City Council Agenda
09/06/2016

Notice is hereby given of a regular meeting of the City Council of City of San Angelo to be held on September 6, 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. The City of San Angelo & Tom Green County for achieving Silver level in the Department of State Health Services Texas Healthy Communities Program (Spring 2016) - Recognition will be presented by by DSHS TXHC Representative Rachel Coughlin
   b. Recognition of Public Information Officer Anthony Wilson for graduating from the Certified Public Communicator program at Texas Christian University
   c. "National Childhood Cancer Awareness Month" September 2016, to be accepted by Becky Powers
   d. "Your Peace Matters! 2016 Season of Peace" September 8th - 21st, 2016 to be accepted by Becky Benes and Valerie Queen for the Peace Ambassadors of West Texas
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**
   a. Consider approving the:
      1. August 11, 2016 City Council Budget Workshop minutes
      2. August 16, 2016 City Council regular meeting minutes (B.Kendrick)
   b. Consider a resolution accepting the U.S. Department of Justice FY 2016 Justice Assistance Grant in the amount of $23,661 and authorizing the City Manager or his designee to execute such grant award and related documents as may be necessary or convenient for acceptance of the grant (F. Carter)

c. Consider declaring 201 Burlington Rd. surplus property and disposing of said surplus property for the highest sealed bid, being $13,100 submitted by Miguel Duran and authorizing the Mayor, City Manager or his designee to execute all documents necessary to convey the surface estate only in the surplus property by Special Warranty Deed, reserving unto the City of San Angelo mineral interests, surface and ground water rights (C. Preas)

d. Consider authorizing the sale of the following Lake Nasworthy property to current residential lake lot lease holder for the appraised value (C. Preas):

   Lot 6, Block 1, Sec. 1, Red Bluff Group, Lake Nasworthy Addition (2722 Red Bluff Road) $109,000
   Lot 6A, Block 1, Group 13, Lake Nasworthy Addition (2021 Willow Rd.) $62,000

e. Consider a resolution authorizing a tax resale deed (Quitclaim) to be executed by the Mayor on behalf of the city and all taxing units in the Tax Foreclosure Judgment or Tax Warrant to the following property (C. Preas):

   Lot 6, Block 2, Fort Concho Vista Addition; Mary Lou Reyes ($1,000)

f. Consider approving Amendment No. 1 to the lease and license agreement between the City of San Angelo and Above the Clouds, LLC, allowing Above the Clouds, LLC to sell beer and wine within their leased premises at San Angelo Regional Airport (L. Elguezabal)

g. Consider a resolution authorizing the City Manager to execute an agreement with the Concho Valley Center for Human Advancement d/b/a MHMR Services to fund community mental health and mental retardation programs and services for the 2016-2017 fiscal year with an amount of $55,423, currently proposed in FY2017 Budget (S.Villarreal)

h. Consider accepting the appointment of and enter into contract with Dr. Stephen Seifert as the Local Health Authority to be compensated in the amount of $24,000 per year, currently proposed in FY2017 Budget (S. Villarreal)

i. Consider approving an Interlocal Agreement with Concho Valley Transit District to facilitate the provision and installation of signage along fixed bus routes within the City and authorizing City Manager to negotiate and execute all related documents (P. Frerich)

j. Consider ratifying a resolution by COSADC approving an economic development (BREP) incentive to CalTech Software Systems Inc. in the amount of $603,050, and authorizing the Board President to negotiate and execute a performance agreement (R. Pena)

k. Consider ratifying COSADC acceptance of an offer by INVERMEX, LLC for the purchase of 4.25 acres more or less at the Business & Industrial Park at a sales price of $29,000 per acre and authorizing the Board President to negotiate and execute a real estate sales contract subject to approval by City Council (R.Pena)

l. Consider ratifying COSADC approval authorizing the Board President to negotiate and execute professional services contracts not to exceed $30,000, to include design, engineering and surveying services, with professional services providers deemed qualified by the City Council for the City of San Angelo pursuant to PUR-03-14 for Indefinite Delivery Indefinite Quantity professional services, and ES-04-15 for Indefinite Delivery Indefinite Quantity Professional Services, Infrastructure Engineering and Surveying Services, as needed for approved ½ cent sales tax projects (R. Pena)

m. Consider a resolution supporting United States Army Special Operations Command, UWEX 16 Exercise, Realistic Military Training concept training within the City limits from March 10th to June 5th 2017

n. Consider approving a contract with Cellco Partnership d/b/a Verizon Wireless and its related entities for purchase of wireless services and products under DIR-TSO-3415, and authorizing the City Manager to execute the contract in substantially the attached form, and any related documents (B. Hasty)

o. Consider approval of a revised Memorandum of Understanding by and between the City of San Angelo and the San Angelo Metropolitan Planning Organization (J.James)

p. Second Reading and Public Hearing for Case PD16-02, an ordinance approving a request from Tom Green County to authorize a rezoning from the Ranch and Estate (R&E) Zoning District to the Planned Development (PD) Zoning District for the Tom Green County detention facility generally located off U.S. Highway 277, 880 feet west of the intersection of MH Morgan Trail and U.S. Highway 67, on 179.174 acres (J. James)

q. Second reading and consider adopting an ordinance amending Chapter One "General Provisions" of the Code of Ordinances - (T. James/B. Kendrick)

6. Regular Agenda

a. Discussion and direction related to regulation of Pay Day Loans within the city limits - (Requested by Council Member Bill Richardson)

b. Consider approving an amendment to WU-14-13 with Alan Plummer Associates for the Direct Potable Reuse Pilot Project in the amount of $300,000 to incorporate grant funding from the Bureau of Reclamation WaterSMART Title XVI Water Reclamation and Reuse Program, and authorizing the City Manager or designee to execute any related documents - (Presentation by Water Utilities Assistant Director Allison Strube)

c. Discussion and possible action on infrastructure rehabilitation prioritization and financing - (Presentation by Water Utilities Director Bill Riley)

d. First public hearing and consideration of amending Chapter 7 "Health and Sanitation", Article 7.02 "Property Maintenance", Section 7.02.063 "Weeds & vegetation" of the San Angelo Code of Ordinances to add affirmative defenses in cases where developed property is ten (10) acres or more - (Presentation by Assistant Director of Neighborhood & Family Services James Flores).

e. Discussion and possible action to amend Chapter 7, Article 7.02 "Property Maintenance" Section 7.02.070 "Abatement, expenses and lien" to allow citizens an option to request a judicial case review and recommendation prior to abatement - (Presentation by Assistant Director of Neighborhood & Family Services James Flores)

f. Consider allocating up to $500,000 for capital projects including $450,000 from the Civic Events Fund's fund balance for facility improvements. - (Presentation by Civic Events Manager Sidney Walker)

g. Discussion and consideration of matters related to the fiscal year 2016-2017 operating budget including:

1. First public hearing and introduction of an ordinance of the City of San Angelo approving and adopting the budget for the fiscal year beginning October 1, 2016, and ending September 30, 2017; Authorizing employee compensation schedules; Providing for the general appropriation of funds; Reserving unto the City Council the authority to transfer appropriations budgeted, ratifying transfers of appropriations occurring in the 2015-2016 fiscal year and amending that budget ordinance accordingly; Providing for lapse of all unencumbered or unobligated funds for the prior fiscal year and for carryover of all appropriations of encumbered, obligated or restricted funds; Reserving unto the City Council the power, only as permitted by law, to amend or make changes in the budget for municipal purposes; Providing authority for the city manager or his designee to make certain adjustments from time to time in or between budgeted allocations; Authorizing the city manager or his designee to apply for certain grants and execute any related documents; and, providing for filing of the budget.

This budget will raise more total property taxes than last year's budget by $1,495,628 (4.34%), and of that amount, $442,215 is tax revenue to be raised from new property added to the tax roll this year.

2. Conduct a separate record vote to ratify the property tax revenue increase reflected in the budget and place the adoption of this tax rate on the agenda for the September 6, 2016 regular meeting of the City Council as an action item
(Presentation by Budget Manager Morgan Chegwidden)

h. First public hearing and introduction of an ordinance levying property taxes for the City of San Angelo for the 2016 tax year.

An ordinance fixing and levying ad valorem taxes for the current tax year for use and support of the municipal government of the City of San Angelo, Texas, for the 2016-2017 budget year; providing for the assessment and collection thereof; providing when the tax shall become due; providing when the tax shall become delinquent; providing for exemptions; providing for severability; providing for publication on the city operated web site; and, providing for an effective date - (Presentation by Budget Manager Morgan Chegwidden)

i. First public hearing and introduction of an ordinance amending the 2015-2016 budget for grants and program expenses - (Presentation by Budget Manager Morgan Chegwidden)

7. 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 551.072 to deliberate the purchase, exchange, lease, or value of real property related to Lot 1, Group 7, Lake Nasworthy Addition.

b. Section 551.074(a)(1) to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee regarding Planning Commission Member Travis Stribling

c. 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.
    3. Alsay, Inc.

d. 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:

    1. Assignment of rights Hickory wellfield property
    2. The Martifer Hirschfeld agreement

8. Follow Up and Administrative Issues

a. Consider items discussed in Executive/Closed Session, if needed

b. Consideration of approving various Board nominations:

Construction Board of Adjustments and Appeals: David Jacobo (At-Large) to a first term ending February 2018
Design & Historic Review Commission: Ashley Young-Turner (SMD3) to a second term ending September 2018
Fort Concho Museum Board: Brandon Allen (SMD1) to a first term ending January 2019

c. Announcements and consideration of Future Agenda Items

9. 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 1st day of September 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

In the four years Anthony Wilson has served as the City of San Angelo's Public Information Officer, he has strived to improve our communications via our website, social media, TV channel and media presence. Further, he has sought to improve himself.

On July 28, Anthony graduated from the Certified Public Communicators program at Texas Christian University. That culminated a year of intense study and work learning from experts and peers about topics such as brand marketing, crisis communication, ethics and leadership, and stakeholder engagement. Anthony, who is also a Certified Public Manager, is one of fewer than 75 Certified Public Communicators in the nation.

By far, the most value gleaned from Anthony's involvement in the CPC program is a strategic communication plan he crafted during his studies for the City of San Angelo. The plan charts a course for building upon the Public Information Office's award-winning work in a move toward more effective communication and a higher level of engagement with the public we serve.

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

Public Information Officer Anthony Wilson

for his 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 6th day of September, 2016.*

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Dwain Morrison
Mayor of the City of San Angelo

Proclamation

Families, caregivers, charities and research groups across the United States, as well as our national government, are observing the month of September as "National Childhood Cancer Awareness Month" to memorialize the young lives that have been taken too soon, and to honor those fighting and those that have survived but yet face major health challenges associated with this disease.

Approximately 13,500 children under the age of 18 will be diagnosed with cancer in 2016, and approximately one in five children diagnosed with cancer will die within the first five years. Childhood cancer is the leading cause of death among children under the age of 18 according to the most recent statistics provided the Centers for Disease Control.

While progress against some childhood cancers has been made, cure rates for many forms of childhood cancer remain less than fifty percent. The incidence of childhood cancers is increasing at a more rapid rate than any other age group and crosses all racial, ethnic, geographic and social backgrounds.

Finally, gold has been the official ribbon color for childhood cancer awareness since 1977.

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

"National Childhood Cancer Awareness Month"

In San Angelo, Texas, and urge all citizens to wear gold to show their support and to honor the children fighting the fight, their families and caregivers, the researchers and healthcare professionals, concerned citizen advocates and private philanthropies, who collaborate to provide hope and assistance to the children and their families affected by childhood cancer.

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 6th day of September, 2016.*

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Dwain Morrison
Mayor of the City of San Angelo

Proclamation

The Peace Ambassadors of West Texas are working in relationship with numerous groups throughout the City to bring awareness to how each of us have a role in creating a Piece of Peace with presentations of over twenty intergenerational and interfaith events, prayer services, artistic endeavors, and educational programs in ***"Your Peace Matters! 2016 Season of Peace"***

Beginning with the Global Prayer Vigil on September 8th at Unity Spiritual Center and ending with the Peace Showcase at ASU highlighting local organizations and businesses demonstrating how they create peace in San Angelo and throughout the world, the Peace Ambassadors will also facilitate several other events at which the public is warmly invited free of charge

An evening at ASU with Dr. Robert P. Sellers, Chair of the Parliament of the World's Religions, entitled "Superheroes Unmasked: The World's Peacemaker," the annual 9/11 Memorial program hosted this year by NAACP Local Unit 6219, and Children's Expressions of Peace are but three more of the planned events

All people are encouraged to listen to "Your Peace Matters" by BackBeat Pieces of Peace Choir, this Season's Theme Anthem, for inspiration and to reflect on the ability and responsibility each of us holds to bring about world peace.

Therefore, I, Dwain Morrison, Mayor of the City of San Angelo, Texas, on behalf of the City Council, do hereby proclaim September 8th - September 21st as the

"Your Peace Matters! 2016 Season of Peace"

and encourage all to creatively envision world peace and realize the important and unique piece within each of us to bring about the blessing of a peaceful world.

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 6th day of September, 2016*

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Dwain Morrison
Mayor of the City of San Angelo

City of San Angelo, Texas
Regular City Council Meeting
Tuesday, August 16, 2016

Present:

Mayor Dwain Morrison
Mayor Pro tem Charlotte Farmer, SMD 6
Council Member Bill Richardson, SMD 1
Council Member Marty Self, SMD 2
Council Member Harry Thomas, SMD 3
Council Member Lucy Gonzales, SMD 4
Council Member Lane Carter, SMD 5

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 8:30 a.m. on Tuesday, August 16, 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 Ed Lopez, a minister with River City Baptist; and the pledges were led by Central High School Mighty Bobcat Band Drum Majors: Tina Anderson, Gage Bramlett, Kristen Kuhlmann, and Maggie Turney.

3. Proclamations/Recognitions

Shannon Medical Center, San Angelo Community Medical Center, Howard College, the Howard College Foundation, the City of San Angelo Development Corporation, and the Concho Valley Workforce Development Board were recognized for their efforts related to the new Howard College Nursing Program.

4. Public Comment

Mayor Morrison introduced the new Chamber of Commerce President Dan Koenig.

Citizen Jim Hughes expressed a need for “no wake” signs related to wake surfing near homes on the lake. Citizen Trinidad Aguirre concurred, expressing concerns related to "shoreline erosion".

Adult literacy Council President David Curry requested a mayoral taskforce for adult literacy be created.

Council Member Farmer noted the upcoming Ports-to-Plains Annual Conference.

Council Member Gonzales noted the upcoming Operation Blue Shield meeting.

Council Member Thomas noted that he will be hosting an upcoming Single Member District Three Town Hall Meeting related to the Avenue P flooding on August 25th at Saint Mary's Church.

5. Consent Agenda

a. Approval of the August 2, 2016 City Council regular meeting minutes
b. Approval of ratifying COSADC approval of renewing the COSADC – SBDC lease agreement for office space in the Business Resource Center commencing September 1, 2016 at a rate of

DRAFT

$22,488 per year and authorizing the Board President to execute a lease in substantially the same form as the attached

c. Approval of amendments to the bylaws for the Water Advisory Board

d. Approval of second reading and adoption of an ordinance amending Appendix A, Article A8.000 monthly landscape volumetric water rates

Motion: Council Member Richardson made a motion, seconded by Council Member Thomas, to approve the consent agenda with the exception of item 5d. The motion carried unanimously (7) ayes to (0) nays.

Motion: Council Member Self made a motion, seconded by Council Member Farmer, to approve item 5d, as presented. The motion carried (5) ayes to (2) nays, with Mayor Morrison and Council Member Richardson casting the dissenting votes.

Steve Hampton expressed concern about administration tax.

6. Regular Agenda

a. Presentation on Literacy Awareness
A presentation was made by students in the gifted and talent program at Santa Rita Elementary
Marilyn Golightly urged community help in addressing Adult Literacy in San Angelo.

b. Presentation of the biannual report from Downtown San Angelo, Inc.
A presentation was made by DTSA Executive Director Del Velasquez and DTSA President Brenda Gunter

Council Members Thomas, Farmer, Carter, Gonzales and Mayor Morrison expressed appreciation of all the efforts in Downtown revitalization.

c. Discussion and consideration of matters regarding the fiscal year 2016-2017 budget preparation including but not limited to :
1. First public hearing of a proposed property tax levy for the City of San Angelo for the 2016 tax year; and
2. Council direction regarding General Fund expenditures

A presentation was made by Budget Manager Morgan Chegwidden

Council Member Farmer requested a fund balance review on all funds and a discussion/recommendation of the stormwater fee rates related to a possible decrease for educational entities.

Council Member Richardson & Mayor Morrison expressed a desire to look at a possible percentage decrease across all departments. Council Member Thomas noted that personnel related costs are a majority of the budget for most organizations.

d. Approval of the first reading and public hearing for Case PD16-02, an Ordinance approving a request from Tom Green County to authorize a rezoning from the Ranch and Estate (R&E) Zoning District to the Planned Development (PD) Zoning District for the Tom Green County detention facility generally located off U.S. Highway 277, 880 feet west of the intersection of MH Morgan Trail and U.S. Highway 67, on 179.174 acres
A presentation was made by Planning & Development Services Director Jon James

Precinct 3 Commissioner Rick Bacon expressed support

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

e. Approval of the first public hearing of an ordinance amending Chapter One "General Provisions" of the Code of Ordinances
This item was requested by Council Member Thomas

A presentation was made by City Attorney Theresa James and City Clerk Bryan Kendrick

Motion: Council Member Thomas made a motion, seconded by Council Member Richardson to approve the ordinance, as presented.

Mayor Morrison expressed concern over Section 1.012 related to the administrative fee and noted a desire to institute an appeal procedure through the Municipal Court for the citizens.

Council Member Richardson withdrew his second to the motion on the floor.

Motion: Council Member Thomas revised his motion, seconded by Council Member Farmer to approve the ordinance, as presented, with the condition that Section 1.012 will be addressed at a future meeting allowing for a logistics discussion with Code Compliance and Municipal Court. The motion carried (4) ayes to (3) nays, with Mayor Morrison, Council Member Richardson, and Council Member Carter casting the dissenting votes.

7. 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(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.~~
   3. ~~Alsay, Inc.~~

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:
   1. Short Term Rentals in the City limits
   2. The Martifer Hirschfeld agreement

8. Follow Up and Administrative Issues

a. Consider items discussed in Executive/Closed Session, if needed

Motion: Council Member Farmer made a motion, seconded by Council Member Carter, to bring back a discussion related to the Short Term Rentals at a meeting in October. The motion carried (6) ayes to (1) nays, with Council Member Richardson casting the dissenting vote.

b. Consideration of approving the following Board nomination:
Animal Services Advisory Committee: Victor Schulze (Mayor/Veterinarian) to an unexpired term ending January 2017 and David Howard (SMD3/Municipal Official) to a 1st term ending January 2018

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

c. Announcements and consideration of Future Agenda Items

Council Member Farmer asked for traffic warrants related to speed limits in the Bluffs. Ms. Farmer also would like an ordinance related to mowing undeveloped lots to be placed on a future agenda. Additionally, she requested an item be placed on the September 20th Agenda related to Transit Bus Routes presented by a representative from the Metropolitan Planning Organization.

Council Member Carter mentioned he had received calls related to speed bumps and speed limits on Colorado and Oxford Streets. Additionally noting there will be upcoming trash forums both citywide and for Single Member District Five.

Council Member Gonzales reminded everyone about the upcoming Operation Blue Shield meeting.

Council Member Thomas noted that he will be hosting an upcoming Single Member District Three Town Hall Meeting related Avenue P flooding.

9. Adjournment

Motion: Council Member Thomas 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 11:16 a.m.

THE CITY OF SAN ANGELO

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Dwain Morrison, Mayor

ATTEST:

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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.)

DRAFT

City of San Angelo, Texas
Special City Council Meeting
Thursday, August 11, 2016

Present:

Mayor Dwain Morrison
Mayor Pro tem Charlotte Farmer, SMD 6
Council Member Bill Richardson, SMD 1
Council Member Marty Self, SMD 2
Council Member Harry Thomas, SMD 3
Council Member Lucy Gonzales, SMD 4
Council Member Lane Carter, SMD 5

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 8:33 a.m. on Thursday, August 11, 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 and the pledges were led by Economic Development Director Roland Peña.

3. Work Session Agenda

All matters listed under the work session agenda were presented for discussion and future planning purposes only. No administrative or regulatory action was taken by the council. Public comment was not accepted during the work session agenda.

a. and consideration of matters regarding the fiscal year 2016-2017 budget preparation including but not limited to:
   1. Major funds revenue and expenditures;
   2. Council priorities and goals; and
   3. Other items needing Council direction

   A presentation was made by Budget Manager Morgan Chegwidden

   Discussion was held on the following topics:
   - General Fund Revenue (including Updated Sales Tax Projections and Property Tax Numbers)
   - State Office Fund
   - Airport Fund (Airport Director Luis Elguezabal assisted in the presentation)
   - Solid Waste Fund
   - Stormwater Fund (Operations Director Shane Kelton assisted in the presentation)
   - Water Fund
   - Wastewater Fund
   - Civic Events Fund (Civic Events Manager Sydney Walker assisted in the presentation)
   - Fort Concho Fund

Recess: at 9:18 a.m. Mayor Morrison called a recess

Reconvene: At 9:37 a.m. the workshop was reconvened

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- Review of General Fund Revenue over Expenditures and possible funding of:
- Council Priority - Streets
- Council Priority - Salaries (Human Resources Directory Lisa Marley assisted in the presentation)
- Council Priority - Development Process
- Health Insurance (Human Resources Directory Lisa Marley assisted in the presentation)
- Department Requests

4. <u>Adjournment</u>

Motion: Council Member Thomas 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 10:03 a.m.

THE CITY OF SAN ANGELO

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Dwain Morrison, Mayor

ATTEST:

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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.)

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REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

Requestor: Ryan Jansa, Budget Analyst, Police, (325)657-4262

Meeting Date: September 6, 2016

Item type: Consent Item

Caption:

Consider a resolution accepting the U.S. Department of Justice FY 2016 Justice Assistance Grant in the amount of $23,661 and authorizing the City Manager or his designee to execute such grant award and related documents as may be necessary or convenient for acceptance of the grant (F. Carter)

Summary/History:

The U.S. Department of Justice announced that the City of San Angelo Police Department has been awarded funds from the FY2016 Edward Byrne Memorial Justice Assistance Grant. The grant is designed to help fund state and local initiatives, technical assistance, training, personnel, equipment, supplies, contractual support. The City of San Angelo and Tom Green County are awarded $23,661 jointly from the grant. The funds are divided by the number of authorized positions per department. The Police Department will receive $16,974 and the Tom Green County Sheriff's Office will receive $6,687. The San Angelo Police Department will purchase CSI evident collecting equipment. The Tom Green County Sheriff's Office will purchase Tasers.

Financial Impact:

The grant award is $23,661. The City of San Angelo will receive $16,974 and Tom Green County will receive $6,687. This will increase the Police Department budget in the amount of $16,974.

Other Information/Recommendation:

Attachments:

1.	Grant Award Document	Award Document.pdf
2.	Resolution	PD JAG GRANT RESO 2016.doc

Presentation:

none

Approvals/Reviews:

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

U.S. Department of Justice
Office of Justice Programs
Bureau of Justice Assistance

Grant

1. RECIPIENT NAME AND ADDRESS (Including Zip Code)
City of San Angelo
115 W 1st Street P.O. Box 1751
San Angelo, TX 76903

4. AWARD NUMBER: 2016-DJ-BX-0206

5. PROJECT PERIOD: FROM 10/01/2015 TO 09/30/2017
BUDGET PERIOD: FROM 10/01/2015 TO 09/30/2017

6. AWARD DATE 08/10/2016

7. ACTION
Initial

2a. GRANTEE IRS/VENDOR NO.
756000659

8. SUPPLEMENT NUMBER
00

2b. GRANTEE DUNS NO.
078547502

9. PREVIOUS AWARD AMOUNT $ 0

3. PROJECT TITLE
FY 16 JAG Program

10. AMOUNT OF THIS AWARD $ 23,661

11. TOTAL AWARD $ 23,661

12. SPECIAL CONDITIONS
THE ABOVE GRANT PROJECT IS APPROVED SUBJECT TO SUCH CONDITIONS OR LIMITATIONS AS ARE SET FORTH ON THE ATTACHED PAGE(S).

13. STATUTORY AUTHORITY FOR GRANT
This project is supported under FY16(BJA - JAG) 42 USC 3750, et seq.

14 . CATALOG OF DOMESTIC FEDERAL ASSISTANCE (CFDA Number)
16.738 - Edward Byrne Memorial Justice Assistance Grant Program

15. METHOD OF PAYMENT
GPRS

AGENCY APPROVAL

16. TYPED NAME AND TITLE OF APPROVING OFFICIAL
Denise O'Donnell
Director

17. SIGNATURE OF APPROVING OFFICIAL

GRANTEE ACCEPTANCE

18. TYPED NAME AND TITLE OF AUTHORIZED GRANTEE OFFICIAL
Daniel Valenzuela
City Manager

19. SIGNATURE OF AUTHORIZED RECIPIENT OFFICIAL

19A. DATE

AGENCY USE ONLY

20. ACCOUNTING CLASSIFICATION CODES

FISCAL YEAR	FUND CODE	BUD. ACT.	OFC.	DIV. REG.	SUB.	POMS	AMOUNT
X	B	DJ	80	00	00		23661

21. RDJUGT0077

OJP FORM 4000/2 (REV. 5-87) PREVIOUS EDITIONS ARE OBSOLETE.

SPECIAL CONDITIONS

1. Applicability of Part 200 Uniform Requirements

The Uniform Administrative Requirements, Cost Principles, and Audit Requirements in 2 C.F.R. Part 200, as adopted and supplemented by the Department of Justice (DOJ) in 2 C.F.R. Part 2800 (together, the "Part 200 Uniform Requirements") apply to this 2016 award from the Office of Justice Programs (OJP).

The Part 200 Uniform Requirements were first adopted by DOJ on December 26, 2014. If this 2016 award supplements funds previously awarded by OJP under the same award number (e.g., funds awarded in 2014 or earlier years), the Part 200 Uniform Requirements apply with respect to all funds under that award number (regardless of the award date, and regardless of whether derived from the initial award or a supplemental award) that are obligated on or after the acceptance date of this 2016 award.

For more information and resources on the Part 200 Uniform Requirements as they relate to OJP awards and subawards ("subgrants"), see the Office of Justice Programs (OJP) website at http://ojp.gov/funding/Part200UniformRequirements.htm.

In the event that an award-related question arises from documents or other materials prepared or distributed by OJP that may appear to conflict with, or differ in some way from, the provisions of the Part 200 Uniform Requirements, the recipient is to contact OJP promptly for clarification.

2. Compliance with DOJ Grants Financial Guide

The recipient agrees to comply with the Department of Justice Grants Financial Guide as posted on the OJP website (currently, the "2015 DOJ Grants Financial Guide"), including any updated version that may be posted during the period of performance.

3. Requirements related to "de minimis" indirect cost rate

A recipient that is eligible under the Part 200 Uniform Requirements and other applicable law to use the "de minimis" indirect cost rate described in 2 C.F.R. 200.414(f), and that elects to use the "de minimis" indirect cost rate, must advise OJP in writing of both its eligibility and its election, and must comply with all associated requirements in the Part 200 Uniform Requirements. The "de minimis" rate may be applied only to modified total direct costs (MTDC) as defined by the Part 200 Uniform Requirements.

4. Requirement to report potentially duplicative funding

If the recipient currently has other active awards of federal funds, or if the recipient receives any other award of federal funds during the period of performance for this award, the recipient promptly must determine whether funds from any of those other federal awards have been, are being, or are to be used (in whole or in part) for one or more of the identical cost items for which funds are provided under this award. If so, the recipient must promptly notify the DOJ awarding agency (OJP or OVW, as appropriate) in writing of the potential duplication, and, if so requested by DOJ awarding agency, must seek a budget-modification or change-of-project-scope grant adjustment notice (GAN) to eliminate any inappropriate duplication of funding.

SPECIAL CONDITIONS

5. Requirements related to System for Award Management and Unique Entity Identifiers

The recipient must comply with applicable requirements regarding the System for Award Management (SAM), currently accessible at http://www.sam.gov. This includes applicable requirements regarding registration with SAM, as well as maintaining the currency of information in SAM.

The recipient also must comply with applicable restrictions on subawards ("subgrants") to first-tier subrecipients (first-tier "subgrantees"), including restrictions on subawards to entities that do not acquire and provide (to the recipient) the unique entity identifier required for SAM registration.

The details of the recipient's obligations related to SAM and to unique entity identifiers are posted on the OJP web site at http://ojp.gov/funding/Explore/SAM.htm (Award condition: System for Award Management (SAM) and Universal Identifier Requirements), and are incorporated by reference here.

This special condition does not apply to an award to an individual who received the award as a natural person (i.e., unrelated to any business or non-profit organization that he or she may own or operate in his or her name).

6. Requirements pertaining to prohibited conduct related to trafficking in persons (including reporting requirements and OJP authority to terminate award)

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable requirements (including requirements to report allegations) pertaining to prohibited conduct related to the trafficking of persons, whether on the part of recipients, subrecipients ("subgrantees"), or individuals defined (for purposes of this condition) as "employees" of the recipient or of any subrecipient.
The details of the recipient's obligations related to prohibited conduct related to trafficking in persons are posted on the OJP web site at http://ojp.gov/funding/Explore/ProhibitedConduct-Trafficking.htm (Award condition: Prohibited conduct by recipients and subrecipients related to trafficking in persons (including reporting requirements and OJP authority to terminate award)), and are incorporated by reference here.

7. Compliance with applicable rules regarding approval, planning, and reporting of conferences, meetings, trainings, and other events

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable laws, regulations, policies, and official DOJ guidance (including specific cost limits, prior approval and reporting requirements, where applicable) governing the use of federal funds for expenses related to conferences (as that term is defined by DOJ), including the provision of food and/or beverages at such conferences, and costs of attendance at such conferences.

Information on the pertinent DOJ definition of conferences and the rules applicable to this award appears in the DOJ Grants Financial Guide (currently, as section 3.10 of "Postaward Requirements" in the "2015 DOJ Grants Financial Guide").

8. Requirement for data on performance and effectiveness under the award

The recipient must collect and maintain data that measure the performance and effectiveness of activities under this award. The data must be provided to OJP in the manner (including within the timeframes) specified by OJP in the program solicitation or other applicable written guidance. Data collection supports compliance with the Government Performance and Results Act (GPRA) and the GPRA Modernization Act, and other applicable laws.

SPECIAL CONDITIONS

9. OJP Training Guiding Principles

Any training or training materials that the recipient -- or any subrecipient ("subgrantee") at any tier -- develops or delivers with OJP award funds must adhere to the OJP Training Guiding Principles for Grantees and Subgrantees, available at http://ojp.gov/funding/ojptrainingguidingprinciples.htm.

10. Effect of failure to address audit issues

The recipient understands and agrees that the DOJ awarding agency (OJP or OVW, as appropriate) may withhold award funds, or may impose other related requirements, if (as determined by the DOJ awarding agency) the recipient does not satisfactorily and promptly address outstanding issues from audits required by the Part 200 Uniform Requirements (or by the terms of this award), or other outstanding issues that arise in connection with audits, investigations, or reviews of DOJ awards.

11. The recipient agrees to comply with any additional requirements that may be imposed by the DOJ awarding agency (OJP or OVW, as appropriate) during the period of performance for this award, if the recipient is designated as "high-risk" for purposes of the DOJ high-risk grantee list.

12. Compliance with DOJ regulations pertaining to civil rights and nondiscrimination - 28 C.F.R. Part 42

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable requirements of 28 C.F.R. Part 42, specifically including any applicable requirements in Subpart E of 28 C.F.R. Part 42 that relate to an equal employment opportunity program.

13. Compliance with DOJ regulations pertaining to civil rights and nondiscrimination - 28 C.F.R. Part 38

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable requirements of 28 C.F.R. Part 38, specifically including any applicable requirements regarding written notice to program beneficiaries and prospective program beneficiaries. Part 38 of 28 C.F.R., a DOJ regulation, was amended effective May 4, 2016.

Among other things, 28 C.F.R. Part 38 includes rules that prohibit specific forms of discrimination on the basis of religion, a religious belief, a refusal to hold a religious belief, or refusal to attend or participate in a religious practice. Part 38 also sets out rules and requirements that pertain to recipient and subrecipient ("subgrantee") organizations that engage in or conduct explicitly religious activities, as well as rules and requirements that pertain to recipients and subrecipients that are faith-based or religious organizations.

The text of the regulation, now entitled "Partnerships with Faith-Based and Other Neighborhood Organizations," is available via the Electronic Code of Federal Regulations (currently accessible at http://www.ecfr.gov/cgi-bin/ECFR?page=browse), by browsing to Title 28-Judicial Administration, Chapter 1, Part 38, under e-CFR "current" data.

14. Restrictions on "lobbying"

Federal funds may not be used by the recipient, or any subrecipient ("subgrantee") at any tier, either directly or indirectly, to support or oppose the enactment, repeal, modification or adoption of any law, regulation, or policy, at any level of government.

Should any question arise as to whether a particular use of Federal funds by a recipient (or subrecipient) would or might fall within the scope of this prohibition, the recipient is to contact OJP for guidance, and may not proceed without the express prior written approval of OJP.

SPECIAL CONDITIONS

15. Compliance with general appropriations-law restrictions on the use of federal funds (FY 2016)

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable restrictions on the use of federal funds set out in federal appropriations statutes. Pertinent restrictions, including from various "general provisions" in the Consolidated Appropriations Act, 2016, are set out at http://ojp.gov/funding/Explore/FY2016-AppropriationsLawRestrictions.htm, and are incorporated by reference here.

Should a question arise as to whether a particular use of federal funds by a recipient (or a subrecipient) would or might fall within the scope of an appropriations-law restriction, the recipient is to contact OJP for guidance, and may not proceed without the express prior written approval of OJP.

16. Reporting Potential Fraud, Waste, and Abuse, and Similar Misconduct

The recipient and any subrecipients ("subgrantees") must promptly refer to the DOJ Office of the Inspector General (OIG) any credible evidence that a principal, employee, agent, subrecipient, contractor, subcontractor, or other person has, in connection with funds under this award -- (1) submitted a claim that violates the False Claims Act; or (2) committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct.

Potential fraud, waste, abuse, or misconduct involving or relating to funds under this award should be reported to the OIG by-- (1) mail directed to: Office of the Inspector General, U.S. Department of Justice, Investigations Division, 950 Pennsylvania Avenue, N.W. Room 4706, Washington, DC 20530; (2) e-mail to: oig.hotline@usdoj.gov; and/or (3) the DOJ OIG hotline: (contact information in English and Spanish) at (800) 869-4499 (phone) or (202) 616-9881 (fax).

Additional information is available from the DOJ OIG website at http://www.usdoj.gov/oig.

SPECIAL CONDITIONS

17. Restrictions and certifications regarding non-disclosure agreements and related matters

No recipient or subrecipient ("subgrantee") under this award, or entity that receives a procurement contract or subcontract with any funds under this award, may require any employee or contractor to sign an internal confidentiality agreement or statement that prohibits or otherwise restricts, or purports to prohibit or restrict, the reporting (in accordance with law) of waste, fraud, or abuse to an investigative or law enforcement representative of a federal department or agency authorized to receive such information.

The foregoing is not intended, and shall not be understood by the agency making this award, to contravene requirements applicable to Standard Form 312 (which relates to classified information), Form 4414 (which relates to sensitive compartmented information), or any other form issued by a federal department or agency governing the nondisclosure of classified information.

1. In accepting this award, the recipient--

a. represents that it neither requires nor has required internal confidentiality agreements or statements from employees or contractors that currently prohibit or otherwise currently restrict (or purport to prohibit or restrict) employees or contractors from reporting waste, fraud, or abuse as described above; and

b. certifies that, if it learns or is notified that it is or has been requiring its employees or contractors to execute agreements or statements that prohibit or otherwise restrict (or purport to prohibit or restrict), reporting of waste, fraud, or abuse as described above, it will immediately stop any further obligations of award funds, will provide prompt written notification to the federal agency making this award, and will resume (or permit resumption of) such obligations only if expressly authorized to do so by that agency.

2. If the recipient does or is authorized under this award to make subawards ("subgrants"), procurement contracts, or both--

a. it represents that--

(1) it has determined that no other entity that the recipient's application proposes may or will receive award funds (whether through a subaward ("subgrant"), procurement contract, or subcontract under a procurement contract) either requires or has required internal confidentiality agreements or statements from employees or contractors that currently prohibit or otherwise currently restrict (or purport to prohibit or restrict) employees or contractors from reporting waste, fraud, or abuse as described above; and

(2) it has made appropriate inquiry, or otherwise has an adequate factual basis, to support this representation; and

b. it certifies that, if it learns or is notified that any subrecipient, contractor, or subcontractor entity that receives funds under this award is or has been requiring its employees or contractors to execute agreements or statements that prohibit or otherwise restrict (or purport to prohibit or restrict), reporting of waste, fraud, or abuse as described above, it will immediately stop any further obligations of award funds to or by that entity, will provide prompt written notification to the federal agency making this award, and will resume (or permit resumption of) such obligations only if expressly authorized to do so by that agency.

SPECIAL CONDITIONS

18. Compliance with 41 U.S.C. 4712 (including prohibitions on reprisal; notice to employees)

    The recipient must comply with, and is subject to, all applicable provisions of 41 U.S.C. 4712, including all applicable provisions that prohibit, under specified circumstances, discrimination against an employee as reprisal for the employee's disclosure of information related to gross mismanagement of a federal grant, a gross waste of federal funds, an abuse of authority relating to a federal grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal grant.

    The recipient also must inform its employees, in writing (and in the predominant native language of the workforce), of employee rights and remedies under 41 U.S.C. 4712.

    Should a question arise as to the applicability of the provisions of 41 U.S.C. 4712 to this award, the recipient is to contact the DOJ awarding agency (OJP or OVW, as appropriate) for guidance.

19. Encouragement of policies to ban text messaging while driving

    Pursuant to Executive Order 13513, "Federal Leadership on Reducing Text Messaging While Driving," 74 Fed. Reg. 51225 (October 1, 2009), DOJ encourages recipients and subrecipients ("subgrantees") to adopt and enforce policies banning employees from text messaging while driving any vehicle during the course of performing work funded by this award, and to establish workplace safety policies and conduct education, awareness, and other outreach to decrease crashes caused by distracted drivers.

20. The recipient agrees to comply with OJP grant monitoring guidelines, protocols, and procedures, and to cooperate with BJA and OCFO on all grant monitoring requests, including requests related to desk reviews, enhanced programmatic desk reviews, and/or site visits. The recipient agrees to provide to BJA and OCFO all documentation necessary to complete monitoring tasks, including documentation related to any subawards made under this award. Further, the recipient agrees to abide by reasonable deadlines set by BJA and OCFO for providing the requested documents. Failure to cooperate with BJA's/OCFO's grant monitoring activities may result in sanctions affecting the recipient's DOJ awards, including, but not limited to: withholdings and/or other restrictions on the recipient's access to grant funds; referral to the Office of the Inspector General for audit review; designation of the recipient as a DOJ High Risk grantee; or termination of an award(s).

21. Program income (as defined in the Part 200 Uniform Requirements) must be used in accordance with the provisions of the Part 200 Uniform Requirements. Program income earnings and expenditures both must be reported on the quarterly Federal Financial Report, SF 425.

22. In order to promote information sharing and enable interoperability among disparate systems across the justice and public safety community, OJP requires the grantee to comply with DOJ's Global Justice Information Sharing Initiative (DOJ's Global) guidelines and recommendations for this particular grant. Grantee shall conform to the Global Standards Package (GSP) and all constituent elements, where applicable, as described at: http://www.it.ojp.gov/gsp_grantcondition. Grantee shall document planned approaches to information sharing and describe compliance to the GSP and appropriate privacy policy that protects shared information, or provide detailed justification for why an alternative approach is recommended.

23. To avoid duplicating existing networks or IT systems in any initiatives funded by BJA for law enforcement information sharing systems which involve interstate connectivity between jurisdictions, such systems shall employ, to the extent possible, existing networks as the communication backbone to achieve interstate connectivity, unless the grantee can demonstrate to the satisfaction of BJA that this requirement would not be cost effective or would impair the functionality of an existing or proposed IT system.

SPECIAL CONDITIONS

24. The recipient agrees that any information technology system funded or supported by OJP funds will comply with 28 C.F.R. Part 23, Criminal Intelligence Systems Operating Policies, if OJP determines this regulation to be applicable. Should OJP determine 28 C.F.R. Part 23 to be applicable, OJP may, at its discretion, perform audits of the system, as per the regulation. Should any violation of 28 C.F.R. Part 23 occur, the recipient may be fined as per 42 U.S.C. 3789g(c)-(d). Recipient may not satisfy such a fine with federal funds.

25. Grantee agrees to comply with the requirements of 28 C.F.R. Part 46 and all Office of Justice Programs policies and procedures regarding the protection of human research subjects, including obtainment of Institutional Review Board approval, if appropriate, and subject informed consent.

26. Grantee agrees to comply with all confidentiality requirements of 42 U.S.C. section 3789g and 28 C.F.R. Part 22 that are applicable to collection, use, and revelation of data or information. Grantee further agrees, as a condition of grant approval, to submit a Privacy Certificate that is in accord with requirements of 28 C.F.R. Part 22 and, in particular, section 22.23.

27. Award recipients must verify Point of Contact(POC), Financial Point of Contact (FPOC), and Authorized Representative contact information in GMS, including telephone number and e-mail address. If any information is incorrect or has changed, a Grant Adjustment Notice (GAN) must be submitted via the Grants Management System (GMS) to document changes.

28. The grantee agrees that within 120 days of award acceptance, each current member of a law enforcement task force funded with these funds who is a task force commander, agency executive, task force officer, or other task force member of equivalent rank, will complete required online (internet-based) task force training. Additionally, all future task force members are required to complete this training once during the life of this award, or once every four years if multiple awards include this requirement. The training is provided free of charge online through BJA's Center for Task Force Integrity and Leadership (www.ctfli.org). This training addresses task force effectiveness as well as other key issues including privacy and civil liberties/rights, task force performance measurement, personnel selection, and task force oversight and accountability. When BJA funding supports a task force, a task force personnel roster should be compiled and maintained, along with course completion certificates, by the grant recipient. Additional information is available regarding this required training and access methods via BJA's web site and the Center for Task Force Integrity and Leadership (www.ctfli.org).

29. The recipient agrees to participate in BJA-sponsored training events, technical assistance events, or conferences held by BJA or its designees, upon BJA's request.

30. All procurement (contract) transactions under this award must be conducted in a manner that is consistent with applicable Federal, State, and tribal law, and with Federal procurement standards specified in regulations governing Federal awards to non-Federal entities. Procurement (contract) transactions should be competitively awarded unless circumstances preclude competition. Noncompetitive ("sole source") procurements by the award recipient in excess of the Simplified Acquisition Threshold (currently $150,000) set out in the Federal Acquisition Regulation must receive prior approval from the awarding agency, and must otherwise comply with rules governing such procurements found in the current edition of the DOJ Grants Financial Guide.

31. Approval of this award does not indicate approval of any consultant rate in excess of $650 per day. A detailed justification must be submitted to and approved by the Office of Justice Programs (OJP) program office prior to obligation or expenditure of such funds.

SPECIAL CONDITIONS

32. The grantee agrees to assist BJA in complying with the National Environmental Policy Act (NEPA), the National Historic Preservation Act, and other related federal environmental impact analyses requirements in the use of these grant funds, either directly by the grantee or by a subgrantee. Accordingly, the grantee agrees to first determine if any of the following activities will be funded by the grant, prior to obligating funds for any of these purposes. If it is determined that any of the following activities will be funded by the grant, the grantee agrees to contact BJA.

    The grantee understands that this special condition applies to its following new activities whether or not they are being specifically funded with these grant funds. That is, as long as the activity is being conducted by the grantee, a subgrantee, or any third party and the activity needs to be undertaken in order to use these grant funds, this special condition must first be met. The activities covered by this special condition are:
    a. New construction;
    b. Minor renovation or remodeling of a property located in an environmentally or historically sensitive area, including properties located within a 100-year flood plain, a wetland, or habitat for endangered species, or a property listed on or eligible for listing on the National Register of Historic Places;
    c. A renovation, lease, or any proposed use of a building or facility that will either (a) result in a change in its basic prior use or (b) significantly change its size;
    d. Implementation of a new program involving the use of chemicals other than chemicals that are (a) purchased as an incidental component of a funded activity and (b) traditionally used, for example, in office, household, recreational, or education environments; and
    e. Implementation of a program relating to clandestine methamphetamine laboratory operations, including the identification, seizure, or closure of clandestine methamphetamine laboratories.

    The grantee understands and agrees that complying with NEPA may require the preparation of an Environmental Assessment and/or an Environmental Impact Statement, as directed by BJA. The grantee further understands and agrees to the requirements for implementation of a Mitigation Plan, as detailed at http://www.ojp.usdoj.gov/BJA/resource/nepa.html, for programs relating to methamphetamine laboratory operations.

    Application of This Special Condition to Grantee's Existing Programs or Activities: For any of the grantee's or its subgrantees' existing programs or activities that will be funded by these grant funds, the grantee, upon specific request from BJA, agrees to cooperate with BJA in any preparation by BJA of a national or program environmental assessment of that funded program or activity.

33. The recipient is required to establish a trust fund account. (The trust fund may or may not be an interest-bearing account.) The fund, including any interest, may not be used to pay debts or expenses incurred by other activities beyond the scope of the Edward Byrne Memorial Justice Assistance Grant Program (JAG). The recipient also agrees to obligate the grant funds in the trust fund (including any interest earned) during the period of the grant and expend within 90 days thereafter. Any unobligated or unexpended funds, including interest earned, must be returned to the Office of Justice Programs at the time of closeout.

34. JAG funds may be used to purchase vests for an agency, but they may not be used as the 50% match for purposes of the Bulletproof Vest Partnership (BVP) program.

35. Ballistic-resistant and stab-resistant body armor purchased with JAG funds may be purchased at any threat level, make or model, from any distributor or manufacturer, as long as the vests have been tested and found to comply with applicable National Institute of Justice ballistic or stab standards and are listed on the NIJ Compliant Body Armor Model List (http://nij.gov). In addition, ballistic-resistant and stab-resistant body armor purchased must be American-made. The latest NIJ standard information can be found here: http://www.nij.gov/topics/technology/body-armor/safety-initiative.htm.

SPECIAL CONDITIONS

36. The recipient agrees to submit a signed certification that all law enforcement agencies receiving vests purchased with JAG funds have a written "mandatory wear" policy in effect. Fiscal agents and state agencies must keep signed certifications on file for any subrecipients planning to utilize JAG funds for ballistic-resistant and stab-resistant body armor purchases. This policy must be in place for at least all uniformed officers before any JAG funding can be used by the agency for body armor. There are no requirements regarding the nature of the policy other than it be a mandatory wear policy for all uniformed officers while on duty.

37. The recipient agrees to monitor subawards under this JAG award in accordance with all applicable statutes, regulations, OMB circulars, and guidelines, including the DOJ Financial Guide, and to include the applicable conditions of this award in any subaward. The recipient is responsible for oversight of subrecipient spending and monitoring of specific outcomes and benefits attributable to use of JAG funds by subrecipients. The recipient agrees to submit, upon request, documentation of its policies and procedures for monitoring of subawards under this award.

38. The recipient agrees that funds received under this award will not be used to supplant State or local funds, but will be used to increase the amounts of such funds that would, in the absence of Federal funds, be made available for law enforcement activities.

39. Award recipients must submit quarterly Federal Financial Reports (SF-425) and semi-annual performance reports through GMS (https://grants.ojp.usdoj.gov). Consistent with the Department's responsibilities under the Government Performance and Results Act (GPRA), P.L. 103-62, applicants who receive funding under this solicitation must provide data that measure the results of their work. Therefore, quarterly performance metrics reports must be submitted through BJA's Performance Measurement Tool (PMT) website (www.bjaperformancetools.org). For more detailed information on reporting and other JAG requirements, refer to the JAG reporting requirements webpage. Failure to submit required JAG reports by established deadlines may result in the freezing of grant funds and future High Risk designation.

40. Any law enforcement agency receiving direct or sub-awarded JAG funding must submit quarterly accountability metrics data related to training that officers have received on the use of force, racial and ethnic bias, de-escalation of conflict, and constructive engagement with the public.

41. BJA strongly encourages the recipient to submit annual (or more frequent) JAG success stories. To submit a success story, sign in to your My BJA account at https://www.bja.gov/Login.aspx to access the Success Story Submission form. If you do not yet have a My BJA account, please register at https://www.bja.gov/profile.aspx. Once you register, one of the available areas on your My BJA page will be "My Success Stories". Within this box, you will see an option to add a Success Story. Once reviewed and approved by BJA, all success stories will appear on the new BJA Success Story web page at https://www.bja.gov/SuccessStoryList.aspx.

42. Recipient understands and agrees that award funds may not be used for items that are listed on the Controlled Expenditure List at the time of purchase or acquisition, including as the list may be amended from time to time, without explicit written prior approval from BJA. The Controlled Expenditure List, and instructions on how to request approval for purchase or acquisitions may be accessed here: https://www.bja.gov/funding/JAGControlledPurchaseList.pdf

SPECIAL CONDITIONS

43. The recipient understands that, pursuant to recommendation 2.1 of Executive Order 13688, law enforcement agencies that acquire controlled equipment through Federal programs must adopt robust and specific written policies and protocols governing General Policing Standards and Specific Controlled Equipment Standards. General Policing Standards includes policies on (a) Community Policing; (b) Constitutional Policing; and (c) Community Input and Impact Considerations. Specific Controlled Equipment Standards includes policies specifically related to (a) Appropriate Use of Controlled Equipment; (b) Supervision of Use; (c) Effectiveness Evaluation; (d) Auditing and Accountability; and (e) Transparency and Notice Considerations. Upon OJP's request, the recipient agrees to provide a copy of the General Policing Standards and Specific Controlled Equipment Standards, and any related policies and protocols.

44. Recipient understands and agrees that the purchase or acquisition of any item on the Controlled Expenditure List at the time of purchase or acquisition, including as the list may be amended from time to time, with award funds by an agency will trigger a requirement that the agency collect and retain (for at least 3 years) certain information about the use of 1) any federally-acquired Controlled Equipment in the agency's inventory, and 2) any other controlled equipment in the same category as the federally-acquired controlled equipment in the agency's inventory, regardless of source; and make that information available to BJA upon request. Details about what information must be collected and retained may be accessed here: https://www.whitehouse.gov/sites/default/files/docs/le_equipment_wg_final_report_final.pdf

45. Recipient understands and agrees that failure to comply with conditions related to Prohibited or Controlled Expenditures may result in a prohibition from further Controlled Expenditure approval under this or other federal awards.

46. Recipient understands and agrees that award funds may not be used for items that are listed on the Prohibited Expenditure List at the time of purchase or acquisition, including as the list may be amended from time to time. The Prohibited Expenditure list may be accessed here: https://www.bja.gov/funding/JAGControlledPurchaseList.pdf.

47. Recipient understands and agrees that, notwithstanding 2 CFR § 200.313, no equipment listed on the Controlled Expenditure List that is purchased under this award may be transferred or sold to a third party, except as described below:

    a. Agencies may transfer or sell any controlled equipment, except riot helmets and riot shields, to a Law Enforcement Agency (LEA) after obtaining prior written approval from BJA. As a condition of that approval, the acquiring LEA will be required to submit information and certifications to BJA as if it was requesting approval to use award fund for the initial purchase of items on the Controlled Expenditure List.
    b. Agencies may not transfer or sell any riot helmets or riot shields purchased under this award.
    c. Agencies may not transfer or sell any Controlled Equipment purchased under this award to non-LEAs, with the exception of fixed wing aircraft, rotary wing aircraft, and command and control vehicles. Before any such transfer or sale is finalized, the agency must obtain prior written approval from BJA. All law enforcement-related and other sensitive or potentially dangerous components, and all law enforcement insignias and identifying markings must be removed prior to transfer or sale.

    Recipient further understands and agrees to notify BJA prior to the disposal of any items on the Controlled Expenditure List purchased under this award, and to abide by any applicable laws and regulations in such disposal.

48. Recipient understands that the initial period of availability of funds for this award is two years. Recipient further understands that any requests for additional time for performance of this award, up to two additional years, will be granted automatically, pursuant to 42 U.S.C. § 3751(f) and in accordance with current fiscal year solicitation. Requests for additional time beyond a four year grant period will be subject to the discretion of the Director of the Bureau of Justice Assistance.

SPECIAL CONDITIONS

49. Recipient may not expend or drawdown funds until the Bureau of Justice Assistance (BJA) has received documentation demonstrating that the state or local governing body review requirements have been met and a Grant Adjustment Notice (GAN) has been approved releasing this special condition.

A RESOLUTION BY THE SAN ANGELO CITY COUNCIL ACCEPTING THE U.S. DEPARTMENT OF JUSTICE FY 2016 JUSTICE ASSISTANCE GRANT IN THE SUM OF TWENTY-THREE THOUSAND SIX HUNDRED SIXTY-ONE AND NO/100 DOLLARS ($23,661), AND AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO EXECUTE SUCH GRANT AWARD AND RELATED DOCUMENTS AS MAY BE NECESSARY OR CONVENIENT FOR ACCEPTANCE OF THE GRANT

WHEREAS, the City of San Angelo applied for and has been awarded jointly with Tom Green County a U.S. Department of Justice FY 2016 Edward Byrne Memorial Justice Assistance Grant (JAG) in the amount of Twenty Three Thousand Six Hundred Sixty-One and No/100 Dollars ($23,661.00) for purposes of funding local initiatives, technical assistance, training, personnel, equipment, supplies, and contractual support; and,

WHEREAS, the portion of the award to be received by the City of San Angelo is Twenty Three Thousand Six Hundred Sixty-One and No/100 Dollars ($23,661.00); and,

WHEREAS, the grant application and award is recurring and has been accepted and so utilized in the past:

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

That the award of the U.S. Department of Justice FY 2016 Justice Assistance Grant jointly to the City of San Angelo and Tom Green County in the sum of Twenty Three Thousand Six Hundred Sixty-One and No/100 Dollars ($23,661.00), Sixteen Thousand Nine Hundred Seventy-Four and No/100 Dollars ($16,974.00) of which will be received by the San Angelo Police Department, is hereby accepted. The City Manager or his designee is hereby authorized to execute such grant award and related documents as may be necessary or convenient to accept the grant funds and provide for their application for the purposes stated.

PASSED and APPROVED THIS _____ DAY OF _____, 2016.

CITY OF SAN ANGELO, TEXAS

_____
Dwain Morrison, Mayor

ATTEST:

_____
Bryan Kendrick, City Clerk

APPROVED AS TO CONTENT

_____
Frank Carter,
Police Chief

APPROVED AS TO FORM

_____
Theresa James,
City Attorney

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

Requestor: Cynthia Preas, Real Estate Manager, Real Estate, 325-657-4212

Meeting Date: September 6, 2016

Item type: Consent Item

Caption:

Consider declaring 201 Burlington Rd. surplus property and disposing of said surplus property for the highest sealed bid, being $13,100 submitted by Miguel Duran and authorizing the Mayor, City Manager or his designee to execute all documents necessary to convey the surface estate only in the surplus property by Special Warranty Deed, reserving unto the City of San Angelo mineral interests, surface and ground water rights (C. Preas)

Summary/History:

The subject property was purchased by the City in February 1987 as a future site for Fire Station 2.
A more desirable site for Station 2 was identified on Southland Blvd.
The Bluff lot remains vacant.

Financial Impact:

Bid amount of $13,100; savings on yearly maintenance costs; and the property will be returned to the tax rolls.

Other Information/Recommendation:

Staff recommends approval.

Attachments:

1.	RE 06-16 Bid Tab	Bid Tabulation RE 06-16.pdf
2.	RE Map RE 06-16	Map RE 06-016.pdf

Presentation:

None

Approvals/Reviews:

Cynthia Preas	Created/Initiated
Cynthia Preas	Approved
Theresa James	Approved
Anthony Wilson	Approved
Tina Carriger	Approved
Theresa James	Approved
Becky Dunn	Approved
Bryan Kendrick	Final Approval

CITY OF SAN ANGELO

BID TABULATION * RFB: RE-06-16/201 Burlington Rd

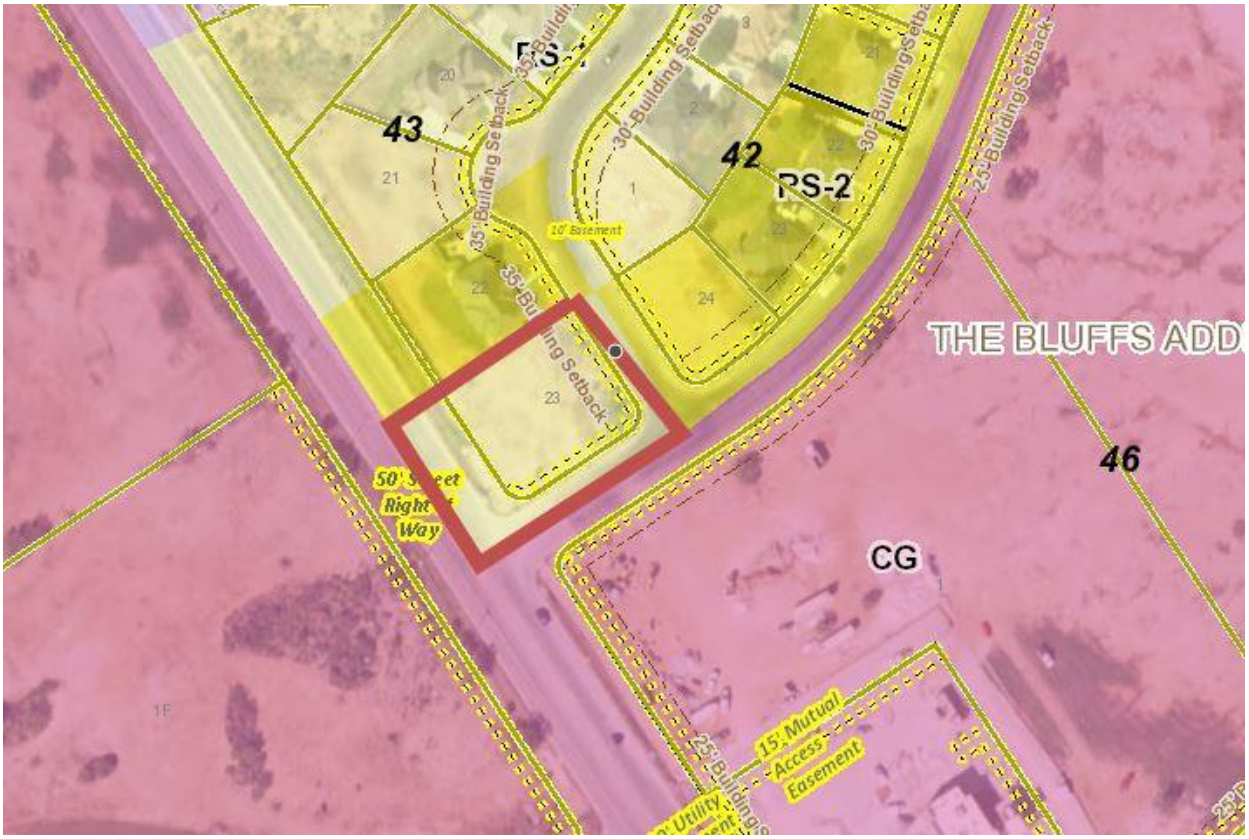
August 10, 2016 at 2:00

		Deposit $1,000	Minimum Bid $12,000.00
No.	**Bidder Name:**	**Deposit**	**Bid Amount**
1	Miguel Duran	$1,000	$13,100.00
2			
3			
4			

	Bids Mailed To:	City	State	Response
1	Candice Sage	San Angelo	TX	
2	Daniel Chaput	San Angelo	TX	
3	Dusty Thompson	San Angelo	TX	
4	Gary Donaldson	San Angelo	TX	No Bid
5	Kate Heartsill	San Angelo	TX	
6	Miguel Duran	San Angelo	TX	
7	Mr. Art Goetz	San Angelo	TX	
8	Mr. Chris Cain	San Angelo	TX	
9	Mr. Cisco Guzman	San Angelo	TX	
10	Mr. Kenneth Barrows	San Angelo	TX	
11	Mr. Marshal Gray	San Angelo	TX	No Bid
12	Salil K. Sen	Katy	TX	
13	Shawn Davis	Sweetwater	TX	
14	Teri Covert	San Angelo	TX	
15	Tom Cameron	San Angelo	TX	
16	San Angelo Realtors Association	San Angelo	TX	
17	Bo Briley	Miles	TX	
18	Ignacio Soto	San Angelo	TX	
19	Ms. Mary Jane Steadman	email		
20	Rick Weise	email		
21	Michael Dane	email		
22	Brandon Sanders	email		
23	Brandon Sanders	email		No Bid
24	Michael Walters	email		
25	Justin Strube	email		
26	Mr. Richard Salmon	email		
27	Morgan Chegwidden	email		

Map RE 06-16 201 Burlington Street

(Corner FM2288/Burlington Rd/Drexel Rd)



REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

Requestor: Cynthia Preas, Real Estate Manager, Real Estate, 325-657-4212

Meeting Date: September 6, 2016

Item type: Consent Item

Caption:

Consider authorizing the sale of the following Lake Nasworthy property to current residential lake lot lease holder for the appraised value (C. Preas):

Lot 6, Block 1, Sec. 1, Red Bluff Group, Lake Nasworthy Addition (2722 Red Bluff Road) $109,000
Lot 6A, Block 1, Group 13, Lake Nasworthy Addition (2021 Willow Rd.) $62,000

Summary/History:

If the sale is approved at the appraised value, a title examination will be performed and legal staff will prepare a Real Estate Contract of Sale and a Special Warranty Deed, reserving unto the City of San Angelo all mineral interests, surface and ground water rights.

Financial Impact:

Upon approval, proceeds from the sale of residential lake lot will be placed in the Lake Nasworthy Trust Fund.

Other Information/Recommendation:

Staff recommends approval.

Attachments:

1. Appraisal Summary Lot 6, Block 1, Sect. 1, Red Bluff Group — Appraisal Summary 2722 Red Bluff Ramp Rd. Lot 6, Block 1, Sect. 1, Group Red Bluff.pdf
2. Appraisal Summary Lot 6A, Block 1, Group 13 — Appraisal Summary Lot 6A, Block 1, Group 13 - Johnson.pdf

Presentation:

None

Approvals/Reviews:

Cynthia Preas	Created/Initiated
Cynthia Preas	Approved
Theresa James	Approved
Anthony Wilson	Approved
Tina Carriger	Approved
Theresa James	Approved
Becky Dunn	Approved
Bryan Kendrick	Final Approval

AN APPRAISAL REPORT
OF

A SINGLE-FAMILY LAKE LOT
LOCATED AT 2722 RED BLUFF RAMP RD
LEGALLY DESCRIBED AS LOT 6, BLOCK 1,
SECTION 1, GROUP RED BLUFF,
LAKE NASWORTHY ADDITION
SAN ANGELO, TEXAS

PREPARED FOR:

CITY OF SAN ANGELO
REAL ESTATE DIVISION
OFFICE OF THE CITY ATTORNEY
72 W COLLEGE
SAN ANGELO, TEXAS 76903

PREPARED BY:

ROBERT W. STRIBLING, MAI
AND
CHARMAINE SMITH
STRIBLING-PROBANDT APPRAISALS
502 SOUTH KOENIGHEIM, SUITE 3B
SAN ANGELO, TEXAS 76903

AS OF:

AUGUST 11, 2016

Stribling-Probandt Appraisals, LLC
Real Estate Appraisers & Consultants
502 South Koenigheim, Suite 3B
San Angelo, Texas 76903
(325) 658-2773

Robert W. Stribling, MAI
Victor R. Probandt, ARA

Charmaine Smith
L. Dakota Armbruster, Trainee

August 16, 2016

R16-0740

Ms. Kathy Wilkinson, Property Specialist
City of San Angelo
Real Estate Division
Office of the City Attorney
72 W College Street
San Angelo, Texas 76903

Re: An appraisal of the leased fee interest of a single-family residential lake lot located at 2722 Red Bluff Ramp Road, City of San Angelo, Tom Green County, Texas.

Dear Ms. Wilkinson:

At your request, we have completed an appraisal report on the above referenced property. As such, it summarizes the data, reasoning, and analyses that were used in the appraisal process to develop our opinion of value. Some of the supporting documentation concerning the data, reasoning, and analyses is retained in our appraisal file. Robert W. Stribling and Charmaine Smith have inspected the subject property, and we believe all data gathered by us is from reliable sources.

On April 15, 2014 the City of San Angelo (City) approved an ordinance (Page 355, Volume 105, #2014-04-044) that, in part, states that annual rent (effective January 1, 2017) will be based on "appraised market value of the land multiplied by a factor of 0.015." Additionally, annual rent based on appraised market value will at no time be less than $700 per year.

Without adequate arms length comparable leases, market rent can be estimated by using the formula: fee simple market value x market capitalization rate = market rent. The City ordinance cited above creates a below market rent because 0.015 is below the historical and current market capitalization rate for land. Therefore, the ordinance results in the creation of a positive leasehold value (tenant's interest) and diminishment (relative to fee simple market value) of the leased fee value (City's interest).

Our client, the City of San Angelo, has requested that we estimate the City's interest in the subject lot under the hypothetical condition that annual rent (effective January 1, 2017) is based upon the formula, fee simple market rent x 0.08 = annual rent, rather than the current ordinance that states annual rent will be based on fee simple market value x 0.015 = annual rent.

The City acknowledges that utilizing the hypothetical condition results in a value of the City's interest, in this report, that is greater than the value of the City's interest without the hypothetical condition.

Reference is made to the addenda of this report for a copy of the subject lease as well as the instructions provided to us by the City. Reference is also made to various sections throughout the body of the report for appropriate definitions relating to Leased Fee Value and Hypothetical Condition.

It is our conclusion, subject to the Contingent, Limiting and Hypothetical Conditions and the lease agreement located in the addenda of this report and based upon the accompanying report, that the leased fee market value of the subject property, as of August 11, 2016, was:

ONE HUNDRED NINE THOUSAND DOLLARS

($109,000)

We appreciate the opportunity of preparing this work for you. If we may be of further assistance, please feel free to contact us.

Respectfully Submitted,

Robert W. Stribling, MAI
TX-1321617-G

Charmaine Smith
TX-1328495-R

AN APPRAISAL REPORT
OF

A SINGLE-FAMILY LAKE LOT
LOCATED AT 2021 WILLOW ROAD
LEGALLY DESCRIBED AS LOT 6A, BLOCK 1,
GROUP 13, LAKE NASWORTHY ADDITION
SAN ANGELO, TEXAS

PREPARED FOR:

CITY OF SAN ANGELO
REAL ESTATE DIVISION
OFFICE OF THE CITY ATTORNEY
72 W COLLEGE
SAN ANGELO, TEXAS 76903

PREPARED BY:

ROBERT W. STRIBLING, MAI
AND
CHARMAINE SMITH
STRIBLING-PROBANDT APPRAISALS
502 SOUTH KOENIGHEIM, SUITE 3B
SAN ANGELO, TEXAS 76903

AS OF:

AUGUST 26, 2016

Stribling-Probandt Appraisals, LLC
Real Estate Appraisers & Consultants
502 South Koenigheim, Suite 3B
San Angelo, Texas 76903
(325) 658-2773

Robert W. Stribling, MAI
Victor R. Probandt, ARA

Charmaine Smith
L. Dakota Armbruster, Trainee

August 26, 2016

R16-0580

Ms. Kathy Wilkinson, Property Specialist
City of San Angelo
Real Estate Division
Office of the City Attorney
72 W College Street
San Angelo, Texas 76903

Re: An appraisal of the leased fee interest of a single-family residential lake lot located at 2021 Willow Road, City of San Angelo, Tom Green County, Texas.

Dear Ms. Wilkinson:

At your request, we have completed an appraisal report on the above referenced property. As such, it summarizes the data, reasoning, and analyses that were used in the appraisal process to develop our opinion of value. Some of the supporting documentation concerning the data, reasoning, and analyses is retained in our appraisal file. Robert W. Stribling and Charmaine Smith have inspected the subject property, and we believe all data gathered by us is from reliable sources.

On April 15, 2014 the City of San Angelo (City) approved an ordinance (Page 355, Volume 105, #2014-04-044) that, in part, states that annual rent (effective January 1, 2017) will be based on "appraised market value of the land multiplied by a factor of 0.015." Additionally, annual rent based on appraised market value will at no time be less than $700 per year.

Without adequate arms length comparable leases, market rent can be estimated by using the formula: fee simple market value x market capitalization rate = market rent. The City ordinance cited above creates a below market rent because 0.015 is below the historical and current market capitalization rate for land. Therefore, the ordinance results in the creation of a positive leasehold value (tenant's interest) and diminishment (relative to fee simple market value) of the leased fee value (City's interest).

Our client, the City of San Angelo, has requested that we estimate the City's interest in the subject lot under the hypothetical condition that annual rent (effective January 1, 2017) is based upon the formula, fee simple market rent x 0.08 = annual rent, rather than the current ordinance that states annual rent will be based on fee simple market value x 0.015 = annual rent.

The City acknowledges that utilizing the hypothetical condition results in a value of the City's interest, in this report, that is greater than the value of the City's interest without the hypothetical condition.

Reference is made to the addenda of this report for a copy of the subject lease as well as the instructions provided to us by the City. Reference is also made to various sections throughout the body of the report for appropriate definitions relating to Leased Fee Value and Hypothetical Condition.

It is our conclusion, subject to the Contingent, Limiting and Hypothetical Conditions and the lease agreement located in the addenda of this report and based upon the accompanying report, that the leased fee market value of the subject property, as of August 26, 2016, was:

SIXTY-TWO THOUSAND TWO HUNDRED DOLLARS

($62,200)

We appreciate the opportunity of preparing this work for you. If we may be of further assistance, please feel free to contact us.

Respectfully Submitted,

Robert W. Stribling, MAI
TX-1321617-G

Charmaine Smith
TX-1328495-R

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

Requestor: Cynthia Preas, Real Estate Manager, Real Estate, 325-657-4212

Meeting Date: September 6, 2016

Item type: Consent Item

Caption:

Consider a resolution authorizing a tax resale deed (Quitclaim) to be executed by the Mayor on behalf of the city and all taxing units in the Tax Foreclosure Judgment or Tax Warrant to the following property (C. Preas):

Lot 6, Block 2, Fort Concho Vista Addition; Mary Lou Reyes ($1,000)

Summary/History:

The subject property was auctioned at Sheriff's Sale. No offers were received causing subject properties to be struck-off to the City as Trustee for itself and the other taxing entities.

Financial Impact:

Upon approval: (1) The City will retain a $500 Administration fee; (2) The balance will be distributed according to the judgment or tax warrant on the Sheriff's Return; and (3) Property will be reinstated back onto tax rolls.

Other Information/Recommendation:

Staff recommends approval.

Attachments:

1.	RE Tax Resale Property Analysis	PROPERTY ANALYSIS.pdf
2.	RE Tax Resale Map	Map Tax Resale W Ave V.pdf
3.	RE Tax Resale Resolution	Tax Resale Resolution.doc

Presentation:

None

Approvals/Reviews:

Cynthia Preas	Created/Initiated
Cynthia Preas	Approved
Theresa James	Approved
Anthony Wilson	Approved
Tina Carriger	Approved
Theresa James	Approved
Becky Dunn	Approved
Bryan Kendrick	Final Approval

PROPERTY ANALYSIS

For Tax Resale Property

Legal Description: Lot 6, Block 2, Fort Concho Vista Addition, City of San Angelo, Tom Green County, Texas.

Improved/Unimproved Unimproved

Tax Suit Number: B-07-0177-T

Location: 208 W Ave. V

City of San Angelo, et al.
vs. Esquil Zapata

Tax ID Number: Acct #13-23600-0002-006-00

Judgment Date: August 7, 2009

Date of Sheriff's Sale: March 1, 2016

Sheriff's Deed Recorded: March 10, 2016

Years Held in Trust **5 mo.**

Adjudge Value: $ 1,837.00 **Urban Redevelopment Program?** **NO**

Amount of Offer: $ 1,000.00

Purchaser: Mary Lou Reyes

	Amounts Due Fees	Judgment	Priority Allocations	% of Remainder	Pro Rata Allocations	Amounts Distributed
Administration Fee	$500.00		$500.00	0.00%		**$500.00**
Maintenance Fee	$0.00		$0.00			**$0.00**
District Clerk	$338.00		$338.00	60.00%		**$202.80**
Sheriff's Fee	$100.00		$100.00	60.00%		**$60.00**
Attorney Fee	$375.00		$375.00	60.00%		**$225.00**
Municipal Liens	$ -	$0.00				**$0.00**
Taxes	$ -	$1,024.00			$12.20	**$12.20**
Total	$1,313.00	$1,024.00	$1,313.00		$12.20	$1,000.00
Actual Total Amt Due		$2,337.00				
Amount Remaining						

Offer will satisfy a portion of the court costs and Taxes, according to the Judgment.

208 W Ave V

August 19, 2016

1:2,257

0 0.0175 0.035 0.07 mi

0 0.03 0.06 0.12 km

COSA GIS Division

Web AppBuilder for ArcGIS

A RESOLUTION OF THE CITY OF SAN ANGELO 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

WHEREAS, by Sheriff's Sale, the property described below was struck-off to the City of San Angelo, Trustee, pursuant to a delinquent tax foreclosure decree of the 119th Judicial District, Tom Green County, Texas; and

WHEREAS, offer has been made for the purchase of said property pursuant to Section 34.05, Texas Tax Code Ann.(Vernon, 1982); and

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN ANGELO that its Mayor, Dwain Morrison, is hereby authorized to execute a Tax-Resale (quitclaim) Deed conveying the described real property to the following as specified below, all of the right, title, and interest of the City of San Angelo, and all other taxing units interested in the tax foreclosure judgment, located in San Angelo, Tom Green County, Texas:

Conveying to:

Mary Lou Reyes ($1,000.00)

Lot 6, Block 2, Fort Concho Vista Addition, City of San Angelo, Tom Green County, Texas. Acct. #13-23600-0002-006-00

APPROVED AND ADOPTED ON THE _____DAY OF _____, 2016.

THE CITY OF SAN ANGELO

Attest:

_____
Dwain Morrison, Mayor

_____
Bryan Kendrick, City Clerk

Approved As to Content:

_____
Cindy S. Preas, Real Estate Manager

Approved As to Form:

_____
Theresa James, City Attorney

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

Requestor: Mitch Sprunger, Airport Operations Manager, Airport, 325-659-6409

Meeting Date: September 6, 2016

Item type: Consent Item

Caption:

Consider approving Amendment No. 1 to the lease and license agreement between the City of San Angelo and Above the Clouds, LLC, allowing Above the Clouds, LLC to sell beer and wine within their leased premises at San Angelo Regional Airport (L. Elguezabal)

Summary/History:

Above the Clouds, LLC has requested to sell beer and wine within their leased premises at San Angelo Regional Airport. The changes in Amendment No. 1 include:

A) Language enabling Above the Clouds, LLC to sell alcoholic beverages strictly limited to beer and wine for on premises consumption only, and subject to a Wine and Beer Permit and Food and Beverage Certificate in compliance with the Texas Alcoholic Beverage Code and all applicable state and local regulatory codes and ordinances. Any violation of the applicable codes and ordinances shall be deemed a violation of the Lease and License Agreement and a default by Above the Clouds, LLC.

B) Language clarifying that consumption of alcohol can only be within the 475 square feet of concessionaire space of Above the Clouds, LLC.

C) The need of Above the Clouds, LLC to maintain Liquor Liability coverage with limits of not less than $1,000,000 for losses for Personal Injury, Property Damage and/or means of support.

Financial Impact:

None

Other Information/Recommendation:

None

Attachments:

1. Amendment No. 1 amendment no.1.pdf

Presentation:

None

Approvals/Reviews:

Mitch Sprunger	Created/Initiated
Luis Elguezabal	Approved
Theresa James	Approved

Anthony Wilson	Approved
Tina Carriger	Approved
Theresa James	Approved
Becky Dunn	Approved
Bryan Kendrick	Final Approval

CITY OF SAN ANGELO TEXAS
SAN ANGELO REGIONAL AIRPORT—MATHIS FIELD

AMENDMENT NO.1 TO LEASE AND LICENSE AGREEMENT

This Amendment No. 1 effective as of the date of execution by the last party to sign as indicated hereinafter ("Effective Date"), amends a certain Lease and License Agreement by and between City of San Angelo, ("Lessor") and ABOVE THE CLOUDS, LLC, a Texas limited liability company (:Lessee) pertaining to certain leased space at the San Angelo Regional Airport—Mathis Field terminal building and providing Lessee a license for operation of non-exclusive food and beverage service concession, having a term commencing April 1, 2012 and ending March 31, 2017, with Option to renew for an additional year (hereinafter "License"). A true and correct copy of the Lease is attached hereto as **Attachment 1**.

WHEREAS, provision for high quality and reasonably priced food and beverage services at the Airport are desirable for the proper accommodation of passengers arriving at and departing from the Airport, as well as visitors and employees; and,

WHEREAS, City desires that such food and beverage services be complemented with the availability of beer and wine for on premises consumption within the leased premises under the License; and,

WHEREAS, Lessee is qualified and has or shall obtain the licenses required and legal capacity to perform such food and beverage concessionaire services to include wine and beer for on premises consumption under the Lease;

NOW THEREFORE Lessor and Lessee, in consideration of the mutual promises between them and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged, agree as follows:

1. Section 2 "GRANT OF LICENSE", is hereby amended as follows:

(A) Subsection 2.1 is amended and restated in its entirety to read as follows: "Lessor hereby grants Lessee a non-exclusive license, concurrent with the herein-described Lease, to engage in the business of selling and serving quality beverages and food to the general and traveling public by operating a food and beverage service facility at the San Angelo Regional Airport—Mathis Field ("Airport"). Beverage service shall include sale of alcoholic beverages strictly limited to beer and wine for on premises consumption only, and authorized under

a Wine and Beer Retailer's Permit and Food and Beverage Certificate issued to and maintained by Lessee during the term of the Lease and any extension thereof, in compliance with the Texas Alcoholic Beverage Code and all applicable state and local regulatory codes and ordinances."

(B) A new Subsection 2.4 is added to read as follows: "Lessee's failure to secure and continuously maintain the Wine and Beer Retailer's Permit and the Food and Beverage Certificate described at Subsection 2.1 hereinabove, or Lessee's violation of any applicable state statute, regulation or local ordinance regulating the possession, sale or dispensing of alcoholic beverages shall be deemed a violation of this Lease and License Agreement and a default by Lessee."

(C) A new Subsection 2.5 is added to read as follows: "Lessee shall not permit consumption of alcoholic beverages outside of the 475 square feet of concessionaire space describe under Section 1. 'DEMISE OF LEASED PREMISES' of the Lease."

2. EXHIBIT "A" to the Lease is amended by adding a new subsection 2.2.3 "Liquor Liability" to read as follows:

" 2,2,3 Liquor Liability'. If not provided under the Commercial General Liability insurance coverage required under Section 2.2.1 above, Lessee shall continuously maintain Liquor Liability Insurance with limits of not less than $1,000,000 for losses for Personal Injury, Property Damage and/or means of support.

3. All provisions of the Lease and License Agreement, **Attachment 1**, not amended or restated by this Amendment No. 1 shall remain and continue in full force and effect.

(Signature page to follow)

EXECUTED in duplicate originals on the dates specified below.

LESSOR:

City of San Angelo

_____

Daniel Valenzuela, City Manager

ATTEST:

_____

Bryan Kendrick, City Clerk

LESSEE:

Above the Clouds, LLC

_____

Sherry L. De Mory, Managing Member

APPROVED AS TO CONTENT

_____

Luis Elguezabal, Airport Manager

APPROVED AS TO RISK

_____

Charles Hagen, Risk Manager

APPROVED AS TO FORM

_____

Dan T. Saluri, Deputy City Attorney

Attachment 1

LEASE AND LICENSE AGREEMENT

This Lease and License Agreement ("Lease") is made and entered into by and between the CITY OF SAN ANGELO, a Texas home rule municipal corporation, acting by and through its duly authorized representative ("Lessor"), and Above The Clouds, LLC, a Texas limited liability company ("Lessee").

In consideration of the premises and of the mutual covenants and conditions herein contained, and other valuable consideration, Lessor and Lessee hereby agree as follows:

1. DEMISE OF LEASED PREMISES

Lessor does hereby lease to Lessee, and Lessee does hereby lease from Lessor the following:

> 475 square feet of concessionaire space for use as a café and 194 square feet of storage space, for a combined total of 669 square feet, more or less, located in the terminal building, 8618 Terminal Circle Road, San Angelo Regional Airport – Mathis Field ("Leased Premises" or "Premises"), commonly known as Suites 111, and further identified in the terminal building floor plan, which is available for review in the office of the Airport Director.

2. GRANT OF LICENSE

2.1 Lessor hereby grants Lessee a non-exclusive license, concurrent with the herein-described Lease, to engage in the business of selling and serving quality beverages and food to the general and traveling public by operating a food service facility at the San Angelo Regional Airport – Mathis Field ("Airport").

2.2 Lessee shall confine its operations at the Airport to its exclusive area and to those portions of the terminal that are designated by the Airport Director. Lessee shall not solicit sales in any exclusive area leased to another lessee located at the Airport.

2.3 In the event of a conflict between Lessee and any other lessee or concessionaire in the terminal building as to the services to be sold by respective concessionaires or lessees, Lessor shall decide which services may be sold by each lessee and Lessee agrees to be bound by such decision.

3. TERM

3.1 Fixed Beginning and Termination Date. This Lease is granted for a term of five (5) years commencing April 1, 2012, and ending March 31, 2017.

3.2 Lessor reserves the right to review financial statements, business records, and all documents created in the course of operation or maintained by the Lessee for any purpose whatsoever but primarily intended to confirm the reported numbers for purposes of determining appropriate rentals. Either party may terminate this Lease upon providing thirty (30) days written notice to the other party or by mutual agreement. If this Lease is terminated in accordance with this paragraph, rent shall be prorated accordingly.

3.3 Option to Renew. At termination of the primary term of this Lease, Lessee shall have the option to renew this Lease for one additional one (1) year period, under the same terms, conditions and covenants contained herein, provided that Lessee is not then in default of any term, condition or covenant in this Lease and further provided that Lessor is not prohibited from leasing said property pursuant to any agreement with or requirement from the United States government such as those situations described in Article 6 of this Lease. Lessee shall exercise the option to renew this Lease by notifying Lessor in writing and delivering such writing to Lessor at the address specified in the paragraph entitled "NOTICES" at least ninety (90) days prior to the expiration of the primary term.

3.4 Holdover. Any holding over by Lessee of the Leased Premises after the expiration of this Lease shall operate and be construed only as a tenancy from month to month, terminable at the will of Lessor.

4. CONSIDERATION

4.1 Rent. Lessee shall pay rent to Lessor for the use of Leased Premises on a monthly basis as follows:

For the period:	Base Rent per Month:
4/1/2012 through 3/31/2017	$300.00 or 5% of Gross Receipts, whichever is greater

"Gross receipts" shall mean all revenues that would be recognized annually under generally accepted accounting principles less any State sales tax to be paid, without deduction for cost of property sold, materials used, labor performed, or other costs incurred. A report of Gross Receipts for the preceding month shall be submitted on the form set forth in Exhibit

B attached hereto and incorporated herein for all purposes and accompany all payments beginning April 30, 2012.

4.2 Time. The first of such payments shall be due and payable on May 1, 2012, and subsequent payments shall be due and payable no later than the 10th day of each succeeding month thereafter with the last payment being due and payable on April 30, 2017.

4.3 Place of Payment. All such payments shall be made at the Airport Director's office at San Angelo Regional Airport – Mathis Field, 8618 Terminal Circle, San Angelo, Texas 76904, or at such other place as Lessor may from time to time designate by written notice to Lessee.

4.4 Delinquent Payments. Lessee shall pay to Lessor a late charge or interest for any rent received by Lessor after the date that the rent is due in accordance with established City ordinances provided, however, that this provision for late charges or interest shall not be construed as a waiver of the right of Lessor to terminate this Lease at its option as authorized herein.

4.5 Records/Audits. The financial records of Lessee related to the operation of the Leased Premises herein, including but not limited to, receipts, daily cash and sales reports, purchase invoices and inventories shall be made available to Lessor upon request for audit purposes.

5. DEBTS RELATED TO LEASED PREMISES

5.1 Costs of Operation. Lessee agrees to bear, at its own expense, all costs of operating its business and all other costs connected with the use of Leased Premises and facilities.

5.2 Taxes and Assessments. It is further understood and agreed that Lessee 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 thereon, whether belonging to Lessor or Lessee, or to which either of them may become liable. Lessee 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 Lessee agrees to indemnify and save harmless Lessor from all such taxes, charges and assessments.

5.3 Incidental Fees. Lessee shall also pay or cause to be paid all incidental charges, such as permit fees, incurred in connection with its operation and use of the Leased Premises.

6. LAWS, REGULATIONS AND LIMITATIONS

6.1 Observance. Lessee agrees to observe and obey all applicable federal, state and local laws in performing this Lease, including, but not limited to, such requirements in regard to discharge of effluents into Lessor's wastewater and collection system or other methods of disposal. Furthermore, Lessee agrees to observe and obey all Airport rules and regulations promulgated and enforced by the City of San Angelo and by any other governmental authority having jurisdiction over the conduct of operations at the Airport.

Lessee shall indemnify and hold harmless Lessor, its councilmembers, board and commission members, officials, agents and employees, from any charges, fines or penalties that may be assessed or levied by any department or agency of the United States or of the State of Texas by reason of Lessee's failure to comply with this paragraph. This is in addition to and not in lieu of any other covenant contained herein.

6.2 Lease Limited. It is agreed that this Lease shall be limited, notwithstanding its terms, by the provision of any existing or future agreement between Lessor and the United States government, relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditures of federal funds for the development of the Airport.

6.3 Wastewater. If Lessee's use of the Leased Premises results in the discharge or potential discharge of waste water, Lessee shall immediately apply to the Texas Commission on Environmental Quality ("TCEQ") for a waste water discharge permit. Lessee shall also advise the Airport Director which drains or other waste water facilities Lessee will use in disposing of waste waters. The Airport Director may designate sewers or other facilities for Lessee to use for disposal of waste water.

6.4 Hazardous Waste/Contaminants. Lessee agrees that it will not cause or permit release of any hazardous substances or contaminants, either intentional or accidental by act or omission, onto the Leased Premises or Airport property. If any release does occur, Lessee shall immediately notify the Airport Director and the TCEQ in writing and shall comply with any cleanup provision issued. Lessee shall be completely liable for any consequences of such a release. Lessee warrants that it has inspected the Leased Premises and that there are no hazardous wastes or contaminants located thereon. Lessee understands that it shall remove any hazardous waste or contaminant from the Leased Premises before termination of this Lease.

6.5 National Emergency. During a time of war or national emergency, Lessor reserves the right to alter, amend or suspend this Lease upon demand of military, naval, or other proper authorities of the United States government.

6.6 No Discrimination. Lessee agrees that it will not discriminate against any employee or applicant for employment because of race, creed, color, national origin or sex. Lessee agrees it will not violate any federal, state or local civil rights or discrimination laws.

6.7 Affirmative Action. Lessee agrees to take affirmative action to ensure that applicants are employed and that employees are tested during employment without regard to race, creed, color, national origin or sex. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

6.8 Compliance with ADA. Lessee agrees to comply fully with the provisions of the Americans with Disabilities Act.

6.9 Termination. A finding of violation of any laws by a trial court or appropriate state or federal agency is a material breach of this Lease which may result in the termination of this Lease or such other remedy as Lessor may deem appropriate.

6.10 Records. Lessee agrees that it will keep or cause to be kept true, accurate and complete records of business conducted and that Lessor shall have the right, through its duly authorized agents or representatives, to examine all pertinent records at reasonable times. Failure to maintain and present true and accurate records shall constitute a material breach of this Lease. Once each twelve month period Lessor may require and Lessee shall pay for and have performed an audit by a certified public accountant to be agreed upon by both Lessee and Lessor. Failure to provide a full and accurate audit upon request shall constitute a breach of this Lease.

6.11 Relationships. Lessee, its agents, servants and employees agree to maintain a friendly and cooperative, though competitive, relationship with other companies engaged in similar or like business on the Airport. Except in connection with judicial proceedings, Lessee shall not engage in open public disputes, disagreements, or conflicts regarding activities at the Airport which would tend to deteriorate the quality of the service of Lessee or its competitors or which would be incompatible with the best interest of the public at the Airport.

6.12 Breach. Failure of Lessee to abide by any and/or all terms of this Article 6 shall constitute a material breach of this Lease, whereupon Lessor may, in its discretion, immediately terminate this Lease, in addition to any other remedies reserved to Lessor under the terms of this Lease.

7. CONDITION AND USE OF LEASED PREMISES

7.1 **No Warranty. LESSOR 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.**

7.2 Acceptance and Use. Lessor and Lessee agree that the Leased Premises will be used for the purposes described in Article 2 of this Lease. Lessee accepts Leased Premises as suitable for such purpose.

7.3 Transfer, Assignment and Subletting. Except as otherwise provided herein, Lessee shall not transfer, assign, sublet, license, encumber or pledge the Leased Premises or this Lease, in whole or in part, without the prior written consent of the Lessor.

7.4 Lessee covenants and agrees as follows:

7.4.1 to furnish good, prompt and efficient service, adequate to meet all reasonable demands for such service at the Airport, on a fair and reasonable basis as follows:

7.4.1.1 food, beverages and coffee to the public. Prior to sale of any food or beverage Lessee shall submit a food and beverage price list to the Airport Director for approval. Sale of food or beverages without prior approval of the price list or for a price greater than the approved price shall constitute a breach of this Lease, and

7.4.2 to hire and retain at all times a sufficient number of employees to provide prompt and efficient service. All employees having contact with the public shall be courteous, clean and neat in appearance. Should any employee fail to maintain such qualifications, Lessee, upon written notice from Lessor, shall take immediate corrective action.

7.4.3 to be open Sunday through Friday not later than six a.m. (6:00 a.m.).

7.4.4 to be open until at least eleven in the morning (11:00 a.m.) on Monday through Friday and until six in the evening (6:00 p.m.) on Sunday.

7.5 Improvements and Modifications. Lessee shall make no improvements and/or modifications, nor add any signs, to the Leased Premises without the prior written consent of Airport Director. The Airport Director may not unreasonably withhold its consent with regard to any non-structural, interior alteration that Lessee proposes. No construction shall be commenced within or upon the Leased Premises until such proposed construction is approved in writing by Lessor and, if applicable, the Federal Aviation Administration, and any attempted construction commenced prior to receipt by Lessee of such written approval(s) shall, at the option of Lessor, constitute a breach of this Lease by Lessee.

7.7 Ingress and Egress. Lessee and its employees, patrons, guests, invitees, contractors and subcontractors, shall have the right of ingress to and egress from the Leased Premises and the right, in common with others so authorized, to use common areas of the Airport, including runways, taxiways, aprons, navigational facilities, roadways, parking areas, etc., subject to federal, state, city and Airport rules and regulations.

7.8 Noise Abatement. Lessee shall actively participate in and comply with all noise abatement procedures, policies and programs as set forth by Lessor.

8. REPAIRS AND MAINTENANCE

8.1 Lessee's Duties.

8.1.1 Lessee will be responsible for the repair and maintenance of the equipment and improvements that are presently located or to be constructed or installed on the Leased Premises. Failure to do so will be grounds for Lessor to perform the needed repairs and/or maintenance and recover the costs from Lessee.

8.1.2 Lessee further agrees to keep and maintain the Leased Premises in a neat, clean, safe and respectable condition, by prompt removal of all trash, litter, debris and junk, and will keep said Leased Premises cleared of all objectionable matter. Piling of boxes, cartons, barrels or other similar items, in an unsightly or unsafe manner, on or about the Leased Premises, is prohibited.

8.1.3 In the event Lessee shall fail to keep said Premises in a manner acceptable to the Airport Director as set forth herein, Lessor may immediately terminate the Lease.

8.2 Lessor's Duties.

8.2.1 Lessor will maintain and operate the Airport in compliance with the safety and security regulations established by the Federal Aviation Administration and other appropriate regulatory authorities.

8.2.2 Lessor will maintain and operate the Airport with adequate and efficient personnel, keep in good repair Airport, its appurtenances and facilities, and keep it and its approaches free from obstruction, congestion and interference for safe, convenient and proper use by Lessee.

8.3 Damage or Destruction of Leased Premises.

8.3.1 Lessor shall maintain in good condition the structural parts of the building and other improvements housing the Leased Premises (including, without limitation, the roof, foundation and bearing and exterior walls, but excluding windows, window glass, plate glass, doors, pest control and extermination) and the parking lot, drives, sidewalks and common areas.

8.3.2 If the Leased Premises, and/or any portion of the Airport property adjacent thereto, is partially damaged by fire, explosion, the elements, the public enemy, or other casualty, caused by or attributable to Lessee's activities conducted at or upon the Leased Premises, but the Leased Premises is not rendered untenantable, any property so damaged will be repaired with due diligence by Lessee at its own cost and expense.

8.3.3 If the damage as set forth in the preceding 8.3.2 shall be so extensive as to render such Leased Premises untenantable, but capable of being repaired in thirty (30) days, the same shall be repaired with due diligence by Lessee at its own cost and expense, and the rent payable herein shall be abated in proportion to the diminished utility of the Leased Premises in the conduct of Lessee's business from the time the damage occurs until such time as the Leased Premises is fully restored.

8.3.4 In the event the Leased Premises, and/or any portion of the Airport property adjacent thereto, is completely destroyed by fire, explosion, the elements, the public enemy or other casualty, caused by or attributable to Lessee's activities conducted at or upon the premises, such that the Leased Premises will remain untenantable, in whole or in part, for more than thirty (30) days, any

property so damaged shall be repaired with due diligence by Lessee at its own cost and expense.

8.3.4.1 Lessee shall repair any such damage at its cost and expense with due diligence; and the rent payable herein shall be abated in proportion to the diminished utility of the Leased Premises in the conduct of Lessee's business from the time the damage occurs until Lessee completes the restoration.

8.3.4.2 If Lessee fails to complete the restoration of the Leased Premises with all reasonable due diligence, Lessor may give Lessee written notice of its immediate termination of this Lease in its entirety.

8.3.5 In the event the Leased Premises, and/or any portion of the Airport property adjacent thereto, is damaged due to fire, explosion, the elements, the public enemy or other casualty not caused by or attributable to Lessee's activities conducted at or upon the premises, regardless of severity, Lessor may, in its sole discretion, either repair such damage or give Lessee written notice of its immediate termination of this Lease in its entirety.

8.4 Right of Inspection. Lessor reserves the right to conduct inspections, at reasonable times, of the Leased Premises to ensure that fire, safety, and sanitation regulations and other provisions contained in this Lease are being adhered to by the Lessee.

9. INSURANCE AND INDEMNIFICATION REQUIREMENTS

See Exhibit "A" attached hereto and incorporated herein for all purposes.

10. TERMINATION OF LEASE

10.1 Abandonment/Default. In the event Lessee shall (1) abandon the Leased Premises or (2) default in performance of any of the covenants and conditions required herein to be kept and performed by Lessee and such default continues for or is not corrected within a period of thirty (30) days, except for those provisions authorizing immediate termination, Lessor shall have the right to terminate this Lease. Likewise, if Lessor shall default under the terms of this Lease; and such default continues for a period of thirty (30) days, Lessee shall have the right to terminate this Lease. Lessor or Lessee shall give thirty (30) days written notice of its intention to terminate the lease and either party will have such thirty (30) days within which to cure such default and thereby avoid termination. Notice shall be sufficient if given in accordance with the notice provision in

this Lease and delivered to either party at the address specified in this Lease or at such other address as has been designated in writing. Upon Lessor's or Lessee's election to terminate, this Lease shall cease.

10.2 Re-Entry by Lessor. Upon termination of this Lease, Lessor may re-enter and take immediate possession of the Leased Premises and remove Lessee's effects, with or without process of law, without being deemed guilty of trespassing. Lessor shall not be liable for damages by reason of re-entry.

10.3 Possession. Lessee agrees at the termination of this Lease to deliver possession peacefully to the Lessor or its agents or employees; and if it fails to give peaceful possession, Lessor may take forceful possession of Leased Premises and eject all parties therefrom without being guilty of trespass; and all resulting damages are hereby waived.

10.4 Attorney's Fees and Expenses. In the event of the breach of any of the covenants, conditions or obligations contained herein by the Lessee, or if it becomes necessary for the Lessor to use the services of an attorney to enforce its rights accruing as a result of such default, Lessee agrees to pay Lessor reasonable attorneys' fees and all costs of court and expenses incurred as a result thereof.

10.5 Other Remedies. Any termination of this Lease arising from Lessee's default shall not relieve Lessee from the payment of any sum or sums that are due and payable to Lessor under this Lease or any claim for damages then or thereafter accruing against Lessee under this Lease. Any such termination shall not prevent Lessor from enforcing the payment of any such sum or sums or claim for damages by any remedy provided for by law, or from recovering damages from Lessee for any default under this Lease. All rights, options, and remedies of Lessor contained in this Lease or otherwise shall be construed and held to be cumulative, and no one of them shall be exclusive of the other; and Lessor shall have the right to pursue any one or all of such remedies or any other remedy or relief which may be provided by law, whether or not stated in this Lease. No waiver by Lessor of a breach of any of the covenants, conditions, or restrictions of this Lease shall be construed or held to be a waiver of any succeeding or preceding breach of the same or any other covenant, condition or restriction contained in this Lease.

10.6 Removal of Improvements. All equipment, machinery, trade fixtures, and other non-attached improvements installed on the Leased Premises by Lessee shall remain the property of Lessee and may be removed at the termination of this Lease, provided Lessee is not then in default in the performance of any of its obligations or covenants herein contained, and provided further that such removal will do no damage to the realty upon

which such items are situated. It is understood and agreed, however, that improvements shall be held by the Lessor until all rentals due Lessor by Lessee shall have been paid, and should any amount remain unpaid for more than thirty (30) days after termination of this Lease, the Lessor shall have the right to sell such improvements and apply the proceeds to the amount due Lessor, with interest at the annual rate of ten percent (10%), and to any costs incident to the sale, and pay the balance remaining, if any, to Lessee. All structural changes, major installations or additions made to the building by Lessee shall remain for the benefit of and become property of Lessor, unless otherwise provided by written consent. All property remaining on the Leased Premises after the expiration of thirty (30) days following the termination of this Lease, however terminated, shall be deemed abandoned by Lessee and shall become the property of Lessor.

11. MISCELLANEOUS

11.1 Relationship of Lessor and Lessee. The relationship between Lessor and Lessee at all times shall remain solely that of landlord and tenant and shall not be deemed a partnership or joint venture.

11.2 Parties Bound. This Lease shall be binding upon and inure to the benefit of the parties of the lease and their respective successors and assigns.

11.3 Headings. The paragraph headings contained herein are for convenience and reference and are not intended to define, extend or limit the scope of any provision of this Lease.

11.4 Entire Agreement/Amendments. This Lease constitutes the entire agreement between the parties; and Lessor is not bound by any agreement, condition or stipulation, understanding or representation made by any of Lessor's agents not contained herein. No amendment to this Lease shall be effective unless such is in writing and signed by both parties.

11.5 Texas Law to Apply/Venue. The parties hereby agree that Texas law will control the interpretation or enforcement of this Lease. This Lease has been executed in Texas, and all obligations hereunder are performable in Tom Green County, Texas. Venue shall be proper in a court of appropriate jurisdiction in Tom Green County, Texas.

11.6 Invalid or Illegal Provisions. If any one or more provisions of this Lease are for any reason held to be invalid, illegal or unenforceable in any respect, the invalidity, illegality or unenforceability will not affect any other provision of this Lease which will be construed as if it had not included the invalid, illegal or unenforceable provisions.

11.7 Notices. Any formal notice required or permitted under this Lease shall be deemed sufficiently given if it is in writing and personally delivered, sent by overnight express delivery service or deposited in the United States mail, postage prepaid and sent by registered or certified mail (return receipt requested) to the party to whom said notice is to be given. Notices delivered in person, or by overnight express delivery service, shall be deemed to be served effective as of the date the notice is delivered. Notices sent by registered or certified mail (return receipt requested) shall be deemed to be served seventy-two (72) hours after the date said notice is postmarked to the addressee, postage prepaid.

Until changed by written notice given by one party to the other, the addresses of the parties shall be as follows:

LESSOR: CITY OF SAN ANGELO
San Angelo Regional Airport – Mathis Field
Attn: Airport Director
8618 Terminal Circle
San Angelo, Texas 76904

LESSEE: Above The Clouds, LLC
Attn: Sherry L. DeMory
8618 Terminal Circle Rd., Suite 1114
San Angelo, Texas 76904

[Signature Page to Follow]

EXECUTED in duplicate originals on the dates specified below.

ATTEST:

Alicia Ramirez, City Clerk

LESSOR:
City of San Angelo, A Texas home rule municipal corporation

By: Michael Dane, Interim City Manager

Date: 3/23/12

LESSEE:
Above The Clouds, LLC

By: Sherry L. DeMory, 3-19-12

Date: 3/19/12

STATE OF TEXAS
COUNTY OF TOM GREEN

This instrument was acknowledged before me on the 23rd day of March, 2012, by Michael Dane, Interim City Manager of the CITY OF SAN ANGELO, A Texas home rule municipal corporation, on behalf of said corporation.

Notary Public, State of Texas

BRYAN KENDRICK
Notary Public, State of Texas
My Commission Expires
September 01, 2015

THE STATE OF TEXAS §
COUNTY OF TOM GREEN §

This instrument was acknowledged before me on the 19th day of March, 2012, by Sherry L. DeMory, as OWNER of Above The Clouds LLC, a Texas limited liability company, on behalf of said limited liability company.

Nancy Snider
Notary Public, State of Texas

NANCY J. SNIDER
Notary Public, State of Texas
My Commission Expires
January 09, 2013

- 13 -

EXHIBIT "A"

1. Indemnification.

1.1 General Indemnification. Lessee agrees to indemnify, defend, and hold City, its councilmembers, board and commission members, officials, agents, guests, invitees, consultants and employees free and harmless from and against any and all claims, demands, proceedings, suits, judgments, costs, penalties, fines, damages, losses, attorneys' fees and expenses asserted by any person or persons, including agents or employees of Lessee or City, by reason of death or injury to persons, or loss or damage to property, resulting from or arising out of, the violation of any law or regulation or in any manner attributable to any act of commission, omission, negligence or fault of Lessee, its agents or employees, or the joint negligence of Lessee and any other entity, as a consequence of its execution or performance of this Lease or sustained in or upon the premises, or as a result of anything claimed to be done or admitted to be done by Lessee hereunder. This indemnification shall survive the term of this Lease as long as any liability could be asserted. Nothing herein shall require Lessee to indemnify, defend or hold harmless any indemnified party for the indemnified party's own gross negligence or willful misconduct.

1.2 Prospective Application. Any and all indemnity provided for in this Lease shall survive the expiration of this Lease 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 Lease but thereafter so long as any liability (including but not limited to liability for closure and post closure costs) could be asserted in regard to any acts or omissions of Lessee in performing under this Lease.

2. Insurance.

2.1 General Conditions. The following conditions shall apply to all insurance policies obtained by Lessee for the purpose of complying with this Lease.

2.1.1 Satisfactory Companies. Coverage shall be maintained with insurers and under forms of policies satisfactory to City and with insurers licensed to do business in Texas.

2.1.2 Named Insureds. All insurance policies required herein shall be drawn in the name of Lessee, with City, its councilmembers, board and commission members, officials, agents, guests, invitees, consultants and employees named as additional insureds, except on Workers' Compensation coverage.

2.1.3 Waiver of Subrogation. Lessee shall require its insurance carrier(s), with respect to all insurance policies, to waive all rights of subrogation against City, its councilmembers, board and commission members, officials, agents, guests, invitees, consultants and employees.

2.1.4 Certificates of Insurance. At or before the time of execution of this Lease, Lessee shall furnish City's Risk Manager with certificates of insurance as evidence that all of the policies required herein are in full force and effect and provide the required coverages and limits of insurance. All certificates of insurance shall clearly state that all applicable requirements have been satisfied. The certificates shall provide that any company issuing an insurance policy shall provide to City not less than thirty (30) days advance notice in writing of cancellation, non-renewal or material change in the policy of insurance. In addition, Lessee and insurance company shall immediately provide written notice to City's Risk Manager upon receipt of notice of cancellation of any insurance policy, or of a decision to terminate or alter any insurance policy. Certificates of insurance and notices of cancellations, terminations or alterations shall be furnished to City's Risk Manager at City Hall, 72 West College or P.O. Box 1751, San Angelo, Texas 76903.

2.1.5 Lessee's Liability. The procurement of such policy of insurance shall not be construed to be a limitation upon Lessee's liability or as a full performance on its part of the indemnification provisions of this Lease. Lessee'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 Lessee to maintain adequate coverage shall not relieve Lessee of any contractual responsibility or obligation.

2.1.6 Sublessees' Insurance. Lessee shall cause each Sublessee and Sub-sublessee of Lessee to purchase and maintain insurance of the types and in the amounts specified below. Lessee shall require Sublessees and Sub-sublessees to furnish copies of certificates of insurance to Lessor's Risk Manager evidencing coverage for each Sublessee and Sub-sublessee.

2.2 Types and Amounts of Insurance Required. Lessee shall obtain and continuously maintain in effect at all times during the term hereof, at

Lessee's sole expense, insurance coverages as follows with limits not less than those set forth below:

2.2.1 Commercial General Liability. This policy shall be an occurrence-type policy, written in comprehensive form and shall protect the Lessee and additional insureds against all claims arising from bodily injury, sickness, disease or death of any person (other than the Lessee's employees) and damage to property of the City or others arising out of the act or omission of the Lessee or its agents and employees. This policy shall also include protection against claims for the contractual liability assumed by Lessee under the paragraph of this Lease 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 shall not be less than:

$ 500,000.00	General Aggregate
$ 500,000.00	Products- Completed Operations Aggregate
$ 500,000.00	Personal & Advertising Injury
$ 500,000.00	Each Occurrence
$ 100,000.00	Fire Damage (any one fire)

2.2.2 Workers' Compensation and Employer's Liability. If Lessee hires any employees, Lessee shall maintain Workers' Compensation and Employer's Liability insurance, which shall protect the Lessee against all claims under applicable state workers' compensation laws and employer's liability. The insured shall also be protected against claims 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
$ 100,000.00	Employer's Liability, Each Accident
$ 100,000.00	Employer's Liability, Disease – Each Employee
$ 500,000.00	Employer's Liability, Disease - Policy Limit

The foregoing requirement will not be applicable if, and so long as, Lessee qualifies as a self-insurer under the rules and

regulations of the commission or agency administering the workers' compensation program in Texas and furnishes evidence of such qualification to Lessor in accordance with the notice provisions of this Lease.

If Lessee uses contract labor, Lessee shall require its contractor to maintain the above referenced coverage and furnish copies of certificates of insurance as required herein.

Exhibit-B

SAN ANGELO REGIONAL AIRPORT
Above The Clouds, LLC Revenue Statement

Date Submitted: _____

Report for the month ending: _____, _____

Monthly payment:

Gross Receipts, excluding: vending, arcade, printed media	$_____
Minus State Sales Tax	($_____)
Total Gross Receipts:	$_____
5% of gross receipts	$_____
Base Rent:	$ 300.00
Payment is either: 5% of Gross Receipts or Base Rent whichever is greater:	$_____
TOTAL MONTHLY PAYMENT:	$_____

THIS IS TO CERTIFY THAT THE STATEMENTS AND REVENUES ARE TRUE AND CORRECT.

_____

NOTE:
In compliance with the term of your lease with the City of San Angelo, this statement along with the payment due, must be submitted to the San Angelo Regional Airport Administration office no later than the 1st day following the month-end being reported.

Approved as to Content

Luis Elguezabal, Airport Director

3-13-12

Date

Approved as to Form:

Lysia H. Bowling, City Attorney

3/12/12

Date

Approved as to Insurance

John Seaton, Risk Management

3/9/12

Date

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

Requestor: Sandra Villarreal, Director of Health, Health Services, 325.657.4493

Meeting Date: September 6, 2016

Item type: Consent Item

Caption:

Consider a resolution authorizing the City Manager to execute an agreement with the Concho Valley Center for Human Advancement d/b/a MHMR Services to fund community mental health and mental retardation programs and services for the 2016-2017 fiscal year with an amount of $55,423, currently proposed in FY2017 Budget (S.Villarreal)

Summary/History:

MHMR is requesting funding in the amount of $55,423.00 to use in the provision of community Mental Health and Mental Retardation programs and services for the 2016-2017 fiscal year as allowed by statute.

MHMR Services for the Concho Valley ("the Center") was established pursuant to article 5547-2-3, Vernon's Texas Civil Statutes in the Texas Mental Health and Mental Retardation Act in 1966 by joint agreement of Angelo State University, the City of San Angelo, San Angelo Independent School District, and Tom Green County. These entities are referred to as the "sponsoring agencies". These sponsoring agencies provide local support to the Center.

The Center is required by the Department of State Health Services (DSHS) and the Department of Aging and Disability (DADA) to obtain matching funds of at least 9% of the total amount of funding provided by these agencies. This amount being requested will be used to apply towards that needed Match amount.

Financial Impact:

General Fund dollars in the amount of $55,423.00 from the City of San Angelo to MHMR will be applied towards the overall 9% Match required by MHMR for their grant application and continued funding from DSHS and DADA.

Other Information/Recommendation:

Attachments:

1. HD Consent FY17 MHMR Letter of Request of Funds — MHMR Letter of Request for Funding.pdf
2. HD Consent MHMR Funding Resolution 2016-2017 — HD Consent MHMR_FUNDING_RESO 2016 - 2017 FINAL.docx
3. HD MHMR 2016-2017 Agreement — HD MHMR 2016-2017 AGREEMENT FINAL.docx

Presentation:

N/A

Approvals/Reviews:

Sandra Villarreal	Created/Initiated
Sandra Villarreal	Approved

Rick Weise	Approved
Theresa James	Approved
Tina Carriger	Approved
Theresa James	Approved
Becky Dunn	Approved
Bryan Kendrick	Final Approval

MHMR Services for the Concho Valley

"Working Together to Help People Help Themselves"

April 25, 2016

Sandra Villarreal
Health Services Director
City of San Angelo
72 West College
San Angelo, Texas 76903

Dear Ms. Villarreal:

Please accept this letter as our formal request for funding in the amount of $55,423 for our fiscal year ending August 31, 2017.

MHMR Services for the Concho Valley ("the Center") was established pursuant to article 5547-203, Vernon's Texas Civil Statutes in the Texas Mental Health and Mental Retardation Act in 1966 by joint agreement of Angelo State University, the City of San Angelo, San Angelo Independent School District, and Tom Green County. These entities are referred to as the "sponsoring agencies". These sponsoring agencies provide local support to the Center either monetarily or in-kind.

The Center is required by the Department of State Health Services(DSHS) and the Department of Aging and Disability(DADS) to obtain matching local funds of at least 9% of the total amount of funding provided by these agencies. Other sources of local funds include fees collected from patients, commercial insurance, and miscellaneous service contracts.

The City of San Angelo receives several benefits as a result of the operations of the Center.

- Treatment of individuals in crisis situations results in fewer jail stays and law enforcement interventions.
- Indigent patients receive their medications through our pharmacy assistance program.
- Respite services provide treatment and housing for individuals in crisis.
- Individuals receive assistance in obtaining benefits from other government sources.

Discontinuance of funding could result in the Center's inability to meet the local match requirements as well as meet targeted numbers of patients served as set by DSHS and DADS.

Sincerely,

Gregory J. Rowe
Executive Director

A RESOLUTION OF THE CITY OF SAN ANGELO, TEXAS CITY COUNCIL AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH THE CONCHO VALLEY CENTER FOR HUMAN ADVANCEMENT D/B/A MHMR SERVICES TO FUND COMMUNITY MENTAL HEALTH AND MENTAL RETARDATION PROGRAMS AND SERVICES FOR THE 2016-2017 FISCAL YEAR IN THE SUM OF FIFTY-FIVE THOUSAND FOUR HUNDRED TWENTY-THREE AND NO/100 DOLLARS ($55,423.00); AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City is authorized under V.T.C.A., Health and Safety Code Section 534.019 to contribute funds for use in the administration of community mental health and mental retardation center programs and services; and

WHEREAS, City desires to contribute funds to MHMR for the provision of community Mental Health and Mental Retardation programs and services for the 2016-2017 fiscal year as allowed by statute;

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

The City Manager is hereby authorized to execute the Agreement with the Concho Valley Center for Human Advancement d/b/a MHMR Services to fund community Mental Health and Mental Retardation programs and services for the 2016-2017 fiscal year in the sum of Fifty-Five Thousand Four Hundred Twenty-Three and No/100 Dollars ($55,423.00).

This resolution shall be effective from and after its adoption.

PASSED and ADOPTED THIS _____ DAY OF _____, 2016.

CITY OF SAN ANGELO, TEXAS

ATTEST:

_____
Daniel Valenzuela, City Manager

_____
Bryan Kendrick, City Clerk

RESOLUTION
AGREEMENT BETWEEN CITY OF SAN ANGELO AND CONCHO VALLEY CENTER FOR HUMAN ADVANCEMENT D/B/A MHMR SERVICES

APPROVED AS TO CONTENT	APPROVED AS TO FORM
_____	_____
Sandra Villarreal, Health Services Director	Theresa James, City Attorney

AGREEMENT TO PROVIDE SERVICES RELATED TO COMMUNITY MENTAL HEALTH AND MENTAL RETARDATION

This Agreement (hereinafter referred to as "Agreement") is made and entered into effective October 1, 2016 by the City of San Angelo, Texas, a home rule municipal corporation duly incorporated and operating under the laws of the State of Texas and situated in Tom Green County, Texas ("City") and the Concho Valley Center for Human Advancement d/b/a MHMR Services for the Concho Valley, a community center duly formed under the laws of the State of Texas, and located in San Angelo, Texas ("MHMR").

WHEREAS, the City is authorized under V.T.C.A., Health and Safety Code Section 534.019 to contribute funds for use in the administration of a community mental health and mental retardation center; and

WHEREAS, City desires to contribute funds to MHMR as allowed by statute;

NOW THEREFORE, City and MHMR, in consideration of the mutual covenants and agreements contained herein do mutually agree as follows:

1. PERFORMANCE BY MHMR

MHMR hereby agrees to perform the following services in San Angelo, Texas: provide screening, referral, and emergency evaluation for persons experiencing a crisis, provide mental health outpatient services, provide short term inpatient services for the mentally ill, provide habilitation, evaluation, and liaison programs such as day activity programs and respite services, provide skills training programs and provide residential services and case management services for persons with mental retardation.

2. PERFORMANCE BY CITY

City hereby agrees to pay MHMR Fifty-Five Thousand Four Hundred Twenty-Three and No/100 dollars ($55,423.00) as consideration for performance by MHMR of the functions listed above.

3. TERM OF AGREEMENT

This Agreement shall remain in force from October 1, 2016, to September 30, 2017, and shall not be automatically renewable.

4. INDEPENDENT CONTRACTOR

It is hereby recognized that the purpose of this Agreement is to provide mental health and mental retardation services to citizens of Tom Green County and nearby contracting counties. It is recognized that by the terms of this Agreement, MHMR hereby undertakes to perform all the services necessary to such program and does such as an independent contractor and not an officer, agent, or employee of the City.

Furthermore, this Agreement is not intended to create a joint enterprise. This undertaking is a governmental function. There is no pecuniary purpose and no profit motive, but rather the purpose of this Agreement is to further the public good. Additionally, MHMR has the sole right to control and manage the provision of services under this Agreement.

5. INDEMNIFICATION

5.1. General Indemnification. To the extent allowed by law, MHMR agrees to indemnify, defend and hold City, its councilmembers, board and commission members, officials, agents, guests, invitees, consultants, and employees free and harmless from and against any and all claims, demands, proceedings, suits, judgments, costs, penalties, fines, damages, losses, attorneys' fees, and expenses asserted by any person or persons, including agents or employees of MHMR or City, by reason of death or injury to persons, or loss or damage to property, resulting from or arising out of, the violation of any law or regulation or in any manner attributable to any act of commission, omission, negligence, or fault of MHMR, its agents or employees, or the joint negligence of MHMR and any other entity as a consequence of its execution or performance of this Agreement or sustained in or upon the premises, or as a result of

anything claimed to be done or admitted to be done by MHMR hereunder. This indemnification shall survive the term of this Agreement as long as any liability could be asserted. Nothing herein shall require MHMR to indemnify, defend, or hold harmless any indemnified party for the indemnified party's own gross negligence or willful misconduct.

5.2 Prospective Application. 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 (including but not limited to liability for closure and post closure costs) could be asserted in regard to any acts or omissions of MHMR in performing under this Agreement.

5.3 Retroactive Application. The indemnity provided for in this Agreement shall extend not only to claims and assessments occurring during the term of this Agreement but retroactively to claims and assessments which may have occurred during the term of previous agreements between City and MHMR.

6. HEADINGS

The paragraph headings contained herein are for convenience and reference and are not intended to define, extend or limit the scope of any provisions of this Agreement.

7. INTERPRETATION

This Agreement shall be construed in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Tom Green County, Texas.

8. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties hereto, and the parties are not bound by any agreement, stipulation or representation made by any agent, employee, or official of City or MHMR. It also supersedes any prior understandings or written or oral

agreements between the parties respecting the subject matter of this Agreement.

EXECUTED IN DUPLICATE ORIGINALS THIS __ DAY OF _____, 2016.

"MHMR"
CONCHO VALLEY CENTER FOR HUMAN ADVANCEMENT d/b/a MHMR SERVICES FOR THE CONCHO VALLEY

_____
Chair, Board of Trustees

_____
Printed Name

"CITY"
CITY OF SAN ANGELO

_____
Daniel Valenzuela, City Manager

ATTEST:

_____
Bryan Kendrick, City Clerk

APPROVED AS TO FORM:

_____
Theresa James, City Attorney

APPROVED AS TO INSURANCE:

_____
Charles Hagen, Risk Manager

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

Requestor: Sandra Villarreal, Director of Health, Health Services, 325.657.4493

Meeting Date: September 6, 2016

Item type: Consent Item

Caption:

Consider accepting the appointment of and enter into contract with Dr. Stephen Seifert as the Local Health Authority to be compensated in the amount of $24,000 per year, currently proposed in FY2017 Budget (S. Villarreal)

Summary/History:

Texas Health and Safety Code, Chapter 121 of the "Local Public Health Reorganization Act" provides local governments with the authority to enforce public health laws as long as the government meets certain public health infrastructures. It is important that the local government continues to be represented by an appointed Local Health Authority. Subchapter B of Chapter 121 defines the role of the "Local Health Authority, appointed by the local/county government or state to administer state and local laws relating to public health with the appointing body's jurisdiction".

The Health Authority enforces public health law and includes establishing, maintaining and enforcing those rules and laws associated with quarantine, disease prevention and suppression, and general sanitation. He provides nursing support and reviews protocols of medical treatment and procedures.

Dr.Stephen Seifert has been the jurisdiction's Local Health Authority since 1998 and works well with current staff.

Financial Impact:

Based on Contract terms, Dr. Stephen Seifert will be paid $24,000 per year.

Other Information/Recommendation:

Attachments:

1.	HD Consent Local Health Authority Current Appoinment_expires 10_1_16	HD Consent Local Health Authority Oath_CURRENT_expires 10_1_16.pdf
2.	HD Consent TX Health & Safety Code, Chapter 121, Local Public Health Reorganization Act	HD Consent Local Health Authority_State Statute_6_23_16.docx
3.	HD Second Amendment Professional Services Agreement Health Authority	HD SECOND AMENDMENT PROFESSIONAL SERVICES AGREEMENT - HEALTH AUTHORITY FINAL.docx

Presentation:

N/A

Approvals/Reviews:

Sandra Villarreal	Created/Initiated
Sandra Villarreal	Approved

Rick Weise	Approved
Theresa James	Approved
Tina Carriger	Approved
Theresa James	Approved
Becky Dunn	Approved
Bryan Kendrick	Final Approval

OATH OF OFFICE

For Local Health Authorities in the State of Texas

I, STEPHEN G. SEIFERT MD, **do solemnly swear (or affirm), that I will faithfully execute the duties of the office of Health Authority 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.**

Affiant

2677 A&M AVE 76904
Mailing Address **ZIP**

325 212 7871
(Area Code) Phone Number (day and evening)

STEVESEIFERT@SUDDENLINK.NET
Email Address

SWORN TO and subscribed before me this 30 **day of** SEPTEMBER, **20**14.

CYNTHIA S. PREAS
Notary Public, State of Texas
My Commission Expires
April 26, 2018

(Seal)

Cynthia S Preas
Signature of Person Administering Oath

Cynthia S. Preas
Printed Name

Notary Public
Title

THE STATE OF TEXAS

Statement of Elected/Appointed Officer

(Please type or print legibly)

I STEPHEN G. SEIFERT M.D. 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.

Affianced Signature

STEPHEN G. SEIFERT
Printed Name

MEDICAL HEALTH AUTHORITY
Position to Which Elected/Appointed

SAN ANGELO / TOM GREEN
City and/or County

SWORN TO and subscribed before me by affiant on this 30 **day of** SEPT **20**14.

CYNTHIA S. PREAS
Notary Public, State of Texas
My Commission Expires
April 26, 2018
(Seal)

Cynthia S Preas
Signature of Person Authorized to Administer Oaths/Affidavits

Cynthia S Preas
Printed Name

Notary Public
Title

Pursuant to Tex. Const. Art. XVI, §1(b), (amended 2001). Revised by the Division for Regional and Local Health Services, February 2008.

Certificate of Appointment
For a
Local Health Authority

I, Sandra J. Villarreal **, acting in the capacity as a**

(*Check the appropriate designation below*)

✓ **Non-physician and the Local Health Department Director**
_____ **Mayor or Designee**
_____ **County Judge of Designee**
_____ **Chairperson of the Public Health District**

do hereby certify the physician, Stephen Seifert, M.D. **, who is licensed by the Texas Board of Medical Examiners, was duly appointed as the Local Health Authority for** San Angelo, Tom Green County **, Texas.**

Date term of office begins October 1 **, 20** 14

Date term of office ends October 1 **, 20** 16**, unless removed by law.**

The Local Health Authority has been appointed and approved by the:

(Check the appropriate designation below)

✓ **Director,** Sandra J. Villarreal

_____ **City Council for the City of** _____

_____ **Commissioners Court for** _____ **County**

_____ **Board of Health for the** _____ **Public Health District**

I certify to the above information on this the 30 **day of** September **, 20**14

Sandra J. Villarreal
Signature of appointing official

(See reverse side for instructions)

Revised by the Division of Regional and Local Health Services, February 2008

SUBCHAPTER B. HEALTH AUTHORITIES

Sec. 121.021. HEALTH AUTHORITY. A health authority is a physician appointed under the provisions of this chapter to administer state and local laws relating to public health within the appointing body's jurisdiction.

Acts 1989, 71st Leg., ch. 678, Sec. 1, eff. Sept. 1, 1989. Amended by Acts 1991, 72nd Leg., ch. 118, Sec. 2, eff. Sept. 1, 1991.

Sec. 121.022. QUALIFICATIONS. (a) A health authority must be:

(1) a competent physician with a reputable professional standing who is legally qualified to practice medicine in this state; and

(2) a resident of this state.

(b) To be qualified to serve as a health authority, the appointee must:

(1) take and subscribe to the official oath; and

(2) file a copy of the oath and appointment with the board.

Acts 1989, 71st Leg., ch. 678, Sec. 1, eff. Sept. 1, 1989.

Sec. 121.023. TERM OF OFFICE. A health authority serves for a term of two years and may be appointed to successive terms.

Acts 1989, 71st Leg., ch. 678, Sec. 1, eff. Sept. 1, 1989.

Sec. 121.024. DUTIES. (a) A health authority is a state officer when performing duties prescribed by state law.

(b) A health authority shall perform each duty that is:

(1) necessary to implement and enforce a law to protect the public health; or

(2) prescribed by the board.

(c) The duties of a health authority include:

(1) establishing, maintaining, and enforcing quarantine in the health authority's jurisdiction;

(2) aiding the board in relation to local quarantine, inspection, disease prevention and suppression, birth and death statistics, and general sanitation in the health authority's jurisdiction;

(3) reporting the presence of contagious, infectious, and dangerous epidemic diseases in the health authority's jurisdiction to the board in the manner and at the times prescribed by the board;

(4) reporting to the board on any subject on which it is proper for the board to direct that a report be made; and

(5) aiding the board in the enforcement of the following in the health authority's jurisdiction:

(A) proper rules, requirements, and ordinances;

(B) sanitation laws;

(C) quarantine rules; and

(D) vital statistics collections.

Acts 1989, 71st Leg., ch. 678, Sec. 1, eff. Sept. 1, 1989.

Sec. 121.025. REMOVAL FROM OFFICE. A health authority may be removed from office for cause under the personnel procedures applicable to the heads of departments of the local government that the health authority serves.

Acts 1989, 71st Leg., ch. 678, Sec. 1, eff. Sept. 1, 1989.

SUBCHAPTER D. LOCAL HEALTH DEPARTMENTS

Sec. 121.031. ESTABLISHMENT. The governing body of a municipality or the commissioners court of a county may establish a local health department by majority vote.

Acts 1989, 71st Leg., ch. 678, Sec. 1, eff. Sept. 1, 1989.

Sec. 121.032. POWERS AND DUTIES. A local health department may perform all public health functions that the municipality or county that establishes the local health department may perform.

Acts 1989, 71st Leg., ch. 678, Sec. 1, eff. Sept. 1, 1989. Amended by Acts 1999, 76th Leg., ch. 1378, Sec. 5, eff. June 19, 1999.

Sec. 121.033. DEPARTMENT DIRECTOR. (a) The governing body of a municipality or the commissioners court of a county shall appoint the director of the municipality's or county's local health department.

(b) The director is the chief administrative officer of the local health department, and if the director is a physician, the director is the health authority in the local health department's jurisdiction.

(c) The governing body of a municipality or the commissioners court of a county may designate a person to perform its appointment duties under this section.

(d) A director of a local health department who is not a physician shall appoint a physician as the health authority in the local health department's jurisdiction, subject to the approval of the governing body or the commissioners court, as appropriate, and the board.

(e) The governing body or the commissioners court, as appropriate, shall set the compensation of the director and the health authority in its jurisdiction, except that the compensation, including a salary, may be allowed only for services actually rendered.

Acts 1989, 71st Leg., ch. 678, Sec. 1, eff. Sept. 1, 1989. Amended by Acts 1989, 71st Leg., ch. 1100, Sec. 5.07(a), eff. Sept. 1, 1989.

SECOND AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT HEALTH AUTHORITY

This Second Amendment to the Professional Services Agreement Health Authority ("Second Amendment") is made and entered into this ____ day of _____, 2016, (but effective October 19, 2016), between the City of San Angelo, Texas, a home-rule municipality of the State of Texas ("City") and Stephen Seifert, M.D. ("Provider").

WHEREAS, City and Provider entered into a Professional Services Agreement Health Authority ("Professional Services Agreement") on October 16, 2012; and

WHEREAS, the Parties executed a First Amended Professional Services Agreement (the "First Amended Agreement"), effective October 19, 2014, which extended the term of the Professional Services Agreement; and

WHEREAS, City and Provider now desire to again amend the Professional Services Agreement to further extend the term and agree to enter into this Second Amendment to the Professional Services Agreement Health Authority.

NOW THEREFORE, in consideration of the mutual promises, covenants and agreements of City and Provider hereinafter set forth, it is hereby agreed between City and Provider that Professional Services Agreement shall be and the same is hereby amended as follows:

FIRST. Amendment to paragraph 1. TERMS Professional Services Agreement shall be and the same is amended by striking therefrom paragraph 1. TERMS, and by substituting in lieu thereof a new paragraph 1. TERMS to read in its entirety as follows, to-wit:

1. TERMS

A. The recitals are true and correct and are hereby incorporated into and made a part of this Agreement.

B. The term of this Agreement shall be for two (2) years commencing on October 19, 2016 and continuing through October 19, 2018, unless terminated earlier by mutual consent of both parties as provided in Section 9.

SECOND. All other provisions of Professional Services Agreement dated October 16, 2012 not specifically amended hereby remain in full force and effect throughout the remaining term of Professional Services Agreement as written. In the event of conflict between Professional Services Agreement and Second Amendment, the order of precedence shall be the Second Amendment and then Professional Services Agreement.

EXECUTED in duplicate originals on _____, 2016.

"PROVIDER"
STEPHEN SEIFERT, M.D.

By: _____
Stephen Seifert

"**CITY"**
THE CITY OF SAN ANGELO

By: _____
Daniel Valenzuela, City Manager

ATTEST:

By: _____
Bryan Kendrick, City Clerk

APPROVED AS TO CONTENT:

_____
Sandra Villarreal, Health Services Director

APPROVED AS TO FORM:

_____
Theresa James, City Attorney

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

Requestor: Patrick Frerich, Asst. Director of Operations, Operations, (325) 657-4206

Meeting Date: September 6, 2016

Item type: Consent Item

Caption:

Consider approving an Interlocal Agreement with Concho Valley Transit District to facilitate the provision and installation of signage along fixed bus routes within the City and authorizing City Manager to negotiate and execute all related documents (P. Frerich)

Summary/History:

The Concho Valley Transit District (CVTD) has begun implementation of a fixed stop bus route within the City of San Angelo. This succeeds their current wave-down service of operation and expects to improve overall efficiency and operations.

To allow for fixed routes, designate signage must be placed in the City's Right-of-Way. City Staff has worked with CVTD to identify the appropriate stop locations in accordance with the Manual on Uniform Traffic Control Devices and CVTD's routing preferences. Appropriate signs (up to 48) will be placed in the City's Right-of-Way as indicated in the Interlocal Agreement.

The City will provide, manufacture, and install all signs and posts with CVTD providing reimbursement for all costs including materials, labor, and equipment. All future costs related to these signs, including repair, maintenance, and replacement will be the responsibility of CVTD.

Financial Impact:

CVTD will reimburse the City for all costs related to this Interlocal Agreement including materials, labor, and equipment.

Other Information/Recommendation:

Attachments:

1.	Interlocal Agreement with CVTD	Interlocal Agreement with CVTD (7-22-16).docx
2.	Interlocal Agreement with CVTD - Exhibit A	Exhibit A - Fixed Route Final.pdf

Presentation:

Approvals/Reviews:

Patrick Frerich	Created/Initiated
Shane Kelton	Approved
Theresa James	Approved
Anthony Wilson	Approved

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

INTERLOCAL AGREEMENT BY AND BETWEEN THE CITY OF SAN ANGELO TEXAS AND THE CONCHO VALLEY TRANSIT DISTRICT PROVIDING FOR THE PROVISION AND INSTALLATION OF SIGNAGE ALONG FIXED BUS ROUTES WITHIN THE CITY

THIS INTERLOCAL AGREEMENT, effective the _____ day of _____, 2016, is entered into pursuant to the Texas Interlocal Cooperation Act, Chapter 791 of the Texas Government Code (the "Act"), by and between **THE CITY OF SAN ANGELO (COSA or CITY)**, a political subdivision of the State of Texas and the **CONCHO VALLEY TRANSIT DISTRICT (CVTD)**, an urban and rural transit district created by the CONCHO VALLEY COUNCIL OF GOVERNMENTS pursuant to Chapter 458 of the Texas Transportation Code, to facilitate the provision and installation of signage along fixed bus routes within the City of San Angelo.

RECITALS

WHEREAS, Pursuant to the Act, COSA and CVTD are authorized to contract with eligible entities to perform governmental functions in which the contracting parties are mutually interested;

WHEREAS, CVTD currently operates five bus routes within the City with a total of eighty-five stops along such routes;

WHEREAS, forty stops either have a bus stop sign or a bench that indicates a bus stop;

WHEREAS, CVTD requires forty-eight additional bus stop signs to be manufactured and installed in order to begin its transition to a bus stop only fixed route;

WHEREAS, CVTD's bus routes, including current and proposed stops, are detailed in **Exhibit "A"** attached hereto and incorporated herein for all purposes;

WHEREAS, COSA owns easements and rights of way within the City on which bus stop signage or benches are currently located or will be located;

WHEREAS, COSA has the resources and ability to supply, print, and install the required bus stop signage (the "Services");

WHEREAS, CVTD desires to reimburse COSA for all costs incurred by it in providing the Services; and,

WHEREAS, the governing bodies of each party find that the Services contemplated herein are necessary for the benefit of the public and that the party providing such Services has the legal authority to do so; and that the Services are in the common interest of both parties hereto; and that the consideration provided herein is in an amount that fairly compensates the performing party.

NOW THEREFORE, in consideration of the mutual covenants and conditions contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the parties, CVTD and COSA agree as follows:

ARTICLE 1 – RESPONSIBILITIES OF THE PARTIES

Section 1.01 – Responsibilities of CVTD.

(a) CVTD shall reimburse COSA for the costs incurred by it in supplying, printing, and installing the bus stop signs including materials, equipment, and labor (Costs). Reimbursement shall be made within thirty (30) days of COSA submitting a written invoice of Costs to CVTD.

(b) CVTD shall supply COSA with instructions, samples, and/or design templates as necessary for COSA's use in printing the signs.

(c) If CVTD will be preparing, drafting, displaying, reproducing, or otherwise using, in any manner or form, any information, document, or material that is subject to a copyright, trademark, patent, or other property or privacy right, then CVTD must: Obtain all necessary licenses, authorizations, and approvals related to its use; include COSA in any approval, authorization, or license related to its use; and, to the extent permitted by law, indemnify and hold harmless COSA related to CVTD's alleged infringement or otherwise improper or unauthorized use. Accordingly, to the extent permitted by law, CVTD must protect, indemnify, and hold harmless COSA from and against all liabilities, actions, damages, claims, demands, judgments, losses, costs, expenses, suits, or actions, and attorneys' fees and the costs of the defense of COSA, in any suit, including appeals, based upon or arising out of any allegation of infringement, violation, unauthorized use, or conversion of any patent, copyright, trademark or trade name, license, proprietary right, or other related property or privacy interest in connection with, or as a result of, this agreement or the performance by CVTD of any of its activities or obligations under this agreement.

(d) Notwithstanding anything herein to the contrary, CVTD agrees that COSA shall have sole discretion in determining the exact location of bus stops and related signage.

(e) CVTD agrees that at any time during this Agreement, COSA shall desire the use of its right(s) of way and/or easement(s) in such a manner as would, in COSA's reasonable opinion, be interfered with by a bus stop and related signage, COSA shall be entitled, at CVTD's sole expense, and after thirty (30) days written notice to CVTD, make such changes to the bus stop and/or signage as in the sole discretion of COSA may be necessary to avoid interference with COSA's use of its right(s) of way and/or easement(s), including, without limitation, the relocation of the existing or the installation of a new bus stop and related signage.

(f) It shall be the responsibility of CVTD to notify COSA of bus stop signs that require repair, maintenance, or replacement. CVTD agrees to reimburse COSA for the Costs incurred by it in repairing, maintaining, or replacing signage. Such reimbursement shall be made within thirty (30) days of COSA submitting a written invoice of Costs to CVTD.

Section 1.02 – Responsibilities of COSA.

(a) COSA shall supply, print, and install bus stop signage at the approximate locations detailed in Exhibit "A", with exact locations to be determined by COSA in its sole discretion. Upon execution of this Agreement, COSA shall initially supply a total of forty-eight (48) bus stops sign to CVTD. Thereafter, COSA shall supply such signage as requested by CVTD, and agreed to between the parties, during the term of this Agreement.

(b) COSA shall print all signs, first in accordance with standards in the Manual of Uniform Traffic Control Devices, and secondly in accordance with instructions, samples, and/or design templates provided by CVTD. CVTD shall not be responsible for payment of signs not conforming to such standards, instructions, samples, and/or design templates.

(c) During the term of this Agreement COSA shall be responsible for the repair, maintenance, and replacement of damaged bus stop signs.

(d) At the expiration or termination of this Agreement, COSA shall remove all bus stop signage and return the same to CVTD, at the sole cost and expense of CVTD. CVTD shall reimburse COSA for the reasonable costs of removal of signage within thirty (30) days of COSA submitting a written invoice of Costs to CVTD.

(e) COSA agrees that upon CVTD's payment and acceptance of signs supplied by COSA, such signs shall be owned by CVTD, and shall remain the property of CVTD at the expiration or termination of this Agreement.

(f) COSA shall compile and maintain such documentation as required by CVTD which shall be provided to CVTD to support federal and state funding eligibility and COSA requests for reimbursements. CVTD shall cooperate with COSA in the compiling of such documentation.

ARTICLE 2 – TERM OF AGREEMENT

Section 2.01 - Commencement of Term. The term of this Agreement shall be for a period of one (1) year commencing on the effective date first hereinabove written, and shall thereafter automatically renew for subsequent one (1) year periods, upon the same terms, conditions and covenants contained herein, unless sooner terminated by mutual agreement of the parties or as otherwise provided herein.

Section 2.02 – Termination. Each party reserves the right, at its option, to terminate this Agreement at anytime without cause by giving the other party thirty (30) days written notice of such termination. In the event of termination by CVTD under this provision, City shall be compensated for Services performed prior to termination.

ARTICLE 3 - DEFAULT AND REMEDIES

Section 3.01 - Event of Default. Each party reserves the right, at its option, to terminate this Agreement for cause, in the event of a default or breach of this Agreement (an "Event of Default") by the

other party, by giving the other party twenty (20) days written notice of such default or breach, provided the other party has not cured such default or breach within the twenty (20) day notice period.

Section 3.02 –Specific Performance and Mitigation of Damages. The non-defaulting party shall have a right to specific performance; and shall mitigate damages upon the occurrence of an Event of Default.

Section 3.03 - Other Remedies. All rights, options, and remedies of each party under this Agreement shall be construed and held to be cumulative, and no one of them shall be exclusive of the other, and non-defaulting party shall have the right to pursue any one or all of such remedies or any other remedy or relief which may be provided by law or in equity, whether or not stated in this Agreement.

ARTICLE 4 – LIABILITY

Section 4.01 - No Personal Liability of the CVTD. To the extent allowed by law, CVTD's officers, elected officials, agents and employees and the Board members of CVTD, either singularly or collectively, are not personally liable on this Agreement or for any breach thereof.

Section 4.02 - No Personal Liability of the COSA. To the extent allowed by law, COSA's officers, elected officials, agents and employees, either singularly or collectively, are not personally liable on this Agreement or for any breach thereof.

ARTICLE 5 - MISCELLANEOUS

Section 5.01 - No Waiver. No waiver by either party of any default or breach of any covenant, condition, or stipulation contained in this Agreement is a waiver of any subsequent default or breach of the same or any other covenant, condition, or stipulation of this Agreement.

Section 5.02 - Laws. The parties hereto agree to comply with all applicable laws, rules, regulations, and grant provisions of the United States, the State of Texas, and any other lawful authorities having jurisdiction.

Section 5.03 - Notices. All notices, demands, or requests from one party to another shall be in writing and shall be personally delivered or sent by certified United States mail, postage prepaid, to the address of the party to be served designated in this Section, or to such other address as the party may designate for notice in writing, and are deemed given at the time of personal delivery or on the second day after deposit in the United States Mail.

To CVTD: Attention: Executive Director, at 2801 West Loop 306, Suite A, San Angelo, Texas 76904.

To COSA: Attention: City Manager, at 72 West College Ave., San Angelo, Texas 76903.

Section 5.04 - Parties Bound. This Agreement is binding upon and inures to the benefit of the parties hereto and their respective legal representatives, successors, and permitted assigns.

Section 5.05 - Texas Law to Apply and Venue. This Agreement shall be construed under and, in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Tom Green County, Texas.

Section 5.06 - Severability. In the event that any one or more of the provisions contained herein, or the application thereof in any circumstances, is held invalid, illegal or unenforceable in any respect for any reason, the validity, legality and enforceability of any such provision in every other respect and of the remaining provisions hereof shall not be in any way impaired or affected thereby, it being intended that all of the rights and privileges of the parties hereto shall be enforceable to the fullest extent permitted by law.

Section 5.07 - Prior Agreements Superseded. This Agreement constitutes the sole and only Agreement of the parties hereto with respect to the subject matter hereof and supersedes any prior understandings or written or oral Agreements between the parties with respect thereto.

Section 5.08 - Amendment. No amendment, modification, or alteration of the terms of this Agreement is binding unless in writing, dated subsequent to the Effective Date and executed by the CVTD and the COSA or their successors and permitted assigns.

Section 5.09 - Exhibits. All Exhibits attached to this Agreement are incorporated by reference for all purposes.

Section 5.10 - Counterparts. This Agreement may be executed in any number of counterparts, and each counterpart is deemed to be an original, but all such counterparts together constitute but one Agreement.

Section 5.11 - Time is of the Essence. Time is of the essence in this Agreement.

Section 5.12 - Headings. The headings and captions herein are for convenience only and do not affect the substantive provisions of this Agreement.

Section 5.13. Obligations Payable out of Current Funds: Notwithstanding anything to the contrary in this Agreement, the Parties' obligations under this Agreement shall be payable from current revenues available to such Party.

AGREED to and ADOPTED by the CONCHO VALLEY COUNCIL OF GOVERNMENTS Board of Directors for the **CONCHO VALLEY TRANSIT DISTRICT**

on the _____ day of _____, 2016.

_____
John Austin Stokes, Executive Director
Concho Valley Council of Governments

APPROVED AS TO FORM

_____
Wm. Keith Davis
Counsel to the CVTD

[Signatures continued on following page]

AGREED to and ADOPTED by CITY OF SAN ANGELO City Council on the _____ day of _____, 2016.

_____
Daniel Valenzuela, City Manager

ATTEST:

_____
Bryan Kendrick, City Clerk

APPROVED AS TO CONTENT

_____
Shane Kelton, Director of Operations

APPROVED AS TO FORM

_____
Brandon Dyson, Assistant City Attorney

INTERLOCAL AGREEMENT BY AND BETWEEN THE CITY OF SAN ANGELO TEXAS AND THE CONCHO VALLEY TRANSIT DISTRICT PROVIDING FOR THE PROVISION AND INSTALLATION OF SIGNAGE ALONG FIXED BUS ROUTES WITHIN THE CITY

EXHIBIT "A"

(*FOLLOWING PAGES)*

Fixed Route Bus Stop Locations

Route 1

Bench	1	Beauregard and Chadbourne
Sign	2	Ave I. and Chadbourne
-	3	Ave N and Koenigheim
-	4	Vanderventer and Jackson
-	5	Unviversity and Jackson
Sign	6	Creekside and Knickerbocker
Sign	7	Parkview and Knickerbocker
Bench/Sign	8	Southwest Plaza (Pizza Hut)
-	9	Billie Bolin Dr. and Frontage Rd (Christian Village)
Temp Sign	10	College Hill (CVS)
Shelter	11	Southwest Plaza (Texas College of Cosmetology)
Bench/Sign	12	Community Hospital
-	13	Department of Public Safety
-	14	Commons Shopping Center
Bench/Sign	15	Stadium Park
-	16	Currier St and Foster Rd
-	17	Truman St and Antonio
Bench	18	Bella Vista Apartments
Temp Sign	19	Walmart on South Bryant
-	20	Ave N and Bryant
-	21	Ave I and Bryant
	22	Depot

Route 2

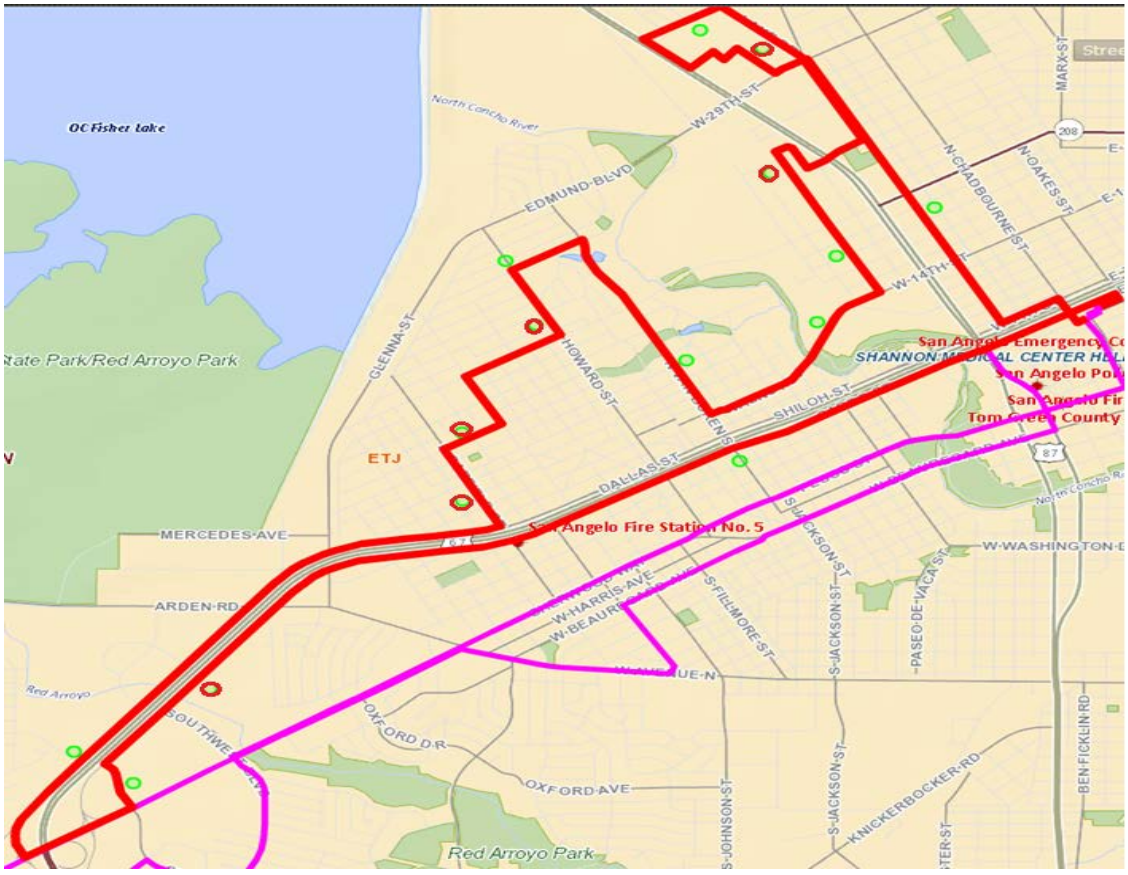
-	1	Pulliam and Main St
-	2	Rio Concho Manor
-	3	Apple Tree Apartments
-	4	Rust St and Ave D (Rust St Ministries)
Sign	5	Work Force Solutions
Sign	6	River Pointe Apartments
-	7	Bell St and Schwartz
-	8	Riverside Dr
-	9	Era and Woodruff
Shelter	10	Evelyn Ave
-	11	Nelson and Paint Rock Rd
-	12	Park on Paint Rock Rd
-	13	Bell St and Paint Rock Rd
-	14	Chadbourne and Christoval Rd
-	15	Ave R and Irving
-	16	Diego's on Ave N
-	17	Esperanza Clinic
-	18	Chadbourne and HardemanPass
Sign	19	Magdalena and Beauregard
Shelter	20	Lowe's
Shelter	21	MHMR
	22	Depot

Route 3

-	1	Pulliam and Malone
-	2	Pulliam and Irene
	3	Pulliam and Bell St
Bench	4	Shannon (St. John's Campus)
-	5	Fire Station
Bench	6	WTTC/Howard
-	7	Paul Ann Baptist Church
-	8	Bell and La Follette
-	9	Pope and Culwell
-	10	Poe and 22nd
-	11	23rd and Main
-	12	22nd and Marx
Shelter	13	Bowie and 29th
-	14	Bowie and 37th
-	15	Travis and 47th
-	16	Foster Communications Colesium
Shelter	17	Chadbourne and 30th
Sign	18	Chadbourne and 25th
Bench	19	Chadbourne and 18th
-	20	Palmer Feed and Supply (14th)
-	21	14th and Akin
Shelter	22	Conch Valley Baptist Association
	23	Depot

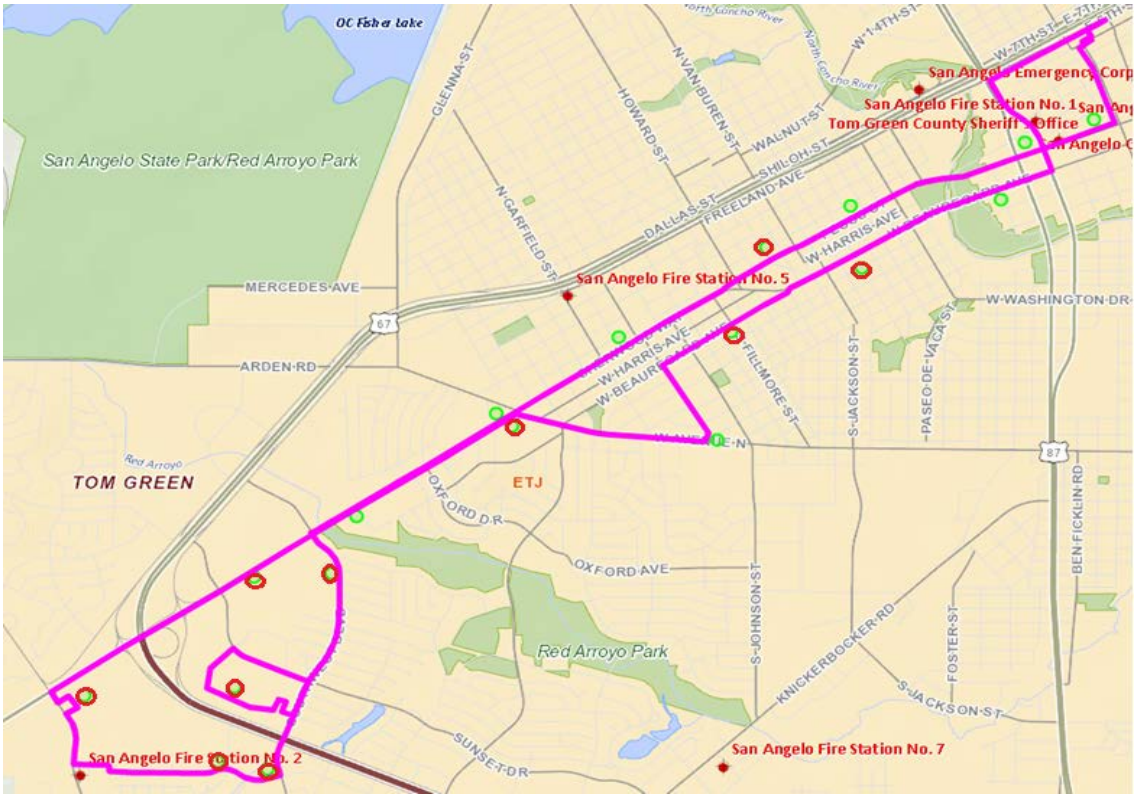
Route 4

-	1	MLK and 18th
-	2	MLK and 23rd
Bench	3	Walmart Supercenter on 29th
-	4	33rd St
Shelter	5	Brown and 24th
-	6	Brown and 17th
-	7	Industrial on 14th
-	8	Van Buren and Walnut
-	9	Van Buren and Webster
-	10	Van Buren and Junius
-	11	Van Buren and Greenwood
-	12	Howard and Greenwood
Bench	13	Howard and Raney
Bench	14	Lindell and Hatcher
Temp Sign	15	Garfield and North
-	16	Melrose and Houston Harte
-	17	Sunset Dr and Sherwood Way (Stripes
Temp Sign	18	Home Depot
-	19	Van Buren and Freeland
	20	Depot



Route 5

-	1	Standard Times
-	2	Post Office
-	3	Jefferson and Pecos
Bench	4	Harrison and Pecos
-	5	Licoln and Sherwood Way
-	6	A&M and Sherwood Way
-	7	Walgreens
Bench	8	Social Security Office
Bench	9	Sunset Mall
Bench	10	Southwest and Green Meadow
Shelter	11	Plaza del Sol
Bench	12	Walmart Supercenter (Sherwood Way
Temp Sign	13	Outback Steak House
-	14	Buick and Sherwood Way
Shelter	15	H-E-B Food Stores
-	16	Campus and Ave N
Sign	17	Village Shopping Center
Shelter	18	MHMR
-	19	Beauregard and David St
-	20	Labor Ready
	21	Depot



REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

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

Meeting Date: September 6, 2016

Item type: Consent Item

Caption:

Consider ratifying a resolution by COSADC approving an economic development (BREP) incentive to CalTech Software Systems Inc. in the amount of $603,050, and authorizing the Board President to negotiate and execute a performance agreement (R. Pena)

Summary/History:

CalTech Software Systems Inc., located at 940 Arroyo Street, San Angelo, is a business enterprise engaged in computer systems design, consulting, and support services. The company has determined that over the next several years they will be hiring between 15 and 100 new employees at a starting salary of at least $30,000 per year plus benefits and performance bonuses and also will be investing a minimum of $100,000 in capital investment.

CalTech is headquartered in San Angelo and currently employs 38 full time employees, 2 part time employees and 1 Intern.

The proposed incentives in the attached draft agreement are as follows:

Development Fee Rebates $ 600.00

Annual Tax Grants (see agreement page 9) $ 1,950.00

Sales & Use Tax $ 500.0

Job Creation Grant ($5,000 per FTE) $500,000

Job Training Grant ($1,000 per employee satisfactorily Completing each course) $100,000

Total $603,050

The above proposed incentives are based on the company fully meeting all performance requirements including full job creation and retention.

COSADC unanimously approved (5-0) this item at their meeting of August 24, 2016.

Financial Impact:

Requires Budget Amendment of $603,050 from FY2016-2017 Future Projects Account.

Other Information/Recommendation:

Attachments:

1. CalTech Agreement 5a2_CALTECH EDA(2).pdf

Presentation:

Approvals/Reviews:

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

ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT BY AND BETWEEN CITY OF SAN ANGELO DEVELOPMENT CORPORATION AND CALTECH SOFTWARE SYSTEMS INC.

This Agreement is entered into by and between the City of San Angelo Development Corporation, a State of Texas non-profit Type B development corporation ("COSADC") and CALTECH SOFTWARE SYSTEMS, INC., a Texas for profit corporation entitled to transact business in Texas ("Company"), and shall be effective from and after the 30th day of June, 2016 (the "Effective Date").

RECITALS:

A. COSADC is a non-profit Type B development corporation created by the City of San Angelo pursuant to the Texas Development Corporation Act, Chapters 501 and 505 of the Texas Local Government Code (the "Act"), and is authorized by law to expend economic development sales and use tax proceeds for authorized projects, subject to approval of the City of San Angelo City Council. Such authorized projects include expenditures for the creation or retention of Primary Jobs (as defined at Section 501.002 of the Texas Local Government Code) and found by the board of directors to be required or suitable for the development, retention, or expansion of manufacturing and industrial facilities.

B. COSADC is authorized to provide direct incentives or make expenditures on behalf of a business enterprise under an authorized project pursuant to a performance Agreement with the business enterprise which provides, at a minimum, for a schedule of additional payroll to be created or retained and capital investment to be made as consideration for any direct incentives provided and specifies the terms under which repayment must be made if the business enterprise does not meet the performance requirements specified in the Agreement.

C. Company is a business enterprise engaged in computer systems design, consulting, and support services. Company has determined that additional capital improvements and employees will be required to meet increased demands for its services. (hereinafter the "Project").

D. The board of directors of COSADC has determined that the Project and provision of direct incentives to Company as stated in this Agreement are in compliance with the requirements and

purposes of the Act, COSADC Articles of Incorporation, and the COSADC Business Retention and Expansion Program (BREP) approved by City Council; and, that the Project and direct incentives serve the public purposes set forth in the Act.

F. Company is seeking direct incentives from COSADC for capital improvements and Primary Job creation and retention at its current location, 940 Arroyo Street, San Angelo (hereinafter ("Site"). COSADC agrees, subject to approval of the City of San Angelo City Council, to provide Company with certain incentives for capital investment and Primary Job creation and retention under the terms and conditions of this Agreement, in accordance with the provisions of law.

G. On_____, 2016, the City Council of the City of San Angelo approved the recommendation of COSADC Board to approve negotiation and execution of a performance agreement with Company under the terms and conditions set forth herein for incentives and a rebate of development fees, the sum total of which shall not exceed SIX HUNDRED THREE THOUSAND FIFTY AND NO/100 DOLLARS ($603,050.00).

NOW, THEREFORE, in consideration of the mutual benefits and promises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, COSADC and Company agree as follows:

TERMS

1. RECITALS: The foregoing recitals are true and correct and are incorporated into and made a part of this Agreement for all purposes.

2. TERM: This Agreement shall become enforceable upon its Effective Date as first hereinabove provided. This Agreement shall automatically terminate three years after payment by COSADC of the last job creation incentive, unless earlier terminated in accordance with its terms, provided that all provisions of this Agreement which must survive in order to give effect to their meaning will survive termination or expiration of this Agreement.

3. <u>COMPANY PERFORMANCE REQUIREMENTS</u>:

A. Company shall timely meet, comply with and maintain each of the Company performance requirements specified in this Agreement at its Site, which performance requirements are conditions precedent to the obligation of COSADC to provide and Company to retain the direct incentives provided for under this Agreement, including the following:

B. Company shall make the entire Minimum Threshold Project Investment agreed to in Section 4. "Minimum Project Threshold Investment", from and after the Effective Date, and on or before the 31st day of December, 2019. Said Minimum Threshold Investment shall be a condition precedent to Company's entitlement to receive or to retain any direct incentive payments, rebates, credits or other benefits from COSADC under this Agreement

C. Company shall provide COSADC with copies of its rendition statements and personal property tax reports delivered to Tom Green County Chief Appraiser for each tax year commencing with 2016, and shall timely pay any ad valorem commercial real and personal property taxes payable for each tax year relating to its Threshold Investment prior to claiming reimbursement under this Agreement.

D. On or before January 31, 2017, Company shall make the certification to COSADC required under this agreement (in substantially the form of **Exhibit "D" Request for Incentive Payment**) to establish timely compliance with the Minimum Project Threshold Investment, including but not limited to equipment purchase receipts, capital improvement receipts and any other receipts or business records verifying under generally accepted accounting and audit principals that the Minimum Project Threshold Investment required has been met to the satisfaction of COSADC.

E. Company shall secure all plan reviews, permits and inspections applicable under city ordinance for all capital improvements at its Site, which improvements shall be made in compliance with all applicable City codes and regulations.

F. Company shall provide a preference to the extent practicable for the purchase of construction materials and equipment for the Project from businesses that maintain establishments located in Tom Green County.

G. From the Effective Date of this Agreement to December 31, 2020, Company shall create the equivalent of a minimum of one (1) new executive assistant job plus a minimum of fourteen (14), but not more than one hundred forty-nine (149), new Tier 1 or higher engineering jobs, for a total of from a minimum of fifteen (15) to a maximum one hundred (100) new jobs, at its current site and having a gross annual pay excluding benefits of at least thirty thousand dollars ($30,000) (hereinafter "FTE's) Company shall retain each FTE under the terms and for the period required under Section 5. "Job Creation and Retention" of this Agreement.

H. Company shall annually, on or before March 31st of each year commencing March 31 2017, comply with the annual certification and reporting requirement to COSADC under this Agreement establishing FTE job creation and retention.

I. Company shall endeavor to take advantage of one or more job training programs available through the Concho Valley Workforce Development Board to the extent practicable and provided that such programs offer training applicable to Company jobs. Company shall present documentary evidence satisfactory to COSADC from Concho Valley Workforce Development Board or sponsored program entity establishing an employee's successful completion of the job training program.

J. Within ten days of written notice and demand for payment, Company shall promptly reimburse COSADC for any incentive payments, rebates, credits or benefits received if at the time of such incentive payment, rebate credit or benefit Company was in default under this Agreement or was not otherwise entitled to such incentive under terms of this Agreement, or is not entitled to retain such incentive under the terms of this Agreement.

4. <u>MINIMUM PROJECT THRESHOLD INVESTMENT</u>:

A. As a Company performance requirement and condition precedent to COSADC's obligation to provide incentives under this Agreement, Company shall complete a minimum Threshold Project Investment in capital improvements and/or business tangible personal property at the Site during the period from the Effective Date of this Agreement to December 31st, 2019, of at least ONE HUNDRED THOUSAND DOLLARS ($100,000) to be reflected on Company's ad valorem rendition statements and personal property tax reports , but estimated in good faith by Company to be the Project investment set forth in **Exhibit "A"**, attached hereto, and made a part hereof for all purposes.

B. Together with any request made by Company for Development Fee and Sales & Use Tax rebates, Company shall provide COSADC with records sufficient to verify under generally accepted accounting and audit principals the facts certified therein.

C. Within ten (10) days of the effective date of this Agreement Company shall provide to COSADC certified copies of the rendition statements and personal property tax reports delivered to the Tom Green County Chief Appraiser pursuant to V.T.C.A. Tax Code § 22.01 for the tax year 2015. Company shall provide copies of its rendition statements annually thereafter on or before March 31st of each subsequent tax year during the term of this Agreement.

5. <u>JOB CREATION AND RETENTION</u>:

A. Attached hereto as **Exhibit "E"**, and made a part hereof for all purposes, is Company's census of 38 existing full-time and 2 part time jobs, and one intern employed at the current Company Site on the Effective Date (hereinafter "Core Jobs"). Company shall continuously retain all of the Core Jobs through December 31, 2020, and for three consecutive years following the last job creation incentive payment made pursuant to this Agreement. Company shall annually report a summary of Core Job retention in a form substantially the same as **Exhibit "E-1"** attached hereto. In addition to continuous maintenance of the Core Jobs, Company shall create

a minimum of fifteen (15) new FTE's as defined herein (Tier 1 or higher Engineers – 14 and Executive Administrative Assistant – 1), but not to exceed one hundred new FTE's, during the time period from the Effective Date of this Agreement to December 31, 2020 .

B. New FTE's for any annual year shall be new full-time job positions created in addition to the Core Jobs, and having a minimum average annual Base Wage (gross pay excluding benefits) of $30,000 per FTE. The minimum average annual Base Wage for newly created jobs shall be utilized to calculate the number of new FTE positions created and establish the equivalent number of FTE's created for which incentives may be payable. The total annual gross payroll excluding benefits for new full-time jobs (excluding Core jobs) shall be divided by the $30,000 minimum annual Average Base Wage required to calculate the number of FTE's created for which incentives may be payable. Notwithstanding the foregoing, no job exceeding an annual gross pay of $150,000 shall be included in gross annual pay for purposes of calculating Average Base Wage level and the number of newly created FTE's.

C. For example: if Company creates fifteen new full-time jobs during 2016, six of which have an annual base wage of $60,000 each and nine of which have an annual Base Wage of $15,000 each, the FTE job creation would be calculated to be the sum of annual base wages for the fifteen newly created jobs divided by the required average annual Base Wage of $30,000, for a total of 16 FTE's created in 2016 for incentive purposes [(6 x $60,000) + (9 x $15,000) ÷ $30,000 = 16.5], rounded to the nearest lower whole number = 16 FTE's. Company would then need to retain in addition to the 38 Core Jobs, 16 or more full time jobs having a total average annual Base Wage combined of at least $480,000, for three consecutive annual years after December 31st of the year in which incentives were paid for creation of 16 FTE's.

D. A condition precedent to Company's right to receive or retain any job creation incentive under this Agreement is that Company retain jobs that are the equivalent of every new FTE for

which it receives a job creation incentive payment for a minimum of three consecutive years from and after December 31st of the year for which the job creation incentive is paid and that the sum total of full time jobs created be at least the equivalent of 15 FTE's, in addition to continuous retention during the full term of this Agreement of the 38 Core Jobs listed on the Company census for the Effective Date.

E. The new jobs shall be filled by individuals who are not current employees of Company at the time of job creation. New employees shall first be deemed to replace any vacant Core Jobs, before any new employee Base Wage is included in calculating the number of FTE's created or retained by Company.

F. Company shall certify to COSADC compliance with its job creation and retention and base wage level commitments annually as hereinafter provided for jobs created for the period from the Effective Date through December 31, 2020. An Affidavit of Compliance shall be executed by a duly authorized representative of Company, accompanied with required documentation verifying the facts stated, in substantially the form of "Affidavit of Compliance", attached hereto as "**Exhibit "C".** The Affidavit of Compliance shall include tables identified as **Exhibit "E-1" "Core Job Retention Summary" and Exhibit "C-1" "Job Creation and Retention Summary"** by year, in substantially the attached forms. Such annual certifications shall continue for three (3) consecutive years after the end of the calendar year for which the last direct incentive for the FTE of which the job constitutes a part shall have been paid.

i. The first required reporting period for certification of job creation and retention compliance under this Agreement shall be for the period July 1, 2016 through December 31, 2016. No later than March 31, 2017, Company shall separately certify with Affidavit of Compliance substantially in the form of **Exhibit "C"** , **Exhibit "E-1" "Core Job Retention Summary" and Exhibit "C-1" "Job Creation and Retention Summary"** , under penalty of perjury, for the period reported the number of jobs retained, terminated

and created, and annual Base Wages applicable for calculating equivalent FTE's for which Company applies for or has been paid incentives.

ii. No later than March 31st of each year after 2017, for which certification of compliance for job creation and retention is required under this Agreement, Company shall certify with Affidavits of Compliance substantially in the form of **Exhibit "C"** , **Exhibit "E-1" "Core Job Retention Summary" and Exhibit "C-1" "Job Creation and Retention Summary"** , under penalty of perjury, for the period reported the number of jobs retained, terminated and created, and annual Base Wages applicable for calculating equivalent FTE's for which Company applies for or has been paid incentives.

iii. The annual reporting required under this Section 5., shall consist of a fully executed Affidavit of Compliance in substantially the form of **Exhibit "C"**, **Exhibit "E-1" "Core Job Retention Summary" and Exhibit "C-1" "Job Creation and Retention Summary"** , accompanied with supporting documentation sufficient to verify under generally accepted accounting and audit principals the facts certified, which shall include Texas Workforce Commission "Employer's Quarterly Report" (FORM C-4 03/06) as submitted to Texas Workforce Commission, and other payroll documentation as may be reasonably required by COSADC.

6. <u>COSADC INCENTIVES AND INCENTIVE CAPS</u>: Subject to Company complying with the performance requirements specified under this Agreement, Company shall become eligible to receive up to the following incentives described under this Section 6, pursuant to the schedule of incentives by type and incentive caps as set forth in **Exhibit "B"** attached hereto and made a part hereof for all purposes. In no event, not withstanding anything to the contrary in this Agreement, shall the cumulative sum of all incentives payable or credited under this Agreement exceed the maximum sum of SIX HUNDRED THREE THOUSAND FIFTY AND NO/100 DOLLARS ($<u>603,050.00</u>).

Type of Incentive and Incentive Cap:

A. Waivers (credits) or rebates of City development fees for the Project Site, including fees relating to permits, plan reviews and inspections, not to exceed SIX HUNDRED AND NO/100 DOLLARS ($600.00);

B. **A**nnual Tax Grants for the tax years indicated below in the form of rebates of a percentage on a sliding scale of City ad valorem taxes paid by Company assessed for value of capital improvements and business tangible personal property made at the Site up to, but not exceeding, the Minimum Project Threshold Investment of ONE HUNDRED THOUSAND AND NO 100 DOLLARS ($100,000.) for a sum total of Annual Tax Grants not to exceed ONE THOUSAND NINE HUNDRED FIFTY AND NO/100 DOLLARS ($1,950.)[1]*:

Tax Year	Annual Grant Percentage	Maximum Tax Rebate
2018	100%	$ 780
2019	75%	$ 585
2020	75%	$ 390
2021	25%	$ 195
Total		**$ 1,950.**

C. Rebates for a portion of City of San Angelo sales and use taxes paid by Company for purchase of construction materials and equipment for the Project from businesses that

[1] * Subject to written amendment executed by each of the parties providing for rebates of ad valorem taxes assessed on capital improvements or equipment rendered and exceeding $100,000 in additional assessed value for ad valorem tax purposes.

maintain physical establishments located in Tom Green County, Texas ("Local Vendors"). The cumulative sum of this rebate incentive shall not exceed FIVE HUNDRED AND NO/100 DOLLARS ($500.00).

D. Individual incentives in a sum of FIVE THOUSAND AND NO/100 DOLLARS ($5,000.00) per job created that are the equivalent of an FTE as defined herein, from the Effective Date through December 31, 2020, at the Project Site, subject to condition that Company create and retain jobs that are at least the equivalent of 15 FTE's as herein provided and subject to Company's reimbursement obligation for any FTE not retained for a period of three years from and after December 31st of the year for which the FTE individual incentive was paid. In no event shall the cumulative sum of the individual incentives for job creation and retention exceed FIVE HUNDRED THOUSAND AND NO/100 DOLLARS ($500,000.00).

E. Individual incentives in the sum of ONE THOUSAND AND NO/100 DOLLARS ($1,000.00) for each employee having a job at the Site who successfully completes one or more job training programs through the Concho Valley Workforce Development Board, applicable to a Company job at the Site. The incentive shall be payable to Company upon presentation of an Affidavit of Compliance accompanied with documentary evidence satisfactory to COSADC of employee's successful completion of the job training program. In no event shall the cumulative sum of the individual incentives for employees successfully completing such training programs exceed ONE HUNDRED THOUSAND AND NO/100 DOLLARS ($100,000.00).

7. <u>PAYMENT:</u> A determination of Company eligibility for payment of direct incentives shall be made by COSADC within sixty (60) days after receipt by COSADC of a written request for payment

accompanied with Compliance Affidavits and documentation sufficient to verify under generally accepted accounting and audit principals the facts certified in accordance with provisions of this Agreement.

A. Company and COSADC acknowledge that COSADC may reasonably require in its discretion, additional information and documentation to facilitate COSADC in making an expeditious determination of eligibility for payment of direct incentives. COSADC, in cooperation with Company, shall calculate the amount of any direct incentive payable under this Agreement as provided in the Agreement and attached Exhibits.

B. The amount of direct incentives which may be payable to Company shall be calculated on the rates and schedules set out in this Agreement and attached Exhibits subject to the limitations set forth therein and further provided that in no event shall the cumulative total sum of direct incentives payable by COSADC under this Agreement exceed the Incentive Caps provided for at Section 6 herein.

C. COSADC shall pay to Company the economic development incentive provided for under this Agreement within sixty (60) days following COSADC's determination of the eligibility of Company for the direct incentive payment and calculation of the sum due.

D. Tender of payment of any incentive due under this Agreement is conditioned upon COSADC's receipt of Company's written concurrence that: the sum tendered for the type of incentive is the full amount due Company for the performance requirements Company has met up to that time; that the incentive payment is made subject to repayment obligations of Company under the terms of this Agreement; that Company agrees COSADC is in full compliance with its obligations under this Agreement on date the payment is tendered and accepted; and, releasing COSADC from any future claim of Company, known or unknown, relating to COSADC's obligations under the Agreement for the type of incentive payment being tendered up to the date payment is accepted.

8. <u>RETENTION OF RECORDS</u>: Company shall maintain, in a manner that conforms to this Agreement, the fiscal records and supporting documentation for all direct incentives, if any, provided

to Company under this Agreement for the greater of three (3) years from the end of the term of this Agreement, or such other period required by applicable law or regulation.

9. <u>COMPLIANCE AUDIT AND INSPECTION RIGHTS</u>: Upon reasonable prior written notice to Company, and without costs charged by Company to COSADC, Company shall allow COSADC access to and the right to examine and inspect any and all:

A. Payroll and employment accounting records of Company relating to the creation, retention and enhancement of FTE positions and certifications by Company of the information included in each affidavit submitted by Company under this Agreement, plus any other records of Company that may be reasonably related to verification of compliance with all performance requirements under this Agreement; and

B. Books, accounts, records, and audit reports with supporting documentation belonging to, maintained or kept at the direction of Company pertaining to performance of this Agreement.

10. <u>FORFEITURE OF INCENTIVE PAYMENTS:</u> If established by documentation of the parties relating to performance of this Agreement or by an audit conducted by COSADC under Section 9, "Compliance Audit and Inspection Rights", COSADC may determine that Company has failed to meet or maintain a performance requirement entitling Company to receive or retain incentive payments or credits (fee waivers) specified in this Agreement, in which event Company shall forfeit such incentive payment or credit and shall repay to COSADC the incentive payments or credits received in accordance with the repayment terms set forth under Section 11. "Repayment Terms".

11. <u>REPAYMENT TERMS:</u> Company shall comply with the following terms for repayment of forfeited incentive payments or credits:

A. Company shall repay one hundred percent (100%) of all incentive payments received pursuant to this Agreement (under the BREP Program outlined in **Exhibit B, Table B-2** Summary of Incentives) when grounds for forfeiture occur on or before March 31, 2017.

B. Company shall repay sixty-six percent (66%) of incentive payment received under this Agreement (the BREP Program and incentives outlined in **Exhibit B, Table B-2** Summary of Incentives) when grounds forfeiture occur after March 31, 2017 and before March 31, 2018.

C. Company shall repay one thirty-three percent (33%) of a forfeited incentive payment received under this Agreement (the BREP Program and incentives outlined in **Exhibit "B"**, **Table B-2** Summary of Incentives) when grounds for forfeiture occur on or after March 31, 2018.

E. COSADC shall provide Company written notice by certified mail return receipt requested of the sum of any incentive payment or credit determined to be forfeited and the applicable percentage of the incentive payment which must be reimbursed, which sum shall be due and payable thirty (30) calendar days after date of the notice.

F. Any incentive payment or credit deemed forfeited not paid when due after notice as herein provided shall accrue interest at the lesser of ten percent (10%) per annum or the maximum interest rate allowed by law until the forfeited sum and accrued interest thereon are paid in full.

G. Failure of Company to timely pay the sum of any incentive payment or credit determined to be forfeited as herein provided, after notice, shall constitute a default by Company in addition to any other default, and shall entitle COSADC to terminate this Agreement and exercise all remedies available to it under this Agreement, at law, or in equity.

12. **OWNERSHIP OF DOCUMENTS:** Company understands and agrees that any information, document, report or any other material whatsoever provided to COSADC by Company, or otherwise obtained or prepared by Company as a result of this Agreement is and shall at all times remain the property of COSADC. Company agrees not to use any such information, document, report or material for any purpose whatsoever other than performance under this agreement without first securing the written consent of COSADC, which may be withheld or conditioned by COSADC in its sole discretion.

13. **AWARD OF AGREEMENT:** Company represents and warrants to COSADC that Company has not employed or retained any person or entity employed by COSADC to solicit or secure this

Agreement and that Company has not offered to pay, paid, or agreed to pay any such person or entity any fee, commission, percentage, brokerage fee, or gift of any kind contingent upon or in connection with, the award of this Agreement.

14. PUBLIC RECORDS AND CONFIDENTIALITY: Company understands that COSADC is subject to the Texas Public Information Act, Texas Government Code, Chapter 552 (TPIA), and that the public shall have access, at all reasonable times, to information pertaining to COSADC contracts, subject to the provisions of law. Company hereby consents to access by COSADC and the public to all information and documents subject to disclosure under applicable law. The confidentiality of Company's records, including Company information related to COSADC's economic development considerations and direct incentives provided herein, will be maintained in accordance with and subject to all applicable laws, including the Texas Public Information Act. COSADC will, as required by the Texas Public Information Act, notify Company if a request relating to such proprietary information is received thereby permitting Company opportunity to protect such information from disclosure. Company acknowledges that the TPIA provides exceptions from the general requirement of disclosure of public information that may apply to Company trade secret, proprietary and confidential commercial financial information, and that Company will need to assert the interest of Company as provided under TPIA and at law for purposes of nondisclosure.

15. REPRESENTATIONS AND WARRANTIES OF COMPANY: Company represents and warrants to COSADC that as of the date hereof: (i) Company is a Texas corporation in good standing to transact business in the State of Texas, (ii) Company is not delinquent in the payment of any sums due the City of San Angelo, including but not limited to permit fees and occupational licenses, nor in the performance of any obligation to the City of San Angelo or COSADC, (iii) execution of this Agreement has been duly authorized by the governing body of Company and this Agreement is not in contravention of Company's regulations, or any Agreement or instrument to which Company is a party or by which it may be bound as of the date hereof, (iv) no litigation or governmental proceeding is pending, or, to the knowledge of any of Company's officers, threatened against or affecting Company, which may result in a

material adverse change in Company's business, assets, liabilities, or operations sufficient to compromise Company as a viable, for profit going concern capable of performing pursuant to this Agreement, (v) no written certificate or written statement herewith or heretofore delivered by Company to COSADC in connection herewith, or in connection with any transaction contemplated hereby, to the knowledge of any of Company's officers, contains any untrue statement of a material fact or fails to directly disclose any material fact necessary to keep the statements contained therein from being misleading, and (vi) during the term of this Agreement, Company will not knowingly employ any undocumented workers in violation of Texas Government Code, Chapter 2264.

16. COMPLIANCE WITH PROGRAM REQUIREMENTS AND FEDERAL, STATE AND LOCAL LAWS: Company shall comply with all requirements applicable under COSADC Incentive Programs, including the Business Retention and Expansion Program (BREP), the provisions of which are adopted as a part of this Agreement for all purposes as if fully set forth herein. Company acknowledges that its officials have reviewed and are familiar with the terms and regulations applicable under the BREP.

17. INDEMNIFICATION: COMPANY SHALL INDEMNIFY, DEFEND AND HOLD HARMLESS COSADC AND ITS BOARD MEMBERS, OFFICIALS, EMPLOYEES AND AGENTS, (COLLECTIVELY REFERRED TO AS "INDEMNITEES") AND EACH OF THEM FROM AND AGAINST ALL LOSS, COSTS, PENALTIES, FINES, DAMAGES, CLAIMS, EXPENSES (INCLUDING ATTORNEY'S FEES) OR LIABILITIES (COLLECTIVELY REFERRED TO AS "LIABILITIES") ASSERTED BY ANY PERSON OR PERSONS, INCLUDING AGENTS OR EMPLOYEES OF COMPANY OR COSADC 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 THIS AGREEMENT WHICH IS OR IS ALLEGED TO BE DIRECTLY OR INDIRECTLY CAUSED, IN WHOLE OR IN PART, BY ANY ACT, OMISSION, DEFAULT OR NEGLIGENCE (WHETHER ACTIVE OR PASSIVE) OF COMPANY OR ITS EMPLOYEES,

AGENTS OR SUB-CONTRACTORS (COLLECTIVELY REFERRED TO AS "COMPANY"), REGARDLESS OF WHETHER IT IS, OR IS ALLEGED TO BE, CAUSED IN WHOLE OR PART BY ANY ACT, OMISSION, DEFAULT OR NEGLIGENCE OF THE INDEMNITEES, OR ANY OF THEM OR (II) THE FAILURE OF COMPANY TO COMPLY WITH ANY OF THE PROVISIONS OF THIS AGREEMENT OR THE FAILURE OF COMPANY TO CONFORM TO STATUTES, ORDINANCES, OR OTHER REGULATIONS OR REQUIREMENTS OF ANY GOVERNMENTAL AUTHORITY, FEDERAL OR STATE, IN CONNECTION WITH THE PERFORMANCE OF THIS AGREEMENT OR SUSTAINED IN OR UPON THE PREMISES, OR AS A RESULT OF ANYTHING CLAIMED TO BE DONE OR ADMITTED TO BE DONE BY COMPANY HEREUNDER. COMPANY 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 COMPANY, OR ANY OF ITS SUB-CONTRACTORS, AS PROVIDED ABOVE, FOR WHICH COMPANY'S LIABILITY TO SUCH EMPLOYEE OR FORMER EMPLOYEE WOULD OTHERWISE BE LIMITED TO PAYMENTS UNDER STATE WORKERS' COMPENSATION OR SIMILAR LAWS. THIS INDEMNIFICATION SHALL SURVIVE THE TERM OF THIS AGREEMENT AS LONG AS ANY LIABILITY COULD BE ASSERTED. NOTHING HEREIN SHALL REQUIRE COMPANY TO INDEMNIFY, DEFEND, OR HOLD HARMLESS ANY INDEMNIFIED PARTY FOR THE INDEMNIFIED PARTY'S OWN GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

18. <u>NONDISCRIMINATION</u>: Company represents and warrants to COSADC that Company does not and will not engage in discriminatory practices and that there shall be no discrimination in connection with Company's performance under this Agreement on account of race, color, sex, religion, age, handicap, marital status or national origin. Company further covenants that no otherwise entitled individual shall, solely by reason of race, color, sex, religion, age, handicap, marital status or national origin, be excluded from participation in, be denied employment or other services, or be subject to discrimination under any provision of this Agreement.

19. INDEPENDENT CONTRACTOR: COSADC and Company acknowledge that Company is an independent contractor, and that no term or provision hereof or act of Company in performance of this Agreement shall be construed as making Company an agent or employee of COSADC. All officers and employees of Company shall be solely responsible to Company, and COSADC shall not have any authority, responsibility, or liability with respect thereto.

20. NO JOINT VENTURE: It is acknowledged and agreed by the parties hereto that the terms of this Agreement are not intended to and shall not be deemed to create any partnership or joint venture among the parties. COSADC, its past and future officers, employees and agents do not assume responsibilities or liabilities of any third party in connection with Company's operations or employees.

21. NO THIRD PARTY BENEFICIARIES: This Agreement is not intended to confer any rights, privileges or causes of action upon any third party.

22. COSADC'S TERMINATION RIGHTS:

A. COSADC shall have the right to terminate this Agreement, by giving Company at least five (5) business days prior written notice, upon discontinuance or termination of the incentive program, unavailability of funds for providing incentive under the Project, or if COSADC determines, in its sole discretion, that continuation of the Project is no longer in the public interest.

B. COSADC shall have the right to terminate this Agreement, without notice or liability to Company, upon the occurrence of an event of default in the performance of any Company performance requirement under this Agreement. In such event, COSADC shall not be obligated to pay any incentives or reimbursements to Company and Company shall repay COSADC all direct incentives and reimbursements, plus all fee waivers, provided to Company while Company was in default under this Agreement in accordance with Section 11 "Repayment Terms" of this Agreement. It is expressly agreed that this Agreement constitutes a single transaction, although, incentive payments hereunder are divided into multiple installments as earned. A failure of Company to perform any obligation it has under this Agreement may constitute a breach of the entire Agreement and terminate any further commitment by COSADC.

C. The dissolution or termination of Company's existence as a going business or concern, Company's insolvency, appointment of receiver for Company's assets, any assignment of all or substantially all of the assets for the benefit of creditor's of Company, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Company shall all be deemed events of default. However, in the case of involuntary proceedings, if such proceedings are discharged within sixty (60) days after filing, no event of default shall be deemed to have occurred.

23. <u>ASSIGNMENT</u>: This Agreement shall not be assigned by Company, in whole or in part, without the prior written consent of COSADC, which consent may be withheld or conditioned, in the sole discretion of the COSADC board of directors, subject to approval of the City Council for the City of San Angelo.

24. <u>NOTICES</u>: All notices required under this Agreement shall be in writing and shall be given by hand-delivery or by 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 third day after being deposited with the U.S. Mail or the date of actual receipt, whichever is earlier.

TO COMPANY:

CALTECH SOFTWARE
SYSTEMS, INC.
Attn: Brent W. Mc Casland, President
4152 S. Jackson Street
San Angelo, Texas 76904

TO COSADC:

CITY OF SAN ANGELO DEVELOPMENT CORP.
Director of Economic Development
69 N. Chadbourne Street
San Angelo, TX 76903

25. <u>CONTINGENCY CLAUSE</u>: Funding for this Agreement is contingent on the availability of funds and continued authorization for program activities and this Agreement is subject to amendment due to lack of funds, reduction of funds and/or change in regulations, upon thirty (30) days written notice thereof to Company; or in the alternative at the election of COSADC, termination as herein provided.

26. MISCELLANEOUS PROVISIONS:

A. This Agreement shall be construed and enforced according to the laws of the State of Texas. The parties acknowledge that this Agreement can be performed in Tom Green County, Texas, and that venue for the resolution of any dispute between the parties relating to this Agreement shall be in Tom Green County, Texas.

B. Title and paragraph headings are for convenient reference and are not a part of this Agreement.

C. The meaning of capitalized terms shall be as defined under the Act (Chapters 501 and 505 of the Texas Local Government Code), except as specifically provided otherwise under 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 the 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 relating to the subject matter of the Agreement. No modification or amendment hereto shall be valid unless in writing and executed by properly authorized representatives of the parties hereto.

F. Any delay or failure in the performance by either Party hereunder shall be excused if and to the extent caused by the occurrence of a Force Majeure. For purposes of this Agreement, Force

Majeure shall mean a cause or event that is not reasonably foreseeable or otherwise caused by or under the control of the Party claiming Force Majeure, including acts of God, fires, floods, explosions, riots, wars, hurricane, sabotage terrorism, vandalism. accident, restraint of government, governmental acts, injunctions, labor strikes, other than those of Company or its suppliers, that prevent a Party from performing, and other like events that are beyond the reasonable anticipation and control of the Party affected thereby, despite such Party's reasonable efforts to prevent, avoid, delay, or mitigate the effect of such acts, events or occurrences, and which events or the effects thereof are not attributable to a Party's failure to perform its obligations under this Agreement.

G. This Agreement shall be binding upon the parties hereto, their heirs, executors, legal representatives, successors or permitted assigns.

H. In the event any legal action or proceeding is commenced between COSADC and Company to enforce provisions of this Agreement or to recover damages for breach, the prevailing party in such legal action shall be entitled to recover its costs and reasonable attorney's fees and expenses incurred by reason of such action, unless prohibited by law.

I. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which, taken together, shall constitute but one and the same instrument, which may be sufficiently evidenced by one counterpart.

J. Failure by either party on one or more occasions to exercise one or more of its rights under this Agreement shall not be construed as waiver of such right or rights, and rights granted hereunder are in addition to those available under law and equity.

K. The provisions of this Agreement, which by their nature extend beyond the expiration or termination of the Agreement, will survive expiration or termination of the Agreement.

27. **EXHIBITS:** The following Exhibits "A", "B","C" and "D" are attached and incorporated herein by reference for all purposes.

Exhibit "A": Capital Investment Schedule

Exhibit "B": Schedule of Incentives

Exhibit "C": Affidavit of Compliance for Job Creation Incentives

Exhibit "C-1": Job Creation and Retention Summaries

Exhibit "D": Request for Incentive Payment

Exhibit "E": Census Listing of Current Positions on August 31, 2015

Exhibit "E-1": Core Job Retention Summary

(Signature Page to Follow)

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 DEVELOPMENT CORPORATION

ATTEST:

_____
Bryan Kendrick, Secretary

_____
Tommy Hiebert, President

CALTECH SOFTWARE SYSTEMS, INC.

_____
Brent W. Mc Casland, President

WITNESSES:

_____
Will L. Welch, Secretary/Treasurer

APPROVED AS TO CONTENT:

_____
Roland Peña, Development Services Director

APPROVED AS TO FORM

_____
Dan T. Saluri Deputy City Attorney

ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT BY AND BETWEEN CITY OF SAN ANGELO DEVELOPMENT CORPORATION AND CALTECH SOFTWARE SYSTEMS INC.

Exhibit "A"

Estimated Capital Investment and Business Personal Property Schedule

From and after the Effective Date of the Agreement, Company shall make capital investment in the form of building improvements and equipment at the Site of at least $100,000.00 to be completed no later than December 31, 2019. Company agrees that the rendition of Company's capital improvements and equipment investments shall be determined by out of pocket costs actually paid by Company upon completion of the investments, verified with copies of Company business records acceptable to COSADC under generally accepted accounting and audit principals. Such business records shall include the company's annual capital improvement and business personal property tax rendition statements, paid receipts for costs incurred and other records reasonably necessary to verify those investments satisfactory to COSADC.

Following is a schedule of estimated building improvement and equipment investment costs:

Year	Building	Equipment	Total Cost
2017	$	$	$
2918	$85,000	$15,000	$100,000

ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT BY AND BETWEEN CITY OF SAN ANGELO DEVELOPMENT CORPORATION AND CALTECH SOFTWARE SYSTEMS INC.

Exhibit "B"

Schedule of Incentives

Development Fee Rebate Incentive:

Development Fees for Project Site, including fees relating to permits, plan reviews, inspections, and other related fees payable to the City shall be rebated upon submission by Company to COSADC of records establishing under generally accepted accounting and audit principals the relation of each expense to the Project Site and payment by Company. The sum total of rebates payable under this incentive shall in no event exceed **$ 600.00.**

Annual Tax Grants:

Annual tax grants for tax years 2018 through 2021, in the form of a rebate of a percentage on a sliding scale of City ad valorem taxes paid by Company assessed for value of capital improvements and business tangible personal property made at the Site up to the Minimum Project Threshold Investment, for a total sum of all annual tax grants not to exceed **$1,950**.

Sales and Use Tax Rebate Incentive:

Rebates for City portion of sales taxes paid by Company for purchase of construction materials and equipment for the Project from businesses that maintain physical establishments located in Tom Green County, Texas ("Local Vendors"). This incentive shall not be payable until Company presents documentation required by COSADC for verification that Company has expended at least ONE HUNDRED THOUSAND AND NO/100 DOLLARS ($100,000.00) from Local Vendors for Project capital improvements or equipment at the Site. The cumulative sum of this incentive shall not exceed FIVE HUNDRED AND NO/100 DOLLARS **($500.00)**.

FTE Primary Job Creation Financial Assistance Incentive:

Individual incentives in a sum of FIVE THOUSAND AND NO/100 DOLLARS ($5,000.00) per equivalent FTE created as defined in the Agreement from the day after the Effective Date through December 31, 2020, for the Project, each new FTE being made up of a job or jobs filled by a new full time employee, subject to Company's reimbursement obligation for any such job or jobs making up the FTE not retained for a period of three years from and after December 31st of the year for which the FTE individual incentive was paid. The cumulative sum of the individual incentives for FTE creation and retention shall not exceed FIVE HUNDRED THOUSAND AND NO/100 DOLLARS **($500,000.00)**.

Employee Training Program Financial Assistance Incentive

Individual incentives in the sum of ONE THOUSAND AND NO/100 DOLLARS ($1,000.00) for each full time employee successfully completing one or more job training program applicable to a Company job available through the Concho Valley Workforce Development Board, payable to

Company upon presentation of documentary evidence satisfactory to COSADC under generally accepted accounting and audit principals of employee's successful completion of the job training program. The cumulative sum of the individual incentives for employees' successful completion of such training programs shall not exceed ONE HUNDRED THOUSAND AND NO/100 DOLLARS **($100,000.00)**.

Table B-2 Summary of Incentives

Type of Incentive	**Maximum Amount of Assistance**
Development Fee Rebates	$ 600.00
Annual Tax Grants	$ 1,950.00
Sales & Use Tax	$ 500.00
Job Creation Grant	$500,000.00
Job Training Grant	$100,000.00
Total	**$603,050.00**

Notwithstanding anything to the contrary in this Agreement, the total of all incentive payments and reimbursements that may become payable to Company by COSADC under this Economic Development Performance Agreement shall not exceed $603,050.00.

ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT BY AND BETWEEN CITY OF SAN ANGELO DEVELOPMENT CORPORATION AND CALTECH SOFTWARE SYSTEMS INC.

Exhibit "C"

Affidavit of Compliance

for Job Creation Incentives

STATE OF TEXAS,	**§**
	§
COUNTY OF TOM GREEN	**§**

Before me, the undersigned notary public in and for the State of Texas, personally appeared the undersigned Affiant, who, being by me first duly sworn, deposes and as follows:

My name is_____, I am 18 years of age or older, of sound mind, capable of making this affidavit, and certify under penalty of perjury that I am personally acquainted with the facts herein stated:

1. I am, and at all times pertinent to the averments in this affidavit have been an officer of CALTECH SOFTWARE SYSTEMS, INC. (hereinafter "Company"); and I am duly authorized by the governing body of Company to make this affidavit for purposes of certifying on behalf of Company the facts attested to in my capacity as _____ for Company.

2. I make this affidavit in compliance with the terms of the Economic Development Performance Agreement entered into by and between CALTECH SOFTWARE SYSTEMS, INC. and the City of San Angelo Development Corporation, having an effective date of _____, 2016 (hereinafter referred to as the "Agreement"), which Agreement I have read and am familiar with.

3. I understand that Company has an obligation under the Agreement to provide the certifications attested to by me in this affidavit, as provided at Section 5." JOB CREATION AND RETENTION" therein.

4. " I hereby certify and warrant that during the time period from_____ _____, 2016 through _____, 20___, (hereinafter the Report Period), the information provided on **Exhibit "E-1" Core Job Retention Summary** and on **Exhibit "C-1" Job Creation and Retention Summary** attached to this Affidavit and made a part hereof, are true and correct.

5. Attached hereto and made a part of this affidavit are true and correct copies of Company records created and maintained by Company under generally accepted accounting and audit principals required under the Agreement which verify the facts herein certified to by me. The records include IRS Form 941 and Employers Quarterly Federal Texas Workforce Commission "Employer's Quarterly Report" (FORM C-4 03/06) for all quarters of the reporting period, payroll reports approved by COSADC Economic Development staff, and other Company records reasonably required by COSADC to verify the information stated in this Affidavit and included in the attached Exhibits.

Signature _____

Subscribed and sworn to (or affirmed) before me on this _____ day of _____20__ by _____, proven to me on the basis of satisfactory evidence to be the person(s) who appeared before me, in his/her capacity as _____ of Caltech Software Systems, Inc.

_____
Notary Public, State of Texas

EXHIBIT "C-1"

CALTECH SOFTWARE SYSTEMS, INC.

JOB CREATION AND RETENTION SUMMARY BY YEAR

2016 JOB CREATION AND RETENTION SUMMARY

Due by March 31 2017

New Jobs Created	Total Annual Base Pay	Equivalent New FTE's		
2016				

28
Economic Development Performance Agreement, COSA and Caltech Software Systems, Inc.

2017 JOB CREATION AND RETENTION SUMMARY

Due by March 31 2018

New Jobs Created 2017	Total Annual Base Pay 2017 New Jobs	Equivalent New FTE's 2017	Created FTE's Retained From Year Indicated	Total Annual Base Pay Retained FTE's	Total Annual Base Pay New & Retained	2017 Total Equivalent FTE's
2016	$			$	$	
2017	$			$	$	
	$			$	$	
	$			$	$	
	$			$	$	
	$			$	$	
	$			$	$	
	$			$	$	
Totals						

2018 JOB CREATION AND RETENTION SUMMARY

Due by March 31 2019

New Jobs Created 2018	Total Annual Base Pay 2018 New Jobs	Equivalent New FTE's 2018	Created FTE's Retained From Year Indicated	Total Annual Base Pay Retained FTE's	Total Annual Base Pay New & Retained	2018 Total Equivalent FTE's
2016	$			$	$	
2017	$			$	$	
2018	$			$	$	
	$			$	$	
	$			$	$	
	$			$	$	
	$			$	$	
	$			$	$	
Totals						

2019 JOB CREATION AND RETENTION SUMMARY

Due by March 31 2020

New Jobs Created 2019	Total Annual Base Pay 2019 New Jobs	Equivalent New FTE's 2019	Created FTE's Retained From Year Indicated	Total Annual Base Pay Retained FTE's	Total Annual Base Pay New & Retained	2019 Total Equivalent FTE's
2016	$			$	$	
2017	$			$	$	
2018	$			$	$	
2019	$			$	$	
	$			$	$	
	$			$	$	
	$			$	$	
	$			$	$	
Totals						

2020 JOB RETENTION SUMMARY

Due by March 31 2021

Created FTE's Retained From Year Indicated	Total Annual Base Pay Retained FTE's	Total Annual Base Pay New & Retained	2020 Total Equivalent FTE's			
2016	$			$	$	
2017	$			$	$	
2018	$			$	$	
2019	$			$	$	
2020	$			$	$	
	$			$	$	
	$			$	$	
	$			$	$	
Totals						

2021 JOB RETENTION SUMMARY

Due by March 31 2022

Created FTE's Retained From Year Indicated	Total Annual Base Pay Retained FTE's	Total Annual Base Pay New & Retained	2021 Total Equivalent FTE's			
	$			$	$	
2017	$			$	$	
2018	$			$	$	
2019	$			$	$	
2020	$			$	$	
2021	$			$	$	
	$			$	$	
	$			$	$	
Totals						

2022 JOB RETENTION SUMMARY

Due by March 31 2023

Created FTE's Retained From Year Indicated	Total Annual Base Pay Retained FTE's	Total Annual Base Pay New & Retained	2022 Total Equivalent FTE's			
	$			$	$	
	$			$	$	
2018	$			$	$	
2019	$			$	$	
2020	$			$	$	
2021	$			$	$	
2022	$			$	$	
	$			$	$	
Totals						

2023 JOB CREATION AND RETENTION SUMMARY

Created FTE's Retained From Year Indicated **	Total Annual Base Pay Retained FTE's	Total Annual Base Pay New & Retained	2023 Total Equivalent FTE's			
	$			$	$	
	$			$	$	
	$			$	$	
2019	$			$	$	
	$			$	$	
	$			$	$	
	$			$	$	
	$			$	$	
Totals						

** Last FTE job creation is 2019 paid in 2020.

ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT BY AND BETWEEN CITY OF SAN ANGELO DEVELOPMENT CORPORATION AND CALTECH SOFTWARE SYSTEMS INC.

Exhibit "D"

Request for Incentive Payment

STATE OF TEXAS,	**§**
	§
COUNTY OF TOM GREEN	**§**

Before me, the undersigned notary public in and for the State of Texas, personally appeared the undersigned Affiant, who, being by me first duly sworn, deposes and as follows:

My name is_____, I am 18 years of age or older, of sound mind, capable of making this affidavit, and certify under penalty of perjury that I am personally acquainted with the facts herein stated:

1. I make this affidavit in compliance with the terms of the Economic Development Performance Agreement entered into by and between CALTECH SOFTWARE SYSTEMS, INC.(hereinafter "Company) and the City of San Angelo Development Corporation, having an effective date of_____ _____, 2016 (hereinafter "Agreement"), which Agreement I have read and am familiar with

2. I am, and at all times pertinent to the averments in this affidavit have been, an official of Company. I am duly authorized by Company to make this affidavit in my capacity as _____ _____ for purposes of causing the following incentive payments to be made in the sums indicated. I do hereby certify on behalf of Company that all performance obligations of Company that entitle Company at this time to the incentive payments and sums indicated herein have been fully performed.

3. The following incentive payments in the sums indicated are due CALTECH SOFTWARE SYSTEMS, INC. under the terms of the Agreement for the following items:

Incentive	**Amount**
Rebates for Development Fee Waiver*	$.00
Annual Tax Grant**	$.00
Sale & Use Tax Rebate*	$.00
Job Creation/Retention Incentives***	$.00
Job Training Grants****	$.00
Total Request	**$.00**

4. Attached hereto and made a part of this affidavit in support of this request for incentive payments in the sums indicated above are true and correct copies of Company records created and maintained by Company under generally accepted accounting and audit principals required under the Agreement which verify the facts herein certified to by me. The records include IRS Form 941 and Employers Quarterly Federal Texas Workforce Commission "Employer's Quarterly Report" (FORM C-4 03/06) for all quarters of the reporting period, payroll reports approved by COSADC Economic Development staff, and other Company records reasonably required by COSADC to verify the information stated in this Affidavit.

5. Subject to payment of the foregoing requested sums for incentive payments above set forth, the undersigned hereby certifies on behalf of Company that there is no existing default or unfulfilled obligations on the part of COSADC in any of the terms and conditions of the Agreement, and no event has occurred or condition exists which, with the passing of time or giving of notice or both, would constitute an event of default by COSADC under the Agreement.

6. The undersigned further certifies on behalf of Company that Company claims no defense against COSADC, and except as to the foregoing request, there is no payment due, incentive due, offset, rebate,

adjustment, concession, abatement, or other sum due or payable or other performance due by COSADC under the terms of the Agreement.

7. The undersigned acknowledges on behalf of Company that the Agreement includes grounds for forfeiture of incentive payments and that the foregoing request for incentive payments will be subject to possible forfeiture and repayment obligations as provided for in the Agreement.

Signature _____

Subscribed and sworn to (or affirmed) before me on this _____ day of _____20__ by _____, proven to me on the basis of satisfactory evidence to be the person(s) who appeared before me, in his/her capacity as _____ of Caltech Software Systems, Inc.

_____
Notary Public, State of Texas

* Attach receipts for and proof of payment in full for fees, sales tax or construction work as applicable.

** Attach Company's ad valorem rendition statements and personal property tax reports along with applicable year assessment notice and proof of payment.

*** Attach Texas Workforce Commission "Employer's Quarterly Report" (FORM C-4 03/06) for all quarters of the reporting period; IRS Form 941 Employers Quarterly Federal Tax Returns for the year or other payroll reports as approved by Economic Development staff.

**** Attach proof of enrollment and satisfactory completion for each employee participant.

ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT BY AND BETWEEN CITY OF SAN ANGELO DEVELOPMENT CORPORATION AND CALTECH SOFTWARE SYSTEMS INC.

EXHIBIT "E"

LISTING OF COMPANY'S CORE JOBS PLUS CURRENT FULL TIME POSITIONS (FTE's) AS OF _____ , 20_____

Employee ID	Job Title	Job No.
XXX-XX-		1
XXX-XX-		2
XXX-XX-		3
XXX-XX-		4
XXX-XX-		5
XXX-XX-		6
XXX-XX-		7
XXX-XX-		8
XXX-XX-		9
XXX-XX-		10
XXX-XX-		11
XXX-XX-		12
XXX-XX-		13
XXX-XX-		14
XXX-XX-		15
XXX-XX-		16
XXX-XX-		17
XXX-XX-		18
XXX-XX-		19
XXX-XX-		2
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XXX-XX-		24
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XXX-XX-	1
XXX-XX-	1
XXX-XX-	1
XXX-XX-	1
XXX-XX-	1
XXX-XX-	1
Total	38

The above listed positions will be utilized as the basis for calculating job creation and losses. Only the position and number will be utilized not specific employee identification.

EXHIBIT "E-1"

DATA MANAGEMENT, INC., d/b/a TIME CLOCK PLUS

CORE JOB RETENTION SUMMARY

Year	No. Core Jobs Jan 1st Rpt. Yr.	No. Core Jobs Dec. 31st Rpt Yr	Net No. Core Jobs retained during yr.
2016			
2017			
2018			
2019			
2020			
2021			
2022			
2023			

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

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

Meeting Date: September 6, 2016

Item type: Consent Item

Caption:

Consider ratifying COSADC acceptance of an offer by INVERMEX, LLC for the purchase of 4.25 acres more or less at the Business & Industrial Park at a sales price of $29,000 per acre and authorizing the Board President to negotiate and execute a real estate sales contract subject to approval by City Council (R.Pena)

Summary/History:

INVERMEX, LLC has made an offer for 4.25 acres more or less at the Industrial Park at a sales price of $29,000 per acre. The proposed contract is the standard contract prepared by the City of San Angelo Legal Department. The exact size and configuration of the parcel to be determined by an actual survey on the ground.

COSADC by unanimous vote (7-0) approved the acceptance of the offer at their meeting on July 27, 2016 and authorized the Board President to negotiate and execute a sales contract prepared by the City's Legal Department subject to City Council approval.

Financial Impact:

Revenue of $123,250.00 +/- dependent upon actual acreage from survey once completed.

Other Information/Recommendation:

Attachments:

1. Sales Contract 5i3_16-534_ED_INVERMEX_REAL_ESTATE_PUR_AGREE.docx
2. Exhibit INVERMEX EXHIBIT.pdf

Presentation:

N/A

Approvals/Reviews:

Robert Schneeman	Created/Initiated
Roland Pena	Approved
Theresa James	Approved
Anthony Wilson	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: INVERMEX, LLC

Address: 2741 Crown Hill, Suite B
Eagle Pass, Texas 78852

Phone: ( )_____ Fax: N/A

Type of entity: a Texas Limited Liability Company

Buyer's Broker: NONE

Property: Being approximately 4.25 acres more or less, out of the remainder of Block 1, Section 1, San Angelo Gateway Addition as recorded in Cabinet F, Slide 17, Plat Records of Tom Green County Texas and being located immediately north of and adjacent to the north line of Lot 1, Block 1, San Angelo Gateway Addition, Section 1, as recoded in Cabinet G, Slide 288, 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: $123,250: $29000/acre X 4.25 = $123,250 (*Purchase price is subject to adjustment based upon actual acreage established by survey as provided for herein.)*

Cash portion: $123,250. Subject to adjustment based on survey

Earnest Money: $3,000.00

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 Notice not 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., President

Date: _____

BUYER: INVERMEX, LLC

By: _____
Jose F. Mondragon, President /
Managing Member

Date: _____, 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

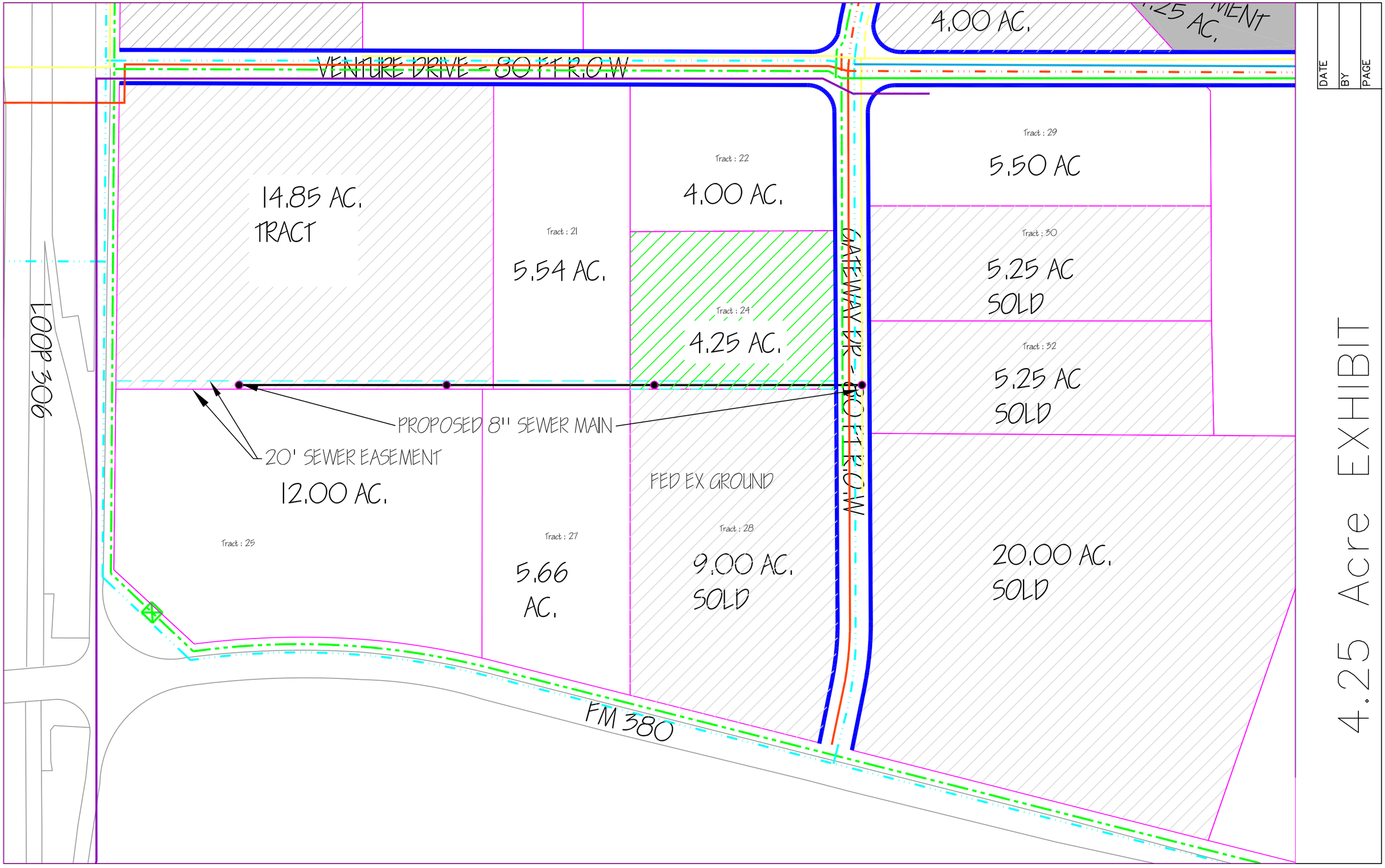
To the extent that Seller has possession of the following items pertaining to the Property, Seller will deliver or make the items or copies of them available to Buyer by the deadline stated in Section A:

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


VENTURE DRIVE - 80 FT R.O.W
4.00 AC.
.25 AC.
MENT
14.85 AC.
TRACT
Tract : 21
5.54 AC.
Tract : 22
4.00 AC.
Tract : 24
4.25 AC.
Tract : 29
5.50 AC
Tract : 30
5.25 AC
SOLD
Tract : 32
5.25 AC
SOLD
GATEWAY DR - 80 FT R.O.W
LOOP 306
PROPOSED 8" SEWER MAIN
20' SEWER EASEMENT
12.00 AC.
Tract : 25
Tract : 27
5.66
AC.
FED EX GROUND
Tract : 28
9.00 AC.
SOLD
20.00 AC.
SOLD
FM 380
DATE
BY
PAGE
EXHIBIT
4.25 Acre

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

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

Meeting Date: September 6, 2016

Item type: Consent Item

Caption:

Consider ratifying COSADC approval authorizing the Board President to negotiate and execute professional services contracts not to exceed $30,000, to include design, engineering and surveying services, with professional services providers deemed qualified by the City Council for the City of San Angelo pursuant to PUR-03-14 for Indefinite Delivery Indefinite Quantity professional services, and ES-04-15 for Indefinite Delivery Indefinite Quantity Professional Services, Infrastructure Engineering and Surveying Services, as needed for approved ½ cent sales tax projects (R. Pena)

Summary/History:

From time to time COSADC and the Economic Development Department staff require engineering services most particularly associated with the sale, platting, feasibility, cost estimating or other engineering services at the Industrial Park. Having the ability to execute work orders with pre-approved engineering firms in the City of San Angelo IDIQ list to perform such services will significantly expedite the process of obtaining these services by allowing a simple written work order to be executed to proceed with the work required.

COSADC unanimously (6-0) approved this item at its meeting on August 24, 2016.

Financial Impact:

Up to $30,000 from Future Projects

Other Information/Recommendation:

Attachments:

1. COuncil Approved Vendor List 5c2_Engineering Vendor List.pdf

Presentation:

N/A

Approvals/Reviews:

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

CITY OF SAN ANGELO
Acknowledgements
RFQ: ES-04-15/Professional Services & Infrastructure Engineering and Surveying Services

Proposals Received	City, State	
1 Bleyl & Associates	San Angelo	TX
2 Dunaway	Midland	TX
3 Enprotec / Hibbs & Todd	Abilene	TX
4 Freese & Nichols	Lubbock	TX
5 Halff Associates, Inc	Fort Worth	TX
6 KSA	San Angelo	TX
7 LJA Engineering & Surveying	Houston	TX
8 LNV	San Antonio	TX
9 Parkhill Smith & Cooper	Midland	TX
10 SKG Engineering	San Angelo	TX

08-15-2015

City of San Angelo
Architectural, Engineering, MEP, Surveying, and Testing for projects under $50,000
Request For IDIQ- PUR-03-14 Professional Services

	Proposals Received	Architecture	Engineering	MEP	Surveying	Testing	Engineering-Roofing Consulting & Design	Vendor Location
1	Bleyl & Associates		x		x	x		San Angelo, Tx
2	CasaBella Architects	x						Austin, Tx
3	CMT Engineering					x		Lubbock, Tx
4	Crehshaw Consulting Group						x	Dallas, Tx
5	Enprotec / Hibbs & Todd		x		x	x		Abilene, Tx
6	Freese & Nichols	x	x	x				Fort Worth, Tx
7	JEA Hydrotech		x		x			Fort Worth, Tx
8	Kinney Franke Architects	x						San Angelo, Tx
9	KSA Engineering	x	x					San Angelo, Tx
10	LNV Inc.	x	x	x	x			San Antonio, Tx
11	Parkhill, Smith & Cooper	x	x	x		x		Abilene, Tx
12	SKG Engineering, LLC		x		x	x		San Angelo, Tx
13	Summit Consultants			x		x		Fort Worth, Tx
14	West Company		x		x			San Angelo, Tx

10-20-2015

This is a list of vendors under IDIQ PUR-03-14 qualified to perform Architectural, Engineering, MEP, Surveying, and Testing for projects *under $50,000* for the City of San Angelo.

Point of Contact for this IDIQ is:

Ron Lewis, Manager
Construction / Facilities Maintenance
City of San Angelo
134 Henry O'Flipper
San Angelo Texas, 76903
Email: ron.lewis@sanacity.us

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

Requestor: Bryan Kendrick, City Clerk, City Manager's Office,

Meeting Date: September 6, 2016

Item type: Regular Item

Caption:

Consider a resolution supporting United States Army Special Operations Command, UWEX 16 Exercise, Realistic Military Training concept training within the City limits from March 10th to June 5th 2017

Summary/History:

The United States Army Special Operations Command is requesting to conduct military training within the jurisdiction of the City of San Angelo. The training will take place from March 10th to June 5th, 2017. The Chief of Police has received a briefing on the training by the Army. This training has not been performed within the city limits of San Angelo but was conducted outside the city limits in Tom Green County in 2015.

Financial Impact:

No financial impact to the City of San Angelo.

Other Information/Recommendation:

Sheriff David Jones confirmed the last training conducted within Tom Green County:
- The US Army Special Operations Command was very easy to work with
- The US Army Special Operations Command contacted the Sheriff's Dept to notify before any exercises were performed.
- There were no calls for service as a result of the exercises

Attachments:

1. Resolution in support of military training exercise 16-081+Resolution+supporting+Military+exercise+in+San+Angelo.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 BY THE SAN ANGELO CITY COUNCIL SUPPORTING A US SPECIAL FORCES TRAINING EXERCISE WITHIN THE CITY OF SAN ANGELO CITY LIMITS

WHEREAS, the United States Army Special Operations Command is dedicated to ensuring proper training of our armed forces for the safety of US service personnel and to enhance the techniques and tactics necessary to defend our interests around the world; and

WHEREAS, the City of San Angelo has been requested to allow a training exercise to be conducted within the San Angelo city limits during the period of March 10 through June 5, 2017; and

WHEREAS, the training exercise will involve limited ground operations with no more than 8 military personnel and will be supported by Goodfellow Air Force Base; and

WHEREAS, military regulations require a letter of invitation to be issued by the City to allow the exercise to take place; and

WHEREAS, the exercise will be coordinated through the San Angelo Police Department which will remain fully briefed on all aspects of the exercise.

NOW, THEREFORE, be it resolved by the City Council of the City of San Angelo, Texas that:

Part 1: The City Council of the City of San Angelo fully supports the US military and grants permission for a military training exercise to take place within the city limits during the period of March 10 through June 5, 2017.

Part 2: That the City Manager is hereby authorized to extend a letter of invitation to the United States Special Operations Command expressing support for this training exercise that will enhance the techniques and tactics necessary to defend the United States interests around the globe.

Part 3: That the Chief of Police is directed to support and coordinate this exercise through the San Angelo Police Department.

PASSED and **APPROVED** THIS ___ DAY OF _____, 2016.

CITY OF SAN ANGELO, TEXAS

ATTEST:

_____

Dwain Morrison, Mayor

_____

Bryan Kendrick, City Clerk

APPROVED AS TO FORM:

_____

Theresa James, City Attorney

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

Requestor: Bucky Hasty, IT Manager, Information Technology, 325-486-3767

Meeting Date: September 6, 2016

Item type: Consent Item

Caption:

Consider approving a contract with Cellco Partnership d/b/a Verizon Wireless and its related entities for purchase of wireless services and products under DIR-TSO-3415, and authorizing the City Manager to execute the contract in substantially the attached form, and any related documents (B. Hasty)

Summary/History:

Currently the City of San Angelo purchases services from Cellco Partnership dba Verizon Wireless for cell phone service, data plans for tablets and data plans for public safety vehicles that require an always-on connection to the public safety network. The City utilizes the State of Texas DIR contract DIR-TSO-3415 for these services. Verizon has revised their contract with the DIR program and is offering improved features and services at an overall lower rate.

Financial Impact:

Currently the City of San Angelo purchases services from Cellco Partnership dba as Verizon Wireless in the amount of $105,500 per year. This includes services for smartphones, voice-only phones, data plans for tablets and data plans for PD patrol vehicles which require a data connection to the public safety network. The new State of Texas DIR contract is offering improved services and features at a lower rate. The City can expect to see a yearly savings of around $7,500 per year bringing our yearly total down to approximately $98,000.

Other Information/Recommendation:

Attachments:

1. Verizon DIR Contract — Verizon DIR-TSO-3415.pdf

Presentation:

Approvals/Reviews:

Bucky Hasty	Created/Initiated
Theresa James	Approved
Anthony Wilson	Approved
Tina Carriger	Approved
Theresa James	Approved
Becky Dunn	Approved
Bryan Kendrick	Final Approval

DIR Contract No. DIR-TSO-3415

Vendor Contract No. _____

effective 4-27-16

STATE OF TEXAS
DEPARTMENT OF INFORMATION RESOURCES

CONTRACT FOR PRODUCTS AND RELATED SERVICES

CELLCO PARTNERSHIP DBA VERIZON WIRELESS

1. Introduction

A. Parties

This Contract for products and related services is entered into between the State of Texas, acting by and through the Department of Information Resources (hereinafter "DIR") with its principal place of business at 300 West 15th Street, Suite 1300, Austin, Texas 78701, and Cellco Partnership dba Verizon Wireless (hereinafter "Vendor"), with its principal place of business at One Verizon Way, Basking Ridge, NJ 08920-1097.

B. Compliance with Procurement Laws

This Contract is the result of compliance with applicable procurement laws of the State of Texas. DIR issued a solicitation on the Comptroller of Public Accounts' Electronic State Business Daily, Request for Offer (RFO) DIR-TSO-TMP-234, on December 9, 2015, for Hardware, Software and Services for Wireless Voice, Data, Pagers and Mobile Satellite Voice. Upon execution of this Contract, a notice of award for RFO DIR-TSO-TMP-234 shall be posted by DIR on the Electronic State Business Daily.

C. Order of Precedence

For purchase transactions under this Contract, the order of precedence shall be as follows: this Contract; Appendix A, Standard Terms and Conditions For Products and Related Services Contracts; Appendix B, Vendor's Historically Underutilized Businesses Subcontracting Plan; Appendix C, Pricing Index; Appendix D, Service Agreement; Appendix E, E-Rate Customer Service Agreement; Exhibit 1, Vendor's Response to RFO DIR-TSO-TMP-234, including all addenda; and Exhibit 2, RFO DIR-TSO-TMP-234, including all addenda; are incorporated by reference and constitute the entire agreement between DIR and Vendor governing purchase transactions. In the event of a conflict between the documents listed in this paragraph related to purchases, the controlling document shall be this Contract, then Appendix A, then Appendix B, then Appendix C, then Appendix D, then Appendix E, then Exhibit 1, and finally Exhibit 2. In the event and to the extent any provisions contained in multiple documents address the same or substantially the same subject matter but do not actually conflict, the more recent provisions shall be deemed to have superseded earlier provisions.

2. Term of Contract

The term of this Contract shall be two (2) years commencing on the last date of approval by DIR and Vendor. Prior to expiration of the original term, DIR and Vendor may extend the Contract, upon mutual agreement, for up to two (2) optional one-year terms.

Additionally, the parties by mutual agreement may extend the term for up to ninety (90) additional calendar days.

3. Product and Service Offerings

A. Products

Products available under this Contract are limited to Wireless Voice and Data Products required for services offered in B. below as specified in Appendix C, Pricing Index. Vendor may incorporate changes to their product offering; however, any changes must be within the scope of products awarded based on the posting described in Section 1.B above. Vendor may not add a manufacturer's product line which was not included in the Vendor's response to the solicitation described in Section 1.B above.

B. Services

Services available under this Contract are limited to Wireless Voice and Data Services as specified in Appendix C, Pricing Index. Vendor may incorporate changes to their service offering; however, any changes must be within the scope of services awarded based on the posting described in Section 1.B above.

4. Pricing

Pricing to the DIR Customer shall be as set forth in Appendix A, Section 8, Pricing, Purchase Orders, Invoices and Payment, and as set forth in Appendix C, Pricing Index, and shall include the DIR Administrative Fee.

5. DIR Administrative Fee

A) The administrative fee to be paid by the Vendor to DIR based on the dollar value of all sales to Customers pursuant to this Contract is two percent (2%). Payment will be calculated for all sales, net of returns and credits. For example, the administrative fee for sales totaling $100,000 shall be $2,000.

B) All prices quoted to Customers shall include the administrative fee. DIR reserves the right to change this fee upwards or downwards during the term of this Contract, upon written notice to Vendor without further requirement for a formal contract amendment. Any change in the administrative fee shall be incorporated in the price to the Customer.

6. Notification

All notices under this Contract shall be sent to a party at the respective address indicated below.

<u>If sent to the State</u>:
Shannon Kelley, CTPM, CTCM
Manager, Contract and Vendor Management
Department of Information Resources
300 W. 15th St., Suite 1300
Austin, Texas 78701
Phone: (512) 936-2233

Facsimile: (512) 475-4759
Email: shannon.kelley@dir.texas.gov

If sent to the Vendor:
Russ Brown
Verizon Wireless
70 NE Loop 410
San Antonio, TX 78216
Phone: (210) 347-1406
Facsimile: (210) 592-5080
Email: russ.brown@vzw.com

7. Software License and Service Agreement

A. Shrink/Click-wrap License Agreement

Regardless of any other provision or other license terms which may be issued by Vendor after the effective date of this Contract, and irrespective of whether any such provisions have been proposed prior to or after the issuance of a Purchase Order for products licensed under this Contract, or the fact that such other agreement may be affixed to or accompany software upon delivery (shrink-wrap), the terms and conditions set forth in this Contract shall supersede and govern the license terms between Customers and Vendor. **It is the Customer's responsibility to read the Shrink/Click-wrap License Agreement and determine if the Customer accepts the license terms as amended by this Contract. If the Customer does not agree with the license terms, Customer shall be responsible for negotiating with the reseller to obtain additional changes in the Shrink/Click-wrap License Agreement language from the software publisher.**

B. Service Agreement

Services provided under this Contract shall be in accordance with the Service Agreements as set forth in Appendix D and Appendix E of this Contract. No changes to the Service Agreement terms and conditions may be made unless previously agreed to by Vendor and DIR.

8. Authorized Exceptions to Appendix A, Standard Terms and Conditions for Product and Related Services Contracts.

A. **Section 3. Definitions, I. Equipment,** is hereby added:
Devices and ancillary accessories used by subscribers in conjunction with wireless service.

B. **Section 3. Definitions, J. Wireless Service,** is hereby added:
Each and every radio service that is defined by the Federal Communications Commission ("FCC") as commercial mobile radio service ("CMRS") and is subject to FCC rules and related to communication through radio transmissions.

C. **Section 4. General Provisions, B. Modification of Contract Terms and/or Amendments, Subsection 3)** is hereby replaced in its entirety with the following:

3) Customers and Vendor may, but are under no obligation to, negotiate and enter into written agreements regarding statements of work, service level agreements, remedies, acceptance criteria, information confidentiality and security requirements, and other terms specific to their Purchase Orders under the Contract with Vendors.

D. **Section 5. Intellecutal Property Matters, A. Definitions, 3) Statement of Work**, is hereby replaced in its entirety with the following:

3) "Statement of Work" means a document signed by Customer and Vendor describing a specific set of activities and/or deliverables, which may include Work Product and Intellectual Property Rights, that Vendor is to provide Customer, issued pursuant to the Contract. If Statement of Work is not issued by Customer to the Vendor, the Customer shall not have any rights in Vendor IP (defined below).

E. **Section 5. Intellecutal Property Matters, A. Definitions, 5) Vendor IP**, is hereby replaced in its entirety with the following:

5) "Vendor IP" shall mean all tangible or intangible items or things, including the Intellectual Property Rights therein, created or developed by Vendor (a) prior to providing any Services or Work Product to Customer and prior to receiving any documents, materials, information or funding from or on behalf of Customer relating to the Services or Work Product, or (b) after the Effective Date of the Contract if such tangible or intangible items or things were not prescribed in a Statement of Work issued by Customer and/or independently developed by Vendor outside Vendor's provision of Services or Work Product for Customer hereunder and were not created, prepared, developed, invented or conceived by any Customer personnel who then became personnel to Vendor or any of its affiliates or subcontractors, where, although creation or reduction-to-practice is completed while the person is affiliated with Vendor or its personnel, any portion of same was created, invented or conceived by such person while affiliated with Customer.

F. **Section 5. Intellecutal Property Matters, J. Agreement with Subcontracts,** is hereby replaced in its entirety with the following:

Vendor agrees that it shall have written agreement(s) that are consistent with the provisions hereof related to Work Product and Intellectual Property Rights with any, agents, consultants, contractors or subcontractors providing Services or Work Product pursuant to the Contract, prior to their providing such Services or Work Product, and that it shall maintain such written agreements at all times during performance of this Contract, which are sufficient to support all performance and grants of rights by Vendor. Copies of such agreements shall be provided to the Customer promptly upon request.

G. **Section 10. Vendor Responsibilities, N. Required Insurance Coverage, 1) Commercial General Liability,** is hereby replaced in its entirety:

1) Commercial General Liability must include a combined single limit of $2,000,000 per occurrence. Agencies may require additional Umbrella/Excess Liability insurance. The policy shall contain the following provisions:

a) Blanket contractual liability coverage for liability assumed under the Contract;
b) Independent Contractor coverage;
c) State of Texas, DIR and Customer listed as an additional insured;
d) Waiver of Transfer Right of Recovery Against Others in favor of DIR and/or Customer.

H. **Section 10. Vendor Responsibilities, N. Required Insurance Coverage, 3) Business Automobile Liability Insurance,** is hereby replaced in its entirety:

3) Business Automobile Liability Insurance must cover all owned, non-owned and hired vehicles with a minimum combined single limit of $500,000 per occurrence for bodily injury and property damage. Alternative acceptable limits are $250,000 bodily injury per person, $500,000 bodily injury per occurrence and at least $100,000 property damage liability per accident. The policy shall contain the following endorsements in favor of DIR and/or Customer:

a) Waiver of Subrogation;
b) Additional Insured.

I. **Section 10. Vendor Responsibilities, V. Accessibility of Public Information, Subsection 1),** is hereby replaced in its entirety:

1) Pursuant to S.B. 1368 of the 83rd Texas Legislature, Regular Session, Vendor is required to make any information created or exchanged with the State pursuant to this Contract, and not otherwise excepted from disclosure under the Texas Public Information Act, available in a format that is accessible by the public at no additional charge to the State. The Vendor shall provide the information directly to the State for dissemination of the information to the public. The Vendor Shall not dissiminate information directly to the public under any circumstances.

{remainder of page intentionally left blank}

This Contract is executed to be effective as of the date of last signature.

Cellco Partnership dba Verizon Wireless

Authorized By: Signature on file

Name: Todd Loccisano

Title: Executive Director, Enterprise & Government Contracts

Date: April 26, 2016

The State of Texas, acting by and through the Department of Information Resources

Authorized By: Signature on file

Name: Wayne Egeler

Title: Director CTS

Date: April 27, 2016

Office of General Counsel: Signature on File

Appendix A
Standard Terms and Conditions For Product and Related Services Contracts

Table of Contents

1. Contract Scope 1

2. No Quantity Guarantees 1

3. Definitions 1

4. General Provisions 2
   - A. Entire Agreement 2
   - B. Modification of Contract Terms and/or Amendments 2
   - C. Invalid Term or Condition 3
   - D. Assignment 3
   - E. Survival 3
   - F. Choice of Law 3
   - G. Limitation of Authority 3
   - H. Proof of Financial Stability 4

5. Intellectual Property Matters 4
   - A. Definitions 4
   - B. Ownership. 5
   - C. Further Actions. 5
   - D. Waiver of Moral Rights. 6
   - E. Confidentiality. 6
   - F. Injunctive Relief 6
   - G. Return of Materials Pertaining to Work Product. 6
   - H. Vendor License to Use. 7
   - I. Third-Party Underlying and Derivative Works. 7
   - J. Agreement with Subcontracts. 7
   - K. License to Customer. 7
   - L. Vendor Development Rights 8

6. Product Terms and Conditions 8
   - A. Electronic and Information Resources Accessibility Standards, As Required by 1 TAC Chapters 206 and 213 (Applicable to State Agency and Institution of Higher Education Purchases Only) 8
   - B. Purchase of Commodity Items (Applicable to State Agency Purchases Only) 8

7. Contract Fulfillment and Promotion 9
   - A. Service, Sales and Support of the Contract 9
   - B. Use of Order Fulfillers 9
     - 1) Designation of Order Fulfillers 9
     - 2) Changes in Order Fulfiller List 10
     - 3) Order Fulfiller Pricing to Customer 10

C. Product Warranty and Return Policies 10
D. Customer Site Preparation 10
E. Internet Access to Contract and Pricing Information 10
1) Vendor Website 10
2) Accurate and Timely Contract Information 10
3) Website Compliance Checks 11
4) Website Changes 11
5) Use of Access Data Prohibited 11
6) Responsibility for Content 11
F. DIR Logo 11
G. Vendor and Order Fulfiller Logo 11
H. Trade Show Participation 12
I. Orientation Meeting 12
J. Performance Review Meetings 12
K. DIR Cost Avoidance 12

8. Pricing, Purchase Orders, Invoices, and Payments 12

A. Manufacturer's Suggested Retail Price (MSRP) or List Price 12
B. Customer Discount 12
C. Customer Price 12
D. Telecommunication Fees and Surcharges and Taxes 13
E. Other Fees 14
F. Back-billing 14
G. DIR Cost Recovery Fee 14
H. Shipping and Handling Fees 14
I. Tax-Exempt 14
J. Travel Expense Reimbursement 15
K. Changes to Prices 15
L. Purchase Orders 15
M. Invoices 15
N. Payments 16

9. Contract Administration 16

A. Contract Managers 16
1) State Contract Manager 16
2) Vendor Contract Manager 16
B. Reporting and Administrative Fees 16
1) Reporting Responsibility 16
2) Detailed Monthly Report 17
3) Historically Underutilized Businesses Subcontract Reports 17
4) DIR Administrative Fee 17
5) Accurate and Timely Submission of Reports 17
C. Records and Audit 18
D. Contract Administration Notification 19

10. Vendor Responsibilities 19

Appendix A
Standard Terms and Conditions For Product and Related Services Contracts

A. Indemnification 19
B. Taxes/Worker's Compensation/UNEMPLOYMENT INSURANCE 20
C. Vendor Certifications 21
D. Ability to Conduct Business in Texas 23
E. Equal Opportunity Compliance 23
F. Use of Subcontractors 23
G. Responsibility for Actions 23
H. Confidentiality 23
I. Security of Premises, Equipment, Data and Personnel 24
J. Background and/or Criminal History Investigation 24
K. Limitation of Liability 24
L. Overcharges 24
M. Prohibited Conduct 25
N. Required Insurance Coverage 25
O. Use of State Property 26
P. Immigration 26
Q. Public Disclosure 27
R. Product and/or Services Substitutions 27
S. Secure Erasure of Hard Disk Products and/or Services 27
T. Deceptive Trade Practices; Unfair Business Practices 27
U. Drug Free Workplace Policy 27
V. Accessiblity of Public Information 28
W. Vendor Reporting Requirements 28

11. Contract Enforcement 28

A. Enforcement of Contract and Dispute Resolution 28
B. Termination 28
1) Termination for Non-Appropriation 28
a) Termination for Non-Appropriation by Customer 28
b) Termination for Non-Appropriation by DIR 29
2) Absolute Right 29
3) Termination for Convenience 29
4) Termination for Cause 29
a) Contract 29
b) Purchase Order 30
5) Customer Rights Under Termination 30
6) Vendor or Order Fulfiller Rights Under Termination 30
C. Force Majeure 30

12. Notification 30

A. Notices 31
B. Handling of Written Complaints 31

13. Captions 31

Appendix A
Standard Terms and Conditions For Product and Related Services Contracts

The following terms and conditions shall govern the conduct of DIR and Vendor during the term of the Contract.

1. Contract Scope

The Vendor shall provide the products and related services specified in Section 3 of the Contract for purchase by Customers. In addition, DIR and Vendor may agree to provisions that allow Vendor and/or Order Fulfiller to lease the products offered under the Contract. Terms used in this document shall have the meanings set forth below in Section 3.

2. No Quantity Guarantees

The Contract is not exclusive to the Vendor. Customers may obtain products and related services from other sources during the term of the Contract. DIR makes no express or implied warranties whatsoever that any particular quantity or dollar amount of products and related services will be procured through the Contract.

3. Definitions

A. Customer - any Texas state agency, unit of local government, institution of higher education as defined in Section 2054.003, Texas Government Code, the Electric Reliability Council of Texas, the Lower Colorado River Authority, a private school, as defined by Section 5.001, Education Code, a private or independent institution of higher education, as defined by Section 61.003, Education Code, a volunteer fire department, as defined by Section 152.001, Tax Code, and those state agencies purchasing from a DIR contract through an Interagency Agreement, as authorized by Chapter 771, Texas Government Code, any local government as authorized through the Interlocal Cooperation Act, Chapter 791, Texas Government Code, and the state agencies and political subdivisions of other states as authorized by Section 2054.0565, Texas Government Code and, except for telecommunications services under Chapter 2170, Texas Government Code, assistance organizations as defined in Section 2175.001, Texas Government Code to mean:

1) E-A non-profit organization that provides educational, health or human services or assistance to homeless individuals;
2) A nonprofit food bank that solicits, warehouses, and redistributes edible but unmarketable food to an agency that feeds needy families and individuals;
3) Texas Partners of the Americas, a registered agency with the Advisory Committee on Voluntary Foreign Aid, with the approval of the Partners of the Alliance Office of the Agency for International Development;
4) A group, including a faith-based group, that enters into a financial or non-financial agreement with a health or human services agency to provide services to that agency's clients;
5) A local workforce development board created under Section 2308.253;
6) A nonprofit organization approved by the Supreme Court of Texas that provides free legal services for low-income households in civil matters;
7) The Texas Boll Weevil Eradication Foundation, Inc., or an entity designated by the commissioner of agriculture as the foundation's successor entity under Section 74.1011, Texas Agriculture Code;
8) A nonprofit computer bank that solicits, stores, refurbishes and

redistributes used computer equipment to public school students and their families; and

9) A nonprofit organization that provides affordable housing.

B. **Compliance Check** – an audit of Vendor's compliance with the Contract may be performed by, but not limited to, a third party auditor, DIR Internal Audit department, or DIR contract management staff or their designees.

C. **Contract** – the document executed between DIR and Vendor into which this Appendix A is incorporated.

D. **CPA** – refers to the Texas Comptroller of Public Accounts.

E. **Day** - shall mean business days, Monday through Friday, except for State and Federal holidays, unless otherwise specified as calendar days. If the Contract calls for performance on a day that is not a business day, then performance is intended to occur on the next business day.

F. **Order Fulfiller** – the party, either Vendor or a party that may be designated by Vendor, who is fulfilling a Purchase Order pursuant to the Contract.

G. **Purchase Order** - the Customer's fiscal form or format, which is used when making a purchase (e.g., formal written Purchase Order, Procurement Card, Electronic Purchase Order, or other authorized instrument).

H. **State** – refers to the State of Texas.

4. General Provisions

A. Entire Agreement

The Contract, Appendices, and Exhibits constitute the entire agreement between DIR and the Vendor. No statement, promise, condition, understanding, inducement or representation, oral or written, expressed or implied, which is not contained in the Contract, Appendices, or its Exhibits shall be binding or valid.

B. Modification of Contract Terms and/or Amendments

1) The terms and conditions of the Contract shall govern all transactions by Customers under the Contract. The Contract may only be modified or amended upon mutual written agreement of DIR and Vendor.

2) Customers shall not have the authority to modify the terms of the Contract; however, additional Customer terms and conditions that do not conflict with the Contract and are acceptable to Order Fulfiller may be added in a Purchase Order and given effect. No additional term or condition added in a Purchase Order issued by a Customer can conflict with or diminish a term or condition of the Contract. Pre-printed terms and conditions on any Purchase Order issued by Customer hereunder will have no force and effect. In the event of a conflict between a Customer's Purchase Order and the Contract, the Contract term shall control.

3) Customers and Vendor will negotiate and enter into written agreements regarding statements of work, service level agreements, remedies, acceptance criteria, information confidentiality and security requirements, and other terms specific to their Purchase Orders under the Contract with Vendors.

C. Invalid Term or Condition

1) To the extent any term or condition in the Contract conflicts with the applicable State and/or United States law or regulation, such Contract term or condition is void and unenforceable. By executing a contract which contains the conflicting term or condition, DIR makes no representations or warranties regarding the enforceability of such term or condition and DIR does not waive the applicable State and/or United States law or regulation which conflicts with the Contract term or condition.

2) If one or more terms or conditions in the Contract, or the application of any term or condition to any party or circumstance, is held invalid, unenforceable, or illegal in any respect by a final judgment or order of the State Office of Administrative Hearings or a court of competent jurisdiction, the remainder of the Contract and the application of the term or condition to other parties or circumstances shall remain valid and in full force and effect.

D. Assignment

DIR or Vendor may assign the Contract without prior written approval to: i) a successor in interest (for DIR, another state agency as designated by the Texas Legislature), or ii) a subsidiary, parent company or affiliate, or iii) as necessary to satisfy a regulatory requirement imposed upon a party by a governing body with the appropriate authority. Assignment of the Contract under the above terms shall require written notification by the assigning party and, for Vendor, a mutually agreed written Contract amendment. Any other assignment by a party shall require the written consent of the other party and a mutually agreed written Contract amendment.

E. Survival

All applicable software license agreements, warranties or service agreements that were entered into between Vendor and a Customer under the terms and conditions of the Contract shall survive the expiration or termination of the Contract. All Purchase Orders issued and accepted by Vendor or Order Fulfiller shall survive expiration or termination of the Contract. Rights and obligations under this Contract which by their nature should survive, including, but not limited to any and all payment obligations invoiced prior to the termination or expiration hereof; obligations of confidentiality; and, indemnification, will remain in effect after termination or expiration hereof.

F. Choice of Law

The laws of the State shall govern the construction and interpretation of the Contract. Exclusive venue for all actions will be in state court, Travis County, Texas. Nothing in the Contract or its Appendices shall be construed to waive the State's sovereign immunity.

G. Limitation of Authority

Vendor shall have no authority to act for or on behalf of the Texas Department of Information Resources or the State except as expressly provided for in this Contract; no other authority, power or use is granted or implied. Vendor may not incur any debts, obligations, expenses, or liabilities of any kind on behalf of the State or DIR.

H. Proof of Financial Stability

Either DIR or Customer may require Vendor to provide proof of financial stability prior to or at any time during the contract term.

5. Intellectual Property Matters

A. Definitions

1)" Work Product" means any and all deliverables produced by Vendor for Customer under a Statement of Work issued pursuant to this Contract, including any and all tangible or intangible items or things that have been or will be prepared, created, developed, invented or conceived at any time following the effective date of the Contract, including but not limited to any (i) works of authorship (such as manuals, instructions, printed material, graphics, artwork, images, illustrations, photographs, computer programs, computer software, scripts, object code, source code or other programming code, HTML code, flow charts, notes, outlines, lists, compilations, manuscripts, writings, pictorial materials, schematics, formulae, processes, algorithms, data, information, multimedia files, text web pages or web sites, other written or machine readable expression of such works fixed in any tangible media, and all other copyrightable works), (ii) trademarks, service marks, trade dress, trade names, logos, or other indicia of source or origin, (iii) ideas, designs, concepts, personality rights, methods, processes, techniques, apparatuses, inventions, formulas, discoveries, or improvements, including any patents, trade secrets and know-how, (iv) domain names, (v) any copies, and similar or derivative works to any of the foregoing, (vi) all documentation and materials related to any of the foregoing, (vii) all other goods, services or deliverables to be provided to Customer under the Contract or a Statement of Work, and (viii) all Intellectual Property Rights in any of the foregoing, and which are or were created, prepared, developed, invented or conceived for the use or benefit of Customer in connection with this Contract or a Statement of Work, or with funds appropriated by or for Customer or Customer's benefit: (a) by any Vendor personnel or Customer personnel, or (b) any Customer personnel who then became personnel to Vendor or any of its affiliates or subcontractors, where, although creation or reduction-to-practice is completed while the person is affiliated with Vendor or its personnel, any portion of same was created, invented or conceived by such person while affiliated with Customer.

2) "Intellectual Property Rights" means the worldwide legal rights or interests evidenced by or embodied in: (i) any idea, design, concept, personality right, method, process, technique, apparatus, invention, discovery, or improvement, including any patents, trade secrets, and know-how; (ii) any work of authorship, including any copyrights, moral rights or neighboring rights; (iii) any trademark, service mark, trade dress, trade name, or other indicia of source or origin; (iv) domain name registrations; and (v) any other proprietary or similar rights. The Intellectual Property Rights of a party include all worldwide legal rights or interests that the party may have acquired by assignment or license with the right to grant sublicenses.

3) "Statement of Work" means a document signed by Customer and Vendor describing a specific set of activities and/or deliverables, which may include Work Product and

Intellectual Property Rights, that Vendor is to provide Customer, issued pursuant to the Contract.

4) "Third Party IP" means the Intellectual Property Rights of any third party that is not a party to this Contract, and that is not directly or indirectly providing any goods or services to Customer under this Contract.

5) "Vendor IP" shall mean all tangible or intangible items or things, including the Intellectual Property Rights therein, created or developed by Vendor (a) prior to providing any Services or Work Product to Customer and prior to receiving any documents, materials, information or funding from or on behalf of Customer relating to the Services or Work Product, or (b) after the Effective Date of the Contract if such tangible or intangible items or things were independently developed by Vendor outside Vendor's provision of Services or Work Product for Customer hereunder and were not created, prepared, developed, invented or conceived by any Customer personnel who then became personnel to Vendor or any of its affiliates or subcontractors, where, although creation or reduction-to-practice is completed while the person is affiliated with Vendor or its personnel, any portion of same was created, invented or conceived by such person while affiliated with Customer.

B. Ownership.

As between Vendor and Customer, the Work Product and Intellectual Property Rights therein are and shall be owned exclusively by Customer, and not Vendor. Vendor specifically agrees that the Work Product shall be considered "works made for hire" and that the Work Product shall, upon creation, be owned exclusively by Customer. To the extent that the Work Product, under applicable law, may not be considered works made for hire, Vendor hereby agrees that the Contract effectively transfers, grants, conveys, assigns, and relinquishes exclusively to Customer all right, title and interest in and to all ownership rights in the Work Product, and all Intellectual Property Rights in the Work Product, without the necessity of any further consideration, and Customer shall be entitled to obtain and hold in its own name all Intellectual Property Rights in and to the Work Product. Vendor acknowledges that Vendor and Customer do not intend Vendor to be a joint author of the Work Product within the meaning of the Copyright Act of 1976. Customer shall have access, during normal business hours (Monday through Friday, 8AM to 5PM) and upon reasonable prior notice to Vendor, to all Vendor materials, premises and computer files containing the Work Product. Vendor and Customer, as appropriate, will cooperate with one another and execute such other documents as may be reasonably appropriate to achieve the objectives herein. No license or other right is granted hereunder to any Third Party IP, except as may be incorporated in the Work Product by Vendor.

C. Further Actions.

Vendor, upon request and without further consideration, shall perform any acts that may be deemed reasonably necessary or desirable by Customer to evidence more fully the transfer of ownership and/or registration of all Intellectual Property Rights in all Work Product to Customer to the fullest extent possible, including but not limited to the execution, acknowledgement and delivery of such further documents in a form determined by Customer. In the event Customer shall be unable to obtain Vendor's signature due to the

dissolution of Vendor or Vendor's unreasonable failure to respond to Customer's repeated requests for such signature on any document reasonably necessary for any purpose set forth in the foregoing sentence, Vendor hereby irrevocably designates and appoints Customer and its duly authorized officers and agents as Vendor's agent and Vendor's attorney-in-fact to act for and in Vendor's behalf and stead to execute and file any such document and to do all other lawfully permitted acts to further any such purpose with the same force and effect as if executed and delivered by Vendor, provided however that no such grant of right to Customer is applicable if Vendor fails to execute any document due to a good faith dispute by Vendor with respect to such document. It is understood that such power is coupled with an interest and is therefore irrevocable. Customer shall have the full and sole power to prosecute such applications and to take all other action concerning the Work Product, and Vendor shall cooperate, at Customer's sole expense, in the preparation and prosecution of all such applications and in any legal actions and proceedings concerning the Work Product.

D. Waiver of Moral Rights.

Vendor hereby irrevocably and forever waives, and agrees never to assert, any Moral Rights in or to the Work Product which Vendor may now have or which may accrue to Vendor's benefit under U.S. or foreign copyright or other laws and any and all other residual rights and benefits which arise under any other applicable law now in force or hereafter enacted. Vendor acknowledges the receipt of equitable compensation for its assignment and waiver of such Moral Rights. The term "Moral Rights" shall mean any and all rights of paternity or integrity of the Work Product and the right to object to any modification, translation or use of the Work Product, and any similar rights existing under the judicial or statutory law of any country in the world or under any treaty, regardless of whether or not such right is denominated or referred to as a moral right.

E. Confidentiality.

All documents, information and materials forwarded to Vendor by Customer for use in and preparation of the Work Product shall be deemed the confidential information of Customer, and subject to the license granted by Customer to Vendor under sub-paragraph H. hereunder. Vendor shall not use, disclose, or permit any person to use or obtain the Work Product, or any portion thereof, in any manner without the prior written approval of Customer.

F. Injunctive Relief.

The Contract is intended to protect Customer's proprietary rights pertaining to the Work Product, and the Intellectual Property Rights therein, and any misuse of such rights would cause substantial and irreparable harm to Customer's business. Therefore, Vendor acknowledges and stipulates that a court of competent jurisdiction may immediately enjoin any material breach of the intellectual property, use, and confidentiality provisions of this Contract, upon a request by Customer, without requiring proof of irreparable injury as same should be presumed.

G. Return of Materials Pertaining to Work Product.

Upon the request of Customer, but in any event upon termination or expiration of this Contract or a Statement of Work, Vendor shall surrender to Customer all documents and things pertaining to the Work Product, including but not limited to drafts, memoranda,

notes, records, drawings, manuals, computer software, reports, data, and all other documents or materials (and copies of same) generated or developed by Vendor or furnished by Customer to Vendor, including all materials embodying the Work Product, any Customer confidential information, or Intellectual Property Rights in such Work Product, regardless of whether complete or incomplete. This section is intended to apply to all Work Product as well as to all documents and things furnished to Vendor by Customer or by anyone else that pertain to the Work Product.

H. Vendor License to Use.

Customer hereby grants to Vendor a non-transferable, non-exclusive, royalty-free, fully paid-up license to use any Work Product solely as necessary to provide the Services to Customer. Except as provided in this Section, neither Vendor nor any Subcontractor shall have the right to use the Work Product in connection with the provision of services to its other customers without the prior written consent of Customer, which consent may be withheld in Customer's sole discretion.

I. Third-Party Underlying and Derivative Works.

To the extent that any Vendor IP or Third Party IP are embodied or reflected in the Work Product, or are necessary to provide the Services, Vendor hereby grants to the Customer, or shall obtain from the applicable third party for Customer's benefit, the irrevocable, perpetual, non-exclusive, worldwide, royalty-free right and license, for Customer's internal business purposes only, to (i) use, execute, reproduce, display, perform, distribute copies of, and prepare derivative works based upon such Vendor IP or Third Party IP and any derivative works thereof embodied in or delivered to Customer in conjunction with the Work Product, and (ii) authorize others to do any or all of the foregoing. Vendor agrees to notify Customer on delivery of the Work Product or Services if such materials include any Third Party IP. On request, Vendor shall provide Customer with documentation indicating a third party's written approval for Vendor to use any Third Party IP that may be embodied or reflected in the Work Product.

J. Agreement with Subcontracts.

Vendor agrees that it shall have written agreement(s) that are consistent with the provisions hereof related to Work Product and Intellectual Property Rights with any employees, agents, consultants, contractors or subcontractors providing Services or Work Product pursuant to the Contract, prior to their providing such Services or Work Product, and that it shall maintain such written agreements at all times during performance of this Contract, which are sufficient to support all performance and grants of rights by Vendor. Copies of such agreements shall be provided to the Customer promptly upon request.

K. License to Customer.

Vendor grants to Customer, a perpetual, irrevocable, royalty free license, solely for the Customer's internal business purposes, to use, copy, modify, display, perform (by any means), transmit and prepare derivative works of any Vendor IP embodied in or delivered to Customer in conjunction with the Work Product. The foregoing license includes the right to sublicense third parties, solely for the purpose of engaging such third parties to assist or

carryout Customer's internal business use of the Work Product. Except for the preceding license, all rights in Vendor IP remain in Vendor.

L. Vendor Development Rights.

To the extent not inconsistent with Customer's rights in the Work Product or as set forth herein, nothing in this Contract shall preclude Vendor from developing for itself, or for others, materials which are competitive with those produced as a result of the Services provided hereunder, provided that no Work Product is utilized, and no Intellectual Property Rights of Customer therein are infringed by such competitive materials. To the extent that Vendor wishes to use the Work Product, or acquire licensed rights in certain Intellectual Property Rights of Customer therein in order to offer competitive goods or services to third parties, Vendor and Customer agree to negotiate in good faith regarding an appropriate license and royalty agreement to allow for such.

6. Product Terms and Conditions

A. Electronic and Information Resources Accessibility Standards, As Required by 1 TAC Chapters 206 and 213 (Applicable to State Agency and Institution of Higher Education Purchases Only)

1) Effective September 1, 2006 state agencies and institutions of higher education shall procure products which comply with the State Accessibility requirements for Electronic and Information Resources specified in 1 TAC Chapters 206 and 213 when such products are available in the commercial marketplace or when such products are developed in response to a procurement solicitation.

2) Upon request, but not later than thirty (30) calendar days after request, Vendor shall provide DIR with a completed Voluntary Product Accessibility Template (VPAT) of the specified product or a URL to the VPAT for reviewing compliance with the State Accessibility requirements (based on the federal standards established under Section 508 of the Rehabilitation Act).

B. Purchase of Commodity Items (Applicable to State Agency Purchases Only)

1) Texas Government Code, §2157.068 requires State agencies to buy commodity items, as defined in 6.B.2, below, in accordance with contracts developed by DIR, unless the agency obtains an exemption from DIR or a written certification that a commodity is not on DIR contract (for the limited purpose of purchasing from a local government purchasing cooperative).

2) Commodity items are commercially available software, hardware and technology services that are generally available to businesses or the public and for which DIR determines that a reasonable demand exists in two or more state agencies. Hardware is the physical technology used to process, manage, store, transmit, receive or deliver information. Software is the commercially available programs that operate hardware and includes all supporting documentation, media on which the software may be contained or stored, related materials, modifications, versions, upgrades, enhancements, updates or replacements. Technology services are the services, functions and activities that facilitate the design, implementation, creation, or use of software or hardware.

Technology services include seat management, staffing augmentation, training, maintenance and subscription services. Technology services do not include telecommunications services. Seat management is services through which a state agency transfers its responsibilities to a vendor to manage its personal computing needs, including all necessary hardware, software and technology services.

3) Vendor agrees to coordinate all State agency commodity item sales through existing DIR contracts. Institutions of higher education are exempt from this Subsection 6.B.

7. Contract Fulfillment and Promotion

A. Service, Sales and Support of the Contract

Vendor shall provide service, sales and support resources to serve all Customers throughout the State. It is the responsibility of the Vendor to sell, market, and promote products and services available under the Contract. Vendor shall use its best efforts to ensure that potential Customers are made aware of the existence of the Contract. All sales to Customers for products and services available under the Contract shall be processed through the Contract.

B. Use of Order Fulfillers

DIR agrees to permit Vendor to utilize designated Order Fulfillers to provide service, sales and support resources to Customers. Such participation is subject to the following conditions:

1) Designation of Order Fulfillers

a) Vendor may designate Order Fulfillers to act as the distributors for products and services available under the Contract. In designating Order Fulfillers, Vendor must be in compliance with the State's Policy on Utilization of Historically Underutilized Businesses. In addition to the required Subcontracting Plan, Vendor shall provide DIR with the following Order Fulfiller information: Order Fulfiller name, Order Fulfiller business address, Order Fulfiller CPA Identification Number, Order Fulfiller contact person email address and phone number.

b) DIR reserves the right to require the Vendor to rescind any such Order Fulfiller participation or request that Vendor name additional Order Fulfillers should DIR determine it is in the best interest of the State.

c) Vendor shall be fully liable for its Order Fulfillers' performance under and compliance with the terms and conditions of the Contract. Vendor shall enter into contracts with Order Fulfillers and use terms and conditions that are consistent with the terms and conditions of the Contract.

d) Vendor shall have the right to qualify Order Fulfillers and their participation under the Contract provided that: i) any criteria is uniformly applied to all potential Order Fulfillers based upon Vendor's established, neutrally applied criteria, ii) the criteria is not based on a particular procurement, and iii) all Customers are supported under the different criteria.

e) Vendor shall not prohibit Order Fulfiller from participating in other procurement opportunities offered through DIR.

2) Changes in Order Fulfiller List

Vendor may add or delete Order Fulfillers throughout the term of the Contract upon written authorization by DIR. Prior to adding or deleting Order Fulfillers, Vendor must make a good faith effort in the revision of its Subcontracting Plan in accordance with the State's Policy on Utilization of Historically Underutilized Businesses. Vendor shall provide DIR with its updated Subcontracting Plan and the Order Fulfiller information listed in Section 7.B.1.a above.

3) Order Fulfiller Pricing to Customer

Order Fulfiller pricing to the Customer shall comply with the Customer price as stated within Appendix A, Section 8, Pricing, Purchase Orders, Invoices and Payment, and as set forth in Appendix C, Pricing Index, and shall include the DIR Administrative Fee. This pricing shall only be offered by Order Fulfillers to Customers for sales that pass through the Contract.

C. Product Warranty and Return Policies

Order Fulfiller will adhere to the Vendor's then-currently published policies concerning product warranties and returns. Product warranty and return policies for Customers will not be more restrictive or more costly than warranty and return policies for other similarly situated Customers for like products.

D. Customer Site Preparation

Customers shall prepare and maintain its site in accordance with written instructions furnished by Order Fulfiller prior to the scheduled delivery date of any product or service and shall bear the costs associated with the site preparation.

E. Internet Access to Contract and Pricing Information

1) Vendor Website

Within thirty (30) calendar days of the effective date of the Contract, Vendor will establish and maintain a website specific to the product and service offerings under the Contract which is clearly distinguishable from other, non-DIR Contract offerings at Vendor's website. The website must include the product and services offered, product and service specifications, specific contract pricing expressed in dollars as well as discount off MSRP or List Price, designated Order Fulfillers, contact information for Vendor and designated Order Fulfillers, instructions for obtaining quotes and placing Purchase Orders, and warranty and return policies. The Vendor's website shall list the DIR Contract number, reference the DIR Information and Communications Technology Cooperative Contracts program, display the DIR logo in accordance with the requirements in paragraph F of this Section, and contain a link to the DIR website for the Contract.

2) Accurate and Timely Contract Information

Vendor warrants and represents that the website information specified in the above paragraph will be accurately and completely posted, maintained and displayed in an objective and timely manner. Vendor, at its own expense, shall correct any non-conforming or inaccurate information posted at Vendor's website within ten (10) business days after written notification by DIR.

3) Website Compliance Checks
Periodic compliance checks of the information posted for the Contract on Vendor's website will be conducted by DIR. Upon request by DIR, Vendor shall provide verifiable documentation that pricing listed upon this website is compliant with the pricing as stated in the Contract.

4) Website Changes
Vendor hereby consents to a link from the DIR website to Vendor's website in order to facilitate access to Contract information. The establishment of the link is provided solely for convenience in carrying out the business operations of the State. DIR reserves the right to suspend, terminate or remove a link at any time, in its sole discretion, without advance notice, or to deny a future request for a link. DIR will provide Vendor with subsequent notice of link suspension, termination or removal. Vendor shall provide DIR with timely written notice of any change in URL or other information needed to access the site and/or maintain the link.

5) Use of Access Data Prohibited
If Vendor stores, collects or maintains data electronically as a condition of accessing Contract information, such data shall only be used internally by Vendor for the purpose of implementing or marketing the Contract and shall not be disseminated to third parties or used for other marketing purposes. The Contract constitutes a public document under the laws of the State and Vendor shall not restrict access to Contract terms and conditions including pricing, i.e., through use of restrictive technology or passwords.

6) Responsibility for Content
Vendor is solely responsible for administration, content, intellectual property rights, and all materials at Vendor's website. DIR reserves the right to require a change of listed content if, in the opinion of DIR, it does not adequately represent the Contract.

F. DIR Logo

Order Fulfiller may use the DIR logo in the promotion of the Contract to Customers with the following stipulations: (i) the logo may not be modified in any way, (ii) when displayed, the size of the DIR logo must be equal to or smaller than the Order Fulfiller logo, (iii) the DIR logo is only used to communicate the availability of products and services under the Contract to Customers, and (iv) any other use of the DIR logo requires prior written permission from DIR.

G. Vendor and Order Fulfiller Logo

DIR may use the Vendor's and Order Fulfiller's name and logo in the promotion of the Contract to communicate the availability of products and services under the Contract to Customers. Use of the logos may be on the DIR website or on printed materials. Any use of Vendor's and Order Fulfiller's logo by DIR must comply with and be solely related to the purposes of the Contract and any usage guidelines communicated to DIR from time to time. Nothing contained in the Contract will give DIR any right, title, or interest in or to Vendor's or Order Fulfiller' trademarks or the goodwill associated therewith, except for the limited usage rights expressly provided by Vendor and Order Fulfiller.

H. Trade Show Participation

At DIR's discretion, Vendor and Order Fulfillers may be required to participate in one or more DIR sponsored trade shows each calendar year. Vendor understands and agrees that participation, at the Vendor's and Order Fulfiller's expense, includes providing a manned booth display or similar presence. DIR will provide four months advance notice of any required participation. Vendor and Order Fulfillers must display the DIR logo at all trade shows that potential Customers will attend. DIR reserves the right to approve or disapprove of the location or the use of the DIR logo in or on the Vendor's or Order Fulfiller's booth.

I. Orientation Meeting

Within thirty (30) calendar days from execution of the Contract, Vendor and Order Fulfillers will be required to attend an orientation meeting to discuss the content and procedures of the Contract. DIR, at its discretion, may waive the orientation requirement for Vendors who have previously held DIR contracts. The meeting will be held in the Austin, Texas area at a date and time mutually acceptable to DIR and the Vendor or by teleconference, at DIR's discretion. DIR shall bear no cost for the time and travel of the Vendor or Order Fulfillers for attendance at the meeting.

J. Performance Review Meetings

DIR will require the Vendor to attend periodic meetings to review the Vendor's performance under the Contract. The meetings will be held within the Austin, Texas area at a date and time mutually acceptable to DIR and the Vendor or by teleconference, at DIR's discretion. DIR shall bear no cost for the time and travel of the Vendor for attendance at the meeting.

K. DIR Cost Avoidance

As part of the performance measures reported to state leadership, DIR must provide the cost avoidance the State has achieved through the Contract. Upon request by DIR, Vendor shall provide DIR with a detailed report of a representative sample of products sold under the Contract. The report shall contain: product part number, product description, list price, price to Customer under the Contract, and pricing from three (3) alternative sources under which DIR customers can procure the products.

8. Pricing, Purchase Orders, Invoices, and Payments

A. Manufacturer's Suggested Retail Price (MSRP) or List Price

MSRP is defined as the product sales price list published in some form by the manufacturer or publisher of a product and available to and recognized by the trade. A price list especially prepared for a given solicitation is not acceptable.

B. Customer Discount

The minimum Customer discount for all products and services will be the percentage off MSRP as specified in Appendix C, Pricing Index.

C. Customer Price

1) The price to the Customer shall be calculated as follows:

Customer Price = (MSRP or List Price – Customer Discount as set forth in Appendix C, Pricing Index) x (1 + DIR Administrative Fee, as set forth in the Contract).

2) Customers purchasing products and services under this Contract may negotiate more advantageous pricing or participate in special promotional offers. In such event, a copy of such better offerings shall be furnished to DIR upon request.

2) If pricing for products or services available under this Contract is provided by the Vendor at a lower price to: (i) an eligible Customer who is not purchasing those products or services under this Contract or (ii) to any other customer under the same terms and conditions provided for the State for the same commodities and services under this contract, then the available Customer Price in this Contract shall be adjusted to that lower price. This requirement applies to products or services quoted by Vendor or its resellers for a quantity of one (1) under like terms and conditions, and does not apply to volume or special pricing purchases. Vendor shall notify DIR within ten (10) days and this Contract shall be amended to reflect the lower price.

D. Telecommunication Fees and Surcharges and Taxes

Any FCC, PUC or other authorized telecommunications taxes, fees and surcharges applicable to any Service may only be imposed if the Vendor listed them in Bid Package 2 upon submission of Offer. Vendor acknowledges that certain Customers that are political subdivisions of the State, are exempt from the imposition and collection of certain State telecommunications fees, including the Texas Universal Service Fund Charge and the Texas Infrastructure Fund assessment. In addition, State agency Customers have additional exemptions from State telecommunications fees, including the 9-1-1 emergency service fee, 9-1-1 equalization surcharge, poison control surcharge, and late charges imposed under Section 55.010, Texas Utilities Code. Vendor agrees to not bill for any items which are not mandated by the FCC, PUC or other proper authority and which are otherwise not applicable to the Services and for which Vendor has requested and received valid exemption certificates from Customers. Vendor agrees to promptly correct any incorrect billings of telecommunications fees and surcharges that occur. Vendor acknowledges that DIR makes no representations about the exemption status of any Customers that are assistance organizations, as defined in Section 2175.001, Texas Government Code or certain private institutions of higher education under Section 2170.004 (5), Texas Government Code. Vendor must request and receive any exemption certificates that may apply from each such organization directly.

(b) During the Term, all changes in the law or fee structures, which creates or authorizes Vendor to impose an unlisted telecommunications fee and surcharge on the Services, which Vendor desires to impose and for which DIR Customers do not have an exemption, shall require an amendment in order to be effective against the State, DIR and Customers. In the event of a change in the law or telecommunications fees and surcharges structures, which results in an exemption from payment in favor of the State, DIR and/or Customers, Vendor shall give effect to the exemption without the necessity of an amendment hereto.

(c) Vendor acknowledges that certain Government Entity Customers are exempt from state sales, use and excise taxes, Section 151.309, Texas Tax Code, and Federal Excise Tax, 26 USC Sections 4253 (i) and (j). Vendor further acknowledges that State agency Customers are exempt from the assessment and collection of sales taxes imposed by political subdivisions of the State. See Sections 321.208 (municipalities) and 323.207 (counties), Texas Tax Code. The Government Entity Customers shall issue a tax exemption certificate upon request to Vendor. Vendor acknowledges that DIR makes no representation about the exemption status of any Customers that are assistance organizations, as defined in Section 2175.001, Texas Government Code or certain private institutions of higher education under Section 2170.004 (5), Texas Government Code. Vendor must request and receive any exemption certificates that may apply from each such organization directly.

E. Other Fees

Vendor acknowledges all activation fees and termination fees, including early termination fees, are waived for all Customers.

F. Back-billing

Prices to Customers for Services inadvertently left off previous invoices by the Vendor may be back-billed no more than 120 calendar days for usage. Pursuant to PUC Rule 26.27, a six-month limit from the date of discovery of an error applies to back-billing of all billed Services. Back-billing shall be included in the Adjustments. For purposes of this paragraph, a billing Adjustment is as modification or correction of a billing amount or an element of a Service.

G. DIR Cost Recovery Fee

The DIR Cost Recovery Fee (CRF) is authorized by Chapter 2170, Texas Government Code, and DIR has the discretion to set the rate of the CRF to recover its costs in accordance with the statute. The initial rate for the CRF is set forth in Section 5 Contract. The DIR CRF specified in Section 5 of the Contract shall not be broken out as a separate line item when pricing or invoice is provided to Customer.

H. Shipping and Handling Fees

The price to the Customer under this Contract shall include all shipping and handling fees. Shipments will be Free On Board Customer's Destination. No additional fees shall be charged to the Customer for standard shipping and handling. If the Customer requests expedited or special delivery, Customer will be responsible for any charges for expedited or special delivery.

I. Tax-Exempt

As per Section 151.309, Texas Tax Code, Customers under this Contract are exempt from the assessment of State sales, use and excise taxes. Further, Customers under this Contract are exempt from Federal Excise Taxes, 26 United States Code Sections 4253(i) and (j).

J. Travel Expense Reimbursement

Pricing for services provided under this Contract are exclusive of any travel expenses that may be incurred in the performance of those services. Travel expense reimbursement may include personal vehicle mileage or commercial coach transportation, hotel accommodations, parking and meals; provided, however, the amount of reimbursement by Customers shall not exceed the amounts authorized for state employees as adopted by each Customer; and provided, further, that all reimbursement rates shall not exceed the maximum rates established for state employees under the current State Travel Management Program (http://www.window.state.tx.us/procurement/prog/stmp/). Travel time may not be included as part of the amounts payable by Customer for any services rendered under this Contract. The DIR administrative fee specified in the Contract is not applicable to travel expense reimbursement. Anticipated travel expenses must be pre-approved in writing by Customer.

K. Changes to Prices

Subject to the requirements of this section, Vendor may change the price of any product or service at any time, based upon changes to the MSRP, but discount levels shall remain consistent with the discount levels specified in this Contract.

1) Price increase or decrease change requests must be requested with a signed cover letter indicating the change in price. Price increase requests must be accompanied by a copy of the manufacturer or publisher's price list.

2) Price decreases shall take effect automatically during the term of this Contract and shall be passed onto the Customer immediately.

3) Requests for price increases will be accepted or rejected by DIR within thirty (30) calendar days after receipt of a properly submitted request. Increases that are not accepted within thirty (30) calendar days will be deemed rejected. If a properly submitted increase is rejected, Vendor may request that the product or service rejected be removed from the Contract. The product or service will be removed from the Contract upon execution of a written Contract amendment, which shall be transmitted to Vendor by DIR within thirty (30) calendar days after receipt of the written request to remove the product or service and executed by both parties without undue delay. Existing pricing must be honored up to the date of execution of the Contract amendment. Prices may not be increased for at least ninety (90) calendar days after the contract start date. Price reductions will be accepted at any time.

L. Purchase Orders

All Customer Purchase Orders will be placed directly with the Order Fulfiller. Accurate Purchase Orders shall be effective and binding upon Order Fulfiller when accepted by Order Fulfiller.

M. Invoices

1) Invoices shall be submitted by the Order Fulfiller directly to the Customer and shall be issued in compliance with Chapter 2251, Texas Government Code. All payments for products and/or services purchased under the Contract and any provision of acceptance of such products and/or services shall be made by the Customer to the Order Fulfiller.

2) Invoices must be timely and accurate. Each invoice must match Customer's Purchase Order and include any written changes that may apply, as it relates to products, prices and quantities. Invoices must include the Customer's Purchase Order number or other pertinent information for verification of receipt of the product or services by the Customer.

3) The administrative fee as set forth in the Contract shall not be broken out as a separate line item when pricing or invoice is provided to Customer.

N. Payments

Customers shall comply with Chapter 2251, Texas Government Code, in making payments to Order Fulfiller. The statute states that payments for goods and services are due thirty (30) calendar days after the goods are provided, the services completed, or a correct invoice is received, whichever is later. Payment under the Contract shall not foreclose the right to recover wrongful payments.

9. Contract Administration

A. Contract Managers

DIR and the Vendor will each provide a Contract Manager to support the Contract. Information regarding the Contract Manager will be posted on the Internet website designated for the Contract.

1) State Contract Manager

DIR shall provide a Contract Manager whose duties shall include but not be limited to: i) advising DIR and Vendor of Vendor's compliance with the terms and conditions of the Contract, ii) periodic verification of product pricing, and iii) verification of monthly reports submitted by Vendor.

2) Vendor Contract Manager

Vendor shall provide a dedicated Contract Manager whose duties shall include but not be limited to: i) supporting the marketing and management of the Contract, ii) facilitating dispute resolution between a Order Fulfiller and a Customer, and iii) advising DIR of Order Fulfillers performance under the terms and conditions of the Contract. DIR reserves the right to require a change in Vendor's then-current Contract Manager if the assigned Contract Manager is not, in the reasonable opinion of DIR, adequately serving the needs of the State.

B. Reporting and Administrative Fees

1) Reporting Responsibility

a) Vendor shall be responsible for reporting all products and services purchased through Order Fulfillers under the Contract. Vendor shall file the monthly reports, subcontract reports, and pay the administrative fees in accordance with the due dates specified in this section.

b) DIR shall have the right to verify required reports and to take any actions necessary to enforce its rights under this section, including but not limited to compliance checks of Vendor's applicable Contract books at DIR's expense.

2) Detailed Monthly Report

Vendor shall electronically provide DIR with a detailed monthly report in the format required by DIR showing the dollar volume of any and all sales under the Contract for the previous calendar month period. Reports shall be submitted to the DIR ICT Cooperative Contracts E-Mail Box at ict.sales@dir.texas.gov. Reports are due on the fifteenth (15th) calendar day after the close of the previous month period. If the 15th calendar day falls on a weekend or state or federal holiday, the report shall be due on the next business day. The monthly report shall include, per transaction: the detailed sales for the period, Customer name, invoice date, invoice number, description, quantity, MSRP or List Price, unit price, extended price, Customer Purchase Order number, contact name, Customer's complete billing address, the administrative fee due for the reporting period, and other information as required by DIR. Each report must contain all information listed above per transaction or the report will be rejected and returned to the Vendor for correction in accordance with this section.

3) Historically Underutilized Businesses Subcontract Reports

a) Vendor shall electronically provide each Customer with Vendor's relevant Historically Underutilized Business Subcontracting Report, pursuant to the Contract, as required by Chapter 2161, Texas Government Code. Reports shall also be submitted to DIR.

b) Reports shall be due in accordance with the CPA rules.

4) DIR Administrative Fee

a) An administrative fee shall be paid by Vendor to DIR to defray the DIR costs of negotiating, executing, and administering the Contract. The maximum administrative fee is set by the Texas Legislature in the biennial General Appropriations Act. Payment of the administrative fee shall be due on the fifteenth (15th) calendar day after the close of the previous month period. DIR may change the amount of the administrative fee upon thirty (30) calendar days written notice to Vendor without the need for a formal contract amendment.

b) Vendor shall reference the DIR Contract number, reporting period, and administrative fee amount on any remittance instruments.

5) Accurate and Timely Submission of Reports

a) The reports and administrative fees shall be accurate and timely and submitted in accordance with the due dates specified in this section. Vendor shall correct any inaccurate reports or administrative fee payments within three (3) business days upon written notification by DIR. Vendor shall deliver any late reports or late administrative fee payments within three (3) business days upon written notification by DIR. If Vendor is unable to correct inaccurate reports or administrative fee payments or deliver late reports and fee payments within three (3) business days, Vendor must contact DIR and provide a corrective plan of action, including the timeline for completion of correction. The corrective plan of action shall be subject to DIR approval.

b) Should Vendor fail to correct inaccurate reports or cure the delay in timely delivery of reports and payments within the corrective plan of action timeline, DIR reserves the right to require an independent third party audit of the Vendor's records

as specified in C.3 of this Section, at DIR's expense.

c) Failure to timely submit three (3) reports or administrative fee payments within any rolling twelve (12) month period may, at DIR's discretion, result in the addition of late fees of $100/day for each day the report or payment is due (up to $1000/month) or suspension or termination of Vendor's Contract.

C. Records and Audit

1) Acceptance of funds under the Contract by Vendor and/or Order Fulfiller acts as acceptance of the authority of the State Auditor's Office, or any successor agency or designee, to conduct an audit or investigation in connection with those funds. Vendor further agrees to cooperate fully with the State Auditor's Office or its successor or designee in the conduct of the audit or investigation, including providing all records requested. Vendor will ensure that this clause concerning the authority to audit funds received indirectly by subcontractors through Vendor or directly by Order Fulfillers and the requirement to cooperate is included in any subcontract or Order Fulfiller contract it awards pertaining to the Contract. Under the direction of the Legislative Audit Committee, a Vendor that is the subject of an audit or investigation by the State Auditor's Office must provide the State Auditor's Office with access to any information the State Auditor's Office considers relevant to the investigation or audit.

2) Vendor and Order Fulfillers shall maintain adequate records to establish compliance with the Contract until the later of a period of seven (7) years after termination of the Contract or until full, final and unappealable resolution of all Compliance Check or litigation issues that arise under the Contract. Such records shall include per transaction: the Order Fulfiller's company name if applicable, Customer name, invoice date, invoice number, description, part number, manufacturer, quantity, MSRP or list price, unit price, extended price, Customer Purchase Order number, contact name, Customer's complete billing address, the calculations supporting each administrative fee owed DIR under the Contract, Historically Underutilized Businesses Subcontracting reports, and such other documentation as DIR may request.

3) Vendor and/or Order Fulfillers shall grant access to all paper and electronic records, books, documents, accounting procedures, practices and any other items relevant to the performance of the Contract to the DIR Internal Audit department or DIR Contract Management staff, including the compliance checks designated by the DIR Internal Audit department, DIR Contract Management staff, the State Auditor's Office, and of the United States, and such other persons or entities designated by DIR for the purposes of inspecting, Compliance Checking and/or copying such books and records. Vendor and/or Order Fulfillers shall provide copies and printouts requested by DIR without charge. DIR shall provide Vendor and/or Order Fulfillers ten (10) business days' notice prior to inspecting, Compliance Checking, and/or copying Vendor's and/or Order Fulfiller's records. Vendor's and/or Order Fulfillers records, whether paper or electronic, shall be made available during regular office hours. Vendor and/or Order Fulfiller personnel familiar with the Vendor's and/or Order Fulfiller's books and records shall be available to the DIR Internal Audit department, or DIR Contract Management staff and designees as needed. Vendor and/or Order Fulfiller shall provide adequate office space to DIR staff during the performance of Compliance

Check. If Vendor is found to be responsible for inaccurate reports, DIR may invoice for the reasonable costs of the audit, which Vendor must pay within thirty (30) calendar days of receipt.

4) For procuring State Agencies whose payments are processed by the Texas Comptroller of Public Accounts, the volume of payments made to Order Fulfillers through the Texas Comptroller of Public Accounts and the administrative fee based thereon shall be presumed correct unless Vendor can demonstrate to DIR's satisfaction that Vendor's calculation of DIR's administrative fee is correct.

D. Contract Administration Notification

1) Upon execution of the Contract, Vendor shall provide DIR with written notification of the following: i) Vendor Contract Administrator name and contact information, ii) Vendor sales representative name and contact information, and iii) name and contact information of Vendor personnel responsible for submitting reports and payment of administrative fees specified herein.

2) Upon execution of the Contract, DIR shall provide Vendor with written notification of the following: i) DIR Contract Administrator name and contact information, and ii) DIR Cooperative Contracts E-Mail Box information.

10. Vendor Responsibilities

A. Indemnification

1) INDEPENDENT CONTRACTOR
VENDOR AGREES AND ACKNOWLEDGES THAT DURING THE EXISTENCE OF THIS CONTRACT, IT IS FURNISHING PRODUCTS AND SERVICES IN THE CAPACITY OF AN INDEPENDENT CONTRACTOR AND THAT VENDOR IS NOT AN EMPLOYEE OF THE CUSTOMER OR THE STATE OF TEXAS.

2) Acts or Omissions
Vendor shall indemnify and hold harmless the State of Texas and Customers, AND/OR THEIR OFFICERS, AGENTS, EMPLOYEES, REPRESENTATIVES, CONTRACTORS, ASSIGNEES, AND/OR DESIGNEES FROM ANY AND ALL LIABILITY, ACTIONS, CLAIMS, DEMANDS, OR SUITS, AND ALL RELATED COSTS, ATTORNEY FEES, AND EXPENSES arising out of, or resulting from any acts or omissions of the Vendor or its agents, employees, subcontractors, Order Fulfillers, or suppliers of subcontractors in the execution or performance of the Contract and any Purchase Orders issued under the Contract. THE DEFENSE SHALL BE COORDINATED BY VENDOR WITH THE OFFICE OF THE ATTORNEY GENERAL WHEN TEXAS STATE AGENCIES ARE NAMED DEFENDANTS IN ANY LAWSUIT AND VENDOR MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM THE OFFICE OF THE ATTORNEY GENERAL. VENDOR AND THE CUSTOMER AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM.

3) Infringements

a) Vendor shall indemnify and hold harmless the State of Texas and Customers, AND/OR THEIR EMPLOYEES, AGENTS, REPRESENTATIVES, CONTRACTORS, ASSIGNEES, AND/OR DESIGNEES from any and all third party claims involving infringement of United States patents, copyrights, trade and service marks, and any other intellectual or intangible property rights in connection with the PERFORMANCES OR ACTIONS OF VENDOR PURSUANT TO THIS CONTRACT. VENDOR AND THE CUSTOMER AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM. VENDOR SHALL BE LIABLE TO PAY ALL COSTS OF DEFENSE INCLUDING ATTORNEYS' FEES. THE DEFENSE SHALL BE COORDINATED BY VENDOR WITH THE OFFICE OF THE ATTORNEY GENERAL WHEN TEXAS STATE AGENCIES ARE NAMED DEFENDANTS IN ANY LAWSUIT AND VENDOR MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM THE OFFICE OF THE ATTORNEY GENERAL.

b) Vendor shall have no liability under this section if the alleged infringement is caused in whole or in part by: (i) use of the product or service for a purpose or in a manner for which the product or service was not designed, (ii) any modification made to the product without Vendor's written approval, (iii) any modifications made to the product by the Vendor pursuant to Customer's specific instructions, (iv) any intellectual property right owned by or licensed to Customer, or (v) any use of the product or service by Customer that is not in conformity with the terms of any applicable license agreement.

c) If Vendor becomes aware of an actual or potential claim, or Customer provides Vendor with notice of an actual or potential claim, Vendor may (or in the case of an injunction against Customer, shall), at Vendor's sole option and expense: (i) procure for the Customer the right to continue to use the affected portion of the product or service, or (ii) modify or replace the affected portion of the product or service with functionally equivalent or superior product or service so that Customer's use is non-infringing.

B. Taxes/Worker's Compensation/UNEMPLOYMENT INSURANCE

1) VENDOR AGREES AND ACKNOWLEDGES THAT DURING THE EXISTENCE OF THIS CONTRACT, VENDOR SHALL BE ENTIRELY RESPONSIBLE FOR THE LIABILITY AND PAYMENT OF VENDOR'S AND VENDOR'S EMPLOYEES' TAXES OF WHATEVER KIND, ARISING OUT OF THE PERFORMANCES IN THIS CONTRACT. VENDOR AGREES TO COMPLY WITH ALL STATE AND FEDERAL LAWS APPLICABLE TO ANY SUCH PERSONS, INCLUDING LAWS REGARDING WAGES, TAXES, INSURANCE, AND WORKERS' COMPENSATION. THE CUSTOMER AND/OR THE STATE SHALL NOT BE LIABLE TO THE VENDOR, ITS EMPLOYEES, AGENTS, OR OTHERS FOR THE PAYMENT OF TAXES OR THE PROVISION OF UNEMPLOYMENT INSURANCE AND/OR WORKERS' COMPENSATION OR ANY BENEFIT AVAILABLE TO A STATE EMPLOYEE OR EMPLOYEE OF ANOTHER GOVERNMENTAL ENTITY CUSTOMER.

2) VENDOR AGREES TO INDEMNIFY AND HOLD HARMLESS CUSTOMERS, THE STATE OF TEXAS AND/OR THEIR EMPLOYEES, AGENTS, REPRESENTATIVES, CONTRACTORS, AND/OR ASSIGNEES FROM ANY AND ALL LIABILITY, ACTIONS, CLAIMS, DEMANDS, OR SUITS, AND ALL RELATED COSTS, ATTORNEYS' FEES, AND EXPENSES, RELATING TO TAX LIABILITY, UNEMPLOYMENT INSURANCE AND/OR WORKERS' COMPENSATION IN ITS PERFORMANCE UNDER THIS CONTRACT. VENDOR SHALL BE LIABLE TO PAY ALL COSTS OF DEFENSE INCLUDING ATTORNEYS' FEES. THE DEFENSE SHALL BE COORDINATED BY VENDOR WITH THE OFFICE OF THE ATTORNEY GENERAL WHEN TEXAS STATE AGENCIES ARE NAMED DEFENDANTS IN ANY LAWSUIT AND VENDOR MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM THE OFFICE OF THE ATTORNEY GENERAL. VENDOR AND THE CUSTOMER AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM.

C. Vendor Certifications

Vendor certifies on behalf of Vendor and its designated Order Fulfillers that they:

(i) have not given, offered to give, and do not intend to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the Contract;

(ii) are not currently delinquent in the payment of any franchise tax owed the State and are not ineligible to receive payment under §231.006 of the Texas Family Code and acknowledge the Contract may be terminated and payment withheld if this certification is inaccurate;

(iii) neither they, nor anyone acting for them, have violated the antitrust laws of the United States or the State, nor communicated directly or indirectly to any competitor or any other person engaged in such line of business for the purpose of obtaining an unfair price advantage;

(iv) have not received payment from DIR or any of its employees for participating in the preparation of the Contract;

(v) under Section 2155.004, Texas Government Code, the vendor certifies that the individual or business entity named in this bid or contract is not ineligible to receive the specified contract and acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate;

(vi) to the best of their knowledge and belief, there are no suits or proceedings pending or threatened against or affecting them, which if determined adversely to them will have a material adverse effect on the ability to fulfill their obligations under the Contract;

(vii) Vendor and its principals are not suspended or debarred from doing business with the federal government as listed in the *System for Award Management*

(SAM) maintained by the General Services Administration;

(viii) as of the effective date of the Contract, are not listed in the prohibited vendors list authorized by Executive Order #13224, *"Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism"*, published by the United States Department of the Treasury, Office of Foreign Assets Control;

(ix) to the extent applicable to this scope of this Contract, Vendor hereby certifies that it is in compliance with Subchapter Y, Chapter 361, Health and Safety Code related to the Computer Equipment Recycling Program and its rules, 30 TAC Chapter 328;

(x) agree that any payments due under this contract will be applied towards any debt, including but not limited to delinquent taxes and child support that is owed to the State of Texas;

(xi) are in compliance Section 669.003, Texas Government Code, relating to contracting with executive head of a state agency;

(xii) have identified all current or former, within the last five years, employees of the State assigned to work on the DIR Contract 20% or more of their time and have disclosed them to DIR and have disclosed or do not employ any relative of a current or former state employee within two degrees of consanguinity, and, if these facts change during the course of the Contract, certify they shall disclose the name and other pertinent information about the employment of current and former employees and their relatives within two degrees of consanguinity;

(xiii) represent and warrant that the provision of goods and services or other performance under the Contract will not constitute an actual or potential conflict of interest and certify that they will not reasonably create the appearance of impropriety, and, if these facts change during the course of the Contract, certify they shall disclose the actual or potential conflict of interest and any circumstances that create the appearance of impropriety;

(xiv) under Section 2155.006, Government Code, are not ineligible to receive the specified contract and acknowledge that this contract may be terminated and payment withheld if this certification is inaccurate;

(xv) have complied with the Section 556.0055, Texas Government Code, restriction on lobbying expenditures. In addition, they acknowledge the applicability of §2155.444 and §2155.4441, Texas Government Code, in fulfilling the terms of the Contract; and

(xvi) represent and warrant that the Customer's payment and their receipt of appropriated or other funds under this Agreement are not prohibited by Sections 556.005 or Section 556.008, Texas Government Code.

During the term of the Contract, Vendor shall, for itself and on behalf of its Order Fulfillers, promptly disclose to DIR all changes that occur to the foregoing certifications, representations and warranties. Vendor covenants to fully cooperate

in the development and execution of resulting documentation necessary to maintain an accurate record of the certifications, representations and warranties.

In addition, Vendor understands and agrees that Vendor may be required to comply with additional terms and conditions or certifications that an individual customer may require due to state and federal law (e.g., privacy and security requirements).

D. Ability to Conduct Business in Texas

Vendor and its Order Fulfiller shall be authorized and validly existing under the laws of its state of organization, and shall be authorized to do business in the State of Texas.

E. Equal Opportunity Compliance

Vendor agrees to abide by all applicable laws, regulations, and executive orders pertaining to equal employment opportunity, including federal laws and the laws of the State in which its primary place of business is located. In accordance with such laws, regulations, and executive orders, the Vendor agrees that no person in the United States shall, on the grounds of race, color, religion, national origin, sex, age, veteran status or handicap, be excluded from employment with or participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity performed by Vendor under the Contract. If Vendor is found to be not in compliance with these requirements during the term of the Contract, Vendor agrees to take appropriate steps to correct these deficiencies. Upon request, Vendor will furnish information regarding its nondiscriminatory hiring and promotion policies, as well as specific information on the composition of its principals and staff, including the identification of minorities and women in management or other positions with discretionary or decision-making authority.

F. Use of Subcontractors

If Vendor uses any subcontractors in the performance of this Contract, Vendor must make a good faith effort in the submission of its Subcontracting Plan in accordance with the State's Policy on Utilization of Historically Underutilized Businesses. A revised Subcontracting Plan shall be required before Vendor can engage additional subcontractors in the performance of this Contract. Vendor shall remain solely responsible for the performance of its obligations under the Contract.

G. Responsibility for Actions

1) Vendor is solely responsible for its actions and those of its agents, employees, or subcontractors, and agrees that neither Vendor nor any of the foregoing has any authority to act or speak on behalf of DIR or the State.

2) Vendor, for itself and on behalf of its subcontractors, shall report to DIR promptly when the disclosures under Certification Statement of Appendix A to the RFO and/or Section 10.C. (xii) and (xiii), Vendor Certifications of this Appendix A to the Contract change. Vendor covenants to fully cooperate with DIR to update and amend the Contract to accurately disclose employment of current or former State employees and their relatives and/or the status of conflicts of interest.

H. Confidentiality

1) Vendor acknowledges that DIR and Customers that are state agencies are

government agencies subject to the Texas Public Information Act. Vendor also acknowledges that DIR and Customers that are state agencies will comply with the Public Information Act, and with all opinions of the Texas Attorney General's office concerning this Act.

2) Under the terms of the Contract, DIR may provide Vendor with information related to Customers. Vendor shall not re-sell or otherwise distribute or release Customer information to any party in any manner.

I. Security of Premises, Equipment, Data and Personnel

Vendor and/or Order Fulfiller may, from time to time during the performance of the Contract, have access to the personnel, premises, equipment, and other property, including data, files and /or materials (collectively referred to as "Data") belonging to the Customer. Vendor and/or Order Fulfiller shall use their best efforts to preserve the safety, security, and the integrity of the personnel, premises, equipment, Data and other property of the Customer, in accordance with the instruction of the Customer. Vendor and/or Order Fulfiller shall be responsible for damage to Customer's equipment, workplace, and its contents when such damage is caused by its employees or subcontractors. If a Vendor and/or Order Fulfiller fails to comply with Customer's security requirements, then Customer may immediately terminate its Purchase Order and related Service Agreement.

J. Background and/or Criminal History Investigation

Prior to commencement of any services, background and/or criminal history investigation of the Vendor and/or Order Fulfiller's employees and subcontractors who will be providing services to the Customer under the Contract may be performed by certain Customers having legislative authority to require such investigations. Should any employee or subcontractor of the Vendor and/or Order Fulfiller who will be providing services to the Customer under the Contract not be acceptable to the Customer as a result of the background and/or criminal history check, then Customer may immediately terminate its Purchase Order and related Service Agreement or request replacement of the employee or subcontractor in question.

K. Limitation of Liability

For any claim or cause of action arising under or related to the Contract: i) to the extent permitted by the Constitution and the laws of the State, none of the parties shall be liable to the other for punitive, special, or consequential damages, even if it is advised of the possibility of such damages; and ii) Vendor's liability for damages of any kind to the Customer shall be limited to the total amount paid to Vendor under the Contract during the twelve months immediately preceding the accrual of the claim or cause of action. However, this limitation of Vendor's liability shall not apply to claims of bodily injury; violation of intellectual property rights including but not limited to patent, trademark, or copyright infringement; indemnification requirements under this Contract; and violation of State or Federal law including but not limited to disclosures of confidential information and any penalty of any kind lawfully assessed as a result of such violation.

L. Overcharges

Vendor hereby assigns to DIR any and all of its claims for overcharges associated with this

contract which arise under the antitrust laws of the United States, 15 U.S.C.A. Section 1, et seq., and which arise under the antitrust laws of the State of Texas, Tex. Bus. and Comm. Code Section 15.01, et seq.

M. Prohibited Conduct

Vendor represents and warrants that, to the best of its knowledge as of the date of this certification, neither Vendor nor any Order Fulfiller, subcontractor, firm, corporation, partnership, or institution represented by Vendor, nor anyone acting for such Order Fulfiller, subcontractor, firm, corporation or institution has: (1) violated the antitrust laws of the State of Texas under Texas Business & Commerce Code, Chapter 15, or the federal antitrust laws; or (2) communicated its response to the Request for Offer directly or indirectly to any competitor or any other person engaged in such line of business during the procurement for the Contract.

N. Required Insurance Coverage

As a condition of this Contract with DIR, Vendor shall provide the listed insurance coverage within 5 business days of execution of the Contract if the Vendor is awarded services which require that Vendor's employees perform work at any Customer premises and/or use employer vehicles to conduct work on behalf of Customers. In addition, when engaged by a Customer to provide services on Customer premises, the Vendor shall, at its own expense, secure and maintain the insurance coverage specified herein, and shall provide proof of such insurance coverage to the related Customer within five (5) business days following the execution of the Purchase Order. Vendor may not begin performance under the Contract and/or a Purchase Order until such proof of insurance coverage is provided to, and approved by, DIR and the Customer. All required insurance must be issued by companies that are A rated by A.M. Best, licensed in the State of Texas, and authorized to provide the corresponding coverage. The Customer and DIR will be named as Additional Insureds on all required coverage. Required coverage must remain in effect through the term of the Contract and each Purchase Order issued to Vendor there under. The minimum acceptable insurance provisions are as follows:

1) Commercial General Liability

Commercial General Liability must include a combined single limit of $1,000,000 per occurrence for coverage A, B, & C including products/completed operations, where appropriate, with a separate aggregate limit of $2,000,000. Agencies may require additional Umbrella/Excess Liability insurance. The policy shall contain the following provisions:

a) Blanket contractual liability coverage for liability assumed under the Contract;
b) Independent Contractor coverage;
c) State of Texas, DIR and Customer listed as an additional insured;
d) 30-day Notice of Termination in favor of DIR and/or Customer; and
e) Waiver of Transfer Right of Recovery Against Others in favor of DIR and/or Customer.

2) Workers' Compensation Insurance

WORKERS' COMPENSATION INSURANCE AND EMPLOYERS' LIABILITY COVERAGE MUST INCLUDE LIMITS CONSISTENT WITH STATUTORY BENEFITS OUTLINED IN THE TEXAS WORKERS' COMPENSATION ACT (ART. 8308-1.01 ET SEQ. TEX. REV. CIV. STAT) AND MINIMUM POLICY LIMITS FOR EMPLOYERS' LIABILITY OF $1,000,000 BODILY INJURY PER ACCIDENT, $1,000,000 BODILY INJURY DISEASE POLICY LIMIT AND $1,000,000 PER DISEASE PER EMPLOYEE.

3) Business Automobile Liability Insurance

Business Automobile Liability Insurance must cover all owned, non-owned and hired vehicles with a minimum combined single limit of $500,000 per occurrence for bodily injury and property damage. Alternative acceptable limits are $250,000 bodily injury per person, $500,000 bodily injury per occurrence and at least $100,000 property damage liability per accident. The policy shall contain the following endorsements in favor of DIR and/or Customer:

a) Waiver of Subrogation;
b) 30-day Notice of Termination; and
c) Additional Insured.

O. Use of State Property

Vendor is prohibited from using the Customer's equipment, the customer's location, or any other resources of the Customer or the State for any purpose other than performing services under this Agreement. For this purpose, equipment includes, but is not limited to, copy machines, computers and telephones using State long distance services. Any charges incurred by Vendor using the Customer's equipment for any purpose other than performing services under this Agreement must be fully reimbursed by Vendor to the Customer immediately upon demand by the Customer. Such use shall constitute breach of contract and may result in termination of the contract and other remedies available to DIR and Customer under the contract and applicable law.

P. Immigration

The Vendor shall comply with all requirements related to federal immigration laws and regulations, to include but not be limited to, the Immigration and Reform Act of 1986, the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 ("IIRIRA") and the Immigration Act of 1990 (8 U.S.C.1101, et seq.) regarding employment verification and retention of verification forms for any individual(s) who will perform any labor or services under this Contract.

The Vendor shall require its subcontractors to comply with the requirements of this Section and the Vendor is responsible for the compliance of its subcontractors. Nothing herein is intended to exclude compliance by Vendor and its subcontractors with all other relevant federal immigration statutes and regulations promulgated pursuant thereto.

Pursuant to Executive Order No. RP-80, issued by the Governor of Texas on December 3, 2014, the Contractor shall, as a condition of this Contract, also comply with the United

States Department of Homeland Security's E-Verify system to determine the eligibility of:

- all persons employed during the term of this Contract to perform duties within Texas; and
- all persons (including subcontractors) assigned by the Contractor to perform work pursuant to this Contract.

The Contractor shall require its subcontractors to comply with the requirements of this Section and the Contractor is responsible for the compliance of its subcontractors. Nothing herein is intended to exclude compliance by Contractor and its subcontractors with all other relevant federal immigration statutes and regulations promulgated pursuant thereto.

Q. Public Disclosure

No public disclosures or news releases pertaining to this contract shall be made without prior written approval of DIR.

R. Product and/or Services Substitutions

Substitutions are not permitted without the written permission of DIR or Customer.

S. Secure Erasure of Hard Disk Products and/or Services

Vendor agrees that all products and/or services equipped with hard disk drives (i.e. computers, telephones, printers, fax machines, scanners, multifunction devices, etc.) shall have the capability to securely erase data written to the hard drive prior to final disposition of such products and/or services, either at the end of the Customer's Managed Services product's useful life or the end of the related Customer Managed Services Agreement for such products and/ services, in accordance with 1 TAC 202.

T. Deceptive Trade Practices; Unfair Business Practices

1) Vendor represents and warrants that neither Vendor nor any of its Subcontractors has been (i) found liable in any administrative hearing, litigation or other proceeding of Deceptive Trade Practices violations as defined under Chapter 17, Texas Business & Commerce Code, or (ii) has outstanding allegations of any Deceptive Trade Practice pending in any administrative hearing, litigation or other proceeding.

2) Vendor certifies that it has no officers who have served as officers of other entities who (i) have been found liable in any administrative hearing, litigation or other proceeding of Deceptive Trade Practices violations or (ii) have outstanding allegations of any Deceptive Trade Practice pending in any administrative hearing, litigation or other proceeding.

U. Drug Free Workplace Policy

Vendor shall comply with the applicable provisions of the Drug-Free Work Place Act of 1988 (Public Law 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.) and maintain a drug-free work environment; and the final rule, government-wide requirements for drug-free work place (grants), issued by the Office of Management and Budget and the Department of Defense (32 CFR Part 280, Subpart F) to implement the provisions of the Drug-Free Work Place Act of 1988 is incorporated by reference and Vendor shall comply with the

relevant provisions thereof, including any amendments to the final rule that may hereafter be issued.

V. Accessiblity of Public Information

1) Pursuant to S.B. 1368 of the 83rd Texas Legislature, Regular Session, Vendor is required to make any information created or exchanged with the State pursuant to this Contract, and not otherwise excepted from disclosure under the Texas Public Information Act, available in a format that is accessible by the public at no additional charge to the State.

2) Each State government entity should supplement the provision set forth in Subsection 1, above, with the additional terms agreed upon by the parties regarding the specific format by which the Vendor is required to make the information accessible by the public.

W. Vendor Reporting Requirements

Vendor shall comply with Subtitle C, Title 5, Business & Commerce Code, Chapter 109 as added by HB 2539 of the 83rd Texas Legislature, Regular Session, requiring computer technicians to report images of child pornography.

11. Contract Enforcement

A. Enforcement of Contract and Dispute Resolution

1) Vendor and DIR agree to the following: (i) a party's failure to require strict performance of any provision of the Contract shall not waive or diminish that party's right thereafter to demand strict compliance with that or any other provision, (ii) for disputes not resolved in the normal course of business, the dispute resolution process provided for in Chapter 2260, Texas Government Code, shall be used, and (iii) actions or proceedings arising from the Contract shall be heard in a state court of competent jurisdiction in Travis County, Texas.

2) Disputes arising between a Customer and the Vendor shall be resolved in accordance with the dispute resolution process of the Customer that is not inconsistent with subparagraph A.1 above. DIR shall not be a party to any such dispute unless DIR, Customer, and Vendor agree in writing.

3) State agencies are required by rule (34 TAC §20.108(b)) to report vendor performance through the Vendor Performance Tracking System (VPTS) on every purchase over $25,000.

B. Termination

1) Termination for Non-Appropriation

a) Termination for Non-Appropriation by Customer

Customer may terminate Purchase Orders if funds sufficient to pay its obligations under the Contract are not appropriated: i) by the governing body on behalf of local governments; ii) by the Texas legislature on behalf of state agencies; or iii) by budget execution authority provisioned to the Governor or the Legislative Budget Board as provided in Chapter 317, Texas Government Code. In the event of non-appropriation, Vendor and/or Order Fulfiller will be provided ten (10) calendar

days written notice of intent to terminate. Notwithstanding the foregoing, if a Customer issues a Purchase Order and has accepted delivery of the product or services, they are obligated to pay for the product or services or they may return the product and discontinue using services under any return provisions that Vendor offers. In the event of such termination, the Customer will not be considered to be in default or breach under this Contract, nor shall it be liable for any further payments ordinarily due under this Contract, nor shall it be liable for any damages or any other amounts which are caused by or associated with such termination.

b) Termination for Non-Appropriation by DIR

DIR may terminate Contract if funds sufficient to pay its obligations under the Contract are not appropriated: by the i) Texas legislature or ii) by budget execution authority provisioned to the Governor or the Legislative Budget Board as provided in Chapter 317, Texas Government Code. In the event of non-appropriation, Vendor and/or Order Fulfiller will be provided thirty (30) calendar days written notice of intent to terminate. In the event of such termination, DIR will not be considered to be in default or breach under this Contract, nor shall it be liable for any further payments ordinarily due under this Contract, nor shall it be liable for any damages or any other amounts which are caused by or associated with such termination.

2) Absolute Right

DIR shall have the absolute right to terminate the Contract without recourse in the event that: i) Vendor becomes listed on the prohibited vendors list authorized by Executive Order #13224, *"Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism"*, published by the United States Department of the Treasury, Office of Foreign Assets Control; ii) Vendor becomes suspended or debarred from doing business with the federal government as listed in the *System for Award Management (SAM)* maintained by the General Services Administration; or (iii) Vendor is found by DIR to be ineligible to hold this Contract under Subsection (b) of Section 2155.006, Texas Government Code. Vendor shall be provided written notice in accordance with Section 12.A, Notices, of intent to terminate.

3) Termination for Convenience

DIR may terminate the Contract, in whole or in part, by giving the other party thirty (30) calendar days written notice. A Customer may terminate a Purchase Order by giving the other party thirty (30) calendar days written notice.

4) Termination for Cause

a) Contract

Either DIR or Vendor may issue a written notice of default to the other upon the occurrence of a material breach of any covenant, warranty or provision of the Contract, upon the following preconditions: first, the parties must comply with the requirements of Chapter 2260, Texas Government Code in an attempt to resolve a

dispute; second, after complying with Chapter 2260, Texas Government Code, and the dispute remains unresolved, then the non-defaulting party shall give the defaulting party thirty (30) calendar days from receipt of notice to cure said default. If the defaulting party fails to cure said default within the timeframe allowed, the non-defaulting party may, at its option and in addition to any other remedies it may have available, cancel and terminate the Contract. Customers purchasing products or services under the Contract have no power to terminate the Contract for default.

b) Purchase Order

Customer or Order Fulfiller may terminate a Purchase Order upon the occurrence of a material breach of any term or condition: (i) of the Contract, or (ii) included in the Purchase Order in accordance with Section 4.B.2 above, upon the following preconditions: first, the parties must comply with the requirements of Chapter 2260, Texas Government Code, in an attempt to resolve a dispute; second, after complying with Chapter 2260, Texas Government Code, and the dispute remains unresolved, then the non-defaulting party shall give the defaulting party thirty (30) calendar days from receipt of notice to cure said default. If the defaulting party fails to cure said default within the timeframe allowed, the non-defaulting party may, at its option and in addition to any other remedies it may have available, cancel and terminate the Purchase Order.

5) Customer Rights Under Termination

In the event the Contract expires or is terminated for any reason, a Customer shall retain its rights under the Contract and the Purchase Order issued prior to the termination or expiration of the Contract. The Purchase Order survives the expiration or termination of the Contract for its then effective term.

6) Vendor or Order Fulfiller Rights Under Termination

In the event a Purchase Order expires or is terminated, a Customer shall pay: 1) all amounts due for products or services ordered prior to the effective termination date and ultimately accepted, and 2) any applicable early termination fees agreed to in such Purchase Order.

C. Force Majeure

DIR, Customer, or Order Fulfiller may be excused from performance under the Contract for any period when performance is prevented as the result of an act of God, strike, war, civil disturbance, epidemic, or court order, provided that the party experiencing the event of Force Majeure has prudently and promptly acted to take any and all steps that are within the party's control to ensure performance and to shorten the duration of the event of Force Majeure. The party suffering an event of Force Majeure shall provide notice of the event to the other parties when commercially reasonable. Subject to this provision, such non-performance shall not be deemed a default or a ground for termination. However, a Customer may terminate a Purchase Order if it is determined by the Customer that Order Fulfiller will not be able to deliver product or services in a timely manner to meet the business needs of the Customer.

12. Notification

A. Notices

All notices, demands, designations, certificates, requests, offers, consents, approvals and other instruments given pursuant to the Contract shall be in writing and shall be validly given on: (i) the date of delivery if delivered by email, facsimile transmission, mailed by registered or certified mail, or hand delivered, or (ii) three business days after being mailed via United States Postal Service. All notices under the Contract shall be sent to a party at the respective address indicated in Section 6 of the Contract or to such other address as such party shall have notified the other party in writing.

B. Handling of Written Complaints

In addition to other remedies contained in the Contract, a person contracting with DIR may direct their written complaints to the following office:

Public Information Office
Department of Information Resources
Attn: Public Information Officer
300 W. 15th Street, Suite 1300
Austin, Texas 78701
(512) 475-4759, facsimile

13. Captions

The captions contained in the Contract, Appendices, and its Exhibits are intended for convenience and reference purposes only and shall in no way be deemed to define or limit any provision thereof.

Pricing Index – Appendix C
DIR Contract Number DIR-TSO-3415

Definitions:

Attainment Tier: The range of total Government Subscriber voice and data lines, and M2M Line with a monthly access fee of $34.99 or higher, that are activated under the resulting Agreement at any time, including the lines of participating parents and affiliates as per the "Purchases by Parents and Affiliates" section in the resulting Agreement. Customer's initial Attainment Tier is indicated in the checked box below.

Government Subscriber: An employee of Customer utilizing Wireless Service whose account is set up in Customer's name and for which Customer bears payment responsibility.

Equipment: Wireless telephones, data modems and similar devices and ancillary accessories used in conjunction with Wireless Service.

Wireless Service: Each and every radio service provided directly or indirectly by Verizon Wireless.

Eligible Plan(s): Any generally available Verizon Wireless voice, data or M2M plan with a monthly access fee of $34.99 or higher that does not prohibit discounts.

Eligible Data Feature(s): Any generally available Verizon Wireless data feature with a monthly access fee of $24.99 or higher, added to an Eligible Calling Plan, that does not prohibit discounts.

Machine to Machine Service ("M2M Service"): M2M refers to use of the Wireless Service for the transmission of data between wireless devices and computer servers or other machines, or between wireless devices, with limited or no manual intervention or supervision.

M2M Line(s): An individual line of M2M Service used under this Pricing and Equipment Proposal which is set up in Customer's name and for which Customer bears responsibility.

Plans, Features, Rates and Charges: The voice, data or M2M plan and any options, features or applications that are selected by the Customer determine the applicable rates, charges, allowance of minutes or megabytes and Wireless Service coverage area for each line. Some plans may have restrictions on the type of Equipment that can be activated on them. Information about retail plans, options, features, and applications (*i.e.*, those that Verizon Wireless makes generally available to consumers or business customers) and their terms and conditions may be obtained at Verizon Wireless stores, on verizonwireless.com or from Verizon Wireless business sales representatives. The voice, data or M2M plan monthly access fees and non-promotional allowance of minutes and/or megabytes for each line will not change during the Line Term as long as Customer does not change plans on that line. As detailed in the contract, rates, charges and fees, listed in Appendix C, Pricing (excluding FUSF) ,,may be changed following the formal Amendment process Verizon Wireless may discontinue any retail plans, options, features and applications for new activations without notice. If Customer changes or upgrades Equipment, Verizon Wireless may require it to change to a then-current plan that is compatible with the changed or upgraded Equipment. Customer may not activate Equipment purchase at a discount from Verizon Wireless on M2M Lines. Government discounts and pricing may not be available to purchases made through agents or at retail store locations.

Federal Universal Service Fee (FUSF): Verizon is authorized to charge FUSF fees to DIR Customers.

Term of Lines ("Line Term"): The term for each line (the "Line Term") begins on the date Wireless Service is activated for that line and continues for the period required by the calling plan or Equipment selected for that line (usually 1 year). Line Term extensions are required when Customer: (a) takes advantage of promotions or services that require a Line Term extension; or (b) purchases or upgrades Equipment except for ancillary accessories used in conjunction with Wireless Service. When the Line Term expires, Wireless Service continues on a month-to-month basis. Activation fees are waived for Government Subscribers on voice and data plans and for M2M Lines.

Early Termination Fees ("ETF"): ETFs are waived for Government Subscribes.

M2M Management Center: The Machine-to-Machine Management Center ("M2M Management Center") provides Customer with the ability to remotely monitor and manage its M2M devices. If Customer desires to access and use the M2M Management Center, it must so request in writing, and Verizon Wireless shall provision the M2M Management Center on Customer's account. Applicable rates and charges, if any, shall be set forth in this Addendum. The M2M Management Center set-up time is estimated to take four to six weeks. The rights granted to Customer herein for access to and use of the M2M Management Center are specific to Customer and may not be transferred to another party without Verizon Wireless' prior written consent. Verizon Wireless retains full and exclusive ownership of all intellectual property rights associated with the M2M Management Center including any alterations, modifications, improvements and derivative works thereof.

WIRELESS VOICE CALLING PLANS

LOCAL CALLING PLANS

Custom State of Texas Voice Rate Plan: Government Subscribers Only	
The calling plan below reflects the monthly access charge discount. No additional discounts apply.	
	Custom State of Texas Voice Rate Plan
Monthly Access Charge	$4.99
Domestic Anytime Voice Minutes Per Month	0 Minutes
Voice Per Minute Rate	$0.06
Domestic Night & Weekend Minutes	Unlimited
Unlimited Domestic Night & Weekend Minutes	Included
Domestic Mobile to Mobile Minutes	Unlimited
Unlimited Domestic Push-to-Talk	$10.00 additional per user, per month (device dependant)
Domestic Long Distance	Included for Domestic Long Distance Calls Made from Home Calling Area
Domestic Roaming Rate per minute	$0.69
Notes: See attached Calling Plan and Feature Details for important information about calling plans, features and options. Voice service is required. This plan may NOT be used as Push-to-Talk service only plan. *This plan includes a home airtime area that encompasses the State of Texas only. Please see State of Texas map for more information. The State of Texas will notify Verizon Wireless of emergency lines activated on this plan. See attached Verizon Wireless Voice and Data Calling Plan Terms and Conditions for important information about calling plans, features and options. Mobile Iron is not available on this plan or on a standalone basis. No more than 50% of the lines on a single account can be placed on this plan.	

Push to Talk (PTT) Only Rate Plan: Government Subscribers Only	
The calling plan below reflects the monthly access charge discount. No additional discounts apply.	
	Push to Talk Only Rate Plan
Monthly Access Charge	$15.99
Domestic Anytime Voice Minutes Per Month	0
One to One Push to Talk	Unlimited
Data Sent or Received	$1.99 or per data package
Notes: See attached Calling Plan and Feature Details for important information about calling plans, features and options. Mobile Iron is not available on this plan or on a standalone basis.	

Nationwide for Texas Voice Calling Plans			
The calling plans below reflect the monthly access charge discount. No additional discounts apply.			
Nationwide for Texas Voice Calling Plans:	400 Voice Minutes	600 Voice Minutes	1000 Voice Minutes
Domestic Anytime Voice Minutes Per Month	**400**	**600**	**1000**
Monthly Access Charge (pooled minutes)	$24.99	$32.99	$39.99
Friends & Family for Government	NA	Up to 10 numbers for entire account, not per user	
Overage Rate per minute	$0.25		
Domestic Night & Weekend Minutes	Unlimited		
Domestic Mobile to Mobile Minutes	Unlimited		
Included Domestic Text, Picture & Video Messages	200 per month (overage rate after allowance)		
Domestic Text, Picture & Video Message Overage Rates (per message per address)	$0.10 outbound/$0.02 inbound per Text $0.25 per Picture or Video Message		
Domestic Long Distance	Included		
Add-a-Line*	$14.99		
Add-a-Line with Push-to-Talk*	$17.99		
Notes: See attached Calling Plan and Feature Details for important information about calling plans, features and options. Mobile Iron is not available on these plans or on a standalone basis. *The Add-a-Line plans include 100 Domestic Text, Picture & Video Messages per month. No more than 50% of lines on a single account can be placed on the $14.99 Add-a-line & $17.99 Add-a-line with Push to Talk plans.			

WIRELESS VOICE & DATA BUNDLED PLANS

Custom Domestic Nationwide for Texas Voice & Flat Rate Data Plans			
The calling plans below reflect the monthly access charge discount. No additional discounts apply.			
Nationwide for Texas Voice & Data Plans:	400 Minute Voice/Data Bundle	600 Minute Voice/Data Bundle	1000 Minute Voice/Data Bundle
Domestic Anytime Voice Minutes Per Month	**400**	**600**	**1000**
Monthly Access Charge (non-pooled minutes)	$45.99	$58.98	$68.99
Monthly Access Charge (pooled minutes)	$47.99	$59.99	$69.99
Overage Rate per minute	$0.25		
Domestic Data Allowance for Email	Flat Rate**		
Domestic Night & Weekend Minutes	Unlimited		
Domestic Mobile to Mobile Minutes	Unlimited		
Included Domestic Text, Picture & Video Messages	Unlimited*		
Friends & Family for Government	Up to 10 numbers For Entire Account, Not Per User		
Mobile Hotspot	Included		
NationalAccess Roaming	$0.002 per Kilobyte		
Domestic Long Distance	Included		
Add-A-Line	$34.99		
Notes: See attached Calling Plan and Feature Details for important information about calling plans, features and options. *Defaults to Text only, must select Text, Picture & Video option. Mobile Iron is included on these voice and data bundle plans. Mobile Iron is not available on a standalone basis. **Should a subscriber exceed 5 GB of data usage within a given bill cycle on any line, Verizon Wireless will limit data throughput speeds for all additional usage on that line for the remainder of that bill cycle. No more than 50% of lines on a single account can be placed on the $34.99 Add-a-line plan.			

Global Nationwide for Texas Voice & Global Data Plans			
The calling plans below reflect the monthly access charge discount. No additional discounts apply.			
Nationwide for Texas Voice & Global Data Plans:	400 Minute Voice/Global Data Bundle	600 Minute Voice/Global Data Bundle	1000 Minute Voice/Global Data Bundle
Domestic Anytime Voice Minutes Per Month	**400**	**600**	**1000**
Monthly Access Charge (non-pooled minutes)	$63.99	$76.99	$88.99
Monthly Access Charge (pooled minutes)	$65.98	$78.99	$90.98
Voice Overage Rate	$0.25 per minute		
Domestic & Global Data Allowance for Email	Unlimited		
International/Global Phone Roaming		Zone 1 Countries	Zone 2 Countries
	Government Subscribers	$0.99	$1.99
Domestic Night & Weekend Minutes	Unlimited		
Domestic Mobile to Mobile Minutes	Unlimited		
Included Domestic Text, Picture & Video Messages	Unlimited*		
Friends & Family for Government	Up to 10 numbers For Entire Account, Not Per User		
NationalAccess Roaming	$0.002 per Kilobyte		
Domestic Long Distance	Included		
Notes: See attached Calling Plan and Feature Details for important information about calling plans, features and options. *Defaults to Text only, must select Text, Picture & Video option. Mobile Iron is NOT included on these voice and global data bundle plans and is not available on a standalone basis.			

Nationwide Voice and Data Bundle Plan

The calling plan below reflects the monthly access charge discount. No additional discounts apply.

Voice Calling Plans:	300 Voice Minutes
Domestic Anytime Voice Minutes Per Month	**300**
Monthly Access Charge (pooled minutes)	$39.99
Overage Rate per minute	$0.25
Domestic Data Allowance	2 GB
Domestic Overage Rate Per Gigabyte	$10.00 ($0.0000095 per Kilobyte)
Domestic Night & Weekend Minutes	Unlimited
Domestic Mobile to Mobile Minutes	Unlimited
Included Domestic Text, Picture & Video Messages	Unlimited*
Mobile Hotspot	Included
Domestic Long Distance	Included

Notes: See attached Calling Plan and Feature Details for important information about calling plans, features and options. *Defaults to Text only, must select Text, Picture & Video option. Mobile Iron is included on this voice and data bundle plan. Mobile Iron is not available on a standalone basis.

Custom Voice, Data and Text Smartphone Flat Rate Plan

The calling plan below reflects the monthly access charge discount. No additional discounts apply.

Custom Voice, Data and Text Smartphone Plan:	Flat Rate Voice Minutes
Domestic Anytime Voice Minutes Per Month	**Unlimited**
Monthly Access Charge (pooled minutes)	$69.99
Overage Rate per minute	N/A
Domestic Data Allowance	Flat Rate
Domestic Night & Weekend Minutes	Unlimited
Domestic Mobile to Mobile Minutes	Unlimited
Included Domestic Text, Picture & Video Messages	Unlimited*
Mobile Hotspot	Included
Domestic Long Distance	Included

Notes: See attached Calling Plan and Feature Details for important information about calling plans, features and options. *Defaults to Text only, must select Text, Picture & Video option. Should a subscriber exceed 5 GB of data usage within a given month, Verizon Wireless reserves the right to limit data throughput speeds for the remainder of that month. Mobile Iron is included on this voice and data bundle plan. Mobile Iron is not available on a standalone basis.

WIRELESS DATA PLANS

Mobile BroadbandAccess for Texas Flat Rate Data Plan	
The data plan below reflects the monthly access charge discount. No additional discounts apply.	
	Mobile Broadband Access Only
Monthly Access Fee	$37.99
Domestic Data Allowance for Email and Internet/Intranet Browsing	Flat Rate
Overage Rate Per GB	NA
National-Access Roaming	$0.002 per Kilobyte
Domestic Long Distance[1]	Included
Notes: See attached Calling Plan and Feature Details for important information about calling plans, features and options. Streaming video is NOT permitted on this plan. Should a subscriber exceed 5 GB of data usage within a given month, Verizon Wireless reserves the right to limit data throughput speeds for the remainder of that month. Mobile Iron is not available on these plans or on a standalone basis.	

Public Sector Mobile Broadband Share Plans: Government Subscribers Only			
The data plans below reflect the monthly access charge discount. No additional discounts apply.			
Public Sector Mobile Broadband	5 Gigabytes (90237)	10 Gigabytes (90240)	20 Gigabytes (90241)
Monthly Access Charge	$34.99	$59.99	$99.99
Shared Domestic Data Allowance	5GB	10GB	20GB
Overage Per Gigabyte	$8.00 Per Gigabyte		
NationalAccess Roaming	$0.002 per Kilobyte		
Notes: This plan is available for domestic data only devices, on the Verizon Wireless network only. **Data Sharing:** At the end of each bill cycle, any unused data allowances for lines sharing on the same account will be applied to the overages of the other lines on the same account beginning with the line with the lowest overage need. Plan changes may not take effect until the billing cycle following the change request. Current NationalAccess and Mobile Broadband coverage details can be found at www.verizonwireless.com. New activations on these service plans require 4G LTE devices. Existing customers transitioning to one of these service plans are able to utilize existing 3G devices. The 5GB, 10GB, and 20GB Public Sector Mobile Broadband Plans are able to share with each other. Mobile Iron is not available on these plans or on a standalone basis.			

Mobile Broadband Share Plans: Government Subscribers Only			
The data plans below reflect the monthly access fee discount. No additional discounts apply.			
Mobile Broadband Share Plans:	1 Gigabyte	2 Gigabyte	5 Gigabytes
Monthly Access Fee	$17.00	$23.00	$35.00
Domestic Data Allowance Per Month	1 GB	2 GB	5 GB
Domestic Overage Rate Per Gigabyte	$10.00 ($0.0000095 per Kilobyte)		
International Roaming	$0.002 per Kilobyte		
Notes: See attached Calling Plan and Feature Details for important information about calling plans, features and options. Streaming video is NOT permitted on this plan. Sharing is available only among Mobile Broadband users in the same profile. Mobile Iron is not available on these plans or on a standalone basis.			

WIRELESS FEATURES

Domestic Data Package Features for Feature Phones/Smartphones			
A discount has been applied; features are not eligible for any further discounts.			
Monthly Access Charge (when added to an eligible voice plan)	Domestic Data Allowance	Overage Rate	Optional Business Email Feature (Server based email solutions)
Not applicable	0	$1.99 per MB	N/A
$10.00	75 MB	$10.00 per 75 MB	N/A
$34.65	2 GB	$10.00 per GB ($0.00000953674/kb)	Included
$38.50	5 GB		
$61.60	10 GB		
Note: See attached Calling Plan and Feature Details for important information about calling plans, features and options.			

Global Data Optional Features				
The data plans below reflect the monthly access fee discount. No additional discounts apply.				
Monthly Access Fee	Allowance	Rate After Allowance (Global Data Plan Countries)	Rate per KB (non-Global Data Plan Countries)	
$19.25 (CDMA or GSM)	100MB	$25.00 per each additional 100 MB used	$0.02 per KB ($20.48/MB)	
Pay Per Use (for subscribers not using the Global Data Feature)				
Monthly Access Fee	Allowance	Rate per MB (Canada)	Rate per MB (Mexico)	Rate per MB (Rest of the World)
N/A	N/A	$2.05/MB	$5.12MB	$20.48/MB
Notes: Current coverage details and list of Global Data Countries can be found at www.verizonwireless.com/global. See Calling Plan Optional Features section for important information about calling plans, features and options. Applies to all global-capable phones and internet devices. Customer must subscribe to a domestic Mobile Hotspot plan to use the service globally. The majority of your monthly usage must be in the United States. All data usage, including tethering and hotspot, deducts from the same data allowance.				

Global Voice*	
No additional discounts apply.	
Canada	$0.69/min
Mexico	$0.99/min
Caribbean and Europe	As low as $1.29/min
Standard Rates for Other Countries	As low as $1.29/min
Global Value Plan Rates	As low as $0.99/min
Notes: Current coverage details and list of Other Available Countries can be found at www.verizonwireless.com/global. See attached Calling Plan and Feature Details for important information about calling plans, features and options. *Applies to all global-capable devices. Must be added to a domestic 3G Mobile Broadband calling plan with domestic 3G Mobile Broadband Connect/Mobile Hotspot.	

MACHINE-TO-MACHINE (M2M) /TELEMETRY PLANS

Mobile Broadband Machine-to-Machine (M2M) Share Plans Low Usage Group

The data plans below reflect the monthly access charge discount. No additional discounts apply.

Mobile Broadband Machine-to-Machine Plans:	1 Megabyte	5 Megabytes	25 Megabytes	50 Megabytes	150 Megabytes
Domestic Shared Data Allowance Per Month	**1 MB**	**5 MB**	**25 MB**	**50 MB**	**150 MB**
Monthly Access Charge	$5.00	$7.00	$10.00	$15.00	$18.00
Overage Rate Per Megabyte	$1.00				
National Access Roaming	$0.002 per Kilobyte(Canada)/$0.005 per Kilobyte (Mexico)				

Mobile Broadband Machine-to-Machine Plans (M2M) Share Plans High Usage Group

The data plans below reflect the monthly access charge discount. No additional discounts apply.

Mobile Broadband Machine-to-Machine Plans:	1 Gigabyte	5 Gigabytes	10 Gigabytes
Domestic Data Allowance Per Month	**1 GB**	**5 GB**	**10 GB**
Monthly Access Charge	$25.00	$37.50	$60.00
Overage Rate Per Megabyte	$0.015		
National Access Roaming	$0.002 per Kilobyte(Canada)/$0.005 per Kilobyte (Mexico)		

Notes: Machine to Machine coverage includes the Verizon Wireless 4G, 3G and 3G Extended networks. See Calling Plan and Feature Details for important information about calling plans, features and options. Government Subscribers may supply their own authenticated Equipment (CPE) approved by Verizon Wireless to be activated on these plans. Netbook, Smartphone, and Tablet devices are not eligible for Mobile Broadband M2M pricing. 4G service requires 4G Telemetry equipment and 4G coverage. All terms and conditions of the Agreement apply to M2M service and M2M Lines as a Wireless Service. Mobile Iron is not available on these plans or on a standalone basis.

Mobile Broadband Machine-to-Machine Plans (M2M) Share Plans: Government Subscribers Only

The data plans below reflect the monthly access fee discount. No additional discounts apply.

Mobile Broadband Machine-to-Machine Plans:	1 Gigabyte	2 Gigabyte	5 Gigabytes
Monthly Access Fee	$17.00	$23.00	$35.00
Domestic Data Allowance Per Month	1 GB	2 GB	5 GB
Domestic Overage Rate Per Gigabyte	$10.00 ($0.0000095 per Kilobyte)		
International Roaming	$0.002 per Kilobyte		

Notes: Machine to Machine coverage included the Verizon Wireless 4G, 3G and 3G Extended networks. See attached Calling Plan and Feature Details for important information about calling plans, features and options. Government Subscribers may supply their own authenticated Equipment (CPE) approved by Verizon Wireless to be activated on these plans. Netbook, Smartphone, and Tablet devices are not eligible for Mobile Broadband M2M pricing. 4G service requires 4G Telemetry equipment and 4G coverage. All terms and conditions of the Agreement apply to M2M service and M2M Lines as a Wireless Service. Sharing is available only among Mobile Broadband users in the same user group. Mobile Iron is not available on these plans or on a standalone basis.

Mobile Broadband Machine-to-Machine Plans (M2M) Share Plan: Government Subscribers Only

The data plans below reflect the monthly access fee discount. No additional discounts apply.

Mobile Broadband Machine-to-Machine Plan:	250 MB
Monthly Access Fee	$13.00
Domestic Data Allowance Per Month	250 MB
Domestic Overage Rate Per Gigabyte	$0.015 per MB
International Roaming	$0.002 per Kilobyte

Notes: Machine to Machine coverage included the Verizon Wireless 4G, 3G and 3G Extended networks. See attached Calling Plan and Feature Details for important information about calling plans, features and options. Government Subscribers may supply their own authenticated Equipment (CPE) approved by Verizon Wireless to be activated on these plans. Netbook, Smartphone, and Tablet devices are not eligible for Mobile Broadband M2M pricing. 4G service requires 4G Telemetry equipment and 4G coverage. All terms and conditions of the Agreement apply to M2M service and M2M Lines as a Wireless Service. Sharing is available only among Mobile Broadband users in the same user group. Mobile Iron is not available on these plans or on a standalone basis.

Public Sector Mobile Broadband Machine-to-Machine Plans (M2M) Share Plans: Government Subscribers Only

The data plans below reflect the monthly access charge discount. No additional discounts apply.

Public Sector Mobile Broadband	5 Gigabytes (90231)	10 Gigabytes (90234)	20 Gigabytes (90235)
Monthly Access Charge	$34.99	$59.99	$99.99
Shared Domestic Data Allowance	5GB	10GB	20GB
Overage Per Gigabyte	$8.00 Per Gigabyte		
NationalAccess Roaming	$0.002 per Kilobyte		

Notes: This plan is available for domestic data only devices, on the Verizon Wireless network only. **Data Sharing:** At the end of each bill cycle, any unused data allowances for lines sharing on the same account will be applied to the overages of the other lines on the same account beginning with the line with the lowest overage need. Plan changes may not take effect until the billing cycle following the change request. Current NationalAccess and Mobile Broadband coverage details can be found at www.verizonwireless.com. Netbook, Smartphone, and Tablet devices are not eligible for Mobile Broadband M2M pricing. New activations on these service plans require 4G LTE devices. Existing customers transitioning to one of these service plans are able to utilize existing 3G devices. The 5GB, 10GB, and 20GB Public Sector Mobile Broadband Machine to Machine Plans are able to share with each other. Mobile Iron is not available on these plans or on a standalone basis.

3G/4G Mobile Broadband Machine-to-Machine (M2M) Wireless Backup Router Plan: Government Subscribers Only

The data plan below reflect the monthly access fee discount. No additional discounts apply.

3G/4G M2M Wireless Backup Router Plan	
Monthly Access Fee (non-pooled)	$10.00
Domestic Data Allowance Per Month	25 MB
Share Option	N/A
Domestic Overage Rate Per GB	$10.00 per GB
International Roaming	N/A. Verizon Wireless network only.

Notes: Current coverage details can be found at www.verizonwireless.com. See the attached M2M Data Plan and Feature Details as well as Calling Plan and Feature Details in your Agreement for important information about calling plans, features and options. During an outage of the primary connection, all usage within the billing cycle in excess of the 250 MB allowance will be charged at the overage rate of $10.00 per GB. The Wireless Router Plan is approved for use as a backup solution for business continuity only and is not to be used for primary connectivity. Verizon Wireless reserves the right to move Customer to the standard commercial 5 GB M2M price plan should usage on the lines provisioned on the M2M Wireless Backup Router Plan exceed 1 GB for three (3) consecutive months. M2M Wireless Backup Router Plan may be used with Private Network, the Cisco 4G LTE Referral Program, and CradlePoint Router Bundle (certain restrictions apply). M2M router devices must be approved for use on Verizon Wireless' network; no other device types may be activated on this plan. Not eligible for Verizon Wireless Government Equipment Matrix pricing. Mobile Iron is not available on this plan or on a standalone basis.

Custom Mobile Broadband Machine-to-Machine (M2M) Tiered Plans

The data plans below reflect the monthly access charge discount. No additional discounts apply.

Mobile Broadband Machine-to-Machine Plans:	1 KB – 249.99 MB	250 – 999.99 MB	1,000 – 2,499.99 MB	2,500 MB+
Monthly Access Charge	$0.50	$0.50	$0.50	$0.50
Usage Rate Per Megabyte	$1.15	$1.00	$0.75	$0.50
National Access Roaming	Not Available			

Note This Custom Machine to Machine (M2M) Tiered Data Plan is restricted to Verizon Wireless network use only; domestic roaming not available. Current data coverage details can be found at www.verizonwireless.com. See attached Verizon Wireless Plan and Feature Details for important information about calling plans, features and options. All lines on this Plan must be on a separate account profile from Customer's other Voice, Data and Machine to Machine lines. Detailed billing information will only be available online and the account will require its own unique log in credentials. All charges will be billed in arrears and data usage will be rated and billed in KBs. Data usage from all lines active, at any time during the bill cycle, on the this plan will be aggregated to determine the applicable data usage tier for that month and each line will then be billed for its usage at that rate. This Plan is for fixed/stationary devices only; mobile devices are restricted from use on this plan. Customer must maintain a minimum of two hundred (200) M2M Lines.

ADDITIONAL WIRELESS FEATURES AND SERVICES

Calling Features			
Calling features are not eligible for any further discounts.			
Feature	Monthly Access Charge	Allowance	Overage Rate
411 Connect℠‡	N/A	$1.99 per call	N/A
Domestic Text Messaging per message	N/A	0	$0.10 outbound/$0.02 inbound
Domestic Text, Picture & Video Messaging	$5.00	250 messages	$0.10 outbound/$0.02 inbound per Text $0.25 per Picture or Video Message
Domestic Text, Picture & Video Messaging	$10.00	Unlimited M2M & 500 additional messages	$0.10 outbound/$0.02 inbound per Text $0.25 per Picture or Video Message
Domestic Text, Picture & Video Messaging	$20.00	Unlimited M2M & 5000 additional messages	$0.10 outbound/$0.02 inbound per Text $0.25 per Picture or Video Message
Visual Voice Mail	$2.99	N/A	N/A
Premium Voice Mail	$1.99	N/A	N/A
Push to Talk (PTT)	$5.00 available on calling plans with a monthly access fee of $29.99 or higher		
Verizon Wireless International Long Distance Value Plan	$5.00 plus applicable airtime and long distance charges		
GSM International Roaming Global Phone	Zone 1 Countries		$0.99/ minute
	Zone 2 Countries		$1.99/ minute
Notes: Calling plans with Mobile to Mobile (M2M) minutes included, do not qualify for additional Mobile to Mobile (M2M) minutes in this table. Text, Picture and Video Messaging feature details apply. Global Phone plan details apply and require the Global Phone handset. Push to Talk requires PTT capable handset. Please contact your Verizon Wireless representative for the most current offer.			

Enterprise Messaging

Enterprise Messaging is Not eligible for monthly access fee discounts		
Messaging Allowance	Enterprise Messaging Monthly Access (standard text messaging rates apply for Recipient)	Per Message After Allowance
100,000	**$200.00**	$0.02
Unlimited	**$500.00**	N/A
Public Safety Unlimited	**$0.00** (For Public Safety/First Responders Only as defined below*)	N/A

*The $0.00 Monthly Access Unlimited plan is only available to Public Safety/First Responders classified with the following NAICS (formerly SIC) Codes:

- 621910 Ambulance Services
- 922110 Courts
- 922120 Police Protection
- 922130 Legal Counsel and Prosecution
- 922140 Correctional Institutions
- 922160 Fire Protection
- 922190 Other Justice, Public Order, and Safety Activities
- 928110 National Security
- 922150 Parole Offices and Probation Offices

1. ENTERPRISE MESSAGING: In order to protect our network and safeguard subscriber privacy from unsolicited (spam) or objectionable text messaging, Verizon Wireless employs protective measures, including aggregate message volume limits, content filtering and speed of service limitations on publicly accessible Internet messaging gateways. Verizon Wireless Enterprise Messaging service allows enterprise accounts to send aggregate text messages to other Verizon Wireless subscribers while reducing potential delays related to these protective measures.

2. REQUIREMENTS AND RESTRICTIONS: Enterprise Messaging is only available to Customers that have a valid Blanket Purchase Agreement with at least five (5) active Non-Government Subscribers. Enterprise Messaging is available for a monthly access fee for which Verizon Wireless will provision a Pilot Mobile Phone (described below) and provide access to the Enterprise Messaging Access Gateway (EMAG) online portal to set-up and manage the service. Enterprise Messaging can be used to send messages to Verizon Wireless subscribers and to subscribers on most domestic wireless carriers (inter-carrier messaging requires additional provisioning and is subject to message size and reporting limitations. experience by carrier and region may cause the experience to vary). Customer agrees that it will send messages only to subscribers that have opted in to receive its messages by: a) establishing an opt-in process that effectively captures each subscriber's consent to receive Customer's messages, informs subscribers of the nature and scope of Customer's messaging campaigns and any financial obligations ("Standard Messaging Charges Apply") associated with the messaging; b) maintaining opt-in records for a minimum of 6 months from the date of a subscriber's opt-in consent; and c) immediately complying with subscriber opt-out requests such as STOP, END, CANCEL, UNSUBSCRIBE or QUIT in compliance with Mobile Marketing Association (MMA) guidelines (www.mmaglobal.com). Customer can use compatible, properly configured SNPP, WCTP, XML, TAP, SMPP and SMTP messaging protocols, for which it is solely responsible for maintaining facilities to monitor its messaging operations, or the EMAG portal, to send up to fifteen text messages per second to subscribers. Provision of the EMAG service does not obligate Verizon Wireless to support variations of these protocols, whether those variations are optional within the published protocols or authorized or unauthorized variations to the published protocols.

Customer agrees that: a) its messaging will comply with applicable industry guidelines (e.g. MMA's Best Practices and CTIA's Wireless Content Guidelines) and Verizon Wireless content (www.verizon.com/contentpolicy) standards as they may updated from time to time; b) it will not send messages containing executable files or links to other content or premium or similar messages that require a subscription or surcharge; c) it will not install, deploy, or use any hardware, firmware, software or other technology or technique to circumvent Verizon Wireless' messaging network operations protections except as granted under this agreement; and d) it will not send any objectionable material via Enterprise Messaging or advertise, promote, distributed or use objectionable material in connection with Enterprise Messaging (for purposes of this agreement, objectionable material includes, but is not limited to material that: (i) is prohibited by any applicable law, rule or regulation, (ii) contains anything that is obscene or indecent or anything with strong sexual, explicit or erotic themes or that links to such content, (iii) contains hate speech; (iv) contains excessive violence; (v) contains extreme profanity; (vi) contains misleading or fraudulent claims, or (vii) promotes or glamorizes alcohol abuse, illegal drug use or use of tobacco products). Consistent with prevailing standards in other content distribution mediums, content in this category that does not satisfy the above may be distributed if included in the context of artistic, educational, medical, news, scientific or sports material. Customer agrees that its use of Enterprise Messaging will comply with any applicable local, state, national and international laws and regulations.

3. LIMITATIONS: Wireless phones use radio transmissions which by their nature do not permit the delivery of text messages when the wireless phone is not in range of one of our transmission sites or a transmission site of another company that has agreed to carry our customer's calls, or if there is insufficient network capacity available to handle the message at that moment. Even within a coverage area, there are many factors that might interfere with the delivery of text messages, including the subscriber's equipment, terrain, proximity to buildings, foliage, and weather. Verizon Wireless also does not own or control all of the various facilities and communications lines between Customer's site and Verizon Wireless Enterprise Messaging access point. Due to these natural and technological limitations and the limitation in the number of messages that can be sent (up to fifteen per second), ENTERPRISE MESSAGING SHOULD NOT BE USED AS THE SOLE MEANS TO SEND MESSAGES THAT CONTAIN INFORMATION THAT IS ESSENTIAL TO THE PROTECTION OF LIFE OR PROPERTY, OR IS MISSION ESSENTIAL OR CRITICAL IN OTHER WAYS.

4. CUSTOMER'S ENTERPRISE MESSAGING CONTACT: Customer agrees to provide contact information including a phone number and email address to Verizon Wireless of an Enterprise Messaging contact or contacts, who shall be available during business hours and any other time period that Customer utilizes Enterprise Messaging for the purpose of assisting to resolve service matters and trouble shooting. Customer must provide written notice of changes to contact information fourteen days prior.

5. PILOT MOBILE PHONE: Verizon Wireless shall provide Customer with one pilot mobile phone at no charge to manage password setup and resets. Customer should safeguard the pilot mobile phone in case password resets are needed as Verizon Wireless must rely on regular mail delivery of password resets if the phone is not available (password resets cannot be given over the phone or sent via email). This pilot mobile phone will not be capable of making any voice calls. Customer shall promptly notify Verizon Wireless if the phone is lost, damaged or stolen and Verizon Wireless reserves the right to charge Customer for replacement phones.

6. TERMINATION OF SERVICE: VERIZON WIRELESS CAN, WITHOUT NOTICE, LIMIT, SUSPEND, OR CANCEL CUSTOMER'S ACCESS TO OR USE OF THE ENTERPRISE MESSAGING SERVICE OR EMAG IF CUSTOMER VIOLATES THE RESTRICTIONS OF THIS AGREEMENT OR FOR GOOD CAUSE which shall include, but is not be limited to: (a) breaching this Agreement or the Customer's Non-Government Agreement; (b) spamming or other abusive messaging; (c) using Enterprise Messaging in a way that adversely affects our network, our customers, or other customers; (d) allowing anyone to tamper with messaging applications in a manner contrary to this Agreement; (e) any governmental body of competent jurisdiction suspends or terminates your service or institutes a requirement, ruling or regulation that conflicts with this Agreement; or (f) operational or other governmental reasons.

7. DISCLAIMER AND LIMITATION OF LIABILITY: CUSTOMER AGREES THAT ENTERPRISE MESSAGING AND EMAG IS PROVIDED ON AN "AS IS" BASIS AND CUSTOMER'S USE OF ENTERPISE MESSAGING AND EMAG IS ITS SOLE RESPONSIBILITY. VERIZON WIRELESS DOES NOT WARRANT THAT ENTERPRISE MESSAGING OR EMAG WILL BE WITHOUT FAILURE, DELAY, INTERRUPTION, ERROR, OR LOSS OF CONTENT, DATA, OR INFORMATION. VERIZON WIRELESS SHALL NOT BE LIABLE FOR ANY FAILURE TO PROVIDE ENTERPRISE MESSAGING AND MAKES NO GUARANTEES THAT ANY TEXT MESSAGE WILL BE DELIVERED.

8. NO RESELLING: Customer cannot resell Enterprise Messaging services or allow third parties to use Enterprise Messaging or access EMAG without prior written permission from Verizon Wireless.

9. SUBJECT TO CUSTOMER'S GOVERNMENT AGREEMENT: These terms supplement Appendix D, Customer Service Agreement to DIR Contract Number DIR-TSO-3415as it relates to Enterprise Messaging and EMAG and the terms of such Agreement, are applicable to Customer's use of Enterprise Messaging and EMAG. If there are any inconsistencies between these terms and Customer's Non-Government Agreement these terms shall control with respect to Enterprise Messaging.

Wireless Priority Service (WPS)

The calling plan below reflects the monthly access charge discount. No additional discounts apply.

	Wireless Priority Service
Discounted Monthly Access Fee	$4.50
Discounted Feature Initiation Charge	$10.00
Per Minute of Use Charge	$0.75

NOTE: Wireless Priority Service Access (WPS Access) is subject to the plan details of your customer agreement and calling plan. A WPS Access function on a limited portion of the Verizon Wireless owned and operated 800/1900 MHz CDMA network, and is available only to individuals authorized by the Office of the Manager National Communications System (NCS). WPS Access provides end users with the ability to be placed into a queue for the next available wireless voice channel ahead of end users not subscribing to WPS Access. Verizon Wireless makes no assurances regarding waiting times associated with WPS, nor can Verizon Wireless ensure that WPS Access calls will be connected. The WPS Access charges, including the $0.75/minute charge, are all in addition to the charges associated with your Verizon Wireless calling plan. Contact your Verizon Wireless representative for complete details on WPS Access.

Verizon Wireless Field Force Manager

The Field Force Manager Plan with a monthly access fee of $29.99 and the Field Force Manager Feature with monthly access fee of $24.99 are eligible for Monthly Access Fee Discounts.

	Field Force Manager Feature Feature Phone/Smartphone (Data plan required)	Field Force Manager Plan Feature Phone (Data plan NOT required)
Monthly Access Charge – Limited	$15.00 per user	$24.99 per user
Monthly Access Charge – Basic	$20.00 per user	$29.99 per user
Monthly Access Charge – Pro	$25.00 per user	N/A
Monthly Access Charge – PTT only & FFM	$20.00 per user (PTT Devices Only)	$45.00 per user (PTT Devices Only)

NOTE: *Optional Features may be added onto an eligible calling plan with a monthly access fee of $34.99 or higher. **Field Force Manager:** By purchasing the Field Force Manager feature Customer consents to the tracking of Field Force Manager Equipment and must obtain authorized consent to tracking from all users and affected persons. No guarantee of accuracy of information transmitted, disclosed, displayed or otherwise conveyed or used. Service could be interrupted or disrupted due to atmospheric conditions, inaccurate ephemeris data and other factors associated with use of satellites and satellite data. Airtime for Field Force Manager service is included in the Monthly Fee and its use is subject to the Unlimited VZAccess feature details. Requires 2 MB of data for application download.

Static IP – Isolated Pool w/Fixed End System (FES) [Internet Restricted]

Static IP – Isolated Pool w/Fixed End System (FES) [Internet Restricted] is NOT eligible for monthly access fee discounts.

	Per eligible Calling Plan
Per Account Level Set-Up (One time fee)	$500.00
Per Account New Connect Set-Up (One time fee)	$1500.00

Public Safety Subscribers Account Set-Up: Verizon Wireless will waive all account set-up fees including both the $1500.00 connection fee and the $500.00 Static IP address fee for new Public Safety NationalAccess activations only.

Note: Subscribers that are placed into this pool will be limited to utilizing the Verizon Wireless Network for transport to and from their FES connections to the Verizon Wireless Network. Static IP addresses will be available on remote access, MB and Unlimited NationalAccess plans or features only. Fees may not apply in certain VPN environments. Fees are per account level (regardless of the number of IPs ordered) selecting Static IP and may apply in addition to $1500.00 Connect Fee in certain configurations.

Static IP: Static IP addresses will be available on remote access, MB and Unlimited NationalAccess plans or features only. Static IP addresses may be reserved and should be assigned to the mobile numbers within 90 days. De-activated Static IP addresses will go into an "ageing pool" for 24 hours. After 24 hours, these Static IP addresses will be returned to reserved status for the account. Reserved Static IP addresses will be shown at the account level and can be viewed from the billing system. Feature activations will be stored in the "data warehouse" database along with the Static IP Address for reporting. A Static IP address is associated with the device's MDN (Mobile Dialing Number). Each time the subscriber initiates a data session the Static IP address that is associated with their MDN is assigned to their device for each session. Subscribers completing an ESN (Electronic Serial Number) change will retain their Static IP address.

Optional BlackBerry Enterprise Server/Software List

BES (BlackBerry Enterprise Software) and CAL (Client Access License) sales are not eligible for discounts

Description	Number of Users	Verizon Wireless SKU/Part#	MSRP
BES Trade-Up Key Note: This item must be ordered	N/A	PRD-10452-016	$2,899.00
BlackBerry Enterprise Server Version 5.0	Microsoft Exchange - 20 users	PRD-24256-001*	$4,099.00
	IBM Lotus Domino - 20 users	PRD-24256-002*	
BlackBerry Enterprise Server Version 4.1	Microsoft Exchange - 20 users	PRD-10452-001	
	IBM Lotus Domino - 20 users	PRD-10452-003	
	Novell Groupwise - 20 users	PRD-10452-005	
BlackBerry Professional Software Version 4.1	Microsoft Exchange - 5 users	PRD-10452-024	$599.00
	IBM Lotus Domino - 5 users	PRD-10452-025	
	Microsoft Exchange - 10 users	PRD-10452-027	$949.00
	IBM Lotus Domino - 10 users	PRD-10452-028	
BlackBerry Enterprise Server & BPS CALs	1 user	PRD-07599-017*	$99.00
	5 users	PRD-07599-018*	$429.00
	10 users	PRD-07599-019*	$699.00
	50 users	PRD-07599-020*	$3,299.00
	100 users	PRD-07599-021*	$5,999.00
	500 users	PRD-07599-022*	$27,499.00
Small Business Edition (CALs)	1 user	PRD-07599-043*	$99.00
	5 users	PRD-07599-044*	$429.00

*Select Blackberry Client Access Licenses available for purchase through My Business Account and the Verizon Enterprise Center

Verizon Wireless Calling Plan and Feature Details

Verizon Wireless Calling Plan Optional Services. Additional fees may be required as per the individual calling plans.

Calling Plans and Associated Charges: Some calling plans or monthly access price points may not be available in all markets. Subscriber's first partial and full month's access will not be refunded after activation of the Wireless Service. Activation fees are waived for all Government Subscribers. Charges for calls will be based on the cell sites used, which may be outside the calling plan coverage area even when the Subscriber is physically within the coverage area. Time of the call is based on the telephone switching office that carries the call, which may be different from the time of day shown on Subscriber's phone. Rates do not apply to credit card or operator-assisted calls, which may be required in certain areas. Usage rounded up to the next full minute. Unused minutes and/or Megabytes are lost. On outgoing calls, charges start when Subscriber first presses SEND or the call connects to a network, and on incoming calls, when the call connects to a network (which may be before it rings). A call may end several seconds after Subscriber presses END or the call otherwise disconnects. Calls made on the Verizon Wireless network, are only billed if they connect (which includes calls answered by machines). Billing for airtime and related charges may sometimes be delayed. Calls to "911" and certain other emergency services are toll-free and airtime-free, however, airtime may be charged when dialing toll-free numbers. All features may not be available in all Verizon Wireless markets.

Home Airtime and Roaming: Home airtime minutes apply when making or receiving calls from a calling plan's home rate and coverage area. Coverage information is available at www.verizonwireless.com. Airtime is rounded up to the next full minute. Allowance minutes/Megabytes are not transferable except as may be available on calling plans with sharing. Subscribers must periodically dial *228 to update roaming information. Automatic roaming may not be available in all areas and rates may vary. Roaming charges may be delayed to a later bill.

Long Distance: Unlimited domestic long distance is included when calling from the calling plan's home rate and coverage area, unless otherwise specified in the calling plan.

Customer's Cell Phone Number and Caller ID. Verizon Wireless will assign one Mobile Telephone Number ("MTN") to each Subscriber line. Other than as required to port an MTN, Customer does not have any property right in the MTN and Verizon Wireless may change, reassign, or eliminate an MTN upon reasonable notice to Customer under certain circumstances, including fraud prevention, area code changes and regulatory or statutory law enforcement requirements.

Verizon Wireless Calling Plan Included Features	
Call Waiting [1,6]	Three Way Calling [1,6]
Call Forwarding [6]	No Answer/ Busy Transfer [6]
Caller ID [2,6]	Basic Voice Mail [3,6]
411 Connect[sm] [4,6] (Directory Assistance)	Basic TTXT Messaging [5]

[1]Airtime charges apply to all calls simultaneously.

[2]When making a call, Subscriber's MTN may be displayed to the receiving party with Caller ID capable Equipment. Caller ID service may not be available outside home airtime rate and coverage areas, and may not be compatible with certain enhanced features. Caller ID can be blocked for most calls by dialing *67 before each call, or by ordering per-line call blocking where available. Calls to some numbers, such as toll-free numbers, cannot be blocked.

[3]Airtime charges apply to message retrieval.

[4]411 Connect, directory assistance with automatic call completion is subject to a per call fee plus airtime charges. Directory assistance rates are subject to change.

[5]TXT Messaging offered at the prevailing rate, currently $0.02 per inbound and $0.10 per outbound message per address. TXT message charges are subject to change.

[6]Feature not included on NationalAccess and BroadbandAccess Unlimited or Megabyte (MB) calling plans at no charge, but are available at the prevailing Verizon Wireless rates.

Push to Talk: Push to Talk capable Equipment required. Push to Talk capable Equipment can only be used with a Push to Talk calling plan. **Subscribers switching from a Push to Talk Calling Plan to another calling plan will not be able to use Push to Talk capable Equipment with the new plan.** Push to Talk calls may only be made with other Verizon Wireless Push to Talk subscribers. Push to Talk Subscribers may initiate or participate on a call, simultaneously, with as many as 20 total participants (19 members per group plus the originator). Push to Talk groups must be established via the Push to Talk website prior to initiating a group call. Subscribers may establish as many as 50 group lists of up to 20 participants (19 members per group plus the originator). Existing Push to Talk Subscriber Equipment may require a software upgrade. Push to Talk is only available within the National Enhanced Services Rate and Coverage Area. There will be a delay from the time a Push to Talk call is initiated until the Push to Talk call is first received by the called party. A Push to Talk call will automatically time out after twenty (20) seconds of inactivity. While on a Push to Talk call, incoming voice calls will go directly to voice mail. When on a voice call, a Push to Talk call cannot be received. Network registration information will be sent to the Equipment each time it is powered on in the National Enhanced Services Rate and Coverage Area, each time the Subscriber travels into the National Enhanced Services Rate and Coverage Area, and every 12 hours if the Subscriber stays within the National Enhanced Services Rate and Coverage Area. While the updated network registration information is being sent to the Equipment, incoming voice calls will go directly to voice mail. Contact list cannot be modified from certain Equipment. Subscriber cannot prevent others who have the Subscriber's MTN from entering the MTN into their Push to Talk contact list. Only one person can speak at a time during a Push to Talk call. Push to Talk services cannot be used for (i) access to the Internet, intranets or other data networks, except as the device's native applications & capabilities permit, (ii) any applications that tether

Equipment to laptops, personal computers or other devices for any purpose. Please visit our website www.verizonwireless.com for additional Push to Talk information.

Mobile to Mobile: Mobile to Mobile minutes apply when making calls directly to or receiving calls directly from another Verizon Wireless Subscriber while in the America's Choice Home Rate and Coverage area. Mobile to Mobile does not apply to fixed wireless devices with usage substantially from a single cell site, for Push to Talk calls, if Call Forwarding or No Answer/Busy Transfer features are activated, or to data usage. Mobile to Mobile is not available to Subscribers whose current wireless exchanges restrict the delivery of Caller ID. Mobile to Mobile minutes will be applied before home airtime minutes.*

Night and Weekends: Applies to calls made in a calling plan's home rate and coverage area only during the following hours: 9:01pm Friday through 5:59am Monday and 9:01pm to 5:59am Monday through Friday.*

***NOTE:** If both Night and Weekend and Mobile to Mobile minute allowances apply to a given call, Mobile to Mobile minutes will apply before Night and Weekend minutes. However, if either allowance is unlimited, the unlimited allowance will always apply first.

TXT Messaging: TXT Messaging includes Short Message Service (SMS up to 160 characters) and Enhanced Messaging Service (EMS up to 1120 characters). Enhanced TXT Messages sent to most SMS handsets will be delivered as multiple TXT messages of up to 160 characters each. Subscribers have the option to have text messages disabled entirely without affecting voicemail or other related services. TXT Messaging plans do not include Operator Assisted Messaging or International Messaging, which is available for 25¢ per message sent and 10¢ per message received; see www.vtext.com for details and countries. Verizon Wireless is not responsible for information sent using TXT Messaging or Enhanced TXT Messaging. Verizon Wireless cannot guarantee that messages will be received and is not responsible for messages that are lost or misdirected. Messages not delivered after 5 days are automatically deleted. Airtime charges do not apply to the sending or receiving of text messages. When sending messages from Equipment, the sender's MTN will always be sent to the destination, even if Caller ID is used to block voice calls.

Mobile to Mobile Messaging: Cannot be combined with any other package that includes a TXT or PIX&FLIX allowance. Mobile to Mobile Messaging applies only to TXT/ PIX/ FLIX messages sent to and received from other Verizon Wireless Subscribers' phones, while both wireless Subscribers are within the National Enhanced Services Rate and Coverage Area. Additional messages apply to PIX Place, VTEXT/ TXT Alerts/ getAlerts, Instant Messaging (IM), Email, Premium Text Services, TXT/PIX/FLIX sent to non-Verizon Wireless customers, these messages will be decremented from the Subscriber's Additional Message allowance, or billed as overage. Additional Messages may not be applied toward International TXT Messaging, which cost 25¢ per message sent and 10¢ per message received; see www.vtext.com for details and countries.

Multi-Media Messaging (MMS): Multi-Media Messaging (MMS) includes Picture (PIX) and Video (FLIX) messaging and is only available within the National Enhanced Services Rate and Coverage Area. In addition to MMS charges, MMS uses calling plan home airtime minutes or kilobytes. Canceling an MMS after pressing SEND may result in sent messages that contain only partial content. Subscriber will be charged for outgoing MMS, even if not received by the intended recipient, or even if only partial content is delivered. Subscriber will not be charged for incoming MMS unless received. MMS that cannot be delivered within 5 days will be deleted. MMS is not available for use with a Mobile Office Kit. Camera phones are prohibited in some places. Subscribers are solely responsible for complying with all applicable laws, rules, regulations and policies regarding camera phone use.

International Long Distance: International Long Distance is available but may be subject to a 90-day payment history with Verizon Wireless. International long distance rates will vary and do not apply to calls to Canada, Puerto Rico, the U.S. Virgin Islands and some U.S. Protectorates, or to credit card or operator assisted calls.

Verizon Wireless International Long Distance Value Plan: Requires subscription to a qualifying calling plan and international dialing capability (I-DIAL). The ability to make international calls is not guaranteed and may be restricted without notice. Rates apply only on calls to Value Plan countries made from calling plan home airtime rate and coverage areas. If a calling plan includes calls to any Value Plan country, those calls will be billed per the requirements of the calling plan except when roaming on another carrier's network, in which case that carrier's rates will apply. Current international calling rates may be found at **www.verizonwireless.com**.

International Roaming (Global Phone): Availability of calling features and TXT messaging varies by country and network. Existing Subscribers who purchase a Global Phone may have to set up a new voice mailbox and, if so, will lose access to previously stored messages upon activation of Global Phone. Voice mail messages will be time-stamped Eastern Time. Calls to voice mail will appear on the bill as calls to the Subscriber's MTN. Actual availability of service in foreign countries may vary and is subject to change. Taxes and other regulatory surcharges may apply and may vary by country. While roaming on another carrier's wireless network, dialing rates and country availability may vary due to the roaming carrier's international dialing policies. Billing for airtime used when roaming may be delayed up to two billing cycles. By using Equipment outside the United States, Subscriber is solely responsible for complying with all applicable foreign laws, rules and regulations ("Foreign Laws"), including Foreign Laws regarding use of wireless phones while driving and use of wireless camera phones. Verizon Wireless is not liable for any damages that result from Subscriber's failure to comply with Foreign Laws.

Roaming in CDMA countries outside of the US: Roaming in CDMA countries is $0.69 per minute and only in "CDMA"mode where service is available. An update to Equipment software is required to roam in S. Korea.

Roaming in GSM countries: CDMA/GSM Global Phone, activated in the United States with compatible Subscriber Identity Module (SIM) card required. Ratesand plan details apply only when roaming on participating GSM networks in published Global Phone countries. Service may be available in additional countries, but airtime rates, availability of calling features, and ability to receive incoming calls (including return calls from emergency services personnel) may be restricted. Where TXT messaging is available, Customer will be charged $0.50 for each message sent and $0.05 for each message received. TXT messaging rates are subject to change. TXT messages cannot exceed 140 characters and may be sent only to MTNs of (i) Verizon Wireless customers, and (ii) customers of foreign wireless carriers that participate in international text messaging. Check www.vtext.com for the most current list of participating foreign carriers. TXT messages cannot be sent to e-mail addresses.

VZAccess and VZEmail (Mobile Broadband & Data Services)

VZAccess and VZEmail Calling Plans and Features: VZAccess includes NationalAccess (IXRTT) and BroadbandAccess (EVDO/4G) calling plans. VZEmail includes PDA/Smartphone and BlackBerry calling plans. VZAccess and VZEmail usage is subject to VZAccess Acceptable Use Policy, available on **www.verizonwireless.com**. VZEmail optional features may only be purchased in conjunction with eligible voice calling plan with a monthly access fee of $34.99 or higher. Monthly Megabyte allowances apply only to NationalAccess and BroadbandAccess data transmissions. Other data (Quick 2 Net℠ or dial-up) transmissions as well as voice calls will be billed at the per minute overage rate according to the VZAccess calling plan. For optional data features, "other data" will be billed as anytime minutes or at the per minute overage rate according to the underlying calling plan. When traveling outside the National Enhanced Services Rate and Coverage Area, Subscribers may be charged at the "other data" rate for data usage. NationalAccess data sessions require a NationalAccess capable PC Card, PDA, BlackBerry or handset with its compatible Mobile Office Kit, and must be placed within NationalAccess service area. BroadbandAccess data sessions require BroadbandAccess capable Equipment and must be placed within BroadbandAccess service area. PDA/Smartphone and BlackBerry users that move from a VZEmail plan or feature, or a Voice and Data Choice Bundle to another calling plan will not be able to use their PDA/Smartphone or BlackBerry on the new calling plan and will need to purchase or provide compatible voice Equipment to switch to the new calling plan. For current NationalAccess and BroadbandAccess service areas, please visit **www.verizonwireless.com**. All data sessions automatically terminate after 24 hours of activity and on unlimited calling plans after 2 hours if inactivity. Data session is inactive when no data is being transferred. Data session may seem inactive while data is actively being transferred to Equipment, or may seem active when it is actually cached and not transferring data. Subscriber MUST press or click END or DISCONNECT button to ensure that session disconnects and charges cease. Third-party applications may automatically reinitiate data sessions without the Subscriber pressing or clicking SEND or CONNECT button. Voice calls cannot be received when an e-mail or other data transmission is occurring. Voice calls are possible when NationalAccess data session is inactive; however, charges apply simultaneously to the data session and the voice call in accordance with the applicable calling plan. Voice calls are not available with BroadbandAccess. Customer must maintain virus protection when accessing the service. Customer is responsible for all charges, including all data sent and received and "overhead" whether or not Subscriber or recipients actually receive the data. "Overhead" is all data that is in addition to user-transmitted data, such as control, operational and routing instructions, error-checking characters and retransmissions of user-data messages that are received in error. VZEmail calling plans and optional features not available with PC cards or wireless modems, including wireless Equipment tethered to a PC. In order to use some VZEmail features and applications, Subscriber's PC (or server where applicable) must be powered on, able to receive e-mail, and have Equipment manufacturer software (BlackBerry Desktop, Wireless Sync or GoodLink) installed. If Equipment is turned off or if the Subscriber travels outside the NationalAccess service area, e-mail messages will be automatically stored for up to 7 days and forwarded when the Subscriber returns to the NationalAccess service area. Receiving e-mail attachments and graphics may be limited based on the Equipment model or software. With some Equipment, e-mails received may display only the first 2 kilobytes of information with additional 2 kilobyte increments delivered at the Subscriber's request.

Data Plans and Features Prohibited Uses: You may not use our Data Plans and Feature for illegal purposes or purposes that infringe upon others' intellectual property rights, or in a manner that interferes with other users' service, that violates trade and economic sanctions and prohibitions as promulgated by the Departments of Commerce, Treasury or any other U.S. government agency, that interferes with network's ability to fairly allocate capacity among users, or that otherwise degrades service quality for other users. Examples of prohibited usage include: (i) server devices or host computer applications that are broadcast to multiple servers or recipients such that they could enable "bots" or similar routines (as set forth in more detail (ii) below) or otherwise denigrate network capacity or functionality; (ii) "auto-responders," "cancel-bots," or similar automated or manual routines that generate amounts of net traffic that could disrupt net user groups or e-mail use by others; (iii) generating "spam" or unsolicited commercial or bulk e-mail (or activities that facilitate the dissemination of such e-mail); (iv) any activity that adversely affects the ability of other people or systems to use either Verizon Wireless' services or the Internet-based resources of others, including the generation of dissemination of viruses, malware, or "denial of service" attacks; (v) accessing or attempting to access without authority, the information, accounts or devices of others, or to penetrate, or attempt to penetrate Verizon Wireless' or another entity's network or systems; or (vi) running software or other devices that maintain continuous active Internet connections when a computer's connection would otherwise be idle or "any keep alive" functions, unless they adhere to Verizon Wireless" requirements for such usage, which may be changed from time to time.

Unlimited Data Plans and Features (such as NationalAccess, BroadbandAccess, Push to Talk, and certain VZEmail services) may ONLY be used with wireless devices for the following purposes: (i) Internet browsing; (ii) email; and (iii) intranet access (including access to corporate intranets, email, and individual productivity applications like customer relationship management, sales force, and field service automation). The Unlimited Data Plans and Features MAY NOT be used for any other purpose. Examples of prohibited uses include, without limitation, the following: (i) continuous uploading, downloading or streaming of audio or video programming or games; (ii) server devices or host computer applications, including, but not limited to, Web camera posts or broadcasts, automatic data feeds, automated machine–to–machine connections or peer–to–peer (P2P) file sharing; or (iii) as a substitute or backup for private lines or dedicated data connections. This means, by way of example only, that checking email, surfing the Internet, downloading legally acquired songs, and/or visiting corporate intranets is permitted, but downloading movies using P2P file sharing services and/or redirecting television signals for viewing on laptops is prohibited. For the Unlimited Broadband Access plans, should a customer exceed 5 GB of data usage within a given month, Verizon Wireless will limit data throughput speeds for the remainder of that month.

For individual use only and not for resale. We will protect our network from harm, which may impact legitimate data flows. We will limit throughput or amount of data transferred, and reserve the right to deny or terminate service, without notice, to anyone we believe is using an Unlimited Data Plan or Feature in any manner prohibited above or whose usage adversely impacts our network or service levels. Anyone using more than 5 GB per line in a given month is presumed to be using the service in a manner prohibited above, and we reserve the right to immediately terminate the service of any such person without notice. We also reserve the right to terminate service upon notification to the customer.

Unlimited VZAccess and VZEmail: NationalAccess, BroadbandAccess, and GlobalAccess data sessions may be used for the following purposes: (i) Internet browsing, (ii) e-mail, and (iii) intranet access (including access to corporate intranets, e-mail and individual productivity applications like customer relationship management, sales force and field service automation). Unlimited VZAccess, VZEmail and Push to Talk services cannot be

used (i) for uploading, downloading or streaming of movies, music or games, (ii) with server devices or with host computer applications, other than applications required for BlackBerry or Wireless Sync service, including, but not limited to, Web camera posts or broadcasts, automatic data feeds, Voice over IP (VoIP), automated machine-to-machine connections, or peer-to-peer (P2P) file sharing, or (iii) as a substitute or backup for private lines or dedicated data connections. Additionally, Unlimited VZEmail services cannot be used for, (i) access to the Internet, intranets or other data networks, except as the Equipment's native applications and capabilities permit, or (ii) for any applications that tether Equipment to laptops or personal computers other than for use of the Wireless Sync or BlackBerry Solutions. Unlimited BroadbandAccess and NationalAccess data sessions automatically terminate after 2 hours of inactivity, unless Subscriber has Mobile IP (MIP) capable Equipment.

VZEmail Megabyte (MB) Data Plans: Megabyte allowance and charges for kilobytes over the monthly allowance apply to NationalAccess and BroadbandAccess data sessions and are rounded to next full kilobyte at end of each billing cycle. Only total of kilobytes transmitted above allowance each billing cycle may appear on bill.

VZEmail Server Software (Wireless Sync Enterprise Server, GoodLink Server & BlackBerry Enterprise Server (BES)): Verizon Wireless is not the licensor of the Wireless Sync Enterprise Server, GoodLink Server or BES Server and makes no representations or warranties whatsoever, either express or implied, with respect to such servers and associated software. The Wireless Sync Enterprise Server software is manufactured by Intellisync. The GoodLink Server is manufactured by, and sold separately by Good Technology. The BES software is manufactured by Research in Motion ("RIM"). Any license for such software must be obtained directly from the software manufacturer either upon purchase or installation of the software. Customer support for the Wireless Sync Enterprise Server, GoodLink, or BES software must be obtained from the software manufacturer. If Verizon Wireless in its sole discretion determines that a PDA or BlackBerry related inquiry from a Subscriber is related to the Wireless Sync Enterprise Server, GoodLink or BES software and not one concerning Equipment or desktop software, it may transfer the service request to appropriate representatives of the software manufacturer. When you use Microsoft's Exchange ActiveSync, Notify's NotifyLink, or Intellisync's Intellisync Mobile Suite, every time you receive an email or other update you may be charged for an incoming TXT Message. To avoid TXT Messaging charges, you can set up timed synchronization or manually initiate synchronization.

NationalAccess Roaming Feature: Not for use with Mobile Office Kits. Dynamic IP addresses will be assigned when roaming. Usage rounded up to next full kilobyte. For information on where NationalAccess Roaming is available, see **www.verizonwireless.com**.

GlobalAccess: Global PC Card required for international use. Global PC Cards will not work in the United States or Canada and GlobalAccess Subscribers will need a NationalAccess or BroadbandAccess PC card for domestic use. The domestic and Global PC Cards cannot be used at the same time. GlobalAccess Subscribers must activate and update their Preferred Roaming lists while in the National Enhanced Services Rate and Coverage Area every three months. Verizon Wireless reserves the right to terminate the service of any Subscriber whose total usage is less than half on the Verizon Wireless National Enhanced Services Rate and Coverage Area over three consecutive billing cycles. Verizon Wireless SIM Cards are for use only with the Global PC Card and only for the purpose of this service. Subscriber is responsible for any unauthorized use of its SIM Cards and must safeguard security codes. Upon termination of service, Subscriber must destroy SIM Card. By using your Global PC Card outside the United States, Subscriber is solely responsible for complying with all applicable Foreign Laws. Verizon Wireless will not be liable for any damages that result from Subscriber's failure to comply with Foreign Laws.

GlobalEmail: GlobalEmail capable equipment required. Verizon Wireless reserves the right to terminate the GlobalEmail service of Subscribers that have less than half of their usage on the Verizon Wireless National Enhanced Services Rate and Coverage Area over three consecutive billing cycles. SIM Cards are for use with GlobalEmail Equipment, and only for the purpose of GlobalEmail service. Customer is responsible for any unauthorized use of SIM Cards, and must safeguard security codes. Upon termination of service, please destroy any applicable SIM Cards. Subscribers using GlobalEmail outside the United States, agree that they are solely responsible for complying with all applicable foreign laws, rules and regulations ("foreign laws"). Customer agrees that Verizon Wireless is not liable for any damages that result from Subscriber's failure to comply with foreign laws. GlobalEmail Subscribers must activate and update their Preferred Roaming lists while in the National Enhanced Services Rate and Coverage Area every three months. TXT messaging billed at standard domestic and international TXT Messaging rates. Existing Verizon Wireless Subscribers migrating to GlobalEmail plans may be required to extend their Line Term.

Share Option

Share Option: Sharing is available only among Government Subscribers on applicable calling plans choosing the Share Option.

America's Choice for Business & Voice and Data Choice Bundles for Business Subscribers: (NOTE: Subscribers to America's Choice for Business and Voice and Data Choice Bundles for Business can share voice minutes across these plans and price points subject to some billing system limitations.). Sharing on these calling plans is for voice home airtime minutes only. Customer must maintain a minimum of five (5) Government Subscriber lines, all choosing a qualifying plan with Share Option. Sharing may only be available among Subscribers activating Wireless Service in the same Verizon Wireless market or group of markets (geographic regions may contain multiple Verizon Wireless markets). Sharing may require all Subscribers to be on the same billing account. Each sharing Subscriber's unused anytime minutes will pass to other sharing Subscribers that have exceeded their anytime minutes during the same monthly billing period (Mobile to Mobile minutes and Night and Weekend minutes do not share). Each sharing Subscriber's Monthly Home Airtime Allowance Minutes apply first to that line. Unused Monthly Home Airtime Minutes are then shared with other sharing Subscribers that have exceeded their Monthly Home Airtime Allowance in order of highest usage. At the termination of the Agreement, Government Subscriber lines on America's Choice for Business with Share Option may be migrated onto applicable retail consumer pricing or Government pricing. Calling plan changes may not take effect until the billing cycle following the change request. Based on the geographic location of Customer's Government Subscribers, some Customers may have to have sharing Subscribers activated in more than one Verizon Wireless billing system. Sharing among Subscribers in multiple Verizon Wireless billing systems requires online invoicing or reporting, and a minimum of one hundred (100) Government Subscribers all choosing the Share Option. Unused minutes for cross billing system sharing will be distributed proportionally as a ratio of the minutes needed by each sharing Subscriber to the total minutes needed by all sharing Subscribers. Accounts that share across Verizon Wireless billing systems require set up that may take thirty (30) to sixty (60) days.

M2M Data Plans and Feature Details

A data session is inactive when no data is being transferred, and may seem inactive while data is actively being transferred to a device, or seem active when actually cached and not transferring data. Customer must maintain virus protection when accessing the service and is responsible for all data sent and received including "overhead" (data that is in addition to user-transmitted data, including control, operational and routing instructions, error-checking characters as well as retransmissions of user-data messages that are received in error) whether or not such data is actually received. Verizon Wireless will not be liable for problems receiving Service that result from Customer's device.

Megabyte (MB) Data Plans: M2M data usage is rounded to next full kilobyte at end of each billing cycle. Any unused portion of the megabyte allowance is lost. Equipment will not indicate kilobyte usage.

NationalAccess Roaming Feature: Not for use with Mobile Office Kits. Dynamic IP addresses will be assigned when roaming. Usage rounded up to next full kilobyte. For information on where NationalAccess Roaming is available, see www.verizonwireless.com.

Roaming in CDMA countries outside of the US: Roaming in CDMA countries is $0.69 per minute plus the servicing carrier's long distance charges, toll charges, surcharges and taxes, which are billed on a pass-through basis. Roaming rates in Canada and Mexico may vary. Roaming in CDMA countries is only available in "CDMA" mode where service is available. An update to Equipment software is required to roam in S. Korea.

Data Roaming: In the Canadian Broadband and Canadian Enhanced Services Rate and Coverage Areas, usage will be charged at a rate of $0.002/KB or $2.05/MB. In the Mexican Enhanced Services Rate and Coverage Area, usage will be charged at a rate of $0.005/KB or $5.12/MB. For more information on roaming in Canada and Mexico, visit verizonwireless.com/naroaming. In the Bermuda, China, Dominican Republic, Guam, India, Israel, Saipan and South Korea Enhanced Services Rate and Coverage Areas, usage will be billed at a rate of $0.02/KB or $20.48/MB. I-Dial is needed to roam in many destinations. Only the Canadian Broadband Rate and Coverage Area supports EV-DO.

M2M Share

Share Options: Sharing is available only among Government Subscribers on applicable M2M Low Usage and High Usage calling plans. Customer may activate one (1) share group per profile (Low Usage and High Usage plans cannot share with each other); however, customer may have multiple bill accounts on the same profile. Sharing is available only among M2M Lines on the Mobile Broadband M2M Multi-Account Share Plans on the same profile, in the same usage group. Each sharing M2M Lines unused KBs will pass to other sharing M2M Lines that have exceeded their data allowance during the same monthly bill cycle. Unused KBs will be distributed proportionally as a ratio of the KBs needed by each applicable M2M Line to the total KBs needed by all sharing M2M Lines on the same profile. Customers subscribing to Mobile Broadband M2M Profile Share Plans will be billed on separate billing accounts and invoices from Subscribers to the Mobile Broadband M2M Account Share Plans.

Note: [1]A profile is defined as a Customer's overarching account of record under which Customer may have multiple billing accounts

verizon

Appendix D
DIR Contract No. DIR-TSO-3415
Verizon Wireless Customer Agreement

This agreement is dated between Cellco Partnership d/b/a Verizon Wireless and its Related Entities ("Verizon Wireless") and ("Customer"), a customer as defined in Appendix A in the Contract for Products and Related Services between the State of Texas Department of Information Resources (the "DIR) and Verizon Wireless, DIR Contract No. DIR-TSO-3415 (the "DIR Agreement") with an effective date of [include date once contract is executed].

This Customer Agreement shall be governed by the terms and conditions of the DIR Contract Number DIR-TSO-3415. A copy of the DIR Agreement is incorporated herein by reference and is available online at www.dir.texas.gov or upon request from your Account Manager.

Authorized Customer is eligible and desires to purchase wireless services and products from Verizon Wireless pursuant to the terms and conditions of the DIR Agreement, any and all amendments, addenda and schedules as the DIR may specify from time to time, as well as the terms and conditions of all calling plans activated under this Customer Agreement, which are incorporated herein by reference.

DIR will only be responsible for services provided to DIR and will not be responsible for payments for services provided to any individual Customer.

The Authorized Customer hereby agrees that it is separately and solely liable for all obligations and payments for equipment and services provided hereunder.

The Authorized Customer agrees to the terms and conditions of the DIR Agreement including the disclosure of limited account information as part of the contractual reporting requirements to DIR.

The undersigned represents and warrants that he/she has the power and authority to execute this Customer Agreement, bind the respective Authorized Customer, and that the execution and performance of this Customer Agreement has been duly authorized by all necessary Authorized Customer action.

The undersigned is duly authorized by the Authorized Customer to designate the following individual(s) (the "Authorized Contacts") who are authorized to take action with respect to the account with Verizon Wireless to purchase equipment, add lines of service, cancel lines of service and make changes to the account that financially bind the Authorized Customer to the terms and conditions of this Customer Agreement, and the DIR Agreement.

FEIN Number: Existing Vendor Customer Account Number(s):

Means of Contact Acceptable To/From Authorized User (e.g. fax, e-mail, etc.):

Verizon Wireless Sales Representative Name: and Wireless Phone Number: and GID:

Verizon Wireless Profile ID(s):

Authorized User has caused this User Agreement to be executed by its duly authorized representative to be effective as of this day of ,20

Customer Name: City of San Angelo, Texas	Verizon Wireless:
Authorized Signature:	Authorized Signature:
Printed Name: Daniel Valenzuela	Printed Name:
Title: City Manager	Title
Date:	Date:

APPROVED FOR CONTENT

Bucky Hastey, IT Manager

APPROVED FOR FORM

Dan T. Saluri, Deputy City Attorney

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

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

Meeting Date: September 6, 2016

Item type: Consent Item

Caption:

Consider approval of a revised Memorandum of Understanding by and between the City of San Angelo and the San Angelo Metropolitan Planning Organization (J.James)

Summary/History:

The MPO Policy Board recently reviewed the agreement between the MPO and the City and recommended changes to that agreement. The changes were made to clarify the responsibilities for the hiring, discipline and termination of MPO employees.

Financial Impact:

No change.

Other Information/Recommendation:

Approved by the MPO Policy Board on July 14, 2016

Attachments:

1. Agreement 15-278 Agreement between the MPO and COSA FINAL.docx

Presentation:

Approvals/Reviews:

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

STATE OF TEXAS

COUNTY OF TOM GREEN

MEMORANDUM OF UNDERSTANDING BY AND BETWEEN THE CITY OF SAN ANGELO AND THE SAN ANGELO METROPOLITAN PLANNING ORGANIZATION

This Memorandum of Understanding (MOU) is entered into, by and between the, City of San Angelo, a home rule municipality located in Tom Green County, State of Texas, hereinafter "City", and the San Angelo Metropolitan Planning Organization and its Policy Board (collectively SAMPO), the metropolitan planning organization designated for the San Angelo area pursuant to Title 23 U.S.C. Section 134; and Title 49 U.S.C. Section 5303.

WITNESSETH

WHEREAS, Title 23 U.S.C. Section 134 and Title 49 U.S.C. Section 5303, MPO Planning, requires that Metropolitan Planning Organizations, in cooperation with the State, shall develop transportation plans and programs for urbanized areas of the State; and

WHEREAS, Title 23 U.S.C. 104(f) authorizes Metropolitan Planning (PL) Funds and 49 USC Section 5301 et seq. authorizes funds to be made available to Metropolitan Planning Organizations designated by the Governor of each state to support the urban transportation planning process; and,

WHEREAS, the Governor of the State of Texas or his designee has designated the SAMPO Policy Board as the metropolitan planning organization for the San Angelo urbanized area; and

WHEREAS, the SAMPO requests that the City act as the financial disbursing agent for all SAMPO funds and that the City provide legal services and staffing for administrative functions of the SAMPO; and

WHEREAS, the City, has determined it is in the public interest to assist the SAMPO in securing and managing funds for transportation planning purposes in the urbanized area:

NOW, THEREFORE, the parties hereby agree as follows:

ARTICLE I. PURPOSE

The purpose of this MOU is to define the roles and responsibilities between the SAMPO and the City, and their joint responsibilities, which will ensure the continued function of SAMPO's service within the designated San Angelo urban area boundary. An Executive Committee of the SAMPO may be convened, at the discretion of its Chairman, to consider any matter contemplated by this MOU and to coordinate any recommendation for action with the City.

ARTICLE 2. TERM

This MOU shall be effective from _____, 20___, for a

period of one year to _____, 20___ ; and provided that neither party hereto shall not then be in breach or in default under any term or provision hereof, this MOU shall automatically renew for additional one (1) year periods thereafter, unless either party gives written notice of its election to terminate not less than sixty (60) days prior to the expiration of the term or any renewal thereof.

ARTICLE 3. DESCRIPTION OF CITY PROVIDED SERVICES

1. The City shall provide assistance in fiscal management of the SAMPO by acting as the FISCAL AGENT for all SAMPO funds. The City shall provide advisory legal services to the SAMPO upon request.
2. The City agrees to provide administrative staff for the SAMPO which may include but not be limited to the following: Transportation Coordinator/MPO Director, Transportation Planner and Transportation Technician, who shall be employees of the City whose work related to the planning functions of the SAMPO shall be under the direction of the SAMPO Policy Board.
3. The City and SAMPO agree to negotiate and enter into a written agreement pursuant to which the City shall provide Geographic Information Systems (GIS) support for the SAMPO.

ARTICLE 4. DESCRIPTION OF SAMPO PROVIDED SERVICES

The SAMPO will provide transportation and transit planning services to the City as the urban area metropolitan planning organization.

ARTICLE 5. RESPONSIBILITIES OF THE SAMPO

The SAMPO shall:

4. Direct the SAMPO federal and local match funds as budgeted in the SAMPO's Unified Planning Work Program (herein referred to as the UPWP) towards developing and maintaining a comprehensive regional transportation planning

program in conformity with the requirements of 23 USC Section 134(f) and 49 USC Section 5303.

5. In conjunction with the City, assemble and maintain an adequate, competent staff with such knowledge and experience that will enable them to perform all appropriate SAMPO activities required by law.
6. Collect, maintain, and forecast appropriate socio-economic, roadway and travel data on a timely basis, in cooperation with the Department.
7. Prepare all required plans, programs, reports, data, and required certifications in a timely manner.
8. Develop a Metropolitan Transportation Plan (MTP), a Transportation Improvement Program (TIP), and a Unified Planning Work Program (UPWP) for the San Angelo Metropolitan Planning Area that are consistent with the Statewide Transportation Plan, as required by the state and federal law. At a minimum the SAMPO shall consider in their planning process the applicable factors outlined in 23 USC Section 134(f).
9. Share information and information sources concerning transportation planning issues.
10. Prepare a monthly report on transportation planning activities and any other information as requested by the City Manager or his designee.
11. As to metropolitan planning organization functions the SAMPO Policy Board shall have the joint responsibility to hire, supervise, evaluate and terminate the MPO Director. Notwithstanding anything to the contrary in the City of San Angelo Personnel Policy and in lieu of the provision therein for employee evaluations to be performed by City as set forth in the "Employee Handbook", **Exhibit A** attached, the SAMPO Policy Board shall develop a performance plan for the SAMPO Director and evaluate the performance of the SAMPO Director as it relates to the planning functions of the SAMPO on an annual basis.
12. Direct oversight and maintenance of the SAMPO budget, and ensure timely approvals of any proposed revisions to the SAMPO budget, its documentation in the UPWP, and its approval from the State and Federal agencies, as warranted.
13. Procure the services to be undertaken pursuant to the SAMPO Policy, for services specified in the UPWP.
14. Authorize the disbursement of funds by the City to agencies or consultants under contract with the SAMPO.
15. Prepare requests for reimbursements from federal, State, or local agency, and submit to the Texas Department of Transportation on a monthly basis.
16. Assure and assume responsibility for the legal and proper expenditure of all Federal Highway Act Section 112 monies (PL), and the Federal Transit Administration Section 5303 (SAMPO Planning) monies. All monies shall be budgeted and expended according to the latest approved Unified Planning Work Program.
17. Adopt and apply City of San Angelo Personnel Policy as set forth in the City of San Angelo "Employee Handbook" for Municipal Employees for City employees under the direction of the SAMPO. A copy of the City of San Angelo "Employee Handbook" is attached hereto as **Exhibit A**, which shall be furnished by the SAMPO Policy Board to each of the City employees under its direction.

18. Comply with its duties and obligations under any Planning Contract entered into by and between the State of Texas Department of Transportation and SAMPO, effective during the term of this MOU or any extension or renewal thereof.
19. To ensure that staff is up-to-date on transportation planning issues, the SAMPO may provide for staff employed by the City to attend training instruction. The City and the SAMPO each reserve the independent discretion to deny any request for such expenditure to be incurred or for the disbursement of funds to be made therefore out of any account maintained for SAMPO hereunder.

ARTICLE 6. RESPONSIBILITIES OF THE CITY

The City shall:

1. Provide financial management, accounting, and purchasing services to the SAMPO consistent with current federal and State requirements.
2. Use generally accepted accounting procedures to maintain separate accounting records for the SAMPO, in compliance with applicable the State and federal regulations.
3. Maintain one or more separate accounts for the crediting and debiting of SAMPO funds.
4. Cooperate with the SAMPO to process authorizations for reimbursements from the State of Texas or any federal, city, or local agency for submission to the Texas Department of Transportation.
5. Receive all reimbursements for expenditures through invoices submitted to the Texas Department of Transportation.
6. Timely endorse and deposit reimbursement warrants issued or authorize direct deposit by the State of Texas or any federal, city or local agency into the City bank account(s) to be accounted for as herein provided.
7. Process the payment of all invoices on a timely basis as the fiscal agent for the SAMPO, subject to authorization therefore by the SAMPO Policy Board or its designee. The foregoing notwithstanding, the City is under no obligation to process payment authorizations unless sufficient funds for such proposes are present in the SAMPO budget.
8. Upon proper funding by the SAMPO, provide administrative staff who shall be employees of the City under the joint direction of the the City and SAMPO Policy Board which may include but not be limited to Transportation Coordinator/MPO Director, Transportation Planner and Transportation Technician.
9. Provide legal assistance in an advisory capacity, human resource services, communication utilities, information technology assistance, public information services, vehicle maintenance, and other administrative support services to the SAMPO.
10. To ensure that staff is up-to-date on planning issues, the City may provide for staff employed by the City and under the direction of the SAMPO Policy Board to attend training instruction. The City and the SAMPO each reserve the independent discretion to deny any request for such expenditure to be incurred or for the

disbursement of funds to be made therefore out of any account maintained for the City.

ARTICLE 7. PERSONNEL MANAGEMENT

1. All staff employees provided by City to SAMPO and under the direction of the SAMPO Policy Board are and shall remain City employees for the purposes of payroll disbursement, indemnification, and fringe benefits, including retirement, medical and life insurance, vacations, sick leave, holidays, and other benefits generally extended to City employees. Employee salaries and expenses for employee benefits incurred by the City shall be reimbursed to City by the SAMPO.

2. The City of San Angelo Personnel Policy set forth in the City of San Angelo "Employee Handbook" for Municipal Employees, shall apply to City staff employees under the direction of the SAMPO Policy Board. The City Manager, by the authority granted the City Manager pursuant to City of San Angelo Personnel Policy set forth in the "Employee Handbook", hereby designates the SAMPO Policy Board or its designee to conduct the final hearing on any unresolved grievance related to job responsibilities under the direction of the SAMPO Policy Board, as provided under Grievance Procedure, Part "B" Procedure for Grievances, Step III. A copy of the City of San Angelo "Employee Handbook", attached hereto as **Exhibit A**, shall be furnished by the SAMPO to each of the City employees under its direction.

3. The City shall have, after notice to the SAMPO Policy Board, the sole responsibility to suspend, place on probation, or terminate the MPO Director or any employee for violations of the following sections of the City of San Angelo Personnel Policies as set out in the "Employee Handbook":
    a. 4.08 Immigration Reform and Control Act
    b. 6.09 Harassment
    c. 6.17 Drug Free Workplace

ARTICLE 8. PERFORMANCE MANAGEMENT

1. Executing the planning functions of the SAMPO shall be the sole responsibility of the Metropolitan Planning Organization Director. The SAMPO Policy Board shall be solely responsible for confirming and evaluating whether the Metropolitan Planning Organization Director is executing the planning functions and implementing the policies of the SAMPO.

2. The Metropolitan Planning Organization Director shall be solely responsible for confirming and evaluating whether SAMPO employees are executing the planning functions and implementing the policies of the SAMPO.

ARTICLE 9. FEE FOR SERVICES

1. The City shall be reimbursed by the SAMPO for indirect costs, including but not limited to legal, human resource, information technology and other administrative services, as determined by the City's Indirect Cost Allocation Plan.

ARTICLE 10. PROPERTY MANAGEMENT

1. The SAMPO will maintain a written property management procedure pursuant to 49 CFR Part 18, "Uniform Administrative Requirements for Grants and Agreements with State and Local Governments". Any proceeds from the disposition of surplus equipment will be credited to the SAMPO account.

ARTICLE 11. TERMINATION AND AMENDMENTS

1. This Agreement may be amended only by written amendment signed by the parties hereto as authorized by their governing bodies. NO OFFICIAL, EMPLOYEE, AGENT OR REPRESENTATIVE OF THE CITY OF SAN ANGELO OR THE SAN ANGELO METROPOLITAN PLANNING ORGANIZATION HAS ANY AUTHORITY, EITHER EXPRESS OR IMPLIED, TO AMEND THIS AGREEMENT, EXCEPT PURSUANT TO SUCH EXPRESS AUTHORITY AS MAY BE GRANTED BY THE CITY OF SAN ANGELO CITY COUNCIL OR THE SAN ANGELO METROPOLITAN PLANNING ORGANIZATION POLICY BOARD.

2. In the event of termination, all costs incurred through the date of termination will be paid within thirty (30) days of request for reimbursement or payments.

3. Any notice required or permitted to be given to a party under this Agreement, shall be in writing and shall be deemed given (i) on the day it is delivered personally (with receipt); or (ii) the day after it is deposited with a nationally recognized courier service for next-day delivery; or (iii) three (3) days after it is deposited in the U.S. certified mail, postage prepaid, return receipt requested, addressed as follows:

If to the City:

The City Manager
City of San Angelo
72 W. College Ave.
San Angelo, Texas 76903

If to the SAMPO: San Angelo Metropolitan Planning Organization and Policy Board
C/O San Angelo Metropolitan Planning Organization
72 W. College Ave.
San Angelo, TX 76903

ARTICLE 11. NON-DISCRIMINATION

It is mutually agreed that all parties hereto shall be bound by the provisions of Title 49, Code of Federal Regulations, Part 21, which were promulgated to effectuate the provisions of Title VI of the Civil Rights Act of 1964, Title 23. Code of Federal Regulations, part 710.45(b), and Executive Order 11246 titled "Equal Employment Opportunity" as amended by Executive Order 11375 and as supplemented in Department of Labor Regulations (41 CFR Part 60).

ARTICLE 12. GOVERNING LAW

The laws of the State of Texas shall govern this Agreement. Obligations of the parties are performable in San Angelo, Tom Green County, Texas. Venue for any legal proceeding relating to this MOU shall be in Tom Green County, Texas.

ARTICLE 13. NON-ASSIGNMENT

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives successors and assigns. However, this Agreement may not be assigned by either party without the specific prior written consent of the other.

ARTICLE 14. SEVERABILITY

In the event that any provisions of this MOU are illegal, invalid or unenforceable under present or future law it is the intention of the parties that the remainder of this MOU shall not be affected. It is also the intention of the parties that in lieu of each clause and provision that is found to be illegal, invalid or unenforceable, a provision be added to this MOU which is legal, valid or enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

ARTICLE 15. ENTIRETY OF AGREEMENT

This MOU contains the entire agreement between the parties.

EXECUTED in duplicate originals on this the _____ day of _____, 2016.

CITY OF SAN ANGELO

_____
Daniel Valenzuela, City Manager

SAN ANGELO METROPOLITAN PLANNING ORGANIZATION

_____
Mayor Dwain Morrison, Chairman

ATTEST:

_____
Bryan Kendrick, City Secretary

APPROVED AS TO CONTENT:

_____
Major Hofheins
SAMPO Director

APPROVED AS TO FORM:

_____
Theresa James, City Attorney

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

Requestor: Rebeca Guerra, Planning Manager, Planning and Development Services, 325-657-4210

Meeting Date: September 6, 2016

Item type: Consent Item

Caption:

Second Reading and Public Hearing for Case PD16-02, an ordinance approving a request from Tom Green County to authorize a rezoning from the Ranch and Estate (R&E) Zoning District to the Planned Development (PD) Zoning District for the Tom Green County detention facility generally located off U.S. Highway 277, 880 feet west of the intersection of MH Morgan Trail and U.S. Highway 67, on 179.174 acres (J. James)

Summary/History:

The subject area was annexed into the City on December 20, 2011. All of the proposed Planned Development (PD) is on land owned by Tom Green County. On June 16, 2016, the applicant applied for a zone change from the Ranch and Estate (R&E) Zoning District to the Planned Development Zoning District for the Tom Green County detention facility with limited accessory uses including: firearms range, light manufacturing, recovery facility - alcohol and drug, telecommunications facilities, safety services, office, recovery services, and maintenance facilities. The current detention facility located in downtown San Angelo is not only outdated, but has been running at or near capacity (449 inmates) for years and has had several compliance issues with the jail standards commission. The facility has been designed to provide the County with a 50 to 75 year solution to the County's detention problems. In addition to the normal detention infrastructure, the facility has been designed to provide accommodations for mental health inmates, medical facilities, and seventeen-year old inmates who are now a special class of inmate. It is designed under a direct supervision model that has proven to be one of the most successful programs in the correctional field.

The proposed Planned Development is a 179.174 acre site currently home of the Roy K. Robb Men's Correctional Facility with the Men's Work Camp behind the main facility and southwest of the proposed detention facility. To the north of the detention facility is the firearms range of the Tom Green 4-H Shooting Sports Complex.

Financial Impact:

N/A

Other Information/Recommendation:

At the August 16, 2016, City Council meeting, Condition #6 was modified to read:

Prior to the issuance of a Certificate of Occupancy, the subject site, with the exception of the area labeled "Firearms Range" on Exhibit A, shall be platted.

Attachments:

1. Staff Report PD16-02 CC Staff Report.docx
2. Draft Ordinance PD16-02 Tom Green County Detention Facility ordinance Final.docx

Presentation:

Jon James

Approvals/Reviews:

Rebeca Guerra	Created/Initiated
Jon James	Approved
Theresa James	Approved
Anthony Wilson	Approved
Tina Carriger	Approved
Theresa James	Approved
Becky Dunn	Approved
Bryan Kendrick	Final Approval

STAFF REPORT

City Council Meetings: August 16, 2016
September 6, 2016

From: Jon James, AICP
Director of Planning and Development Services

Through: Rebeca A. Guerra, AICP, LEED-AP, CPD
Planning Manager

Case: PD16-02: Tom Green County Detention Facility

Request: A request for approval of a Rezoning from the Ranch and Estate (R&E) Zoning District to the Planned Development (PD) Zoning District for the Tom Green County Detention Facility with limited accessory uses including: firearms range, light manufacturing, recovery facility - alcohol and drug, telecommunications facilities, safety services, office, recovery services, and maintenance facilities

Location: Four unaddressed tracts off U.S. Highway 277, 880 feet west of the intersection of M H Morgan Trail and U.S Highway 67

Legal Description: 69.606 acres out of the J Fenner Survey, Abstract 4985; 52.759 acres out of J A Eggleston Survey, Abstract 4984; 55.212 acres out of J W Johnson Survey, Abstract 8134; & 1.597 acres out of the J Fenner Survey, Abstract 4985

Size: 179.174 acres

General Information

Future Land Use: Campus/Institutional

Current Zoning: Ranch & Estate (R&E)

Existing Land Use: Largely Vacant Land but contains the Roy K. Robb Men's Correctional Facility and the Tom Green 4-H Shooting Sports Complex.

Surrounding Zoning / Land Use:

North:	Ranch and Estate (R&E)	City of San Angelo
West:	Light Manufacturing (ML) and Ranch and Estate (R&E)	Texas National Guard, American Tire Distributors, Katco Koncrete
South:	Light Manufacturing (ML)	Delek Marketing and Supply, City of San Angelo
East:	None	East of City limits

District: SMD #4 – Lucy Gonzales

Neighborhood: PaulAnn

Thoroughfares/Streets:

Per the Master Thoroughfare Plan (MTP), U.S. Highway 67/277 are both classified as "Major Arterial Roads" in the City's Master Thoroughfare Plan (MTP). Major Arterial Roads are designed to carry a large volume of traffic at high speeds. Major Arterial Roads consist of a minimum right-of-way width of 94 feet with a minimum pavement width of 64 feet.

History and Background:

The subject area was annexed into the City on December 20, 2011. All of the proposed Planned Development (PD) is on land owned by Tom Green County. On June 16, 2016, the applicant applied to an Approval of a Zone Change from the Ranch and Estate (R&E) Zoning District to the Planned Development Zoning District for the Tom Green County Detention Facility with limited accessory uses including: firearms range, light manufacturing, recovery facility - alcohol and drug, telecommunications facilities, safety services, office, recovery services, and maintenance facilities. The current detention facility located in downtown San Angelo is not only outdated, but has been running at or near capacity (449 inmates) for years and has had several compliance issues with the jail standards commission. The facility has been designed to provide the County with a 50 to 75 year solution to the County's detention problems.

A typical detention facility is normally only serviceable for 25 to 30 years due to the extreme use it receives. In addition to the normal detention infrastructure, the facility has been designed to provide accommodations for mental health inmates, medical facilities, and seventeen-year old inmates who are now a special class of inmate. It is designed under a direct supervision model that has proven to be one of the most successful programs in the correctional field.

The proposed Planned Development is a 179.174 acre site currently home of the Roy K. Robb Men's Correctional Facility with the Men's Work Camp behind the main facility and southwest of the proposed detention facility. To the north of the detention facility is the firearms range of the Tom Green 4-H Shooting Sports Complex.

Analysis:

The Planned Development Zoning District is a tailor-made Zoning District designed for a specific purpose in a specific location, allowing for greater flexibility, improved design standards, and additional requirements such as landscaping, noise mitigation, density capping, and resource protection.

Concept Plan: A Concept Plan outlining the general intent of the development, as well as a tentative layout of uses, accompanies the application to indicate the overall extent and complexity of the development. The primary building in the Planned Development is the Detention Facility. Initial design plans list the ground floor as 213,463 square feet and a mezzanine level as 14,526 square feet, for a total gross square footage of 227,989. The facility is designed to hold an estimated 520-546 inmates with a build-out estimate rising to a total 744 inmates in the next 30 years. An estimated staff of twenty will run the facility. A medical area and ambulance loading area will be onsite to treat inmates and staff as needed. A laundry room will be used to clean uniforms and bed linens. Areas for staff administration and a lounge will be provided. Visitors may visit inmates in the lobby area while inmates themselves will be processed through the transportation and intake areas. The area east of the building will have 12-foot high perimeter fencing. Lighting would be directed at the facility for security, but not in such a way as to spill over onto neighboring properties. The Alcohol and Drug Abuse Council for the Concho Valley (ADACCV) is anticipating to build a new facility on the premises, but it will be a separate facility from the detention facility between the Roy K. Robb Men's Correctional Facility and the proposed Tom Green County Detention. ADACCV is classified as a "Recovery Facility: Drug and Alcohol" use under the Zoning Ordinance where patients are residents of the program, but where they are not supervised by sworn officers. The PD is also expected to house the future Tom Green County Sheriff's Office which will have an estimated 30,000 square feet and require the inclusion of "Safety Service" and "Office" uses into the Planned

Development. Telecommunication Facilities uses would also be required in order to stay in contact should the cell tower system fail in an emergency situation.

The applicant will be required to plat the property to reflect the future 179.174 acre Planned Development zoning boundary. In addition, the applicant will require an Urban Design Review, as the proposed building will have greater than 25,000 square feet of gross floor area (227,989 square feet).

Site Access and Circulation: Primary initial access to the site is planned to be from U.S. Highway 67/277. A secondary access has been under discussion for a new street on the City-owned land just to the south of the County's southeast corner of the proposed Planned Development. The street would need to head south from this corner and then turn west and to intersect Tractor Trail Road. This road shall be paved in accordance with minimum City standards. There will be two gated entrances into fenced perimeter on the east side of the building.

Parking:
Offices require one parking space for every 300 square feet. The estimated initial area devoted to office uses is 11,500 square feet. The PD shows 38 spaces for the 22 staff employees. Detention Facilities do not require parking for inmates, but non-public areas of the facility for staff are expected to be covered under the Office use. Light Manufacturing and Maintenance uses require one space for every four employees. Visitors will use the 4,000 square foot lobby and have a requirement of one space for every 300 feet, or 12 spaces minimum, but 78 spaces are provided. It is expected that visitors will use cellular devices (with internet access) to contact inmates, which will reduce the need for more parking in the future.

Loading Area: Under the Zoning Ordinance, every non-residential building over 20,000 square feet requires a loading area with an additional loading area for every 60,000 square feet for institutional uses. The Concept Plan provides for ambulance loading, a secure loading courtyard, and a sally port.

Criteria: Section 212(G) of the Zoning Ordinance requires that the Planning Commission and City Council consider, at minimum, seven (7) factors in determining the appropriateness of any Rezoning request.

1. **Compatible with Plans and Policies.** *Whether the proposed amendment is compatible with the Comprehensive Plan and any other land use policies adopted by the Planning Commission or City Council.*

   The proposed Planned Development (PD) Zoning District appears to be consistent with the Comprehensive Plan's Future Land Use designation of "Campus/Institutional." Institutional campuses refer to land owned and controlled

by public and private institutions. In San Angelo, these public institutions include City Hall and the Tom Green Justice Center County which include both the County Courthouse and County Jail. The Comprehensive Plan for the City states "these institutions are largely ignoring the community around them and effectively operating as islands." In this case, the "island" effect is desirable from a security perspective as placing crowded inmates in the same building as the court and the public are now seen as problematic. The Tom Green County Jail, like all jails is a maximum security facility. Because the inmates in this jail range from low level offenders to those being held for violent crimes like robbery, rape, and murder, the security level is as high as is it is in any maximum security state prison. The proposed site offers more space and less crowding for inmates and staff while providing more security to the public. The proposed Planned Development has been the home of the Roy K. Robb Men's Correctional Facility and the Men's Work Camp. Before that, the facility had been designated for juvenile offenders. One of the goals of the Comprehensive Plan is to base decisions on a standard for community accounting that accounts for economic and social improvements. Expanding the footprint of the existing jail in Downtown was deemed too expensive to acquire land when the County already owned existing property on the site of the proposed Planned Development.

2. **Consistent with Zoning Ordinance.** *Whether and the extent to which the proposed amendment would conflict with any portion of this Zoning Ordinance.*

   The purposes of a Planned Development District include, but are not limited to, the following: (1) To allow diversification of uses, structures, and open spaces and to promote flexibility of design in a manner compatible with existing and allowed uses of land on adjacent properties; (2) To preserve the natural amenities and environmental assets of the land by encouraging the preservation and improvement of open space; (3) To provide an appropriate balance between the intensity of development and the ability to provide adequate supporting public facilities and services; (4) To promote the efficient use of land to facilitate a more economic arrangement of buildings, uses of land and utilities; and (5) To promote the development of vacant property within the presently developed urban (or suburban) area. The Planned Development will afford a multitude of complementary and logical accessory uses. The development is centered on the detention facility, but ADACCV does offer drug and alcohol treatment for residents and for outpatients which would help to rehabilitate those offenders serving time. The incorporation of the future sheriff's office and existing firearm's range would also complement the necessity for security on site. The 179-acre site offers more than enough room between uses, for open space, and for future expansion. Due to the nature of the uses on site, it is unlikely to attract much more development in the area impacting the environment as the focus is on housing or helping people that will be spending time indoors in largely self-contained facilities for eating, sleeping, and medical attention. Furthermore, the project has spurred a

strategy for a planned network of collector streets to develop the northeast edge of the City as part of an amendment to the Major Thoroughfare Plan.

3. **Compatible with Surrounding Area.** *Whether and the extent to which the proposed amendment is compatible with existing and proposed uses surrounding the subject land and is the appropriate zoning district for the land.*

   The Planned Development is compatible with existing and proposed uses surrounding the area. The area is currently zoned as Ranch and Estate, which does not currently allow for the use categories of: Recovery Facility, Alcohol and Drug; Detention Facilities or Manufacturing and Production, Light. In addition, Firearms Ranges and Telecommunications Facilities required Special Use and Conditional Use. It is more appropriate to treat such divergent uses and accessory uses under the Planned Development rezoning. Within the Planned Development is the existing Roy K. Robb Men's Correctional Facility and Men's Work Camp. Neighboring the development further to the south is a Light Manufacturing (ML) Zoning District with Delek Marketing and Supply – a company that supplies refined petroleum products through its terminal in San Angelo. To the east, beyond the City limits, is nearly a mile of native vegetation with farms on either side. The area to the north has more native vegetation, about 1.5 miles to a paved road. To the west is U.S. Highway 67/277, owned by the Texas Department of Transportation (TxDOT), with an average right-of-way width of 850 feet. None of these uses appear to be incompatible with the proposed detention facility in this sparsely populated corner of the City.

4. **Changed Conditions.** *Whether and the extent to which there are changed conditions that require an amendment.*

   The current Tom Green County Jail is outdated and overcrowded necessitating the need for a more appropriate site. An expanded detention facility in downtown San Angelo is not in the best interests of the City which seeks to revitalize the core of the center. The rezoning amendment to a Planned Development offers the flexibility to place the detention facility and accessory uses in an area accustomed to highly similar uses. The existing Roy K. Robb Men's Correctional Facility and the Men's Work Camp were built in 2008 before the City annexed the area in 2011. Besides the County Jail, the trend has been to expand or relocate other institutions from the more densely populated parts of the City such as the planned Alcohol and Drug Abuse Council for the Concho Valley (ADACCV) facility away from its current location at 3553 W Houston Harte Expressway to the proposed PD. A plan has been developed that includes a 20,000+ square foot facility. The expansion will allow ADACCV to consolidate its residential treatment services to one location and double its residential treatment capacity by providing 30 male treatment beds and 18 female treatment beds.

5. **Effect on Natural Environment.** *Whether and the extent to which the proposed amendment would result in significant adverse impacts on the natural environment, including but not limited to water and air quality, noise, storm water management, wildlife, vegetation, wetlands and the practical functioning of the natural environment.*

   Future development will require building permits, which would include a review of grading, drainage, and stormwater runoff to further ensure there are no negative environmental impacts. There will be some increased traffic in the area but most of it will be relatively light and not in the peak travel demand hours. Initially, only 20 staff members will be accessing the site regularly with visitors arriving only during visiting hours. A secondary access road to the south is planned to make the current dual direction lanes on the frontage road become one-way in the future. Noise carrying to neighboring properties should be minimal as the inmates spend most of their time indoors and the distance to outside the development is large.

6. **Community Need.** *Whether and the extent to which the proposed amendment addresses a demonstrated community need.*

   The Texas Commission on Jail Standards report on June 1, 2016, noted that of the 254 counties in Texas, Tom Green County was ranked highest (43rd) with an incarceration rate of 3.49%. This tracks closely with Tom Green's total population compared to other Texas counties. It is not a question of an increasing number of people being incarcerated in Tom Green County, but of needing to update a facility and plan for more space that inevitably comes with a growing population. The Planned Development addresses that community need while putting the facility close to a drug and alcohol rehabilitation facility - a use which rarely lacks for people in need of treatment. The incorporation of limited Light Manufacturing uses in the Planned Development offers the option that other jurisdictions have for inmates to make products to learn a skill or help defray the cost of their incarnation. By the same token, including Maintenance Facilities uses offers a chance for inmate trustees to make themselves more purposeful and maintain the facility.

7. **Development Patterns.** *Whether and the extent to which the proposed amendment would result in a logical and orderly pattern of urban development in the community.*

   The proposed Planned Development site is located in a sparsely populated area at the northeast edge of the City limits. The Future Land Use for the area is Campus/Institutional, which appears to be compatible with a detention facility. As noted earlier, the site already has a correctional facility, so there would not appear to be a conflict in introducing another correctional facility as the site is large enough to hold both buildings and have enough room to accommodate for accessory uses.

Notification:

On July 7, 2016, three (3) notifications were mailed out, and on July 2, 2016, notice was published in the San Angelo Standard-Times. As of August 9, 2016, Staff has received zero (0) responses in opposition and zero (0) responses in support to the request.

Planning Commission Action:

This request was scheduled for review and consideration on the July 18, 2016, Planning Commission. In a 6-0 vote, the Commission recommended APPROVAL of the request. Below is an excerpt from the meeting's unofficial minutes:

Approval of a Rezoning from the Ranch and Estate (R&E) Zoning District to the Planned Development (PD) Zoning District for the Tom Green County Detention Facility with limited accessory uses including: firearms range, light manufacturing, recovery facility - alcohol and drug, telecommunications facilities, safety services, office, recovery services, and maintenance facilities, located east of the intersection of U.S. Highways 67 and 277, on 179.174 acres.

David Fee, Senior Planner, outlined the request. The Future Land Use of the site is Campus/Institutional and the zoning is Ranch and Estate (R&E). Mr. Fee showed exhibits of the area which include an existing correctional facility immediately south. He outlined Planning Staff's rationale to recommend approval of the application subject to seven conditions of approval. The rationale included that the request was consistent with the Campus/Institutional Future Lane Use Designation, that other similar public institutions exist in the City, and that the site offers adequate space and security.

Commissioner Jackson asked who would be using the shooting range nearby. Mr. Fee responded that the Sheriff's Office may be using this shooting range facility, but that he did not believe there would be another facility. Russell Gully, from SKG Engineering and a representative for the applicant, indicated that the current shooting range is a small facility and some of the stations will be moved to avoid conflict with the location of the nearby detention pond. Mr. Gully indicated that Condition #3 which requires colors and materials is redundant as it is already required by an Urban Design Review. He requested that Condition #3, and Condition #5 which requires an Urban Design Review that is already required by the Zoning Ordinance, be removed. Mr. Gully also raised a concern about Condition #7 in that the entire area may not be replatted particularly where the firearms range is located and that this condition be removed. Mr. Jon James, Director of Planning and Development Services, indicated that Condition #3, although already required by the Zoning Ordinance through an Urban Design Review, was reiterated for clarity. He also explained that Condition #5 specifically referencing the Urban Design Review was intended to also cover design for buildings under 25,000 square feet. Mr. James indicated that Condition #7 could

be amended to mandate that no building permits be issued until the entire site is platted.

Commissioner Spano made a Motion to recommend APPROVAL of the request, eliminating Condition #3 and revising Condition #7 (renumbered Condition #6) as follows: "Prior to a Certificate of Occupancy, the entire 179.174-acre site shall be platted." Commissioner Smith seconded the Motion. The Motion passed unanimously, 6-0.

Staff's Recommendation:

Staff's recommendation is for City Council to **APPROVE** the proposed Rezoning from the Ranch and Estate (R&E) Zoning District to the **Planned Development (PD) Zoning District** for a Detention Facility limited accessory including: firearms range, light manufacturing, recovery facility - alcohol and drug, telecommunications facilities, safety services, office, recovery services, and maintenance facilities, subject to the following six (6) Conditions of Approval (AS AMENDED AT THE AUGUST 16, 2016, CITY COUNCIL MEETING):

1. Except as otherwise specified or limited below, the use and development of the subject property shall generally conform to the Light Manufacturing (ML) Zoning District.

2. Overall site use shall be in accordance with the Concept Plan. Major changes to the usage of this property shall be approved through an amendment to this Planned Development District with approval from the Planning Commission and City Council. Minor deviations may be approved by the Planning Director, consistent the Zoning Ordinance.

3. A minimum of 50 parking spaces shall be required for this Planned Development. Any amendments to facilitate new development may result in a new parking standard, as determined by the Director of Planning & Development Services. All driveways shall be a minimum of 26 feet wide, as required by the Fire Department.

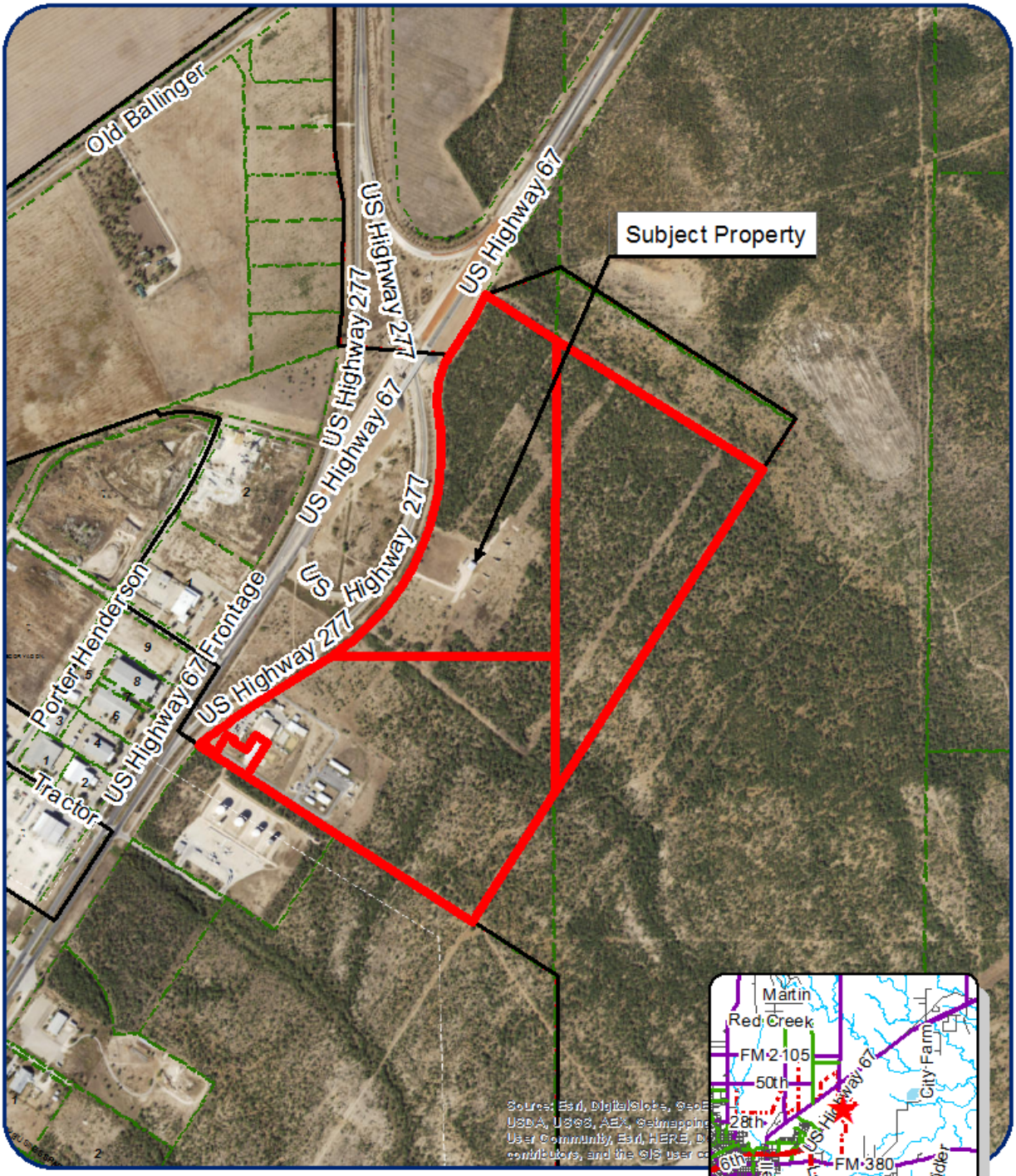
4. An Urban Design Review for the buildings, coloring, materials, landscaping, fencing, and other site features shall be submitted and approved by the Planning Division and be maintained on file in the offices of the Planning Division.

5. The sidewalks as shown on the Concept Plan shall be no less than five (5) feet in width, shall be installed prior to the issuance of a Certificate of Occupancy, and shall meet all Texas Accessibility Standards.

6. Prior to the issuance of a Certificate of Occupancy, the ~~entire 179.174-acre~~ subject site, with the exception of the area labeled “Firearms Range” on Exhibit A, shall be platted.

Attachments:

Aerial Map
Future Land Use Map
Zoning Map
Major Thoroughfare Map
Notification Map
Notification List
Concept Plan
Detention Center
Publication Proof



Zoning Case File

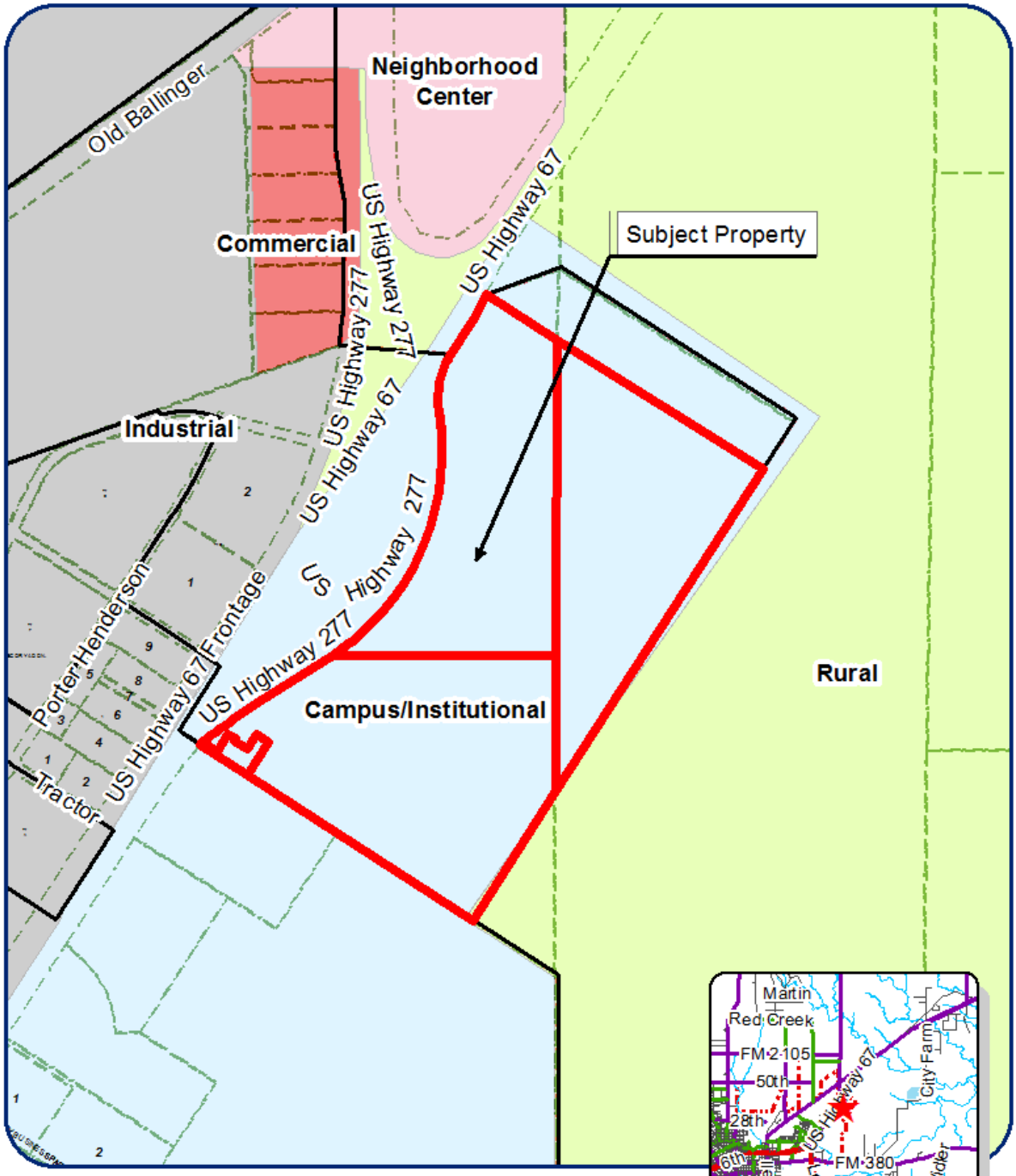
Case PD16-02

Council District: Lucy Gonzales
Neighborhood: PaulAnn
Scale: 1 " approx. = 900 ft
Legal Description(s): 179.174 total acres, multiple tracts

Legend

Subject Properties:
Current Zoning: R&E
Requested Zoning Change: PD
Vision: Campus/Neighborhood

N



Zoning Case File

Case PD16-02

Council District: Lucy Gonzales
Neighborhood: PaulAnn
Scale: 1 " approx. = 900 ft
Legal Description(s): 179.174 total acres, multiple tracts

Legend

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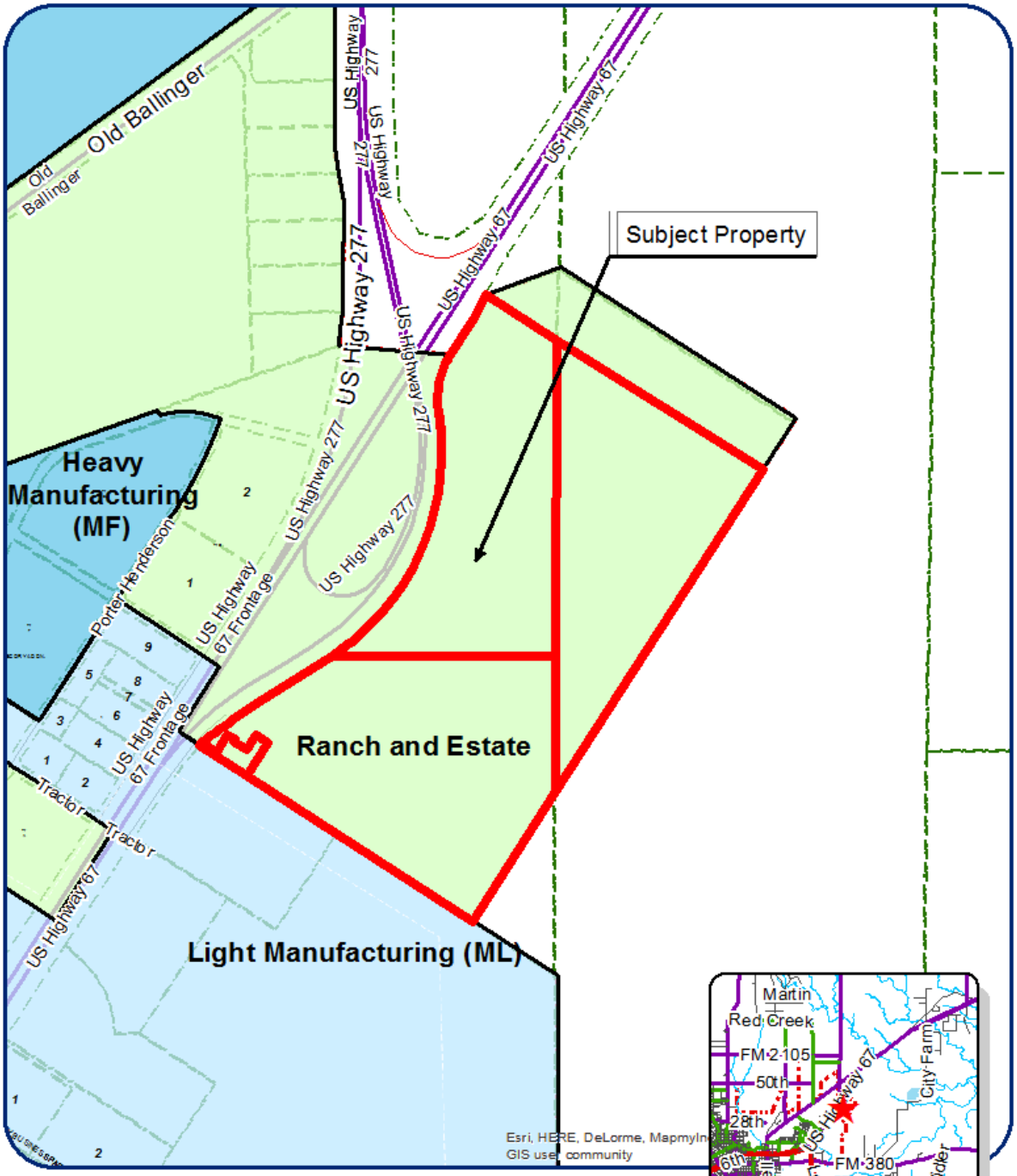
Requested Zoning Change: PD
Vision: Campus/Neighborhood



Zoning Case File

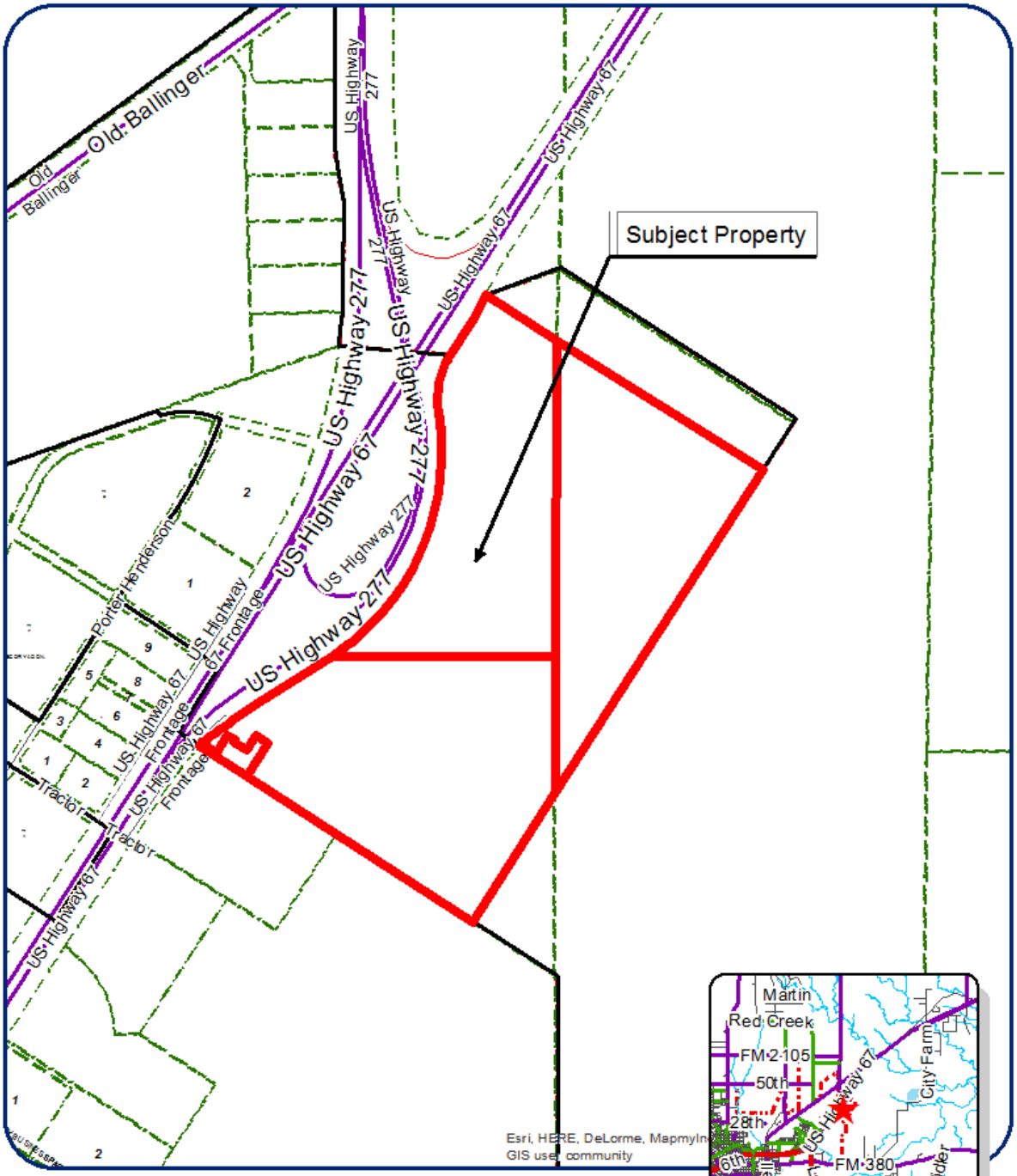
Case PD16-02

Council District: Lucy Gonzales
Neighborhood: PaulAnn
Scale: 1" approx. = 900 ft
Legal Description(s): 179.174 total acres, multiple tracts

Legend

Subject Properties:
Current Zoning: R&E
Requested Zoning Change: PD
Vision: Campus/Neighborhood

N



Zoning Case File

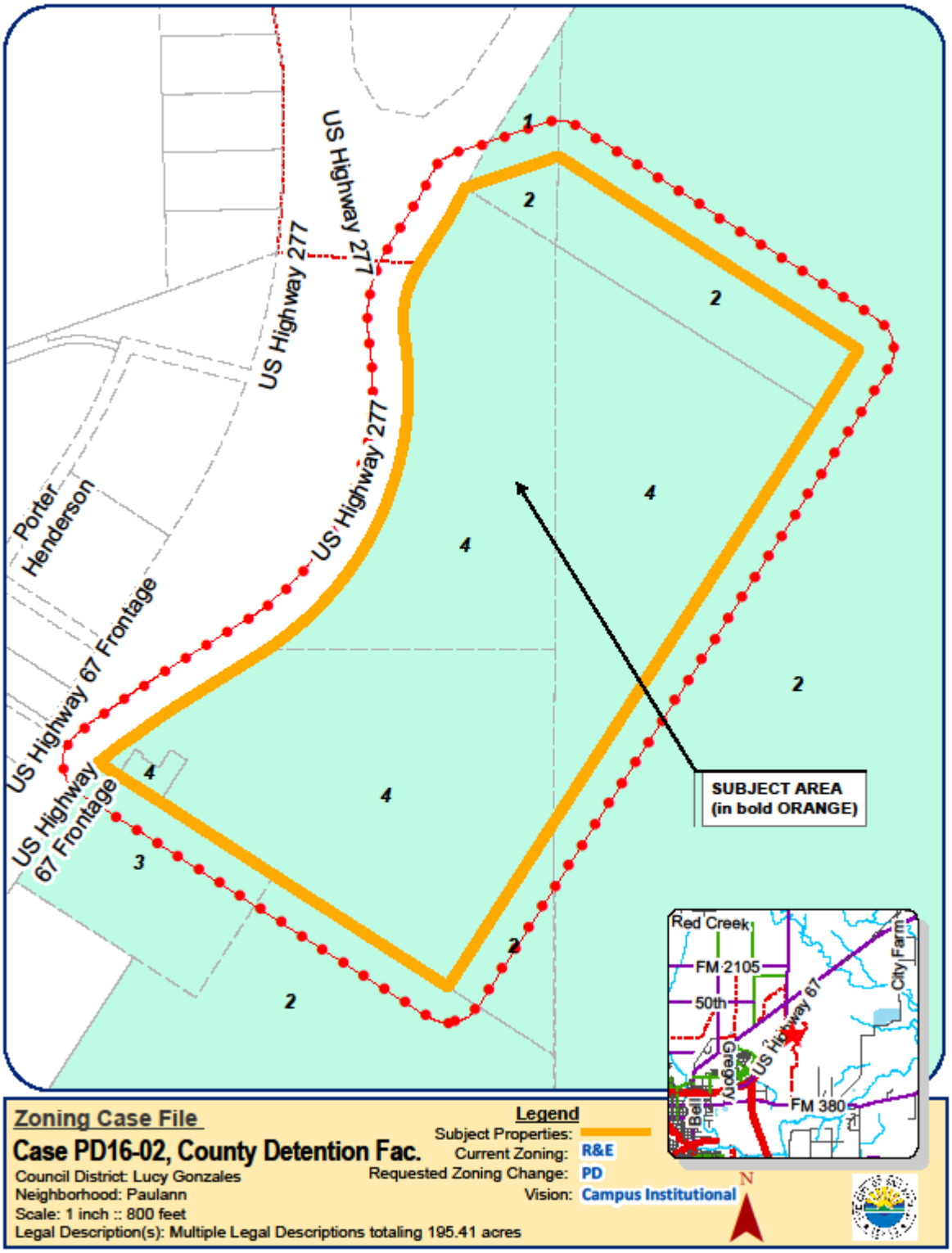
Case PD16-02

Council District: Lucy Gonzales
Neighborhood: PaulAnn
Scale: 1" approx. = 900 ft
Legal Description(s): 179.174 total acres, multiple tracts

Legend

Subject Properties:
Current Zoning: R&E
Requested Zoning Change: PD
Vision: Campus/Neighborhood

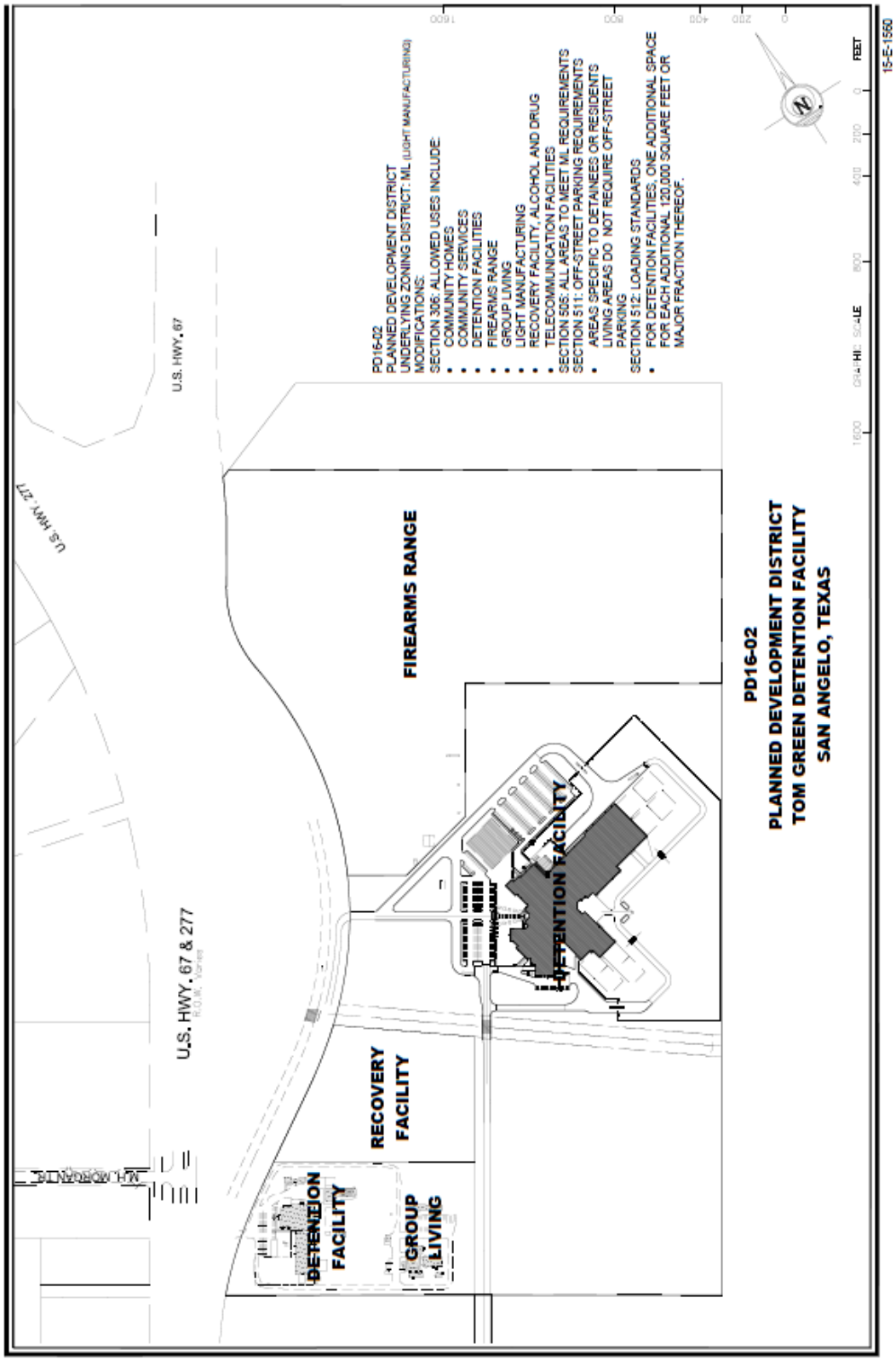
N

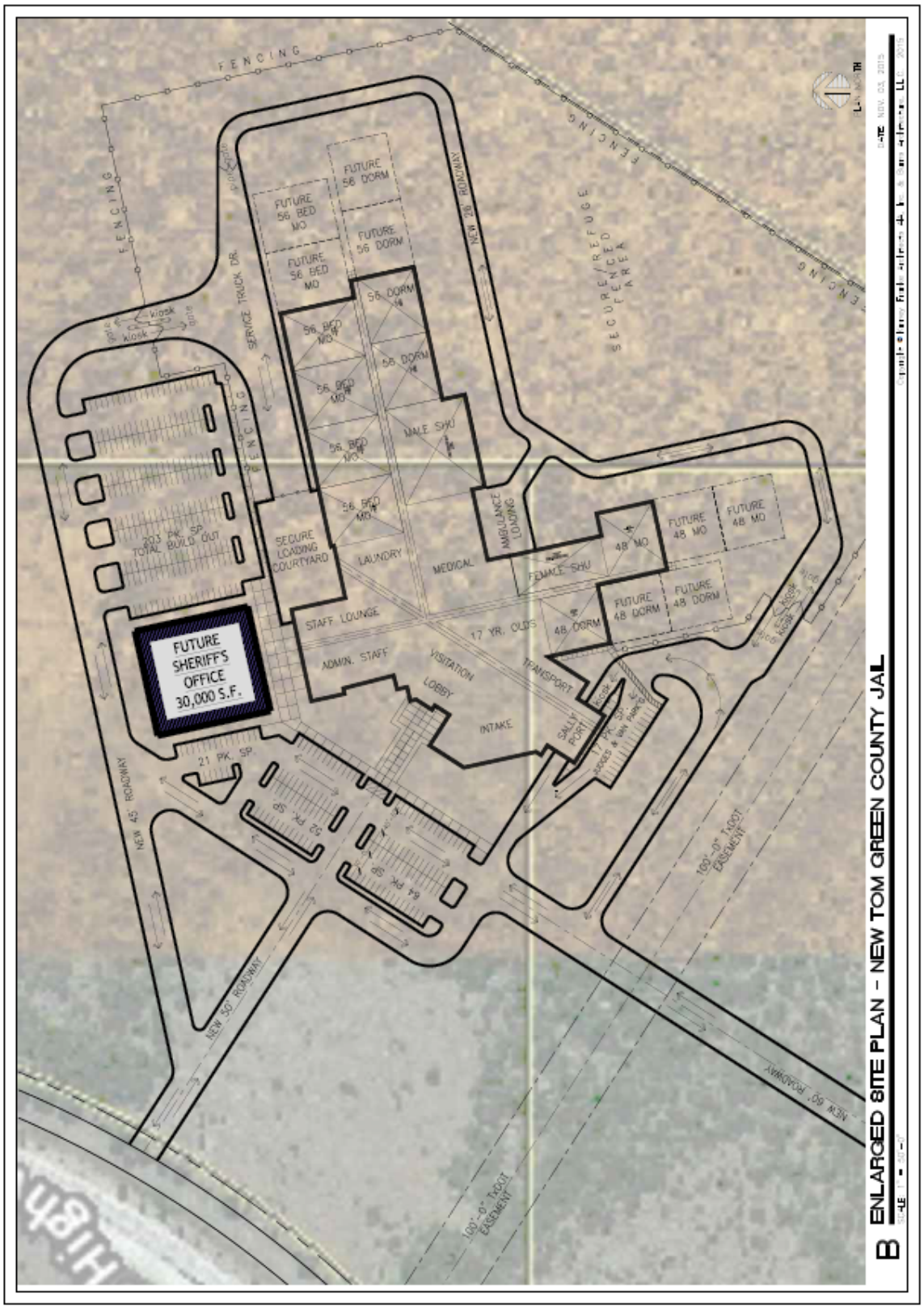

US Highway 277
US Highway 277
US Highway 277
Porter Henderson
US Highway 67 Frontage
US Highway 67 Frontage
1
2
2
4
4
4
4
2
3
2
2
SUBJECT AREA
(in bold ORANGE)
Red Creek
FM 2105
50th
US Highway 67
City Farm
Gregory
Bell
FM 380
Zoning Case File
Case PD16-02, County Detention Fac.
Council District: Lucy Gonzales
Neighborhood: Paulann
Scale: 1 inch :: 800 feet
Legal Description(s): Multiple Legal Descriptions totaling 195.41 acres
Legend
Subject Properties:
Current Zoning: R&E
Requested Zoning Change: PD
Vision: Campus Institutional
N

PD16-02, Tom Green Co Detention Fac

Total Notices Mailed: 4

ID_N	vm_name	vm_incare	vm_line1	vm_city	vm_state	vm_zip
1	BLUMENTRITT JOHN W		4508 UNION CREEK DR	SCHERTZ	TX	78154-3055
2	CITY OF SAN ANGELO	% DAVID FEE, AICP - PLANNING	72 W COLLEGE AVE	SAN ANGELO	TX	76903-5814
3	DELEK MARKETING & SUPPLY LP	PROPERTY TAX DEPT	7102 COMMERCE WAY	BRENTWOOD	TN	37027-2896
4	TOM GREEN COUNTY		112 W BEAUREGARD	SAN ANGELO	TX	76903-6850


PD16-02
PLANNED DEVELOPMENT DISTRICT
UNDERLYING ZONING DISTRICT: M1L (LIGHT MANUFACTURING)
MODIFICATIONS:
SECTION 306: ALLOWED USES INCLUDE:
• COMMUNITY HOMES
• COMMUNITY SERVICES
• DETENTION FACILITIES
• FIREARMS RANGE
• GROUP LIVING
• LIGHT MANUFACTURING
• RECOVERY FACILITY, ALCOHOL AND DRUG
• TELECOMMUNICATION FACILITIES
SECTION 505: ALL AREAS TO MEET M1L REQUIREMENTS
SECTION 511: OFF-STREET PARKING REQUIREMENTS
• AREAS SPECIFIC TO DETAINEES OR RESIDENTS LIVING AREAS DO NOT REQUIRE OFF-STREET PARKING
SECTION 512: LOADING STANDARDS
• FOR DETENTION FACILITIES, ONE ADDITIONAL SPACE FOR EACH ADDITIONAL 120,000 SQUARE FEET OR MAJOR FRACTION THEREOF.
U.S. HWY. 67
U.S. HWY. 277
U.S. HWY. 67 & 277
FIREARMS RANGE
DETENTION FACILITY
RECOVERY FACILITY
DETENTION FACILITY
GROUP LIVING
PD16-02
PLANNED DEVELOPMENT DISTRICT
TOM GREEN DETENTION FACILITY
SAN ANGELO, TEXAS
FEET
15-E-1560


FENCING
FUTURE 56 BED MO
FUTURE 56 DORM
56 DORM
56 BED MO
MALE SHU
SECURE LOADING COURTYARD
LAUNDRY
MEDICAL
AMBULANCE LOADING
FEMALE SHU
48 MO
FUTURE 48 MO
FUTURE 48 DORM
48 DORM
STAFF LOUNGE
ADMIN. STAFF
VISITATION LOBBY
17 YR. OLDS
TRANSPORT
INTAKE
SALLY PORT
SERVICE TRUCK DR.
NEW 20' ROADWAY
SECURE/REFUGE FENCED AREA
203 PK. SP. TOTAL BUILD OUT
FUTURE SHERIFF'S OFFICE 30,000 S.F.
21 PK. SP.
32 PK. SP.
64 PK. SP.
NEW 45' ROADWAY
NEW 50' ROADWAY
100'-0" TxDOT EASEMENT
B ENLARGED SITE PLAN - NEW TOM GREEN COUNTY JAIL

> Ad Proof

Standard-Times

Sales Rep: Melissa Patino (59104) Phone: (325) 659-8328 Email: mellissa.patino@gosanangelo.com

> Account Information

Date: 07/01/16

Account Number: 250356 (S102355)

Company Name: COSA - PLANNING DIVISION

Contact Name:

Email: rebeca.guerra@cosatx.us

Address: 52 WEST COLLEGE AVENUE, SAN ANGELO, TX, 76903

Phone: (325) 657-4210 Fax:

> Insertion Information

This is a proof of your ad scheduled to run on the dates indicated below.

Please confirm placement prior to deadline by contacting your account rep at (325) 659-8328 .

Ad Id: 1166973 P.O. Number: Total Cost: $304.00

Tag Line: legal notice NOTICE IS HEREBY GIVEN

Start Date: 07/02/16 Stop Date: 07/02/16

Number of Times: 1 Class: 16100 - Legal Notices

Publications: SS-San Angelo Standard-Times, SS-Internet-go sanangelo.com

> Ad Proof

I agree this ad is accurate and as ordered.

LEGAL NOTICE

NOTICE IS HEREBY GIVEN that the City of San Angelo has been asked to approve a Rezoning (Case PZ16-22) on property located inside the City limits of San Angelo:

A request for approval of a Rezoning from the Ranch and Estate (R&E) Zoning District to the Planned Development (PD) Zoning District for the Tom Green County Detention Facility with limited accessory uses including: firearm range; light manufacturing; recovery facility - alcohol and drug; telecommunications facilities; safety services; office; recovery services; and maintenance facilities on the following property:

Location: 30± unaddressed tracts off U.S. Highway 277, 800 feet west of the intersection of W H Morgan Trail and U.S. Highway 87, more specifically around 66.4580 acres out of the J Pariner Survey, Abstract 4968 Survey 0001; 34.8400 acres out of J A Eggleston Survey 165.210 acres, Abstract 4964 Survey 0002; 58.212 acres out J W Johnson Survey 58.7190 acres, Abstract 5124 Survey 0010; 17 acres out of J W Johnson Survey 57.362 acres, Abstract 5124 Survey 0010; 2.908 acres out of the J A Eggleston Survey 3.80 acres, Abstract 4964 Survey 0002; 1.135 acres out of the J Pariner Survey 1.897 acres, Abstract 4968 Survey 0001.

In accordance with Sections 52.011 and 211.006 of the Texas Local Government Code, public hearings on the proposed zoned name changes and Rezonings will be conducted by the Planning Commission. These hearings will begin at 8:00AM on Monday, July 18, 2016 at the McMahon Convention Center, South Meeting Room, 201 Rio Concho Drive. The Planning Commission will then forward recommendations to the City Council, who will conduct its own hearings at meetings at 6:30AM also at the McMahon Convention Center on Tuesday, August 16, 2016, and Tuesday, September 6, 2016, and will make the final decision on the matters. Information pertaining to these applications is available at the Planning Division's offices at 52 West College Avenue. For more information, call (325) 657-4210.

By order of the Planning Manager on July 1, 2016; Rebeca Guerra, Secretary

Thank you for your business. Our commitment to a quality product includes the advertising in our publications. As such, Journal Media Group reserves the right to categorize, edit and refuse certain classified ads. Your satisfaction is important. If you notice errors in your ad, please notify the classified department immediately so that we can make corrections before the second print date. The number to call is 325-655-1111. Allowance may not be made for errors reported past the second print date. The San Angelo Standard Times may not issue refunds for classified advertising purchased in a package rate; ads purchased on the open rate may be pro-rated for the remaining full days for which the ad did not run.

AN ORDINANCE AMENDING CHAPTER 12, EXHIBIT "A" OF THE CODE OF ORDINANCES, CITY OF SAN ANGELO, TEXAS, WHICH SAID EXHIBIT "A" OF CHAPTER 12 ADOPTS ZONING REGULATIONS, USE DISTRICTS AND A ZONING MAP, IN ACCORDANCE WITH A COMPREHENSIVE PLAN, BY CHANGING THE ZONING AND CLASSIFICATION OF THE FOLLOWING PROPERTY, TO WIT: **Four unaddressed tracts generally located off U.S. Highway 277, 880 feet west of the intersection of M H Morgan Trail and U.S Highway 67; more specifically being 69.606 acres out of the J Fenner Survey, Abstract 4985; 52.759 acres out of J A Eggleston Survey, Abstract 4984; 55.212 acres out of J W Johnson Survey, Abstract 8134; & 1.597 acres out of the J Fenner Survey, Abstract 4985, a request for approval of a Rezoning from the Ranch and Estate (R&E) Zoning District to the Planned Development (PD) Zoning District for a Detention Facility with limited accessory uses including: firearms range; light manufacturing; recovery facility - alcohol and drug; telecommunications facilities; safety services; office; recovery services; and maintenance facilities**; AND PROVIDING FOR SEVERABILITY

RE: PD16-02: Tom Green County Detention Facility

WHEREAS, the Planning Commission for the City of San Angelo and the governing body for the City of San Angelo, in compliance with the charter and the state law with reference to zoning regulations and a zoning map, have given requisite notice by publication and otherwise, and after holding hearings and affording a full and fair hearing to all property owners and persons interested, generally, and to persons situated in the affected area and in the vicinity thereof, is of the opinion that zoning changes should be made as set out herein; NOW THEREFORE,

BE IT ORDAINED BY THE CITY OF SAN ANGELO:

SECTION 1: That the basic zoning ordinance for the City of San Angelo, as enacted by the governing body for the City of San Angelo on January 4, 2000, and included within Chapter 12 of the Code of Ordinances for the City of San Angelo, be and the same is hereby amended insofar as the property hereinafter set forth, and said ordinance generally and the zoning map shall be amended insofar as the property hereinafter described:

Four unaddressed tracts generally located off U.S. Highway 277, 880 feet west of the intersection of M H Morgan Trail and U.S Highway 67; more specifically being 69.606 acres out of the J Fenner Survey, Abstract 4985; 52.759 acres out of J A Eggleston Survey, Abstract 4984; 55.212 acres out of J W Johnson Survey, Abstract 8134; & 1.597 acres out of the J Fenner Survey, Abstract 4985 zoned Ranch and Estate (R&E) Zoning District shall henceforth be permanently zoned as follows: **Planned Development (PD) Zoning District.**

The Director of the Planning & Development Services Department is hereby directed to correct zoning district maps in the office of the Director of the Planning & Development Services Department, to reflect the herein described changes in zoning.

SECTION 2: That in all other respects, the use of the hereinabove described property shall be subject to all applicable regulations contained in Chapter 12 of the Code of Ordinances for the City of San Angelo, as amended.

SECTION 3: That the following severability clause is adopted with this amendment:

SEVERABILITY:

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 4: Except as otherwise specified or limited below, the use and development of the subject property shall generally conform to the **Light Manufacturing (ML) Zoning District**, unless specified as otherwise.

SECTION 5: Overall site use shall be in accordance with the **Concept Plan** shown in **Exhibit A** of this Ordinance. Major changes to the usage of this property shall be approved through an amendment to this Planned Development District with approval from the Planning Commission and City Council. Minor deviations may be approved by the Planning Director provided no changes to the Zoning Ordinance are required.

SECTION 6: A minimum of 50 parking spaces shall be required for this Planned Development. Any amendments to facilitate new development may result in a new parking standard, as determined by the Director of Planning & Development Services. All driveways shall be a minimum of 26 feet wide, as required by the Fire Department.

SECTION 7: An Urban Design Review for the buildings, coloring, materials, landscaping, fencing, and other site features shall be submitted and approved by the Planning Director, and be maintained on file in the offices of the Planning Division.

SECTION 8: The sidewalks as shown on the Concept Plan shall be no less than five (5) feet in width, shall be installed prior to the issuance of a Certificate of Occupancy, and shall meet all Texas Accessibility Standards.

SECTION 9: Prior to the issuance of a Certificate of Occupancy, the subject site, with the exception of the area labeled “Firearms Range” on Exhibit A, shall be platted.

INTRODUCED on the **16th day of August, 2016**, and finally PASSED, APPROVED AND ADOPTED on this the **6th day of September, 2016.**

THE CITY OF SAN ANGELO

_____
Dwain Morrison, Mayor

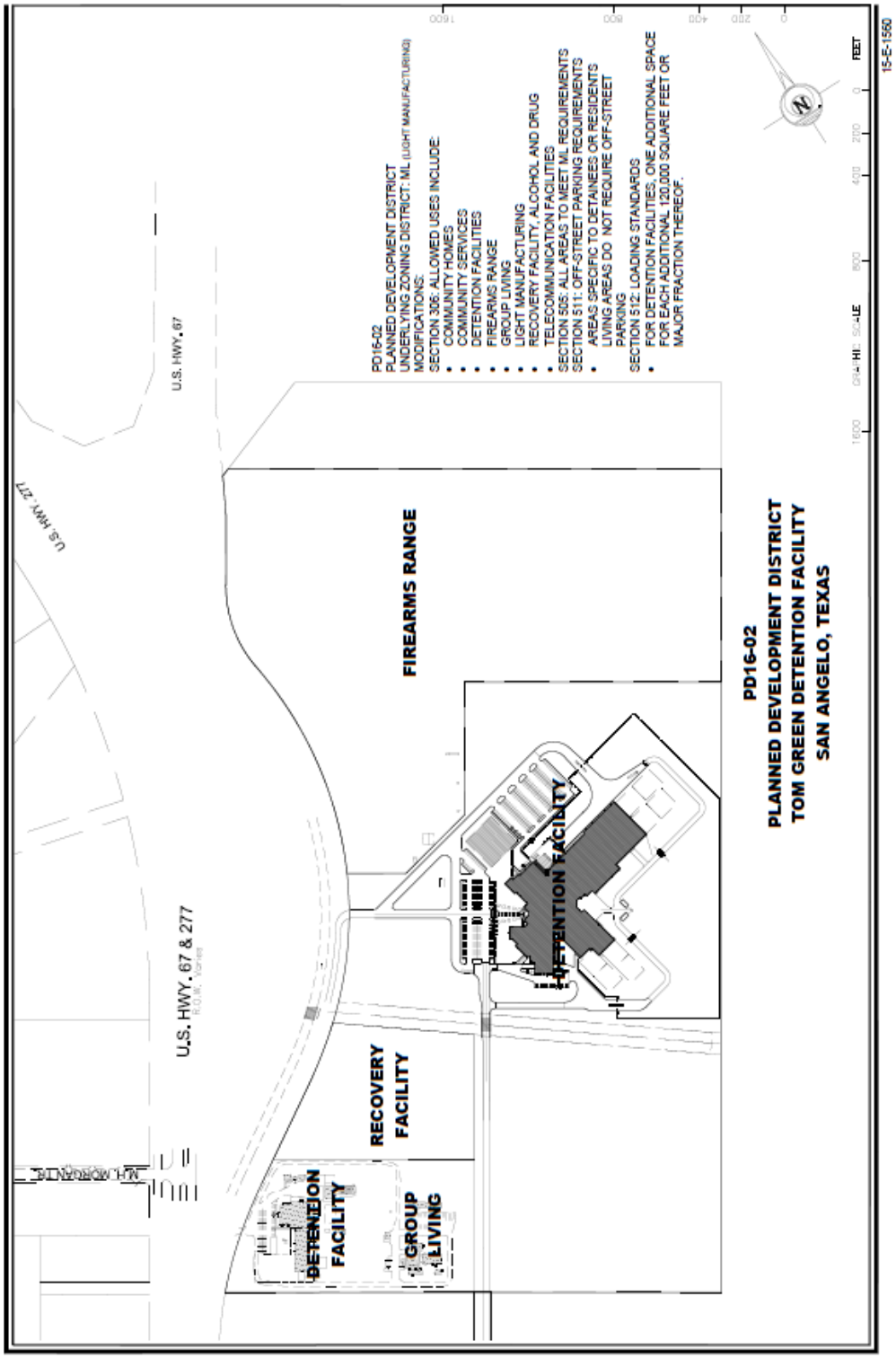
ATTEST:

_____
Bryan Kendrick, City Clerk

Approved As To Form:

_____
Theresa James, City Attorney

EXHIBIT A


PD16-02
PLANNED DEVELOPMENT DISTRICT
UNDERLYING ZONING DISTRICT: ML (LIGHT MANUFACTURING)
MODIFICATIONS:
SECTION 306: ALLOWED USES INCLUDE:
• COMMUNITY HOMES
• COMMUNITY SERVICES
• DETENTION FACILITIES
• FIREARMS RANGE
• GROUP LIVING
• LIGHT MANUFACTURING
• RECOVERY FACILITY, ALCOHOL AND DRUG
• TELECOMMUNICATION FACILITIES
SECTION 505: ALL AREAS TO MEET ML REQUIREMENTS
SECTION 511: OFF-STREET PARKING REQUIREMENTS
• AREAS SPECIFIC TO DETAINEES OR RESIDENTS LIVING AREAS DO NOT REQUIRE OFF-STREET PARKING
SECTION 512: LOADING STANDARDS
• FOR DETENTION FACILITIES, ONE ADDITIONAL SPACE FOR EACH ADDITIONAL 120,000 SQUARE FEET OR MAJOR FRACTION THEREOF.
U.S. HWY. 67
U.S. HWY. 277
U.S. HWY. 67 & 277
M.H. MORGAN DR.
FIREARMS RANGE
DETENTION FACILITY
RECOVERY FACILITY
DETENTION FACILITY
GROUP LIVING
PD16-02
PLANNED DEVELOPMENT DISTRICT
TOM GREEN DETENTION FACILITY
SAN ANGELO, TEXAS
FEET
15-E-1560

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

Requestor: Bryan Kendrick, City Clerk, Legal,

Meeting Date: September 6, 2016

Item type: Regular Item

Caption:

Second reading and consider adopting an ordinance amending Chapter One "General Provisions" of the Code of Ordinances - (T. James/B. Kendrick)

Summary/History:

In the 2015 City Charter review, some ordinances were identified that were either in conflict or duplicated provisions located in the Charter or State Law.

Per a request from Council Member Harry Thomas in June 2016, staff has begun reviewing the Code of Ordinances chapter by chapter for any items that are in need of deletion, amendment, or clean-up related to the requirements of State Law, the City Charter, or changes in method of operation with the City.

The review of chapter one of the code or ordinances is ongoing, and articles 1 through 1.04 have been completed. The attached changes are recommended by staff.

Financial Impact:

None.

Other Information/Recommendation:

Staff recommends approval of the first reading, as presented.

Attachments:

1. Proposed Ordinance — Second Reading.docx

Presentation:

Approvals/Reviews:

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

AN ORDINANCE AMENDING CHAPTER 1 "GENERAL PROVISIONS" OF THE CODE OF ORDINANCES, CITY OF SAN ANGELO TEXAS, BY REPEALING AND REPLACING ARTICLES 1.01 THROUGH 1.04 IN THE ENTIRETY, PROVIDING FOR SEVERABILITY, AND PROVIDING FOR AN EFFECTIVE DATE

BE IT ORDAINED BY THE CITY OF SAN ANGELO:

1) **THAT**, Chapter 1 "General Provisions" of the Code of Ordinances, City of San Angelo, Texas is hereby amended by repealing and replacing Articles 1.01 through 1.04 as follows:

" ARTICLE 1.01 CODE OF ORDINANCES

Sec. 1.01.001 Adoption

There is hereby adopted the Code of Ordinances of the City of San Angelo, Texas, as compiled, edited and published by Franklin Legal Publishing, Inc.

Sec. 1.01.002 Designation and citation of code

The ordinances embraced in this chapter and the following chapters, articles and sections shall constitute and be designated the "Code of Ordinances, City of San Angelo, Texas," and may be so cited.

Sec. 1.01.003 Catchlines of articles, divisions and sections

The catchlines of the several articles, divisions and sections of this code are intended as mere catchwords to indicate the contents of the article, division or section and shall not be deemed or taken to be titles of such articles, divisions and sections, nor as any part of the articles, divisions and sections, nor, unless expressly so provided, shall they be so deemed when any of such articles, divisions and sections, including the catchlines, are amended or reenacted.

Sec. 1.01.004 Definitions and rules of construction

In the construction of this code and of all ordinances and resolutions passed by the city council, the following rules shall be observed, unless such construction would be inconsistent with the manifest intent of the city council:

Generally. Words shall be construed in their common and usual significance unless the contrary is clearly indicated.

City and town. Each means the City of San Angelo, Texas.

City administrator, city manager, city secretary, chief of police or other city officers. The term "city administrator," "city manager," "city secretary," "chief of police" or other city officer or department shall be construed to mean the city administrator, city manager, city secretary, chief of police or such other municipal officer or department, respectively, of the City of San Angelo, Texas.

Computation of time. Whenever a notice is required to be given or an act to be done a certain length of time before any proceeding shall be had, the first day is excluded and the last day is included. If the last day of any period is a Saturday, Sunday, or legal holiday, the period is extended to include the next day that is not a Saturday, Sunday, or legal holiday.

Council. Whenever the term "council" or "city council" or "the council" is used, it shall mean the city council of the City of San Angelo, Texas.

County. The term "county" or "this county" shall mean the County of Tom Green, Texas.

Delegation of authority. Whenever a provision of this Code of Ordinances requires or authorizes an officer or employee of the city to do some act or perform some duty, it shall be construed to authorize such officer or employee to designate, delegate and authorize subordinates to perform the act or duty unless the terms of the provision specifically designate otherwise.

Gender. A word importing the masculine gender only shall extend and be applied to females and to firms, partnerships, associations and corporations, as well as to males.

Joint authority. Words purporting to give authority to three (3) or more officers or other persons shall be construed as giving such authority to a majority of such officers or other persons, unless it is otherwise declared.

May. The word "may" is permissive.

Month. The word "month" shall mean a calendar month.

Must and shall. Each is mandatory.

Number. Any word importing the singular number shall include the plural, and any word importing the plural number shall include the singular.

Oath. The word "oath" shall be construed to include an affirmation in all cases in which, by law, an affirmation may be substituted for an oath, and in such cases the words "swear" and "sworn" shall be equivalent to the words "affirm" and "affirmed."

Official time standard. Whenever certain hours are named in this code, they shall mean standard time or daylight saving time, as may be in current use in the city.

Or, and. The word "or" may be read "and," and the word "and" may be read "or," as the sense requires it.

Owner. The word “owner,” applied to a building or land, shall include any part owner, joint owner, tenant in common, tenant in partnership, joint tenant or tenant by the entirety of the whole or of a part of such building or land.

Person. The word “person” shall extend and be applied to associations, corporations, firms, partnerships, organizations, business trusts, estates, trusts, and bodies politic and corporate, as well as to individuals.

Preceding, following. The terms “preceding” and “following” mean next before and next after, respectively.

Property. The word “property” shall mean and include real and personal property.

Real property. The term “real property” shall mean and include lands, tenements and hereditaments.

Sidewalk. The word “sidewalk” shall mean that portion of a street between the curbline and the adjacent property line intended for the use of pedestrians.

Signature or subscription. A signature or subscription shall include a mark when a person cannot write.

State. The term “the state” or “this state” shall be construed to mean the State of Texas.

Street. The word “street” shall have its commonly accepted meaning and shall include highways, sidewalks, alleys, avenues, recessed parking areas and other public rights-of-way, including the entire right-of-way.

Tense. Words used in the past or present tense include the future, as well as the past and present.

V.T.C.S., V.T.P.C., V.T.C.C.P., V.T.C.A. Such abbreviations refer to the divisions of Vernon’s Texas Statutes Annotated.

Written or in writing. The term “written” or “in writing” shall be construed to include any representation of words, letters, or figures, whether by printing or otherwise.

State law reference–“Written” or “in writing” defined, V.T.C.A., Government Code, sec. 312.011.

Year. The word “year” shall mean a calendar year.

Sec. 1.01.005 Severability of parts of code

It is hereby declared to be the intention of the city council that the sections, paragraphs, sentences, clauses and phrases of this code are severable, and if any phrase, clause, sentence, paragraph or section of this code 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 code, since the same would have been enacted by the city council without the incorporation in the code of any such unconstitutional phrase, clause, sentence, paragraph or section. (Ordinance adopting 1996 Code; 1996 Code, sec. 1.111; Ordinance adopting 2013 Code)

Sec. 1.01.006 Repeal of ordinances

The repeal of an ordinance or any portion thereof shall not repeal the repealing clause of an ordinance or revive any ordinance which has been previously repealed.

Sec. 1.01.007 Amendments or additions to code

All ordinances of a general and permanent nature, and amendments to such ordinances, hereafter enacted or presented to the city council for enactment, shall be drafted, so far as possible, as specific amendments of, or additions to, the Code of Ordinances. Amendments to this code shall be made by reference to the chapter and section of the code which is to be amended, and additions shall bear an appropriate designation of chapter, article and section; provided, however, the failure to do so shall in no way affect the validity or enforceability of such ordinances.

Sec. 1.01.008 Supplementation of code

(a) By contract or by city personnel, supplements to this code shall be prepared and printed whenever authorized or directed by the city council. A supplement to the code shall include all substantive permanent and general parts of ordinances passed by the city council or adopted by initiative and referendum during the period covered by the supplement and all changes made thereby in the code. The pages of a supplement shall be so numbered that they will fit properly into the code and will, where necessary, replace pages that have become obsolete or partially obsolete, and the new pages shall be so prepared that, when they have been inserted, the code will be current through the date of the adoption of the latest ordinance included in the supplement.

(b) In preparing a supplement to this code, all portions of the code which have been repealed shall be excluded from the code by omission thereof from reprinted pages.

(c) When preparing a supplement to this code, the codifier (meaning the person, agency or organization authorized to prepare the supplement) may make formal, nonsubstantive changes in ordinances and parts of ordinances included in the supplement, insofar as it is necessary to do so to embody them into a unified code. For example, the codifier may:

(1) Organize the ordinance material into appropriate subdivisions;

(2) Provide appropriate catchlines, headings and titles for articles, sections and other subdivisions of the code printed in the supplement and make changes in such catchlines, headings and titles;

(3) Assign appropriate numbers to articles, sections and other subdivisions to be inserted in the code and, where necessary to accommodate new material, change existing article or section or other subdivision numbers;

(4) Change the words “this ordinance” or words of the same meaning to “this chapter,” “this article,” “this section,” “this subsection,” etc., as the case may be; and

(5) Make other nonsubstantive changes necessary to preserve the original meaning of ordinance material inserted into the code, but in no case shall the codifier make any change in the meaning or effect of ordinance material included in the supplement or already embodied in the code.

Sec. 1.01.009 General penalty for violations of code; continuing violations

(a) Whenever in this code or in any ordinance of the city an act is prohibited or is made or declared to be unlawful or an offense or a misdemeanor or whenever in this code or such ordinance the doing of any act is required or the failure to do any act is declared to be unlawful, and no specific penalty is provided therefor, the violation of any such provision of this code or any such ordinance shall be punished by a fine of not exceeding five hundred dollars ($500.00).

(b) A fine or penalty for the violation of a rule, ordinance or police regulation that governs fire safety, zoning or public health and sanitation, including the dumping of refuse, may not exceed two thousand dollars ($2,000.00).

(c) A person convicted of an offense under title 7, subtitle C, Transportation Code (the Uniform Act Regulating Traffic on Highways) for which another penalty is not provided shall be punished by a fine of not less than one dollar ($1.00) or more than two hundred dollars ($200.00) plus such other penalties and costs as may be provided by such subtitle C.

(d) Unless otherwise specifically stated in this code, any violation of this code or of any ordinance that is punishable by a fine that does not exceed five hundred dollars ($500.00) does not require a culpable mental state, and a culpable mental state is hereby not required to prove any such offense. Unless otherwise specifically stated in this code, any violation of this code or of any ordinance that is punishable by a fine that exceeds five hundred dollars ($500.00) shall require a culpable mental state.

(e) No penalty shall be greater or less than the penalty provided for the same or a similar offense under the laws of the state.

(f) Unless otherwise stated in this code or in any ordinance, each day any violation of this code or of any ordinance shall continue shall constitute a separate offense.

(g) In the event that any such violation is designated as a nuisance under the provisions of this code, such nuisance may be summarily abated by the city. In addition

to the penalty prescribed above, the city may pursue other remedies such as abatement of nuisances, injunctive relief and revocation of licenses or permits.

Sec. 1.01.010 Default in payment of fine

Any non-indigent person in default of payment of any fine imposed by the judge of the municipal court may be imprisoned in the county jail. For each day served such person shall be given credit for that portion of his fine as is authorized and required by state law.

Sec. 1.01.011 License revocation as penalty

When a person is convicted of a violation of this code in connection with any business or activity which requires a permit or license to be issued by the city, such license or permit may also be revoked as a part of the penalty.

Sec. 1.01.012 Enforcement of code

(a) Authority. Any person employed by the city as a code enforcement officer, a peace officer, or a person specifically authorized by the City Manager or designee shall have authority to issue citations for violations of any regulation enacted by the city.

(b) Uniforms and badges. The department head shall provide sufficient uniforms, insignia, badges, or other indicia of authority for adequate identification of code enforcement officers.

(c) Appearance in court required. Any person who violates or causes to be violated any of the provisions of this code may be arrested upon written complaint and shall be taken immediately before the judge of the municipal court when such person refuses to give his written promise to appear in court as hereinafter provided.

(1) Whenever any person violates a regulation enacted by the city the peace officer or code enforcement officer, or designated official ("enforcement officer" herein) shall prepare in duplicate written notice to appear in municipal court, containing the name and address of such person, the offense with which the person is charged, and the time and place, when and where such person shall appear in municipal court. Such person must give his written promise to appear in court by signing in duplicate the written notice prepared by the enforcement officer, such appearance to be at least ten (10) days from such date unless an earlier hearing is demanded. The original of such notice shall be retained by the enforcement officer and a copy thereof delivered to such person, and thereupon, the enforcement officer shall forthwith release such person. If such person refuses to sign such notice, he may be arrested by a peace officer and taken before the judge of the municipal court.

(2) Any person intentionally or knowingly violating any part of his written promise to appear in court, given as provided in this section, is guilty of a class C misdemeanor regardless of the disposition of the original charge.

Sec. 1.01.013 Acceptance of gifts or favors

No officer or employee of the city shall accept any frank, free ticket, passes or service or anything of value, directly or indirectly, from any person, firm or corporation, upon terms more favorable than are granted to the public, and any violation of this section shall be punishable as provided elsewhere in this code and on conviction thereof such office or employment shall be forfeited.

ARTICLE 1.02 CITY COUNCIL

Sec. 1.02.001 Qualifications

The mayor and each councilmember shall not be the owner of stock in any public utility or public service corporation within the city; nor in the employ of any owner of stock in any public utility or public service corporation.

Sec. 1.02.002 Establishing major departments or service areas

(a) The city shall be comprised of the following eleven (12) major departments or service areas:

(1) City management;

(2) Human Resourcess and Risk Management Services;

(3) Community planning and development services;

(4) Parks and recreation services;

(5) Health services;

(6) Fire and emergency medical services;

(7) Police department;

(8) Public works services;

(9) Water and water reclamation services.

(10) Finance Services

(11) Neighborhood and Family Services

(12) Economic Development Services

(b) The city manager shall:

(1) Appoint, with the advice and consent of Council, an officer (henceforth to be called “service area directors”) to manage each of the service areas, with the exception of the chief of police, who is elected to serve as the director of the police department;

(2) Determine the responsibilities, duties and qualifications for each such position;

(3) Determine what services shall be provided by each service area or department; and

(4) Assign smaller departments, divisions and offices to service areas and shall have authority to organize or reorganize service areas with divisions that are necessary to provide services in an effective and efficient manner.

Sec. 1.02.003 Special Meetings

Special meetings may be called as deemed necessary by a consensus of the council based upon recommendation of the city manager at any time the council deems it advisable.

Sec. 1.02.004 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.

Sec. 1.02.005 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. A law enforcement officer as designated by the City Manager 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.

Sec. 1.02.006 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.

Sec. 1.02.007 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.

Sec. 1.02.008 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.

Sec. 1.02.009 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.

Sec. 1.02.010 Conflict of interest

(a) In order to assure their independence and impartiality on behalf of the public good, councilmembers are prohibited from using their official positions to influence government decisions in which they have a financial interest or where they have an organizational responsibility or a personal relationship that would present a conflict of interest under chapter 171 of the Local Government Code state law.

(b) In accordance with chapter 176, Local Government Code state law, councilmembers must file annual written disclosures of their economic interests.

(c) Councilmembers shall not take advantage of services or opportunities for personal gain by virtue of their public office that are not available to the public in general.

(d) Councilmembers shall respect and preserve the confidentiality of information provided to them concerning the confidential matters of the city. They must neither disclose confidential information without proper legal authorization nor use such information to advance the personal, financial or private interests of themselves or others.

(e) Councilmembers should avoid any action that could be construed as, or create the appearance of, using public office for personal gain, including use of city stationery or other city resources to obtain or promote personal business.

(f) In keeping with their role as stewards of the public interest, councilmembers shall not appear on behalf of the private interests of a third party before the city council or any board, commission or committee or proceeding of the city, except as permitted by law.

(g) To the best of their ability, councilmembers shall represent the official policies and positions of the city council. When presenting their personal opinions or positions publicly, members shall explicitly state they do not represent the council or the city.

Sec. 1.02.011 Training requirements

In an effort to educate and include the city council on the intensity of training provided to city employees, the council shall be required to participate and attend mandatory training in accordance to the city personnel policies for city employees, including, but not limited to, state-mandated training for elected officials, orientation, sexual harassment prevention, and diversity training.

Sec. 1.02.012 Travel expenses and reimbursement

(a) The purpose of these regulations is to establish the policies and procedures for councilmembers who travel on official city business either in-state or out-of-state. Such travel shall include attendance at conferences, seminars, and training sessions on behalf of the city. The city shall pay reasonable expenses for registration fees, lodging, meals, transportation, and all allowable miscellaneous expenses for the councilmember only. Councilmembers will be reimbursed for their documented travel expenses as well as any documented expenses (except for alcoholic beverages) associated with conducting city business. Councilmembers shall be reimbursed in accordance with the terms contained within the employee travel expense policy. This policy shall supersede any existing policy.

(b) Councilmembers requesting advance travel shall provide a travel settlement for such expenses upon return and no later than five days of return and in accordance with the terms contained within the employee travel expense policy. Travel settlement forms should document all expenses as required. Councilmembers must return any excess advance monies or request additional payment to cover outstanding expenses at that time. Finance will provide a receipt for any excess monies returned.

(c) Any councilmember with two or more outstanding travel settlements may not apply for a future advance travel request until such settlements have been submitted and, if required, paid. Confirmation of settlement shall be made by the finance director.

Sec. 1.02.013 Use of city property

(a) Limited to lawful business of city. No person or persons other than city officials or employees shall use any city-owned equipment, tools or paraphernalia other than for the purpose of conducting the lawful business of the city.

(b) Use for private purposes by city official, employee, etc. No city official, city employee or other person shall borrow, take or remove any city-owned equipment, tools or paraphernalia for private use.

(c) Loan by city official, employee, etc. No city official, city employee or any other person shall lend, give or transfer possession of such city-owned equipment, tools or paraphernalia to any other city official, employee or any other person with knowledge that the same shall be used for private purposes.

Sec. 1.02.014 Council direct expenses

(a) Direct expenses benefits can be reimbursed for those duties required or the individual will be provided the materials necessary to carry out the role as a councilmember. Such items include, but are not limited to, mobile phone or pager, high speed internet, laptop, or any other equipment or technology that may be required.

(b) Councilmembers shall comply with the city's information technology system and software use policy. They shall be responsible for the safety and security of the equipment while assigned during the term of office and that it will be returned to the city upon the end of the term. The equipment is to be used for the sole purpose of city-related business as outlined in the technology system and software use policy and, therefore, is subject to provisions of the Texas Public Information Act. All maintenance/upgrades and/or software installation to the equipment shall be performed by the city's information services department.

Sec. 1.02.015 Violations of code of ethics or code of conduct

(a) City council members who intentionally and repeatedly do not follow proper conduct may be reprimanded or formally censured by the council. Serious infractions of the code of ethics or code of conduct could lead to other sanctions as deemed appropriate by council. Councilmembers should point out to the offending councilmember infractions of the code of ethics or code of conduct. If the offenses continue, then the matter should be referred to the mayor in private. If the mayor is the individual whose actions are being challenged, then the matter should be referred to the mayor pro tempore.

(b) It is the responsibility of the mayor to advise the city manager and city attorney of the situation. Upon review, the mayor shall initiate action if a councilmember's behavior may warrant sanction. If no action is taken by the mayor, the alleged violation(s) can be brought up with the full council in executive session and/or a public meeting. If violation of the code of ethics or code of conduct is outside of the observed behaviors by the mayor or councilmembers, the alleged violation should be referred to the mayor. The mayor should ask the city manager and/or the city attorney to investigate the allegation and report the findings to the mayor. It is the mayor's responsibility to take the next appropriate action. These actions can include, but are not limited to: discussing and counseling the individual on the violations; recommending sanction to the full council to consider in a public meeting; or forming a council ad hoc subcommittee to review the allegation, the investigation and its findings, as well as to recommend sanction options for council consideration.

ARTICLE 1.03 ORDINANCES

Sec. 1.03.001 Adoption

The city council shall follow the procedures established in the city charter.

Sec. 1.03.002 Reconsideration

(a) The city council shall only reconsider an ordinance which has been adopted by the city under the following circumstances:

(1) If six (6) months or more have passed since such ordinance became effective, a councilmember may request that the repeal or amendment of the ordinance be placed on the council's agenda for consideration.

(2) If the ordinance has been effective for less than six (6) months, four (4) members of the city council must vote to place consideration of repeal or amendment of such ordinance on the council's agenda of a future council meeting.

(3) Regardless of how long such ordinance has been in effect, if repeal or amendment of such ordinance is required by law, the city manager or a city council member may place discussion of such ordinance on council's agenda.

(b) The city council shall only reconsider an ordinance which has failed to be adopted by the city under the following circumstances:

(1) If six (6) months or more have passed since such ordinance was defeated, a councilmember may request that the ordinance be placed on the council's agenda for consideration.

(2) If less than six (6) months have passed since the ordinance was defeated, four (4) members of the city council must vote to place consideration of such ordinance on the council's agenda of a future council meeting.

(3) Regardless of when such ordinance was defeated, if such ordinance is required by law, the city manager or a city council member may place discussion of such ordinance on council's agenda.

Article 1.04 RESERVED"

2) THAT all remaining subsections of Chapter 1 not amended by this ordinance remain in full force and effect.

3) THAT, the following severability clause is hereby adopted with this amendment:

SEVERABILITY:

That 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.

4) THAT, this Ordinance shall be effective on, from and after passage.

INTRODUCED on the 16th day of August, 2016, and finally PASSED, APPROVED and ADOPTED on this the 6th day of September, 2016.

CITY OF SAN ANGELO

ATTEST:

_____
Dwain Morrison, Mayor

_____
Bryan Kendrick, City Clerk

Approved as to Form:

_____
Theresa James
City Attorney

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF _____ SETTING FORTH REGISTRATION REQUIRMENTS AND CREDIT EXTENSION GUIDELINES FOR CREDIT ACCESS BUSINESSES AND PROVIDING A PENALTY.

WHEREAS, certain credit access businesses engage in abusive and predatory lending practices, offering easy money to those members of our community who are in a tight spot with onerous terms and fees; and

WHEREAS, the practices of certain access businesses cause members of our community to become trapped in a cycle of short term, high interest loans resulting in large debt and huge payments; and

WHEREAS, the Pew Charitable Trusts, in their publication entitled *Payday Lending in America: Who Borrows, Where they Borrow, and Why*, (July 2012), wrote that "payday loans are sold as two-week credit products that provide fast cash, but borrowers are actually indebted for an average of five months per year." The report further noted that "on average, a borrower takes out eight loans of $375 each per year and spends $520 on interest;" and

WHEREAS, the Pew Charitable Trusts, in their publication entitled *Payday Lending in America: Who Borrows, Where they Borrow, and Why*, (July 2012), also noted: "How much borrowers spend on loans depends heavily on the fees permitted by their state. The same $500 storefront loan would generally cost about $55 in Florida, $75 in Nebraska, $87.50 in Alabama, and $100 in Texas, even if it were provided by the same national company in all those states. Previous research has found that lenders tend to charge the maximum permitted in a state;" and

WHEREAS, the Pew Charitable Trusts, in their publication entitled *Payday Lending in America: Who Borrows, Where they Borrow, and Why*, (July 2012), also stated that "the vast majority of borrowers use the loans on a long-term basis, not temporary one. Thus it seems that the payday loan industry is selling a product few people use as designed and that imposes debt that is consistently more costly and longer lasting than advertised;" and

WHEREAS, the Community Financial Services Association of America (CFSA), the national trade association for companies that offer small dollar, short-term loans or payday advances includes the following in the "Member Best Practices" as listed on its internet site (http://cfsaa.com/cfsa-member-best-practices.aspx): "Members shall not allow customers to rollover a payday advance (the extension of an outstanding advance by payment of only a fee) unless expressly authorized by state law, but in such cases where authorized will limit rollovers to four or the state limit, whichever is less." The need for consumer understanding was also outlined on this website: "A contract between a member and the customer must fully outline the terms of the payday advance

transaction. Members agree to disclose the cost of the service fee both as a dollar amount and as an annual percentage rate ("APR");" and

WHEREAS, the Center for Responsible Lending, a non-profit, non-partisan organization, states on its internet site (http://www.responsiblelending.org/other-consumer-loans /tools-resources/fast-facts.html) that: "car title loans are based on the value of a borrower's car - the ability to repay the loans is not factor in the lending decision…"; "loan rates for a car title are typically 20-30 times that of rates charged by credit card issuers…"; "the average car title customer renews their loan 8 times…"; and, "on a $500 title loan, this average customer will pay back $650 in interest over eight months; the principal borrowed will be in addition;" and

WHEREAS, lenders hold onto the motor vehicle title and when borrowers cannot continue to pay the fees, they can lose their vehicles, which can drastically affect the borrower's means of transportation for work and other essential household functions.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF _____:

Section 1. Chapter ____ - CREDIT ACCESS BUSINESSES

____.010- Short Title and Purpose.

(a) This article may be known and cited as "Credit Access Businesses Regulation."

(b) The purpose of this article is to protect the welfare of the citizens of the City of _____ by monitoring credit access businesses in an effort to reduce abusive and predatory lending practices. To this end, this article establishes a registration program for credit access businesses, imposes restrictions on extensions of consumer credit made by credit access businesses, and imposes recordkeeping requirements on credit access businesses.

____.020- Definitions.

As used in this chapter:

(1) CERTIFICATE OF REGISTRATION means a certificate of registration issued by the director under this article to the owner or operator of a credit access business.

(2) CONSUMER means an individual who is solicited to purchase or who purchases the services of a credit access business.

(3) CONSUMER'S LANGUAGE OF PREFERENCE is the language the consumer understands best.

(4) CREDIT ACCESS BUSINESS has the meaning given that term in Section 393.601 of the Texas Finance Code.

(5) DEFERRED PRESENTMENT TRANSACTION has the meaning given that term in Section 393.601 of the Texas Finance Code.

(6) DIRECTOR means the director of the department designated by the City Council, City Manager, or City Councilor City Manager's Designee, to enforce and administer this chapter.

(7) EXTENSION OF CONSUMER CREDIT has the meaning given that term in Section 393.001 of the Texas Finance Code.

(8) MOTOR VEHICLE TITLE LOAN has the meaning given that term in Section 393.601 of the Texas Finance Code.

(9) PERSON means any individual, corporation, organization, partnership, association, financial institution, or any other legal entity.

(10) REGISTRANT means a person issued a certificate of registration for a credit access business under this chapter and includes all owners and operators of the credit access business identified in the registration application filed under this chapter.

(11) STATE LICENSE means a license to operate a credit access business issued by the Texas Consumer Credit Commissioner under Chapter 393, Subchapter G of the Texas Finance Code.

____.030- Violations; Penalty

(a) A person who violates a provision of this chapter, or who fails to perform an act required of the person by this chapter, commits an offense. A person commits a separate offense for each and every violation relating to an extension of consumer credit, and for each day during which a violation is committed, permitted, or continued.

(b) An offense under this chapter is punishable by a fine of not more than $500.

(c) A culpable mental state is not required for the commission of an offense under this article and need not be proved.

(d) The penalties provided for in Subsection (b) are in addition to any other remedies that the city may have under city ordinances and state law.

____.040- Defenses

It is a defense to prosecution under this article that at the time of the alleged offense the person was not required to be licensed by the state as a credit access business under Chapter 393, Subchapter G, of the Texas Finance Code.

____.050- Registration Required

A person commits an offense if the person acts, operates, or conducts businesses as a credit access business without a valid certificate of registration. A certificate of registration is required for each physically separate credit access business.

____.060- Registration Application

(a) To obtain a certificate of registration for a credit access business, a person must submit an application on a form provided for that purpose to the director. The application must contain the following:

(1) The name, street address, mailing address, facsimile number, and telephone number of the applicant.

(2) The business or trade name, street address, mailing address, facsimile number, and telephone number of the credit access business.

(3) The names, street addresses, mailing addresses, and telephone numbers of all owners of the credit access business, and the nature and extent of each person's interest in the credit access business.

(4) A copy of a current, valid state license held by the credit access business pursuant to Chapter 393, Subchapter G of the Texas Finance Code.

(5) A copy of a current, valid certificate of occupancy showing that the credit access business is in compliance with the City of _____ Code.

(6) A non-refundable application fee for the amount established.

(b) An applicant or registrant shall notify the director within 45 days after any material change in the information contained in the application for a certificate of registration, including, but not limited to, any change of address and any change in the status of the state license held by the applicant or registrant.

____.070- Issuance and Display of Certificate of Registration; Presentment upon Request.

(a) The director shall issue to the applicant a certificate of registration upon receiving a completed application under Section ___.060

(b) A certificate of registration issued under this section must be conspicuously displayed to the public in the credit access business. The certificate of registration must be presented upon request to the director or any peace officer for examination.

____.080- Expiration and Renewal of Certificate of Registration.

(a) A certificate of registration expires on the earliest of:

(1) One year after the date of issuance; or

(2) The date of revocation, suspension, surrender, expiration without renewal, or other termination of the registrant's state license.

(b) A certificate of registration may be renewed by making application in accordance with Section ___.060. A registrant shall apply for renewal at least 30 days before the expiration of the registration.

____.090- Non-transferability.

A certificate of registration for a credit access business is not transferable.

____.100- Maintenance of Records.

(a) A credit access business shall maintain a complete set of records of all extensions of consumer credit arranged or obtained by the credit access business, which must include the following information:

(1) The name and address of the consumer.

(2) The principal amount of cash actually advanced.

(3) The length of the extension of consumer credit, including the number of installments and renewals.

(4) The fees charged by the credit access business to arrange or obtain an extension of consumer credit; and

(5) The documentation used to establish a consumer's income under Section _____.110 of this ordinance.

(b) A credit access business shall maintain a copy of each written agreement between the credit access business and a consumer evidencing an extension of a consumer credit (including, but not limited to, any refinancing or renewal granted to the consumer).

(c) A credit access business shall maintain copies of all quarterly reports filed with the Texas Consumer Credit Commissioner under Section 393.627 of the Texas Finance Code.

(d) The records required to be maintained by a credit access business under this section must be retained for at least three years and made available for inspection by the city upon request during the usual and customary business hours of the credit access business.

____.110- Restriction on Extension of Consumer Credit.

(a) The cash advanced under an extension of consumer credit that a credit access business obtains for a consumer or assists a consumer in obtaining in the form of a deferred presentment transaction may not exceed 20 percent of the consumer's gross monthly income.

(b) The cash advanced under an extension of consumer credit that a credit access business obtains for a consumer or assists a consumer in obtaining in the form of a motor vehicle title loan may not exceed the lesser of:

(1) Three percent of the consumer's gross annual income; or

(2) 70 percent of the retail value of the motor vehicle.

(c) A credit access business shall use a paycheck or other documentation establishing income to determine a consumer's income.

(d) An extension of consumer credit that a credit access business obtains for a consumer or assists a consumer in obtaining and that provides for repayment in installments may not be payable in more than four installments. Proceeds from each installment must be used to repay at least 25 percent of the principal amount of the extension of consumer credit. An extension of consumer credit that provides for repayment in installments many not be refinanced or renewed.

(e) An extension of consumer credit that a credit access business obtains for a consumer or assists a consumer in obtaining and that provides for a single lump sum repayment may not be refinanced or renewed more than three times. Proceeds from each refinancing or renewal must be used to repay at least 25 percent of the principal amount of the original extension of consumer credit.

(f) For purposes of this section, an extension of consumer credit that is made to a consumer within seven days after a previous extension of consumer credit has been paid by the consumer will constitute a refinancing or renewal.

____.120- Requirement of Consumer Understanding of Agreement.

(a) Every agreement between the credit access business and a consumer evidencing an extension of consumer credit (including, but not limited to, any refinancing or renewal granted to the consumer), must be written in the consumer's language of preference. Every credit access business location must maintain on its premises, to be available for use by consumers, agreements in the English and Spanish languages.

(b) For every consumer who cannot read, every agreement between the credit access business and a consumer evidencing an extension of consumer credit (including, but not

limited to, any refinancing or renewal granted to the consumer) must be read to the consumer in its entirety in the consumer's language of preference, prior to the consumer's signature.

(c) For every consumer who cannot read, every disclosure and notice required by law must be read to the consumers in its entirety in the consumer's language of preference, prior to the consumer's signature.

____.130- Referral to Consumer Credit Counseling.

A credit access business shall provide a form, to be prescribed by the Director, to each consumer seeking assistance in obtaining an extension of consumer credit which references non-profit agencies that provide financial education and training programs and agencies with cash assistance programs. The form will also contain information regarding extensions of consumer credit, and must include the information required by ____.100(a)(1)-(5) of this ordinance specific to the loan agreement with the consumer. If the Director has prescribed a form in the consumer's language of preference, the form must be provided in the consumer's language of preference.

Section 2. Should any article, section, part, paragraph, sentence, phrase, clause, or word of this ordinance, for any reason be held illegal, inoperative, or invalid, or if any exception to or limitation upon any general provision herein contained be held to be unconstitutional or invalid or ineffective, the remainder shall, nevertheless, stand effective and valid as if it had been enacted and ordained without the portion held to be illegal, inoperative, unconstitutional, invalid, or ineffective.

Section 3. This ordinance shall take effect _____, 2013

ADOPTED THIS _____ day of _____ 2013.

CITY OF _____

ATTEST:

_____
Mayor

_____
City Clerk

APPROVED AS TO FORM:

_____
City Attorney

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

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

Meeting Date: September 6, 2016

Item type: Regular Item

Caption:

Consider approving an amendment to WU-14-13 with Alan Plummer Associates for the Direct Potable Reuse Pilot Project in the amount of $300,000 to incorporate grant funding from the Bureau of Reclamation WaterSMART Title XVI Water Reclamation and Reuse Program, and authorizing the City Manager or designee to execute any related documents - (Presentation by Water Utilities Assistant Director Allison Strube)

Summary/History:

With the ongoing drought conditions, the City of San Angelo approved the 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.

The City submitted an application for the grant on April 20, 2016. The Water Advisory board recommended approval of a resolution to finalize the grant application on May 10, 2016, and the City Council unanimously approved the resolution on May 18, 2016.

Following the application submittal and review period, the City was made aware they were chosen to receive the grant in the amount of $300,000.

As mentioned previously, the Texas Commission on Environmental Quality (TCEQ) has required testing of additional parameters that were outside the scope of the original pilot study. With the additional grant funding, the City will be able to incorporate the testing of some of these parameters with no additional funding by the City. The following items will be incorporated with the increased contract amount under the current pilot study:

1. Corrosion Study
2. Radionuclide Study
3. Public information documents regarding the City of San Angelo reuse pilot and other reuse information
4. Additional Bureau of Reclamation & TCEQ reporting documents

While the City has tabled the implementation of Direct Potable Reuse, the pilot study and the additional studies incorporated with the amendment will be valid and relevant in the event the City decides to move forward in the future.

Financial Impact:

Increased contract will be covered by the $300,000 grant funding from the Bureau of Reclamation and there is no fiscal impact to the City.

Other Information/Recommendation:

City Council unanimously approved the execution of a resolution for the application of the grant during the May 18, 2016 meeting.

Upon notification of grant awarding, the Water Advisory Board unanimously approved the proposal to increase Alan Plummer Associate's contract at their August 17, 2016 meeting.

Attachments:

1.	Contract Amendment	15-436A_WU_AMENDMENT 1_WATER REUSE_ALAN_PLUMMER.docx
2.	Executed Resolution - May 18, 2016	San Angelo Resolution for Title XVI Funding.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

AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT
RFQ NO. WU-14-13

This document is an amendment to the Professional Services Agreement for the Project described as:

SAN ANGELO WATER REUSE PROJECT

with an effective date of September 15, 2015, and an end date of November 1, 2016.

The purpose of this amendment is to provide services to the Water Reuse Project to address requirements added by the Texas Commission on Environmental Quality (TCEQ) in 1) the San Angelo Reuse Project discussion meeting; 2) the Protocol Review and Discussion meeting; and 3) the pilot study approval letter titled "Treatment of Wastewater Effluent for Potable Use Pilot Study Protocol" (RN101390243) dated March 8, 2016. The requirements added in the meetings and approval letter are beyond the scope of the original Task Order No. 1 agreement, but must be incorporated into the pilot study report for receipt of an exemption from the TCEQ for reuse water use as a potable water source. A portion of the items in the letter relate to current pilot testing activities; whereas, other items relate to design phase services identified in future Task Orders No. 2 through 6. This amendment addresses items related to completion of the pilot study testing, analysis of pilot study results and preparation of the pilot report for the City and TCEQ, and completion of U.S. Bureau of Reclamation Grant reporting requirements. The modifications to Task Order No. 1 are listed below:

<u>The following amendments apply to Task Order No. 1, Exhibit A, Scope of Services</u>:

Replace Paragraph I.H with the following:

H. Perform water quality modeling, develop an RO element specification, develop an RO element preselection package, and provide services to preselect a full-scale RO element vendor for the purposes of 1) identifying an RO element to pilot test and 2) providing the City with a competitive procurement approach for the purchase of future full-scale RO elements without committing the City to the purchase of the full-scale elements.

Add the following Paragraphs to Section I:

I. Prepare interim performance report(s) and one final project report to satisfy United States Bureau of Reclamation grant requirements.

J. *Prepare a public information document summarizing general reuse information and pilot study results for use by the City.*

Replace Paragraph III.A with the following:

A. Design and construct a 130 gallon per minute biological nutrient removal (BNR) pilot scale system for treatment of raw wastewater influent to reduce effluent organic carbon, nitrate, and phosphorous concentrations. Select one conventional filter technology, up to four membrane filtration technologies, and up to three RO process configurations to evaluate during pilot testing using the processes identified. Develop testing sequences for the pilot study. Feed water for the pilot study will be screened WWTP influent supplied to the BNR pilot.

Add the following paragraphs to Section III:

N. Perform six months of source water characterization sampling on the pilot BNR effluent to satisfy half of the required one year of source water characterization for a new water supply. The

remaining six months of characterization would be performed at the full-scale during a future Task Order.

O. *Develop a corrosion and water stability assessment protocol for the blending of advanced treatment RO permeate with Hickory and O.H. Ivie treated water sources and submit the protocol to the TCEQ for review. Analyze water quality data, perform water quality modeling, prepare a memorandum for the City documenting results and recommendations.*

P. *Develop a protocol to assess the fate and transport of radionuclides in the existing WTP and WWTP systems as well as the future reuse system and submit the protocol to the TCEQ. Perform water quality sampling, analyze data, and prepare a memorandum for the City and TCEQ documenting results and recommendations.*

Add the following paragraph to Section V:

K. *Coordinate with the U.S. Bureau of Reclamation on the Grant and furnish financial report(s).*

Replace Paragraph VI.A with the following:

VI. *Schedule*

A. *Task Order No. 1 includes the following milestones based on a start date of September 15, 2015.*

- *Pilot Study Protocol – Starting September 2015 and Ending November 2015*
- *BNR and Advanced Treatment Pilot Construction – Starting December 2015 and Ending February 2016*
- *BNR Pilot Startup and Acclimation – Starting February 2016 and Ending March 2016*
- *Advanced Treatment Bench and Pilot Testing – Starting March 2016 and Ending July 2016*
- *Effluent Source Water Characterization Testing – Starting April 2016 and Ending October 2016*
- *Pilot Study Membrane Reports and UV/AOP Report – Starting July 2016 and Ending October 2016*
- *Corrosion and Radionuclide Evaluations – Starting September 2016 and Ending October 2016*
- *USBR Final Report Preparation – Starting November 2016 and Ending January 2017*
- *Respond to TCEQ Comments on Reports – Starting January 2017 and Ending May 2017*

All work in this Task Order should be completed by June 1, 2017.

<u>The following amendments apply to Task Order No. 1, Exhibit B, Payments to Engineer</u>:

Add the following to the end of Section I:

For the amendments to the Basic Engineering Services set forth in the Amendment to Professional Services Agreement RFQ No. WU-14-13*, Owner shall pay Engineer additional compensation on a lump sum basis which shall not exceed Three Hundred Thousand Dollars and Zero Cents ($300,000.00). This changes the Grand Total – Water Reuse Project to $1,500,000.*

IN WITNESS WHEREOF, Owner and Engineer hereby agree to modify the above referenced Agreement as set forth in this Amendment as of the day and year first written above. All provisions of the Agreement not modified by this or previous Amendments remain in effect.

OWNER:

CITY OF SAN ANGELO

By:_____
Daniel Valenzuela, City Manager

ATTEST:

_____
Bryan Kendrick, City Clerk

ENGINEER:

ALAN PLUMMER ASSOCIATES, INC.

By:_____
David Gudal, Principal

APPROVED AS TO CONTENT:

_____
Bill Riley, Water Utilities Director

APPROVED AS TO FORM:

_____
Theresa James, City Attorney

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 18th day of May 2016.

ATTEST:

Bryan Kendrick, City Clerk

CITY OF SAN ANGELO TX

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, Water Utilities, 325-657-4209

Meeting Date: September 6, 2016

Item type: Regular Item

Caption:

Discussion and possible action on infrastructure rehabilitation prioritization and financing - (Presentation by Water Utilities Director Bill Riley)

Summary/History:

The City Council recently approved a street reconstruction plan in the amount of $80 million over a 10 year period. The majority of the streets planned to be reconstructed have water and/or sewer lines under them that need to be reconstructed as well. The current estimated cost for water and sewer line rehabilitation associated with the street program is approximately $56 million. The utility currently budgets approximately $3 million in water and $1.2 million in sewer for cash funding line replacement. This amount was included in the 5 year rate plan adopted by Council, however, it is not sufficient to keep up with the street program or any other rehabilitation priorities beyond the scope of the street program. A better option would be to use the currently budgeted funds to finance debt in order to be able to borrow sufficient funds to meet the water and sewer rehabilitation needs. The City's financial advisors estimate that approximately $80 million could be borrowed in multiple bond sales over a 7 year period without an additional rate increase above the current 5 year plan.

Financial Impact:

No additional fiscal impact beyond the current 5 yr rate plan adopted by Council in December 2015.

Other Information/Recommendation:

The Water Advisory Board discussed this issue at their regular meeting on August 17, 2016 and voted unanimously to recommend to Council that the City issue debt for water and sewer line rehabilitation.

Attachments:

Presentation:

Approvals/Reviews:

Allison Strube	Created/Initiated
Bill Riley	Approved
Theresa James	Approved
Anthony Wilson	Approved
Tina Carriger	Approved
Theresa James	Approved
Becky Dunn	Approved

Bryan Kendrick Final Approval

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

Requestor: Bob Salas, Neighborhood Services Director, Code Compliance, 325-655-0824

Meeting Date: September 6, 2016

Item type: Regular Item

Caption:

First public hearing and consideration of amending Chapter 7 "Health and Sanitation", Article 7.02 "Property Maintenance", Section 7.02.063 "Weeds & vegetation" of the San Angelo Code of Ordinances to add affirmative defenses in cases where developed property is ten (10) acres or more - (Presentation by Assistant Director of Neighborhood & Family Services James Flores).

Summary/History:

Staff is requesting approval to amend Chapter 7, Section 7.02.063 "Weeds & vegetation"of the ordinance to provide an affirmative defense from the requirement to mow a piece of property where: The grass, weeds or brush is/are located on a developed lot, tract, or parcel of land that is more than 10 acres and is more than 100 feet (100') from any building or structure or more than fifteen feet (15') from the curb of any street, or if there is no curb from the edge of the pavement or traveled portion of the street.

Financial Impact:

No financial impact at this point.

Other Information/Recommendation:

Attachments:

1.	Weeds & vegetation abatement updated ordinance	16-604_CODE_ORD_AMEND_WEEDS AND VEGETATION first reading.docx

Presentation:

By James Flores, Asst Director, Neighborhood & Family Services

Approvals/Reviews:

Bob Salas	Created/Initiated
Theresa James	Approved
Anthony Wilson	Approved
Tina Carriger	Approved
Theresa James	Approved
Becky Dunn	Approved
Bryan Kendrick	Final Approval

AN ORDINANCE AMENDING CHAPTER 7 "HEALTH AND SANITATION" ARTICLE 7.02 "PROPERTY MAINTENANCE" OF THE CODE OF ORDINANCES, CITY OF SAN ANGELO TEXAS, BY DELETING AND REPLACING SECTION 7.02.063 "WEEDS AND VEGETATION", PROVIDING FOR SEVERABILITY, AND PROVIDING FOR AN EFFECTIVE DATE

BE IT ORDAINED BY THE CITY OF SAN ANGELO:

1) **THAT**, Chapter 7 "Health and Sanitation" of the Code of Ordinances is hereby amended by deleting and replacing Section 7.02.063 "Weeds and Vegetation" as set out below:

"Sec. 7.02.063 Weeds and vegetation

(a) Growth restrictions.

(1) It shall be unlawful for any person or entity owning or having supervision or control of any lot, tract, parcel of land or portion thereof, occupied or unoccupied, improved or unimproved, within the corporate limits of the city to permit uncultivated grass, weeds or brush to grow to a height greater than twelve inches (12") on any lot, tract or parcel of land within the corporate limits of the city.

(2) It shall be unlawful for any person or entity owning or having supervision or control of any lot, tract, parcel of land or portion thereof, occupied or unoccupied, improved or unimproved, within the corporate limits of the city to permit grass, weeds or any plant to grow in, upon or across the sidewalk or street adjacent to the lot or property in the area. Cultivated vegetation may be adjacent to the sidewalk when not in violation of other city ordinances. Special concern must be afforded corner lots to prevent violation of other city ordinances regarding view obstruction.

(3) The fact that a person is a present occupant of the premises shall be prima facie evidence that the person has supervision and control of the property. If the premises are unoccupied, the fact that a person is listed by the current tax roll as the owner shall be prima facie evidence that the person is the owner and has supervision and control of the lot.

(b) Affirmative defenses. The following shall be affirmative defenses to any charge of permitting grass, weeds or brush to grow in violation of subsection (a) of this section:

(1) The grass, weeds or brush is/are located on land that is being used as a pasture for the grazing of livestock.

(2) The grass, weeds or brush is/are located on land that is being used as a garden or is being cultivated for agricultural purposes.

(3) The brush has a central trunk with a girth of ten inches (10") or more at its base.

(4) The grass, weeds or brush is/are located on an undeveloped lot, tract or parcel of land, as defined by section 7.02.061 of this division, and is more than one hundred feet (100') from any building, or structure or more than fifteen feet (15') from the curb of any street or, if there is no curb, from the edge of the pavement or traveled portion of the street.

(5) The grass, weeds or brush is/are located on a developed lot, tract, or parcel of land that is more than 10 acres and is more than 100 feet (100') from any building or structure or more than fifteen feet (15') from the curb of any street, or if there is no curb from the edge of the pavement or traveled portion of the street.

(6) The grass, weeds or brush is/are located on public property owned by the state or any of its subdivisions, and such governmental entity has determined that it is in the public interest that such property should remain in its natural, undisturbed condition and the vegetation on such property is in its native biome and the condition of such property does not present a danger or hazard to adjacent properties.

(7) The director of health has determined that there is just cause to permit grass, weeds or brush to grow to a height greater than twelve inches (12") on a lot, tract or parcel of land within the corporate limits of the city. Just cause shall exist if one or more of the following factors applies to the lot, tract or parcel of land in question:

(A) The topography of the land makes compliance with subsection (a) of this section impractical or impossible;

(B) The density of the brush makes compliance with subsection (a) of this section impractical or impossible;

(C) Some act of the city makes compliance with subsection (a) of this section impractical or impossible; and the land does not otherwise present a danger or hazard to adjacent properties."

2) THAT, the following severability clause is hereby adopted with this amendment:

SEVERABILITY:

That 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.

3) THAT, this Ordinance shall be effective on, from and after the 20th day of April 2016.

INTRODUCED with public hearing on the 6th day of September, 2016, and finally PASSED, APPROVED and ADOPTED on this the 20th day of September, 2016.

CITY OF SAN ANGELO

ATTEST:

_____
Dwain Morrison, Mayor

_____
Bryan Kendrick, City Clerk

Approved as to Form:

_____
Theresa James
City Attorney

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

Requestor: Bob Salas, Neighborhood Services Director, Neighborhood and Family Services, 325-655-0824

Meeting Date: September 6, 2016

Item type: Regular Item

Caption:

Discussion and possible action to amend Chapter 7, Article 7.02 "Property Maintenance" Section 7.02.070 "Abatement, expenses and lien" to allow citizens an option to request a judicial case review and recommendation prior to abatement - (Presentation by Assistant Director of Neighborhood & Family Services James Flores)

Summary/History:

Staff is requesting direction from council on possibly amending Chapter 7, Article 7.02 "Property Maintenance" Section 7.02.070 "Abatement, expenses and lien" allowing citizens who have received a notice of violation the opportunity to have their case heard by municipal court prior to the city abating the property and setting timelines for the judicial review.

While the current ordinance provides a citizen an opportunity to appeal their case to the Department Director, the only process to have a municipal judge hear their case is through a citation and criminalization of their case. In order to instill an administrative judicial review process, the ordinance will need to be amended to include such a admin review process.

Financial Impact:

No fiscal impact at this time.

Other Information/Recommendation:

Attachments:

1.	Abatement Ordinance Changes	16-604_CODE_ORD_AMEND_ABATEMENT PROCESSES redline changes 8 29 2016.docx

Presentation:

By James Flores

Approvals/Reviews:

Bob Salas	Created/Initiated
Theresa James	Approved
Anthony Wilson	Approved
Tina Carriger	Approved
Theresa James	Approved
Becky Dunn	Approved

Bryan Kendrick Final Approval

Chapter 7 "Health and Sanitation"

Sec. 7.02.070 Abatement, expenses and lien

(a) Abatement. If the owner of any lot, tract, parcel of land or portion thereof does not comply with the provisions of this division or submit a request for administrative hearing within seven (7) days of receipt of notice of violation, the city or its agents may:

(1) Enter upon such premises and do such work as necessary, or cause the same to be done, in order that the premises may comply with the requirements set forth in this division; and

(2) Pay for the work or improvements made and charge the expenses to the owner of the property.

(b) Assessment of expenses and lien.

(1) The city manager may assess expenses incurred by the city in exercising the authority granted in this section. The city manager, ~~assistant city managers or director of planning and development~~ or designee, may execute and file a statement with the county clerk of such expenses, including administrative, filing and publication costs incurred in abating the unsanitary condition on said premises. The lien statement must state the name of the owner, if known, and a legal description of the property. The city shall have a privileged lien on such lot, tract or parcel of land, second only to tax liens and liens for street improvements, for the expenses incurred, together with interest at the rate of ten percent (10%) per year on the amount due from the date the city paid or incurred such expenses. For any such expenditures and interest, suit may be instituted and recovery and foreclosure had in the name of the city, and the statement of expenses, or a certified copy thereof shall be the name of the city, [sic] and the statement of expenses, or a certified copy thereof, shall be prima facie proof of the amount expended in any such work performed by the city.

(2) The city manager, or designee ~~assistant city managers or director of planning and development~~ shall execute and file a release of lien for the subject property with the county clerk within a reasonable time after payment of the amount due on the property including interest through the date of payment.

(c) Hearing.

1) Any person or entity receiving a~~n abatement~~ notice under this division shall have the right to request an administrative hearing on the abatement by filing a written request for hearing with the City of San Angelo Municipal Court.

2) Such request for hearing shall be submitted to municipal court within seven (7) calendar days of receipt of the notice of violation on a form provided with the notice.

3) The written request for hearing shall assert any legal defense as to why the City should not proceed with abatement and attachment of lien to the property as provided in this division.

4) Upon receipt of a request for hearing the Municipal court shall notify the Director of Neighborhood Services or designee of the request upon which time the abatement shall be delayed until hearing by the court. All files related to the property shall be forwarded to the Municipal Court for review.

5) Within 5 business days of receipt of the request, the Municipal Court Judge or designee shall schedule a hearing to review the notice and make a determination on action to be taken. Any decision from the Judge shall be in writing and provided to the person or entity requesting the review and the Director of Neighborhood Services.

~~meet with the director of planning and development or his designee within ten (10) days of receipt of such notice to assert any legal defense as to why the city should not proceed with abatement and attachment of a lien as provided in this division.~~

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

Requestor: Sidney Walker, Civic Events Manager, Civic Events, 3256539577

Meeting Date: September 6, 2016

Item type: Regular Item

Caption:

Consider allocating up to $500,000 for capital projects including $450,000 from the Civic Events Fund's fund balance for facility improvements. - (Presentation by Civic Events Manager Sidney Walker)

Summary/History:

We are seeking City Council approval to consider spending up to $500,000 from the Civic Events fund balance for facility improvements. For past few months, the Civic Events Advisory Board has been touring all of the Civic Event facility to view the conditions of each facility and determine what needs these venues have. The Civic Events Advisory Board recommended bringing all the needs of our facilities to City Council for further approval.

The top five items that the Civic Events Advisory Board deemed as items of importance were the sewer issues at the Convention Center, reproofing the Convention Center, climate control at the Coliseum, air handler #3 at the coliseum, and new chairs for the River Stage. Other items that we would like to discuss with City Council are the ADA lift, VIP room lighting, ceiling tiles, and 22 door replacements at the Coliseum. Also, resurfacing the parking lot, door and lighting replacements at the Paseo.

The total estimated cost for all of the items are $485,000. There is additional funding left over from the FY14 sewer project of $36,302 and FY15 marquee project of $10,823. Our current fund balance as of July 31, 2016 is $2,219,896.

Improving the conditions of these facilities will help enhance our venues that have been consistently booked by patrons or visited by customers.

Financial Impact:

The total cost of all the requested facility improvements, including an overall contingency of $13,205 is $497,125. There is additional funding left over from the FY14 sewer project of $36,302 and FY15 marquee project of $10,823. With confirmation that these funds can be used, the overall balance needed is $450,000. Our current fund balance as of July 31, 2016 is $2,219,896. This is the requested funding source.

Other Information/Recommendation:

Attachments:

1. Civic Events Facility Needs — Civic Events Facilities Needs September 2016.pptx

Presentation:

Sidney Walker

Approvals/Reviews:

Sidney Walker	Created/Initiated
Carl White	Approved
Theresa James	Approved
Anthony Wilson	Approved
Tina Carriger	Approved
Theresa James	Approved
Becky Dunn	Approved
Bryan Kendrick	Final Approval

City Council

September 6, 2016

Civic Events Facility Needs

• Sewer Line - CC	• $71,000
• Reroofing - CC	• $222,000
• Climate Control –Coliseum	• $104,000
• Air Handler #3 – Coliseum	• $23,370
• Chairs River Stage	• $10,000
• ADA Lift - Coliseum	• $3,250

Civic Events Facility Needs

• Resurfacing lot - Paseo	• $11,640
• Door replacement – Paseo	• $5,000
• Lighting replacement–Paseo	• $3,000
• VIP room lighting – Coliseum	• $3,160
• Ceiling tiles - Coliseum	• $5,000
• Door replacement - Coliseum	• $22,500

Civic Events Facility Needs

Sewer Line – History of Sewer Issues

- - Replaced 120’ sanitary drain in FY14 - $13,698
- - 9 visits in the the past year
- - $3,500 in precaution cost
- - Health hazard
- - Max Liner Product

Reroofing McNease Convention Center

Estimated cost:

$222,000

Time: 40 working days

Civic Events Facility Needs

- Climate control for Foster Communications Coliseum - Estimated cost: $104,000
- Air handler #3 for Foster Communications Coliseum - Estimated cost: $23,370
- ADA lift - Estimated cost: $3,250

Chairs for Bill Aylor Sr. Memorial River Stage

Estimated cost: $10,000

Ceiling Tiles for Foster Communications Coliseum

Estimated cost: $5,000

* Coliseum still operational during tile replacement *

18 Door Replacements for Foster Communications Coliseum

Estimated cost: $22,500

VIP Room Lighting for Foster Communications Coliseum

Estimated cost: $3,160

Resurfacing Parking Lot of Paseo (East & West) and Farmer’s Market

Estimated cost: $11,640

Civic Events Facility Needs

- Replacement of broken and jammed doors at El Paseo - Estimated Cost: $5000
- Lighting Replacement (28) at El Paseo- Estimated cost: $3000

Civic Events Facility Needs

- Total estimated cost: ($483,920)
- Projects contingency ($ 13,205)
- Total amount requested ($497,125)

- FY14 sewer project: $36,302
- FY15 marquee project: $10,823
- Amount needed: (**$450,000)**
- Current Fund 410 Balance: $2,219,896

City Council

September 6, 2016

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

Requestor: Morgan Chegwidden, Budget Manager, Budget, 325-653-6291

Meeting Date: September 6, 2016

Item type: Regular Item

Caption:

Discussion and consideration of matters related to the fiscal year 2016-2017 operating budget including:

1. First public hearing and introduction of an ordinance of the City of San Angelo approving and adopting the budget for the fiscal year beginning October 1, 2016, and ending September 30, 2017; Authorizing employee compensation schedules; Providing for the general appropriation of funds; Reserving unto the City Council the authority to transfer appropriations budgeted, ratifying transfers of appropriations occurring in the 2015-2016 fiscal year and amending that budget ordinance accordingly; Providing for lapse of all unencumbered or unobligated funds for the prior fiscal year and for carryover of all appropriations of encumbered, obligated or restricted funds; Reserving unto the City Council the power, only as permitted by law, to amend or make changes in the budget for municipal purposes; Providing authority for the city manager or his designee to make certain adjustments from time to time in or between budgeted allocations; Authorizing the city manager or his designee to apply for certain grants and execute any related documents; and, providing for filing of the budget.

This budget will raise more total property taxes than last year's budget by $1,495,628 (4.34%), and of that amount, $442,215 is tax revenue to be raised from new property added to the tax roll this year.

2. Conduct a separate record vote to ratify the property tax revenue increase reflected in the budget and place the adoption of this tax rate on the agenda for the September 6, 2016 regular meeting of the City Council as an action item (Presentation by Budget Manager Morgan Chegwidden)

Summary/History:

Through the council communications via Friday packet memos and workshop discussions, staff has made progress towards preparing the 2016-17 budget. The following action items are necessary to proceed with adopting the 2016-17 budget.

This is the first public hearing and introduction of the budget ordinance for the fiscal year beginning October 1, 2016 and ending September 30, 2017. The ordinance appropriates funds for the 2016-2017 fiscal year (exhibit A), and approves the pay schedule for all City employees (exhibit B). It also determines and approves budget amendment authorizations.

The ordinance authorizes the city manager to apply for the routine, recurring grants listed in exhibit C and execute any documents related to these grants. Lastly, the staffing head count is authorized in sections nine (for civil service) and ten (for civilians) with support in exhibit D.

The proposed 2016-2017 budget is balanced for all funds and meets all legal requirements.
The next item for the Council's consideration is to conduct a separate record vote to ratify the property tax revenue budgeted per truth in taxation guidelines. The motion must specifically be made to:

"Ratify the property tax revenue increase reflected in the budget and place the adoption of this tax rate on the agenda for the September 6, 2016 regular meeting of the City Council as an action item."

Financial Impact:

Total operating budget of $132,680,159. See attached budget ordinance for specific funds.

Other Information/Recommendation:

Staff recommends approval of the budget ordinance.

Attachments:

1.	Proposed Budget	Final Draft Budget 8-26-16.pdf
2.	Budget Ordinance	Budget Ordinance 9-6-16.pdf
3.	PowerPoint Presentation	FIN 160906 Budget 9-6-16.pptx
4.	Exhibit A	Exhibit A 9-6-16.pdf
5.	Exhibit B	Exhibit B 9-6-16.pdf
6.	Exhibit C	Exhibit C 9-6-16.pdf
7.	Exhibit D	Exhibit D 9-6-16.pdf

Presentation:

Yes

Approvals/Reviews:

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

City of San Angelo, Texas

Operating Budget
Fiscal Year 2016-2017

THIS BUDGET WILL RAISE MORE TOTAL PROPERTY TAXES THAN LAST YEAR'S BUDGET BY $1,495,628 (4.34%), AND OF THAT AMOUNT, $442,215 IS TAX REVENUE TO BE RAISED FROM NEW PROPERTY ADDED TO THE TAX ROLL THIS YEAR

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City Council Record Vote

*****September 6, 2016*****

The members of the governing body voted on the adoption of the budget as follows:

FOR:
AGAINST:
PRESENT and not voting:
ABSENT:

Tax Rate	Proposed FY2016-17	Adopted FY2015-16
Property Tax Rate	0.7760 / $100	0.7760 / $100
Effective Rate	0.8514 / $100	0.8264 / $100
Effective M&O Tax Rate	0.7436 / $100	0.7402 / $100
Rollback Tax Rate	0.9194 / $100	0.9169 / $100
Debt Rate	0.0986 / $100	0.0986 / $100

The total amount of municipal debt obligation secured by property taxes for the City of San Angelo is $176,665,000.

City of San Angelo
Consolidated Financial Schedule
Revenue and Expenditures, Fiscal Year Ending September 30, 2017

Fund No.	Fund Name	Beginning Balance	Operating Revenues	Transfers In	Amount Available	Operating Expenditures	Transfers Out	Total Expenditures	Rev Over/ (Under) Exp	Ending Balance
101	General	$19,017,967	$63,454,549	$6,415,801	$88,888,317	$66,626,783	$3,243,567	$69,870,350	$0	$19,017,967
105	General Debt Service	3,882,768	4,627,513	1,837,561	10,347,842	10,800,481	0	10,800,481	(4,335,407)	(452,639)
501	Equipment Replacement	327,218	95,301	1,201,373	1,623,892	1,296,674	0	1,296,674	0	327,218
502	Capital Projects	6,431,660	22,801	244,295	6,698,756	267,096	0	267,096	0	6,431,660
103	Intergovernmental	697,712	2,484,280	372,575	3,554,567	2,762,135	94,720	2,856,855	0	697,712
106	TIRZ	1,248,358	740,777	0	1,989,135	740,777	0	740,777	0	1,248,358
453	Community Development Block Grant	0	710,718	0	710,718	710,718	0	710,718	0	0
483	HOME Grant	0	346,838	0	346,838	346,838	0	346,838	0	0
601	Designated Revenue	207,777	37,850	0	245,627	37,850	0	37,850	0	207,777
640	Lake Nasworthy Trust	13,953,230	928,441	0	14,881,671	50,000	286,797	336,797	591,644	14,544,874
203	Texas Bank Sports Complex	133,301	145,426	747,651	1,026,378	893,077	0	893,077	0	133,301
410	Civic Events	2,993,657	2,474,448	0	5,468,105	2,275,216	199,232	2,474,448	0	2,993,657
420	Fort Concho	191,043	625,342	393,640	1,210,025	1,018,982	0	1,018,982	0	191,043
440	Fairmount Cemetery	(148,728)	381,950	77,693	310,915	428,923	0	428,923	30,720	(118,008)
201	State Office Building	269,674	1,280,053	0	1,549,727	1,280,053	0	1,280,053	0	269,674
220	Airport Operating	146,583	1,390,761	0	1,537,344	1,310,932	79,829	1,390,761	0	146,583
529	Airport PFC	881,169	274,936	0	1,156,105	0	274,936	274,936	0	881,169
230	Solid Waste Enterprise	2,023,623	1,570,308	0	3,593,931	799,534	255,000	1,054,534	515,774	2,539,397
240	Stormwater	2,684,333	2,642,635	95,000	5,421,968	2,525,925	211,710	2,737,635	0	2,684,333
260	Water Operating	1,761,458	24,353,993	1,218,456	27,333,907	16,059,342	6,792,743	22,852,085	2,720,364	4,481,822
261	Water Debt Service	244,120	21,111	8,393,380	8,658,611	8,414,491	0	8,414,491	0	244,120
512	Water / Supply Capital Projects	7,860,432	4,736,246	40,770	12,637,448	2,974,099	1,802,917	4,777,016	0	7,860,432
270	Wastewater Operating	3,645,055	12,454,221	0	16,099,276	5,604,810	5,651,563	11,256,373	1,197,848	4,842,903
271	Wastewater Debt Service	552,643	0	4,162,688	4,715,331	4,162,688	0	4,162,688	0	552,643
520	Wastewater Capital Projects	6,767,524	1,774,297	0	8,541,821	1,292,735	481,562	1,774,297	0	6,767,524
	Operating Totals	**$75,772,577**	**$127,574,795**	**$25,200,883**	**$228,548,255**	**$132,680,159**	**$19,374,576**	**$152,054,735**	**$720,943**	**$76,493,520**
301	Vehicle Maintenance	($216,753)	$7,013,264	$0	$6,796,511	$7,013,264	$0	$7,013,264	$0	($216,753)
305	Communications	215,408	810,512	0	1,025,920	810,512	0	810,512	0	215,408
310	Health Insurance	(708,514)	7,810,837	0	7,102,323	7,810,837	0	7,810,837	0	(708,514)
320	Property/Casualty	1,127,988	817,497	0	1,945,485	817,497	0	817,497	0	1,127,988
330	Workers' Compensation	(650,397)	1,308,556	0	658,159	1,072,315	0	1,072,315	236,241	(414,156)
	Total Internal Service Funds	**($232,268)**	**$17,760,666**	**$0**	**$17,528,398**	**$17,524,425**	**$0**	**$17,524,425**	**$236,241**	**$3,973**

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City of San Angelo
General Fund
Schedule of Revenues and Expenditures

Category	Description	FY15 Actual	FY16 Original Budget	FY17 Proposed Budget	Increase (Decrease) from FY16 Original
101 REVENUES:					
Taxes	Property Tax	29,468,894	30,808,814	32,160,271	$1,351,457
	Sales Tax	18,970,360	19,610,000	17,614,317	(1,995,683)
	Franchise Tax	4,472,891	4,454,370	4,517,446	63,076
	Total Taxes	52,912,145	54,873,184	54,292,034	(581,150)
Licenses and Permits	Licenses	50,229	50,000	55,807	5,807
	Permits	556,101	709,850	656,611	(53,239)
	Total Permits and Fees	606,330	759,850	712,418	(47,432)
Charges for Services	Ambulance	3,239,377	3,020,000	3,148,250	128,250
	Recreation	602,406	476,800	634,200	157,400
	Real Estate	84,992	80,269	132,105	51,836
	Animal Services	137,704	128,061	199,651	71,590
	Public Safety	775,657	743,675	862,711	119,036
	Other	330,504	320,050	329,126	9,076
	Total Charges for Service	5,170,640	4,768,855	5,306,043	537,188
Fines and Forfeitures	Municipal Court	2,979,639	2,665,581	2,813,239	147,658
Other	Interest	109,171	54,023	125,776	71,753
	Miscellaneous	305,222	373,801	205,039	(168,762)
	Total Other	414,393	427,824	330,815	(97,009)
Transfers	Transfers In	2,563,883	2,768,236	3,142,042	373,806
	Administrative Charges (Transfers In)	3,136,955	3,340,380	3,273,759	(66,621)
	Total Transfers	5,700,838	6,108,616	6,415,801	307,185
	Total General Fund Revenues	**67,783,985**	**69,603,910**	**69,870,350**	**266,440**

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City of San Angelo
General Fund
Schedule of Revenues and Expenditures

Category	Description	FY15 Actual	FY16 Original Budget	FY17 Proposed Budget	Increase (Decrease) from FY16 Original
101 EXPENDITURES:					
General Government	City Council	131,023	132,943	156,989	$24,046
	City Manager	668,087	675,181	706,956	31,775
	Internal Auditor	56,767	71,810	75,151	3,341
	City Attorney	534,165	636,154	640,873	4,719
	City Clerk	257,953	233,723	243,226	9,503
	Public Information	336,018	440,885	452,397	11,512
	Municipal Court	2,136,964	2,371,921	2,418,177	46,256
	Construction Management	144,287	185,061	190,328	5,267
	Facilities Maintenance	566,379	646,473	658,482	12,009
	Total General Government	4,831,643	5,394,151	5,542,579	148,428
Human Resources & Risk Management	Human Resources	371,066	399,146	406,148	7,002
	Crossing Guards	106,957	124,000	122,000	(2,000)
	Total Human Resources & Risk Management	478,023	523,146	528,148	5,002
Finance	Budget	998,314	1,091,372	1,073,197	(18,175)
	Accounting	477,399	508,548	520,543	11,995
	Billing & Receipts	613,703	646,801	694,807	48,006
	Information Technology	508,164	579,148	581,969	2,821
	Purchasing	177,215	147,064	158,724	11,660
	Real Estate	132,040	154,106	171,059	16,953
	Total Finance	2,906,835	3,127,039	3,200,299	73,260
Development Corporation	Development Corporation	321,850	400,382	471,250	70,868
	Total Development Corporation	321,850	400,382	471,250	70,868
Development Services	Administration	635,209	442,946	466,072	23,126
	Planning	249,259	328,024	299,481	(28,543)
	GIS	243,752	272,628	295,217	22,589
	Permits & Inspections	793,467	801,319	838,663	37,344
	Total Development Services	1,921,687	1,844,917	1,899,433	54,516
Neighborhood & Family Services	Code Compliance	482,402	458,298	461,179	2,881
	Animal Services	749,852	927,387	1,016,501	89,114
	Total Neighborhood & Family Services	1,232,254	1,385,685	1,477,680	91,995

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City of San Angelo
General Fund
Schedule of Revenues and Expenditures

Category	Description	FY15 Actual	FY16 Original Budget	FY17 Proposed Budget	Increase (Decrease) from FY16 Original
Health Services	Administration	154,122	158,931	173,922	14,991
	MHMR Contribution	55,423	55,423	55,423	0
	Total Health Services	209,545	214,354	229,345	14,991
Police	Police	16,876,476	17,114,741	17,174,033	59,292
	Traffic Safety	281,257	247,878	247,878	0
	DWI Step	18,576	39,222	39,222	0
	Public Safety Communications	1,500,222	1,447,453	1,479,276	31,823
	Total Police	18,676,531	18,849,294	18,940,409	91,115
Fire	Fire	14,878,917	15,133,712	15,713,112	579,400
	Fire Prevention	723,791	693,179	721,900	28,721
	Total Fire	15,602,708	15,826,891	16,435,012	608,121
Public Works	Engineering	426,106	1,159,444	1,188,075	28,631
	Operations Admin	345,236	364,972	350,170	(14,802)
	Traffic Control	888,401	901,908	925,376	23,468
	Street and Bridge	5,140,799	6,000,174	6,102,409	102,235
	Street Lighting	1,126,863	1,118,829	1,118,829	0
	Total Operations	7,927,405	9,545,327	9,684,859	139,532
Parks & Recreation	Parks	2,773,338	3,221,821	3,360,227	138,406
	Water Lily Garden	95,038	97,415	99,850	2,435
	Recreation	998,533	1,057,318	1,105,133	47,815
	Total Parks & Recreation	3,866,909	4,376,554	4,565,210	188,656
Other	Non-Departmental	2,327,158	4,817,167	3,652,559	(1,164,608)
	Transfers Out	2,961,631	3,299,003	3,243,567	(55,436)
	Total Other	5,288,789	8,116,170	6,896,126	(1,220,044)
	Total General Fund Expenditures	**$63,264,179**	**$69,603,910**	**$69,870,350**	**$266,440**
	Increase/(Decrease) in Fund Balance	4,519,806	0	0	**$0**
	Beginning Fund Balance	14,498,161	19,017,967	19,017,967	0
	Ending Fund Balance	**$19,017,967**	**$19,017,967**	**$19,017,967**	**$0**

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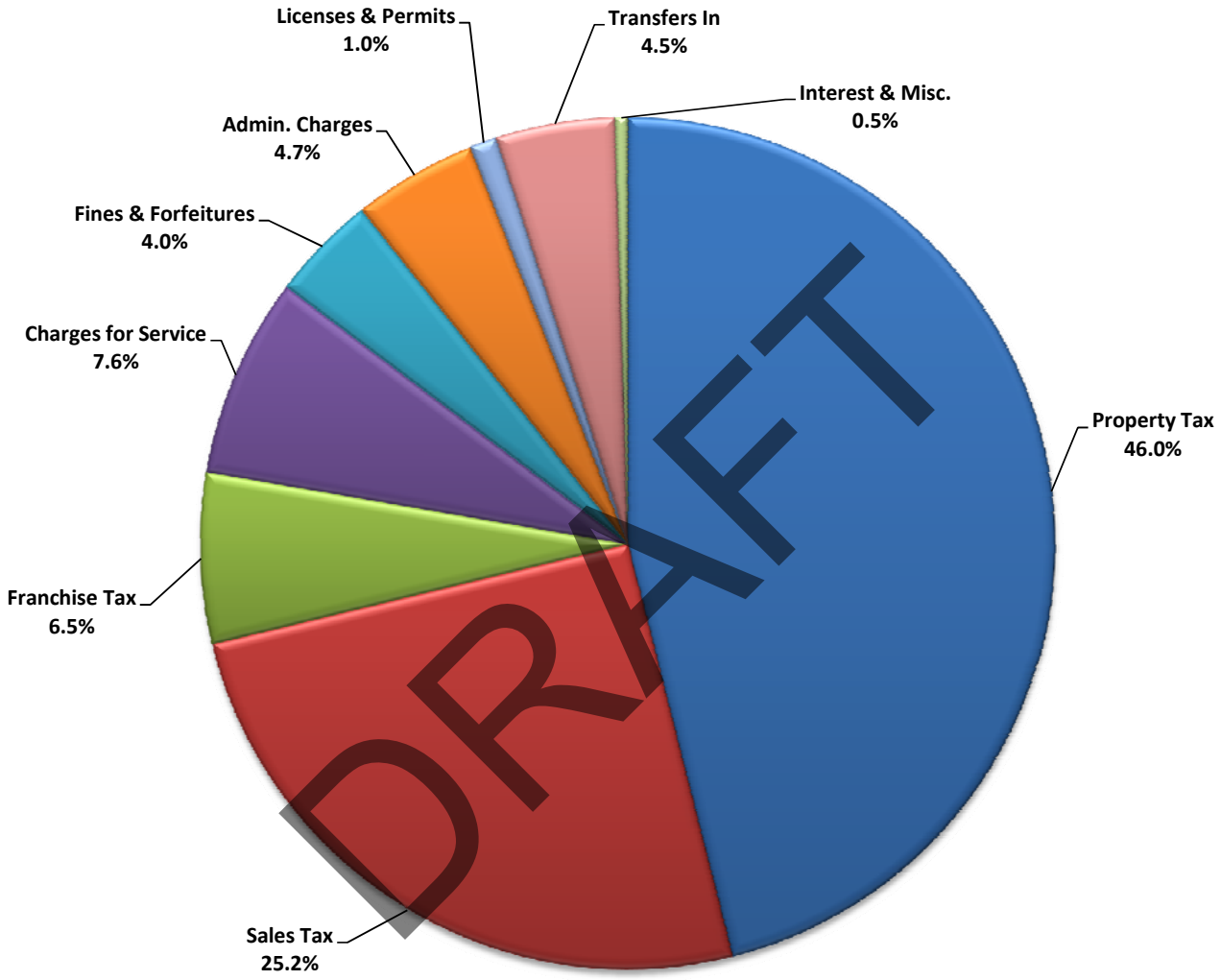
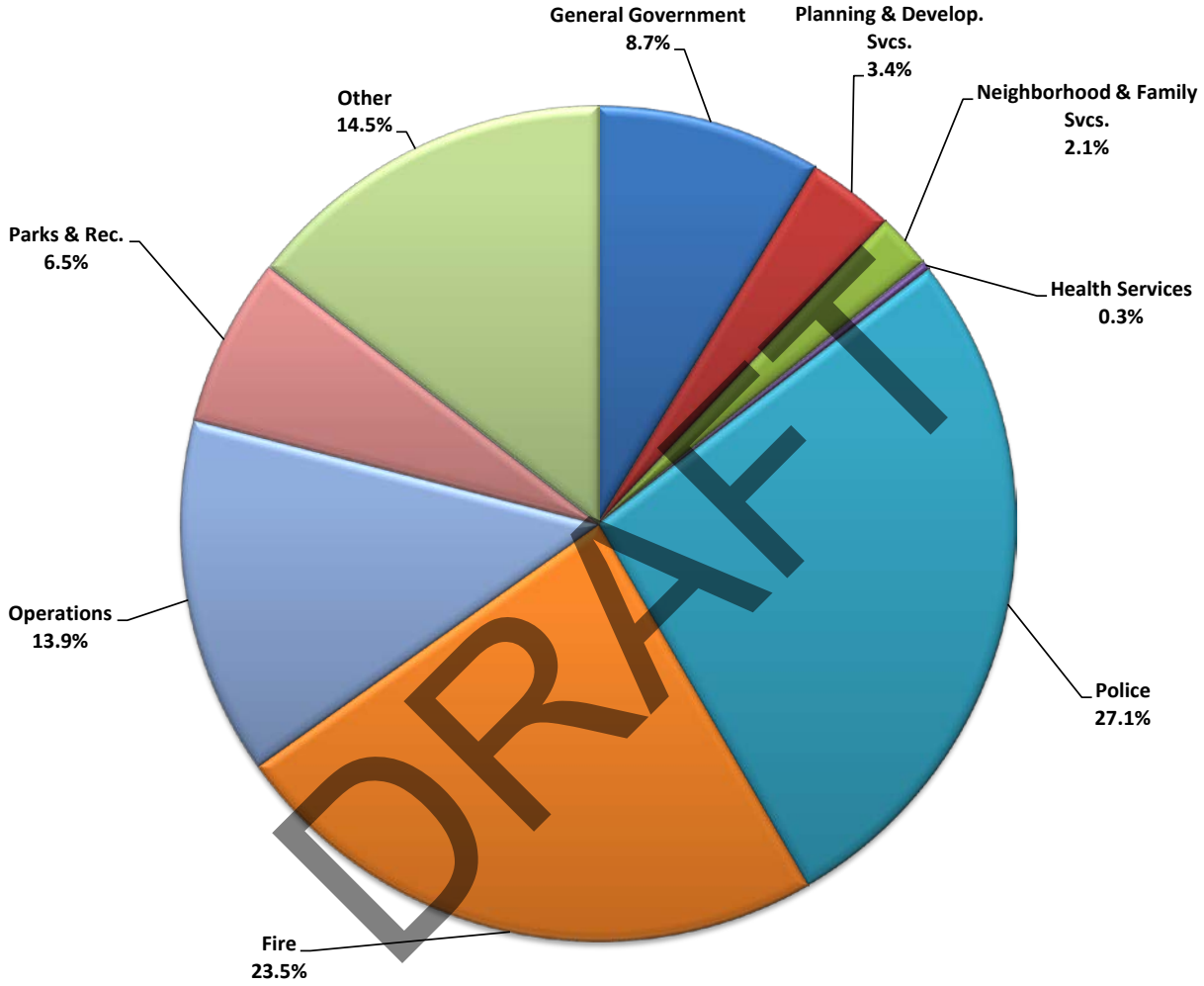
City of San Angelo
General Fund Revenues
Fiscal Year 2016-17



Graph Description:

The property tax, at a rate of 0.7760 per $100 valuation, is the largest revenue source for the General Fund. Property, sales and franchise taxes account for just under 78% of the General Fund's revenue. All other revenue sources combined total approximately 22% of General Fund Revenue.

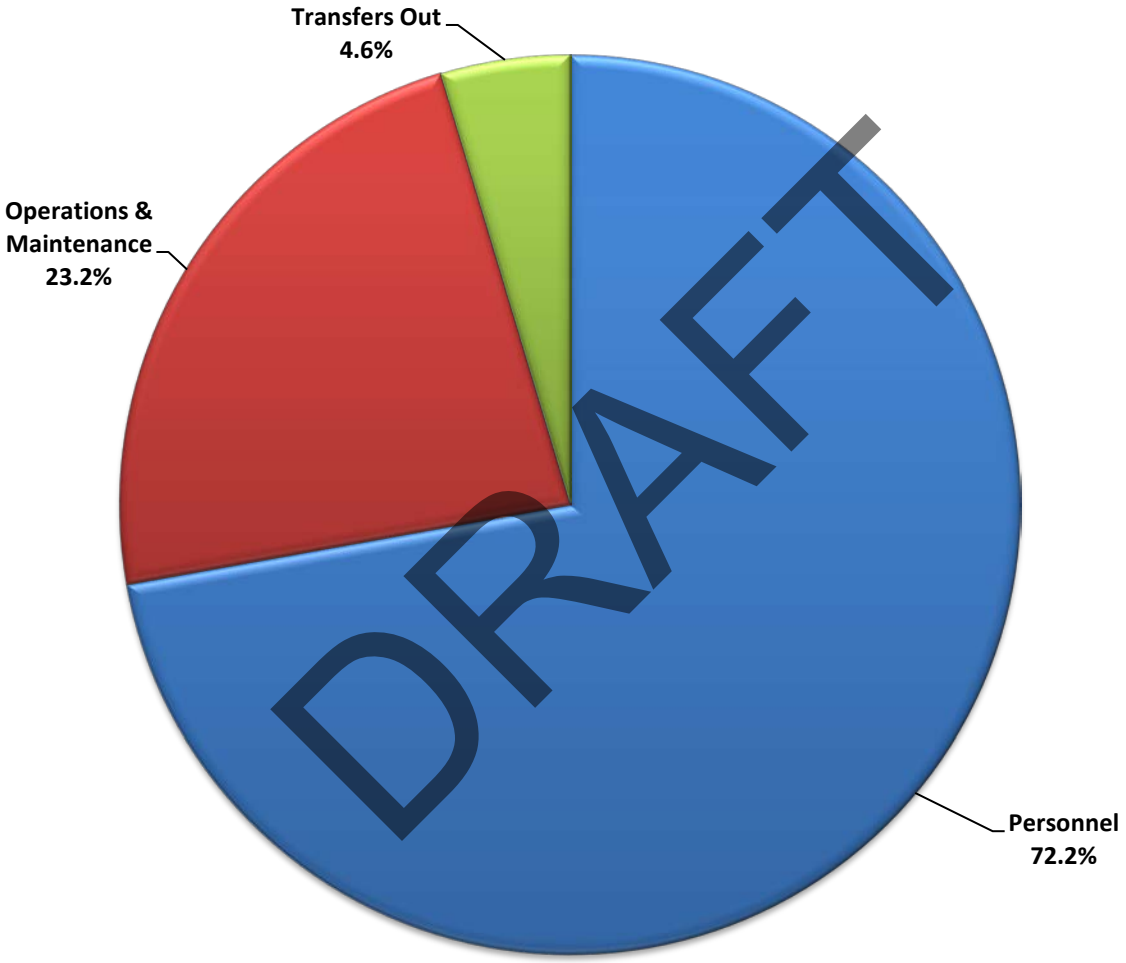
City of San Angelo
General Fund
Expenditures by Department
Fiscal Year 2016-17



Graph Description:

The graph above shows the City's commitment to provide a safe environment for its citizens by devoting over 50% of authorized expenditures for the use of public safety.

City of San Angelo
General Fund Expenditures by Category, Fiscal Year 2016-17



Graph Description:
The single largest General Fund expense for the City of San Angelo is personnel. This category consists of salary and benefits for employees. Operations & maintenance and transfers account for just over one-quarter of General Fund expenses.

City of San Angelo
General Debt Service Fund
Schedule of Revenues and Expenditures

Description	FY15 Actual	FY16 Original Budget	FY17 Proposed Budget	Increase (Decrease) from FY16 Original
105 REVENUES:				
Current Taxes	3,310,665	4,375,475	4,565,513	190,038
Delinquent Taxes	42,379	40,000	50,000	10,000
Transfers In	2,600,450	2,752,988	1,837,561	(915,427)
Interest	9,564	1,899	12,000	10,101
Total Revenues	**$5,963,058**	**$7,170,362**	**$6,465,074**	**($705,288)**
105 EXPENSES:				
Principal on Debt	2,185,000	5,119,215	8,385,000	3,265,785
Interest on Debt	1,947,510	2,047,439	2,402,023	354,584
Issue Costs	7,022	3,708	13,458	9,750
Total Expenditures	**$4,139,532**	**$7,170,362**	**$10,800,481**	**$3,630,119**
Revenues Over/ (Under) Expenditures	1,823,526	0	(4,335,407)	(4,335,407)
Beginning Fund Balance	2,059,242	3,882,768	3,882,768	0
Ending Fund Balance	**$3,882,768**	**$3,882,768**	**($452,639)**	**($4,335,407)**

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City of San Angelo
General Fund Equipment Replacement
Schedule of Revenues and Expenditures

Description	FY15 Actual	FY16 Original Budget	FY17 Proposed Budget	Increase (Decrease) from FY16 Original
501 REVENUES:				
Transfers In	1,201,373	1,251,373	1,201,373	(50,000)
Sale of Fixed Assets	129,188	55,000	55,000	0
Other	38,476	888	40,301	39,413
Total Revenue	**$1,369,037**	**$1,307,261**	**$1,296,674**	**($10,587)**
501 EXPENDITURES:				
Vehicles & Equipment	1,259,390	1,307,261	1,296,674	(10,587)
Total Expenditures	**$1,259,390**	**$1,307,261**	**$1,296,674**	**($10,587)**
Revenues Over/ (Under) Expenditures	109,647	0	0	0
Beginning Fund Balance	217,571	327,218	327,218	0
Ending Fund Balance	**$327,218**	**$327,218**	**$327,218**	**$0**

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City of San Angelo
General Fund Capital Projects
Schedule of Revenues and Expenditures

Description	FY15 Actual	FY16 Original Budget	FY17 Proposed Budget	Increase (Decrease) from FY16 Original
502 REVENUES:				
Transfers In	262,379	244,295	244,295	0
Other Revenue	319,254	8,128	22,801	14,673
Total Revenue	**$581,633**	**$252,423**	**$267,096**	**$14,673**
502 EXPENDITURES				
Facilities	12,471	0	0	0
City Hall Plaza Rehabilitation	51,044	0	0	0
Development Software	0	0	0	0
19th St. Sidewalks	100,408	0	0	0
Transportation Enhancement	0	0	0	0
Street Improvements	267	0	0	0
Stormwater Improvements	0	0	0	0
Dog Park	0	0	0	0
Texas Bank Sports Complex	0	0	0	0
Aquatics Facility	10,091	0	0	0
29th St Sports Complex	0	0	0	0
Fort Concho	0	0	0	0
Cemetery Improvements	46,283	0	0	0
Auditorium	0	0	0	0
Fire Station	74,321	0	0	0
Ambulance Replacement	516,534	250,000	250,000	0
Fire Mobile Data Terminals	149,477	0	0	0
Contingencies	0	28	17,096	17,068
Total Expenditures	**$960,896**	**$250,028**	**$267,096**	**$17,068**
Revenues Over/ (Under) Expenditures	(379,263)	2,395	0	(2,395)
Beginning Fund Balance	6,808,528	6,429,265	6,431,660	2,395
Ending Fund Balance	**$6,429,265**	**$6,431,660**	**$6,431,660**	**$0**

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City of San Angelo
Intergovernmental Fund
Schedule of Revenues and Expenditures

Description	FY15 Actual	FY16 Original Budget	FY17 Proposed Budget	Increase (Decrease) from FY16 Original
103 REVENUES:				
Health Department Revenue	101,270	105,645	108,900	3,255
Health Department Grants	396,826	382,229	437,229	55,000
WIC Grant	790,110	914,660	877,860	(36,800)
Transportation Grant	224,174	230,000	477,599	247,599
Nutrition Program Revenue	140,237	171,478	158,945	(12,533)
Police Grants	68,661	20,137	198,299	178,162
Parks Grants and Donations	0	0	0	0
Emergency Management Grant	257,043	96,600	225,448	128,848
Fire Grants	230,000	0	0	0
Interest	958	0	0	0
Transfers In	324,910	381,869	372,575	(9,294)
Total Revenue	**2,534,189**	**2,302,618**	**2,856,855**	**554,237**
103 EXPENDITURES:				
Health Department Grants	514,285	589,109	625,023	35,914
WIC Grant	736,496	846,520	807,860	(38,660)
Social Services	113,737	119,717	124,915	5,198
Transportation Planning Grant	188,783	222,387	462,909	240,522
Nutrition	232,317	275,367	263,204	(12,163)
Police Grants	64,522	20,137	198,299	178,162
Parks	0	0	0	0
Emergency Management	229,684	150,911	279,925	129,014
Fire Grants	289,531	0	0	0
Transfers Out	92,977	85,783	94,720	8,937
Total Expenditures	**2,462,332**	**2,309,931**	**2,856,855**	**546,924**
Revenues Over/ (Under) Expenditures	71,857	(7,313)	0	$7,313
Beginning Fund Balance	633,168	705,025	697,712	(7,313)
Ending Fund Balance	**$705,025**	**$697,712**	**$697,712**	**$0**

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City of San Angelo
TIRZ Fund
Schedule of Revenues and Expenditures

Description	FY15 Actual	FY16 Original Budget	FY17 Proposed Budget	Increase (Decrease) from FY16 Original
106 REVENUES:				
Downtown Property Tax	215,820	248,270	283,705	35,435
Reimbursed Expense	0	0	0	0
North Property Tax	405,218	406,958	452,738	45,780
New Freedom Grant	506,583	0	0	0
Interest	4,418	2,346	4,334	1,988
Total Revenues	**$1,132,039**	**$657,574**	**$740,777**	**$83,203**
106 EXPENSES:				
Downtown Projects	64,321	249,443	285,872	36,429
North Projects	19,533	408,131	454,905	46,774
New Freedom Grant	791,012	0	0	0
Total Expenditures	**$874,866**	**$657,574**	**$740,777**	**$83,203**
Revenues Over/ (Under) Expenditures	257,173	0	0	0
Beginning Fund Balance	991,186	1,248,359	1,248,359	0
Ending Fund Balance	**$1,248,359**	**$1,248,359**	**$1,248,359**	**$0**

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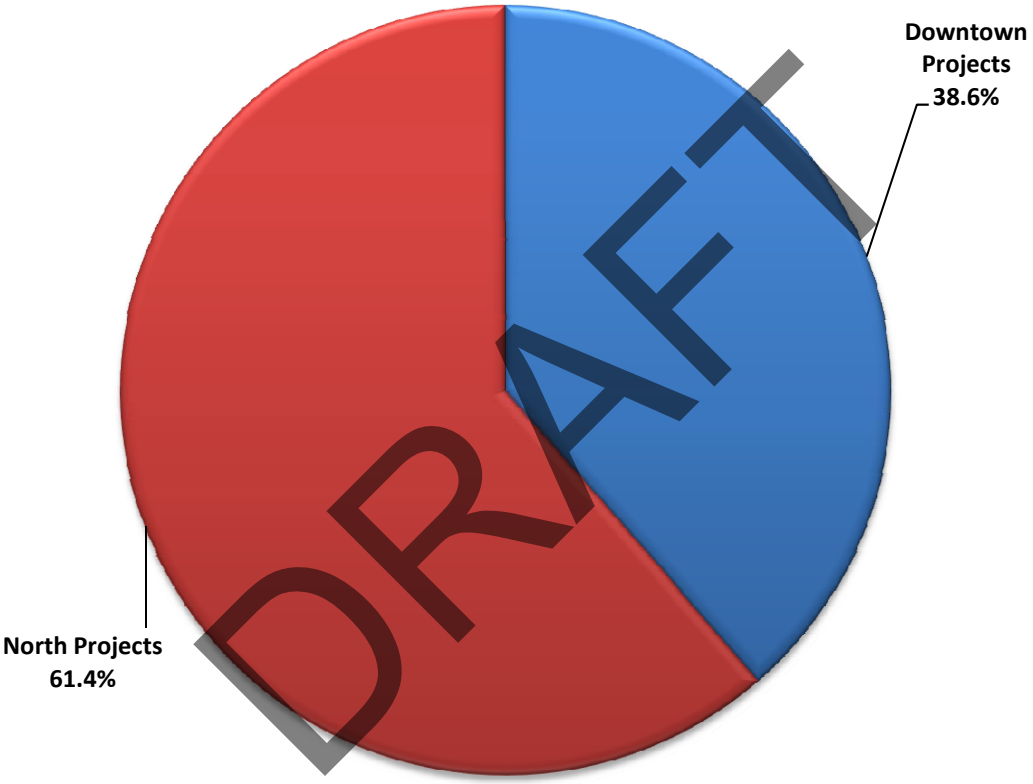
City of San Angelo
TIRZ Expenditures
Fiscal Year 2016-17



Graph Description:
The purpose of this graph is to show that expenses for the TIRZ Fund are allocated in accordance with receipts, with more resources in North over Downtown projects.

City of San Angelo
Community Development Block Grant
Schedule of Revenues and Expenditures

Description	FY15 Actual	FY16 Original Budget	FY17 Proposed Budget	Increase (Decrease) from FY16 Original
453 REVENUES:				
Grant Income	590,979	675,246	678,718	3,472
Rehab Loans	24,565	35,000	32,000	(3,000)
Miscellaneous	0	0	0	0
Total Revenues	**$615,544**	**$710,246**	**$710,718**	**$472**
453 EXPENDITURES:				
Administration	257,426	272,941	265,858	(7,083)
Debt Service	149,996	150,713	147,695	(3,018)
Public Service Projects	94,735	105,000	109,165	4,165
Rehab Grants and Loans	85,493	143,592	150,000	6,408
Code Enforcement	38,000	38,000	38,000	0
Total Expenditures	**$625,650**	**$710,246**	**$710,718**	**$472**
Revenues Over/ (Under) Expenditures	(10,106)	0	0	0
Beginning Fund Balance	10,106	0	0	0
Ending Fund Balance	**$0**	**$0**	**$0**	**$0**

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City of San Angelo
HOME Program
Schedule of Revenues and Expenditures

Description	FY15 Actual	FY16 Original Budget	FY17 Proposed Budget	Increase (Decrease) from FY16 Original
483 REVENUES:				
Grant Income	156,674	254,439	254,111	(328)
Rent	42,881	38,400	0	(38,400)
Loan Payments	5,680	25,000	24,000	(1,000)
Miscellaneous	43,553	30,000	68,727	38,727
Total Revenues	**$248,788**	**$347,839**	**$346,838**	**($1,001)**
483 EXPENDITURES:				
Administration	44,704	106,020	96,730	(9,290)
Galilee CDC	90,000	83,000	88,000	5,000
MHMR Contribution	45,204	46,000	51,000	5,000
Homebuyers Assistance	24,744	96,223	111,108	14,885
Duplex Maintenance	14,240	16,596	0	(16,596)
Total Expenditures	**$218,892**	**$347,839**	**$346,838**	**($1,001)**
Revenues Over/ (Under) Expenditures	29,896	0	0	0
Beginning Balance	(29,896)	0	0	0
Ending Balance	**$0**	**$0**	**$0**	**$0**

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City of San Angelo
Designated Revenue Fund
Schedule of Revenues and Expenditures

Description	FY15 Actual	FY16 Original Budget	FY17 Proposed Budget	Increase (Decrease) from FY16 Original
601 REVENUES:				
Police Donations	12,880	4,250	4,250	0
Parks Donations	3,746	1,500	3,000	1,500
Recreation Donations	37,032	24,250	30,600	6,350
Other Donations	16,260	0	0	0
Interest	930	498	0	(498)
Total Revenue	**$70,848**	**$30,498**	**$37,850**	**$7,352**
601 EXPENDITURES				
Police Projects	38,488	4,250	4,250	0
Parks Projects	7,168	1,500	3,000	1,500
Recreation Projects	29,606	24,250	30,600	6,350
Other	0	498	0	(498)
Total Expenditures	**$75,262**	**$30,498**	**$37,850**	**$7,352**
Revenues Over/ (Under) Expenditures	(4,414)	0	0	0
Beginning Fund Balance	212,191	207,777	207,777	0
Ending Fund Balance	**$207,777**	**$207,777**	**$207,777**	**$0**

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City of San Angelo
Lake Nasworthy Trust
Schedule of Revenues and Expenditures

Description	FY15 Actual	FY16 Original Budget	FY17 Proposed Budget	Increase (Decrease) from FY16 Original
640 REVENUES:				
Lot Sales	633,240	700,000	700,000	0
Lake Lease Income	26,496	84,000	84,000	0
Interest	171,432	127,851	144,441	16,590
Total Revenues	**$831,168**	**$911,851**	**$928,441**	**$16,590**
640 EXPENDITURES:				
Professional Services	12,650	50,000	50,000	0
Transfers Out	138,308	271,866	286,797	14,931
Total Expenditures	**$150,958**	**$321,866**	**$336,797**	**$14,931**
Revenues Over/ (Under) Expenditures	680,210	589,985	591,644	1,659
Beginning Fund Balance	12,683,035	13,363,245	13,953,230	589,985
Ending Fund Balance	**$13,363,245**	**$13,953,230**	**$14,544,874**	**$591,644**

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City of San Angelo
Texas Bank Sports Complex Fund
Schedule of Revenues and Expenditures

Description	FY15 Actual	FY16 Original Budget	FY17 Proposed Budget	Increase (Decrease) from FY16 Original
203 REVENUES:				
Program Fees	84,152	88,000	88,000	0
Dev Corp	0	0	0	0
Transfers In	708,658	746,802	747,651	849
Other Revenue	63,065	57,022	57,426	404
Total Revenues	**$855,875**	**$891,824**	**$893,077**	**$1,253**
203 EXPENSES:				
Personnel	281,202	379,851	381,543	1,692
Operations & Maintenance	368,769	511,973	511,534	(439)
Capital	6,468	0	0	0
Total Expenses	**$656,439**	**$891,824**	**$893,077**	**$1,253**
Revenues Over/ (Under) Expenditures	199,436	0	0	0
Beginning Fund Balance	(66,135)	133,301	133,301	0
Ending Fund Balance	**$133,301**	**$133,301**	**$133,301**	**$0**

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City of San Angelo
Civic Events Fund
Schedule of Revenues and Expenditures

Description	FY15 Actual	FY16 Original Budget	FY17 Proposed Budget	Increase (Decrease) from FY16 Original
410 REVENUES:				
Hotel/Motel Tax	2,373,746	2,300,000	1,857,500	(442,500)
Coliseum Revenue	237,775	240,200	245,986	5,786
Auditorium Revenue	0	0	0	0
Convention Center Revenue	226,749	285,900	249,400	(36,500)
River Stage Revenue	16,230	39,000	31,000	(8,000)
Pavilion Revenue	11,189	9,500	9,500	0
Pecan Creek Revenue	4,294	5,800	5,800	0
Other	75,955	66,106	75,262	9,156
Total Revenues	**$2,945,938**	**$2,946,506**	**$2,474,448**	**($472,058)**
410 EXPENDITURES:				
Personnel	702,346	709,498	753,060	43,562
Operations & Maintenance	1,430,247	1,464,618	1,506,500	41,882
Transfers Out	199,232	199,232	199,232	0
Capital	330,581	23,158	15,656	(7,502)
Total Expenditures	**$2,662,406**	**$2,396,506**	**$2,474,448**	**$77,942**
Revenues Over/ (Under) Expenditures	283,532	550,000	0	(550,000)
Beginning Fund Balance	2,160,125	2,443,657	2,993,657	550,000
Ending Fund Balance	**$2,443,657**	**$2,993,657**	**$2,993,657**	**$0**

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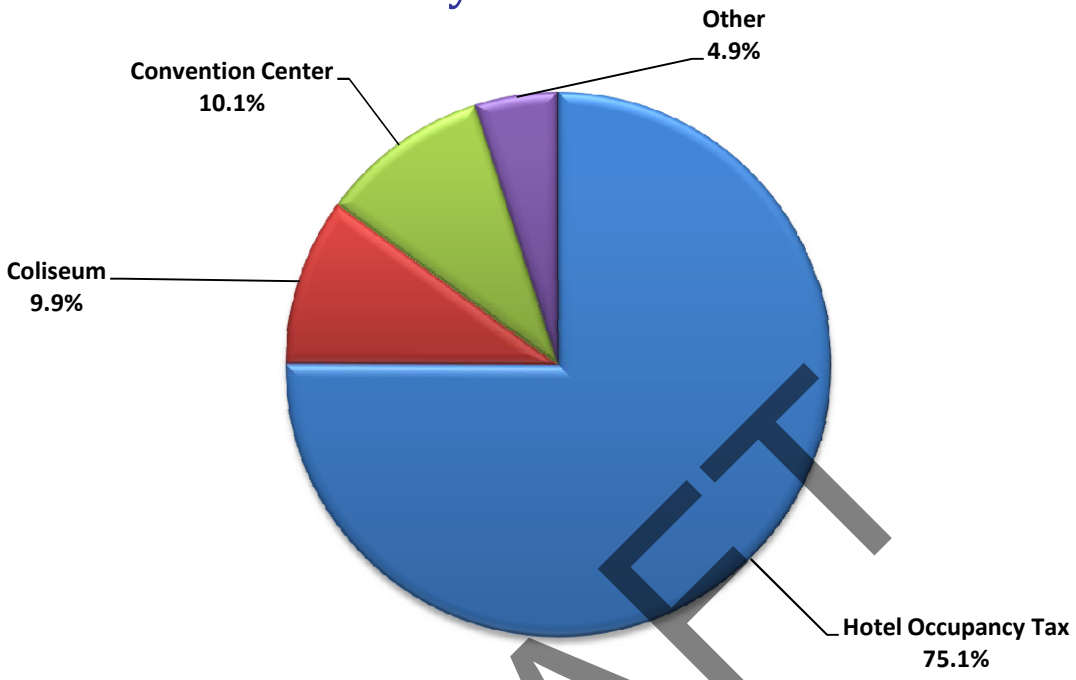
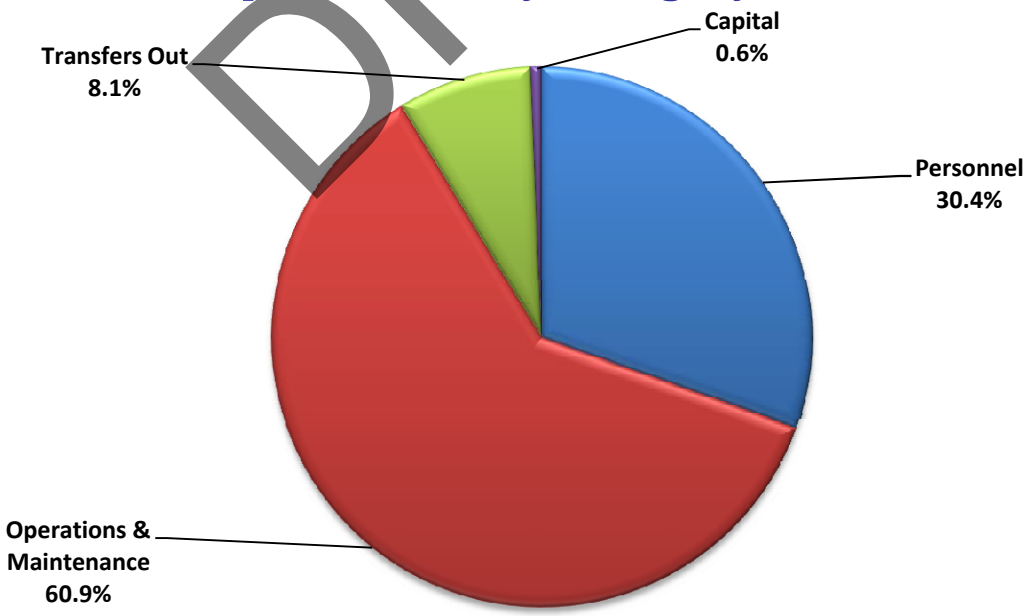
City of San Angelo
Civic Events Fund
FY 2016-17 Revenues by Source



City of San Angelo
Civic Events Fund
FY 2016-17 Expenditures by Category



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City of San Angelo
Fort Concho
Schedule of Revenues and Expenditures

Description	FY15 Actual	FY16 Original Budget	FY17 Proposed Budget	Increase (Decrease) from FY16 Original
420 REVENUES:				
Rent & Donations	622,214	592,750	607,750	15,000
Transfers In	355,286	391,826	393,640	1,814
Other	12,999	19,519	17,592	(1,927)
Total Revenues	**$990,499**	**$1,004,095**	**$1,018,982**	**$14,887**
420 EXPENDITURES:				
Personnel	607,046	713,179	720,999	7,820
Operations & Maintenance	278,257	289,916	295,710	5,794
Capital	3,011	1,000	2,273	1,273
Total Expenditures	**$888,314**	**$1,004,095**	**$1,018,982**	**$14,887**
Revenues Over/ (Under) Expenditures	102,185	0	0	0
Beginning Fund Balance	88,858	191,043	191,043	0
Ending Fund Balance	**$191,043**	**$191,043**	**$191,043**	**$0**

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City of San Angelo
Fairmount Cemetery
Schedule of Revenues and Expenditures

Description	FY15 Actual	FY16 Original Budget	FY17 Proposed Budget	Increase (Decrease) from FY16 Original
440 REVENUES:				
Charges for Service	197,997	318,560	326,950	8,390
Trust Income	43,851	50,000	50,000	0
Transfers In	62,135	77,070	77,693	623
Other Revenue	4,950	4,950	5,000	50
Total Revenues	**$308,933**	**$450,580**	**$459,643**	**$9,063**
440 EXPENDITURES:				
Personnel	243,996	255,819	251,571	(4,248)
Operations & Maintenance	126,671	194,761	177,352	(17,409)
Capital	0	0	0	0
Total Expenditures	**$370,667**	**$450,580**	**$428,923**	**($21,657)**
Revenues Over/ (Under) Expenditures	(61,734)	0	30,720	30,720
Beginning Fund Balance	(86,994)	(148,728)	(148,728)	0
Ending Fund Balance	**($148,728)**	**($148,728)**	**($118,008)**	**$30,720**

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City of San Angelo
State Office Buildings
Schedule of Revenues and Expenditures

Description	FY15 Actual	FY16 Original Budget	FY17 Proposed Budget	Increase (Decrease) from FY16 Original
201 REVENUES:				
Rental Income	1,211,371	1,220,096	1,230,000	9,904
Other Revenue	9,195	566	50,053	49,487
Total Revenues	**$1,220,566**	**$1,220,662**	**$1,280,053**	**$59,391**
201 EXPENDITURES:				
Personnel	113,543	119,691	119,997	306
Operations & Maintenance	590,563	598,689	595,700	(2,989)
Debt Service	519,012	502,282	514,356	12,074
Capital	0	0	50,000	50,000
Total Expenditures	**$1,223,118**	**$1,220,662**	**$1,280,053**	**$59,391**
Revenues Over/ (Under) Expenditures	(2,552)	0	0	0
Beginning Fund Balance	272,226	269,674	269,674	0
Ending Fund Balance	**$269,674**	**$269,674**	**$269,674**	**$0**

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City of San Angelo
Airport Operating Fund
Schedule of Revenues and Expenditures

Description	FY15 Actual	FY16 Original Budget	FY17 Proposed Budget	Increase (Decrease) from FY16 Original
220 REVENUES:				
Leases/Rentals	835,006	848,233	754,102	(94,131)
Concessions	340,292	356,212	331,891	(24,321)
Landing Fees	46,848	51,279	45,469	(5,810)
Advertising	10,414	30,000	30,000	0
Interest	531	296	378	82
Grants	722	722	722	0
Transfers In	0	0	0	0
Other Income	101,039	222,972	228,199	5,227
Total Revenues	**$1,334,852**	**$1,509,714**	**$1,390,761**	**($118,953)**
220 EXPENSES:				
Personnel	621,795	789,609	745,080	(44,529)
Operations & Maintenance	470,151	591,108	519,886	(71,222)
Capital	0	3,202	0	(3,202)
Transfers Out	83,053	79,829	79,829	0
Debt Service	37,072	45,966	45,966	0
Total Expenses	**$1,212,071**	**$1,509,714**	**$1,390,761**	**($118,953)**
Revenues Over/ (Under) Expenditures	122,781	0	0	0
Beginning Fund Balance	23,802	146,583	146,583	0
Ending Fund Balance	**$146,583**	**$146,583**	**$146,583**	**$0**

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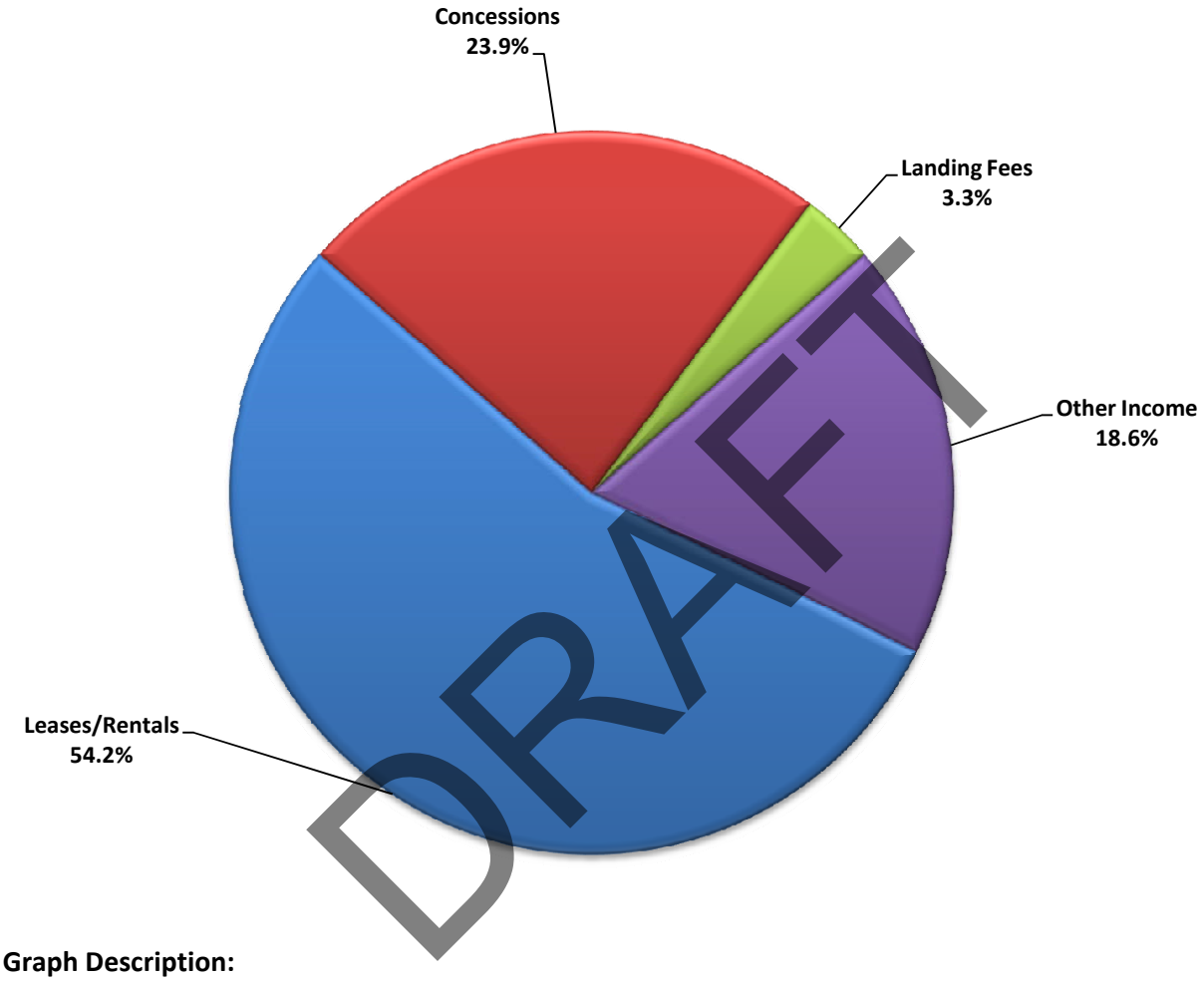
City of San Angelo
Airport Operating Fund
FY 2016-17 Revenues by Source



Graph Description:
The graph above shows the majority of the City's Airport revenue comes from leases and rental income.

City of San Angelo
Airport PFC Fund
Schedule of Revenues and Expenditures

Description	FY15 Actual	FY16 Original Budget	FY17 Proposed Budget	Increase (Decrease) from FY16 Original
529 REVENUES:				
Passenger Facility Charges	274,701	270,000	270,000	0
Interest	3,982	2,446	4,936	2,490
Total Revenues	**$278,683**	**$272,446**	**$274,936**	**$2,490**
529 EXPENSES:				
Transfer to Capital Fund	74,176	272,446	274,936	2,490
Miscellaneous	0	0	0	0
Total Expenses	**$74,176**	**$272,446**	**$274,936**	**$2,490**
Revenues Over/ (Under) Expenditures	204,507	0	0	0
Beginning Fund Balance	676,662	881,169	881,169	0
Ending Fund Balance	**$881,169**	**$881,169**	**$881,169**	**$0**

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City of San Angelo
Solid Waste Enterprise Fund
Schedule of Revenues and Expenditures

Description	FY15 Actual	FY16 Original Budget	FY17 Proposed Budget	Increase (Decrease) from FY16 Original
230 REVENUES:				
Landfill Fees	969,646	824,960	949,417	124,457
Leases	602,505	601,287	598,832	(2,455)
Other	355,867	692,766	3,000	(689,766)
Interest	25,026	8,363	19,059	10,696
Total Revenues	**$1,953,044**	**$2,127,376**	**$1,570,308**	**($557,068)**
230 EXPENDITURES:				
Personnel	120,321	126,364	212,164	85,800
Operations & Maintenance	228,970	376,901	379,870	2,969
Transfers Out	280,599	425,000	255,000	(170,000)
Capital	2,173	4,914	207,500	202,586
Debt Service	338,981	338,250	0	(338,250)
Total Expenditures	**$971,044**	**$1,271,429**	**$1,054,534**	**($216,895)**
Revenues Over/ (Under) Expenditures	982,000	855,947	515,774	(340,173)
Beginning Fund Balance	185,676	1,167,676	2,023,623	855,947
Ending Fund Balance	**$1,167,676**	**$2,023,623**	**$2,539,397**	**$515,774**

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City of San Angelo
Stormwater Fund
Schedule of Revenues and Expenditures

Description	FY15 Actual	FY16 Original Budget	FY17 Proposed Budget	Increase (Decrease) from FY16 Original
240 REVENUES:				
Stormwater Fee	2,545,795	2,620,000	2,620,000	0
Transfers In	95,000	95,000	95,000	0
Other	(69,782)	5,538	22,635	17,097
Total Revenues	**$2,571,013**	**$2,720,538**	**$2,737,635**	**$17,097**
240 EXPENSES:				
Personnel	1,207,643	1,182,616	1,286,143	103,527
Operations & Maintenance	413,355	623,235	620,275	(2,960)
Transfers Out	211,710	211,710	211,710	0
Capital	12,178	702,977	619,507	(83,470)
Total Expenses	**$1,844,886**	**$2,720,538**	**$2,737,635**	**$17,097**
Revenues Over/ (Under) Expenditures	726,127	0	0	0
Beginning Fund Balance	1,958,206	2,684,333	2,684,333	0
Ending Fund Balance	**$2,684,333**	**$2,684,333**	**$2,684,333**	**$0**

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City of San Angelo
Water Enterprise Fund
Schedule of Revenues and Expenditures

Description	FY15 Actual	FY16 Original Budget	FY17 Proposed Budget	Increase (Decrease) from FY16 Original
260 REVENUES:				
Water Sales	15,455,225	20,093,067	22,113,017	2,019,950
Lake Use Revenues	347,486	344,125	335,412	(8,713)
Billing and Collection	1,581,037	1,508,000	1,508,000	0
Taps and Connections	304,395	325,000	325,000	0
Other Operating Revenue	(154,108)	39,000	45,782	6,782
Misc	90,065	21,500	21,500	0
Transfers In	754,658	998,453	1,218,456	220,003
Interest	14,935	2,088	5,282	3,194
Total Revenues	**$18,393,693**	**$23,331,233**	**$25,572,449**	**$2,241,216**
260 EXPENSES:				
Administration	1,894,923	1,943,442	1,915,846	(27,596)
Supply	4,148,531	4,367,540	3,309,671	(1,057,869)
Treatment	2,454,648	3,354,936	4,110,591	755,655
Distribution	4,032,928	4,295,529	4,294,524	(1,005)
Capital	263,764	873,532	2,428,710	1,555,178
Transfers Out	7,625,968	8,496,254	6,792,743	(1,703,511)
Total Expenses	**$20,420,762**	**$23,331,233**	**$22,852,085**	**($479,148)**
Revenues Over/ (Under) Expenditures	(2,027,069)	0	2,720,364	2,720,364
Beginning Fund Balance	1,291,578	1,761,458	1,761,458	0
Ending Fund Balance	**$1,761,458**	**$1,761,458**	**$4,481,822**	**$2,720,364**

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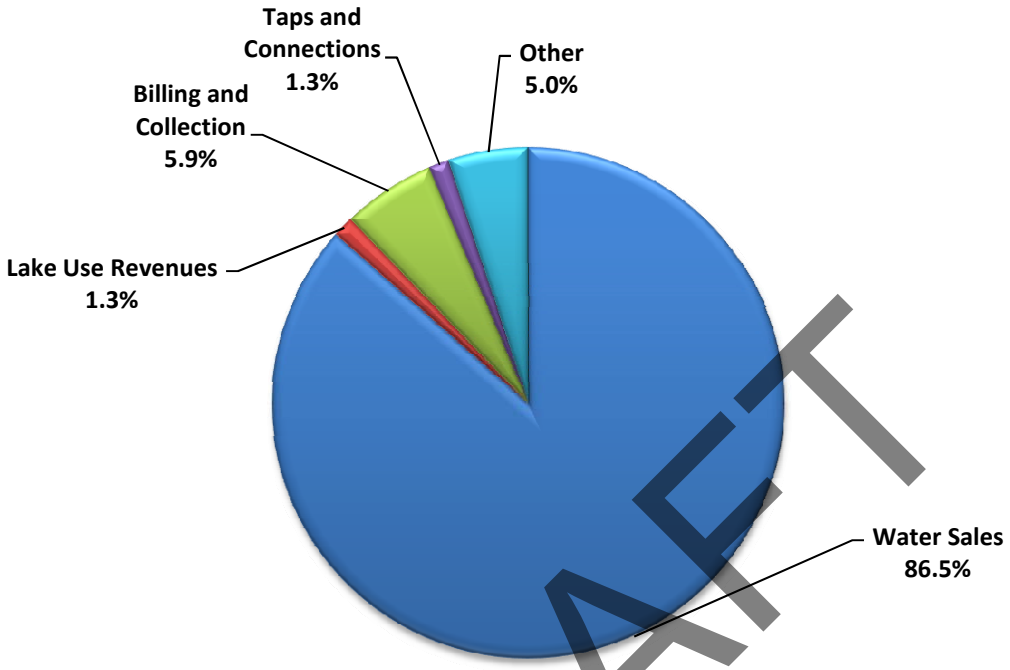
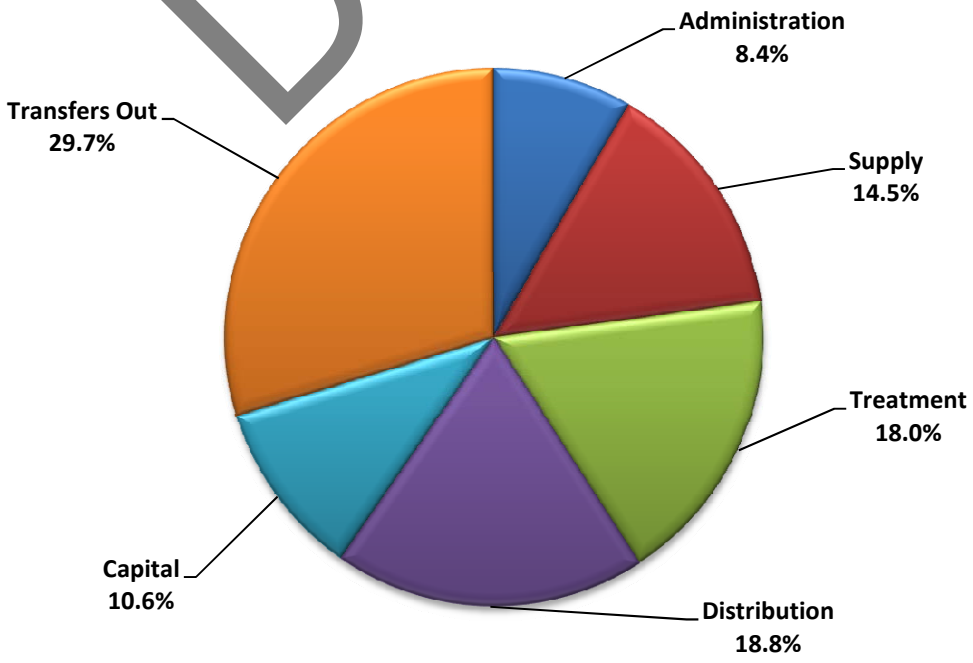
City of San Angelo
Water Enterprise Fund
FY 2016-17 Revenues by Source



City of San Angelo
Water Enterprise Fund
FY 2016-17 Expenditures by Category



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City of San Angelo
Water Debt Service Fund
Schedule of Revenues and Expenditures

Description	FY15 Actual	FY16 Original Budget	FY17 Proposed Budget	Increase (Decrease) from FY16 Original
261 REVENUES:				
Dev Corp	1,500,000	1,500,000	3,331,217	1,831,217
Transfers In	6,908,630	6,906,915	5,062,163	(1,844,752)
Other	17,251	5,618	21,111	15,493
Total Revenues	**$8,425,881**	**$8,412,533**	**$8,414,491**	**$1,958**
261 EXPENDITURES:				
Debt Service	8,411,517	8,412,533	8,414,491	1,958
Total Expenses	**$8,411,517**	**$8,412,533**	**$8,414,491**	**$1,958**
Revenues Over/ (Under) Expenditures	14,364	0	0	0
Beginning Fund Balance	229,756	244,120	244,120	0
Ending Fund Balance	**$244,120**	**$244,120**	**$244,120**	**$0**

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City of San Angelo
Water Capital Projects
Schedule of Revenues and Expenditures

Description	FY15 Actual	FY16 Original Budget	FY17 Proposed Budget	Increase (Decrease) from FY16 Original
512 REVENUES:				
Water Sales	4,679,128	5,794,774	4,687,870	(1,106,904)
Transfers In	160,377	0	40,770	40,770
Interest	40,514	13,906	48,376	34,470
Total Revenues	**$4,880,019**	**$5,808,680**	**$4,777,016**	**($1,031,664)**
512 EXPENDITURES:				
Capital Improvements	235,831	3,861,279	2,774,099	(1,087,180)
Franchise Fee	233,981	289,738	234,394	(55,344)
Transfers Out	1,557,663	1,557,663	1,568,523	10,860
Contract Services	217,721	100,000	200,000	100,000
Total Expenses	**$2,245,196**	**$5,808,680**	**$4,777,016**	**($1,031,664)**
Revenues Over/ (Under) Expenditures	2,634,823	0	0	0
Beginning Fund Balance	5,225,609	7,860,432	7,860,432	0
Ending Fund Balance	**$7,860,432**	**$7,860,432**	**$7,860,432**	**$0**

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City of San Angelo
Wastewater Enterprise Fund
Schedule of Revenues and Expenditures

Description	FY15 Actual	FY16 Original Budget	FY17 Proposed Budget	Increase (Decrease) from FY16 Original
270 REVENUES:				
Wastewater Charges	8,995,971	9,408,000	12,151,544	2,743,544
Farm Use Revenues	195,072	197,274	200,637	3,363
Connections	77,623	15,000	15,000	0
Paving Cuts	27,060	20,000	20,000	0
Non-Refundable Aid	2,850	50,000	50,000	0
Miscellaneous	24,436	27,000	14,000	(13,000)
Interest	6,562	1,307	3,040	1,733
Total Revenues	**$9,329,574**	**$9,718,581**	**$12,454,221**	**$2,735,640**
270 EXPENSES:				
Wastewater Treatment	2,230,505	2,607,215	2,670,726	63,511
Wastewater Collection	1,446,031	1,454,016	1,459,255	5,239
Administration	205,328	143,720	143,720	0
Capital	34,387	49,177	1,331,109	1,281,932
Transfers Out	6,006,854	5,464,453	5,651,563	187,110
Total Expenses	**$9,923,105**	**$9,718,581**	**$11,256,373**	**$1,537,792**
Revenues Over/ (Under) Expenditures	(593,531)	0	1,197,848	1,197,848
Beginning Fund Balance	3,306,362	3,645,055	3,645,055	0
Ending Fund Balance	**$3,645,055**	**$3,645,055**	**$4,842,903**	**$1,197,848**

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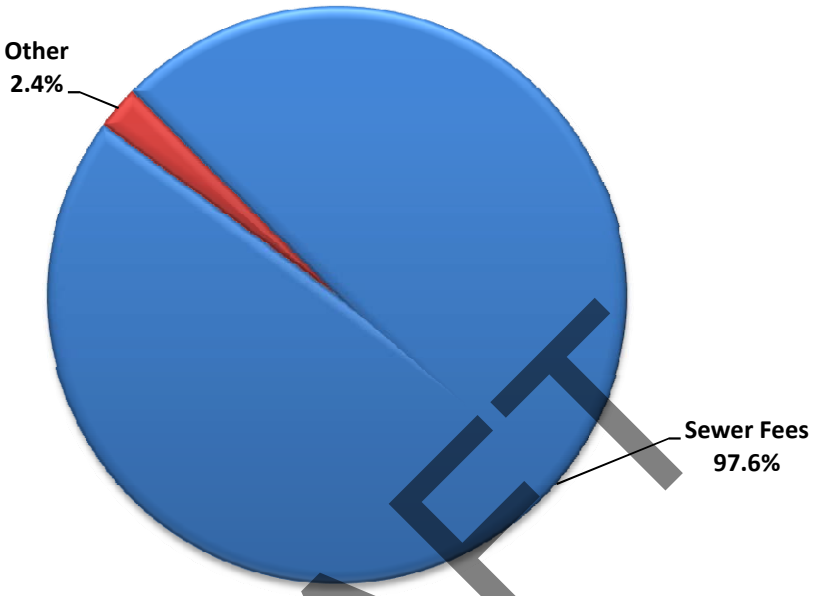
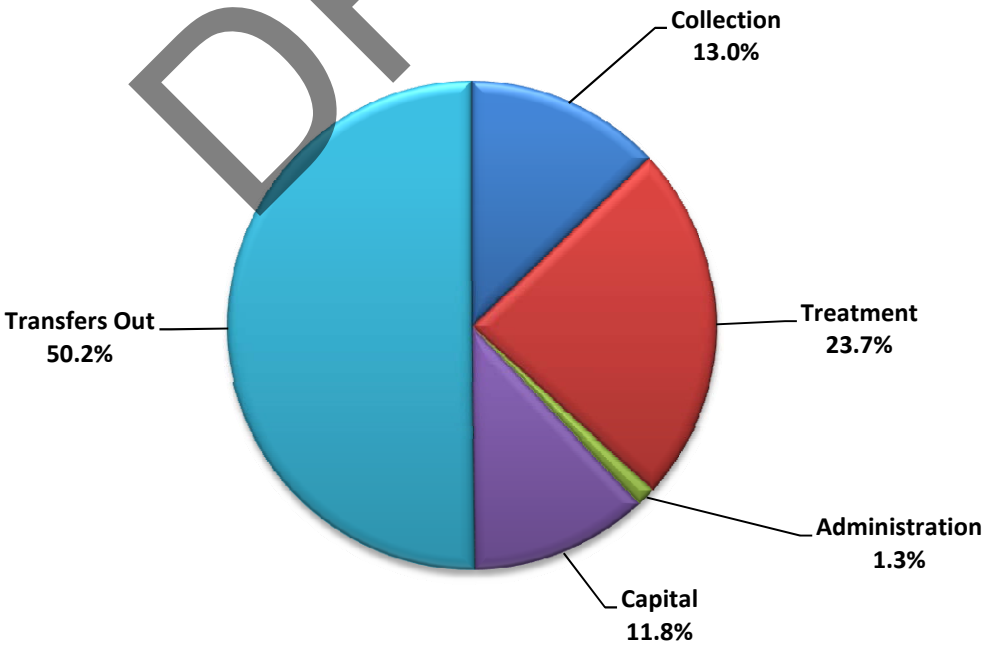
City of San Angelo
Wastewater Revenue by Source
FY 2016-17



City of San Angelo
Wastewater Expenditures by Category
FY 2016-17



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City of San Angelo
Wastewater Debt Service Fund
Schedule of Revenues and Expenditures

Description	FY15 Actual	FY16 Original Budget	FY17 Proposed Budget	Increase (Decrease) from FY16 Original
271 REVENUES:				
Transfers In	4,216,389	4,157,301	4,162,688	5,387
Interest	35	338	0	(338)
Total Revenues	**$4,216,424**	**$4,157,639**	**$4,162,688**	**$5,049**
271 EXPENDITURES:				
Debt Service	4,220,071	4,157,639	4,162,688	5,049
Total Expenses	**$4,220,071**	**$4,157,639**	**$4,162,688**	**$5,049**
Revenues Over/ (Under) Expenditures	(3,647)	0	0	0
Beginning Fund Balance	556,290	552,643	552,643	0
Ending Fund Balance	**$552,643**	**$552,643**	**$552,643**	**$0**

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City of San Angelo
Wastewater Capital Projects Fund
Schedule of Revenues and Expenditures

Description	FY15 Actual	FY16 Original Budget	FY17 Proposed Budget	Increase (Decrease) from FY16 Original
520 REVENUES:				
Wastewater Charges	1,762,638	1,700,000	1,727,496	27,496
Interest	43,723	18,703	46,801	28,098
Total Revenues	**$1,806,361**	**$1,718,703**	**$1,774,297**	**$55,594**
520 EXPENDITURES:				
Capital Projects	566,038	1,292,119	1,292,735	616
Franchise Fee	88,161	85,000	86,375	1,375
Transfers Out	385,388	341,584	395,187	53,603
Total Expenses	**$1,039,587**	**$1,718,703**	**$1,774,297**	**$55,594**
Revenues Over/ (Under) Expenditures	766,774	0	0	0
Beginning Fund Balance	6,000,750	6,767,524	6,767,524	0
Ending Fund Balance	**$6,767,524**	**$6,767,524**	**$6,767,524**	**$0**

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City of San Angelo
Vehicle Maintenance Internal Service Fund
Schedule of Revenues and Expenditures

Description	FY15 Actual	FY16 Original Budget	FY17 Proposed Budget	Increase (Decrease) from FY16 Original
301 REVENUES:				
Gas and Oil	1,805,733	4,591,405	4,512,251	(79,154)
Material	1,021,363	865,411	919,613	54,202
Labor	950,343	1,368,335	1,425,668	57,333
Rent	120,000	120,000	120,000	0
Other Revenue	(8,934)	35,632	35,732	100
Total Revenues	**$3,888,505**	**$6,980,783**	**$7,013,264**	**$32,481**
301 EXPENSES:				
Personnel	821,484	880,301	909,383	29,082
Operations & Maintenance	3,013,967	6,054,999	6,000,937	(54,062)
Capital	45,125	300,601	102,944	(197,657)
Total Expenses	**$3,880,576**	**$7,235,901**	**$7,013,264**	**($222,637)**
Revenues Over/ (Under) Expenditures	7,929	(255,118)	0	255,118
Beginning Fund Balance	30,436	38,365	(216,753)	(255,118)
Ending Fund Balance	**$38,365**	**($216,753)**	**($216,753)**	**$0**

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City of San Angelo
Communications Internal Service Fund
Schedule of Revenues and Expenditures

Description	FY15 Actual	FY16 Original Budget	FY17 Proposed Budget	Increase (Decrease) from FY16 Original
305 REVENUES:				
Radio	174,740	164,305	167,467	3,162
Voice Over IP	298,977	313,849	302,901	(10,948)
Internet	64,977	57,092	51,526	(5,566)
Cell Phones	298,661	283,164	288,618	5,454
Total Revenues	**$837,355**	**$818,410**	**$810,512**	**($7,898)**
305 EXPENSES:				
Radio	123,988	137,523	137,914	391
Website	0	0	0	0
Voice Over IP	237,610	247,433	236,293	(11,140)
Internet	43,632	57,240	51,165	(6,075)
Cell Phones	278,118	277,984	289,444	11,460
Capital	149,503	98,230	95,696	(2,534)
Total Expenses	**$832,851**	**$818,410**	**$810,512**	**($7,898)**
Revenues Over/ (Under) Expenditures	4,504	0	0	0
Beginning Fund Balance	210,904	215,408	215,408	0
Ending Fund Balance	**$215,408**	**$215,408**	**$215,408**	**$0**

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City of San Angelo
Health Insurance Fund
Schedule of Revenues and Expenditures

Description	FY15 Actual	FY16 Original Budget	FY17 Proposed Budget	Increase (Decrease) from FY16 Original
310 REVENUES:				
Clinic Revenue	91,546	101,380	104,740	3,360
Self Insurance Revenue	7,002,949	8,361,608	7,703,392	(658,216)
Interest	3,687	2,160	2,705	545
Total Revenues	**$7,098,182**	**$8,465,148**	**$7,810,837**	**($654,311)**
310 EXPENSES:				
Personnel	135,810	127,674	127,341	(333)
Operations & Maintenance	1,165,840	1,745,532	1,597,281	(148,251)
Self Insurance Claims Liability	6,487,954	6,591,942	6,086,215	(505,727)
Total Expenses	**$7,789,604**	**$8,465,148**	**$7,810,837**	**($654,311)**
Revenues Over/ (Under) Expenditures	(691,422)	0	0	0
Beginning Balance	(17,092)	(708,514)	(708,514)	0
Ending Balance	**($708,514)**	**($708,514)**	**($708,514)**	**$0**

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City of San Angelo
Property/Casualty Insurance Fund
Schedule of Revenues and Expenditures

Description	FY15 Actual	FY16 Original Budget	FY17 Proposed Budget	Increase (Decrease) from FY16 Original
320 REVENUES:				
Premium Contributions	472,884	475,388	523,154	47,766
Special Event Insurance	35,692	32,622	33,692	1,070
Insurance Proceeds	292,883	148,170	251,768	103,598
Interest	8,454	4,920	8,883	3,963
Total Revenues	**$809,913**	**$661,100**	**$817,497**	**$156,397**
320 EXPENSES:				
Prior Year Indemnity	111,745	100,000	100,000	0
Claims	313,003	320,519	383,061	62,542
Insurance Premiums	70,631	118,699	118,699	0
Claims Management	17,591	111,132	204,987	93,855
Special Projects/Other	740,540	9,250	9,250	0
Capital	0	1,500	1,500	0
Total Expenses	**$1,253,510**	**$661,100**	**$817,497**	**$156,397**
Revenues Over/ (Under) Expenditures	(443,597)	0	0	0
Beginning Fund Balance	1,571,585	1,127,988	1,127,988	0
Ending Fund Balance	**$1,127,988**	**$1,127,988**	**$1,127,988**	**$0**

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City of San Angelo
Workers' Compensation Insurance Fund
Schedule of Revenues and Expenditures

Description	FY15 Actual	FY16 Original Budget	FY17 Proposed Budget	Increase (Decrease) from FY16 Original
330 REVENUES:				
Premium Contributions	1,132,463	1,134,775	1,272,724	137,949
Insurance Proceeds	1,284	50,000	31,965	(18,035)
Interest	7,244	3,867	3,867	0
Total Revenues	**$1,140,991**	**$1,188,642**	**$1,308,556**	**$119,914**
330 EXPENSES:				
Personnel	318,750	352,372	351,026	(1,346)
Operations & Maintenance	47,292	80,080	81,426	1,346
Claims	868,702	507,985	512,845	4,860
Insurance Premiums	94,027	127,018	127,018	0
Total Expenses	**$1,328,771**	**$1,067,455**	**$1,072,315**	**$4,860**
Revenues Over/ (Under) Expenditures	(187,780)	121,187	236,241	115,054
Beginning Balance	(583,804)	(771,584)	(650,397)	121,187
Ending Balance	**($771,584)**	**($650,397)**	**($414,156)**	**$236,241**

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AN ORDINANCE OF THE CITY OF SAN ANGELO APPROVING AND ADOPTING THE BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2016, AND ENDING SEPTEMBER 30, 2017; AUTHORIZING EMPLOYEE COMPENSATION SCHEDULES; PROVIDING FOR THE GENERAL APPROPRIATION OF FUNDS; RESERVING UNTO THE CITY COUNCIL THE AUTHORITY TO TRANSFER APPROPRIATIONS BUDGETED; RATIFYING TRANSFERS OF APPROPRIATIONS OCCURRING IN THE 2015-2016 FISCAL YEAR AND AMENDING THAT BUDGET ORDINANCE ACCORDINGLY; PROVIDING FOR LAPSE OF ALL UNENCUMBERED OR UNOBLIGATED FUNDS FOR THE PRIOR FISCAL YEAR AND FOR CARRY OVER OF ALL APPROPRIATIONS OF ENCUMBERED, OBLIGATED OR RESTRICTED FUNDS; RESERVING UNTO THE CITY COUNCIL THE POWER, ONLY AS PERMITTED BY LAW, TO AMEND OR MAKE CHANGES IN THE BUDGET FOR MUNICIPAL PURPOSES; PROVIDING AUTHORITY FOR THE CITY MANAGER OR HIS DESIGNEE TO MAKE CERTAIN ADJUSTMENTS FROM TIME TO TIME IN OR BETWEEN BUDGETED ALLOCATIONS; AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO APPLY FOR CERTAIN GRANTS AND EXECUTE ANY RELATED DOCUMENTS; AND, PROVIDING FOR FILING OF THE BUDGET.

WHEREAS, a budget for the fiscal year beginning October 1, 2016, and ending September 30, 2017, has been proposed and submitted by the City Manager to the City Council as required by law; and,

WHEREAS, the proposed budget has been filed with the City Clerk and has been posted on the website for the City of San Angelo, for inspection by any person for more than fifteen (15) days immediately prior to the public hearing upon said budget and more than thirty (30) days prior to a tax levy for the fiscal year; and,

WHEREAS, proper notice of public hearing upon this budget has been posted and published in accordance with applicable law; and,

WHEREAS, the City Council has conducted the necessary public hearings as required by law; and,

WHEREAS, after a full and final consideration of the financial condition and estimated revenues and proposed expenditures as set forth in the budget as filed and amended, it is the consensus of opinion of the Council that the budget as filed and amended should be approved.

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

SECTION 1 The facts and matters set forth in the preamble of this Ordinance are found to be true and correct.

SECTION 2 The proposed budget as filed with the City Clerk and as amended by the

City Council, for the fiscal year October 1, 2016, through September 30, 2017, (hereinafter the "Budget") is hereby approved and adopted. A copy of the Budget, as amended, approved, and adopted, is attached hereto as **Exhibit "A"** and made a part hereof for all purposes.

SECTION 3 The Competitive Pay Plan Grade and Step Tables for Fire and Police Civil Service employees and the Salary Ranges for all other City employees set forth in the Budget are attached hereto as **Exhibit "B"** and made a part hereof for all purposes. Employee compensation schedules that are in accordance with the Competitive Pay Plan and Grade Step Tables for Fire and Police Civil Service employees and the Salary Ranges for all other City employees as set forth are hereby authorized.

SECTION 4 By virtue of the adoption of the Budget, there are hereby appropriated out of available cash funds and out of the general and special revenues of the City that will be received in the treasury during the course of the 2016-2017 fiscal year, the amounts set forth in the Budget for the purposes therein stated.

SECTION 5 The City Council reserves the authority to transfer appropriations budgeted from one account or activity to another within the objects covered by the Budget. All transfers of appropriations budgeted from one account or activity to another within the objects of the budget for the fiscal year 2015-2016, are hereby ratified and the Budget Ordinance for fiscal year 2015-2016, heretofore enacted by the City Council, be, and the same is hereby, amended to the extent of such transfers for all purposes.

SECTION 6. All unencumbered or unobligated funds for the prior fiscal year shall lapse at the end of the prior fiscal year. All appropriations for encumbered, obligated, or restricted funds shall carry over to the subsequent fiscal year and be considered committed in order to complete these transactions.

SECTION 7 The expenditures of the City shall be made in accordance with the financial summaries included within the Budget approved by this ordinance provided however:

1. The City Council may, from time to time and as permitted by law, amend this ordinance to authorize changes that increase or decrease the total appropriation of any fund or otherwise make changes in the budget for municipal purposes.

2. The City Manager or his designee is authorized to approve changes that move budgeted amounts between accounts within a fund.

3. The City Manager is authorized to approve budget amendments that reduce the total amount of budgeted revenues and expenditures in a fund. Under this authorization the reduction in budgeted expenditures must equal or exceed any reduction in budgeted revenues.

SECTION 8 Certain grants are identified in the Budget, and where possible estimated revenues and expenditures are included as listed on **Exhibit "C"**, attached hereto and made a part hereof for all purposes. The City Manager or his designee is hereby authorized to apply for and

accept those grants and execute any documents related thereto.

SECTION 9 The Classification plan for authorized police and fire positions set out in Chapter 2, Article 2.1500, Section 2.1502, paragraph (b) of the City of San Angelo Code of Ordinances, as amended, are attached hereto as **Exhibit "D"** and are hereby authorized and made part hereof for all purposes.

SECTION 10 The total number of civilian employees in place as shown on **Exhibit "D"** is hereby authorized. The City Manager or his designee is authorized to adjust compensation and position titles for any non-civil service positions and hire all part time positions deemed necessary to retain qualified individuals or for the efficient administration of the City.

SECTION 11 The Budget as amended and adopted shall be filed with the City Clerk and posted on the City's website. The City Clerk is hereby directed to provide a certified copy of this budget ordinance and the Budget as amended, approved and adopted to the County Clerk of Tom Green County for recording after final passage and adoption hereof.

SECTION 12 Should any section, provision, clause, or word of this Ordinance be declared unconstitutional or invalid for any reason, the remainder of this ordinance shall not be affected thereby.

INTRODUCED on the 6th day of September, 2016, and finally PASSED, APPROVED and ADOPTED on this the 20th day of September, 2016.

YES	NO	CITY OF SAN ANGELO, TEXAS
_____	_____	_____ Dwain Morrison, Mayor
_____	_____	_____ Bill Richardson, SMD #1
_____	_____	_____ Marty Self, SMD #2
_____	_____	_____ Harry Thomas, SMD #3
_____	_____	_____ Lucy Gonzales, SMD #4
_____	_____	_____ Lane Carter, SMD #5
_____	_____	_____ Charlotte Farmer, SMD #6

ATTEST:

_____
Bryan Kendrick, City Clerk

Approved as to Content

_____
Tina Carriger, Finance Director

Approved as to Form

_____
Theresa James, City Attorney

City Council

Sept. 6, 2016

Budget ordinance

1. First public hearing and introduction of an ordinance adopting the 2016-17 budget
2. Conduct a separate record vote to ratify the property tax revenue increase

Budget ordinance

1. First public hearing and introduction of an ordinance adopting the 2016-17 budget
   - Salary adjustments
   - Health insurance

Budget ordinance

2. Conduct a separate vote to:

“Ratify the property tax revenue increase reflected in the budget and place the adoption of this tax on the agenda for the September 6, 2016 regular meeting of the City Council as an action item.”

City Council

Sept. 6, 2016

Exhibit A
(1 of 2)

City of San Angelo
Consolidated Financial Schedule
Revenue and Expenditures, Fiscal Year Ending September 30, 2017

Fund No.	Fund Name	Beginning Balance	Operating Revenues	Transfers In	Amount Available	Operating Expenditures	Transfers Out	Total Expenditures	Rev Over/ (Under) Exp	Ending Balance
101	General	$19,017,967	$63,454,549	$6,415,801	$88,888,317	$66,626,783	$3,243,567	$69,870,350	$0	$19,017,967
105	General Debt Service	3,882,768	4,627,513	1,837,561	10,347,842	10,800,481	0	10,800,481	(4,335,407)	(452,639)
501	Equipment Replacement	327,218	95,301	1,201,373	1,623,892	1,296,674	0	1,296,674	0	327,218
502	Capital Projects	6,431,660	22,801	244,295	6,698,756	267,096	0	267,096	0	6,431,660
103	Intergovernmental	697,712	2,484,280	372,575	3,554,567	2,762,135	94,720	2,856,855	0	697,712
106	TIRZ	1,248,358	740,777	0	1,989,135	740,777	0	740,777	0	1,248,358
453	Community Development Block Grant	0	710,718	0	710,718	710,718	0	710,718	0	0
483	HOME Grant	0	346,838	0	346,838	346,838	0	346,838	0	0
601	Designated Revenue	207,777	37,850	0	245,627	37,850	0	37,850	0	207,777
640	Lake Nasworthy Trust	13,953,230	928,441	0	14,881,671	50,000	286,797	336,797	591,644	14,544,874
203	Texas Bank Sports Complex	133,301	145,426	747,651	1,026,378	893,077	0	893,077	0	133,301
410	Civic Events	2,993,657	2,474,448	0	5,468,105	2,275,216	199,232	2,474,448	0	2,993,657
420	Fort Concho	191,043	625,342	393,640	1,210,025	1,018,982	0	1,018,982	0	191,043
440	Fairmount Cemetery	(148,728)	381,950	77,693	310,915	428,923	0	428,923	30,720	(118,008)
201	State Office Building	269,674	1,280,053	0	1,549,727	1,280,053	0	1,280,053	0	269,674
220	Airport Operating	146,583	1,390,761	0	1,537,344	1,310,932	79,829	1,390,761	0	146,583
529	Airport PFC	881,169	274,936	0	1,156,105	0	274,936	274,936	0	881,169
230	Solid Waste Enterprise	2,023,623	1,570,308	0	3,593,931	799,534	255,000	1,054,534	515,774	2,539,397
240	Stormwater	2,684,333	2,642,635	95,000	5,421,968	2,525,925	211,710	2,737,635	0	2,684,333
260	Water Operating	1,761,458	24,353,993	1,218,456	27,333,907	16,059,342	6,792,743	22,852,085	2,720,364	4,481,822
261	Water Debt Service	244,120	21,111	8,393,380	8,658,611	8,414,491	0	8,414,491	0	244,120
512	Water / Supply Capital Projects	7,860,432	4,736,246	40,770	12,637,448	2,974,099	1,802,917	4,777,016	0	7,860,432
270	Wastewater Operating	3,645,055	12,454,221	0	16,099,276	5,604,810	5,651,563	11,256,373	1,197,848	4,842,903
271	Wastewater Debt Service	552,643	0	4,162,688	4,715,331	4,162,688	0	4,162,688	0	552,643
520	Wastewater Capital Projects	6,767,524	1,774,297	0	8,541,821	1,292,735	481,562	1,774,297	0	6,767,524
	Operating Totals	**$75,772,577**	**$127,574,795**	**$25,200,883**	**$228,548,255**	**$132,680,159**	**$19,374,576**	**$152,054,735**	**$720,943**	**$76,493,520**
301	Vehicle Maintenance	($216,753)	$7,013,264	$0	$6,796,511	$7,013,264	$0	$7,013,264	$0	($216,753)
305	Communications	215,408	810,512	0	1,025,920	810,512	0	810,512	0	215,408
310	Health Insurance	(708,514)	7,810,837	0	7,102,323	7,810,837	0	7,810,837	0	(708,514)
320	Property/Casualty	1,127,988	817,497	0	1,945,485	817,497	0	817,497	0	1,127,988
330	Workers' Compensation	(650,397)	1,308,556	0	658,159	1,072,315	0	1,072,315	236,241	(414,156)
	Total Internal Service Funds	**($232,268)**	**$17,760,666**	**$0**	**$17,528,398**	**$17,524,425**	**$0**	**$17,524,425**	**$236,241**	**$3,973**

City of San Angelo Development Corporation
Schedule of Revenues and Expenditures
Fiscal Year Beginning October 1, 2016

	Proposed 2016-2017
Revenue	
Economic Development Revenue	2,891,713
Ballot Revenue	6,480,000
Total Revenue	**$ 9,371,713**
Expenditures	
Economic Development Projects	2,891,713
Ballot Projects	6,480,000
Total Expenditures	**$ 9,371,713**
Revenue Over/(Under) Expenditures	-

2015-2016 Fund Balance Designated for Existing Projects	
Estimated Balance of Existing Economic Development Projects	3,864,393
Estimated Balance of Existing Ballot Projects	3,953,295
Estimated 9/30/16 Balance of Existing Projects	**$ 7,817,688**

Exhibit B
(1 of 2)

City of San Angelo Pay Plan
FY 2016/17

Grade	Min	Mid	Max
11	$22,075	$27,594	$33,113
12	$26,483	$33,103	$39,723
13	$27,719	$34,648	$41,577
14	$30,050	$37,563	$45,075
15	$30,363	$37,953	$45,542
16	$31,443	$39,304	$47,165
17	$31,868	$39,835	$47,801
18	$34,786	$43,484	$52,181
19	$35,864	$44,806	$53,747
20	$36,526	$45,658	$54,790
21	$39,502	$49,378	$59,253
22	$41,479	$51,848	$62,216
23	$43,552	$54,441	$65,329
24	$45,730	$57,162	$68,594
25	$48,016	$60,021	$72,025
27	$52,818	$66,023	$79,228
28	$54,770	$68,327	$81,884
29	$55,823	$69,644	$83,464
30	$58,587	$73,099	$87,610
31	$61,516	$76,754	$91,991
32	$64,537	$80,536	$96,534
33	$67,754	$84,558	$101,361
34	$71,097	$88,736	$106,374
35	$74,624	$93,145	$111,665
36	$78,421	$97,891	$117,360
37	$82,218	$102,637	$123,056
38	$86,329	$107,769	$129,208
39	$90,645	$113,157	$135,669
40	$95,178	$118,815	$142,452
42	$104,784	$130,845	$156,905
43	$109,995	$137,359	$164,722
47	$133,583	$166,844	$200,105
GR 32F	$99,880		$107,557
GR 32P	$99,880		$107,557
GR 30M	$71,174		$80,013
GR 29M	$62,083		$70,478
GR 27M	$45,140		$61,597
GR 27A	$45,140		$61,597

City of San Angelo
Civil Service Grade and Step Plan
Police Department

Effective 10/1/2016

			1	2	3	4	5	6	7	8	9	10	11	12	13
GR 23	Recruit	$39,542													
GR 26	Probationary PO	$41,811													
GR 27	Police Officer		$45,140	$46,511	$47,883	$49,254	$50,626	$51,997	$53,368	$54,740	$56,111	$57,483	$58,854	$60,226	$61,597
GR 29	Sergeant		$62,083	$63,133	$64,182	$65,231	$66,281	$67,330	$68,379	$69,429	$70,478				
GR 30	Lieutenant		$71,174	$72,279	$73,384	$74,489	$75,593	$76,698	$77,803	$78,908	$80,013				

City of San Angelo
Civil Service Pay Plan
Fire Department
Effective 10/1/16

		Monthly	Annually
GR 24	Recruit	$3,161.42	$37,937
GR 26	Probationary FF	$3,245.42	$38,945
GR 27	Firefighter II	$3,729.33	$44,752
GR 28	Driver	$4,300.17	$51,602
GR 29	Lieutenant	$4,948.33	$59,380
GR 30	Captain	$5,673.00	$68,076
GR 31	Battalion Chief	$6,517.50	$78,210

Exhibit C

City of San Angelo
Budget Ordinance
Exhibit C

City Council authorizes application for and acceptance of the following grants:

1115 Healthcare Transformation Waiver
Atmos Energy Grant
Bureau of Justice Assistance Edward Byrne Memorial Local Justice Assistance Grant
Community Development Block Grant
Emergency Food and Shelter Program Grant
Emergency Management Performance Grant
Environmental Health Service and Bureau of Regional Local Health Operations Grant
Federal Aviation Administration Grants - Entitlements and Discretionary
FTA New Freedom Program
Gang Initiative Grant
HOME Grant
Office of Justice Programs Bulletproof Vest Partnership
Office of the Governor Criminal Justice Division Body-Worn Camera Program
Hazards Grant
San Angelo Cultural Affairs Council Grant
State Events Trust Fund Grant
Texas Department of State Health Services Healthy Communities Grant
Texas Department of Transportation Routine Airport Maintenance Program
Texas Department of Transportation Click It or Ticket Grant
Title III C-1 Congregate Nutrition Services
Transit and Transportation Planning Grants - Federal and State
Women, Infant, and Children Grant

City of San Angelo
Budget Ordinance
Exhibit D
Staffing Levels

Fire Department – Civil Service	
Fire Chief	1
Assistant Chief	2
Battalion Chief	4
Fire Captain	12
Fire Lieutenant	20
Fire Engineer (or Driver)	33
Fire Fighter	91
Total Fire Department – Civil Service	163

Police Department – Civil Service	
Police Chief	1
Assistant Chief	3
Police Lieutenant	7
Police Sergeant	28
Police Officer	126
Total Police Department – Civil Service	165

All Others	
Civilians	614
Total All Others	614
Grand Total Staffing Levels	942

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

Requestor: Morgan Chegwidden, Budget Manager, Budget, 325-653-6291

Meeting Date: September 6, 2016

Item type: Regular Item

Caption:

First public hearing and introduction of an ordinance levying property taxes for the City of San Angelo for the 2016 tax year.

An ordinance fixing and levying ad valorem taxes for the current tax year for use and support of the municipal government of the City of San Angelo, Texas, for the 2016-2017 budget year; providing for the assessment and collection thereof; providing when the tax shall become due; providing when the tax shall become delinquent; providing for exemptions; providing for severability; providing for publication on the city operated web site; and, providing for an effective date - (Presentation by Budget Manager Morgan Chegwidden)

Summary/History:

This item is the first public hearing and introduction of the ordinance to levy property taxes for the tax year 2016. The ordinance sets the total tax rate of 0.7760 per $100 valuation and establishes taxes are delinquent on February 1, 2017. No changes are proposed to the existing exemptions, including the continuation of the 20% homestead exemption available to property owners on their primary residence.

The overall tax rate is proposed to remain the same as the prior year's tax rate of 0.776 per $100 valuation. The proposed tax rate will be applied as follows:

Proposed Property Tax Rate	
For the purposes of maintenance and operations in the General Fund	0.6774
To pay annual interest and maturities and create debt service funding to discharge outstanding bonded indebtedness of the City of San Angelo	0.0986
The total tax rate for the aforementioned purposes is	0.7760

This year's proposed tax rate does not exceed either of the two benchmark rates, the effective tax rate or the rollback tax rate. The associated additional notices and actions are not needed for this ordinance.

City Council held a record vote to propose no more than 0.7760 per $100 valuation on August 2, 2016. Staff introduced the budget ordinance and Council ratified the property tax revenue increase on September 6, 2016.

Financial Impact:

The proposed tax rate will generate property tax revenue as follows for the General Fund and the Debt Service Fund:

Proposed Property Tax Rate	
General Fund	$31,365,904
Debt Service Fund	$4,565,513
Total Property Tax Revenue	$35,931,417

Other Information/Recommendation:

Staff recommends approval of the tax levy ordinance as presented.

Attachments:

1. Property Tax Levy Ordinance — FIN 160906 Tax Levy Ordinance 9-6-16.docx
2. PowerPoint Presentation — FIN 160906 Budget Tax Levy 9-6-16.pptx

Presentation:

Yes

Approvals/Reviews:

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

AN ORDINANCE FIXING AND LEVYING AD VALOREM TAXES FOR THE CURRENT TAX YEAR FOR USE AND SUPPORT OF THE MUNICIPAL GOVERNMENT OF THE CITY OF SAN ANGELO, TEXAS, FOR THE 2016-2017 BUDGET YEAR; PROVIDING FOR THE ASSESSMENT AND COLLECTION THEREOF; PROVIDING WHEN THE TAX SHALL BECOME DUE; PROVIDING WHEN THE TAX SHALL BECOME DELINQUENT; PROVIDING FOR EXEMPTIONS; PROVIDING FOR SEVERABILITY; PROVIDING FOR PUBLICATION ON THE CITY OPERATED WEB SITE; AND, PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Charter for the City of San Angelo provides that the City Council at its first meeting in September of each year, or as soon thereafter as practicable, shall levy the annual tax for such year; and,

WHEREAS, Section 26.05 of the Texas Tax Code requires that the City of San Angelo, Texas, adopt a tax rate for the next fiscal year by September 30, 2016;and,

WHEREAS, the City Council finds that all public notices have been given and published as required by law for fixing and levying the ad valorem taxes; and,

WHEREAS, the City Council further finds that the taxes for the fiscal year beginning October 1, 2016, and ending September 30, 2017, hereinafter levied therefore are necessary to pay interest and maturities and create a sinking fund to discharge outstanding bonded indebtedness of the City; and,

WHEREAS, the City Council further finds that the tax for the fiscal year beginning October 1, 2016, and ending September 30, 2017, hereinafter levied for purposes of maintenance and operations must be levied to provide for the revenue requirements of the budget for the ensuing fiscal year:

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

Section One: "THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE."

Section Two. The following taxes be and are hereby levied for the fiscal year 2016-2017, upon each One Hundred Dollar ($100) valuation of property subject to taxation in the City of San Angelo for said year:

To pay annual interest and maturities and create a sinking fund to discharge outstanding bonded indebtedness of the City of San Angelo	$0.0986

For the purposes of maintenance and operations in the General Fund	$0.6774
The total tax rate for the aforementioned purposes is:	$0.7760

Section Three: The taxes levied herein shall be assessed and proper record made thereof, as required by law by the officers performing the duties of assessor and collector of taxes for the City of San Angelo and their successors in office and said officers shall collect such taxes and remit the same required by law and this ordinance.

Section Four: All taxes levied and due under this ordinance, plus penalties and interest thereon, shall become a lien upon the property against which the tax is assessed, as provided by City Charter and State law, and the officers performing the duties of assessor and collector of taxes for the City of San Angelo and their successors in office, or their designee, are hereby authorized and empowered to enforce the collection of such taxes, penalties and interest according to the Constitution and laws of the State of Texas and the Charter and Ordinances of the City of San Angelo. Penalties and interest collected shall be paid to and credited to the General Fund of the City of San Angelo.

Section Five: Taxes levied under this ordinance shall be due on October 1, 2016, and if not paid as provided by law, shall immediately become delinquent on February 1, 2017.

Section Six: The City hereby affirms the adoption of the following exemptions from taxation of real property:

> An individual may claim an exemption from taxation equal to twenty percent (20%) of the appraised value of his/her residence homestead, but not less than five thousand dollars ($5,000) or the value of the homestead if said value is less than $5,000.

Section Seven: Should any part, portion, or section of this ordinance be declared invalid, inoperative, or void for any reason by a court of competent jurisdiction, such decision, opinion or judgment shall in no way affect the remaining parts, portions or sections of this ordinance, which provisions shall be, remain and continue in full force and effect.

Section Eight: The City Manager or his designee shall cause a copy of this Ordinance, in its entirety, as passed, to be published on the web site operated by the City of San Angelo

Section Nine: This ordinance shall become effective on the date Approved and Adopted.

INTRODUCED on the 6th day of September, 2016, and APPROVED and ADOPTED on this the 20th day of September, 2016.

YES	NO	CITY OF SAN ANGELO, TEXAS
_____	_____	_____ Dwain Morrison, Mayor
_____	_____	_____ Bill Richardson, SMD #1
_____	_____	_____ Marty Self, SMD #2
_____	_____	_____ Harry Thomas, SMD #3
_____	_____	_____ Lucy Gonzales, SMD #4
_____	_____	_____ Lane Carter, SMD #5
_____	_____	_____ Charlotte Farmer, SMD #6

ATTEST:

_____
Bryan Kendrick, City Clerk

Approved as to Content

_____
Tina Carriger, Finance Director

Approved as to Form

_____
Theresa James, City Attorney

City Council

Sept. 6, 2016

Property tax levy

- First public hearing and introduction of an ordinance levying property taxes for the 2016 tax year
- Held a record vote August 2, 2016 to propose a property tax rate
- Proposed rate is 0.776 / $100 valuation

Property tax levy

Proposed property tax rate	
Maintenance & operations	0.6774
Debt service	0.0986
Total proposed property tax rate	0.7760

City Council

Sept. 6, 2016

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

Requestor: Morgan Chegwidden, Budget Manager, Budget, 325-653-6291

Meeting Date: September 6, 2016

Item type: Regular Item

Caption:

First public hearing and introduction of an ordinance amending the 2015-2016 budget for grants and program expenses - (Presentation by Budget Manager Morgan Chegwidden)

Summary/History:

This proposed amendment contains the following items (additional information attached):

- Middle Concho Park Improvements
- Electronic Health Inspections System
- Keeping the Warmth Program
- Emergency Housing Repairs
- Homebuyers Assistance Program
- Airport Grant Projects

Financial Impact:

$778,928 (see attached detail on Exhibit A of the ordinance).

Other Information/Recommendation:

Staff recommends approval.

Attachments:

1.	Ordinance	Ordinance.pdf
2.	Exhibit A	Exhibit A.pdf
3.	Additional Information	Additional Information.pdf
4.	Park Improvements	A - Park Improvements.doc
5.	Health Inspection	B - Health Inspection.doc
6.	Warmth Program	C - Warmth Program.docx
7.	Housing Repairs	D - Housing Repairs.docx
8.	Homebuyers Assist	E - Homebuyers Assist.docx
9.	Airport Grant	F - Airport Grant.doc
10.	Powerpoint	9-6-16 FIN Budget Amendment.pptx

Presentation:

Yes

Approvals/Reviews:

Morgan Chegwidden	Created/Initiated
Theresa James	Approved
Anthony Wilson	Approved
Tina Carriger	Approved
Theresa James	Approved
Becky Dunn	Approved
Bryan Kendrick	Final Approval

AN ORDINANCE OF THE CITY OF SAN ANGELO AMENDING THE BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2015, AND ENDING SEPTEMBER 30, 2016, FOR GRANTS AND PROGRAM EXPENSES.

WHEREAS the City of San Angelo has determined that new projects not included in the current budget should begin, and

WHEREAS the City of San Angelo has determined that certain budgeted amounts should be amended due to project changes and unforeseen circumstances, and

WHEREAS the resources necessary for these changes are available;

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

The City's budget for fiscal year 2015-2016 be amended by the amounts contained in Exhibit A.

INTRODUCED on the 6th day of September, 2016, and APPROVED and ADOPTED on this the 20th day of September, 2016.

CITY OF SAN ANGELO, TEXAS

_____
Dwain Morrison, Mayor

ATTEST:

_____
Bryan Kendrick, City Clerk

Approved as to Content and Form:

_____
Tina Carriger, Finance Director

City of San Angelo
Proposed Budget Amendment
Exhibit A

Fund	Description	Total Revenue Amendment	Total Expense Amendment	Net Benefit/ (Cost)
103	Intergovernmental	390,950	390,950	-
453	CDBG Current Year	28,850	28,850	-
483	HOME Current Year	3,450	3,450	-
530	Airport FAA Projects	355,678	355,678	-
	Total	778,928	778,928	-

City of San Angelo
Proposed Budget Amendment
Additional
Information

Project/Need	Source of Funding	Revenue	Expense	Net Benefit/ (Cost)
Middle Concho Park Improvements	Texas Parks and Wildlife Department Grant	353,250	353,250	-
Electronic Health Inspections System	Health Inspection Fees	9,200	9,200	-
Keeping the Warmth Program	Atmos Grant	28,500	28,500	-
Emergency Housing Repairs	Service Line Water Royalties	28,850	28,850	-
Homebuyers Assistance Program	Recaptured Grant Funds	3,450	3,450	-
Airport Grant Projects	Passenger Facility Charges, Federal Aviation Administration Grant	355,678	355,678	-
	Total	778,928	778,928	-

City of San Angelo

Memo

To: Morgan Chegwidden, Budget Manager

From: Carl White, Parks & Recreation Director

Date: August 29, 2016

Re: Budget Amendment Request

Purpose of Budget Amendment Request:

To establish accounts to receive and expend grant funds related to construction of improvements at Lake Nasworthy, Middle Concho Park. Improvements include a widened boat ramp, restrooms, parking and lighting. Please see the attached Council-approved grant agreement related to this project.

Source of Funding:

Texas Parks and Wildlife Department grant and matching City funds. The matching City funds have already been budgeted.

Funding previously approved? If so, by City Manager or City Council and when?

Yes, by City Council on June 7, 2016.

Project/Budget to be amended	Original Budget	Proposed Change	Proposed Revised Budget
103-6xxx Revenue	0	353,250	353,250
103-6xxx Expenditure	0	353,250	353,250

Additional Comments:

City of San Angelo

Memo

To: Morgan Chegwidden, Budget Manager

From: Sandra J. Villarreal, Health Director

Date: August 29, 2016

Re: Budget Amendment Request

Purpose of Budget Amendment Request:

We would like to capture the increase in Revenue and add to our Expenditure lines to support the purchase of an Electronic Inspections System in FY17.

Source of Funding:

Funds are from Health Permit Fees collected. Increase Expenditures in Environmental Health due to increase in Revenue Account due to new health permits being issued.

Funding previously approved? If so, by City Manager or City Council and when?

No

Project/Budget to be amended	Original Budget	Proposed Change	Proposed Revised Budget
103-7201-345.20-00 Health Inspections	76,745	9,200	85,945
103-7201-441.04-32 Equipment Maintenance	83,341	9,200	92,541

Additional Comments:

City of San Angelo

Memo

To: Morgan Chegwidden, Budget Manager

From: Mauri Rodríguez, Sr. Program Coordinator

Bob Salas, Director

Date: August 25, 2016

Re: Budget Amendment Request

Purpose of Budget Amendment Request:

To increase current year Atmos Funds due Atmos program year allocation. Atmos program year is July 1 – June 30.

Source of Funding:

Atmos Funds

Funding previously approved? If so, by City Manager or City Council and when

Grant application approved by Council 9/15/15.

Project/Budget to be amended		Current Budget	Proposed Change	Proposed Revised Budget
103-7900-335.05-00	Atmos Grant	28,501	28,500	57,001
103-7900-441-05.68	Special Project "D"	28,501	28,500	57,001

Additional Comments:

City of San Angelo

Memo

To: Morgan Chegwidden, Budget Manager

From: Mauri Rodríguez, Sr. Program Coordinator

Bob Salas, Director

Date: March 7, 2016

Re: Budget Amendment Request

Purpose of Budget Amendment Request:

Increase Expenditures & Revenue budget by amount of Service Line Water Royalties.

Source of Funding:

Service Line Water Royalties

Funding previously approved? If so, by City Manager or City Council and when

No

Project/Budget to be amended	Current Budget	Proposed Change	Proposed Revised Budget
453-0000-380.10-04 Royalties	0	28,850	28,850
453-2660-440.05-65 Special Project "A"	0	28,850	28,850

Additional Comments:

Warranty program royalties to be used for emergency repairs.

City of San Angelo

Memo

To: Morgan Chegwidden, Budget Manager

From: Mauri Rodríguez, Sr. Program Coordinator

Bob Salas, Director

Date: August 7, 2016

Re: Budget Amendment Request

Purpose of Budget Amendment Request: Increase Expenditures & Revenue budget by amount of recaptured funds received to date.

Source of Funding: HOME Funds

Funding previously approved? If so, by City Manager or City Council and when

Project/Budget to be amended	Current Budget	Proposed Change	Proposed Revised Budget
483-0000-380.10-03 Misc/Recaptured Funds	6,112	3,450	9,562
483-2440-988.08-04 Homebuyers Assistance Program	106,108	3,450	109,558

Additional Comments:

City of San Angelo

Memo

To: Morgan Chegwidden, Budget Manager

From: Liz Atwater_____, Business and Finance Analyst

Date: August 3, 2016

Re: Budget Amendment Request

Purpose of Budget Amendment Request:

Grant 34 approved by Council.

Source of Funding:

Remaining PFC Transfer - $6,768.00

FM Grant - $348,910.00

Funding previously approved? If so, by City Manager or City Council and when?

August 2, 2016

Project/Budget to be amended	Original Budget	Proposed Change	Proposed Revised Budget
530-3934-331.31-05 Capital/FM Grant	0	348,910	348,910
530-3934-391.00-00 Interfund Transfers	32,000	6,768	38,768
Total Revenue		355,678	
530-3934-514 .05-65 Special Project "A" Wildlife	2,000	10,678	12,678
530-3934-514 .05-66 Special Project "B" Pavement	6,000	114,000	120,000
530-3934-514.05-67 Special Project "C" Taxiway	24,000	231,000	255,000
Total Expense		355,678	

Additional Comments:

City Council

September 6, 2016

Budget Amendment

	Revenue	Expense
Middle Concho Park Improvements	353,250	353,250
Electronic Health Inspections System	9,200	9,200
Keeping the Warmth Program	28,500	28,500

Budget Amendment

	Revenue	Expense
Emergency Housing Repairs	28,850	28,850
Homebuyers Assistance Program	3,450	3,450
Airport Grant Projects	355,678	355,678

City Council

September 6, 2016

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

Requestor: Cynthia Preas, Real Estate Manager, Real Estate, 325-657-4212

Meeting Date: September 6, 2016

Item type: Executive Session Item

Caption:

Section 551.072 to deliberate the purchase, exchange, lease, or value of real property related to Lot 1, Group 7, Lake Nasworthy Addition.

Summary/History:

Financial Impact:

Other Information/Recommendation:

Attachments:

Presentation:

Approvals/Reviews:

Cynthia Preas	Created/Initiated
Cynthia Preas	Approved
Theresa James	Approved
Anthony Wilson	Approved
Tina Carriger	Approved
Theresa James	Approved
Becky Dunn	Approved
Bryan Kendrick	Final Approval

APPLICATION FOR BOARDS and COMMISSIONS

Name: Brandon S. Allen

Address: 1926 Lakeshore Blvd

City: San Angelo (unless otherwise noted) Zip: 76904

Phone (Home): 325 277 1665 (Office): 325 654 5780

Resident of San Angelo since: 2003 SMD: _____

Are you a registered voter of San Angelo? Yes: X No: _____

Occupation / Business Affiliation: Department of the Army Civilian

Occupation / Business Address: 340 Ft. Lancaster Blvd, GAFB, 76908

Position: Supervisory Training Specialist (INTEL)

Email: brandon.allen.24@us.af.mil / brandon.allen102@gmail.com

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 ALLEN.BRANDON.SHANE.1187437730 Digitally signed by ALLEN.BRANDON.SHANE.1187437730 DN: c=US, o=U.S. Government, ou=DoD, ou=PKI, ou=USA, cn=ALLEN.BRANDON.SHANE.1187437730 Date: 2016.07.08 11:03:19 -05'00' 8 Jul 2016

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*
X 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: LTC Hallock

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 76902-1751

Tell us about yourself. Feel free to attach additional sheets, if necessary.

Based on you board selection, do you meet the membership criteria*? Yes X No If so, which criteria: City Resident
(see back page for board criteria)

Education and/or Professional Licenses: M.A.- Organizational Leadership (2013), American Military University
18 hours towards M.S. Intelligence, Security Studies, and Analysis, ASU, projected to graduate spring 2017

Current Municipal and Civic Organization Memberships (Positions & Dates): Member of Sentinel Foundation since 2003 / Member of SGT Audie Murphy Club since 2008

Previous Municipal Experience (Positions, Dates, Where): _____

What personal qualifications can you bring to this board? Over 25 years of leadership and experience working with the military and local community. Ability to work and communicate well with others.

What is your personal vision for the City? See San Angelo continue its' reputation as the most military-friendly city in the US.

Why do you want to serve on this board? Would like to see Ft. Concho continue to serve as a gateway to promoting and maintaining outstanding military-civilian relationships. Happy to help in any way that I can.

Anything else you would like for us to know? I am honored that to be considered for the board and appreciate your consideration.

*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

APPLICATION FOR BOARDS and COMMISSIONS

Name: David Jacobs
Address: 308 W. Highland
City: San Angelo (unless otherwise noted) Zip: 76903
Phone (Home): 325 653-3004 (Office):
Resident of San Angelo since: 46 SMD: 3
Are you a registered voter of San Angelo? Yes: X No:
Occupation / Business Affiliation: Self Employed
Occupation / Business Address:
Position: Construction Board.
Email: swns@wcc.net

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 [signature] 8-22-16
Applicant's Signature Date

Applying for:

____Airport Advisory Board
____Animal Shelter Adv Cmm*
____Civic Events Adv Board
____Civil Service Commission
X 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:

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: B.A. International Relations & Govt

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? small business

What is your personal vision for the City? Keep ~~us~~ others equal.

Why do you want to serve on this board? I think I can be a help to small business.

Anything else you would like for us to know? I have back ground w/ Boards but not with city of San Angelo

*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