hills Blvd. San Angelo, Texas 76904 (325) 656-3366

Property: 2 acres, more or less, out of the northwest corner of the remainder of Lot 1, Block 3, San Angelo Gateway Addition Section 1, as recorded in Cabinet "F" Slide 17, Plat Records of Tom Green County Texas. The exact location, metes and bounds description, access to public right-of-way and perimeter of such Land is to be as agreed to by the Parties and surveyed by a state registered Land Surveyor selected by Buyer at Buyer's expense on or prior to the expiration of the Inspection Period

Title Company: First Title Company

Address: 4 S Koenigheim, San Angelo, Texas 76903

Phone: (325) 653-1421 Fax: (325) 658-7796

Purchase Price: $58,000.00

Cash portion: $58,000.00

Earnest Money: $1,000.00

Surveyor: TBD

Survey Category: TBD

County for Performance: Tom Green County, Texas

A-1. Deadlines For Performance and Other Dates

All deadlines for performance required in this Contract expire at 5:00 p.m. local time where the Property is located. If a deadline falls on a Saturday, Sunday, or national holiday, the deadline will be extended to the next day that is not a Saturday, Sunday, or national holiday. A national holiday is a holiday designated by the federal government. Time is of the essence for performance of the terms of this Contract.

1. Earnest Money Deadline: Three (3) days after execution by Seller.

2 Delivery of Title Commitment and copies of restrictive covenants and all recorded documents referred to in Title Commitment: sixty days (60) days after Effective Date.

3. Delivery of Buyer's Survey: ninety (90) days after Effective Date.

4. Delivery of Title Objections: Fourteen (14) days after delivery of Title Commitment, survey, and legible copies of instruments referenced in them.

5. Delivery of Sellers Cure Notice: Seven (7) days after delivery of Title Objections.

6. Buyers notice of acceptance of Sellers Cure Notice or Notice of Termination of Contract: earlier of Seven (7) days after: (a) deadline for Seller to provide Cure Notice or (b) delivery of Seller's Cure Noticenot agreeing to cure all the Title Objections

7. End of Inspection Period: one hundred sixty (160) days after the Effective Date.

8. Closing Date: on or before one hundred eighty (180)days after the Effective Date or at such time, date, and place as Seller and Buyer may agree upon.

A-2 Option to Extend Inspection Period and Closing

Buyer shall have the option in its sole discretion, to extend the inspection period and Closing Date set forth herein for a period not exceeding one hundred eighty (180) days, provided that Buyer pays Seller a non-refundable option fee of $1,000, which shall not be applied toward the Purchase Price, along with written notice of its election to exercise the Option no less than thirty (30) days prior to the original Closing Date. If Buyer elects to exercise the this Option, then simultaneous with its election notice and as a condition precedent to the effectiveness thereof, Buyer shall deliver to Escrow Agent the option fee for immediate distribution to Seller.

B. Closing Documents

1. At closing, Seller will deliver the following items:

   a. Special Warranty Deed: (1) with reservation of all of the oil, gas, and other minerals in, on, under, and that may be produced from the Property, with the provision that Seller shall not extract any oil, gas, or other minerals by open pit strip mining, or other surface removal methods except as may be done from adjacent property; and (2) excepting from this conveyance all of the groundwater from said Property, and expressly reserving unto Grantor and Grantor's successors and assigns forever all of the water rights associated with the Property, including the exclusive right of drilling, producing, saving, storing, transporting, selling, leasing and owning groundwater from the Property. The foregoing reservation does not include a right to enter upon or use the surface of the Property.

b. IRS Non-foreign person affidavit.

c. Satisfactory evidence of Seller's authority to close this transaction.

d. Such other documents (including a closing statement) as may be reasonably required to close this transaction and to permit the Title Company to issue the Owner's Title Policy.

2. At closing, Buyer will deliver the following items:

a. Balance of Purchase Price; and

b. Evidence of Buyer's authority to close this transaction.

The documents listed in this Section B are collectively known as the "Closing Documents.

C. Exhibits

The following are attached to and are a part of this Contract:

Exhibit A—Representations;
Exhibit B—Notices, Statements, and Certificates;
Exhibit C – Seller's Records;

D. Purchase and Sale of Property

Seller agrees to sell and convey the Property to Buyer subject to the terms and conditions herein and the reservations and exceptions to conveyance in the Special Warranty Deed, and Buyer agrees to purchase the Property for the Purchase Price and on the terms provided for herein.

E. Interest on Earnest Money

Title Company shall not be required to invest the Earnest Money in an interest-bearing account. Any interest earned on the Earnest Money will be paid to the party that becomes entitled to the Earnest Money.

F. Survey

Buyer, at Buyer's expense, shall commission a survey of the Property necessary to specifically identify the two acre parcel to be purchased. Buyer's notice to seller of objections to matters relating to the survey, if any, shall be made in the same manner and are due at the same time as Buyer's notice of title objections under Section A, "Deadlines for Performance and Other Dates."

G. Title and Survey

1. *Review of Title.*Pursuant to the requirements of the Texas Real Estate License Act (Tex. Oc. Code Sec. 1101.555), Buyer is advised that Buyer should either have the abstract covering the Property examined by an attorney of Buyer's own selection or be furnished with or obtain a policy of title insurance.

2. *Title Commitment; Title Policy.* "Title Commitment" means a Commitment for Issuance of an Owner Policy of Title Insurance by Title Company, as agent for Underwriter, stating the condition of title to the Property. The "effective date" stated in the Title Commitment must be after the Effective Date

of this Contract. "Title Policy" means an Owner Policy of Title Insurance issued by Title Company, as agent for Underwriter, in conformity with the last Title Commitment delivered to and approved by Buyer.

3. *Survey.* "Survey" means an on-the-ground, staked plat of survey and metes-and-bounds description of the Land, prepared by a state licensed Land Surveyor or another surveyor satisfactory to Title Company, dated after the Effective Date, and certified to: Buyer and Title Company to comply with the current standards and specifications as published by the Texas Society of Professional Surveyors for the Survey Category.

4. *Delivery of Title Commitment, Survey, and Legible Copies.* Seller must deliver the Title Commitment to Buyer and legible copies of the instruments referenced in the Title Commitment by the deadline stated in Section A.2. Buyer shall deliver a copy of any survey commissioned by Buyer at the time of delivery of any title objections.

5. *Title Objections.*Buyer has until the deadline stated in Section A.4.("Title Objection Deadline") to review the Title Commitment, Survey, and legible copies of the title instruments referenced in them and notify Seller of Buyer's objections to any of them ("Title Objections"). Buyer will be deemed to have approved all matters reflected by the Survey and Title Commitment to which Buyer has made no Title Objection by the Title Objection Deadline. The matters that Buyer either approves or is deemed to have approved are "Permitted Exceptions." If Buyer notifies Seller of any Title Objections, Seller has seven (7) days from receipt of Buyer's notice to notify Buyer whether Seller agrees to cure the Title Objections before closing ("Cure Notice"). If Seller does not timely give its Cure Notice or timely gives its Cure Notice but does not agree to cure all the Title Objections before closing, Buyer may, within the earlier of seven (7) days after:(a) the deadline for the giving of Seller's Cure Notice or (b) delivery of Seller's Cure Notice not agreeing to cure all the Title Objections, notify Seller that either this Contract is terminated (in which event the Earnest Money will be promptly returned to Buyer)or Buyer will proceed to close, subject to Seller's obligations to resolve the items listed in Schedule C of the Title Commitment, remove the liquidated liens, remove all exceptions that arise by, through, or under Seller after the Effective Date, and cure only the Title Objections that Seller has agreed to cure in the Cure Notice. At or before closing, Seller must remove all liquidated liens, remove all exceptions that arise by, through, or under Seller after the Effective Date of this Contract, and cure the Title Objections that Seller has agreed to cure.

H. Inspection Period

1. *Review of Seller's Records.* Seller will deliver to Buyer copies of Seller's records specified in **Exhibit C**, or otherwise make those records available for Buyer's review, by the deadline stated in Section A.

2. *Entry Onto the Property.* Seller agrees that Buyer and Buyer's employees, agents, representatives, contractors, architects, engineers and consultants shall have the right and license to enter upon the Premises from the Effective Date of this Contract until the close of the Inspection Period (as such Inspection Period may be extended), for the sole purposes of: (a) conducting any tests, surveys, environmental studies, investigations or analyses as Buyer deems appropriate on the following conditions:

a. In advance of entry upon the Premises, Buyer and Buyer's agents, representatives, contractors, architects, engineers or consultants, as applicable, must deliver evidence to Seller that Buyer has liability insurance for its proposed inspection activities, with coverages and in amounts that are currently required by Seller and City of San Angelo Office of Risk Management,;

b. Buyer must notify Seller in advance of Buyer's plans to conduct tests so that Seller may be present during the tests;

c. If the Property is physically altered because of Buyer's inspections, and Buyer fails to close the purchase of the Property, Buyer must return the Property to its pre-inspection condition promptly after the termination of this Contract (This provision shall survive termination of this Contract and closing);

d. Buyer must deliver to Seller copies of all inspection reports, other than those subject to the attorney-client privilege or reports containing economic analysis relating to the Property, that Buyer prepares or receives from third parties, consultants or contractors within the earlier of three (3) days after their receipt or preparation. Contract(this provision shall survive termination of this Contract and closing);

e. Buyer must abide by any other reasonable entry rules imposed by Seller.

3. *Environmental Assessment.* Buyer has the right to conduct environmental assessments of the Property. Seller will provide, or will designate a person with knowledge of the use and condition of the Property to provide, information requested by Buyer or Buyer's agent or representative regarding the use and condition of the Property during the period of Seller's ownership of the Property. Seller will cooperate with Buyer in obtaining and providing to Buyer or its agent or representative information regarding the Property.

4. *INDEMNITY.* **BUYER SHALL INDEMNIFY, DEFEND AND HOLD HARMLESS SELLER FROM AND AGAINST ANY AND ALL LOSSES, LIABILITIES, DAMAGES, CLAIMS, FINES, CAUSES-OF-ACTION, DEFICIENCIES, COSTS AND EXPENSES (INCLUDING REASONABLE ATTORNEYS' FEES AND OTHER LITIGATION EXPENSES) (COLLECTIVELY, "LOSSES") SUFFERED OR INCURRED BY SELLER SOLELY AS A RESULT OF THE ENTRY UPON THE PREMISES BY BUYER OR BUYER'S EMPLOYEES, AGENTS OR CONTRACTORS, AS PERMITTED BY SELLER PURSUANT TO THE PROVISIONS OF THIS CONTRACT, EXCEPT THOSE LOSSES ARISING OUT OF THE ACTS OR OMISSIONS OF SELLER AND THOSE FOR THE REPAIR OR REMEDIATION OF EXISTING CONDITIONS DISCOVERED BY BUYER'S INSPECTION. THE OBLIGATIONS OF BUYER UNDER THIS PROVISION WILL SURVIVE TERMINATION OF THIS CONTRACTAND CLOSING.**

5. *Brokerage Fees.* Buyer shall be responsible for all brokerage fees incurred by Buyer, if any, and shall hold Seller harmless from the payment thereof. This provision shall survive termination of this Contract and closing.

6. *Buyer's Right to Terminate.* Buyer may terminate this Contract for any reason whatsoever, in its sole discretion, by delivering notice of termination to Seller before the end of the Inspection Period (as such Inspection Period may be extended) and thereafter neither party shall have any rights or liabilities under this Contract, except for those matters contained in this Contract that expressly survive the termination of this Contract and the Earnest Money will be promptly returned to Buyer. If Buyer does not deliver notice to Seller of Buyer's termination of the Contract before the end of the Inspection Period (as such Inspection Period may be extended), Buyer waives the right to terminate this Contract pursuant to this provision.

7. *Buyer's Release of Seller.* Buyer hereby releases Seller and those persons acting on Seller's behalf from all claims and causes of action (including claims for attorney's fees and court and other costs) resulting from Buyer's investigation of the Premises, except for any claims arising out of the negligence or willful misconduct of Seller or any person acting on Seller's behalf. The obligations of Buyer under this provision will survive termination of this Contract and closing.

I. Representations

The representations from Seller to Buyer set forth in Exhibit A, attached hereto and made a part hereof for all purposes, are true and correct as of the Effective Date and must be true and correct on the Closing Date. Seller will promptly notify Buyer if Seller becomes aware that any of the representations are not true and correct.

J. Condition of the Property until Closing; Cooperation;

1. *Maintenance.* Until closing, Seller will (a) maintain the Property as it existed on the Effective Date, except for reasonable wear and tear and casualty damage; (b) operate the Property in the same manner as it was operated on the Effective Date; and (c) comply with all agreements and governmental regulations affecting the Property.

2. *Casualty Damage.* Seller will notify Buyer promptly after discovery of any casualty damage to the Property. Seller will have no obligation to repair or replace the Property if it is damaged by casualty before closing. Buyer may terminate this Contract in the event of any casualty damage to the Property by giving notice to Seller with fifteen days after receipt of Seller's notice of the casualty damage (provided that the Closing Date will be extended as necessary to give Buyer fifteen days to respond). If Buyer does not terminate this Contract, Seller will (a) convey the Property to Buyer in its damaged condition, and (b) assign to Buyer all of Seller's rights under any property insurance policies covering the Property. If Seller has not insured the Property and Buyer does not elect to terminate this Contract in accordance with this section, the Purchase Price will be reduced by the reasonable cost to repair the casualty damage. If Buyer elects to terminate this Contract, the Parties shall have no further right or obligation hereunder, except as otherwise provided in this Contract, and the Earnest Money shall be returned to Buyer.

3. *Condemnation.* Seller will notify Buyer promptly after Seller receives notice that any part of the Property has been or is threatened to be condemned or otherwise taken by a governmental or quasi-governmental authority. Buyer may terminate this Contract if the condemnation would materially affect Buyer's intended use of the Property by giving notice to Seller within fifteen days after receipt of Seller's notice to Buyer (or before closing if Seller's notice is received less than fifteen days before closing). If Buyer does not terminate this Contract, (a) Buyer and Seller will each have the right to appear and defend their respective interests in the Property in the condemnation proceedings, (b) any award in condemnation (excluding any award relating to adjoining or other property owned by Seller) will be assigned to Buyer, and (c) if the taking occurs before closing, the description of the Property will be revised to delete the portion taken and (d) no change in the Purchase Price will be made.

4. *Claims; Hearings.* Seller will notify Buyer promptly of any claim or administrative hearing that is threatened, filed, or initiated before closing that affects the Property.

5. Cooperation. Seller will cooperate with Buyer (a) before and after closing, to transfer the applications, permits, and licenses held by Seller and used in the operation of the Property and to obtain any consents necessary for Buyer to operate the Property after closing, (b) before closing, with any reasonable evaluation, inspection, audit, or study of the Property prepared by, for, or at the request of Buyer.

6. **DISCLAIMER OF WARRANTIES**. THIS CONTRACT IS AN ARM'S--LENGTH AGREEMENT BETWEEN THE PARTIES. THE PURCHASE PRICE WAS BARGAINED ON THE BASIS OF AN "AS IS, WHERE IS" TRANSACTION AND REFLECTS THE AGREEMENT OF THE PARTIES THAT THERE ARE NO REPRESENTATIONS, DISCLOSURES, OR EXPRESS OR IMPLIED WARRANTIES EXCEPT THOSE IN THIS CONTRACT AND THE CLOSING

DOCUMENTS. BUYER ACKNOWLEDGES THAT BUYER IS NOT RELYING ON ANY REPRESENTATIONS, DISCLOSURES, OR EXPRESS OR IMPLIED WARRANTIES OTHER THAN THOSE EXPRESSLY CONTAINED IN THIS CONTRACT AND THE CLOSING DOCUMENTS. BUYER IS NOT RELYING ON ANY INFORMATION REGARDING THE PROPERTY PROVIDED BY ANY PERSON, OTHER THAN BUYER'S OWN AND BUYER'S AGENT(S) INSPECTIONS AND THE REPRESENTATIONS AND WARRANTIES CONTAINED IN THIS CONTRACT AND THE CLOSING DOCUMENTS. SUBJECT TO THE FOREGOING REPRESENTATIONS AND WARRANTIES, THE PROPERTY WILL BE CONVEYED TO BUYER IN AN "AS IS, WHERE IS" CONDITION, WITH ALL FAULTS, WHETHER KNOWN OR UNKNOWN. ALL WARRANTIES, EXCEPT THE SPECIAL WARRANTY OF TITLE IN THE CLOSING DOCUMENTS, ARE DISCLAIMED.

BUYER ACKNOWLEDGES THAT ALL INFORMATION OBTAINED BY BUYER WAS OBTAINED FROM A VARIETY OF SOURCES, AND, EXCEPT FOR SELLER'S WRITTEN REPRESENTATIONS AND WARRANTIES AS MAY BE EXPRESSLY SET FORTH IN THIS AGREEMENT AND IN SELLER'S CLOSING DOCUMENTS, SELLER HAS NOT MADE, AND SHALL NOT BE DEEMED TO HAVE REPRESENTED OR WARRANTED THE COMPLETENESS, TRUTH OR ACCURACY OF ANY OF THE SUBMISSION DOCUMENTS OR OTHER SUCH INFORMATION HERETOFORE OR HEREAFTER FURNISHED TO BUYER. EXCEPT FOR SELLER'S WRITTEN REPRESENTATIONS, WARRANTIES AND COVENANTS AS MAY BE EXPRESSLY SET FORTH IN THIS AGREEMENT AND IN SELLER'S CLOSING DOCUMENTS, BUYER HAS NOT RELIED UPON AND WILL NOT RELY UPON, EITHER DIRECTLY OR INDIRECTLY, ANY REPRESENTATION, WARRANTY OR COVENANT OF SELLER OR ANY OF SELLER'S AGENTS OR REPRESENTATIVES. BUYER HEREBY ACKNOWLEDGES THAT NO SUCH REPRESENTATIONS, WARRANTIES OR COVENANTS HAVE BEEN MADE. BUYER REPRESENTS THAT IT IS A KNOWLEDGEABLE, EXPERIENCED AND SOPHISTICATED BUYER OF REAL ESTATE, AND THAT EXCEPT FOR SELLER'S WRITTEN REPRESENTATIONS, WARRANTIES AND COVENANTS AS MAY BE EXPRESSLY SET FORTH IN THIS AGREEMENT AND SELLER'S CLOSING DOCUMENTS, BUYER IS RELYING SOLELY ON ITS OWN EXPERTISE AND THAT OF BUYER'S CONSULTANTS IN PURCHASING THE PROPERTY. AS OF CLOSING, BUYER WILL HAVE BEEN GIVEN A SUFFICIENT OPPORTUNITY HEREIN TO CONDUCT AND WILL HAVE CONDUCTED SUCH INSPECTIONS, INVESTIGATIONS AND OTHER INDEPENDENT EXAMINATIONS OF THE PROPERTY AND RELATED MATTERS AS BUYER DEEMS NECESSARY, INCLUDING BUT NOT LIMITED TO THE PHYSICAL AND ENVIRONMENTAL CONDITIONS THEREOF, AND WILL RELY UPON SAME AND NOT UPON ANY STATEMENTS OF SELLER (EXCLUDING THE LIMITED MATTERS AS MAY BE REPRESENTED BY SELLER IN THIS AGREEMENT) NOR OF ANY OFFICER, DIRECTOR, EMPLOYEE, AGENT OR ATTORNEY OF SELLER.

K. Termination

1. *Disposition of Earnest Money after Termination*

   a. *To Buyer.* If Buyer terminates this Contract in accordance with any of Buyer's rights to terminate, then unless Seller delivers notice of Seller's objection to Title Company's release of the Earnest Money to Buyer within five days after Buyer delivers Buyer's termination notice to Seller and Title Company, Title Company is authorized, without any further authorization from Seller, to pay and deliver the Earnest Money to Buyer.

b. *To Seller.*If Seller terminates this Contract in accordance with any of Seller's rights to terminate, then unless Buyer delivers notice of Buyer's objection to Title Company's release of the Earnest Money to Seller within five days after Seller delivers Seller's termination notice to Buyer and Title Company, Title Company is authorized, without any further authorization from Buyer, to pay and deliver the Earnest Money to Seller.

2. *Duties after Termination.* If this Contract is terminated, Buyer shall promptly return to Seller all of Seller's records in Buyer's possession or control. After return of the documents and copies, neither party will have further duties or obligations to the other under this Contract, except for those obligations that cannot be or were not performed before termination of this Contact or that expressly survive termination of this Contract.

L. Closing

1. *Closing.* This transaction will close at Title Company's offices on or before the Closing Date. At closing, the following will occur:

a. *Closing Documents; Title Company Documents.* The Parties will execute and deliver the Closing Documents and any documents required by Title Company.

b. *Payment of Purchase Price.* Buyer will deliver the Purchase Price and other amounts that Buyer is obligated to pay under this Contract to Title Company in funds acceptable to Title Company. The Earnest Money will be applied to the Purchase Price.

c. *Disbursement of Funds; Recording; Copies.* Title Company will be instructed to disburse the Purchase Price and other funds in accordance with this Contract, record the Special Warranty Deed and the other Closing Documents directed to be recorded, and distribute documents and copies in accordance with the Parties' written instructions.

d. *Delivery of Seller's Records.* Seller will deliver to Buyer the originals or certified copies of Seller's Records specified in **Exhibit C**.

e. *Possession.* Seller will deliver possession of the Property to Buyer, subject to the terms of this Contract, Permitted Exceptions existing at closing and any liens and security interests created at closing to secure financing for the Purchase Price.

2. *Transaction Costs*

a. *Seller's Costs.* Seller will pay the basic charge for the Title Policy; one-half of the escrow fee charged by Title Company; the costs to prepare the deed; the costs to obtain, deliver, and record releases of all liens to be released at closing; the costs to record all documents to cure Title Objections agreed to be cured by Seller; the costs to obtain certificates or reports of ad valorem taxes; and any costs expressly required to be paid by Seller in this Contract; and Seller's expenses and attorney's fees.

b. *Buyer's Costs.* Buyer will pay: one-half of the escrow fee charged by Title Company; the costs to obtain, deliver, and record all documents other than those to be recorded at Seller's expense; the costs of any endorsements or modifications of the Title Policy requested by Buyer; the costs to obtain financing of the Purchase Price, including the incremental premium costs of the loan title policies and endorsements and deletions required by Buyer's lender; any other costs expressly required to be paid by Buyer in this Contract; and Buyer's attorney's fees and expenses.

c. *Ad Valorem Taxes.* Ad valorem taxes for the Property for the calendar year of closing will be prorated between Buyer and Seller as of the Closing Date. Seller's portion of the prorated taxes will be paid to Buyer at closing as an adjustment to the Purchase Price. If the assessment for the calendar year of closing is not known at the Closing Date, the proration will be based on taxes for the previous tax year, and Buyer and Seller will adjust the prorations in cash within thirty days of when the actual assessment and taxes are known. Seller will promptly notify Buyer of all notices of proposed or final tax valuations and assessments that Seller receives after the Effective Date and after closing. All taxes due as of closing will be paid at closing. If the Property has been the subject of special valuation and reduced tax assessments pursuant to the provisions of Chapter 23, Subchapter D, of the Texas Tax Code with respect to any period before the closing and additional taxes are assessed pursuant to Section 23.55 thereof entitled "Change of Use of Land", and Buyer's use of the Property results in the assessment of additional taxes for periods before closing, Buyer will pay the additional taxes.

d. *Post closing Adjustments.* If errors in the prorations made at closing are identified within ninety days after closing, Seller and Buyer will make postclosing adjustments to correct the errors within fifteen days of receipt of notice of the errors.

e. *Buyer's Brokers Commissions.* BUYER SHALL INDEMNIFY, DEFEND AND HOLD SELLER HARMLESS FROM ANY LOSS, ATTORNEY'S FEES, AND COURT AND OTHER COSTS ARISING OUT OF A CLAIM BY ANY PERSON OR ENTITY CLAIMING BY, THROUGH, OR UNDER THE BUYER FOR A BROKER'S OR FINDER'S FEE OR COMMISSION BECAUSE OF THIS TRANSACTION OR THIS CONTRACT, WHETHER THE CLAIMANT IS DISCLOSED TO THE SELLER OR NOT. AT CLOSING, BUYER WILL PROVIDE SELLER WITH A RELEASE OF BROKER'S OR APPRAISER'S LIENS FROM ALL BROKERS OR APPRAISERS FOR WHICH BUYER WAS RESPONSIBLE.

3. *Issuance of Title Policy.*Seller will cooperate with the Title Company to issue the Title Policy to Buyer as soon as practicable after closing.

M. Default and Remedies

1. *Seller's Default.* If Seller fails to perform any of its obligations under this Contract and fails to cure such default after notice as herein provided, Buyer may elect to terminate this Contract by giving notice to Seller on or before the Closing Date and have that portion of the Earnest Money to which Buyer would be entitled under K. Termination 1.a. returned to Buyer.

2. *Buyer's Default.* If Buyer fails to perform any of its obligations under this Contract and fails to cure such default after receiving notice as herein provided ("Buyer's Default"), Seller may terminate this Contract by giving notice to Buyer on or before the Closing Date and have all of the Earnest Money including Option Consideration, if any, disbursed by Title Company to Seller. Seller may elect either of the following as its sole and exclusive remedy:

a. *Termination; Liquidated Damages.* Seller may terminate this Agreement by giving notice to Buyer on or before the Closing Date and have the Earnest Money paid to Seller; or

b. *Specific Performance.* Seller may enforce specific performance of Buyer's obligations under this contract. If title to the Property is awarded to Buyer, the conveyance will be subject to the matters stated in the Title Commitment.

3. *Liquidated Damages.* The Parties agree that just compensation for the harm that would be caused by a default by either party cannot be accurately estimated or would be very difficult to accurately estimate and that the Earnest Money and the amounts provided above are reasonable forecasts of just compensation to the non-defaulting party for the harm that would be caused by a default.

4. *Attorney's Fees.* If either party employs an attorney, including an attorney who is a regular employee of Buyer, to enforce this Contract, the party prevailing in litigation is entitled to recover reasonable attorney's fees and court and other costs.

N. Miscellaneous Provisions

1. *Notices.* Any notice required by or permitted under this Contract must be in writing. Any notice required by this Contract will be deemed to be delivered (whether actually received or not) on the third day after deposited with the United States Postal Service, postage prepaid, certified mail, return receipt requested, and addressed to the intended recipient at the address shown in this Contract. Notice may also be given by regular mail, personal delivery, courier delivery, facsimile transmission, or other commercially reasonable means and will be effective when actually received. Any address for notice may be changed by written notice delivered as provided herein.

2. *Entire Contract.* This Contract, together with its exhibits, and any Closing Documents delivered at closing constitute the entire agreement of the Parties concerning the sale of the Property by Seller to Buyer. There are no oral representations, warranties, agreements, or promises pertaining to the sale of the Property by Seller to Buyer not incorporated in writing in this Contract.

3. *Amendment.* This Contract may be amended only by an instrument in writing signed by the Parties.

4. *Assignment.* Buyer may not assign this Contract or any of Buyer's rights under it without Seller's prior written consent. This Contract binds, benefits, and may be enforced by the Parties and their respective heirs, successors, and permitted assigns.

5. *Survival.* The obligations of this Contract that cannot be performed before termination of this Contract or before closing will survive termination of this Contract or closing, including but not limited to the provisions of: Part H subpart 4.; Part J. subpart 6.; Part K.; Part L., 2., e.; and Part M. The legal doctrine of merger will not apply to these matters. If there is any conflict between the Closing Documents and this Contract, the Closing Documents will control.

6. *Choice of Law; Venue; Alternative Dispute Resolution.* This Contract will be construed under the laws of the state of Texas, without regard to choice-of-law rules of any jurisdiction. The parties agree that venue for resolution of any contract dispute shall lie exclusively in the state courts in Tom Green County, Texas.

7. *Waiver of Default.* It is not a waiver of default if the non-defaulting party fails to declare immediately a default or delays taking any action with respect to the default.

8. *No Third-Party Beneficiaries.* There are no third-party beneficiaries of this Contract.

9. *Severability.* The provisions of this Contract are severable. If a court of competent jurisdiction finds that any provision of this Contract is unenforceable, the remaining provisions will remain in effect without the unenforceable parts.

10. *Ambiguities Not to Be Construed against Party Who Drafted Contract.* The terms of this Contract are the result of negotiation between the Parties. The rule of construction that ambiguities in a document will be construed against the party who drafted it will not be applied in interpreting this Contract.

11. *No Special Relationship.* The Parties' relationship is an ordinary commercial relationship, and they do not intend to create the relationship of principal and agent, partnership, joint venture, or any other special relationship.

12. *Counterparts.* If this Contract is executed in multiple counterparts, all counterparts taken together will constitute this Contract.

13. *Binding Effect.* This Contract binds, benefits, and may be enforced by the Parties and their respective heirs, successors, and permitted assigns.

14. *Subject to Approval of COSADC Board and City Council.* The binding effect of this Contract on Seller is subject to approval of the COSADC Board and City Council for the City of San Angelo.

(Signature Page to Follow)

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed by the partieson the day and year indicated below each signature.

SELLER:
CITY OF SAN ANGELO DEVELOPMENT CORPORATION

By:___ _______________
Tommy Hiebert, [illegible]., President

Date: ______________________________

BUYER: WORNAT-ABILENE, LLC

By: ______________________________
Larry Wornat, Managing Member of
WORNAT MANAGEMENT, LLC,
Managing Member of
WORNAT ABILENE, LLC

Date: 04- 13, 2016

First Title Company acknowledges receipt of Earnest Money in the amount of $1,000.00 and a copy of this Contract executed by both Buyer and Seller.

By: ______________________________

Title: ______________________________

Date: ______________________________

APPROVED AS TO CONTENT

____
Robert Schneeman, Economic Development Coordinator

APPROVED AS TO FORM

____
Dan T. Saluri, Deputy City Attorney

Exhibit A

Representations

A. Seller's Representations to Buyer

Seller represents to Buyer that the following are true and correct as of the Effective Date and will be true and correct on the Closing Date.

1. *Litigation.* Seller has not received notice of litigation pending or threatened against Seller that might affect the Property or Seller's ability to perform its obligations under this Contract.

2. *Violation of Laws.* Seller has not received notice of violation of any law, ordinance, regulation, or requirements affecting the Property or Seller's use of the Property.

3. *Municipal Setting Designation.* The Property is within a municipal setting designation established by municipal ordinance. City of San Angelo Code of Ordinances at Article 7.04 "Municipal Setting Designations".

4. *Licenses, Permits, and Approvals.* Seller has not received notice that any license, permit, or approval necessary to operate the Property in the manner in which it is currently operated will not be renewed on expiration or that any material condition will be imposed in order to obtain their renewal.

5. *Condemnation; Zoning; Land Use; Hazardous Materials.* Seller has not received notice of any condemnation, zoning, or land-use proceedings affecting the Property or any inquiries or notices by any governmental authority or third party with respect to the presence of hazardous materials on the Property or the migration of hazardous materials from the Property. Furthermore, Seller represents:

    a. that the Property is not subject to investigation by any governmental agencies under any laws pertaining to health, safety or the environment;

    b. that Seller is not on notice of any pending lawsuits or administrative proceedings by third Parties or governmental agencies involving health, safety or environmental matters with respect to the Property;

    c. that to Seller's information and belief the uses and operations conducted on the Property have not involved the treatment, storage, disposal, incineration or recycling of hazardous substances or solid wastes;

    d. that to Seller's information and belief hazardous substances or solid wastes have not been treated, stored, disposed of, incinerated or recycled at or on the Property;

    e. that to Seller's information and belief the Property has not been used for industrial or commercial operations involving hazardous substances or solid wastes;

    f. to Seller's information and belief that hazardous substances or solid wastes have not been spilled, disposed of, discharged or released on or in the Property;

    g. to Seller's information and belief that there are no aboveground or underground hazardous substance storage tanks on the Property;

6. *No Other Obligation to Sell the Property or Restriction against Selling the Property.* Seller has not obligated itself to sell the Property to any party other than Buyer. Seller's performance of this

Contract will not cause a breach of any other agreement or obligation to which Seller is a party or to which it is bound.

7. *No Liens.* On the Closing Date, the Property will be free and clear of all mechanic's and materialman's liens (except for mechanic and materialman's liens for work done at request of Buyers in possession, if any) and other liens and encumbrances of any nature except the Permitted Exceptions, and no work or materials will have been furnished to the Property that might give rise to mechanic's, materialman's, or other lien against the Property other than work or materials to which Buyer has given its consent.

8. *No Other Representation.* Except as stated above or in the notices, statements, and certificates set forth in **Exhibit B**, Seller makes no representation with respect to the Property.

[End of Exhibit A]

Exhibit B

Notices, Statements, and Certificates

NOTICE REGARDING POSSIBLE LIABILITY FOR ADDITIONAL TAXES

If for the current ad valorem tax year the taxable value of the land that is the subject of this Contract is determined by a special appraisal method that allows for appraisal of the land at less than its market value, the person to whom the land is transferred may not be allowed to qualify the land for that special appraisal in a subsequent tax year and the land may then be appraised at its full market value. In addition, the transfer of the land or a subsequent change in the use of the land may result in the imposition of an additional tax plus interest as a penalty for the transfer or the change in the use of the land. The taxable value of the land and the applicable method of appraisal for the current tax year is public information and may be obtained from the tax appraisal district established for the county in which the land is located.

[End of Exhibit B]

Exhibit C

Seller's Records

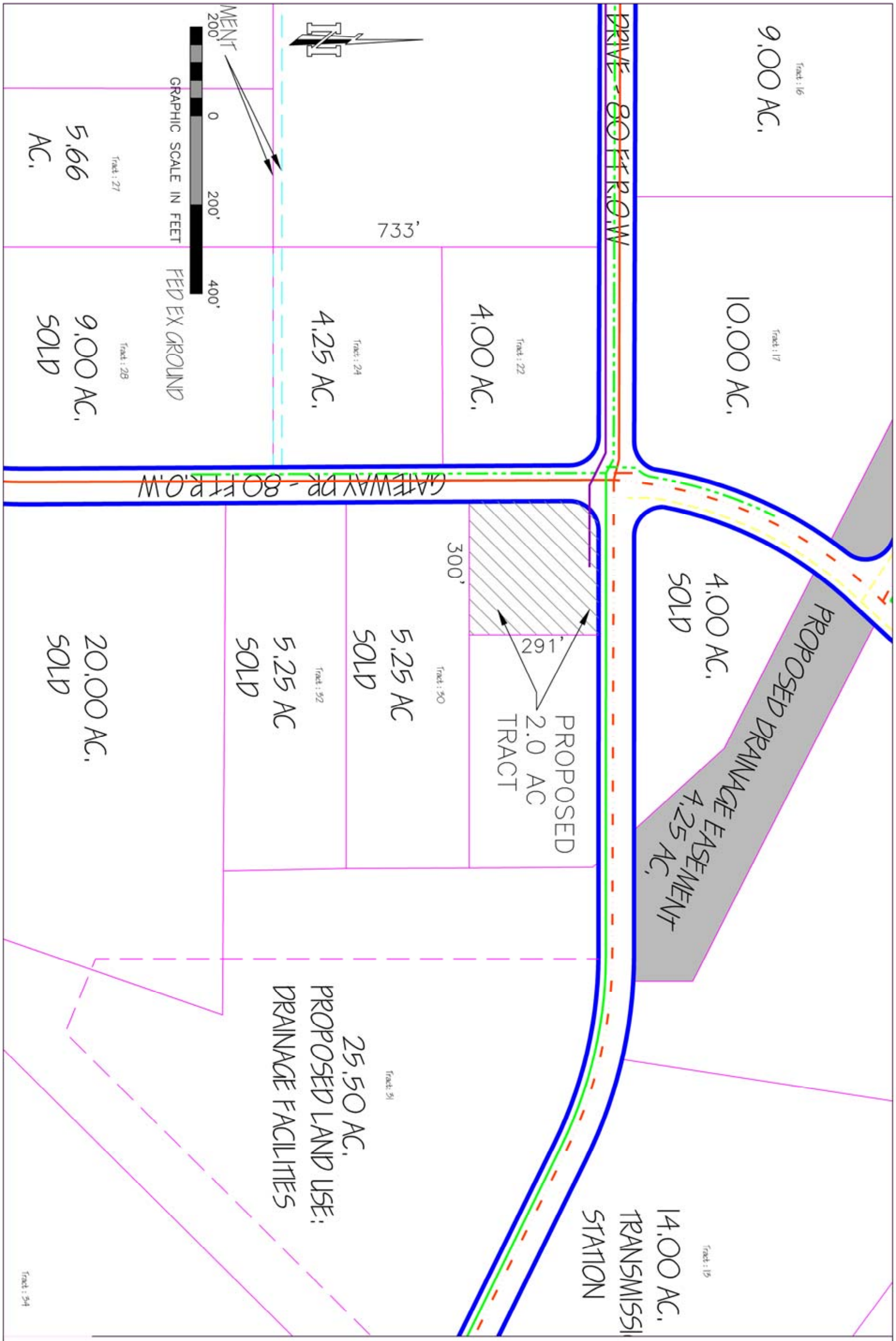
To the extent that Seller has possession of the following items pertaining to the Property, Seller will deliver or make the items or copies of them available to Buyer by the deadline stated in Section A:

Governmental

Governmental licenses, certificates, permits, and approvals; ad valorem tax statements for the current year and the last 2 years; notices of appraised value for the current year and the last 2 years; records of regulatory proceedings or violations (for example, condemnation, environmental); notices from the governing municipality

Land

Soil reports
Environmental reports
Water rights conveyances
Engineering reports
Prior surveys
Site plans
Any title report or title insurance or insurance commitment in possession of Seller
Any easements or rights-of-way benefitting or burdening the Land
Floor maps
Geotechnical reports
Topographical contour maps
Aerial photographs
Tax parcel maps
Wetlands studies
Leases and service contracts in effect with respect to the Property



2.0 ACRE TRACT EXHIBIT

DATE
BY
PAGE

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

Requestor: Robert Bluthardt, Fort Concho Manager, Fort Concho, 325-487-2730

Meeting Date: May 18, 2016

Item type: Consent Item

Caption:

Consider approval of Interlocal Agreement between the Health and Human Services Commission of the State of Texas and the City of San Angelo for reimbursement of $30,000 for architectural design services for project at Chase State Office Building - (R.Bluthardt)

Summary/History:

The Health and Human Services Commission of the State of Texas (HHSC) asked the City of San Angelo, lessor of the Chase State Office Building, to create plans for office expansion. The City did so and incurred expenses, but the project was not done. This is a partial reimbursement of the city's costs.

Financial Impact:

$30,000 will be credited to Find 201, State Office Buildings, and used for future maintenance and repair projects

Other Information/Recommendation:

The plans could be used or modified in the future should additional space be needed by HHSC or another appropriate agency.

Attachments:

1. 16-228 Interlocal Agreement HHSC   16-228 Interlocal Agreement HHSC.docx

Presentation:

Approvals/Reviews:

Robert Bluthardt	Created/Initiated
Carl White	Approved
Theresa James	Approved
Tina Carriger	Approved
Theresa James	Approved
Becky Dunn	Approved
Bryan Kendrick	Final Approval

INTERLOCAL AGREEMENT
HEALTH AND HUMAN SERVICES COMMISSION
CONTRACT NO.

THE HEALTH AND HUMAN SERVICES COMMISSION ("System Agency") and **THE CITY OF SAN ANGELO** ("Local Government"), each a "Party" and collectively the "Parties," enter into the following agreement (the "Agreement") pursuant to the provisions of the "Interlocal Cooperation Act," Chapter 791 of the Texas Government Code.

I. PARTIES

System Agency	Local Government
Name: Health and Human Services Commission	Name: City of San Angelo
Address: 4900 North Lamar Blvd.	Address: 630 South Oakes
City and Zip: Austin, Texas 78751	City and Zip: San Angelo, Texas 76903
Contact Person: Rolando Garza	Contact Person: Robert Bluthardt
Telephone: (512) 424-6660	Telephone: (325) 481-2646
Fax number: (512) 424-6955	Fax Number: (325) 657-4540
E-Mail Address: Rolando.Garza@hhsc.state.tx.us	E-Mail Address: Robert.Bluthardt@cosatx.us
Agency Number: 529	Agency Number:

II. STATEMENT OF SERVICES PROVIDED

The Parties agree that the Local Government, as a lessor of office space to the System Agency, provided initial preparation of office space located within the Ralph Chase Building at 622 South Oakes Street in San Angelo, Texas at the direction of and for System Agency staff, as occupant. The initial preparation of the space included architectural design services, which the Local Government procured in accordance with its standard procurement process, and completed at the request of the System Agency.

III. CONTRACT PERIOD AND RENEWAL

This Agreement is effective upon the date last signed and expires upon completion of each parties duties hereunder, unless renewed, extended, or terminated pursuant to the terms and conditions of the Contract.

IV. AMENDMENT

The Parties to this Contract may modify this contract only through the execution of a written amendment signed by both parties.

V. CONTRACT AMOUNT AND PAYMENT FOR SERVICES

The total amount of this Agreement, shall not exceed a reimbursement of $30,000.00 to be paid by System Agency to the Local Government for architectural design services.

VI. LEGAL NOTICES

Legal Notices under this Contract shall be deemed delivered when deposited either in the United States mail, postage paid, certified, return receipt requested; or with a common carrier, overnight, signature required, to the appropriate address below:

System Agency
Health and Human Services
4900 North Lamar Blvd
Austin, Texas 78751
Attention: Karen Ray

Local Government
City of San Angelo
72 W. College Ave.
San Angelo, Texas 76903
Attention: Robert Bluthardt

Notice given in any other manner shall be deemed effective only if and when received by the Party to be notified. Either Party may change its address for receiving legal notice by notifying the other Party in writing.

VII. CERTIFICATIONS

The undersigned contracting parties certify that:

(1) the services specified above are necessary and essential for activities that are properly within the statutory functions and programs of the affected agencies of state government;

(2) Each Party executing this Contract on its behalf has full power and authority to enter into this Contract.

(3) the proposed arrangements serve the interest of efficient and economical administration of state government; and

(4) the services contracted for are not required by Section 21, Article XVI of the Constitution of Texas to be supplied under a contract awarded to the lowest responsible bidder.

The System Agency further certifies that it has statutory authority to contract for the services described in this contract under Texas Government Code, Subtitle D, TFC Lease No. 9918 and Texas Government Code Chapter 791, Interlocal Cooperation Act.

The Local Government further certifies that it has statutory authority to contract for the services described in this contract under Texas Government code Chapter 791, Interlocal Cooperation Act.

SIGNATURE PAGE FOLLOWS

SIGNATURE PAGE FOR SYSTEM AGENCY CONTRACT NO.

SYSTEM AGENCY	**LOCAL GOVERNMENT**
______________________________	______________________________
Signature	Signature
______________________________	Daniel Valenzuela________________
Printed Name	Printed Name
______________________________	City Manager____________________
Title	Title
______________________________	May 18, 2016____________________
Date	Date

ATTEST:

____

BRYAN KENDRICK, City Clerk

APPROVED AS TO CONTENT	APPROVED AS TO FORM
______________________________	______________________
Robert Bluthardt	Theresa James, City Attorney

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

Requestor: Jon James, Director of Planning & Development Services, Planning and Development Services, x1180

Meeting Date: May 18, 2016

Item type: Regular Item

Caption:

Second Reading on an ordinance amending Chapter 2, "Administration and Personnel", Article 2.07, "Boards, Committees, and Commissions", Division 10, "Tax Increment Reinvestment Zone Board", and removing Chapter 2, "Administration and Personnel", Article 2.07, "Boards, Committees, and Commissions", Division 11, "Downtown Development Commission" - (J. James)

Summary/History:

At the July 21st City Council meeting, the Council discussed recommendations from the TIRZ board concerning incentive requests made under the FY15 TIRZ Incentives policy, and emphasized their desire to revisit the policy, bylaws, and ordinance for the TIRZ board. At the September 16th meeting of the TIRZ board, staff presented some proposed changes for consideration. No action was taken. During the December 8th meeting of the DDC, the board discussed the idea of consolidation. At the December 16th meeting of the TIRZ board, the board also discussed this idea of consolidation. Since this meeting, additional discussions have continued amongst the TIRZ members, DDC members, some Council members, and the City staff regarding a proposal to consolidate the TIRZ and the DDC into a single board.

Attached are the current ordinance and current bylaws for this board, with the suggested changes redlined for ease in reading. Below is a brief summary of each of the changes being presented for consideration.

AMENDMENTS TO ORDINANCE – ALL PROPOSED UNTIL AND UNLESS ADOPTED

1. All references to "chairman" are changed to "chair".
2. Article 2, Division 10, Section 2.07.281 – Creation; members

   The heading was changed from "Creation; members" to "Organization and Procedure".

   The current membership of the board is a total of fifteen (15) members, representing: the City of San Angelo (8), Tom Green County (4), GAFB (1), ASU (1), SAISD (1). The City representatives must include a resident of SMD #2, SMD #3, SMD #4, & SMD #5, as well as three business owners from within the zone. The County representatives must include a property owner within the zone and 2 business owners within the zone.

   State law only requires representation by the financial participants – in this case, the City and County – and at least 5 but not more than 15 members.

   The revised proposal is to reduce the number of voting members to a total of nine (9). Seven (7) members would represent the City of San Angelo, appointed one each by the Mayor and City Council members. Two (2) members would represent Tom Green County.
   Five additional non-voting, advisory members would represent the following organizations: Goodfellow Air Force Base, Angelo State University, San Angelo Independent School District, Downtown San Angelo, Inc., and

the Chamber of Commerce. ***<u>NOTE: The revised draft ordinance does not apply terms or term limits to these advisory members.</u>***

3. Also proposed for addition to the document are statements specific to removal (consistent with other board and commission ordinances), record keeping (to be done by the City Clerk), and vacancies (related to unexpired terms and serving until a replacement is appointed.
4. Article 2, Division 10, Section 2.07.282 – Qualifications

   One of the two current requirements states that the individual must own real property within the zone, in addition to being a qualified voter of the city.

   The revised proposal would require that appointees of council members representing Single Member Districts (SMDs) two, three, and four shall live, work and/or own property within the TIRZ – North. Appointees of council members representing Single Member Districts (SMDs) one, five, and six shall live, work and/or own property within the TIRZ – South.

5. Article 2, Division 10, Section 2.07.283 – Terms

   The terms for the initial appointment of members are proposed to be staggered, to prevent a scenario in which all members' terms are expired at the same time.

6. Article 2, Division 10, Section 2.07.284 – Duties

   An addition is proposed, to insert the language that "all action by the board is subject to city council approval." This suggestion has been discussed by the Council and staff in previous meetings.

   In addition, to integrate the ongoing duties of the Downtown Development Commission into the TIRZ board, the following three items were added: recommendations regarding expenditures related to development and redevelopment of land within the zone, acting as the lead entity in working with other boards and commissions regarding incentives, regulations, and physical/economic development, and an annual progress report to Council. These echo duties outlined in the ordinance establishing the Downtown Development Commission and ensure these actions continue via the TIRZ board. State law also requires an annual report of the TIRZ, which was not mentioned in the previous ordinance version.

7. Article 2, Division 10, Section 2.07.285 – Officers

   Added that the City Council shall appoint a chair for the TIRZ – this is a requirement in the Local Government Code which was previously not mentioned within the bylaws.

8. Article 2, Division 10, Section 2.07.292 – Conflicts of Interest

The conflict of interest language, mirroring that adopted by COSADC, was inserted here, as proposed. It addresses conflicts as they pertain to Council members, TIRZ members, and staff; namely, that eligibility for assistance does not exist for a Council member, TIRZ board member, or Planning & Development Services Department member (or a person related to any of these within the second degree by consanguinity or affinity) until they have vacated that position for at least six months.

An effective date of June 21, 2016 was added to clarify the transition period, allowing the existing TIRZ Board to complete unfinished business at their meetings in May and June, and giving adequate time for the City and County to appoint new members prior to the July meeting.

Financial Impact:

N/A

Other Information/Recommendation:

City staff **recommends approving** these amendments as revised.

Attachments:

1.	TIRZ Ordinance changes	TIRZ Ordinance_final(revised by CC).pdf
2.	TIRZ Ordinance & Resolution	Ordinance&resolution_051816.pdf
3.	TIRZ Board Minutes - March 23, 2016	March 23, 2016 Draft Minutes.pdf
4.	DDC Minutes - March 29, 2016	March 29, 2016 Minutes.doc
5.	TIRZ Board Minutes - March 30, 2016	March 30, 2016 Minutes.pdf
6.	TIRZ Board Survey - Executive Summary	TIRZ Executive Summary .pdf
7.	TIRZ-DDC Reorganization Presentation	TIRZ-DDC Reorganization 2016-04-19.pptx

Presentation:

Jon James, Director of Planning & Development Services

Approvals/Reviews:

Jon James	Created/Initiated
Jon James	Approved
Theresa James	Approved
Tina Carriger	Approved
Theresa James	Approved
Becky Dunn	Approved
Bryan Kendrick	Final Approval

Division 10. Tax Increment Reinvestment Zone Board*

Sec. 2.07.281 ~~Creation; members~~Organization and Procedure

There is hereby created within the city a tax increment reinvestment zone board~~. Said board shall be composed of fifteen (15) members. The members shall be appointed as follows:~~ that consists of nine (9) regular board members to be filled by nomination and appointment as follows:

(1) ~~Five (5) shall be appointed by the city council from those who own property within the zone, of which four (4) shall reside within single-member districts (SMD) #2, #3, #4, and #5 respectively;~~One (1) board seat shall be appointed by city council from a nomination of the mayor;

(2) ~~One (1) shall be appointed by the county commissioners from those who own property within the zone;~~Each of six board member seats shall be appointed by city council, designated for city council single member districts one through six respectively, from nomination of each council member; ~~representing each designated single member district;~~

(3) ~~Three (3) shall be appointed by the city council from those who own businesses within the zone;~~

(4) Two (2) board member seats shall be appointed by the ~~county commissioners from those who own businesses within the zone;~~County Commissioners Court, Tom Green County;

~~(5) One (1) member shall be appointed by the county;~~

~~(6) One (1) member shall be appointed by Goodfellow Air Force Base;~~

~~(7) One (1) member shall be appointed by Angelo State University; and~~

~~(8) One (1) member shall be appointed by San Angelo Independent School District.~~

In addition, there shall be five (5) non-voting, ex-officio members who will attend and participate in an advisory capacity. Each one of the five will be a representative of each the following organizations: San Angelo Chamber of Commerce, Downtown San Angelo, San Angelo Independent School District, Goodfellow Air Force Base, and Angelo State University.

Sec. 2.07.282 Qualifications

~~All members shall be:~~

~~(1) A qualified voter of the city; or~~

~~(2) At least 18 years of age and own real property in the zone, whether or not the individual resides in the municipality.~~

All regular and alternate board members shall be at least eighteen (18) years of age and a resident of Tom Green County. Any regular board member who ceases to possess such qualifications shall automatically be deemed to have vacated his or her membership on the board.

Appointees of council members representing Single Member Districts (SMDs) two, three, and four shall live, work and/or own property within the TIRZ – North. Appointees of council members representing Single Member Districts (SMDs) one, five, and six shall live, work and/or own property within the TIRZ – South.

Sec. 2.07.283 Terms

~~(a) Of the members first appointed by the city council, five (5) shall be appointed for a term of two (2) years, and three (3) shall be appointed for a term of one (1) year. Of the members first appointed by the county, two (2) shall be for a one (1) year term. Appointments by all other entities shall be for two (2) year terms.~~

~~(b) All additional appointments shall be for a term of two (2) years, except vacancies for unexpired terms, which shall be filled for the remainder of the unexpired term. Members may serve three (3) consecutive two (2) year terms and then may be reappointed after one (1) year has passed.~~

(1) Of the initial board member appointments by city council after the effective date of the ordinance, four (4) shall be for a two (2) year term, and three (3) shall be for a three (3) year term. Of the initial board member appointments by the county commissioners' court after the effective date of this ordinance, one (1) shall be for a two (2) year term, and one (1) shall be for a three (3) year term.

(2) All appointments for regular board members made after the initial appointments shall be for a term of two (2) years, except vacancies for unexpired terms, which shall be filled for the remainder of the unexpired term, thereby maintaining staggered terms. Ex-officio members will not have terms or term limitations.

(~~2~~3) No individual may serve more than three, full consecutive board member terms, except after one full year from the date of last service as a board member.

Sec. 2.07.284 Duties

The TIRZ board shall act as an advisory board to the city council in the operation and administration of the TIRZ; all action by the board is subject to city council approval. The authority and responsibility of the board expressly includes:

(1) Make recommendations to the city council regarding the administration of this division.

(2) Make recommendations to the city council regarding agreements that are necessary or convenient to implement the project plan and reinvestment zone financing plan.

(3) Make recommendations to the city council regarding agreements with local governments or political subdivisions for management of the zone or implementing the project plan and reinvestment zone financing plan.

(4) Make recommendations to the city council regarding establishing and providing for the establishment of programs that:

(A) Develop and diversify the economy of the zone;

(B) Eliminate unemployment and underemployment in the zone;

(C) Develop or expand transportation, business and commercial activity in the zone;

(D) Make grants and loans; and

(E) Stimulate business and commercial activity in the zone.

(5) Contract with the city regarding allocation from the tax increment fund to pay for the incremental costs of providing municipal services incurred as a result of the creation of the zone or the development or redevelopment of land within the zone.

(6) Make recommendations to the city council regarding the expenditure of TIRZ funds related to development and redevelopment of land within the zone, in conformance with the following process:

(A) An affirmative recommendation to expend TIRZ funds for a project in the same area as that from which the funds are derived requires a simple majority vote of the TIRZ board members present when the matter is voted upon. The city council may approve expenditures under this subsection by a simple majority vote if such expenditure is recommended by the TIRZ board.

(B) An affirmative recommendation to expend TIRZ funds for a project located in the area outside that from which the funds are derived requires an affirmative vote by three-quarters of the TIRZ board members present when the matter is voted upon. The city council may only approve expenditures under this subsection when such expenditures are recommended by the TIRZ board and with an affirmative vote of six (6) members of the city council.

(7) Acting as the lead entity in working with other boards and commissions regarding incentives, regulations, infrastructure and all other physical and economic development decisions related to the TIRZ district.

(8) Providing a progress report to the city council annually, or as requested by the city council.

Sec. 2.07.285 Officers

~~The board shall elect a chairman~~The city council shall appoint a chair, as established in Section 311.009.f of the Local Government Code, for a term of one year, beginning in January. The board may appoint ~~and such~~ other officers as it may establish in its bylaws.

Sec. 2.07.286 Quorum

A simple majority of the duly appointed voting members of the board shall constitute a quorum. In the event that a regular or specially called meeting of the board occurs without appointment of a new member (if the vacancy is that of a voting member), a majority of the remaining voting members shall constitute a quorum.

Sec. 2.07.287 Bylaws

The board shall write its own bylaws establishing its own rules for its regulation. Said bylaws and amendments thereto shall be filed with the city clerk.

Sec. 2.07.288 Meetings

The board shall hold regular monthly meetings that shall be open to the public and at a time and place to be established in its bylaws. It may also hold such other meetings as may be necessary to accomplish the purpose of its creation and as established in its bylaws. All meetings shall be public and shall conform to law.

Sec. 2.07.289 Minutes

The board shall keep a record of its proceedings in a permanent book, and a signed copy of said minutes shall be given to the city clerk.

Sec. 2.07.290 Absent members

In the event of three (3) consecutive absences or a cumulative total of four (4) absences by a member within a calendar year from regularly scheduled meetings, a board member shall be deemed to have resigned unless the board excused such absences by procedures established in its bylaws.

Sec. 2.07.291 Severability

The terms and provisions of this division shall be deemed to be severable in that, if any portion of this division shall be declared to be invalid, the same shall not affect the validity of the other provisions of this division.

Sec. 2.07.292 Conflicts of Interest

(1) No member of the board shall participate in any case in which he or she has financial or personal interest in the property concerned, or will be directly affected by the decision, or has any other conflict of interest as defined by applicable law. The determination of "substantial" interest in a business entity, as well as rules affecting participation of board members in cases affected thereby, are described in Chapter 171 in the State of Texas Local Government Code.

(2) No member of the San Angelo city council, or person related to a council member within the second degree by consanguinity or affinity, shall be eligible for a grant or assistance from the board during his/her tenure or for six months thereafter.

(3) No member of the TIRZ board, or person related to a board member within the second degree by consanguinity or affinity, shall be eligible for a grant or assistance from the board during his/her tenure or for six months thereafter.

(4) No employee of the Planning & Development Services Department, or person related to an employee or supervisor of this Department within the second degree by consanguinity or affinity, shall be eligible for assistance from the TIRZ during his/her employment or for six months thereafter.

(5) A member may disqualify himself/herself from voting whenever any requestor, or his/her agent, has sought to influence the vote of the member in any setting, other than in the public meeting.

Secs. 2.07.~~292~~293–2.07.310 Reserved

AN ORDINANCE OF THE CITY OF SAN ANGELO, TEXAS, AMENDING CHAPTER 2 "ADMINISTRATION," ARTICLE 2.7 "BOARDS, COMMITTEES AND COMMISSIONS," DIVISION 10 "TAX INCREMENT REINVESTMENT ZONE BOARD," SECTIONS 2.07.281 "ORGANIZATION AND PROCEDURE", 2.07.282 "QUALIFICATIONS" AND 2.07.283 "TERMS" BY RESTATING SAID SECTIONS IN THEIR ENTIRETY TO PROVIDE FOR A TAX INCREMENT REINVESTMENT ZONE BOARD OF TWELVE BOARD MEMBERS; PROVIDING FOR QUALIFICATIONS OF BOARD MEMBERS; ADDING A NEW SECTION 2.07.292 PROVIDING FOR CONFLICTS OF INTEREST; REMOVING CHAPTER 2 "ADMINISTRATION," ARTICLE 2.7 "BOARDS, COMMITTEES AND COMMISSIONS," DIVISION 11 IN ITS ENTIRETY, THUS ELIMINATING THE DOWNTOWN DEVELOPMENT COMMISSION; RATIFYING OTHER ACTIONS; PROVIDING FOR SEVERABILITY; AND, PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, the City Council for the City of San Angelo adopted an ordinance on December 19, 2006, creating a tax increment reinvestment zone, "Reinvestment Zone Number One, City of San Angelo" to preserve the near and long term integrity of the economic and social investment in the designated area and needed to encourage additional new projects within the designated area; and,

WHEREAS, the City of San Angelo draws upon its citizens for their experience, knowledge and expertise to serve as volunteers on a number of boards and commissions; and,

WHEREAS, the City Council has determined that it is in the public's interest to have adequate representation from all single member districts of the city in the overall appointment process and has adopted by resolution a uniform policy for appointment of City advisory boards and commissions by single member district; and,

WHEREAS, the City Council finds that an appointment process with respect to members of the Tax Increment Reinvestment Zone Board similar to its uniform policy for the appointment of members of advisory boards and commissions would serve the best interest of the public; and,

WHEREAS, the duties required of the Downtown Development Commission have been fulfilled; and,

WHEREAS, the Tax Increment Reinvestment Zone and the Downtown Development Commission have overlapping areas of oversight with common goals:

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANGELO, TEXAS:

Section 1. Chapter 2 "Administration," Article 2.7 "Boards, Committees and Commissions," Division 10, "Tax Increment Reinvestment Zone Board, Section 2.07.281 "Organization and Procedure", is amended by restating said section in its entirety to read as follows:

“**Section 2.07.281 Organization and Procedure**

There is hereby created within the city a tax increment reinvestment zone board that consists of nine (9) regular board members to be filled by nomination and appointment as follows:

> (1) One (1) board seat shall be appointed by city council from a nomination of the mayor;
>
> (2) Each of six board member seats shall be appointed by city council, designated for city council single member districts one through six respectively, from nomination of each council member representing each designated single member district;
>
> (3) Two (2) board member seats shall be appointed by the County Commissioners Court, Tom Green County;

In addition, there shall be five (5) non-voting, ex-officio members who will attend and participate in an advisory capacity. Each one of the five will be a representative of each of the following organizations: San Angelo Chamber of Commerce, Downtown San Angelo, San Angelo Independent School District, Goodfellow Air Force Base, and Angelo State University.”

Section 2. Chapter 2 “Administration,” Article 2.7 “Boards, Committees and Commissions,” Division 10, “Tax Increment Reinvestment Zone Board, Section 2.07.282 “Qualifications,” is amended by restating said section in its entirety to read as follows:

“**Section 2.07.282 Qualifications**

All regular and alternate board members shall be at least eighteen (18) years of age and a resident of Tom Green County. Any regular board member who ceases to possess such qualifications shall automatically be deemed to have vacated his or her membership on the board.

Appointees of council members representing Single Member Districts (SMDs) two, three, and four shall live, work and/or own property within the TIRZ – North. Appointees of council members representing Single Member Districts (SMDs) one, five, and six shall live, work and/or own property within the TIRZ – South.”

Section 3. Chapter 2 “Administration,” Article 2.7 “Boards, Committees and Commissions,” Division 10, “Tax Increment Reinvestment Zone Board”, Section 2.07.283 “Terms,” is amended by restating said section in its entirety to read as follows:

“**Section 2.07.283 Terms**

(1) Of the initial board member appointments by city council after the effective date of the ordinance, four (4) shall be for a two (2) year term, and three (3) shall be for a three (3) year term. Of the initial board member appointments by the county commissioners’ court after the effective date of this ordinance, one (1) shall be for a two (2) year term, and one (1) shall be for a three (3) year term.

(2) All appointments for regular members made after the initial appointments shall be for a term of two (2) years, except vacancies for unexpired terms, which shall be filled for the remainder of the unexpired term, thereby maintaining staggered terms. Ex-officio members will not have terms or term limitations.

(3) No individual may serve more than three, full consecutive board member terms, except after one full year from the date of last service as a board member."

Section 4. Chapter 2 "Administration," Article 2.7 "Boards, Committees and Commissions," Division 10, "Tax Increment Reinvestment Zone Board", Section 2.07.284 "Duties", is amended by restating said section in its entirety to read as follows:

"**Sec. 2.07.284 Duties**

The TIRZ board shall act as an advisory board to the city council in the operation and administration of the TIRZ; all action by the board is subject to city council approval. The authority and responsibility of the board expressly includes:

(1) Make recommendations to the city council regarding the administration of this division.

(2) Make recommendations to the city council regarding agreements that are necessary or convenient to implement the project plan and reinvestment zone financing plan.

(3) Make recommendations to the city council regarding agreements with local governments or political subdivisions for management of the zone or implementing the project plan and reinvestment zone financing plan.

(4) Make recommendations to the city council regarding establishing and providing for the establishment of programs that:

  (A) Develop and diversify the economy of the zone;

  (B) Eliminate unemployment and underemployment in the zone;

  (C) Develop or expand transportation, business and commercial activity in the zone;

  (D) Make grants and loans; and

  (E) Stimulate business and commercial activity in the zone.

(5) Contract with the city regarding allocation from the tax increment fund to pay for the incremental costs of providing municipal services incurred as a result of the creation of the zone or the development or redevelopment of land within the zone.

(6) Make recommendations to the city council regarding the expenditure of TIRZ funds related to development and redevelopment of land within the zone, in conformance with the following process:

  (A) An affirmative recommendation to expend TIRZ funds for a project in the same area as that from which the funds are derived requires a simple majority vote of the TIRZ board members present when the matter is voted upon. The city council may approve expenditures under this subsection by a simple majority vote if such expenditure is recommended by the TIRZ board.

  (B) An affirmative recommendation to expend TIRZ funds for a project located in the area outside that from which the funds are derived requires an affirmative vote by three-quarters of the TIRZ board members present when the matter is voted upon. The city council may only approve expenditures under this subsection when such expenditures are recommended by the

TIRZ board and with an affirmative vote of six (6) members of the city council.

(7) Acting as the lead entity in working with other boards and commissions regarding incentives, regulations, infrastructure and all other physical and economic development decisions related to the TIRZ district.

(8) Providing a progress report to the city council annually, or as requested by the city council."

Section 5. Chapter 2 "Administration," Article 2.7 "Boards, Committees and Commissions," Division 10, "Tax Increment Reinvestment Zone Board", Section 2.07.285 "Officers", is amended by restating said section in its entirety to read as follows:

"**Sec. 2.07.285 Officers**

The city council shall appoint a chair, as established in Section 311.009.f of the Local Government Code, for a term of one year, beginning in January. The board may appoint other officers as it may establish in its bylaws."

Section 6. Chapter 2 "Administration," Article 2.7 "Boards, Committees and Commissions," Division 10, "Tax Increment Reinvestment Zone Board, is amended by adding Section 2.07.292 "Conflicts of Interest," to read as follows:

"**Section 2.07.292 Conflicts of Interest**

(1) No member of the board shall participate in any case in which he or she has financial or personal interest in the property concerned, or will be directly affected by the decision, or has any other conflict of interest as defined by applicable law. The determination of "substantial" interest in a business entity, as well as rules affecting participation of board members in cases affected thereby, are described in Chapter 171 in the State of Texas Local Government Code.

(2) No member of the San Angelo city council, or person related to a council member within the second degree by consanguinity or affinity, shall be eligible for a grant or assistance from the board during his/her tenure or for six months thereafter.

(3) No member of the TIRZ board, or person related to a board member within the second degree by consanguinity or affinity, shall be eligible for a grant or assistance from the board during his/her tenure or for six months thereafter.

(4) No employee of the Planning & Development Services Department, or person related to an employee or supervisor of this Department within the second degree by consanguinity or affinity, shall be eligible for assistance from the TIRZ during his/her employment or for six months thereafter.

(5) A member may disqualify himself/herself from voting whenever any requestor, or his/her agent, has sought to influence the vote of the member in any setting, other than in the public meeting."

Section 6. All prior actions of the tax increment reinvestment zone board; all prior actions of the city council on recommendations made to the city council by the board; and all prior actions of city staff in connection therewith are ratified and approved.

Section 7. Should any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. The city council hereby declares that it would have passed this Ordinance, and each section, paragraph, clause or phrase thereof irrespective of the fact that any one or more sections, paragraphs, sentences, clauses or phrases be declared unconstitutional; or invalid.

Section 8. This Ordinance shall become effective on June 21st, 2016.

INTRODUCED on the day of ________________, 2016, and finally PASSED,

APPROVED and ADOPTED on this the _____ day of ________________2016.

ATTEST:

CITY OF SAN ANGELO

____
Bryan Kendrick, City Clerk

BY: _____________________________
Dwain Morrison, Mayor

Approved as to form:

____
Theresa James, City Attorney

MINUTE RECORD OF THE CITY OF SAN ANGELO TAX INCREMENT REINVESTMENT ZONE MEETING HELD ON WEDENSDAY, March 23, 2016 AT 12:00 PM, MCNEASE CONVENTION CENTER, 501 RIO CONCHO DRIVE.

PRESENT: Lee Pfluger, William Dendle, Dominic Santos, Mike Campbell, John Klingemann, Johnny Calvert, Travis Stribling, Anne Coverston, Nelly Perez

ABSENT: Craig Kinney (AE), Bob Pfluger (AE), David Mazur (AE)

STAFF: Jon James, AICP
Sarah Tackett
Dan Saluri
Rick Weise

I. Call to order, establish quorum.

The meeting was called to order at 12:00 pm. It was established that a quorum was present.

II. Public comment.

No public comment.

III. Consideration of approving the minutes from the December 16, 2015 TIRZ Board Meeting.

Motion to approve the minutes from the March 2, 2016 TIRZ Board Meeting with changes by Mr. Mike Campbell, seconded by Ms. Anne Converston and carried unanimously.

IV. Streetscape
Mr. Russell Pehl, City Engineer, presented an update to the board on the North Chadbourne Streetscape Project. The project limits of Phase II & III are: Chadbourne Street, both sides 7th to 14th. Extension: Chadbourne Street (east side) 14th to 18th. An aerial overview of the project was presented. Construction work included: sidewalks, brick pavers, curb/gutter, pedestrian ramps, crosswalk markings, handrails, and conduit for future lighting. Project is a collaboration between COSA and Concho Valley Transit District (CVTD) which will result in a design that rehabilitated each block

from the ROW line/face of building to approximately 2' past the edge of pavement providing an ADA accessible sidewalk. Construction began on February 2, 2015 on Phase II & III. Grant funding ended on June 15, 2015. Construction after this time was solely paid by TIRZ funds. Construction began on the extension (14th to 18th) on August 2, 2015 and was completed the week of September 7, 2015. Following the ADA inspection, corrections were made and construction was completed on January 26, 2016. Overview of the funding: Federal Funds $506,583, TIRZ Funds $511,642, Total Funding $1,018,225. Phase II & III totaled $814,580. Construction to date (Phase II, III, and extension) totaled $1,017,528.70. All payments have been processed and retainage released.

General discussion followed.

No action taken.

V. Update and discussion regarding the FY 2016 Budget.

Mr. Jon James stated that the current balance sheet was provided in the packet.

No action taken.

VI. Discussion and possible action regarding reorganization of the TIRZ Board.

Mr. Lee Pfluger presented an overview that of the survey that the Reorganization Subcommittee created. Mr. Dan Saluri, attorney, stated that the information received in the survey will be public record. Mr. Johnny Calvert stated he does not think the goal of the reorganization has been defined, Mr. Mike Campbell agreed. Mr. John Klingemann stated that the reorganization will lessen the number on the board and certain areas of San Angelo will not be represented and this will be a very negative impact. Mr. Travis Stribling feels that the new term limits are not long enough, 4 years is too short. Mr. William Dendle stated that if there is an all new board progress will stop until the new members get up to speed; very dependent on the appointments. Mr. Lee Pfluger stated that there was some questions regarding appointments; the file was atrocious. Mr. William Dendle stated that the two current vacancies are city council appointees. Ms. Anne Coverston stated that theoretically less seats, less vacancies. Mr. Lee Pfluger stated in the City's file there were some good applicants, very astute people that did not get appointed to the board. Ms. Anne Converston, having some kind of vested interest in seeing the TIRZ revitalized is a positive; there is a chance with the proposed new membership that the real impact of the what the TIRZ Board will not be realized. She added, if they do not own property they may not realize the impact. Mike Campbell, ownership does create a different level of understanding; to change this requirement would have a negative impact. Mr. Travis Stribling stated there is a benefit to having board members who have a vested interested. Mr. Johnny Calvert I am a business owner and I live in the district. Mr. Dominic Santos, I feel the underlying reason may be to avoid conflict of interest. Mr. Lee Pfluger, there is an effort, been going on for maybe 8 or 9 months to standardize the conflict of interest. Mr. Dan Saluri there is a State code of Conflict of Interest, there is a proposal to for the City Council to define conflicts of interest. Mr. Dan Saluri explained a few of the items that cc will be looking at. Currently, under the charter the State Code is adopted. Mr. William Dendle stated that both zones will be affected by this change. Mr. Jon James, some of the requirements are to own property or a business; some TIRZ boards require that you live in the zone. Mr. Lee Pfluger stated a good thought, however, only 10% of the zone is residential. Mr. Travis Stribling stated that a possibility for a requirement to serve on the board would be to work in the zone. With regards to ASU, GAFB, and SAISD; Ms. Anne Coverston feels that those three members bring a lot to the board. I, myself, have community planning experience. She added, she feels it would be a mistake to remove them from the board. Mr. William Dendle feels their representation is so valuable, very large employers of San Angelo. Mr. Lee Pfluger stated that ASU is a larger user of the downtown. Mr. Johnny Calvert stated that from the beginning he felt they were a very important part of the board.

The TIRZ Board's completed surveys are part of the permanent supplemental minutes.

No action taken.

VII. Announcements and consideration of future agenda items.
The subcommittee stated they would compile all the data from the surveys and compose a summary; the board suggested a meeting to review summary for March 30, 2016.

a) Next regularly scheduled meeting – April 20, 2016

VIII. Adjournment.

Motion to adjourn by Mr. Johnny Calvert, seconded by Mr. John Klingemann and carried unanimously. Meeting was adjourned at 1:09 PM.

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Lee Pfluger, TIRZ Chairman

DOWNTOWN DEVELOPMENT COMMISSION MINUTE RECORD March 29, 2016

I. OPEN SESSION

BE IT REMEMBERED Downtown Development Commission convened in a regular meeting at 3:00P.M., Tuesday, December 8, 2015 in the San Angelo McNease Convention Center, 501 Rio Concho Drive, San Angelo, Texas. All duly authorized members of the Commission to wit:

Co-Chair Jim Cummings
Co-Chair Tim Edwards
Board Member Lisa Eady
Board Member Jim Raymond
Board Member Brenda Gunter

Were present and acting, thus constituting a quorum. Whereupon, the following business was transacted:

A. Call to Order

Meeting was called to order by Co-Chair Jim Cummings at 4:00 PM.

B. Public Hearing and Comment

Co-Chair Jim Cummings opened the floor for Public Comment; there were no Public Comments, moved to regular agenda.

C. REGULAR AGENDA

1. Consideration of approving the minutes from December 8, 2015 Downtown Development Commission Meeting.

Motion to approve the December 8, 2015 DDC Minutes by Mr. Gary Cox, seconded by Ms. Brenda Gunter and carried unanimously.

2. Discussion and possible action regarding the consolidation of the Downtown Development Commission (DDC) and the Tax Increment Reinvestment Zone Board (TIRZ).

Mr. Jon James, Director, over the last 6 months we have been discussing the consolidation of the TIRZ and DDC. A timeline was presented: February 23, 2016 - County Commissioners Meeting, March 2, 2016 - TIRZ Board Meeting, March 23, 2016 - TIRZ Board Meeting, March 29, 2016 – DDC Meeting, March 30, 2016 - TIRZ Board Meeting, April 19, 2016 - City Council (1st reading) and May 3, 2016 City Council (2nd Reading). The current proposal would dissolve the current TIRZ Board and DDC; the board will be called the TIRZ Board due to state requirements. The proposal includes membership from 15 to 12. Seven appointed from city council and mayor, 1 each from San Angelo Independent School District (SAISD), Goodfellow Air Force Base (GAFB) and Angelo State University (ASU) and 2 from Tom Green County (TGC). Proposed term limits would be 3 consecutive 2 year terms, remove requirement of owning property in the TIRZ boundary. Staff proposed reducing to bi-monthly meetings; current TIRZ board would like to keep meetings monthly. Questions proposed to DDC, how many members should be required to own a business/property or live/work in the zone? Which appointees should this apply to? Mr. Jim Raymond asked where the TIRZ boundaries are located; a map was presented. Mr. Jim Cummings, so I understand, there is no state law that requires a TIRZ Board member to own property/business or work/live in the TIRZ zone. Mr. James stated that the members only have to live in the county. Mr. Brenda Gunter if there are any recommendations or was there a discussion regarding serving on the TIRZ Board and applying for funds; are you allowed to discuss/vote? Mr. Jon

James answered; the new proposal includes a Conflict of Interest Provision stating that if you serve on the TIRZ Board, you are not eligible to receive TIRZ Incentive Funding.

Ms. Brenda Gunter stated she has heard people comment that the DDC was going away due to the fact the Downtown Master Developer Project fell through, is this true? Mr. Jon James stated that the answer is a little bit of both, the DDC is not necessarily going away, and the duties have been folded into the duties of the new TIRZ board. Ms. Brenda Gunter asked if there has been conversation that the city is going to look for a Master Developer or is Mr. Paris Rutherford is just in remission. Mr. James stated that to a larger question that is what we will propose to City Council; Council has stated that they are not prepared at this point to move forward with any future phases of the contract with Mr. Paris Rutherford. Ms. Brenda Gunter added that doesn't change the need or desire to have the DDC as an organization or combined with the TIRZ. Mr. Jon James responded; we recognize that there are still things for the DDC to do either separate or combined with the TIRZ Board. Ms. Brenda Gunter asked Mr. Jon James, can you please name the things that the DDC will be working on, focusing on? Please define the roll; is it to spend the TIRZ money, look for developers or are there some specifics that City Council believes as a board we should continue. Mr. Jon James answered that, all of the items you stated, our goal for the reorganized board not let duties fall by the wayside. Clearly, the TIRZ Board will decide how TIRZ funds are spent; we would also encouraging and seeking out development in downtown. Mr. Jim Cummings stated, the DDC as it is today is going away; it's not going to be this body of folks. Will any of us serve or want to serve? Ms. Brenda Gunter asked, are we remaking the TIRZ Board or is there an intent to have some of the items of the DDC become part of the TIRZ? Mr. Rick Weise, the intent is to develop the synergy that those two boards have; two forces working towards a common goal. The DDC, with regards to the Master Developer Plan, those things coupled with the goals of the TIRZ Board makes a nice package. The council will decide who the board is comprised of.

Ms. Brenda Gunter, one of the things that seems to be missing to me is, Downtown San Angelo Inc., I feel you would want someone representing downtown San Angelo. Mr. Jim Cumming, could we recommend to City Council that one of the new members is from Downtown San Angelo, Inc. (DSA)? Ms. Brenda Gunter stated that this seems to be complicating the story for someone who is looking to develop downtown. Mr. Rick Weise, people are going to go to who they feel most comfortable with, be it, DSA, the Chamber or Roland with Economic Development.

Mr. Jim Raymond, regarding the composition of the board, I understand SAISD, the county and city representatives because of where the funding comes from and where it's going. It's been my experience that when you allocate membership it becomes a political board, this is an economic board. Mr. Jon James 7 of the 12 would be appointed by City Council, 2 from County and one each from GAFB, SAISD, and ASU. Ms. Brenda Gunter asked about the 12 member board, have we had good results from 12 member board. Mr. Jon James stated, part of our original proposal was to decrease the number on the board. Mr. Jon James, our recommendation was for a 9 member board. Mr. Jim Cummings asked if staff is taking TIRZ comments and DDC comments to City Council. Mr. Jon James stated that you can take action to take your feedback or specific recommendations to City Council. Mr. Rick Weise added that specific action helps, it gives clear direction as to how you felt.

Mr. Craig Myers, I have two issues, I doubt that it will affect what happens. When you talk about the map regarding the TIRZ area, Mr. Raymond stated that he doesn't want it political; it is political. The reason the money was divided up because it was an at-large board. The city has decided every time to not go back to an at-large board. There is a real possibility of almost going back to an at-large board. It's not just people that have a business downtown, it is people who live in the areas. It was decided after some conflict early on, with a statutory TIRZ board. Just the sheer weight of influence there are an awful lot of people that could be assigned to this board. I agree with taking ASU, GAFB and SAISD off of the board. The very big elephant in the room is the north, from the north Wal-Mart, between 70-80% of the funds come from the north Wal-Mart. Ms. Brenda Gunter added, he original documents for TIRZ will not change, the north will always have their own funds. The makeup of the board does not change the makeup of the north and south. We would hope that the board members that represent the northern TIRZ would represent well. Mr. Jim Cummings stated he felt Mr. Craig Meyers comments were right on point; I hope you make it to the City Council Meeting.

Mr. Lee Pfluger, with regards to the county, they already had their representation cut from 4 to 2. The experience in Abilene is they county pulled out of TIRZ, they felt as if they were not represented well. The county supplies about

35% of the money to TIRZ. GAFB and ASU feel they are important to the TIRZ Board, they are long term planners, and they have experience with grants. That skill set is very important to the board. Most importantly, the reason we put those 2 (ASU & GAFB) on the board; we felt like those 2 constituents were very important to the revitalization to the Historic City Center. The young people from GAFB and ASU; come downtown at night and create economic drivers; input from these 2 is very important. DSA could be in that slot where SAISD is currently. Mr. Lee Pfluger gave a brief overview of the survey that the TIRZ Board completed. West Texas Organizing Strategies (WTOS) did street marches to get people involved. People in the north know what people in the zone need. Take 20 people and boil them down to 9 and give them twice the skillset requirements, two completely different skillsets, drop it down to half; the TIRZ Board felt like that was a stretch.

Motion by Mr. Jim Raymond to support the recommendation of dissolution of Tax Increment Reinvestment Zone Board and Downtown Development Commission and the formation of a new board as being presented with the recommendation of a 9 member board, 8 council appointees and 1 county appointee, seconded by Mr. Jim Cummings.

Amendment to the Motion made by Ms. Gunter to recommend to City Council that one board member be appointed from Downtown San Angelo Inc., seconded by Mr. Tim Edwards. Amendment passed 4-2, Mr. Gary Cox and Mr. Jim Raymond voted nay.

Vote on Mr. Jim Raymond's motion, 3-3, yay-Mr. Jim Raymond, Mr. Tim Edwards, Ms. Lisa Eady, nay-Mr. Jim Cummings, Mr. Gary Cox, Ms. Brenda Gunter; Motion fails.

Motion by Mr. Tim Edwards to recommend to City Council the consolidation of the Downtown Development Commission and Tax Increment Reinvestment Zone Board; and ask staff to communicate to City Council the discussion/concerns that took place today and for City Council communicate to the DDC its ongoing support for the DDC mission , seconded by Mr. Gary Cox. Motion passed 5-1, Mr. Jim Raymond voted nay.

II. ***Adjournment.***

Motion to adjourn, by Mr. Jim Cummings and seconded by Ms. Lisa Eady and carried unanimously. The meeting was adjourned at 5:18 PM.

MINUTE RECORD OF THE CITY OF SAN ANGELO TAX INCREMENT REINVESTMENT ZONE MEETING HELD ON WEDENSDAY, March 30, 2016 AT 12:00 PM, MCNEASE CONVENTION CENTER, 501 RIO CONCHO DRIVE.

PRESENT: Lee Pfluger, Bob Pfluger, David Mazur, Johnny Calvert, Mike Campbell, Anne Converston, Craig Kinney

ABSENT: Dominic Santos (AE), Travis Stribling (AE), William Dendle (AE), Nelly Perez (AE) John Klingemann (AE)

STAFF: Jon James, AICP
AJ Fawver, AICP
Sarah Tackett
Rick Weise
Theresa James
Dan Saluri

I. Call to order, establish quorum.

The meeting was called to order at 12:29 pm. It was established that a quorum was present.

II. Public comment.

No public comment.

III. Discussion and possible action regarding the reorganization of the TIRZ Board.

Mr. Lee Pfluger stated that committee/board member Travis Stribling prepared a summary of the board member's responses to the survey. An Executive Summary of this information was prepared and distributed to all board members and staff. Mr. Lee Pfluger added that at the end of this meeting I would like to vote either individually on each item or the survey as a whole. Mr. Jon James presented a brief presentation of items that have changed since the last TIRZ meeting. He added that today's meeting conflicted with the deadline for City Council, so this item will go before City Council on April 9th for the 1st reading. A timeline of meetings to discuss this reorganization was also presented. The new proposal would reduce the size of the TIRZ Board from 15 to 12; the members from GAFB, ASU and SAISD were added back in. In addition we have proposed keeping the current term limit of 3 consecutive two-year terms. The original proposal was to go to bi-monthly meetings; based on your discussion and recommendations we are proposing to keep meetings monthly; however, we have added that the board meet at least quarterly. In the last 8 years, the TIRZ Board has averaged 8 meetings a year. In the summer, City Council suggested a Conflict of Interest Provision similar to what the City of San Angelo Development Corporation (COSADC) follows. This provision would not allow board members, Council Members or Planning & Development Services staff to receive TIRZ funding. Currently, board members may not participate or vote on items affecting them financially. Mr. Jon James gave a brief overview of the Downtown Development Commission's (DDC) meeting on March 29, 2016. They are generally supportive of merging the functions of the two boards, they would like to ensure that the mission of the DDC is adequately reflected in the mission of the new board; some believed that a 12 member board would be too large, also they would like Downtown San Angelo, Inc. (DSA) to be represented. They did take a vote, it was 3-3 for a slightly smaller board, 9 or 10 members; no formal recommendation.

Questions for you today as we prepare to take this item to City Council, how many members should be required to own a business/property or live/work in the zone? Which appointees should this apply to? We don't feel it should be the entire board. This board raised the concern regarding north and south representation. Term limits; either 3 two-year terms or 2 four-year terms. In the survey, the board had 6 votes for 6 years, 3 votes for 8 years. Mr. Jon James added that we need a formal vote for your term limit recommendation.

Mr. Craig Kinney, you guys have dialed back what was previously proposed in the original recommendation and it seems as though we are trying to find a middle ground here. Mr. Jon James stated we were listening to you, we were waiting to receive feedback from this board regarding your recommendations. Mr. Bob Pfluger thanked Mr. James for listening to the board. Mr. Lee Pfluger stated that currently about one half the board owns property in either zone. If we make the qualification more general, that you can live/work/own property; the council representatives can split 3/3 for each zone. Mr. Lee Pfluger stated that the City Council will have 7 representatives, including the mayor; the county will have 2 representatives. Ms. Anne Coverston, I feel the majority of the board should own property or live/work in the area; I have no problem with at least 6, I feel it should be a majority. Mr. David Mazur, I agree, I feel it has worked well so far. Mr. Mike Campbell, I'm curious if the SMD cover the zone; the equality of votes is important. Mr. Bob Pfluger, I feel 3 and 3 would be a good representation of the north and south.

Motion by Mr. Johnny Calvert that of the seven representatives from the city; there be 3 representatives from the north and 3 representatives from the south that either own property, live, or work in the zone, seconded Mr. Bob Pfluger and carried unanimously.

Motion by Mr. Craig Kinney for two year terms, seconded by Mr. David Mazur and carried unanimously.

Motion by Mr. Bob Pfluger for an 8 year maximum term, seconded by Mr. Mike Campbell and carried unanimously.

Motion by Mr. Lee Pfluger to recommend to City Council to make all Conflict of Interest Provisions consistent and standardized for all boards, including City Council; seconded by Ms. Anne Coverston and carried unanimously.

Mrs. Theresa James, City Attorney stated that currently if you have a conflict of interest you must recuse yourself and sign a disclosure.

Motion by Mr. Bob Pfluger to adopt the Executive Summary as the TIRZ Board's recommendation to City Council, seconded by Mr. Johnny Calvert and carried unanimously.

IV. Announcements and consideration of future agenda items.

a) Next Meeting – April 20, 2016

V. Adjournment.

Motion to adjourn by Mr. David Mazur, seconded by Mr. Mike Campbell and carried unanimously. Meeting was adjourned at 1:00 PM.

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Lee Pfluger, TIRZ Chairman

TAX INCREIMENT REINVESTMENT ZONE
STRUCTURE REORGANIZATION SURVEY
MARCH 9, 2016

EXECUTIVE SUMMARY

At the direction of the City Council, City staff initialed a program to reorganize the TIRZ Program. On several occasions, City Staff solicited input from the TIRZ Board regarding the proposed reorganization and suggested the TIRZ Board augment its verbal observations with a written presentation. In compliance, the TIRZ Board conducted a survey with the following results:

Overall, the Board feels that the TIRZ Board is **Very Effective (9.11)** as it is currently structured, and that the proposed reorganization plan will **Negatively (2.22)** impact the TIRZ Program going forward.

An issue that surfaced about a year ago pertained to the persistent vacancies in City Council Board appointments (currently vacant: 2½ yrs., 2½ yrs. & 1 yr.) and the inability of the City Staff to accurately determine the tenure of the currently seated Board.

The City's struggle with timely appointments (an issue apparently not experienced by the other appointing organizations) and record keeping, appears as more of a management rather than a TIRZ structural issue; however, the Board felt that the reorganization (reducing the number of Council appointments from 9 to 7 appointees) could **Somewhat (4.56)** solve the City's difficulties associated with filling the Council's TIRZ Board appointments.

With regard to the individual changes to the TIRZ Structure, the Board's observations were as follows:

1. The Board sees a parallel between the concepts of TIRZ Board Representation with Zone Affiliation Requirements to the City's concept of Single Member District representation, e.g. bringing representation to the effected contingency. The Board feels that eliminating the requirement that qualifies board members based on their Zone Affiliation would **Negatively (2.67)** impact the input from board members concerning the issue and needs in the Zone.

2. The Board feels that the proposed reorganization would **Negatively** impact representation from both the North Zone (2.0) and South Zone (2.89), while elimination of GAFB, ASU and SAISD ("The 3") representation would **Very Negatively (1.11)** impact the effectiveness of the TIRZ Board. The consensus was that the organizational paradigms inherent in "The 3"

organizations developed skill sets that are especially beneficial to the TIRZ Mission, e.g. in particular, long term planning, grant writing / evaluation and interaction with young consumers of revitalized Zone services.

3. The Board feels that reducing the size of the TIRZ Board from 15 to 9 members would **Very Negatively (1.22)** impact the depth of knowledge and experience available for TIRZ decisions.

The Board recognizes that the proposed reduction of 6 members from the TIRZ Board coupled with the fact that _________ of the City Councils current appointees have more than four year's service that adoption of the proposed reorganization plan would result in the replacement of practically every current member of the TIRZ Board. The Board feels to lose that much experience from the Board at one time would be **Very Detrimental (   )** to the TIRZ Program. The Board suggests a 12 member seated Board or a 15 member Board if the Council continues to experience challenges with Board appointments.

4. The Board recognizes that all TIRZ Board Members can be replaced at any time by their appointing organization; however, it feels that a reduction of Board Term Limits from 6 to 4 years will **Negatively (2.11)** impact the effectiveness of the TIRZ Board and that a longer **Term Limit (6.67 years)** would be most effective.

TIRZ Mission revolves around redevelopment of structures (buildings and streetscapes) which require money and time to complete. Familiarization with the grant projects from start to finish was highly regarded by the Board. The Board's experiences to-date has been that the knowledge and follow through has been complimented by the current Board tenure due to the high turnover in City Staff leadership (3 Planning Directors in 6 years).

5. The Board feels that the change to bi-monthly Board meeting would **Very Negatively (1.56)** impact the effectiveness of the TIRZ Board.

6. The proposed reorganization plan did not address the Conflict of Interest provision of the TIRZ By Laws. It is the Board's understanding that standardization of the Conflict of Interest provision for all City activities continue to be under review by the City's Legal Department.

A requirement that board members have been told has made it difficult for city council to appoint members to TIRZ is that some board members must own land or a business in the zone. The board feels that people that are familiar with the zones (spending time) can better understand where to spend money making improvements that will benefit the area. Perhaps the board members should be required to have a tie to the zone (land or business ownership, work or live in the zone).

Concern that SMD and mayor appointments will not equally represent North and South zones on board.

Allow SMD to appoint anyone they see fit (not requiring that they live in the SMD).

Terms should run concurrently with SMD and mayor (4 years I believe). With max of 8 consecutive years served.

City Council

April 19, 2016
Regular Agenda
Planning & Development Services Department

THE CITY OF SAN ANGELO TEXAS

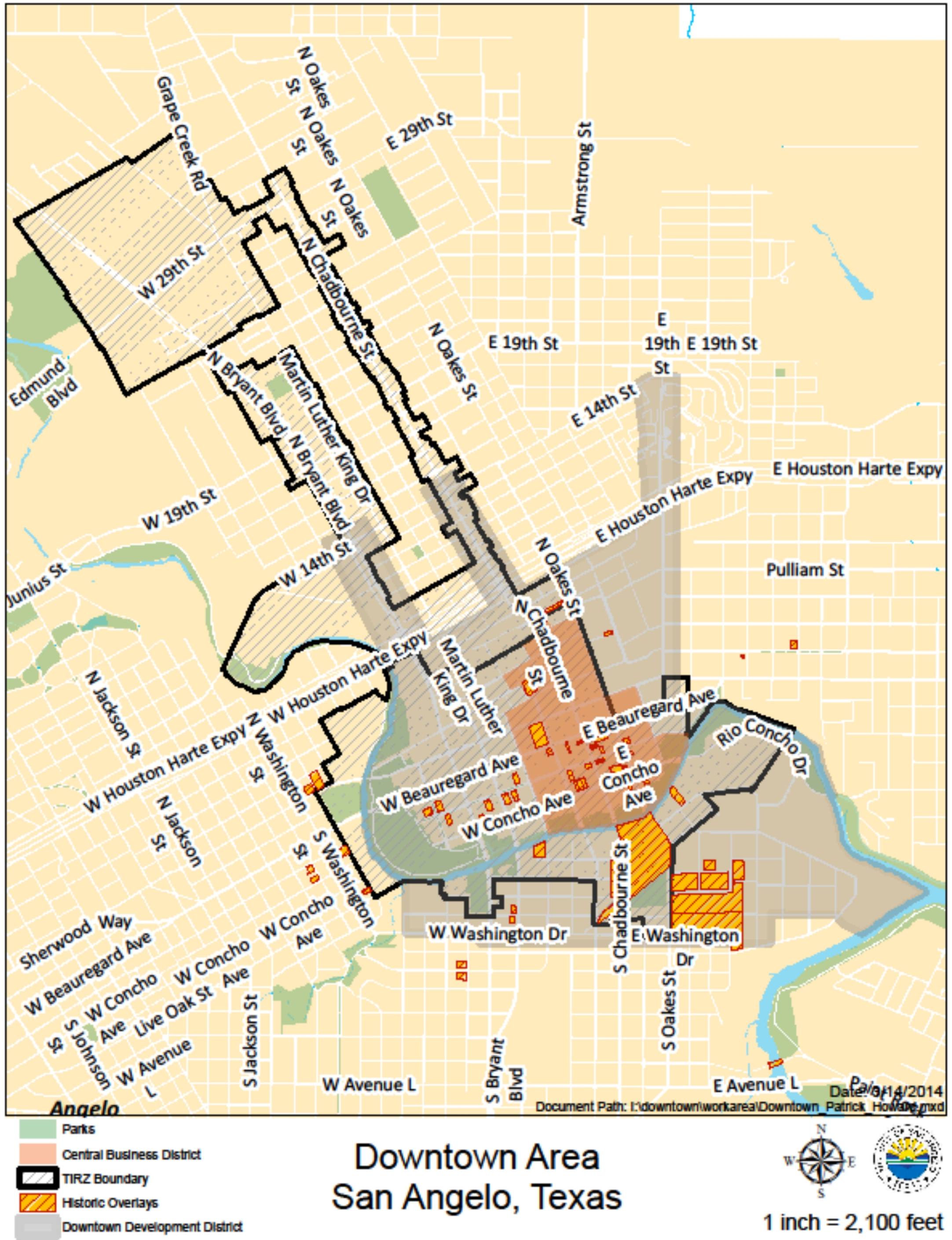
TIRZ & DDC Board Reorganization

Background

- Tax Increment Reinvestment Zone (TIRZ) Board oversees the implementation of the reinvestment zone
- Downtown Development Commission (DDC) oversees development and redevelopment in the downtown
- During the summer of 2015 discussions began about the possibility of merging the functions of the two boards

THE CITY OF SAN ANGELO
TEXAS

Map



Downtown Area
San Angelo, Texas

Reorganization – Recent Timeline

February 23	County Commissioners discussion
March 2	TIRZ Board
March 23	TIRZ Board
March 29	Downtown Development Comm.
March 30	TIRZ Board
April 19	**City Council, 1st Reading**
May 3	City Council, 2nd Reading

Reorganization – Current Proposal

- Create new TIRZ Board, dissolving existing TIRZ and DDC
- Incorporate both TIRZ and DDC functions
- Reduce TIRZ from 15 to 12 members
  - 7 appointed by City Council
  - 2 appointed by County
  - 3 appointments by GAFB, SAISD, or ASU

Reorganization – Current Proposal

- Keep current term limit of 3 consecutive two-year terms (6 years total)
- Remove requirement of owning property in the zone

Reorganization – Current Proposal

- Conflict of interest provision would not allow board members, Council members, or P&DS staff to receive TIRZ funding
- Board members cannot participate or vote on items affecting them financially

THE CITY OF SAN ANGELO TEXAS

TIRZ Board

- Generally supportive of merging the functions of the two boards
- Do not support eliminating GAFB, SAISD, and ASU representation on the board
- Prefer 12 members instead of 9
- Prefer 8 year term limit instead of 6 years

TIRZ Board

- Prefer requiring interest in the zone (live, work, own property or business)
    - Of Council’s 7 appointments, 3 in North Zone and 3 in South Zone
- Prefer that the Council adopt a consistent citywide conflict of interest policy for all boards and commissions

Downtown Development Commission

- Generally supportive of merging the functions of the two boards
- Ensure that mission of Downtown Development Commission is adequately reflected in the mission of the new board
- Some believed that a 12 member board would be too large and preferred 9 or 10 members
- Some wanted to ensure representation of *Downtown San Angelo, Inc.*

Downtown Development Commission

- Dissolution of the current DDC as proposed may impact the current agreement with the San Angelo Health Foundation.

THE CITY OF SAN ANGELO
TEXAS

City Council

April 19, 2016
Regular Agenda
Planning & Development Services Department

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

Requestor:	Jon James, Director of Planning & Development Services, Planning and Development Services, x1180
Meeting Date:	May 18, 2016
Item type:	Consent Item

Caption:

Consider approving amendments to the bylaws for the Tax Increment Reinvestment Zone Board - (J. James)

Summary/History:

At the July 21st City Council meeting, the Council discussed recommendations from the TIRZ board concerning incentive requests made under the FY15 TIRZ Incentives policy, and emphasized their desire to revisit the policy, bylaws, and ordinance for the TIRZ board. At the September 16th meeting of the TIRZ board, staff presented some proposed changes for consideration. No action was taken. During the December 8th meeting of the DDC, the board discussed the idea of consolidation. At the December 16th meeting of the TIRZ board, the board also discussed this idea of consolidation. Since this meeting, additional discussions have continued amongst the TIRZ members, DDC members, some Council members, and the City staff regarding a proposal to consolidate the TIRZ and the DDC into a single board.

Attached are the current ordinance and current bylaws for this board, with the suggested changes redlined for ease in reading. Below is a brief summary of each of the changes being presented for consideration.

AMENDMENTS TO BYLAWS – ALL PROPOSED UNTIL AND UNLESS ADOPTED

1. All references to “chairman” are changed to “chair”.
2. Article 1 – General Governing Statutes, Ordinances and Rules

   The reference to Vernon’s Annotated Revised Civil Statutes was replaced with the correct reference to the Texas Government Code, and the reference to the city’s Code of Ordinances is proposed to be corrected.

3. Article 2 – Authority of the Board

   For simplicity’s sake, because this section of the bylaws duplicates language already addressed in the ordinance, that information is proposed to be removed and a simple reference back to the ordinance section inserted. Also, the language regarding the removal of a board member for cause is proposed to be removed, due to the role of this board as simply an advisory, not a regulatory, board.

4. Article 3 – Membership of the Board

   Again, for simplicity’s sake, because this section of the bylaws duplicates language already addressed in the ordinance, that information is proposed to be removed and a simple reference back to the ordinance section inserted. Also, the language regarding absences is proposed to be updated, to match the ordinance.

5. Article 4 – Meeting Date, Time and Place

Rather than establishing a regular schedule of meetings, the nature of the business this board does – and the windows for incentives – means that parts of the year may require many meetings, and others, less so. This amendment provides for a minimum of one quarterly meeting, but allows maximum flexibility for the board to meet as often as necessary when the work of the board dictates it.

6. Article 5 – Conduct of Meetings

   The word "simple" is proposed to be added, to provide clarity that a simple majority of members would constitute a quorum. The reference to Vernon's Annotated Revised Civil Statutes is proposed to be replaced with the correct reference to the Texas Government Code, and the reference to the city's Code of Ordinances was corrected, as in Article 1.

7. Article 7 – Officers of the Tax Increment Reinvestment Board

   Added that the selection of a chair is subject to City Council approval – this is a requirement in the Local Government Code which was previously not mentioned within the bylaws.

8. Article 8 – Conduct of Board Members

   The conflict of interest language, mirroring that adopted by COSADC, was inserted here, as proposed. It addresses conflicts as they pertain to Council members, TIRZ members, and staff; namely, that eligibility for assistance does not exist for a Council member, TIRZ board member, or Planning & Development Services Department member (or a person related to any of these within the second degree by consanguinity or affinity) until they have vacated that position for at least six months.

   Alternatively, an approach could be to eliminate this entire section and instead adopt a City-wide policy addressing conflicts of interest for all boards and commissions with the city.

9. Article 9, 10, 11, & 12 – Officers of the TIRZ Board, Conduct of Board Members, Miscellaneous, and Amending or Waiving These By-Laws

   The original version of the bylaws had some incorrect numbering and jumped from Article 6 to Article 9. The renumbering is proposed to be corrected, to Article 7, 8, 9, and 10, respectively.

Financial Impact:

N/A

Other Information/Recommendation:

City staff **recommends approving** these amendments as proposed. No changes to the bylaws were required based on the changes recommended by the Council on first reading of the ordinance.

The DDC board met on March 29th to discuss this item. While no formal recommendation is carried forward to the City Council, the board did have some specific concerns which they expressed at that time, and asked that the staff convey them. These included:

- a general support for merging the functions of the two boards;

- ensuring that the mission of the DDC is adequately reflected in the mission of the new board;
- preventing the board from being too large, preferring 9 or 10 members over 12 or more; and,
- some members wanted to ensure representation of Downtown San Angelo, Inc.

The TIRZ board met to discuss this item on both March 23rd and March 30th. Their formal recommendations were centered on five key areas.

- Ownership requirements: The existing TIRZ requires that 6 of the total board members own land within the TIRZ, and that 5 own businesses within it. The board recommends - by a vote of 7-0 - that of the 7 members appointed by the City Council, 3 must own property, own a business, live, or work in the TIRZ – North; furthermore, another 3 must own property, own a business, live, or work in the TIRZ – South. This recommendation represents a suggested modification to the staff recommendation, which would eliminate all requirements other than being residents of the County, as required by state law.
- Term length: The board recommends – by a vote of 7-0 – that the terms for each member be two years each. This recommendation matches the staff recommendation.
- Maximum number of terms: The board recommends – by a vote of 7-0 – that members be limited to four terms maximum. This recommendation represents a suggested modification to the staff recommendation of a three term limit (for a total of 6 years).
- Conflicts of interest: The board recommends – by a vote of 7-0 – that there be a single conflict of interest policy to apply citywide to all boards and commissions, as well as the City Council. This recommendation matches the staff recommendation, except that staff recognizes that such a document does not yet exist, and followed the City Council directive to apply the COSADC conflict language into the ordinance amendment.
- Executive summary: The board recommends – by a vote of 7-0 – their executive summary of survey findings compiled by polling each individual board member.

Attachments:

1.	TIRZ Bylaws Changes	TIRZ Bylaws_final.pdf

Presentation:

Jon James, Director of Planning & Development Services

Approvals/Reviews:

Jon James	Created/Initiated
Jon James	Approved
Theresa James	Approved
Tina Carriger	Approved
Theresa James	Approved
Becky Dunn	Approved
Bryan Kendrick	Final Approval

BY-LAWS OF THE TAX INCREMENT REINVESTMENT ZONE BOARD OF THE CITY OF SAN ANGELO

Article 1. General Governing Statutes, Ordinances and Rules

The Tax Increment Reinvestment Zone Board, hereinafter referred to as the “Board”, shall be governed by the following statutes and rules, to the extent that they remain in force and effect, as they are amended, and as they may be added to:

1.1 Chapter 551 of the Texas Government Code, concerning the open conduct of meetings and posting of meeting agendas.

1.2 Chapter 171 in the State of Texas Local Government Code, regulating conflicts of interest of officers of municipalities.

1.3 ~~Article 2.4300 in Chapter 2 (Administration) of the Code of Ordinances, 1996, San Angelo, Texas.~~ Division 10 of Article 2.07 “Committees and Commissions”, Chapter 2 of the Code of Ordinances of the City of San Angelo, Texas.

1.4 By-laws of the Tax Increment Reinvestment Zone Board, as set forth herein.

Article 2. Authority of the Board

The Tax Increment Reinvestment Zone Board shall~~:~~ have authority as outlined in the regulations adopted by City Council under Chapter 2, Article 2.07, Division 10, Section 2.07.284, “Duties”.

~~2.1 Make recommendations on formulating the project plan and reinvestment zone financing plan.~~

~~2.2 Make recommendations to City Council regarding agreements that are necessary for implementation of the project plan and reinvestment zone financing plan.~~

~~2.3 Make recommendations to City Council regarding agreements with local governments or political subdivisions for management of the zone or implementing the project plan and reinvestment zone financing plan.~~

~~2.4 Make recommendations to City Council regarding establishing and providing for the establishment of programs that:~~
~~1. Develop and diversify the economy of the zone;~~
~~2. Eliminate unemployment or underemployment in the zone;~~
~~3. Develop or expand transportation, business or commercial activity in the zone;~~
~~4. Make grants and loans;~~
~~5. Stimulate business and commercial activity in the zone.~~

~~2.5 Contract with the city regarding allocation from the tax increment fund to pay for the incremental costs of providing municipal services incurred as a result of the creation of the zone or the development or redevelopment of land within the zone.~~

Article 3. Membership of the Board

The Tax Increment Reinvestment Zone Board shall be composed of ~~fifteen (15)~~ nine (9) members. The members shall be appointed~~ as follows:~~as outlined in the regulations adopted by City Council under Chapter 2, Article 2.07, Division 10, Section 2.07.281, "Organization and Procedure".

~~(1) Five (5) shall be appointed by the city council from those who own property within the zone of which four (4) shall reside within single member districts (SMD) #2, #3, #4, and #5 respectively;~~
~~(2) One (1) shall be appointed by the county commissioners from those who own property within the zone;~~
~~(3) Three (3) shall be appointed by the city council from those who own businesses within the zone;~~
~~(4) Two (2) shall be appointed by the county commissioners from those who own businesses with the zone;~~
~~(5) One (1) member shall be appointed by the county commissioners;~~
~~(6) One (1) member shall be appointed by Goodfellow Air Force Base;~~
~~(7) One (1) member shall be appointed by Angelo State University; and~~
~~(8) One (1) member shall be appointed by San Angelo Independent School District.~~

3.1 The term of each member shall be ~~(2) years.~~as outlined in the regulations adopted by City Council under Chapter 2, Article 2.07, Division 10, Section 2.07.283, "Terms".

~~(a) Of the members first appointed by the City Council, five (5) shall be appointed for a term of two (2) and three (3) years, (3) shall be appointed for a term of one (1) year. Of the members first appointed by Tom Green County, two (2) shall be for a one (1) year term. Appointments by all other entities shall be for two (2) year terms~~
~~(b) All additional appointments shall be for a term of two (2) years, except vacancies for unexpired terms which shall be filled for the remainder of the unexpired term.~~

~~3.2 The City Council may remove a board member for cause, on a written charge and after a public hearing on the matter.~~

3.~~3~~ 2 When members propose to resign, they shall give notice of their intent to the ~~chairman~~chair and board staff liaison. When a member resigns or a position otherwise becomes vacant for other causes, the liaison shall promptly indicate to the City Council that a vacancy exists.

3.~~4~~ 3 Any vacancy occurring on the Board shall be filled by the appointment of an interim member by the City Council or other appointing agency as designated. Such interim appointment shall be for the unexpired term of the member whose position is vacated; provided, however, that a person serving such an interim appointment shall nevertheless be eligible to serve two full consecutive terms after completion of his or her interim appointment.

3.~~5~~ 4 No board member shall serve more than three (3) consecutive two-year terms, but may be reappointed after one (1) year has passed. However, in the event that a successor is not named to serve in place of a member whose term has expired, said member shall continue to serve as board member until the City Council or other designated agency duly appoints a successor.

3.~~6~~5 In the event of three (3) consecutive absences or a cumulative total of four (4) absences by a member within a calendar year from regularly scheduled meetings, a board member shall be deemed to have resigned unless the board excused such absences by procedures established herein. ~~Any member who fails to attend at least two thirds (2/3) of the meetings in any one year period shall be deemed to have automatically resigned from office.~~ The board staff liaison shall make periodic attendance reports to the Tax Increment Reinvestment Zone Board, and a replacement shall be appointed in the manner provided above for any Tax Increment Reinvestment Zone Board member who has automatically resigned.

Article 4. Meeting date, time and place.

Meeting date, time, place and regularity will vary depending upon requests for funding and the need to conduct business related to other duties as previously described~~.~~; at a minimum, the board will meet quarterly.

~~4.01 The number of meetings per month and schedule of meeting dates, as well as the place of meetings, may be altered or changed at any regularly scheduled meeting or upon call of the ChairmanChair, staff liaison or City Council~~.

Article 5. Conduct of Meetings

5.1 Each meeting of the Tax Increment Reinvestment Zone Board must be attended by a simple majority of appointed members of the board in order to constitute a quorum.

5.2 A majority vote of the membership present (at any duly-advertised meeting attended by a quorum of voting members) shall be necessary for the Tax Increment Reinvestment Zone Board to approve any motion made before it.

5.3 It shall be customary for the ~~chairman~~chair to vote on all matters pending before the Tax Increment Reinvestment Zone Board, except whereas he or she may otherwise be disqualified from voting.

5.4 All meetings of the board shall be open to the public and in compliance with ~~the open meeting requirements of Article 6252-17 in Vernon's Annotated Revised Civil Statutes (V.A.R.C.S.) of the State of Texas~~ Chapter 551 of the Texas Government Code. This requirement for open meetings does not prevent the board from convening in executive session, under the limitations of said ~~Article 6252-17~~Chapter 551.

5.5 Robert's Rules of Order, Newly Revised shall be adopted as the regular rule for the conduct of meetings, provided such rules do not conflict with the bylaws adopted herein, in which case these bylaws shall supersede Robert's Rules of Order. Furthermore, such rules of order are accepted to be advisory and shall not be binding should the board, by its determination, vary or change such rules of conduct for its meeting.

5.6 Order for consideration of each agenda item. The following procedure shall generally be observed for the presentation of relevant evidence and information; however, it may be rearranged by the ~~chairman~~chair for individual items, if necessary for the expeditious conduct of business:

   a. The chair introduces the item to be considered, summarizing the nature of the request as described on the meeting agenda.
   b. City staff describes in more detail the nature of the item provides relevant background information and a recommendation.

c. The board may ask questions of the staff, concerning its presentation and report.
d. Members of the public, in attendance at the meeting, are given an opportunity to speak and present relevant information prior to a decision by the board.

5.7 All decisions of the board shall be made at a public meeting by a motion made and seconded, and by a show of hands.

5.8 The chair may elect, subject to being overruled by a majority of the board members in attendance, on a motion duly passed, to:

a. proceed immediately to determination and decision, on conclusion of the hearing on the particular agenda item
b. defer determination and decision until later in the same meeting; or
c. defer determination and decision until another specified regular or special meeting of the Board, in order to obtain additional information or for other good cause.

5.9 Recess. Any regular or special meeting may be recessed or adjourned from day to day, or to the time of any previously announced regular or special meeting.

5.10 Cancellation. If no business is scheduled before the board, or if it is apparent that a quorum will not be available, any meeting may be canceled by the ~~chairman~~chair.

Article 6. Minutes

6.1 The board shall maintain a minute record book which shall be kept posted to date. In the minute record book shall be recorded the board's proceedings, showing attendance and all absences, any disqualifications of members, the records of its deliberations and other official actions, as well as the vote of each member voting on every question.

6.2 The draft minute record of a board meeting shall be presented for approval at any subsequent meeting of the Tax Increment Reinvestment Zone Board. This minute record must be approved by a majority of the members who were present at the meeting applicable to the subject minutes. If this not possible due to resignations, deaths, or the fact that other members were present at the applicable meeting and not present at the current meeting, then a majority of the members present and voting shall be all that is necessary to approve the minutes.

6.3 The minutes shall be considered filed after each of the following has occurred: a) the minutes have been approved by the Board, b) the ~~Chairman~~Chair or Vice ~~Chairman~~Chair has signed the minutes, and c) the board staff liaison has posted the minutes in the record book contained in the office of the City of San Angelo's Planning Division. The minutes of the board shall be a public record, kept in the offices of the Planning Division.

Article ~~9~~7. Officers of the Tax Increment Reinvestment Zone Board

Commented [FA1]: This section of the existing bylaws are numbered incorrectly as Article 9 – when there is no Article 7 or 8. This has been corrected.

~~9~~7.1 Election of ~~Chairman~~Chair and Vice-~~Chairman~~Chair. ~~Annually, as the first item of new business at the regular meeting of the board in the month of January, the board shall elect a chairman and vice-chairman. The election shall be determined by a majority of those members present and constituting a quorum at said meeting. If such regular meeting is canceled or a quorum is lacking, the election shall be held within 36 days thereafter at a regular or special meeting. If no quorum can be obtained within 36 days, the~~

~~secretary shall notify the City Council which shall appoint a chairman and vice-chairman to serve until the next regular election in the month of January.~~ The City Council shall appoint a chair, as established in Section 311.009.f of the Local Government Code, for a term of one year, beginning in January. The Tax Increment Reinvestment Zone Board shall elect a vice-chair, for the same term.

~~9~~7.2 Succession of Vice-~~Chairman~~Chair to office of ~~Chairman~~Chair. If the ~~chairman~~chair resigns his office or becomes no longer a member of the board, the vice-~~chairman~~chair shall succeed him in office ~~for the remainder of the term~~until the City Council appoints a new chair. If the vice-~~chairman~~chair resigns his office, becomes no longer a member of the board, or succeeds to the ~~chairman~~chair's office, a special election shall be held at the next regular meeting of the board to select a vice-~~chairman~~chair to complete the term.

~~9~~7.3 Presiding at Meetings. If present and able, the ~~chairman~~chair shall preside at all meetings and hearings. If the ~~chairman~~chair is absent or unable to preside, the vice-~~chairman~~chair shall preside. If both are absent or unable to preside, the members present shall appoint a temporary ~~chairman~~chair to preside.

In accordance with these and other applicable rules, the presiding officer shall decide all points of procedure or order, unless otherwise directed by a majority of the members in attendance on motion duly made and passed. The presiding officer shall maintain order and decorum, and to that end, may order removal of disorderly or disruptive persons. The presiding officer shall administer oaths to all witnesses, if so desired by the board, or arrange for such oaths to be administered.

~~9~~7.4 Other Responsibilities and Duties of ~~Chairman~~Chair. The ~~chairman~~chair shall have further duties and responsibilities, as indicated below:

~~9~~7.5 The ~~chairman~~chair shall appoint such committees as may be found necessary.

~~9~~7.6 Delegation to Vice-~~Chairman~~Chair. The ~~chairman~~chair may delegate specific duties generally to the vice-~~chairman~~chair or may authorize the vice-~~chairman~~chair to perform specific duties, during the ~~chairman~~chair's absence or in case of his other disability, so that necessary board functions are performed in a timely manner. The vice-~~chairman~~chair shall perform all duties so delegated. In case of absence or incapacity of the ~~chairman~~chair, and on approval by a majority of the board, the vice-~~chairman~~chair shall perform any or all duties of the ~~chairman~~chair, whether or not so delegated.

~~9~~7.7 Appointment of Staff Liaison. The Director of Planning or his/her designee shall serve as staff liaison to the Tax Increment Reinvestment Zone Board. The liaison shall in general attend to all correspondence of the board, send out or cause to be published all notices required; attend all meetings of the board and all hearings (except when excused by the ~~chairman~~chair and with temporary services arranged); prepare staff reports and make recommendations on individual items to be heard by the board; scrutinize all matters to assure compliance with State law and municipal regulations and these rules; compile all required records; maintain the necessary schedule, files and indexes; and generally perform or supervise all clerical work of the board.

Article ~~10~~8. Conduct of Board Members

~~10~~8.1 Conflict of Interest. No member of the board shall participate in any case in which he or she has financial or personal interest in the property concerned, or will be directly affected by the decision, or has any other conflict of interest as defined by applicable law. The determination of "substantial" interest in a business entity, as well as rules affecting participation of board members in cases affected thereby, are described in Chapter 171 in the State of Texas Local Government Code.

8.2 No member of the San Angelo city council, or person related to a council member within the second degree by consanguinity or affinity, shall be eligible for a grant or assistance from the board during his/her tenure or for six months thereafter.

8.3 No member of the TIRZ board, or person related to a board member within the second degree by consanguinity or affinity, shall be eligible for a grant or assistance from the board during his/her tenure or for six months thereafter.

8.4 No employee of the Planning & Development Services Department, or person related to an employee or supervisor of this Department within the second degree by consanguinity or affinity, shall be eligible for assistance from the TIRZ during his/her employment or for six months thereafter.

~~10.2~~8.5 Influence Other Than at Public Hearing. A member may disqualify himself/herself from voting whenever any requestor, or his/her agent, has sought to influence the vote of the member in any setting, other than in the public meeting.

Article ~~11~~9. Miscellaneous

~~12~~9.1 The deadline for submission of a request for funding or for the placement of an item on an agenda of the Tax Increment Reinvestment Zone Board shall be no less than 15 days before the regular scheduled meeting of the Tax Increment Reinvestment Zone Board.

~~12~~9.2 All materials related to said requests including maps, site plans, photographs or any other exhibits (or copies thereof) shown to the board for presentation purposes shall become the property of the City and part of the file record.

Article ~~12~~10. Amending or Waiving These By-laws

~~13~~10.1 Amending By-Laws. These rules may be amended at any regular or special called meeting of the Tax Increment Reinvestment Zone Board, by a majority of a quorum of board members present, provided that each of the following conditions is met:

a. Such amendment will not be contrary to any requirement or limitation set by State law or City ordinance.

b. Notice of said proposed amendment is furnished to each member, in writing, at least seven days prior to said meeting.

~~13~~10.2 Waiving By-Laws. A rule of procedure may be suspended at any meeting by a majority vote of all board members present, unless such rule is set by State law or City ordinance.

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

Requestor: Alfonso Torres, Building Official, City Clerk, 325-657-4210 ext 138

Meeting Date: May 18, 2016

Item type: Consent Item

Caption:

Consider approval of Interlocal Agreement between the Tom Green County Appraisal District and the City of San Angelo regarding the ownership, usage, service, maintenance and location of a certain Xerox model 6204 wide format printer/scanner/copier (A.Torres)

Summary/History:

The Tom Green County Tax Appraisal District obtains information from the Permits and Inspections Division to determine property information for their files. TGCAD proposes furnishing a scanner/printer to be located at the Development Services Building accessible to both the TGCAD staff and to the Planning and Development Services staff to be used to scan permit files documentation.

Financial Impact:

No financial impact to the City of San Angelo.
$0.00

Other Information/Recommendation:

Attachments:

1.	Interlocal Agreement with TGCAD	16-406 BP Interlocal agreement with TGCAD.docx

Presentation:

Approvals/Reviews:

Alfonso Torres	Created/Initiated
Bryan Kendrick	Approved
Theresa James	Approved
Tina Carriger	Approved
Theresa James	Approved
Becky Dunn	Approved
Bryan Kendrick	Final Approval

INTERLOCAL AGREEMENT BETWEEN
CITY OF SAN ANGELO AND THE TOM GREEN COUNTY APPRAISAL DISTRICT

This Interlocal Agreement (hereinafter "this Agreement") is entered into, pursuant to the Interlocal Cooperation Act, Texas Government Code Section 791.000 *et. seq.*, by and between **the Tom Green County Appraisal District** (hereinafter "District"), and the **City of San Angelo, Texas**, a Texas home rule municipal corporation situated in Tom Green County, Texas, (hereinafter "COSA"). COSA and District may be referred to as "Party" or "Parties" herein.

WITNESSETH

WHEREAS, the District owns a Xerox model 6204 wide format printer/scanner/copier (hereinafter "Xerox"); and

WHEREAS, the District wants to locate the device in the office of the Building and Permit Department at the City of San Angelo; and

WHEREAS, COSA personnel and District personnel will be able to use the Xerox at their discretion for work related tasks.

NOW THEREFORE, IN CONSIDERATION OF THE MUTUAL PROMISES AND BENEFITS SET FORTH BELOW, THE PARTIES AGREE AS FOLLOWS:

ARTICLE 1: PURPOSE.

The purpose of this Agreement is to set forth the terms and conditions agreed upon by the Parties in order for the Xerox to be located in a City facility for use by both the District and COSA personnel.

ARTICLE 2: TERM.

This is the initial agreement and shall remain in force for the period of 6 months from the date of May 1, 2016. In six months, on or after November 1, 2016, this agreement shall be reviewed after the 6 month period of operations to determine if additional details need to be reviewed regarding supplies and maintenance.

ARTICLE 3: OBLIGATIONS OF COSA.

COSA agrees to:

1. Allow the District to locate the Xerox in the COSA building and permit department.

2. Allow during normal business hours unrestricted and unlimited access to said device by the District employees or any IT personnel retained by the District.

3. Notify the District in a timely manner of any issue relating to the maintenance, supplies, or

repair of the Xerox.

4. Protect the Xerox from gross misuse or intentional damage. Any damage resulting from the gross misuse or intentional damage to the Xerox by COSA employees shall be the responsibility of COSA.

5. Be solely responsible for any networking expense for the Xerox setup regarding electronic network communication with any COSA office or offices that the COSA Building Permit Department may deem necessary.

6. Compensation agreed upon by the parties fairly compensates the performing party for the services provided under this Agreement.

7. The costs incurred by COSA for governmental functions under this agreement are payable from the current revenues.

ARTICLE 4: OBLIGATIONS OF THE DISTRICT

The District agrees:

1. To locate the Xerox in the COSA building and permits department in the location chosen by COSA.

2. COSA personnel shall be allowed to utilize the Xerox at their discretion for any work related task.

3. District will be financially responsible for regular maintenance as required as well as repairs if and when needed, unless gross misuse or intentional damage is indicated.

4. Any paper, ink, toner and other supplies deemed necessary for continued operation of the Xerox will be paid by the District at its' own expense.

5. All expenses accrued for the physical setup and any network communications through the internet to the offices of the District shall be the responsibility of the District.

6. COSA employees may have unrestricted and unlimited access to the device for any work related reason or purpose during normal business hours of operation.

7. Compensation agreed upon by the parties fairly compensates the performing party for the services provided under this Agreement.

8. The costs incurred by COSA for governmental functions under this agreement are payable from the current revenues.

ARTICLE 5: NO JOINT ENTERPRISE.

This Agreement is not intended to create a joint enterprise. By entering this Agreement, the Parties are undertaking a governmental function or service the purpose of which is to further the public good. The Parties do not jointly or severally have a pecuniary purpose or profit motive in executing or performing this Agreement. The Parties do not have an equal or mutual right of control.

ARTICLE 6: TERMINATION.

This Agreement may be terminated at any time by either of the Parties. Upon termination, the Xerox shall be returned to the District at the expense of the District.

ARTICLE 7: EXECUTION.

If the governing body of a Party is required to approve this Agreement, it shall not become effective until approved by the governing body of that Party. In that event, this Agreement shall be executed by the duly authorized official(s) of the Party as expressed in the approving resolution or order of the governing body of said Party.

ARTICLE 8: ENTIRE AGREEMENT.

This Agreement supersedes any and all other agreements, either oral or in writing, between the Parties hereto with respect to the subject matter hereof, and no other agreement, statement, or promise relating to the subject matter of this Agreement, which is not contained herein, shall be valid or binding.

ARTICLE 9: AMENDMENT.

This Agreement may only be amended by the mutual agreement of the Parties hereto in a writing signed by a duly authorized representative of each Party and attached to and incorporated into this Agreement. All amendments to this Agreement shall be submitted to the City Council for their consideration and approval.

ARTICLE 10: SEVERABILITY.

In the event that any one or more of the provisions contained in this Agreement shall be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions herein, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

ARTICLE 11: EXCLUSIVITY.

This Agreement is non-exclusive and nothing herein shall in any way limit the right of the

Parties to enter into agreements with other individuals or entities to provide the same or similar service.

ARTICLE NO. 12: APPLICABLE LAW

This Agreement is not intended to create any legal rights enforceable by any third Party against either Party, nor is it intended to waive any rights or defenses available to any Party. COSA and the District will have rights, immunities, and defenses available to them under law. Venue for any proceeding brought pursuant to this Agreement shall be in Tom Green County, Texas.

Nothing herein contained shall be deemed to constitute a waiver by COSA or the District of the immunities afforded them under state law.

ARTICLE NO. 13: ASSIGNMENT OF RIGHTS AND DELEGATION OF DUTIES.

Due to the unique nature of this Agreement, the Parties agree that neither COSA nor the District may assign its rights or delegate its duties hereunder to any third Party without the prior written consent and approval of the other Party, which consent shall not be unreasonably withheld. Any purported assignment, transfer or conveyance without such written consent shall be null and void.

SIGNATURE PAGE TO FOLLOW

EXECUTED in by the City of San Angelo on this the _____ day of May, 2016.

CITY OF SAN ANGELO:

By:___________________________________
Daniel Valenzuela, City Manager

ATTEST:

____
Bryan Kendrick, City Clerk

EXECUTED in by the Tom Green County Appraisal District on this the _____ day of May, 2016.

Tom Green County Appraisal District:

By:___________________________________
Bill H. Benson, Chief Appraiser

ATTEST:

____
Bryan Kendrick, City Clerk

Approved as to content:

By: _________________________________
Al Torres
Building Official

Approved as to form:

By: _________________________________
Theresa James
City Attorney

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

Requestor: Theresa James, City Attorney, Legal, X1413

Meeting Date: May 18, 2016

Item type: Consent Item

Caption:

Consideration and Approval of a Resolution approving a change in the rates of Atmos Energy Corporation, Mid-Tex as a result of a settlement between Atmos and the Atmos Texas Municipalities under the Rate Review Mechanism. (T.James)

Summary/History:

The City of San Angelo is a regulatory agency under the Texas Gas Regulatory Act and has exclusive original jurisdiction over Atmos Energy Corporation - Mid Tex Division ("Atmos") rates, operations, and services within the municipality. The City has participated in prior rate review cases as part of a coalition of cities known as the Atmos Texas Municipalities ("ATM").

On March 1, 2016, Atmos submitted an application seeking a system wide rate increase of $35.4 million which equates to an increase of 6.04%. After ATM consultants conducted a review of the application and negotiations with Atmos, Atmos agreed to reduce the increase to $29.9 million which equates to an increase of approximately 5.5%.

This resolution approves a settlement agreement that resolves the requested rate increase with an increase of rates of $29.9 million.

Financial Impact:

The impact on rates of the average customer's bill would be as follows:

Customer Class	Current Bill	Proposed Bill	Difference	% Increase with Gas Cost	% Increase without Gas Cost
Residential	$52.01	$53.27	$1.26	2.43%	5.05%
Commercial	$267.17	$270.98	$3.81	1.43%	5.03%
Industrial	$5,184.05	$5,286.77	$102.72	1.98%	5.41%
Transportation	$3,666.82	$3,769.54	$102.72	2.80%	5.41%

Other Information/Recommendation:

Attachments:

1.	Atmos Resolution	16-427 ATMOS RESOLUTION.pdf

Presentation:

Approvals/Reviews:

Theresa James	Created/Initiated
Tina Carriger	Approved
Theresa James	Approved
Becky Dunn	Approved
Bryan Kendrick	Final Approval

RESOLUTION NO. ____________

A RESOLUTION BY THE CITY OF SAN ANGELO, TEXAS ("CITY"), APPROVING A CHANGE IN THE RATES OF ATMOS ENERGY CORPORATION, MID-TEX DIVISION ("ATMOS") AS A RESULT OF A SETTLEMENT BETWEEN ATMOS AND THE ATMOS TEXAS MUNICIPALITIES ("ATM") UNDER THE RATE REVIEW MECHANISM; FINDING THE RATES SET BY THE ATTACHED TARIFFS TO BE JUST AND REASONABLE; FINDING THAT THE MEETING COMPLIED WITH THE OPEN MEETINGS ACT; DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THE RESOLUTION TO THE COMPANY AND LEGAL COUNSEL.

WHEREAS, the City of San Angelo, Texas ("City") is a regulatory authority under the Gas Utility Regulatory Act "GURA") and under § 103.001 of GURA has exclusive original jurisdiction over Atmos Energy Corporation – Mid-Tex Division ("Atmos") rates, operations, and service of a gas utility within the municipality; and

WHEREAS, the City has participated in prior cases regarding Atmos as part of a coalition of cities known as the Atmos Texas Municipalities ("ATM"); and

WHEREAS, pursuant to the Rate Review Mechanism ("RRM") for 2016 filed with the City on or around March 1, 2016 for a proposed system-wide increase of $35.4 million; and

WHEREAS, experts representing ATM have been analyzing data furnished by Atmos and interviewing Atmos' management regarding the RRM; and

WHEREAS, the Steering Committee of ATM and its counsel recommend approval of the attached tariffs, set forth as **Attachment A**, along with the proof of revenues set forth as **Attachment B**, which results in an increase in Atmos' revenue of $29.9 million, and **Attachment**, setting forth the beginning balance for purposes of determining pension and other post-employment benefits to be recovered in the next RRM filing.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN ANGELO, TEXAS THAT:

Section 1. The findings set forth in this Resolution are hereby in all things approved.

Section 2. The amended tariffs in Attachment A are hereby adopted to become effective on June 1, 2016.

Section 3. To the extent any Resolution previously adopted by the City Council is inconsistent with this Resolution, it is hereby superseded.

Section 4. The meeting at which this Resolution was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

Section 5. If any one or more sections or clauses of this Resolution is judged to be unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remaining provisions of this Resolution and the remaining provisions of the Resolution shall be interpreted as if the offending section or clause never existed.

Section 6. This Resolution shall become effective from and after its passage.

Section 7. A copy of this Resolution shall be sent to Atmos Mid-Tex, care of Christopher Felan, Vice President of Rates and Regulatory Affairs, Atmos Energy Corporation, 5420 LBJ Freeway, Suite 1600, Dallas, Texas 75240 and to Mr. Alfred R. Herrera, Herrera & Boyle, PLLC, 816 Congress Avenue, Suite 1250, Austin, Texas 78701.

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PASSED AND APPROVED this 18th day of May, 2016.

Dwain Morrison, Mayor

ATTEST:

Bryan Kendrick, City Clerk

APPROVED AS TO FORM

Theresa James, City Attorney

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RRC Tariff No:

RATE SCHEDULE:	R – RESIDENTIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 06/01/2016	PAGE: 12

Application
Applicable to Residential Customers for all natural gas provided at one Point of Delivery and measured through one meter.

Type of Service
Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate
Customer's monthly bill will be calculated by adding the following Customer and Ccf charges to the amounts due under the riders listed below:

Charge	**Amount**
Customer Charge per Bill	$ 19.10 per month
Rider CEE Surcharge	$ 0.02 per month[1]
Total Customer Charge	$ 19.12 per month
Commodity Charge – All Ccf	$0.11378 per Ccf

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Weather Normalization Adjustment: Plus or Minus an amount for weather normalization calculated in accordance with Rider WNA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Agreement
An Agreement for Gas Service may be required.

Notice
Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

---

[1] Reference Rider CEE - Conservation and Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2015.

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RRC Tariff No:

RATE SCHEDULE:	**C – COMMERCIAL SALES**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS**	
EFFECTIVE DATE:	**Bills Rendered on or after 06/01/2016**	**PAGE: 13**

Application
Applicable to Commercial Customers for all natural gas provided at one Point of Delivery and measured through one meter and to Industrial Customers with an average annual usage of less than 30,000 Ccf.

Type of Service
Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate
Customer's monthly bill will be calculated by adding the following Customer and Ccf charges to the amounts due under the riders listed below:

Charge	Amount
Customer Charge per Bill	$ 41.75 per month
Rider CEE Surcharge	$ 0.02 per month[1]
Total Customer Charge	$ 41.77 per month
Commodity Charge – All Ccf	$ 0.08494 per Ccf

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Weather Normalization Adjustment: Plus or Minus an amount for weather normalization calculated in accordance with Rider WNA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Agreement
An Agreement for Gas Service may be required.

Notice
Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

---

[1] Reference Rider CEE - Conservation and Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2015.

RATE SCHEDULE:	**I – INDUSTRIAL SALES**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS**	
EFFECTIVE DATE:	**Bills Rendered on or after 06/01/2016**	**PAGE: 14**

Application
Applicable to Industrial Customers with a maximum daily usage (MDU) of less than 3,500 MMBtu per day for all natural gas provided at one Point of Delivery and measured through one meter. Service for Industrial Customers with an MDU equal to or greater than 3,500 MMBtu per day will be provided at Company's sole option and will require special contract arrangements between Company and Customer.

Type of Service
Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate
Customer's monthly bill will be calculated by adding the following Customer and MMBtu charges to the amounts due under the riders listed below:

Charge	**Amount**
Customer Charge per Meter	$ 738.00 per month
First 0 MMBtu to 1,500 MMBtu	$ 0.3096 per MMBtu
Next 3,500 MMBtu	$ 0.2267 per MMBtu
All MMBtu over 5,000 MMBtu	$ 0.0486 per MMBtu

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Curtailment Overpull Fee
Upon notification by Company of an event of curtailment or interruption of Customer's deliveries, Customer will, for each MMBtu delivered in excess of the stated level of curtailment or interruption, pay Company 200% of the midpoint price for the Katy point listed in *Platts Gas Daily* published for the applicable Gas Day in the table entitled "Daily Price Survey."

Replacement Index
In the event the "midpoint" or "common" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" is no longer published, Company will calculate the applicable imbalance fees utilizing a daily price index recognized as authoritative by the natural gas industry and most closely approximating the applicable index.

RATE SCHEDULE:	**I – INDUSTRIAL SALES**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS**	
EFFECTIVE DATE:	**Bills Rendered on or after 06/01/2016**	**PAGE: 15**

Agreement
An Agreement for Gas Service may be required.

Notice
Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

Special Conditions
In order to receive service under Rate I, Customer must have the type of meter required by Company. Customer must pay Company all costs associated with the acquisition and installation of the meter.

RATE SCHEDULE:	**T – TRANSPORTATION**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS**	
EFFECTIVE DATE:	**Bills Rendered on or after 06/01/2016**	**PAGE: 16**

Application
Applicable, in the event that Company has entered into a Transportation Agreement, to a customer directly connected to the Atmos Energy Corp., Mid-Tex Division Distribution System (Customer) for the transportation of all natural gas supplied by Customer or Customer's agent at one Point of Delivery for use in Customer's facility.

Type of Service
Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate
Customer's bill will be calculated by adding the following Customer and MMBtu charges to the amounts and quantities due under the riders listed below:

Charge	Amount
Customer Charge per Meter	$ 738.00 per month
First 0 MMBtu to 1,500 MMBtu	$ 0.3096 per MMBtu
Next 3,500 MMBtu	$ 0.2267 per MMBtu
All MMBtu over 5,000 MMBtu	$ 0.0486 per MMBtu

Upstream Transportation Cost Recovery: Plus an amount for upstream transportation costs in accordance with Part (b) of Rider GCR.

Retention Adjustment: Plus a quantity of gas as calculated in accordance with Rider RA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Imbalance Fees
All fees charged to Customer under this Rate Schedule will be charged based on the quantities determined under the applicable Transportation Agreement and quantities will not be aggregated for any Customer with multiple Transportation Agreements for the purposes of such fees.

Monthly Imbalance Fees
Customer shall pay Company the greater of (i) $0.10 per MMBtu, or (ii) 150% of the difference per MMBtu between the highest and lowest "midpoint" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" during such month, for the MMBtu of Customer's monthly Cumulative Imbalance, as defined in the applicable Transportation Agreement, at the end of each month that exceeds 10% of Customer's receipt quantities for the month.

RATE SCHEDULE:	**T – TRANSPORTATION**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS**	
EFFECTIVE DATE:	**Bills Rendered on or after 06/01/2016**	**PAGE: 17**

Curtailment Overpull Fee
Upon notification by Company of an event of curtailment or interruption of Customer's deliveries, Customer will, for each MMBtu delivered in excess of the stated level of curtailment or interruption, pay Company 200% of the midpoint price for the Katy point listed in *Platts Gas Daily* published for the applicable Gas Day in the table entitled "Daily Price Survey."

Replacement Index
In the event the "midpoint" or "common" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" is no longer published, Company will calculate the applicable imbalance fees utilizing a daily price index recognized as authoritative by the natural gas industry and most closely approximating the applicable index.

Agreement
A transportation agreement is required.

Notice
Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

Special Conditions
In order to receive service under Rate T, customer must have the type of meter required by Company. Customer must pay Company all costs associated with the acquisition and installation of the meter.

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RIDER:	**WNA – WEATHER NORMALIZATION ADJUSTMENT**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS**	
EFFECTIVE DATE:	**Bills Rendered on or after 11/01/2016**	**PAGE: 41**

Provisions for Adjustment

The Commodity Charge per Ccf (100 cubic feet) for gas service set forth in any Rate Schedules utilized by the cities of the Mid-Tex Division service area for determining normalized winter period revenues shall be adjusted by an amount hereinafter described, which amount is referred to as the "Weather Normalization Adjustment." The Weather Normalization Adjustment shall apply to all temperature sensitive residential and commercial bills based on meters read during the revenue months of November through April. The five regional weather stations are Abilene, Austin, Dallas, Waco, and Wichita Falls.

Computation of Weather Normalization Adjustment

The Weather Normalization Adjustment Factor shall be computed to the nearest one-hundredth cent per Ccf by the following formula:

$$WNAF_i = R_i \frac{(HSF_i \times (NDD-ADD))}{(BL_i + (HSF_i \times ADD))}$$

Where

i = any particular Rate Schedule or billing classification within any such particular Rate Schedule that contains more than one billing classification

$WNAF_i$ = Weather Normalization Adjustment Factor for the i^{th} rate schedule or classification expressed in cents per Ccf

R_i = Commodity Charge rate of temperature sensitive sales for the i^{th} schedule or classification.

HSF_i = heat sensitive factor for the i^{th} schedule or classification divided by the average bill count in that class

NDD = billing cycle normal heating degree days calculated as the simple ten-year average of actual heating degree days.

ADD = billing cycle actual heating degree days.

Bl_i = base load sales for the i^{th} schedule or classification divided by the average bill count in that class

The Weather Normalization Adjustment for the jth customer in ith rate schedule is computed as:

WNA_i = $WNAF_i \times q_{ij}$

Where q_{ij} is the relevant sales quantity for the jth customer in ith rate schedule.

RIDER:	**WNA – WEATHER NORMALIZATION ADJUSTMENT**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS**	
EFFECTIVE DATE:	**Bills Rendered on or after 11/01/2016**	**PAGE: 42**

Base Use/Heat Use Factors

	Residential		Commercial	
Weather Station	Base use Ccf	Heat use Ccf/HDD	Base use Ccf	Heat use Ccf/HDD
Abilene	10.09	0.1392	98.01	0.6440
Austin	11.21	0.1551	203.36	0.8564
Dallas	13.72	0.2048	189.83	0.9984
Waco	9.89	0.1411	129.75	0.6695
Wichita Falls	11.49	0.1506	122.35	0.5967

Weather Normalization Adjustment (WNA) Report

On or before June 1 of each year, the company posts on its website at atmosenergy.com/mtx-wna, in Excel format, a *Weather Normalization Adjustment (WNA) Report* to show how the company calculated its WNAs factor during the preceding winter season. Additionally, on or before June 1 of each year, the company files one hard copy and an Excel version of the *WNA Report* with the Railroad Commission of Texas' Gas Services Division, addressed to the Director of that Division.

File Date: March 1, 2016

ATMOS ENERGY CORP., MID-TEX DIVISION
PROPOSED TARIFF STRUCTURE (BEFORE RATE CASE EXPENSE RECOVERY)
TEST YEAR ENDING DECEMBER 31, 2016

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
1	Proposed Change In Rates:		$ 29,603,205		Schedule A						
2	Proposed Change In Rates without Revenue Related Taxes:		$ 27,447,850		Ln 1 divided by factor on WP_F-5.1						
3											
4											
5											
6		Revenue Requirements	Allocations								
7	Residential	$ 338,431,486	77.95%		Per GUD 10170 Final Order						
8	Commercial	84,223,622	19.40%		Per GUD 10170 Final Order						
9	Industrial and Transportation	11,490,316	2.65%		Per GUD 10170 Final Order						
10	Net Revenue Requirements GUD No. 10170	$ 434,145,424									
11											
12											
13											
14											
15											

16 With Proportional Increase all classes but Residential and a 40% residential base charge increase:

			Current		Prospective		Revenues
17							
18			Current		Prospective		Revenues
19							
20	Residential Base Charge	$	18.56	$	0.48	$	8,558,622
21	Residential Consumption Charge	$	0.09931	$	0.01540		12,837,933
22	Commercial Base Charge	$	39.87	$	1.81		2,662,423
23	Commercial Consumption Charge	$	0.08020	$	0.00480		2,662,423
24	I&T Base Charge	$	697.35	$	38.03		363,224
25	I&T Consumption Charge Tier 1 MMBTU	$	0.2937	$	0.0166		172,167
26	I&T Consumption Charge Tier 2 MMBTU	$	0.2151	$	0.0121		139,070
27	I&T Consumption Charge Tier 3 MMBTU	$	0.0461	$	0.0026		51,988
28						$	27,447,850
29							

With Customer Charges Rounded Off and residential base charge increase for 2015 limited to $0.50 per RRM tariff.

		Proposed Change		Proposed Change In Revenues		Proposed Rates		Proposed Revenues
Residential Base Charge	$	0.52	$	9,336,278	$	19.08	$	339,813,673
Residential Consumption Charge	$	0.01447		12,061,297	$	0.11378		94,839,970
Commercial Base Charge	$	1.83		2,697,162	$	41.70		61,390,268
Commercial Consumption Charge	$	0.00474		2,626,475	$	0.08494		47,065,984
I&T Base Charge	$	39.65		378,728	$	737.00		7,039,815
I&T Consumption Charge Tier 1 MMBTU	$	0.0159		165,150	$	0.3096		3,215,747
I&T Consumption Charge Tier 2 MMBTU	$	0.0116		132,888	$	0.2267		2,597,042
I&T Consumption Charge Tier 3 MMBTU	$	0.0025		49,955	$	0.0486		971,117
			$	27,446,933			$	556,933,616

Data Sources:
GUD10170_FINAL.xlsm

ATMOS ENERGY CORP., MID-TEX DIVISION
PENSIONS AND RETIREE MEDICAL BENEFITS FOR CITIES APPROVAL
TEST YEAR ENDING DECEMBER 31, 2015

Line No.	Description	Shared Services		Mid-Tex Direct			
		Pension Account Plan ("PAP")	Post-Retirement Medical Plan ("FAS 106")	Pension Account Plan ("PAP")	Supplemental Executive Benefit Plan ("SERP")	Post-Retirement Medical Plan ("FAS 106")	Adjustment Total
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Fiscal Year 2016 Towers Watson Report (excluding Removed Cost Centers)	$ 5,101,680	$ 2,896,450	$ 7,840,683	$ 150,433	$ 4,466,430	
2	Allocation to Mid-Tex	40.56%	40.56%	71.52%	100.00%	71.52%	
3	FY16 Towers Watson Benefit Costs (excluding Removed Cost Centers) Allocated to MTX (Ln 1 x Ln 2)	$ 2,069,299	$ 1,174,833	$ 5,607,955	$ 150,433	$ 3,194,561	
4	O&M and Capital Allocation Factor	100.00%	100.00%	100.00%	100.00%	100.00%	
5	FY16 Towers Watson Benefit Costs To Approve (excluding Removed Cost Centers) (Ln 3 x Ln 4)	$ 2,069,299	$ 1,174,833	$ 5,607,955	$ 150,433	$ 3,194,561	$ 12,197,081
6							
7							
8	**Summary of Costs to Approve:**						
9							
10	Total Pension Account Plan ("PAP")	$ 2,069,299		$ 5,607,955			$ 7,677,254
11	Total Post-Retirement Medical Plan ("FAS 106")		$ 1,174,833			$ 3,194,561	4,369,394
12	Total Supplemental Executive Retirement Plan ("SERP")				$ 150,433		150,433
13	Total (Ln 10 + Ln 11 + Ln 12)	$ 2,069,299	$ 1,174,833	$ 5,607,955	$ 150,433	$ 3,194,561	$ 12,197,081
14							
15							
16	O&M Expense Factor	96.41%	96.41%	37.42%	20.77%	37.42%	
17							
18	Expense Portion (Ln 13 x Ln 16)	$ 1,995,016	$ 1,132,659	$ 2,098,222	$ 31,249	$ 1,195,248	$ 6,452,393
19							
20	Capital Factor	3.59%	3.59%	62.58%	79.23%	62.58%	
21							
22	Capital Portion (Ln 13 x Ln 20)	$ 74,283	$ 42,174	$ 3,509,733	$ 119,184	$ 1,999,313	$ 5,744,687
23							
24	Total (Ln 18 + Ln 22)	$ 2,069,299	$ 1,174,833	$ 5,607,955	$ 150,433	$ 3,194,561	$ 12,197,081

9-Attachment C-OPEB Baseline

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

THE CITY OF SAN ANGELO ★ TEXAS ★

Requestor: Bryan Kendrick, City Clerk, City Clerk,

Meeting Date: May 18, 2016

Item type: Regular Item

Caption:

Consider adopting a resolution canvassing returns and declaring the results of the General Election held on the 7th day of May, 2016; providing a severability clause; and providing for an effective date - (Presentation by Mayor Morrison and City Clerk Bryan Kendrick)

Summary/History:

The canvassing of the General Election is a routine action required by the election code.

Financial Impact:

The expense of the election was shared on a prorata basis with the Wall ISD. The base estimate is $27,500.00.

Other Information/Recommendation:

Staff recommends adoption of the resolution

Attachments:

1.	Canvassing Resolution	16-417_CC_CANVASS_5-07-16_ELECTION_RESO_DRAFT Final.docx
2.	Exhibit A Precinct by Precinct Report	Cumulative Report.pdf
3.	Code of Ordinances Sec 1.02.021 - 1.02.026	Code of Ordinances Sec 1.02.021 - 1.02.026.pdf
4.	Code of Ethics and Conduct Member Statement	Code of Ethics Policy and Member Stmt.doc

Presentation:

Approvals/Reviews:

Bryan Kendrick	Created/Initiated
Theresa James	Approved
Tina Carriger	Approved
Theresa James	Approved
Becky Dunn	Approved
Bryan Kendrick	Final Approval

A RESOLUTION OF THE CITY OF SAN ANGELO, TEXAS, CANVASSING RETURNS OF THE GENERAL ELECTION HELD IN SAID CITY ON THE 7TH DAY OF MAY, 2016, FOR THE PURPOSE OF ELECTING MUNICIPAL OFFICERS; DECLARING RESULTS OF THE GENERAL ELECTION; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, pursuant to Resolution No. 2016-02-014 of the City of San Angelo, Texas, adopted on the 2nd day of February, 2016, a General Election was duly held on the 7th day of May, 2016, for the purpose of electing municipal officers to the following positions: Chief of Police to a four year term, and City Council Members for Single Member Districts One, Three and Five to three year terms respectively; and

WHEREAS, said General Election was held with the solemnities and formalities necessary to make a valid election, all notices having been posted in the manner and for the length of time required by law; and

WHEREAS, only duly qualified resident voters of the City of San Angelo, Texas, voted at the General Election called and held on May 7, 2016; and

WHEREAS, section 67.003 of the Texas Election Code, as amended, generally provides that each local canvassing authority shall not convene for the purpose of canvassing the election results earlier than the later of the third day after the uniform election day in May, or the date on which the early voting ballot board has verified and counted all provisional ballots, if any, or the date on which all timely received ballots cast from addresses outside of the United States are counted, if any; and, not later than the eleventh day after the election day; and

WHEREAS, section 67.004(a) of the Texas Election Code, as amended, establishes the quorum level required to canvass election results to be two members of the canvassing authority; and

WHEREAS, a quorum of the City Council met on Wednesday, May 18, 2016, and duly canvassed the election returns of the above described General Election, attached hereto as **Exhibit "A"**;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANGELO, TEXAS:

Section 1. The findings set forth above are incorporated into the body of this resolution for all purposes as if fully set forth herein.

Section 2. The City Council officially finds and determines that an election was duly ordered to be held in the City of San Angelo, Texas on the 7th day of May, 2016, for the purpose of electing municipal officers to the following positions: Chief of Police to a four year term, and City Council Members for Single Member Districts One, Three and Five to three year terms respectively; and that proper notice of said election was duly given; that proper election officers were duly appointed prior to said election; that said election has been duly made and election returns delivered; and that the City Council has duly canvassed said returns all in accordance with law.

Section 3. The City Council officially finds and determines that only qualified resident voters of the City of San Angelo were allowed to vote at said election, and the following votes were cast at said election, and that the canvass of the votes cast in said election and returns thereof, which is attached hereto as **Exhibit "A",** were made in accordance with the law.

Office/Candidate	Early/Absentee		Election Day		Total	
Chief of Police						
Tim Vasquez	1819	34.15%	1046	27.42%	2865	31.35%
Mike Hernandez	1213	22.78%	1088	28.53%	2301	25.17%
Jeff Davis	531	9.97%	370	9.70%	901	9.86%
Frank Carter	1763	33.10%	1310	34.35%	3073	33.62%
City Council Member, SMD 1						
Bill Richardson	698	53.53%	394	47.07%	1092	51.00%
Trinidad Aguirre	606	46.47%	443	52.93%	1049	49.00%
City Council Member, SMD 3						
Daniel "Danny" Cardenas	221	41.78%	194	52.43%	415	46.16%
Harold "Harry" Thomas	308	58.22%	176	47.57%	484	53.84%
City Council Member, SMD 5						
Elizabeth Miller Grindstaff	536	48.42%	289	40.20%	825	45.18%
Lane Carter	487	43.99%	340	47.29%	827	45.29%
R.A. Cantrell	67	6.05%	84	11.68%	151	8.27%
Martin W. Guinn	17	1.54%	6	0.83%	23	1.26%

Section 4. Pursuant to the applicable provisions of the Texas Local Government Code, Texas Election Code, and the City of San Angelo, Texas Home-Rule Charter, the City Council officially finds, determines, and declares the results of said General Election to be that:

(1) No candidate for the position of Chief of Police received a majority of votes cast and a runoff election is called for July 2nd, 2016, between Frank Carter and Tim Vasquez, the two candidates having received the highest and second highest number of votes cast for the position of Chief of Police; and,

(2) No candidate for the position of City Council Member Single Member District Five received a majority of votes cast and a runoff election is called for July 2nd , 2016, between Lane Carter and Elizabeth Miller Grindstaff, the two candidates having received the highest and second highest number of votes cast for the position of City Council Member Single Member District Five; and

(3) Bill Richardson is elected City Council Member for Single Member District One to a three (3) year term of office by majority vote of the votes cast for Council Member Single Member District One.

(4) Harold “Harry” Thomas is elected City Council Member for Single Member District Three to a three (3) year term of office by majority vote of the votes cast for Council Member Single Member District Three.

Section 5. It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs and sections of this resolution are severable, and if any phrase, clause, sentence, paragraph or section of this Resolution shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this resolution, since the same would have been enacted by the City Council without the incorporation of this resolution of any such unconstitutional phrase, clause, sentence, paragraph or section.

Section 6. This Resolution shall be effective immediately upon its adoption.

The above Resolution was, upon motion made by _______________________________ and seconded by _________________________________, duly passed and adopted by the City Council

of the City of San Angelo, Texas on the 18th day of May, 2016.

THE CITY OF SAN ANGELO, TX

____
Dwain Morrison, Mayor

ATTEST:

____
Bryan Kendrick, City Clerk

Approved as to Content:

____
Bryan Kendrick, City Clerk

Approved as to Form:

____
Theresa James, City Attorney

A RESOLUTION OF THE CITY OF SAN ANGELO, TEXAS, CANVASSING RETURNS OF THE GENERAL ELECTION HELD IN SAID CITY ON THE 7TH DAY OF MAY, 2016, FOR THE PURPOSE OF ELECTING MUNICIPAL OFFICERS; DECLARING RESULTS OF THE GENERAL ELECTION; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE

<u>EXHIBIT A</u>

(Precinct Election Returns)

Canvass Report — Total Voters — Unofficial

City of San Angelo — GENERAL ELECTION — May 07, 2016

Total Number of Voters : 10,298 of 53,655 = 19.19%

Precincts Reporting 30 of 30 = 100.00%

CITY COUNCIL MEMBER SINGLE MEMBER DISTRICT #1

Precinct	Early Ballots Cast	Election Ballots Cast	Total Ballots Cast	Registered Voters	Percent Turnout	Bill Richardson	Trinidad Aguirre	Totals
230BS13	502	337	839	4992	16.81%	467	341	808
230BS14	62	33	95	190	50.00%	58	28	86
241BS15	740	483	1223	4356	28.08%	531	643	1174
420BS24	46	37	83	390	21.28%	36	37	73
Totals	1350	890	2240	9928		1092	1049	2141

Canvass Report — Total Voters — Unofficial

City of San Angelo — GENERAL ELECTION — May 07, 2016

05/16/2016 10:49 AM

Total Number of Voters : 10,298 of 53,655 = 19.19%

Precincts Reporting 30 of 30 = 100.00%

CITY COUNCIL MEMBER SINGLE MEMBER DISTRICT # 3

Precinct	Early Ballots Cast	Election Ballots Cast	Total Ballots Cast	Registered Voters	Percent Turnout	Daniel "Danny" Cardenas	Harold "Harry" Thomas	Totals
114BS4	62	76	138	927	14.89%	100	35	135
137BS6	233	154	387	2486	15.57%	150	218	368
146BS9	227	152	379	3262	11.62%	164	204	368
401BS22	27	3	30	135	22.22%	1	27	28
Totals	549	385	934	6810		415	484	899

Canvass Report — Total Voters — Unofficial

City of San Angelo — GENERAL ELECTION — May 07, 2016

05/16/2016 10:49 AM

Total Number of Voters : 10,298 of 53,655 = 19.19%

Precincts Reporting 30 of 30 = 100.00%

CITY COUNCIL MEMBER SINGLE MEMBER DISTRICT #5

Precinct	Early Ballots Cast	Election Ballots Cast	Total Ballots Cast	Registered Voters	Percent Turnout	Elizabeth Miller Grindstaff	Lane Carter	R.A. Cantrell	Martin W. Guinn	Totals
228BS12	315	178	493	2418	20.39%	208	237	26	11	482
305BS17	7	5	12	49	24.49%	4	6	0	2	12
402BS23	295	226	521	2864	18.19%	209	245	49	7	510
436BS30	510	323	833	3548	23.48%	404	339	76	3	822
Totals	1127	732	1859	8879		825	827	151	23	1826

Canvass Report — Total Voters — Unofficial

City of San Angelo — GENERAL ELECTION — May 07, 2016

05/16/2016 10:49 AM

Total Number of Voters : 10,298 of 53,655 = 19.19%

Precincts Reporting 30 of 30 = 100.00%

CHIEF OF POLICE

Precinct	Early Ballots Cast	Election Ballots Cast	Total Ballots Cast	Registered Voters	Percent Turnout	Tim Vasquez	Mike Hernandez	Jeff Davis	Frank Carter	Totals
106BS1	90	81	171	1520	11.25%	61	31	31	46	169
107BS2	33	35	68	435	15.63%	26	12	13	17	68
114BS4	62	76	138	927	14.89%	66	49	8	12	135
124BS5	70	47	117	1471	7.95%	61	26	12	18	117
137BS6	233	154	387	2486	15.57%	140	107	64	74	385
144BS7	98	109	207	1463	14.15%	80	49	26	52	207
144BS8	7	2	9	87	10.34%	4	3	2	0	9
146BS9	227	152	379	3262	11.62%	140	111	52	76	379
215BS11	305	232	537	2401	22.37%	161	128	38	208	535
228BS12	315	178	493	2418	20.39%	153	125	27	185	490
230BS13	502	337	839	4992	16.81%	266	220	48	303	837
230BS14	62	33	95	190	50.00%	9	20	3	60	92
241BS15	740	483	1223	4356	28.08%	400	258	89	474	1221
304BS16	277	258	535	3149	16.99%	138	93	116	185	532
305BS17	7	5	12	49	24.49%	3	5	2	2	12
306BS18	102	98	200	1504	13.30%	52	51	23	74	200
308BS19	29	18	47	323	14.55%	21	11	4	9	45
319BS20	452	219	671	3007	22.31%	195	157	61	255	668
327BS21	170	144	314	2485	12.64%	89	86	53	85	313
401BS22	27	3	30	135	22.22%	6	15	2	7	30
402BS23	295	226	521	2864	18.19%	162	139	41	176	518
420BS24	46	37	83	390	21.28%	21	35	1	26	83
421BS25	291	295	586	3091	18.96%	149	169	44	223	585
424BS27	213	178	391	2024	19.32%	116	117	25	133	391
434BS28	82	63	145	1090	13.30%	34	35	26	50	145
435BS29	95	48	143	1113	12.85%	49	32	18	44	143
436BS30	510	323	833	3548	23.48%	263	217	72	279	831
Totals	5340	3834	9174	50780		2865	2301	901	3073	9140

Sec. 1.02.021 Purpose of code of conduct

(a) The citizens and businesses of the city are entitled to have fair, ethical and accountable local government. Such government requires that public officials:

(1) Comply with both the letter and the spirit of the laws and policies affecting operations of the government;

(2) Be independent, impartial and fair in their judgment and actions;

(3) Use their public office for the public good, not for personal gain; and

(4) Conduct public deliberations and processes openly, unless legally confidential, in an atmosphere of respect and civility.

(b) Recognizing that stewardship of the public interest must be their primary concern, councilmembers shall work for the common good of the people of the city and not for any private or personal interest. Councilmembers must endeavor to treat all members of the public and issues before them in a fair and equitable manner.

(c) Councilmembers shall comply with the laws of the nation, the state and the city in the performance of their public duties. These laws include, but are not limited to: the United States and Texas Constitutions; the city charter; and laws pertaining to conflicts of interest, election campaigns, financial disclosures, employer responsibilities, open meetings and public information acts.

(d) The city council has adopted a code of ethics to encourage public confidence in the integrity of local government and its fair and effective operation.

(e) The city council code of conduct shall be considered to be the definitive document relating to ethical conduct by city council members.

(1996 Code, sec. 2.121; Ordinance adopted 3/11/08)

Sec. 1.02.022 Code of conduct and rules of procedure during city council meetings

City council members retain their rights guaranteed by the United States and Texas Constitutions to freely speak on matters of public importance. However, while the council is in session, the members must preserve order and decorum and a member shall neither, by conversation or otherwise, delay or interrupt the proceedings or the peace of the council, use personal, impertinent, or slanderous remarks, nor disturb any member while speaking or refuse to obey the orders of the council or the presiding officer, except as otherwise herein provided.

(1) Rules of procedure.

(A) A city council member desiring to speak shall address the chair and, upon recognition by the presiding officer, shall confine discussion to the question under debate, avoid discussion of personalities and indecorous language, and refrain from personal attacks and verbal abuse.

(B) A city council member desiring to question the administrative staff shall address questions to the city manager or staff member presenting the information, who shall be entitled either to answer the inquiries or to designate some member of city staff for that purpose. City council members shall not berate nor admonish staff members.

(C) A city council member, once recognized, shall not be interrupted while speaking unless called to order by the presiding officer, unless a point of order is raised by another member, or unless the speaker chooses to yield to questions from another member. If a city council member is called to order while speaking, that member shall cease speaking immediately until the question of order is determined. If ruled to be in order, the member shall remain silent or make additional remarks so as to comply with rules of the city council.

(D) City council members shall confine their questions to the particular matters before the assembly and in debate shall confine their remarks to the issues before the city council.

(E) When there is more than one speaker on the same subject, city council members will delay their comments until after all speakers on the subject have been heard.

(F) No councilmember shall speak on any given subject twice unless everyone else has been given an opportunity to speak.

(2) Chair and duties.

(A) Chair. The mayor, if present, shall preside as chair at all meetings of the city council. In the absence of the mayor, the mayor pro tem shall preside. In the absence of both, the council shall elect a chair. If the mayor vacates the chair during a meeting, and the mayor pro tem is not available, the mayor may, subject to the approval of the city council, appoint a temporary chair. The first adjournment puts an end to this appointment.

(B) Call to order. The meetings of the city council shall be called to order by the mayor or, in the mayor’s absence, by the mayor pro tem. In the absence of the mayor and mayor pro tem, the meeting shall be called to order by the city clerk.

(C) Preservation of order. The chair shall preserve order and decorum, and shall call upon the sergeant-at-arms as necessary to enforce compliance with the rules, and confine members in debate to the question under discussion.

(D) Questions to be stated. The chair shall state all questions submitted for a vote and announce the result. A roll call shall be taken when requested by a member.

(E) Call for recess. The chair may call for a recess at regular intervals with the consent of the council.

(F) Sergeant-at-arms. The city manager, in the absence of a designated law enforcement officer, shall act as sergeant-at-arms for the council and shall furnish whatever assistance is needed to enforce the rules of decorum herein established.

(3) Enforcement.

(A) A member who violates any of the rules stated herein shall be immediately warned by the chair that he or she is in violation.

(B) After three (3) warnings to the offending member during the discussion of a particular agenda item, the city council may, by a majority vote of the members present at the meeting, or four (4) votes, whichever number is larger, order the member ejected from the meeting for the duration of the meeting or any portion thereof. The sergeant-at-arms shall escort the member from the meeting.

(1996 Code, sec. 2.122; Ordinance adopted 3/11/08)

ARTICLE 1.02 CITY COUNCIL*

Sec. 1.02.023 General policy role

(a) Councilmembers shall respect and adhere to the council-manager structure of city government as provided in state law and the city charter.

(b) Councilmembers shall support the maintenance of a positive and constructive environment for residents, businesses and city employees.

(c) It is the responsibility of councilmembers to publicly share substantive information that is relevant to a matter under consideration that they have received from sources outside of the public decision-making process with all other councilmembers and the public prior to taking action on the matter.

(d) Appropriate city staff should be involved when councilmembers meet with officials from other agencies and jurisdictions to ensure proper staff support as needed and to keep staff informed.

(e) Councilmembers shall not attend internal staff meetings or meetings between city staff and third parties unless invited by city staff or directed by the council to do so.

(1996 Code, sec. 2.123; Ordinance adopted 3/11/08)

ARTICLE 1.02 CITY COUNCIL*

Sec. 1.02.024 Implementation of ethics standards

Ethics standards shall be included in the regular orientations for city council candidates. Councilmembers entering office shall sign a statement affirming they have read and understand the city council code of ethics. (1996 Code, sec. 2.124; Ordinance adopted 3/11/08)

ARTICLE 1.02 CITY COUNCIL*

Sec. 1.02.025 General conduct

(a) Councilmembers must avoid behavior that could constitute an act of disorder or misbehavior. Specifically, they must avoid conduct that:

(1) Contravenes the Act, associated regulations and the council's relevant administrative requirements;

(2) Is detrimental to the pursuit of the charter of a council;

(3) Is improper or unethical;

(4) Is an abuse of power or otherwise amounts to misconduct;

(5) Causes, comprises or involves intimidation, harassment or verbal abuse;

(6) Causes, comprises or involves discrimination, disadvantage or adverse treatment in

relation to employment;

(7) Causes, comprises or involves prejudice in the provision of a service to the community.

(b) Councilmembers must act lawfully, honestly and exercise a reasonable degree of care and diligence in carrying out the functions under the Act or any other act.

(c) Councilmembers must treat others with respect at all times.

(1996 Code, sec. 2.125; Ordinance adopted 3/11/08)

ARTICLE 1.02 CITY COUNCIL*

Sec. 1.02.026 Harassment

(a) Harassment of another member, staff or any member of the public is misconduct. It is the policy of the city that all persons be treated fairly in the workplace in an environment free of discrimination and of personal and sexual harassment.

(b) Harassment may be defined as any behavior by any person that is directed at or is offensive to another person on the grounds of race, color, disability, religion, sex, sexual preference, national origin, age, or any other legally protected characteristics. This is compliant with title VII of the Civil Rights Act of 1964, and chapter 21 of the Texas Labor Code.

(1996 Code, sec. 2.126; Ordinance adopted 3/11/08)

Code of Ethics for members of The San Angelo City Council

Preamble

The citizens and businesses of San Angelo are entitled to have fair, ethical and accountable local government which has earned the public's full confidence for integrity. In keeping with the City of San Angelo commitment to excellence, the effective functioning of democratic government therefore requires that:

> public officials, both elected and appointed, comply with both the letter and spirit of the laws and policies affecting the operations of government; public officials be independent, impartial and fair in their judgment and actions; public office be used for the public good, not for personal gain; and public deliberations and processes be conducted openly, unless legally confidential, in an atmosphere of respect and civility.

To this end, the San Angelo City Council adopted this Code of Ethics for members of the City Council and of the City's boards and commissions to assure public confidence in the integrity of local government and its effective and fair operation. The members of the City Council and its boards and commissions shall be collectively referred to as "members" unless otherwise designated herein.

1. Act in the Public Interest

   Recognizing that stewardship of the public interest must be their primary concern, members will work for the common good of the people of San Angelo and not for any private or personal interest, and they will assure fair and equal treatment of all persons, claims and transactions coming before the San Angelo City Council, boards and commissions.

2. Comply with the Law

   Members shall comply with the laws of the nation, the State of Texas and the City of San Angelo in the performance of their public duties. These laws include, but are not limited to: the United States and Texas constitutions; the San Angelo City Charter; laws pertaining to conflicts of interest, election campaigns, financial disclosures, employer responsibilities, and open processes of government; and City ordinances and policies.

3. Conduct of Members

   The professional and personal conduct of members must be above reproach and avoid even the appearance of impropriety. Members shall refrain from abusive conduct, personal charges or verbal attacks upon the character or motives of other members of City Council, boards and commissions, the staff or public.

4. Respect for Process

   Members shall perform their duties in accordance with the laws of the state and the processes and rules of order established by the City Council and board and commissions governing the deliberation of public policy issues, meaningful involvement of the public, and implementation of policy decisions of the City Council by City staff.

5. Conduct of Public Meetings

   Members shall prepare themselves for public issues; listen courteously and attentively to all public discussions before the body; and focus on the business at hand. They shall refrain from interrupting other speakers; making personal comments not germane to the business of the body; or otherwise interfering with the orderly conduct of meetings.

6. Decisions Based on Merit

   Members shall base their decisions on the merits and substance of the matter at hand, rather than on unrelated considerations.

7. Communication

   Members shall publicly share substantive information that is relevant to a matter under consideration by the City Council or boards and commissions, which they may have received from sources outside of the public decision-making process.

8. Conflict of Interest

   In order to assure their independence and impartiality on behalf of the common good, members shall comply with Texas Local Government Code Chapter 176.

   In accordance with the law, members shall disclose investments, interests in real property, sources of income, and gifts; and they shall abstain from participating in deliberations and decision-making where conflicts may exist.

9. Gifts and Favors

   Members will abide by state law, Charter provisions and City Ordinance with regard to accepting any gifts, favors or promises of future benefits which might compromise their independence of judgment or action or give the appearance of being compromised.

10. Confidential Information

    Members shall respect the confidentiality of information concerning the property, personnel or affairs of the City. They shall neither disclose confidential information without proper legal authorization, nor use such information to advance their personal, financial or other private interests. They shall not reveal the contents of discussions in executive session to person not legally entitled to such information.

11. Use of Public Resources

Members shall not use public resources not available to the public in general, such as city staff time, equipment, supplies or facilities, for private gain or personal purposes.

12. Advocacy

    Members shall represent the official policies or positions of the City Council, board or commission to the best of their ability when designated as delegates for this purpose. When presenting their individual opinions and positions, members shall explicitly state they do not represent their body or the City of San Angelo, nor will they allow the inference that they do.

13. Policy Role of Members

    Members shall respect and adhere to the City Council-manager structure of San Angelo city government as outlined by the San Angelo City Charter. In this structure, the City Council determines the policies of the city with the advice, information and analysis provided by the public, boards and commissions, and city staff.

    Except as provided by the city charter, members therefore shall not direct or interfere with the administrative functions of the city or the professional duties of city staff; nor shall they impair the ability of staff to implement City Council policy decisions.

14. Independence of Boards and Commissions

    Because of the value of the independent advice of boards and commissions to the public decision-making process, members of City Council shall refrain from using their position to unduly influence the deliberations or outcomes of board and commission proceedings.

15. Positive Work Place Environment

    Members shall support the maintenance of a positive and constructive work place environment for city employees and for citizens and businesses dealing with the city. Members shall recognize their special role in dealings with city employees so that they in no way create the perception of inappropriate direction to staff.

16. Implementation

    As an expression of the standards of conduct for members expected by the city, the San Angelo Code of Ethics is intended to be self-enforcing. It therefore becomes most effective when members are thoroughly familiar with it and embrace its provisions.

    For this reason, ethical standards shall be included in the regular orientations for candidates for City Council, applicants to board and commissions, and newly elected and appointed officials. Members entering office shall sign a statement affirming they read and understood the City of San Angelo code of ethics. In addition, the Code of Ethics shall be annually reviewed by the City Council, boards and commissions, and the City Council shall consider recommendations from boards and commissions and update it as necessary.

17. Compliance and Enforcement

The San Angelo Code of Ethics expresses standards of ethical conduct expected for members of the San Angelo City Council, boards and commissions. Members themselves have the primary responsibility to assure that ethical standards are understood and met, and that the public can continue to have full confidence in the integrity of government.

The chairs of boards and commissions and the mayor have the additional responsibility to intervene when actions of members that appear to be in violation of the Code of Ethics are brought to their attention.

The City Council may impose sanctions on members whose conduct does not comply with the city's ethical standards, such as reprimand, formal censure, or loss of committee assignment. The city council also may remove members of boards and commissions from office as provided by the city ordinance.

A violation of this code of ethics shall not be considered a basis for challenging the validity of a City Council, board or commission decision.

Model of Excellence / Code of Ethics
San Angelo City Council, Boards and Commissions
MEMBER STATEMENT

As a member of the City of San Angelo City Council or of a board or commission, I agree to uphold the Code of Ethics for elected and appointed officials adopted by the City and conduct myself by the following model of excellence. I will:

- Recognize the worth of individual members and appreciate their individual talents, perspectives and contributions;
- Help create an atmosphere of respect and civility where individual members, City staff and the public are free to express their ideas and work to their full potential;
- Conduct my personal and public affairs with honesty, integrity, fairness and respect for others;
- Respect the dignity and privacy of individuals and organizations;
- Keep the common good as my highest purpose and focus on achieving constructive solutions for the public benefit;
- Avoid and discourage conduct which is divisive or harmful to the best interests of San Angelo; and
- Treat all people with whom I come in contact in the way I wish to be treated.

I affirm that I have read and understood the City of San Angelo Code of Ethics.

____________________________ City Council
Name Office

____
Signature Date

Certificate of Election

In the Name and by the Authority of the

State of Texas

THIS IS TO CERTIFY, that at a general election held on the

7th of May, 2016

Harry Thomas

was duly elected

City Council Member
Single Member District 3

of the

City of San Angelo

***In testimony whereof**, I have hereunto signed my name and caused the Seal of City of San Angelo to be affixed, this the 18th day of May, 2016*

Dwain Morrison
Mayor of the City of San Angelo

Attest:

Bryan Kendrick, City Clerk

Form #2204 Rev. 10/2011

Submit to:
SECRETARY OF STATE
Government Filings Section
P O Box 12887
Austin, TX 78711-2887
512-463-6334

Filing Fee: None

This space reserved for office use

OATH OF OFFICE

IN THE NAME AND BY THE AUTHORITY OF THE STATE OF TEXAS,
I, Harry Thomas, do solemnly swear (or affirm), that I will faithfully execute the duties of the office of San Angelo City Council - Single Member District Three of the State of Texas, and will to the best of my ability preserve, protect, and defend the Constitution and laws of the United States and of this State, so help me God.

____
Signature of Officer

……

State of Texas)
County of Tom Green)

Sworn to and subscribed before me this 18th day of May, 2016.

(seal)

____
Signature of Notary Public or Other Officer Administering Oath

Judge Allen Gilbert
Printed or Typed Name

PLEASE TYPE OR PRINT LEGIBLY
PROVIDE ALL REQUESTED INFORMATION

STATEMENT OF ELECTED/APPOINTED OFFICER

(Pursuant to Tex. Const. art. XVI, §1(b), amended 2001)

I, Harry Thomas, do solemnly swear (or affirm), that I have not directly or indirectly paid, offered, promised to pay, contributed, or promised to contribute any money or thing of value, or promised any public office or employment for the giving or withholding of a vote at the election at which I was elected or as a reward to secure my appointment or confirmation, whichever the case may be, so help me God.

____________________ ____

Date Affiant's Signature

San Angelo City Council – SMD 3
Position to Which Elected/Appointed

San Angelo, Tom Green County, Texas
City and/or County

SWORN TO and subscribed before me by affiant on this ____ day of _____________, 2016.

____
Signature of Person Authorized to Administer Oaths/Affidavits

Bryan Kendrick
Printed Name

City Clerk
Title

Certificate of Election

In the Name and by the Authority of the

State of Texas

THIS IS TO CERTIFY, that at a general election held on the

7th of May, 2016

Bill Richardson

was duly elected

City Council Member
Single Member District 1

of the

City of San Angelo

In testimony whereof*, I have hereunto signed my name and caused the Seal of City of San Angelo to be affixed, this the 18th day of May, 2016*

____

Dwain Morrison
Mayor of the City of San Angelo

Attest:

____

Bryan Kendrick, City Clerk

Form #2204 Rev. 10/2011

Submit to:
SECRETARY OF STATE
Government Filings Section
P O Box 12887
Austin, TX 78711-2887
512-463-6334

Filing Fee: None

This space reserved for office use

OATH OF OFFICE

IN THE NAME AND BY THE AUTHORITY OF THE STATE OF TEXAS,
I, Bill Richardson, do solemnly swear (or affirm), that I will faithfully execute the duties of the office of San Angelo City Council - Single Member District One of the State of Texas, and will to the best of my ability preserve, protect, and defend the Constitution and laws of the United States and of this State, so help me God.

____
Signature of Officer

……

State of Texas)
County of Tom Green)

Sworn to and subscribed before me this 18th day of May, 2016.

(seal)

____
Signature of Notary Public or Other Officer Administering Oath

Judge Allen Gilbert
Printed or Typed Name

PLEASE TYPE OR PRINT LEGIBLY
PROVIDE ALL REQUESTED INFORMATION

STATEMENT OF ELECTED/APPOINTED OFFICER

(Pursuant to Tex. Const. art. XVI, §1(b), amended 2001)

I, Bill Richardson, do solemnly swear (or affirm), that I have not directly or indirectly paid, offered, promised to pay, contributed, or promised to contribute any money or thing of value, or promised any public office or employment for the giving or withholding of a vote at the election at which I was elected or as a reward to secure my appointment or confirmation, whichever the case may be, so help me God.

____________________	____
Date	Affiant's Signature

San Angelo City Council – SMD 1	San Angelo, Tom Green County, Texas
Position to Which Elected/Appointed	City and/or County

SWORN TO and subscribed before me by affiant on this ____ day of _____________, 2016.

____
Signature of Person Authorized to Administer Oaths/Affidavits

Bryan Kendrick	City Clerk
Printed Name	Title

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

THE CITY OF SAN ANGELO TEXAS

Requestor: Lisa Marley, Dir of HR/RM, Human Resources/Risk Management, (325) 657-4221

Meeting Date: May 18, 2016

Item type: Regular Item

Caption:

Presentation and discussion of the actuarial report by Towers Watson on the status of the workers' compensation, liability, and property insurance programs - (Presentation by Risk Manager Charles Hagen and Jason Martin, Senior Consultant, Towers Watson)

Summary/History:

City Charter requires that an actuarial report on the workers' compensation, liability and property insurance programs be presented to City Council each year. Towers Watson is the consultant who is contracted by the City to perform this task. This report is for FY 2015.

Financial Impact:

Other Information/Recommendation:

Presentation is for informational purposes. Actuarial results will be used to create the Risk Management budget for FY16/17.

Attachments:

1. Actuarial Report

Presentation:

Charles Hagen, Risk Manager and Jason Martin, Senior Consultant, Towers Watson

Approvals/Reviews:

Lisa Marley	Created/Initiated
Theresa James	Approved
Bryan Kendrick	Final Approval

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

Requestor: Allison Strube, Water Utilities Assistant Director, Water Utilities, 325-657-4209

Meeting Date: May 18, 2016

Item type: Regular Item

Caption:

Consider adopting a resolution for grant funding in the amount not to exceed $300,000 from Bureau of Reclamation's WaterSMART Title XVI Water Reclamation and Reuse Program (Presentation by Water Utilities Assistant Director Allison Strube)

Summary/History:

With the ongoing drought conditions, the City of San Angelo has recently started a pilot program for a direct potable reuse project. With our partnership with the Bureau of Reclamation (Twin Buttes Dam) the City was made aware of grant funding available through a Title XVI program. If the City's application were chosen, up to $300,000 of grant funding may be awarded to the City.

Title XVI provides authority for Reclamation's water recycling and reuse program, titled "Title XVI." Through the Title XVI program, Reclamation identifies and investigates opportunities to reclaim and reuse wastewaters and naturally impaired ground and surface water in the 17 Western States and Hawaii. Title XVI includes funding for the planning, design, and construction of water recycling and reuse projects, on a project specific basis, in partnership with local government entities.

Since 1992, approximately $639 million in Federal cost-share has been leveraged with more than $2.4 billion in non-Federal funding to design and construct water recycling projects. In 2014, an estimated 378,000 acre-feet of water was recycled through Title XVI projects.

Texas Commission on Environmental Quality (TCEQ) has recently required the testing of additional parameters be added to the pilot project. These additional parameters are normally performed during a later stage once the project has received full approval, but the TCEQ is requesting this testing be performed at an early stage in the process. If the funding is granted, these additional items could be covered during the current project; whereas, if funding is not available, the items will be conducted if, and when, the projects receives full approval.

Financial Impact:

$300,000 Grant Funding from Bureau of Reclamation's WaterSMART Title XVI Water Reclamation and Reuse Program

Other Information/Recommendation:

The City's application was submitted on April 20, 2016. An executed resolution is required for complete application status within 30 days of submission date.

The Water Advisory Board unanimously approved the recommendation of the resolution be presented to the City Council at the Water Advisory Board meeting on May 10, 2016.

Staff recommends adoption of the resolution for grant funding from the Bureau of Reclamation.

Attachments:

1. Resolution 16-335_WU_Draft WaterSMART Grant Resolution modified.docx

Presentation:

Approvals/Reviews:

Allison Strube	Created/Initiated
Bill Riley	Approved
Theresa James	Approved
Tina Carriger	Approved
Theresa James	Approved
Becky Dunn	Approved
Bryan Kendrick	Final Approval

RESOLUTION NO.__________

A RESOLUTION REQUESTING FUNDING IN AN AMOUNT NOT TO EXCEED $300,000 FROM THE U.S. DEPARTMENT OF THE INTERIOR, BUREAU OF RECLAMATION, WATERSMART TITLE XVI WATER RECLAMATION AND REUSE PROGRAM FOR THE CITY OF SAN ANGELO DIRECT POTABLE REUSE PILOT STUDY

WHEREAS, the U.S. Department of Interior Bureau of Reclamation provides funding opportunities for reclaimed water research studies as part of the Bureau of Reclamation's WaterSMART Title XVI Water Reclamation and Reuse Program; and

WHEREAS, the City of San Angelo, Texas (the "City") desires to apply to the U.S. Department of Interior Bureau of Reclamation for grant funding in an amount not to exceed $300,000 for funding a pilot study to evaluate the feasibility of implementing direct potable reuse to create a more sustainable water supply; and

WHEREAS, in accordance with the rules and regulations of the U.S. Department of Interior Bureau of Reclamation WaterSMART Title XVI Water Reclamation and Reuse Program, which governs the procedures of making such application, the governing body of the City is required to adopt a resolution to accompany such application; and

WHEREAS, it is hereby officially found and determined that the meeting at which this Resolution was considered as open to the public and public notice of the time, place and purpose of the said meeting was given, all as required by Chapter 551, Texas Government Code.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN ANGELO, TEXAS:

1.

That the U. S. Department of Interior Bureau of Reclamation under the WaterSMART Title XVI Water Reclamation and Reuse Program is hereby requested to grant funding in an amount not to exceed $300,000 to the City for a pilot study to research the feasibility of direct potable reuse as further described in the application for financial assistance.

2.

That the City Manager of the City is hereby authorized to execute and submit to the U.S. Department of Interior Bureau of Reclamation WaterSMART Title XVI Water Reclamation and Reuse Program a grant application for such financial assistance and execute any documents necessary to accept such grant once funded.

3.

That the City Manager is further specially authorized to make the required assurances to the U.S. Department of Interior Bureau of Reclamation in accordance with the rules, regulations and policies of the U.S. Department of Interior Bureau of Reclamation WaterSMART Title XVI Water Reclamation and Reuse Program.

4.

That matching funds in support of the project, in the amount of no less than $900,000 will be provided through in-kind contribution of salaries and analytical services; and through other sources of capital funding available to the City, such as revenue bonds or commercial paper.

5.

That, if the application is selected for an award, the City will work with the U.S. Department of Interior Bureau of Reclamation to meet established deadlines for entering into a grant funding agreement.

6.

That a certified copy of this Resolution shall be attached to the grant application herein authorized to be prepared and submitted to the U.S. Department of Interior Bureau of Reclamation WaterSMART Title XVI Water Reclamation and Reuse Program.

Adopted this _____ day of ___________________ 2016.

ATTEST:

CITY OF SAN ANGELO TEXAS

____

Bryan Kendrick, City Clerk

____

Dwain Morrison, Mayor

APPROVED AS TO FORM:

____

Theresa James, City Attorney

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

Requestor: Allison Strube, Water Utilities Assistant Director, Engineering Services, 325-657-4209

Meeting Date: May 18, 2016

Item type: Regular Item

Caption:

Consider awarding RFB WU-05-15 Professional Services contract for the 2016 Water Master Plan to CDM Smith, Inc. of Austin, Texas in the amount of $314,460, budgeted for purchase FY2016, and authorizing the City Manager or designee to execute any related documents - (Presentation by Water Utilities Director Bill Riley)

Summary/History:

Growth and change dictate that a city must periodically perform a comprehensive examination of its water system in order to identify deficiencies, project population trends and future water demands, and update the Capital Improvement Plan to prioritize projects. This process is called water master planning. Preparation of a municipal water master plan is a highly specialized and technical undertaking, requiring a qualified team to perform a comprehensive assessment of the system and to make sound, cost-effective recommendations to ensure that the infrastructure is managed wisely and effectively planned and budgeted. The City of San Angelo last performed a Water Master Plan in 1998, 18 years ago, and it is time to reassess and reprioritize the short and long term projects to keep the city's water system functioning as efficiently as possible.

In July the Engineering Services Department released a Request for Qualifications (RFQ) to solicit engineering firms to submit a Statement of Qualification (SOQ) for consideration to be selected to provide Professional Services for a Water Master Plan. On August 25th, seven firms responded with their SOQs and the Engineering Services and Water Utilities Departments ranked those firms based on systematic criteria established in the RFQ. Based on the criteria of the RFQ, CDM Smith, Inc. of Austin, Texas, was selected as the most qualified firm to perform the 2016 City of San Angelo Water Master Plan.

City staff engaged with CDM Smith, Inc. to establish a scope of work for the project that includes:

- Develop a water system model using the city's latest GIS maps and utility billing data combined with field calibration and SCADA operational records.
- Project future water demands using historical water usage and future land use plans.
- Perform a hydraulic analysis of the system to evaluate the current pressure plane delineation, assess water system supply, storage and pumping capacities, and establish an acceptable level of service for reliability.
- Perform a risk and condition assessment of the water system to create a prioritization schedule for replacement of infrastructure. (This will couple with our street rehabilitation plan to ensure the City has the biggest impact on the critical needs of the street and utilities and making monies allocated to those projects go as far as possible.)
- Perform leak detection analysis to evaluate the areas of highest risk and determine the number and locations of leaks in the existing distribution system.
- Develop a comprehensive Capital Improvements Plan (CIP) to determine phasing of water system improvements and outline projected costs and scheduling of projects.

- Finally, produce a final master plan report and present the report to City Council, answer questions and discuss the content of the report.

Based on the extensive and comprehensiveness effort required to complete the work outlined by this scope, CDM Smith, Inc. has provided a budget to complete the project for the amount of $314,460.

Financial Impact:

$314,460; Funded through the Water Capital Improvements budget.

Other Information/Recommendation:

This item was presented to the Water Advisory Board on May 10, 2016. The board recommended unanimously awarding WU-05-15 Professional Services contract to CDM Smith, Inc.

Attachments:

1.	WU-05-15 Acknowledgement	WU-05-15 Acknowledgement.pdf
2.	WU-05-15 Ranking Summary	WU-05-15 Ranking Summary.pdf
3.	Professional Services Contract_Water Master Plan_CDM Smith	16-060 Pro Services Agreement -- Water Master Plan 1 12 2016.docx

Presentation:

Bill Riley

Approvals/Reviews:

Allison Strube	Created/Initiated
Theresa James	Approved
Tina Carriger	Approved
Bill Riley	Approved
Becky Dunn	Approved
Bryan Kendrick	Final Approval

CITY OF SAN ANGELO
Acknowledgements
RFQ: WU-05-15 / Water Master Plan

Submissions Receive	City	State
Carollo	Dallas	TX
CDM Smith	Austin	TX
Enprotech	Abilene	TX
Freese & Nichols	Fort Worth	TX
Halff Associates	Dallas	TX
JEA Hydrotech	Fort Worth	TX
PSC	Lubbock	TX

RFQ Invitations Sent	City	State
Black & Veatch Corporatio	Fort Worth	TX
Bleyl & Associates	San Angelo	TX
Carolla	Dallas	TX
CDM	Fort Worth	TX
Enprotec/Hibbs and Todd	Abilene	TX
Freese and Nichols	Fort Worth	TX
JEA/Hydrotech Engineerin	Fort Worth	TX
Kimley-Horn and Associat	Dallas	TX
KSA Engineers	San Angelo	TX
PSC	Lubbock	TX
SKG Engineering	San Angelo	TX
Smith Engineering Compa	Midland	TX
West Company of Midland	Midland	TX

Ranking Summary Worksheet
RFQ: WU-05-15 / Water Master Plan

Reviewer #1

Category	Points	Carollo	CDM Smith	Enprotech	Freese & Nichols	Halff Associates	JEA Hydrotech	PSC
Experience	40	38	40	38	38	35	30	36
Design Team & Experience	40	35	40	40	40	32	32	35
Previous Projects	20	16	20	18	19	18	10	16
Total Score	**100**	**89**	**100**	**96**	**97**	**85**	**72**	**87**
Rank		**4**	**1**	**3**	**2**	**6**	**7**	**5**

Review #2

Category	Points	Carollo	CDM Smith	Enprotech	Freese & Nichols	Halff Associates	JEA Hydrotech	PSC
Experience	40	39	40	38	38	38	28	35
Design Team & Experience	40	40	40	39	38	39	35	38
Previous Projects	20	20	20	20	19	19	12	17
Total Score	**100**	**99**	**100**	**97**	**95**	**96**	**75**	**90**
Rank		**2**	**1**	**3**	**5**	**4**	**7**	**6**

Reviewer #3

Category	Points	Carollo	CDM Smith	Enprotech	Freese & Nichols	Halff Associates	JEA Hydrotech	PSC
Experience	40	35	40	38	40	34	30	32
Design Team & Experience	40	35	40	38	39	32	30	34
Previous Projects	20	18	20	20	20	10	10	10
Total Score	**100**	**88**	**100**	**96**	**99**	**76**	**70**	**76**
Rank		**4**	**1**	**3**	**2**	**5**	**7**	**5**

Reviewer #4

Category	Points	Carollo	CDM Smith	Enprotech	Freese & Nichols	Halff Associates	JEA Hydrotech	PSC
Experience	40	39	40	40	39	34	30	35
Design Team & Experience	40	37	40	40	38	35	35	34
Previous Projects	20	19	20	19	19	16	10	15
Total Score	**100**	**95**	**100**	**99**	**96**	**85**	**75**	**84**
Rank		**4**	**1**	**2**	**3**	**5**	**7**	**6**

Committee Member Summary

Category	Total Points	Carollo	CDM Smith	Enprotech	Freese & Nichols	Halff Associates	JEA Hydrotech	PSC
Experience	160	151.00	160.00	154.00	155.00	141.00	118.00	138.00
Design Team & Experience	160	147.00	160.00	157.00	155.00	138.00	132.00	141.00
Previous Projects	80	73.00	80.00	77.00	77.00	63.00	42.00	58.00
Total Score	**400**	**371.00**	**400.00**	**388.00**	**387.00**	**342.00**	**292.00**	**337.00**
Rank		**4**	**1**	**2**	**3**	**5**	**7**	**6**

PROFESSIONAL SERVICES AGREEMENT

This Agreement is entered into this ____ day of ____________, 2016 by and between the City of San Angelo, a municipal corporation of the State of Texas ("City") and _____CDM Smith Inc._____,a Professional Engineer Services Firm ("Provider"), effective as of the ______ day of __________, 2016.

RECITALS

WHEREAS, the City to engage the Provider to perform the services outlined herein; and

WHEREAS, on_____________, 20___the City Council authorized the City Manager to negotiate and enter into an agreement for the performance of such services; and

WHEREAS, the Provider's representative executing this Agreement has full and complete authority of Provider's governing body to bind the Provider.

WHEREAS, the parties intend this Agreement constitute the legal, valid and binding obligation of Provider and that this Agreement be enforceable with its terms.

NOW THEREFORE, the City and Provider, for consideration stipulated herein, mutually agree that the Provider shall perform the services under this agreement and shall perform and carry out in a manner satisfactory to the City, the following:

1. TERM OF AGREEMENT

The term of this Agreement shall be a period of one year commencing on the effective date.

2. SCOPE OF SERVICE

A. Provider agrees to provide Services as specifically described, and under the scope of services set forth in **Exhibit "A"**.

B. Engineer acknowledges to City that: (i) it possesses all qualifications, licenses and expertise required for the performance of Services; (ii) it is not delinquent in the payment of any sums due City, including but not limited to payment of permit fees or occupational licenses, nor in the performance of any obligations to City; (iii) all personnel assigned to perform Services are and shall be, at all times during the term hereof, fully qualified and trained to perform the tasks assigned to each; and (iv) Services will be performed in the manner described in Contract Documents; (v) services provided under this Agreement shall be performed with the professional skill and care ordinarily provided by members of the same profession practicing in the same or similar locality and under the same or similar circumstances and professional license; (vi) services provided under this Agreement shall be performed as expeditiously as is prudent considering the ordinary professional skill and care of a competent member of the same profession.

3. COMPENSATION

Provider warrants that it has reviewed City's requirements and has asked such questions and conducted such other inquiries as Provider deemed necessary in order to determine the price Provider will charge to provide Services to be performed under this Agreement.

A. The amount of compensation payable by City to Provider shall be based on the rates and schedules described in **Exhibit "B"** hereto, which by this reference is incorporated into this Agreement.

B. Unless otherwise specifically provided in **Exhibit "B",** payment shall be made within thirty (30) days after receipt of Provider's invoice, which shall be accompanied by sufficient supporting documentation and contain sufficient detail, to allow a proper audit of expenditures, should City require one to be performed.

4. OWNERSHIP OF DOCUMENTS

Provider understands and agrees that any information, document, report or any other material whatsoever which is given by City to Provider or which is otherwise obtained or prepared by Provider pursuant to or under the terms of this Agreement is and shall at all times remain the property of City. Provider agrees not to use any such information, document, report or material for any other purpose whatsoever without the written consent of City, which may be withheld or conditioned by City in its sole discretion.

5. AUDIT AND INSPECTION RIGHTS

City may, at reasonable times, and for a period of not less than five (5) years following the date of final payment by City to Provider under this Agreement, audit, or cause to be audited, those books and records of Provider which are related to Primary Provider's performance under this Agreement. Provider agrees to maintain all such books and records at its principal place of business for a period of five (5) years after final payment is made under this Agreement.

6. ITEMS FURNISHED BY THE CITY

At the request of the provider and in connection with providing the services under this Agreement, the City will furnish the following items and/or services either directly or indirectly to the Provider at no cost.

A. Access to facilities to perform any inspections required to perform the scope of services for the project.

B. Background information on the project, including planning, programming, and budgeting documents. The City will also provide applicable City standard specifications, details and other materials listed herein on a timely basis.

7. AWARD OF AGREEMENT

Provider represents and warrants to City that it has not employed or retained any person or company employed by City to solicit or secure this Agreement and that it has not offered to pay, paid, or agreed to pay any person any fee, percentage, brokerage fee, or gift of any kind contingent upon or in connection with, the award of this Agreement.

8. PUBLIC RECORD

Provider understands that the public shall have access, at all reasonable time, to all documents and information pertaining to City contracts, and agrees to allow access by City and the public to all documents subject to disclosure under applicable law. Provider's failure or refusal to comply with the provisions of this section shall result in the immediate cancellation of this Agreement by City.

9. COMPLIANCE WITH FEDERAL, STATE, AND LOCAL LAWS

This Agreement is expressly made subject to all applicable federal, state, county and city laws, statutes, ordinances, rules, codes and regulations as set forth now or hereinafter adopted, enacted or amended (collectively referred to as "Regulations"), including but not limited to: Regulations specifically applicable to Services provided and Work performed under this Agreement. All of the foregoing Regulations are hereby made a part of this Agreement and incorporated herein by reference as if fully set out herein. Provider agrees that all Services provided and Work to be performed under this Agreement shall be performed in strict compliance with such Regulations as they may be amended from time to time which may apply to Services provided and Work performed.

10. INDEMNIFICATION AND INSURANCE

Provider shall indemnify, defend and hold harmless City and its officials, employees (collectively referred to as "Indemnitees") and each of them from and against damages, claims, expenses (including reasonable attorney's fees) or liabilities (collectively referred to as "Liabilities") by reason of any injury to or death of any person or damage to or destruction or loss of any property arising out of, resulting from, or in connection with (i) the performance or non-performance of Services contemplated by this Agreement but only to the extent caused by the negligent acts, errors or omissions, intentional torts, intellectual property infringement, or a failure to pay a subcontractor or supplier committed by Provider or Provider's agent, consultant under contract, or another entity over which Provider exercises control (whether active or passive) of Provider or its employees, or sub-providers (collectively referred to as "Provider") (ii) the failure of Provider to comply with any of the paragraphs herein or the failure of Provider to conform to statutes, ordinances, or other regulations or requirements of any governmental authority, federal, state or local, in connection with

the performance of this Agreement. Provider expressly agrees to indemnify and hold harmless the Indemnitees, or any of them, from and against all liabilities which may be asserted by an employee or former employee of Provider, or any of its sub-providers, as provided above, for which Provider's liability to such employee or former employee would otherwise be limited to payments under State Workers' Compensation or similar laws. Nothing herein shall require Engineer to indemnify, defend, or hold harmless any Indemnitee for the Indemnitee's own negligence or willful misconduct. Any and all indemnity provided for in this Agreement shall survive the expiration of this Agreement and the discharge of all other obligations owed by the parties to each other hereunder and shall apply prospectively not only during the term of this Agreement but thereafter so long as any liability could be asserted in regard to any acts or omissions of Provider in performing Services under this Agreement.

For Professional Liability Claims, Provider shall be liable for reasonable defense costs incurred by City but only after final adjudication and to the extent and percent that Provider or Provider's agents are found negligent or otherwise at fault.

11. INSURANCE

A. Provider shall, at all times during the term hereof, maintain such insurance coverage as may be required by City of the types and in the amounts specified in **Exhibit "C"** attached hereto, which by this reference is incorporated into this Agreement for all purposes, and with insurers licensed to do business in Texas. All insurance required herein shall be drawn in the name of Provider, with City, its council members, board and commission members, officials, agents, guests, invitees, consultants and employees named as additional insureds, except on coverage for Workers' Compensation. All such insurance, including renewals, shall be subject to the approval of City for adequacy of protection and evidence of such coverage shall be furnished to City on Certificates of Insurance indicating such insurance to be in force and effect. Should any of the policies be cancelled before the expiration thereof, notice will be delivered in accordance with the policy provisions. Provider shall provide notice to City at any time Provider becomes aware of any cancellation or material change in the above insurance policies. Completed Certificates of Insurance shall be filed with City's Risk Manager at City Hall, 72 W. College Avenue, San Angelo, Texas 76903 prior to the performance of Services hereunder, provided, however, that Provider shall at any time upon request file duplicate copies of the policies of such insurance with City.

B. The procurement of insurance coverage by Provider shall not be construed to be a limitation upon Provider's liability or as a full performance on its part of Provider's indemnification requirements under this Agreement. Provider's obligations are, notwithstanding any policy of insurance, for the full and total amount of any damage, injury or loss caused by or attributable to its activities conducted at or upon the premises. Failure of Provider to maintain adequate coverage shall not relieve Provider of any contractual responsibility or obligation.

C. Provider shall require its insurance carrier(s), with respect to all insurance policies, to waive all rights of subrogation against City, its council members, board and commission members, officials, agents, guests, invitees, consultants and employees.

D. Provider shall cause each sub-provider of Provider to purchase and maintain insurance of the types and in the amounts specified in **Exhibit "C"** hereto. Provider shall require sub-providers to furnish copies of certificates of insurance to Provider's Risk Manager evidencing coverage for each subprovider.

E. If, in the judgment of City, prevailing conditions warrant the provision by Provider of additional liability insurance coverage or coverage which is different in kind, City reserves the right to require the provision by Provider of an amount of coverage different from the amounts or kinds previously required and shall afford written notice of such change in requirements thirty (30) days prior to the date on which the requirements shall take effect. Should Provider fail or refuse to satisfy the requirement of changed coverage within thirty (30) days following City's written notice, Provider shall be deemed in default of this Agreement.

12. DEFAULT

If Provider fails to comply with any term or condition of this Agreement, or fails to perform any of its obligations hereunder, then Provider shall be in default. If Provider fails to cure the default within seven days after receipt of written notice from the City of any default, City, in addition to all remedies available to it by law, may immediately, upon written notice to Provider, terminate this Agreement whereupon City shall have no further duty to pay Provider other than for Services satisfactorily performed up to the date of default. Provider understands and agrees that termination of this Agreement under this section shall not release Provider from any obligation accruing prior to the effective date of termination.

13. RESOLUTION OF CONTRACT DISPUTES

Provider understands and agrees that all disputes between Provider and City based upon an alleged violation of the terms of this Agreement by City shall be submitted to the City Manager for his resolution. Provider shall make a written request for resolution of the dispute (the "Request") to the City Manager or his designee (the "Official") for determination of the matter in dispute. The Request shall clearly state the disputed issue and include or incorporate by specific reference all information or documents that Provider wants the Official to consider in reaching a determination. The Official shall issue a written notice of decision upon Provider’s Request within the thirty (30) days of receipt of Provider’s Request. If the Official cannot issue a decision within thirty (30) days of the receipt of Provider’s Request, the Official shall notify Provider the date upon which a decision shall be issued. Submission of a Provider’s Request for determination of the dispute is a condition precedent to Provider’s ability to engage in litigation against City. If a decision is not issued by the date indicated by the Official or within ninety (90) days after the submission of Provider’s written Request for determination, whichever occurs first, Provider will be deemed to have met the condition precedent required by this provision. Should the dispute be resolved through the submission of Provider’s Request, the resolution of the dispute will be documented, if necessary, through a change to the Agreement in accordance with the provisions contained in the Agreement. Should the dispute fail to reach resolution through the submission by Provider’s Request, the dispute may be submitted to mediation at the sole discretion of City. City agrees that it shall make an election within no later than sixty (60) days after the issuance of a determination by the Official in response to Provider’s Request, final completion, abandonment or termination of the Project, whichever is later. Such mediation shall be conducted by and between the parties in accordance with the AAA Rules of Mediation. Provider understands and agrees that it shall continue to perform its Work under the Agreement unless further performance has been excused by termination of Provider or stopping Work is specifically allowed under the laws of the State of Texas. Provider understands that should a settlement be reached at mediation it is subject to the approval of the City Council. If either mediation is unsuccessful or City elects to not to proceed to mediation, then the dispute shall be submitted to litigation in keeping with the terms of this Agreement and the laws of the State of Texas.

14. TERMINATION RIGHTS OF CITY

A. City shall have the right to terminate this Agreement, in its sole discretion, at any time, by giving written notice to Provider at least five (5) business days prior to the effective date of such termination. In such event, City shall pay to Provider compensation for services rendered and expenses incurred prior to the effective date of termination. In no event shall City be liable to Provider for any additional compensation, other than that provided herein, or for any consequential or incidental damages.

B. City shall have the right to terminate this Agreement, without notice to Provider, upon the occurrence of an event of default hereunder. In such event, City shall not be obligated to pay any amounts to Provider and Provider shall reimburse to City all amounts received while Provider was in default under this Agreement.

15. NONDISCRIMINATION

Provider represents and warrants to City that Provider does not and will not engage in discriminatory practices and that there shall be no discrimination in connection with Provider's performance under this Agreement on account of race, color, sex, religion, age, handicap, marital status or national origin. Provider further covenants that no otherwise qualified individual shall, solely by reason of his/her race, color, sex, religion, age, handicap, marital status or national origin, be excluded from participation in, be denied services, or be subject to discrimination under any provision of this Agreement.

16. ASSIGNMENT

This Agreement shall not be assigned by Provider, in whole or in part, without the prior written consent of City, which may be withheld or conditioned, in City's sole discretion.

17. NOTICES

All notices or other communications required under this Agreement shall be in writing and shall be given by hand-delivery or by registered or certified U.S. Mail, return receipt requested, addressed to the other party at the address indicated herein or to such other address as a party may designate by notice given as herein provided. Notice shall be deemed given on the day on which personally delivered; or, if by mail, on the fifth day after being posted or the date of actual receipt, whichever is earlier.

TO CITY:

City of San Angelo

Attn: Russell Pehl, City Engineer
72 W. College Ave.
San Angelo, Texas 76903

Phone: (325) 481-2757

TO PROVIDER:

CDM Smith Inc.

Attn: Allen D. Woelke, Vice President
12357-A Riata Trace Parkway, Ste 210
Austin, TX 78727

Phone: (512) 346-1100

18. AMENDMENTS

City or Provider may amend this Agreement at any time provided that such amendments make specific reference to this Agreement, and are executed in writing, signed by a duly authorized representative of both organizations, and approved by City. Such amendments shall not invalidate this Agreement, nor relieve or release City or Provider from their respective obligations under this Agreement.

19. MISCELLANEOUS PROVISIONS

A. This Agreement shall be construed and enforced according to the laws of the State of Texas.

B. Title and paragraph headings are for convenient reference and are not a part of this Agreement.

C. No waiver or breach of any provision of this Agreement shall constitute a waiver of any subsequent breach of the same or any other provision hereof, and no waiver shall be effective unless made in writing.

D. Should any provision, paragraph, sentence, word or phrase contained in this Agreement be determined by a court of competent jurisdiction to be invalid, illegal or otherwise unenforceable under the laws of the State of Texas or City of San Angelo, such provision, paragraph, sentence, word or phrase shall be deemed modified to the extent necessary in order to conform with such laws, or if not modifiable, then same shall be deemed severable, and in either event, the remaining terms and provisions of this Agreement shall remain unmodified and in full force and effect or limitation of its use.

E. This Agreement constitutes the sole and entire agreement between the parties hereto. No modification or amendment hereto shall be valid unless in writing and executed by properly authorized representatives of the parties hereto.

20. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon the parties hereto, their heirs, executors, legal representatives, successors, or assigns.

21. INDEPENDENT CONTRACTOR

Provider has been procured and is being engaged to provide Services to City as an independent contractor, and not as an agent or employee of City. Accordingly, Provider shall not attain, nor be entitled to, any rights or benefits under the Civil Service or Pension Ordinances of City, nor any rights generally afforded classified or unclassified employees. Provider further understands that Texas Workers’ Compensation benefits available to employees of City are not available to Provider, and agrees to provide workers’ compensation insurance for any employee or agent of Provider rendering services to City under this Agreement.

22. CONTINGENCY CLAUSE

Funding for this Agreement is contingent on the availability of funds and continued authorization for program activities and the Agreement is subject to amendment or termination due to lack of funds, reduction of funds and/or change in regulations, upon thirty (30) days notice.

23. REAFFIRMATION OF REPRESENTATIONS

Provider hereby reaffirms all of the representations contained in this Agreement and RFQ WU-05-15 attached hereto as Exhibit "D".

24. DOCUMENTS OF INCORPORATION

This Agreement is expressly made subject to all exhibits hereto, to all of the exhibits, provisions, requirements, federal, state and local laws, rules and regulations as of the effective date herein, and to any and all requirements, whether federal, state or local, verbal or written, placed upon City. All of the foregoing are hereby made a part of this Agreement and incorporated herein by reference as if fully set out herein.

25. ENTIRE AGREEMENT

This instrument and its exhibits constitute the sole and only agreement of the parties relating to the subject matter hereof and correctly set forth the rights, duties, and obligations of each to the other as of its date. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Agreement are of no force or effect.

26. COUNTERPARTS

This Agreement may be executed in two or more counterparts, each of which shall constitute an original but all of which, when taken together, shall constitute one and the same agreement.

(Signature page follows)

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed by their respective officials thereunto duly authorized, this the day and year above written.

CITY OF SAN ANGELO

By: ________________________________
Daniel Valenzuela, City Manager

ATTEST:

____
Bryan Kendrick, City Clerk

"Provider"
CDM SMITH, INC., a Texas corporation

By: ________________________________

APPROVED AS TO CONTENT:

____
Russell Pehl, City Engineer

APPROVED AS TO FORM AND CORRECTNESS:

____
Theresa James, City Attorney

APPROVED AS TO INSURANCE REQUIREMENTS:

____
Charles Hagen, Risk Manager

EXHIBIT "A"

SCOPE OF SERVICES

1. SCOPE OF SERVICES

A. Water System Model

A1. Project Kick-Off Meeting: Engineer and the City shall participate in a project kick-off meeting to review scope, project team, and schedule. Data items needed for the project will also be discussed such as, available SCADA records and metered billing data. This meeting will also be used to discuss fire flow requirements with the City and identify up to five focus areas for improving fire flow capabilities.

A2. Data Collection: Engineer will compile information from the City including GIS files, utility billing data, and SCADA records for use in the water model update.

A3. Model to Current Conditions: Engineer shall obtain with the City's assistance the latest water system mapping (shapefiles, CAD, etc.) and operational data for water lines and water facilities (pumps, pump stations and tanks). Engineer will populate parameters for facilities and control structures. Engineer will Identify connectivity issues and present to City for resolution.

A4. Update Existing Water Demand Allocation: Engineer will utilize data from the City's billing system and production database to allocate existing demands throughout the service area. The data will consist of metered usage fields for active customer accounts. The meters will be spatially located in GIS so that the associated water usage can be assigned the appropriate model node. An average day demand and a maximum day demand allocation will be conducted.

A5. Conduct Pressure Testing: Engineer will identify locations for field testing based on model calibration needs and areas of concern from City. Pressure recorders will be furnished by the Engineer. Procedures for field testing will be prepared showing proposed location of testing, duration of testing, required SCADA data during testing period, and assistance from water utility department.

A6. Conduct Model Calibration: Engineer will conduct model calibration by adjusting c-factors, peaking factors, and demand distribution until modeling results match the field pressure measurements within acceptable tolerances. Engineer will provide comparison mapping to document model calibration results.

B. Water Demand Projections

B1. Utilize Recent Population Projections and Land Use Assumptions to Project Population: Engineer will utilize population projections and land use assumptions for use in projecting water demands. Planning years will correspond to the same planning years used in the 2009 Wastewater Master Plan update and will include 10-year and 20-year conditions.

B2. Review Historical Water Usage: Engineer will evaluate historical water usage data to develop trends and calculate peaking factors. This data will be used to determine expected per-capita water usage for future projections.

B3. Develop and Distribute Water Demand Projections: Engineer will develop water demand projections for 10-year and 20-year conditions using the land use assumptions and selected design criteria. Engineer will distribute water demands throughout the service area based on the future population distribution.

B4. Discuss Water Demand Projections: Engineer will conduct a meeting (or conference call) with the City to present assumptions, methodology, and results of the water demand projections.

C. Hydraulic Analyses and Capacity CIP Update

C1. Perform Modeling of Existing Water System: Engineer will conduct steady state and extended period modeling of the existing water system for average day operating conditions to determine capacity and deficiencies within the existing water system.

C2. Conduct Fire Flow Analysis for Existing System: Engineer will utilize the water model to conduct fire flow analysis under existing maximum day demands to identify areas with less than adequate fire flow capacity. Fire flow analysis will be shown using shaded mapping of available fire flows.

C3. Perform Chlorine Residual Modeling: Engineer will utilize the water model to perform water quality modeling for chlorine residuals at the average day water demand condition for a 7 day period. Check chlorine residuals in tanks and nodes throughout system to identify problematic areas of low chlorine residual levels. Evaluate up to three alternative locations for supplemental chlorine injection points within the existing distribution system. Evaluate both methods of using free chlorine and chloramine disinfectant. The City will provide the Engineer information on the decay of chloramines and free chlorine in the distribution system.

C4. Evaluate Pressure Plane Delineation: Engineer will analyze existing pressure plane delineation based on topography and modeling results, field testing data and pump station locations. Specific areas with low or high pressures at normal operating conditions will be identified. Evaluate and recommend modifications to the existing pressure plane boundaries if necessary.

C5. Evaluate each pressure plane per TCEQ rules for ground and elevated storage and pumping. Engineer will conduct an analysis of the minimum required ground storage, elevated storage and pumping in accordance with TAC 290.45.

C6. Utilize 20-year Model to Determine Sizing of Water System Improvements: Engineer will determine sizing of water system transmission, elevated and ground storage, and pumping facilities needed to serve 20-year demands throughout each pressure plane service area using the model analyses under maximum day demand conditions.

C7. Meet with the City to Review Water System Improvement Alternatives: Engineer will meet with the City to discuss future water system improvement options for 20-year conditions.

C8. Utilize 10-year Water System Model to Determine Phasing of Improvements: Engineer will use interim 10-year model runs to determine phasing of water system improvements. System improvements will include transmission, storage, pumping and distribution system related needs.

C9. Develop Draft CIP Costs, Schedule, and Mapping: Engineer will develop costs for each proposed project in Year 2015 dollars including engineering and contingencies. Produce large scale citywide maps showing proposed projects and recommended in-service dates of proposed projects. The City will provide construction cost information from recent projects that the Engineer can rely on when preparing the CIP cost information.

C10. Meet with City to Review Draft CIP: Engineer will meet with City to discuss draft CIP, project phasing and analyze alternative completion dates as necessary.

D. Master Plan Report and Council Presentations

D1. Prepare Draft Master Plan Report: Engineer will prepare a Master Plan Report summarizing the water model update, water demand projections, and hydraulic analyses. An electronic PDF file and five hard copies of the Draft Report will be submitted to the City for review.

D2. Meet with City to Review Draft Master Plan Report: Engineer will meet with City to discuss the Draft Master Plan Report. Comments will be solicited and incorporated into the Final Master Plan Report.

D3. Finalize Master Plan Report: Engineer will revise the report based on City's comments and submit five (5) final hard copies and one electronic copy in PDF format of the Master Plan Report to the City.

D4. Modeling Software Training: Engineer will provide on-site training for City staff utilizing modeling software. The Engineer will provide up to two (2) days of on-site training. Engineer will be available for an additional 16 hours of consultation by phone.

D5. City Council Presentation: Engineer will present the Water Master Plan report to City Council, answer questions and discuss content.

E. Distribution System Risk and Condition Assessment

E1. Collect and review all relevant electronic water system information, including the existing AutoCAD drawings and data files, the GIS database, Work Order information, asset condition information (e.g. Tap Coupon Photos), and relevant reports and plans. It is understood that included in this information are asset-specific data (including pipe diameter, material, and installation year) for most of the City's water pipelines. Compile the information in a summary table for City review.

E2. Conduct a criticality assessment of the City's existing pipe infrastructure. This effort will be based on the asset specific data (age, diameter, material, and condition data) compiled in Subtask E1 and an interactive 3-hour workshop with City staff. Engineer will facilitate the workshop to develop a criticality framework and ranking scale for the water pipe infrastructure. This framework may include categories such as Customer Impact, Public Health and Safety, Cost, and Capacity, and will be used to assign individual criticality scores for the City's water pipelines. At the culmination of the workshop, the City will have reached consensus on the overall criticality categories, definitions, and scoring. This criticality evaluation will be used in conjunction with the likelihood of failure analysis in Subtask E3 to conduct a robust risk assessment of the City's water pipelines.

E3. Engineer will conduct a robust risk assessment of the City's existing pipe infrastructure using a statistical analysis to predict the likelihood of failure for each pipe segment in the system. The statistical analysis is based on historical leak and break data, operations observations, physical data (material, diameter, lining, age), geographic data (proximity analysis, soils analysis), and/or hydraulic factors (such as pressure and pressure fluctuation). As part of this analysis, Engineer will work with the City to develop useful service life curves for the specific water main materials and vintages in the City's system as input to InfoMaster (or a similar tool) for modeling analysis. Values from prior projects will be used as a starting point and modified with City input. The analysis tool will then be applied to develop a likelihood of failure profile for each pipe in the system. A map of the high risk pipes will be delivered to the City.

E4. Evaluate the distribution system hydraulic model to identify pipelines that should be considered for replacement due to hydraulic / capacity issues in combination with the results of the risk assessment. For pipes that are hydraulically undersized and have high risk of failure, replacement will be considered. For pipes that have sufficient hydraulic capacity and have high risk of failure, more intensive field investigations may be recommended.

E5. Develop a draft Risk Assessment memorandum which includes the prioritized list of high risk pipelines. Recommend proposed phasing for implementation of pipe condition assessments. Submit to City for review, incorporate City comments, and develop final Risk Assessment memorandum.

E6. Subcontract with a leak detection firm to conduct up to 100 miles of leak detection to evaluate the pipelines and determine the number and location of leaks in the existing distribution piping.

EXHIBIT “B”

COMPENSATION

Provider shall provide Services under this Agreement as specifically described, and under the special terms and conditions set forth in RFQ WU-05-15. Payments under this Agreement shall be in accordance with the payment schedule set out hereunder:

1. PAYMENT OF COMPENSATION

Provider shall submit to City monthly invoices which indicates Work completed and hours of Services rendered by Provider. The invoice shall describe the amount of Services provided since the effective date, or since the start of the subsequent billing periods, as appropriate, through the date of the invoice. City shall, within 30 days of receiving such invoice, review the invoice and pay all non-disputed and approved charges thereon. If City disputes any of Provider’s fees, City shall give written notice to Provider within thirty (30) days of receipt of an invoice of any disputed fees set forth therein.

2. REIMBURSEMENT FOR EXPENSES

Provider shall be reimbursed for expenses directly related to the project.

3. COMPENSATION AMOUNT

Compensation to Provider shall be an amount not to exceed $314,460.

EXHIBIT "C"

SPECIAL INSURANCE AND INDEMNIFICATION RIDER

1. **TYPES AND AMOUNTS OF INSURANCE REQUIRED**. Provider shall obtain and continuously maintain in effect at all times during the term hereof, at Provider's sole expense, insurance coverage as follows with limits not less than those set forth below:

A. Commercial General Liability. This policy shall be an occurrence-type policy and shall protect the Provider and additional insureds against all claims arising from bodily injury, sickness, disease or death of any person (other than the Provider's employees) and damage to property of the City or others arising out of the act or omission of the Provider or its agents and employees. This policy shall also include protection against claims for the contractual liability assumed by Provider under the paragraph of this Agreement entitled "Indemnification," including completed operations, products liability, contractual coverage, broad form property coverage, explosion, collapse, underground, premises/operations, and independent contractors (to remain in force for two years after final payment). Coverage limits shall not be less than:

$2,000,000.00	General Aggregate
$1,000,000.00	Products – Completed Operations
$1,000,000.00	Personal & Advertising Injury
$1,000,000.00	Each Occurrence
$ 100,000.00	Fire Damage (any one fire)

B. Business Automobile Liability. This policy shall be written in comprehensive form and shall protect Provider and the additional insureds against all claims for injuries to members of the public and damage to property of others arising from the use of motor vehicles and shall cover operation on and off the premises of all motor vehicles licensed for highway use, whether they are owned, non-owned or hired. Coverage shall be as follows:

$500,000.00	Each Accident Limit

C. **<u>Workers' Compensation and Employer's Liability</u>.** If Provider hires any employees, Provider shall maintain Workers' Compensation and Employer's Liability insurance, which shall protect the Provider against all claims under applicable state workers' compensation laws and employer's liability. The insured shall also be protected against claim for injury, disease or death of employees which for any reason, may not fall within the provisions of a workers' compensation law. Coverage shall not be less than:

Statutory Amount	**Workers' Compensation**
$ 500,000.00	Employer's Liability, Each Accident
$ 500,000.00	Employer's Liability, Disease - Each Employee
$ 500,000.00	Employer's Liability, Disease - Policy Limit

EXHIBIT “D”

Insert RFQ WU-05-15 and label Exhibit “D”

PROFESSIONAL SERVICES AGREEMENT

BETWEEN CITY OF SAN ANGELO, TEXAS

AND CDM SMITH INC.

RFQ WU-05-15

APPROVED AS TO CONTENT:	APPROVED AS TO CONTENT:
______________________________	______________________________
Julia Antilley, Purchasing Manager	Russell Pehl, City Engineer
APPROVED AS TO FORM AND CORRECTNESS:	APPROVED AS TO INSURANCE REQUIREMENTS:
______________________________	______________________________
Theresa James, City Attorney	Charles Hagen, Risk Manager

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

THE CITY OF SAN ANGELO TEXAS

Requestor: Bryan Kendrick, City Clerk, City Clerk,

Meeting Date: May 18, 2016

Item type: Regular Item

Caption:

Consider a resolution ordering that a Runoff Election be held on July 2, 2016, for the purpose of electing municipal officers; ordering publication; making provisions for the conduct of the election; providing for severability; and providing for an effective date (una Resolución, convocando una segunda votación (elección de desempate) se celebrará en dicha ciudad el 2 de Julio, 2016, para la elección de oficiales municipales; ordenando publicación, haciendo provisiones para la conducta de dichas eleccion; previendo por divisibilidad; y previendo una fecha de vigencia - (Presentation by City Clerk Bryan Kendrick)

Summary/History:

The Final Canvass Order contains the cumulative totals for each race. The Ballot Board met on Monday, May 16th, to count any approved provisional ballots and Federal ballots received from overseas. Election night return reports are attached for your review and information

Financial Impact:

The estimated cost of the runoff election is approximately $27,500. We have not received the final bill for the cost of the General Election but anticipate having sufficient budget to fund the General Election and the runoff. Depending on final costs however, a future budget amendment may be necessary.

Other Information/Recommendation:

Staff recommends adoption of the resolution.

Attachments:

1.	Resolution - Runoff Election Order	16-418_CC_RESO_ORDER_RUNOFF_05-07-16_ELECTION_DRAFT-Final.docx
2.	Notice of Election	05 18 16 NOTICE OF RUNOFF ELECTION DF.docx

Presentation:

Approvals/Reviews:

Bryan Kendrick	Created/Initiated
Theresa James	Approved
Tina Carriger	Approved
Theresa James	Approved
Becky Dunn	Approved
Bryan Kendrick	Final Approval

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN ANGELO, TEXAS, ORDERING THAT A RUNOFF ELECTION BE HELD IN SAID CITY ON SATURDAY, THE 2ND DAY OF JULY, 2016, FOR THE PURPOSES OF ELECTING A CHIEF OF POLICE AND FOR ELECTING A CITY COUNCIL MEMBER FOR SINGLE MEMBER DISTRICT FIVE; ORDERING PUBLICATION; MAKING PROVISIONS FOR THE CONDUCT OF THE ELECTION AND OTHER PROVISIONS INCIDENT AND RELATED TO THE PURPOSE OF THIS ORDER; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, pursuant to Resolution No. 2016-02-014 of the City of San Angelo, Texas, adopted on the 2nd day of February, 2016, a General Election was duly held on the 7th day of May, 2016, for the purpose of electing municipal officers;

WHEREAS, the City Council on canvassing the returns of the general election for Chief of Police has determined that no candidate received a majority of votes cast for that office, and that Frank Carter and Tim Vasquez are the two candidates having received the highest and second highest number of votes cast for the position of Chief of Police; and,

WHEREAS, the City Council on canvassing the returns of the general election for City Council Member Single Member District Five has determined that no candidate received a majority of votes cast for that office, and that Lane Carter and Elizabeth Miller Grindstaff are the two candidates having received the highest and second highest number of votes cast for the position of City Council Member Single Member District Five; and,

WHEREAS, the City Charter for the City of San Angelo provides that where in any election for elective office no candidate receives the majority of all the votes cast for such office, the Council shall, immediately upon declaring the official results of the election, issue a call for a runoff election for each position to which no one was elected; and,

WHEREAS, the meeting at which this Order is considered is open to the public as required by law, and public notice of the time, place, and purpose of said meetings was given as required by Title 5, Chapter 551, Texas Government Code.

NOW, THEREFORE, BE IT ORDERED BY THE CITY COUNCIL OF THE CITY OF SAN ANGELO, TEXAS THAT:

Section 1. All of the above recitals are found to be true and correct, are incorporated into the body of this Order, and shall have the same force and effect as if set forth in their entirety in this Section.

Section 2. The City Council orders a runoff election for the City of San Angelo, Texas, to be held on Saturday, July 2nd , 2016, between the hours of 7:00 A.M. and 7:00 P.M., which is not earlier than the twentieth (20th) day or later than the forty-fifth (45th) day after the final Order canvassing the returns of the general election held on May 7th , 2016, Resolution No. __________________, for the purpose of electing the following municipal officers: Chief of Police and City Council Member Single Member District Five.

Section 4. Voting at and on said election shall be by use of digital scan ballots, and the official ballots for said election shall conform to the Texas Election Code, as amended, so as to permit the electors to vote for the candidate of their choice, with the official ballot to contain such other provisions, markings and language as required by law.

Section 5. Early voting by personal appearance shall be conducted each weekday, June 20, 2016 through June 24, 2016, from 8:00 A.M. to 5:00 P.M.; June 25, 2016, 7:00 A.M. to 7:00 P.M.; June 26, 2016, 12:30 P.M to 5:30 P.M. and June 27, 2016 through June 28, 2016, from 7:00 A.M. to 7:00 P.M. The City of San Angelo will utilize the early voting branch locations, shown on Exhibit "A", adopted as part of this order, and designated by Tom Green County as outlined in the Election Code Section 42.002 entitled "Required Use of County Precincts".

Application for ballot by mail shall be mailed to:

City Clerk, City of San Angelo
c/o Vona Hudson, Tom Green County Elections Administrator
Judge Edd B. Keyes Building
113 W. Beauregard Ave.
San Angelo, Texas 76903

Applications for ballot by mail must be received no later than the close of business in the early voting clerk's office on Friday, June 21, 2016.

Section 6. Said elections shall be conducted and the results canvassed and announced as prescribed by the General Election and Special Election Laws of the State of Texas, as amended, and only duly qualified electors shall be qualified to vote.

Section 7. The City Clerk is directed and required to publish notice of said elections as required by law.

Section 8. The terms and provisions of this Ordinance shall be deemed to be severable in that if any portion of this Ordinance shall be declared to be invalid, the same shall not affect the validity of the other provisions of this Ordinance.

Section 9. This Order shall be effective from and after the date of adoption.

PASSED, APPROVED and ADOPTED on the 18th day of May, 2016.

THE CITY OF SAN ANGELO

/s/______________________________
Dwain Morrison, Mayor

ATTEST:

/s/______________________________
Bryan Kendrick, City Clerk

Approved as to Content:

/s/____________________________
Bryan Kendrick, City Clerk

Approved as to Form:

/s/____________________________
Theresa James, City Attorney

Exhibit "A"

City of San Angelo, Texas, July Run Off Election Polling Places

LOCATION(S) OF POLLING PLACES
(UBICACIÓNES DE VOTACIÓN)

Angelo Bible Church - 3506 Sherwood Way
Belmore Baptist Church - 1214 S. Bell St.
Calvary Baptist Church - 2401 Armstrong St.
Christoval Community Center - 20022 Main St., Christoval
Community Medical Center - 3501 Knickerbocker Rd.
Concho Valley Transit District (Bus Depot) - 510 N. Chadbourne St.
SAF (First Assembly of God Church) - 1442 Edmund Blvd.
Grape Creek ISD Admin. Bldg. - 8207 US Hwy 87 N
Keating Paint & Body Shop - 5050 N. Chadbourne St.
MHMR, 1501 W. Beauregard Ave.
Paulann Baptist Church - 2531 Smith Blvd.
Plaza del Sol Apts. - 4375 Oak Grove Blvd.
SA Housing Authority (Public Housing) - 420 E. 28th St.
St. Ambrose Catholic Church – 8602 Loop 570, Wall
Segunda Iglesia Bautista – 530 W. Avenue T
Southgate Church of Christ - 528 Country Club Rd.
TXDOT - 4502 Knickerbocker Rd. Bldg E
Veribest Baptist Church - 50 FM 2334, Veribest
Wesley Trinity United Methodist Church - 301 W 18th St.
West Texas Rehab Conference Center – 1925 University Ave.

Early voting by personal appearance will be conducted each weekday at:
(La votación adelantada en persona se llevará a cabo de lunes a viernes en:)

Edd B. Keyes Building, 113 W. Beauregard, 1st floor (Primer Piso), San Angelo, Texas
(location) (ubicación)

June 20 – 24, 8 am to 5 pm (20 de junio hasta el 24 de junio, desde las 8:00 am hasta las 5:00 pm)
June 25, 7 am to 7 pm (El 25 de junio, desde las 7:00 am hasta las 7:00 pm)
June 26, 12:30 pm to 5:30 pm (El 26 de junio, desde las 12:30 pm hasta las 5:30pm)
June 27 – 28, 7 am to 7 pm (El 27 y 28 de junio, desde las 7:00 am hasta las 7:00 pm)

AW1-10
Prescribed by Secretary of State
Sections 4.004, 83.010, 85.004, 85.007, Texas Election Code
3/2007

NOTICE OF RUNOFF ELECTION
(AVISO DE ELECCION SEGUNDA VOTACIÓN)

To the registered voters of the City of San Angelo, Texas:

(A los votantes registrados de la Ciudad de San Angelo, Tejas):

Notice is hereby given that the polling places listed below will be open from 7:00 a.m. to 7:00 p.m., on Saturday, July 2, 2016 for voting in a runoff election to elect a Chief of Police for a four year term and a Council Member for Single Member District five for a three year term.

(Se hace saber que las casillas electorales citados abajo se abrirán desde las 7:00 am hasta las 7:00 pm, el sábado 02 de julio 2016 para votar en la Elección Segunda votación con el fin de elegir a un Jefe de Policía para un término de cuatro años y un miembro único del Consejo Distrito Cinco por un período de tres años.)

LOCATION(S) OF POLLING PLACES
(UBICACIÓNES DE VOTACIÓN)

Angelo Bible Church - 3506 Sherwood Way
Belmore Baptist Church - 1214 S. Bell St.
Calvary Baptist Church - 2401 Armstrong St.
Christoval Community Center - 20022 Main St., Christoval
Community Medical Center - 3501 Knickerbocker Rd.
Concho Valley Transit District (Bus Depot) - 510 N. Chadbourne St.
SAF (First Assembly of God Church) - 1442 Edmund Blvd.
Grape Creek ISD Admin. Bldg. - 8207 US Hwy 87 N
Keating Paint & Body Shop - 5050 N. Chadbourne St.
MHMR, 1501 W. Beauregard Ave.
Paulann Baptist Church - 2531 Smith Blvd.
Plaza del Sol Apts. - 4375 Oak Grove Blvd.
SA Housing Authority (Public Housing) - 420 E. 28th St.
St. Ambrose Catholic Church – 8602 Loop 570, Wall
Segunda Iglesia Bautista – 530 W. Avenue T
Southgate Church of Christ - 528 Country Club Rd.
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(La votación adelantada en persona se llevará a cabo de lunes a viernes en:)

Edd B. Keyes Building, 113 W. Beauregard, 1st floor (Primer Piso), San Angelo, Texas
(location) (ubicación)

June 20 – June 24, 8 am to 5 pm (20 de junio hasta el 24 de junio, desde las 8:00 am hasta las 5:00 pm)
June 25, 7 am to 7 pm (El 25 de junio, desde las 7:00 am hasta las 7:00 pm)
June 26, 12:30 pm to 5:30 pm (El 26 de junio, desde las 12:30 pm hasta las 5:30pm)
June 27 – 28, 7 am to 7 pm (El 27 y 28 de junio, desde las 7:00 am hasta las 7:00 pm)

Applications for ballot by mail shall be mailed to:
(Las solicitudes para boletas que se votarán en ausencia por correo deberán enviarse a:)

City Clerk, City of San Angelo
c/o Vona Hudson, Tom Green County Elections Administrator
Judge Edd B. Keyes Building
113 W. Beauregard Ave.
San Angelo, Texas 76903

Applications for ballots by mail must be received no later than the close of business on:
(Las solicitudes para las boletas postales deben ser recibidas no más tarde de la hora de cierre de los negocios el:)

Tuesday, June 21, 2016.
(martes) (21 de junio, 2016)

Issued this the 18th day of May, 2016.
(Emitido este día 18 de mayo de 2016.)

Signature of Mayor (Firma del Alcalde)

APPLICATION FOR
BOARDS and COMMISSIONS

Name: Aaron Nelson

Address: 5026 Knickerbocker Rd.

City: San Angelo (unless otherwise noted) Zip: 76904

Phone (Home): 325.650.3391 (Office): 325.944.3596

Resident of San Angelo since: 1984 SMD: 5

Are you a registered voter of San Angelo? Yes: ✓ No:

Occupation / Business Affiliation: Realtor - Dierschke & Dierschke

Occupation / Business Address: 5026 Knickerbocker Rd.

Position: Realtor

Email: aaron_nelson@live.com
underscore

By executing this document, the applicant does hereby certify and affirm the truth and accuracy of the information contained herein. The applicant further authorizes the City Council, or its designee, to verify any information. The applicant agrees to release and hold harmless the City from all claims incident to the verification of information contained herein.

X 4/18/16

Applicant's Signature Date

Applying for:

____Airport Advisory Board
____Animal Shelter Adv Cmm*
____Civic Events Adv Board
____Civil Service Commission
____Construction Board of Adj/Appls*
____Design & Historic Review Cmm*
____Development Corporation
____Downtown Development Cmm*
____Fort Concho Museum Board
____Park Commission
____Parks & Recreation Adv Board
____Planning Commission
____Public Art Commission*
____Public Housing Authority
____Tax Incrmt Reinvsmt Zone Board*
____Water Advisory Board*
✓ Zoning Board of Adjustment

**specific membership criteria requirements apply-See back page for more information*

Recommended by: Kandi Pool

NOTE: This application is information of public record. Public Service opportunities are offered by the City of San Angelo without regard to race, color, national origin, religion, sex or disability.*

RETURN TO: City of San Angelo, c/o City Clerk, 72 W. College, San Angelo, Texas 76903

Tell us about yourself. Feel free to attach additional sheets, if necessary.

Based on you board selection, do you meet the membership criteria*? [✓ Yes] No If so, which criteria:
(see back page for board criteria)

Education and/or Professional Licenses: Real estate brokers license, Masters degree (MBA) from Angelo State University

Current Municipal and Civic Organization Memberships (Positions & Dates): None

Previous Municipal Experience (Positions, Dates, Where): None

What personal qualifications can you bring to this board? Genuine interest in the growth of our city. Real estate experience, long time resident, common sense - approach to issues.

What is your personal vision for the City? I'm in favor of the growth of this city where it will have a positive impact on future citizens.

Why do you want to serve on this board? Opportunity to be an active participant in our community.

Anything else you would like for us to know?

*The City Council adopted the Code of Ethics for members of the City Council and for the City's boards and commissions to assure public confidence in the integrity of local government and its effective and fair operation. Therefore, all Members shall comply with the laws of the nation, the State of Texas, and the City of San Angelo in the performance of their public duties. If you been convicted of a MISDEMEANOR or FELONY, and/or placed on probation, fined or given a suspended sentence such as pretrial diversion or deferred adjudication in court within the last ten years, disclosure of such should be forwarded under separate cover. For a complete copy of the Code of Ethics, contact the City Clerk at 657-4405.

For Office Use Only:
Appointed by: CiCo Appt/Reappt Date: Term Dates: To From

Revised:09/14