



Agenda

09/27/2017

Notice is hereby given of a regular meeting of the City of San Angelo Development Corporation (COSADC) to be held on September 27, 2017 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

3. 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 three minutes. Board members may request that a discussed item be placed on a future agenda. The Board takes public comment on all Regular Agenda items during the discussion of those items.

4. Consent Agenda

- a. Consider approving Amendment No. 1 of the COSADC - SBDC lease agreement effective September 1, 2016 for office space in the Business Resource Center, adjusting Annual Rent to \$13,493, commencing September 1, 2017 through August 31, 2019 and authorizing the Board President to execute amendment
- b. Consider approving the August 23, 2017 minutes
- c. Consider approving necessary Corporation disbursements
- d. Consider approving the August 2017 Financial Statements

5. Regular Agenda

- a. Consideration of a request for allocating supporting funds for the improvement of the Sculpture Garden at Sunken Garden Park as part of a collaborative effort (Presentation by Carl White, Parks and Recreation Director and Howard Taylor, Director of the San Angelo Museum of Fine Arts)
- b. Presentation and consideration of approving the Chamber of Commerce Marketing and Recruitment Action Plan for FY2018 (Presentation by Michael Looney, Vice President of Marketing and Recruitment)

- c. Consider a resolution authorizing the Board President to execute Task 2, of the Professional Services Agreement in the amount up to, but not to exceed \$280,000 with Parkhill, Smith & Cooper, Inc. (PSC) to perform Professional Engineering and Surveying Services for "Infrastructure Design" for Phase 2 of the San Angelo Business & Industrial Park (Presentation by Bob Schneeman, Business, Retention and Expansion Coordinator)
- d. Consider resolution approving a Project in support of the City Council and the expenditure of promotional campaign to expand the Air Service Marketing Initiative and advertise the City of San Angelo for the purpose of developing new and expanded business enterprises and authorize the President to negotiate and execute a performance agreement in the amount of up to and not to exceed \$60,000 with McLaughlin Advertising. (Presentation by Roland Peña, Economic Development Director)
- e. A resolution of the City of San Angelo Development Corporation Board of Directors authorizing the use of sales and use tax funds in an amount not to exceed \$100,000, for a project that entails acquisition from the City of San Angelo of a 17.58 acre parcel of real property fronting on Houston Harte Expressway, within an area bounded by Southwest Boulevard, Sherwood Way and Sunset Drive, and a Development Agreement with the city pursuant to which the property will be improved for resale and commercial development as permitted under Chapter 505 of the Texas Development Corporation Act to promote and develop a new or expanded business enterprises that create or retain primary jobs, or that provide facilities that enhance Convention Purposes and Tourism (Presentation by Roland Peña, Economic Development Director)
- f. Consider approving the proposed COSADC meeting calendar for 2018 (Presentation by Nora Nevarez, Executive Office Coordinator)
- g. Approve a Resolution of the City of San Angelo Development Corporation Board of Directors authorizing the President to execute Task Order No.1 to RFQ ES-04-15 with SKG Engineering, LLC., in a sum not to exceed \$65,000, to perform professional engineering and surveying services for an Economic Development Project that entails acquisition from the City of San Angelo of a 17.58 acre parcel of Real Property fronting on Houston Harte Expressway, within an area bounded by Southwest Boulevard, Sherwood Way and Sunset Drive, for commercial development that requires survey, environmental studies and geotechnical investigations and related services (Presentation by Roland Peña, Economic Development Director)

6. 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 Deliberations about Real Property regarding 17.58 acre parcel of real property fronting on Houston Harte Expressway, within an area bounded by Southwest Boulevard, Sherwood Way and Sunset Drive

- b. Section 551.087(2) to deliberate the offer of a financial or other incentive with Detmar Logistics, LLC., that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations

7. Follow Up and Administrative Issues

- a. Approve a Resolution of the City of San Angelo Development Corporation Board of Directors authorizing the use of sales and use tax funds in an amount not to exceed \$300,00, to provide an Economic Development Incentive to Detmar Logistics, LLC., for a project related to Business Enterprises that create or retain primary jobs, as authorized for a Type B Corporation under Local Government Code Chapter 501 Subchapter C (Presentation by Shannon Scott, Economic Development Specialist)
- b. Announcements and consideration of Future Agenda Items

8. 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 23rd day of September 2017, at 2:00 p.m.

Roland Pena, Economic Development Director

All agenda items are subject to action. All contracts/agreements may be subject to further negotiation prior to execution. The Board 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 Development Corporation will provide for reasonable accommodations for persons attending board meetings. To better serve you, requests should be received 48 hours prior to the meetings. Please contact the Economic Development Office at 325-653-7197. COSADC meetings are broadcast on Channel 17-Government Access at 8:00 A.M. on every Wednesday on the Wednesday after each meeting.

Requestor: Roland Pena, Economic Development Director, COSADC, 325.653.7197

Meeting Date: September 27, 2017

Item type: Consent Item

Caption:

Consider approving Amendment No. 1 of the COSADC - SBDC lease agreement effective September 1, 2016 for office space in the Business Resource Center, adjusting Annual Rent to \$13,493, commencing September 1, 2017 through August 31, 2019 and authorizing the Board President to execute amendment

Summary/History:

This new amendment for the ASU-SBDC lease is effective September 1, 2017 at an annual rate of \$13,493. While the current ASU-SBDC Lease allows for annual rate adjustments, the new proposed lease rate will remain through August 31, 2019. On expiration of the twenty-four month lease the Annual Rent reverts back to the original amount of \$22,488 or it may be adjusted after August 31, 2019, in accordance with the original lease agreement. The parties may negotiate an adjustment to the Annual Rent at that time upon advance notification by either party as required by the agreement. At that time, the Lease may be renewed through August 31, 2020. The reduction comes at the request of Angelo State University and the ASU-Small Business Development Center as a result of funding cuts. The reduction of 40% along with negotiations between organization staff was suggested by the COSADC Board at it's August regular meeting. The Angelo State University (ASU) Small Business Development Center (SBDC) originally leased office space in the Business Resource Center (BRC) in December 2012 ending August 31, 2013 at which time a new lease was executed, the terms of which allowed for annual renewal through August 2016 at an annual rate of \$19,988.00. The new rate of \$22,488.00 was approved by the COSADC Board after the lease amount remained fixed for 4 years while operating and maintenance costs increased per year necessitating the lease amount and arrived only after negotiated agreement between staff of both organizations.

Financial Impact:

The reduction in the lease reduces the expected revenues by \$8,995.

Other Information/Recommendation:

The attachment contains accurate lease space and the additional training space utilized by ASU-SBDC who is the primary user of the training room in accordance with the COSADC, CVCED and SBDC MOU. The SBDC also utilizes common area as the COSADC and CVCED. COSADC has since inception worked in partnership with ASU and the SBDC including the CVCED. In fact, it has provided funding support to the CVCED including the purchase of a building in the amount of \$277,00 for an incubator on West Beauregard and equipping the incubator with furniture and technology. Later the COSADC purchased and renovated the Coca Cola building now called the BRC where the incubator has moved to. Total capital investment incurred in the renovation was \$2.1 M. COSADC upon agreement with CVCED also transitioned staff to become COSADC staff including the funding of interns for the CVCED. CVCED through the agreement continued to be responsible for conducting the Business Plan Competition, of which the SBDC coordinates and takes the lead in. In addition, COSADC has provided the funding for the Business Plan Competition each year that it has been held. COSADC and SBDC have had a long standing partnership with the CVCED and at the BRC, where COSADC also provides referrals to the SBDC. COSADC and the ASU-SBDC enjoy a good working relationship and continue to have mutual benefits. Staff recommends approval.

Attachments:

1. ASU-SBDC Lease Amendment 17-XXX_COSADC_ASU_BRC_LSE_AMEND-1_DTS_REVISED.docx

Presentation:

Approvals/Reviews:

Roland Pena

Dan Saluri

Bryan Kendrick

Created/Initiated

Approved

Final Approval

LEASE**ANGELO STATE UNIVERSITY****AMENDMENT****SAN ANGELO, TEXAS**

LEASED PREMISES: Business Resource Center
69 North Chadbourne St.
San Angelo, TX 76903-5848
Suites 110.0 – 110.10

AMENDMENT NO: 1

DATE: September 1, 2017

LESSOR: City of San Angelo
Development Corporation
69 North Chadbourne St.
San Angelo, Texas 76903

ACCOUNT NUMBER(S): TBD

The **original Lease Agreement** that commenced on September 1, 2016, and renews annually at an Annual rent of \$22,488 is hereby amended as follows: The lease shall be renewed and extended for an additional twenty-four (24) month period, commencing September 1, 2017, at an Annual rent of \$13,493, and may be renewed annually through August 31, 2020. While the lease allows for Annual Rent adjustments, the Annual Rent will remain at \$13,494 through August 31, 2019. The parties may negotiate an adjustment to the Annual Rent at that time upon advance notification by either party as required by the agreement. The annual rent may be adjusted after August 31, 2019, on expiration of this twenty-four month lease period. All other terms and conditions of the original Lease Agreement not contrary to the terms of this Amendment No. 1, shall remain in full force and effect.

This Lease Amendment is not valid until fully executed by the Lessee and Lessor.

City of San Angelo Development Corporation
69 North Chadbourne St.
San Angelo, Texas 76903

Dr. Brian May, President
Angelo State University
San Angelo, Texas

BY: _____
Edward Carrasco, President

BY: _____
Brian May, President

DATE: _____, 2017

DATE: _____, 2017

REVIEWED FOR FISCAL IMPLICATIONS

Angie Wright, Vice President of Finance
& Administration

DATE: _____

See attached supporting documents: **Exhibit A**

ASU SBDC BRC Lease Amendment

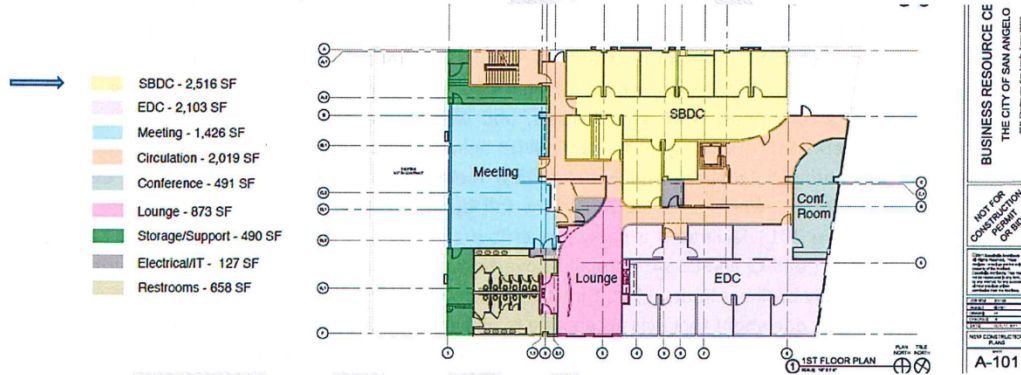
Exhibit A

1. Lease Rate Reduction

The ASU SBDC is requesting a 40% reduction in lease payment to \$13,493 from the original lease payment of \$22,488. The need for reduction is due to reduction in state grant funds, which combined with federal grant dollars, funds the SBDC program. All funds are passed through ASU. The SBDC is a department in the College of Business. ASU has management oversight of the SBDC program and provides administration, IT, & maintenance support. ASU also provides two graduate assistants each year. The grad assistants are integral to the operation of the SBDC and to some degree the BRC.

2. Accurate Lease Space

The SBDC Suite 110 lease space is 2524 square feet, which includes spaces 110 through 110.10. These spaces were recently measured by SBDC personnel. These measurements reflect the building architect's (Casa Bella) space measurement of 2516 square feet.



3. Additional Use of Space

The SBDC is the primary user of the BRC Training room (1,426 square feet) on average twice a week, usually in the evening, for 3 hours each time. The space is used for SBDC business training seminars, which complement its business advising services. No other space in the BRC is used by the SBDC, with the exception of common areas such as lounge area, restrooms, and circulation areas. See 4.2 and 4.4 below for SBDC benefits to the BRC Training room.

4. Recognition of SBDC Benefits to the BRC

1. SBDC was the creator of the BRC concept in September of 2007.
2. SBDC provides room setup & general cleaning services for the BRC Training Room, which has an occupancy of 48 people. The SBDC, through the ASU IT department, maintains and upgrades the A/V equipment and laptops. It regularly cleans furniture and floors in the BRC Training room before all events. The SBDC provides setup, IT and A/V assistance, and to all outside entities using the room.

ASU SBDC BRC Lease Amendment

Exhibit A

3. SBDC wrote and received a \$25,000 grant (from the West Texas Center for Innovation and Commercialization) to pay for minor expenses during the development phase of the BRC concept.
4. The ASU Information Technology (ASU IT) department worked with City of San Angelo (COSA) IT department in planning and developing the IT structure for the BRC building. SBDC and ASU IT paid for network drops at a cost of nearly \$5000 in the SBDC suite and BRC Training Room. Wi-Fi devices were installed by ASU IT in the BRC training room.
5. SBDC created the idea of seeking a grant for the Audio/Visual setup, 24 laptops, and furniture for the BRC Training Room and the BRC Conference Room. SBDC identified the San Angelo Health Foundation (SAHF) as a grant source and had exploratory conversations with Executive Director Tom Early. SBDC performed the much of the work on the grant, including paying for a temporary employee to assist the SBDC in researching and gathering information for the grant, including the expected benefits from the BRC, and the history of its development, and put it in a draft form following the SAHF grant outline. The grant proposal was 75% complete before it was given to Concho Valley Workforce Development Board (CVWDB) (as grant recipient) to be completed and sent to SAHF. SBDC work included specifying the A/V equipment and furniture, receiving three bids for each, securing all the letters of support from area leaders, and writing the benefits and history of the BRC concept. Appreciation goes to the CVWDB being the grant recipient, finishing the grant and presenting it to SAHF, and working with them on the award. In fall 2013, the CVWDB transferred ownership of the 24 laptops and laptop cart to ASU.
6. SBDC in 2013 facilitated a parking overflow agreement with San Angelo Performing Arts Center (SAPAC) and COSADC, to allow overflow parking in SAPAC's lot for the BRC during the weekday business hours. SBDC Director worked with COSA legal department and COSADC to create a document that was acceptable to all parties. The agreement is still in effect.
7. The SBDC staff has been and continues to be a key funnel of clients to the COSADC Business Factory (business incubator) program located upstairs in the BRC. Many of them are SBDC clients. The SBDC presence in the facility provides responsive and highly beneficial technical business advising and training services to these businesses. The SBDC director has served on the CVCED/Business Factory Board of Directors since the SBDC started and operated the business incubator in 2004.
8. SBDC professional staff assists COSADC with identifying issues with the facility, and takes care of some minor facility repair issues on its own. On many occasions the SBDC staff assists building occupants with software, printing, mailing, binding, & greets those entering the building.
9. The San Angelo Business Plan Competition is coordinated by SBDC, ASU COB, The Business Factory, with award funds coming from COSADC. It was brought back by the SBDC in 2016 from hibernation in 2009. The SBDC is the lead coordinator for the competition. The SBDC created the initial San Angelo Business Plan Competition in 2004 when it started and operated the CVCED Business incubator for 18 months, alongside its SBDC operation. The SBDC led the successful 2017 Business Plan Competition and is in planning for the 2018 competition.

Requestor: Shannon Scott, Economic Development Specialist, COSADC, 325.653.7197

Meeting Date: September 27, 2017

Item type: Consent Item

Caption:

Consider approving the August 23, 2017 minutes

Summary/History:

Financial Impact:

Other Information/Recommendation:

Attachments:

- | | | |
|----|--------------------------------------|-------------------------------------|
| 1. | August 23, 2017 COSADC Draft Minutes | 2017-0823 COSADC Draft Minutes.docx |
|----|--------------------------------------|-------------------------------------|

Presentation:

Roland Pena

Approvals/Reviews:

Shannon Scott	Created/Initiated
Roland Pena	Approved
Bryan Kendrick	Final Approval

COSA DEVELOPMENT CORPORATION
City of San Angelo, Texas
Wednesday, August 23, 2017

Present:

Edward Carrasco - President
Todd Kolls - Second Vice President
Scott Tankersley - Director
John Bariou- Director
Roland A. Peña, Executive Director

1. Call to Order

With a quorum of the City of San Angelo Development Corporation Board Members present, President Edward Carrasco called the regular session of the City of San Angelo Development Corporation meeting to order at 8:33 a.m. on Wednesday, August 23, 2017 in the San Angelo McNease Convention Center, 501 Rio Concho Drive, San Angelo, Texas 76903. **Vice President Juan Flores, Director David Cummings and Director Bill Dendle were absent.**

2. Prayer

An invocation was provided by Todd Kolls

3. Recognition

Tommy Hiebert was recognized for his service as Director and Board President of the City of San Angelo Development Corporation

4. PUBLIC COMMENT

No Public Comment

5. CONSENT AGENDA

- a. Approval of the July 26, 2017 minutes.
- b. Approval of the necessary Corporation disbursements
- c. Approval of the July 2017 Financial Statements

Motion: **Scott Tankersley made a motion, seconded by Todd Kolls to approve the Consent Agenda with the exception of item (b). The motion carried unanimously four (4) ayes to zero (0) nays**

- b. Approval of the necessary Corporation disbursements

Nora Navarez presented the revised Corporation disbursements.

Motion: **John Bariou made a motion, seconded by Todd Kolls to approve the Corporation disbursements as presented by Nora Navarez. The motion carried unanimously four (4) ayes to zero (0) nays**

6. REGULAR AGENDA

- a. Update presentation of the San Angelo Chamber of Commerce Marketing & Recruitment Report for the COSADC Program of Work Presentation made by Michael Looney, Vice President of Marketing & Recruitment

No action taken.

- b. Approval of a resolution on the extension of the Professional Services Agreement between COSADC and the Chamber of Commerce authorizing the expenditure of up to \$225,000 in accordance with original agreement executed October 1, 2015 Presentation made by Roland Peña, Director of Economic Development

Motion: **Todd Kolls made a motion seconded by Scott Tankersley to approve the resolution as presented. The motion carried unanimously four (4) ayes to zero (0) nays**

- c. Public hearing on the expenditure of up to \$225,000 fiscal year 2017-2018 for the Chamber of Commerce Economic Development Marketing and Recruitment Professional Services for COSADC Presentation made by Roland Peña, Economic Development Director

Mayor Brenda Gunter commented.

President Edward Carrasco closed the public hearing.

- d. Update presentation and Board feed-back regarding master plan conceptual layout for Phase 2 of the San Angelo Business & Industrial Park Presentation made by Robert Schneeman, Business Retention & Expansion Coordinator and Eric West, PE, Parkhill, Smith & Cooper Inc.

No action taken.

- e. Public Hearing regarding the expenditure of up to \$28,000 to Parkhill Smith & Cooper, Inc. for provision of professional engineering design services for the extension of infrastructure improvements to Phase 2 of the City of San Angelo Business & Industrial Park Presentation made by Bob Schneeman, Business Retention & Expansion Coordinator

No public comment.

President Edward Carrasco closed the public hearing.

- f. Public Hearing regarding the expenditure of up to \$4,000 to Grant Works for the provision of grant writer and grant administration services to apply for an Economic Development Administration Grant to fund infrastructure improvements to Phase 2 of the San Angelo Business & Industrial Park Presentation made by Roland Peña, Economic Development Director

No public comment.

President Edward Carrasco closed the public hearing.

- g. Approval of a resolution authorizing submission of an application to the U.S. Department of Commerce for funding through the Economic Development Administration's (EDA) 2017-18 Public Works Investment Assistance Program for infrastructure improvements at the San Angelo Business and Industrial Park; and designating the COSADC President as authorized representative to act in all matters relating to the application and grant program Presentation made by Roland Peña, Director of Economic Development

Motion: John Bariou made a motion, seconded Todd Kolls to approve the resolution as presented. The motion carried unanimously four (4) ayes to zero (0) nays

- h. Approval of a resolution authorizing the expenditure of \$5,000 to the Ports to Plains Alliance for sponsorship of the 2017 Annual Conference Presentation made by Roland Peña, Director of Economic Development

Motion: Scott Tankersley made a motion, seconded by John Bariou, to approve the resolution as presented. The motion carried unanimously four (4) ayes to zero (0) nays

- i. Approval of a resolution authorizing the expenditure of \$5,000 to the Texas Economic Development Council for sponsorship of the 2017 Annual Conference Presentation made by Roland Peña, Director of Economic Development

Motion: Scott Tankersley made a motion, seconded by Todd Kolls, to approve the resolution as presented. The motion carried unanimously four (4) ayes to zero (0) nays

- j. Update presentations for the following:
- 1.) GAFB Tour
 - 2.) The Chadbourne Street Pedestrian Corridor Project
 - 3.) Howard College LVN-RN commencement ceremony
 - 4.) Work Ready Communities ACT Certification status
- Presentation made by Roland Peña, Director of Economic Development

No action taken.

7. CLOSED SESSION

At 10:34 A.M., The Board convened in 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 Deliberations about Real Property regarding the ASU-SBDC Lease at the Business Resource Center, RFP No. RE-03-17, and the San Angelo Business and Industrial Park

- b. Section 551.087(1) to discuss or deliberate PROJECT 2017-223G regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations

8. **RECONVENE**

At 11:34 A.M., The Board reconvened, and the following business was transacted:

9. **CONSIDERATION OF ITEMS DISCUSSED IN EXECUTIVE SESSION**

- a. Section 551.072 Deliberations about Real Property regarding the ASU-SBDC Lease at the Business Resource Center, RFP No. RE-03-17, and the San Angelo Business and Industrial Park

Motion: Todd Kolls made a motion seconded by Scott Tankersley to reject the \$1.00 per year new lease proposal from ASU, different from the previous lease of \$22,488.00. The motion carried unanimously four (4) ayes to zero (0) nays.

- b. Section 551.087(1) to discuss or deliberate PROJECT 2017-223G regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations

Motion: John Bariou made a motion, seconded by Todd Kolls, to approve the COSADC allocation up to 1.5 million under the terms discussed in Executive Session. The motion carried unanimously four (4) ayes to zero (0) nays

10. **ADJOURNMENT**

Motion: John Bariou made a motion, seconded by Scott Tankersley, to adjourn the meeting. The motion carried unanimously four (4) ayes to zero (0) nays

There being no further business, the meeting was adjourned at 11:49 A.M.

CITY OF SAN ANGELO
DEVELOPMENT CORPORATION

ATTEST:

Edward Carrasco, Corporation President

Bryan Kendrick, Corporation Secretary

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 Supplement Minute Record. Details on Board 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

Requestor: Shannon Scott, Economic Development Specialist, COSADC, 325.653.7197

Meeting Date: September 27, 2017

Item type: Consent Item

Caption:

Consider approving necessary Corporation disbursements

Summary/History:

Financial Impact:

Other Information/Recommendation:

Attachments:

1. September 2017 Disbursement

Disbursement 09-27-2017.pdf

Presentation:

Roland Pena

Approvals/Reviews:

Shannon Scott

Dan Saluri

Roland Pena

Bryan Kendrick

Created/Initiated

Approved

Approved

Final Approval

City of San Angelo Development Corporation
Check Disbursements
For Board Approval September 27, 2017

Economic Development

Chamber of Commerce	\$	18,750.00	Marketing & Requirement for Aug. 2017	
HR Onboarding Solutions		7,773.23	BP 1st Place Reimbursement (Inv. 3)	
Moontime		2,020.00	BP 2nd Place Reimbursement (Inv. 7 & 8)	Ck. 4026
Liberty Power		1,245.66	Elec serv at BRC	Ck. 4020
Longhorn Coffee Co		1,217.81	BP 3rd Place Reimbursement (Inv. 1)	Ck. 4027

Total for Board Consideration **\$ 31,006.70**

Dirt Doctor	\$	725.00	Monthly cleaning services at BRC (Inv. 2946)	
COSA		714.98	Reimburse Purchasing for P-card purchase for the month of Aug. 2017 by N. Nevarez	
J & R Silva Tree Service & Landscaping		672.00	Clean signs @ Industrial Park & BRC & parking lot (Inv. 1351 & 1353)	Ck. 4021
Standard Time		606.25	Legal notices (1725984 & 1693292)	Ck. 4037
Clare's Heating & Air Conditioning		643.91	A/C at BRC (Inv 3238)	Ck. 4036
CTWP		552.44	Overage charge for Copier (Inv. 895325)	Ck. 4038
CVCED		464.38	Suddenlink Payment	Ck. 4034
Fiddle Fire Catering		250.00	Deposit for BREP Reception (Inv. 1314)	Ck. 4028
TEDC		175.00	Registration for E. Carrasco attend ED Sales Tax Workshop	
Canon Financial Services, Inc.		172.84	Business Factory monthly copier (Inv. 17735842)	
COSA Utility Billing		126.64	Water & sewer @ BRC	Ck. 4031
Protection 1 Alarm Monitoring		124.94	Burglar & Fire alarm serv. (Inv. 118175415)	Ck. 4029
House of Chemicals		101.18	Cleaning Supplies (Inv. 548395)	Ck. 4023
COSA Utility Billing		76.96	3 Water meters at Industrial Park	Ck. 4039
Republic Services, Inc.		70.05	Trash Service at BRC	Ck. 4030
Angelo Water Solutions		64.00	Water delivery & water cooler rent at BRC	Ck. 4025
Atmos Energy		53.43	Gas bill @ BRC	Ck. 4040
Liberty Power		46.72	Electric service for Industrial Park	Ck. 4041
Suddenlink		39.33	Elevator Telephone at BRC	Ck. 4032
Canon Financial Services, Inc.		34.41	Business Factory copier overage charges (Inv. 17628906)	Ck. 4033

Total Routine Disbursements **\$ 5,714.46**

Total Economic Development Disbursements **\$ 36,721.16**

Ballot

COSA	\$	473,536.60	Reimburse COSA Debt Interest	Ck. 1473
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Total for Board Consideration **\$ 473,536.60**

Total Routine Disbursements **\$ -**

Total Ballot Disbursements **\$ 473,536.60**

Grand Total Disbursements this Period **\$ 510,257.76**

Requestor: Roland Pena, Economic Development Director, COSADC, 325.653.7197

Meeting Date: September 27, 2017

Item type: Consent Item

Caption:

Consider approving the August 2017 Financial Statements

Summary/History:

Financial Impact:

Other Information/Recommendation:

Attachments:

- | | | |
|----|----------------------|------------------------|
| 1. | Financial Statements | COSADC Stmtns 1708.pdf |
|----|----------------------|------------------------|

Presentation:

Approvals/Reviews:

Roland Pena	Created/Initiated
Dan Saluri	Approved
Roland Pena	Approved
Bryan Kendrick	Final Approval

City of San Angelo Development Corporation

Financial Information and Schedules As of August 31, 2017

Contents

Executive Summary

Economic Development

Balance Sheet

Revenue & Expenditure Report

Project Commitments

Ballot

Balance Sheet

Revenue & Expenditure Report

Project Commitments

Transaction Detail by Account

2011 Bond Issue

Hickory Water Supply

City of San Angelo Development Corporation
Balance Sheet - Economic Development
As of August 31, 2017

ASSETS

Current Assets

Checking/Savings

101101 · Cash 39,372

103200 · Money Market 1,878,136

Total Checking/Savings 1,917,508

Accounts Receivable

115000 · Sales Tax Receivables 354,776

Total Accounts Receivable 354,776

Other Current Assets

117000 · Investments 12,320,658

Total Other Current Assets 12,320,658

Total Current Assets 14,592,942

Fixed Assets

140500 · Land -Industrial Park 85,728

141000 · Industrial Park-Phase I 1,013,908

143000 · Industrial Park-Phase II 51,609

144000 · Industrial Park-Phase III 20,377

152000 · Building-Business Resource Ctr 2,004,967

159999 · Accum Depr-Building (559,720)

Total Fixed Assets 2,616,869

TOTAL ASSETS 17,209,811

Fund Equity

Committed for Eco. Dev. Projects 4,384,564

Restricted for Fixed Assets 2,616,869

Assigned for Equipment Replacement 671,714

Unassigned Fund Balance 9,536,664

Total Fund Equity 17,209,811

TOTAL LIABILITIES & FUND EQUITY 17,209,811

City of San Angelo Development Corporation
Revenue Expenditure Report - Economic Development
August 2017

	Budget	Month Actual	YTD Actual	Over/(Under) Budget	% of Budget
Revenues					
313000 · Income-Sales & Use Tax	2,265,233	187,768	2,072,159	(193,074)	91%
360000 · Interest on Investments	6,000	14,681	94,793	88,793	1,580%
363101 · Lease Income	86,913	43,335	67,944	(18,969)	78%
363109 · Lease Income - Business Factory	0	1,200	3,879	3,879	100%
366000 · Reimbursements	28,800	0	18,915	(9,885)	66%
380500 · Misc. Income - Hirschfeld	1,100,435	0	1,100,435	0	100%
392200 · Gain on Sale Assets	1,612,840	0	1,611,565	(1,275)	100%
Total Revenues	5,100,221	246,984	4,969,690	(130,531)	97%
Expenditures					
410000 · Administrative	207,650	3,222	71,126	(136,524)	34%
412000 · Partner Affiliations	89,472	9,317	81,883	(7,589)	92%
414000 · ED Conferences	24,800	0	15,627	(9,173)	63%
415000 · City Services	410,376	181,328	181,328	(229,048)	44%
415331 · Annual Report	1,200	0	375	(825)	31%
420000 · Industrial Park Ops & Maint	23,050	214	3,904	(19,146)	17%
432000 · Outside Legal Services	25,000	0	2,386	(22,614)	10%
440000 · Marketing-Chamber of Commerce	325,000	56,250	156,703	(168,297)	48%
440200 · Business Ret & Exp Prog	16,001	0	14,095	(1,906)	88%
445000 · Promotion (SADC Marketing)	10,225	5,000	5,300	(4,925)	52%
446000 · Marketing Videos	6,100	0	0	(6,100)	0%
450000 · Business Resource Ctr	43,779	2,325	28,094	(15,685)	64%
452101 · Business Factory	83,873	9,251	41,959	(41,914)	50%
452112 · Project-Martifer-Hirschfeld	1,390,435	0	0	(1,390,435)	0%
452115 · Project-Blue Cross Blue Shield	148,473	0	0	(148,473)	0%
452119 · Project-Air Service Marketing	62,075	0	62,075	0	100%
452121 · Project-MedHab	796,250	0	0	(796,250)	0%
452124 · Project-DeCoty Coffee	98,289	0	1,387	(96,902)	1%
452125 · Project-Howard College LVN	75,000	0	75,000	0	100%
452131 · Project-Time Clock Plus	336,500	0	326,000	(10,500)	97%
452132 · Project-TGC/GAFB	633,000	0	0	(633,000)	0%
452133 · Project-Phase I Sewer Line	110,000	0	0	(110,000)	0%
452134 · Project-Principle LED	550,001	0	355,996	(194,005)	65%
452136 · Project-Phase II Sewer Line	100,000	0	4,000	(96,000)	4%
452137 · Project-TXDOT Aside Prog. Grant	100,000	0	0	(100,000)	0%
452138 · Project-CalTech	603,999	0	20,000	(583,999)	3%
452139 · Project-Parkhill	28,000	0	0	(28,000)	0%
452140 · Project-Grant Works	4,000	0	0	(4,000)	0%
452141 · Project-Houston Harte	8,000	0	5,000	(3,000)	63%
452142 · Project-Netco	190,000	0	0	(190,000)	0%
452900 · Project-Future Projects	946,523	0	0	(946,523)	0%
453000 · Capital Purchases	31,612	0	0	(31,612)	0%
Total Expenditures	7,478,683	266,907	1,452,238	(6,026,445)	19%
Revenue Over/(Under) Expenditures	(2,378,462)	(19,923)	3,517,452	5,895,914	

City of San Angelo Development Corporation
Economic Development Projects
As of August 31, 2017

Project	Budget	Current Year Activity	Inception to Date	Remaining Budget
Blue Cross Blue Shield	408,522	0	260,049	148,473
DeCoty Coffee	101,835	1,387	4,933	96,902
Howard College LVN Program	150,000	75,000	150,000	0
Martifer-Hirschfeld	3,684,743	0	2,294,308	1,390,435
Air Service Marketing	62,075	62,075	62,075	0
MedHab	797,750	0	1,500	796,250
Time Clock Plus	336,500	326,000	326,000	10,500
TGC/GAFB	633,000	0	0	633,000
Principle LED	550,001	355,996	355,996	194,005
Phase I Sewer Line	110,000	0	0	110,000
Phase II Sewer Line TGC	100,000	4,000	4,000	96,000
TXDOT Aside Prog. Grant	100,000	0	0	100,000
CalTech	603,999	20,000	20,000	583,999
Parkhill	28,000	0	0	28,000
Grant Works	4,000	0	0	4,000
Houston Harte	8,000	5,000	5,000	3,000
Netco	190,000	0	0	190,000
	10,148,891	849,458	3,601,770	4,384,564
Total Committed, Not Expended				4,384,564

City of San Angelo Development Corporation
Balance Sheet - Ballot
As of August 31, 2017

ASSETS

Current Assets

Checking/Savings

101101 · Cash

1,762

103200 · Money Market

1,429,723

Total Checking/Savings

1,431,485

Accounts Receivable

115000 · Sales Tax Receivables

907,788

115201 · Note Receivable

19,800

Total Accounts Receivable

927,588

Other Current Assets

117000 · Investments

2,679,804

Total Other Current Assets

2,679,804

Total Current Assets

5,038,877

TOTAL ASSETS

5,038,877

LIABILITIES & FUND EQUITY

Fund Equity

Committed for Ballot Projects

77,151

Assigned for Debt Service

2,306,177

Unrestricted Fund Balance

2,655,549

Total Fund Equity

5,038,877

TOTAL LIABILITIES & FUND EQUITY

5,038,877

City of San Angelo Development Corporation
Revenue & Expenditure Report - Ballot
August 2017

	<u>Budget</u>	<u>Month Actual</u>	<u>YTD Actual</u>	<u>Over/(Under) Budget</u>	<u>% of Budget</u>
Revenues					
313000 · Income-Sales & Use Tax	5,824,884	482,833	5,328,409	(496,475)	91%
360000 · Interest on Investments	2,437	4,016	14,554	12,117	597%
380000 · Miscellaneous Income	68,326	0	68,326	0	100%
Total Revenues	<u>5,895,647</u>	<u>486,849</u>	<u>5,411,289</u>	<u>(484,358)</u>	<u>92%</u>
Expenditures					
415000 · City Services	136,632	60,443	60,443	(76,189)	44%
430000 · Loan/Debt Service	4,967,728	0	2,247,574	(2,720,154)	45%
451102 · Project-Sports Facilities Maint	279,758	0	279,758	0	100%
451200 · Project-Affordable Housing	480,073	0	457,399	(22,674)	95%
452123 · Project-W. Tx Water Partnership	80,770	2,551	64,762	(16,008)	80%
452126 · Project-Red Arroyo SW Basin	38,470	0	0	(38,470)	0%
452900 · Project-Future Projects	65,766	0	0	(65,766)	0%
Total Expenditures	<u>6,049,197</u>	<u>62,994</u>	<u>3,109,936</u>	<u>(2,939,261)</u>	<u>51%</u>
Revenue Over/(Under) Expenditures	<u>(153,550)</u>	<u>423,855</u>	<u>2,301,353</u>	<u>2,454,903</u>	

City of San Angelo Development Corporation
Projects
As of August 31, 2017

Project	Budget	Current Year Activity	Inception to Date	Remaining Budget
Ballot Projects:				
Water Supply Projects				
West Texas Water Partnership	413,793	64,762	397,785	16,008
Reclaimed Water Alternatives	1,389,965	0	1,389,965	-
Red Arroyo Storm Water Basin	189,510	0	151,040	38,470
Total Expenditures	1,993,268	64,762	1,938,790	54,478
Total Water Supply Projects				54,478
Affordable Housing				
Revenues				
Sale of Fixed Assets - Blackshear Properties	394,351	0	394,351	0
Total Revenues				
Expenditures				
Affordable Housing	2,519,330	457,399	2,496,656	22,674
Administrative Contract	120,405	0	120,405	0
Blackshear Neighborhood Boundary	28,300	0	28,300	0
Blackshear Properties	404,125	0	404,125	0
Neighborhood Blitz	550,000	0	550,000	0
Neighbors Helping Neighbors	53,000	0	53,000	0
Rebuilding Together - Housing One Stop	23,759	0	23,759	0
Rebuilding Together - Housing Repair	74,920	0	74,920	0
Rehabs	114,487	0	114,487	0
Roofing Grant	200,000	0	200,000	0
Total Expenditures	4,088,326	457,399	4,065,653	22,673
Total Affordable Housing				22,673
Other Projects				
Sports Facilities Maintenance	279,758	279,758	279,758	-
Total Expenditures	279,758	279,758	279,758	-
Total Ballot Projects Committed, Not Expended				77,151

Voter Approved Projects:

Fort Concho Improvements	900,000	900,000	900,000	-
Sports & Athletics Facilities	708,744	708,744	708,744	-
29th Street Sports Complex	1,750,000	1,750,000	1,750,000	-
Total Expenditures	3,358,744	3,358,744	3,358,744	-
Total Voter Approved Projects Committed, Not Expended				-

City of San Angelo Development Corp
Transaction Detail by Account
August 2017

Economic Development

313000 · Income-Sales & Use Tax

Num	Name	Memo	Amount
684	City of San Angelo	Adj June Sales Tax Receivable	12,206.18
685	City of San Angelo	Record Aug Sales Tax Receivable	175,562.08
Total 313000 · Income-Sales & Use Tax			187,768.26

360000 · Interest on Investments

676		Interest on Sec #3135G0TG8	4,375.00
686		Interest on Sec #3130A8VQ3	4,162.50
687		Interest on Sec #3134G93S4	4,810.00
689		Interest for Aug. 2017	699.27
690		Interest for Aug. MM	634.24
Total 360000 · Interest on Investments			14,681.01

363101 · Lease Income

363102 · Airport Hanger Agreement

2	City of San Angelo	L-3 Hanger Lease Agreement FY17 1st quarter Oct. 16 - Dec. 16	10,752.98
2	City of San Angelo	L-3 Hanger Lease Agreement FY17 2nd quarter Jan. 17 - Mar. 17	10,752.98
2	City of San Angelo	L-3 Hanger Lease Agreement FY17 3rd quarter Apr. 17 - June 17	10,752.98
2	City of San Angelo	L-3 Hanger Lease Agreement FY17 4th quarter July 17 - Sept. 17	10,752.99
Total 363102 · Airport Hanger Agreement			43,011.93

363107 · Chamber of Commerce

677		Quarterly Office Rent Apr - June	322.72
Total 363107 · Chamber of Commerce			322.72

Total 363101 · Lease Income

43,334.65

363109 · Lease Income - Business Factory

680	Earth Partners, LP	Rent for the month of Sept	299.48
681	Gill Fine Arts, Inc.	Rent for the month of Sept	352.30
682	OdomRD, Dietian Consultant	Rent for the month of Sept	306.44
683	West Texas Beacon	Rent fo rthe month of Sept	241.52
Total 363109 · Lease Income - Business Factory			1,199.74

410000 · Administrative

410332 · Admin-Software

4006	WorkZone, LLC	Inv 27472	(600.00)
Total 410332 · Admin-Software			(600.00)

410335 · Admin-Technology Capital

4019	City of San Angelo (COSA)	Reimb PCard Purchases July	(1,734.59)
Total 410335 · Admin-Technology Capital			(1,734.59)

410530 · Admin-Communication

4012	Suddenlink	Acc 100001-8615-721194301 8/10 - 9/9	(29.50)
Total 410530 · Admin-Communication			(29.50)

410590 · Admin-Training

3999	TEDC	Inv 6708	(175.00)
4001	Angelo State Univ Small Bus. Dev Ctr	R. Peña - Choosing a Legal Structure	(20.00)
Total 410590 · Admin-Training			(195.00)

410605 · Admin-Public Notices

4008	Conexion Hispana	Inv 14042	(274.70)
Total 410605 · Admin-Public Notices			(274.70)

410610 · Admin-Office Supplies

4007	Staples Advantage	Inv 3348405733	(361.99)
4007	Staples Advantage	Inv 3348405734	(14.09)
4013	Nora Nevarez	Reimb Name Plate Purchase	(11.85)
Total 410610 · Admin-Office Supplies			(387.93)

City of San Angelo Development Corp
Transaction Detail by Account
August 2017

	Num	Name	Memo	Amount
Total 410000 · Administrative				(3,221.72)
412000 · Partner Affiliations				
412010 · Partner Affiliations-PTP Summit				
	4016	Ports-to-Plains	Inv 1367	(2,500.00)
	4016	Ports-to-Plains	Inv 1372	(2,500.00)
Total 412010 · Partner Affiliations-PTP Summit				(5,000.00)
412020 · ACT Work Ready Comm				
	4018	Concho Valley Workforce Solutions	Inv 100	(4,316.75)
Total 412020 · ACT Work Ready Comm				(4,316.75)
Total 412000 · Partner Affiliations				(9,316.75)
415000 · City Services				
415310 · COSA-Legal Services				
	3998	City of San Angelo (COSA)	Inv 47534 Customer ID#14700-FN	(181,328.25)
Total 415310 · COSA-Legal Services				(181,328.25)
Total 415000 · City Services				(181,328.25)
420000 · Industrial Park Ops & Maint				
420411 · Ind Park-Water/Sewer Utilities				
	4022	City of San Angelo Utility Billing	PO12 Acc 118947-187770 5/31 to 6/30	(23.88)
	4022	City of San Angelo Utility Billing	PO12 Acc 118947-187772 5/30 to 6/30	(23.88)
	4022	City of San Angelo Utility Billing	PO12 Acc 118947-187774 5/30 to 6/30	(29.20)
	4022	City of San Angelo Utility Billing	PO12 Acc 118947-187774 6/30 to 8/01	(29.20)
	4022	City of San Angelo Utility Billing	PO12 Acc 118947-187772 6/30 to 7/30	(29.20)
	4022	City of San Angelo Utility Billing	PO12 Acc 118947-187770 6/30 to 7/31	(23.88)
Total 420411 · Ind Park-Water/Sewer Utilities				(159.24)
420413 · Ind Park-Electricity				
	4010	Liberty Power	Acc 95329064-832 7/5 - 8/3	(54.32)
Total 420413 · Ind Park-Electricity				(54.32)
Total 420000 · Industrial Park Ops & Maint				(213.56)
440000 · Marketing-Chamber of Commerce				
	4014	San Angelo Chamber of Commerce	For the month of May	(18,750.00)
	4014	San Angelo Chamber of Commerce	For the month of June	(18,750.00)
	4014	San Angelo Chamber of Commerce	For the month of July	(18,750.00)
Total 440000 · Marketing-Chamber of Commerce				(56,250.00)
445000 · Promotion (SADC Marketing)				
	4017	TEDC	Inv 6717	(5,000.00)
Total 445000 · Promotion (SADC Marketing)				(5,000.00)
450000 · Business Resource Ctr				
450010 · BRC-Water/Sewer Utilities				
	4009	City of San Angelo Utility Billing	Acc 171939-179340 6/28 - 7/28	(83.73)
	4009	City of San Angelo Utility Billing	Acc 186765-50710 6/28 - 7/28	(11.25)
Total 450010 · BRC-Water/Sewer Utilities				(94.98)
450011 · BRC-Electricity				
	4020	Liberty Power	PO11 Acc 07502869-290 7/12 to 8/10	(934.25)
Total 450011 · BRC-Electricity				(934.25)
450012 · BRC-Gas Utilities				
	4011	Atmos Energy	Acc 3036648466 7/7 - 8/3	(39.54)
Total 450012 · BRC-Gas Utilities				(39.54)
450013 · BRC-Trash Utilities				
	4003	Republic Services, Inc	Inv 0691-000739692	(52.54)
Total 450013 · BRC-Trash Utilities				(52.54)

City of San Angelo Development Corp
Transaction Detail by Account
August 2017

	Num	Name	Memo	Amount
450000 · Business Resource Ctr - Other				
	4000	Electrical by Deb	Inv 2162	(90.00)
	4002	Protection 1 Alarm Monitoring Inc.	Inv 117604513	(93.71)
	4004	House of Chemicals Inc	Inv 548033	(45.94)
	4005	Dirt Doctor of San Angelo	Inv 2903	(543.75)
	4021	J & R Silva Tree Service & Landscaping	PO21 Inv 1353	(306.00)
	4023	House of Chemicals Inc	Inv 548395	(75.89)
	4025	Angelo Water Service	Acc 7005 8/2 to 8/23	(48.00)
Total 450000 · Business Resource Ctr - Other				<u>(1,203.29)</u>
Total 450000 · Business Resource Ctr				(2,324.60)
452101 · Business Factory				
	4000	Electrical by Deb	Inv 2162	(30.00)
	4002	Protection 1 Alarm Monitoring Inc.	Inv 117604513	(31.23)
	4003	Republic Services, Inc	Inv 0691-000739692	(17.51)
	4004	House of Chemicals Inc	Inv 548033	(15.32)
	4005	Dirt Doctor of San Angelo	Inv 2903	(181.25)
	4009	City of San Angelo Utility Billing	Acc 171939-179340 6/28 - 7/28	(27.91)
	4009	City of San Angelo Utility Billing	Acc 186765-50710 6/28 - 7/28	(3.75)
	4011	Atmos Energy	Acc 3036648466 7/7 - 8/3	(13.18)
	4012	Suddenlink	Acc 100001-8615-721194301 8/10 - 9/9	(9.83)
	4015	HR Onboarding Solutions	Inv 1	(3,600.34)
	4015	HR Onboarding Solutions	Inv 2	(3,517.37)
	4020	Liberty Power	PO11 Acc 07502869-290 7/12 to 8/10	(311.41)
	4021	J & R Silva Tree Service & Landscaping	PO21 Inv 1353	(102.00)
	4023	House of Chemicals Inc	Inv 548395	(25.29)
	4024	Moontime LLC	Inv 6	(1,348.80)
	4025	Angelo Water Service	Acc 7005 8/2 to 8/23	(16.00)
Total 452101 · Business Factory				<u>(9,251.19)</u>
TOTAL				<u>(19,922.41)</u>

Ballot

313000 · Income-Sales & Use Tax				
	212	City of San Angelo	Adj June Sales Tax Receivable	31,387.33
	213	City of San Angelo	Record Aug Sales Tax Receivable	<u>451,445.36</u>
Total 313000 · Income-Sales & Use Tax				482,832.69
360000 · Interest on Investments				
	214		Int on Sec #3130A8VQ3	1,462.50
	215		Int on Sec #3134G93S4	1,690.00
	216		Interest for Aug 2017	385.39
	217		Interest for Aug. MM	<u>478.46</u>
Total 360000 · Interest on Investments				4,016.35
415000 · City Services				
415310 · COSA-Legal Services				
	1471	City of San Angelo (COSA)	Inv 47534 Customer ID#14700-FN	<u>(60,442.75)</u>
Total 415310 · COSA-Legal Services				<u>(60,442.75)</u>
Total 415000 · City Services				-60,442.75
452123 · Project-W. Tx Water Partnership				
	1472	City of San Angelo (COSA)	Inv 801017128	<u>(2,551.00)</u>
Total 452123 · Project-W. Tx Water Partnership				<u>(2,551.00)</u>
TOTAL				<u>423,855.29</u>

THE CITY OF SAN ANGELO, TEXAS

Schedule of Revenues and Expenditures

Fiscal Year through August 31, 2017

2011A Tax/Revenue C.O. - Fund 514

	Dept	Current Budget	Month Actual	YTD W/Enc	Over/(Under) Budget	Previous Years Activity	Inception to Date
*Beginning Fund Balance		1,334,488		1,334,488			
REVENUES:							
C.O. Proceeds		-	-	-	-	13,780,000	13,780,000
Municipal Pool Donation		-	-	-	-	21,225	21,225
SASSRA Stock Barn		-	-	-	-	157,722	157,722
Transfer from Dev. Corp.		-	-	-	-	4,220,000	4,220,000
Interest Income		-	244	6,716	6,716	140,657	147,373
Total Revenues		-	244	6,716	6,716	18,319,604	18,326,320
EXPENDITURES:							
Airport Terminal Rehab	3925	-	-	-	-	500,000	500,000
Concho River	4119	312,326	13,818	(13,572)	(325,898)	8,287,675	8,274,103
Parks	6000	602,005	-	16,471	(585,534)	322,994	339,465
Red Arroyo Trail	6040	-	-	-	-	325,000	325,000
Recreation	6100	77,026	-	2,023	(75,003)	2,595,794	2,597,817
Fort Concho Improvements	6301	90,000	1,803	88,197	(1,803)	10,000	98,197
Auditorium	6602	231,773	-	231,773	-	3,518,228	3,750,001
Fairgrounds	6636	-	-	-	-	1,157,722	1,157,722
Issue Costs	9900	-	-	-	-	260,363	260,363
Contingencies	9900	-	-	-	-	-	-
Total Expenditures		1,313,130	15,621	324,892	(988,238)	16,977,776	17,302,668
Revenue Over/(Under) Expenditures		(1,313,130)	(15,377)	(318,176)			
Ending Fund Balance		21,358		1,016,312			

THE CITY OF SAN ANGELO, TEXAS
Schedule of Revenues and Expenditures
Fiscal Year through August 31, 2017

Hickory Water Supply - Fund 516

	Dept	Current Budget	Month Actual	YTD W/Enc	Over/(Under) Budget	Previous Years Activity	Inception to Date
Beginning Fund Balance		2,604,589		2,604,589			
REVENUES:							
Interest Income		-	561	12,770	12,770	500,566	513,336
C.O. Proceeds		1,644,590	-	978,038	(666,552)	118,355,409	119,333,447
Total Revenues		<u>1,644,590</u>	<u>561</u>	<u>990,808</u>	<u>(653,782)</u>	<u>118,855,975</u>	<u>119,846,783</u>
EXPENDITURES:							
Easements/Property Damage	4150	419,826	-	-	(419,826)	106,865	106,865
Engineering	4157	210,961	9,634	210,959	(2)	16,629,040	16,839,999
Well Field Pipelines	4152	3,083	-	-	(3,083)	3,026,918	3,026,918
30 " Transmission Main	4153	428,978	-	-	(428,978)	38,681,022	38,681,022
Well Field Pumps	4154	21,961	-	-	(21,961)	12,831,038	12,831,038
Well Field Pump Station	4155	1,382,861	-	-	(1,382,861)	1,617,139	1,617,139
Well Field Expansion	4158	1,102,677	-	687,398	(415,279)	6,468,888	7,156,286
Treatment Plant	4156	1	-	-	(1)	27,132,194	27,132,194
Well Field Expansion #2	4159	178,269	-	178,269	-	9,586,031	9,764,300
Issue Costs	9900	-	-	-	-	172,251	172,251
Total Expenditures		<u>3,748,617</u>	<u>9,634</u>	<u>1,076,626</u>	<u>(2,671,991)</u>	<u>116,251,386</u>	<u>117,328,012</u>
Revenue Over/(Under) Expenditures		<u>(2,104,027)</u>	<u>(9,073)</u>	<u>(85,818)</u>			
Ending Fund Balance		<u>500,562</u>		<u>2,518,771</u>			

	<u>Revenues</u>
Previous Years Activity	118,855,975.00
Current Year Budget	1,644,590.00
Less Interest Earned	(500,566.00)
TOTAL	<u>120,000,000.00</u>

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

Meeting Date: September 27, 2017

Item type: Regular Item

Caption:

Consideration of a request for allocating supporting funds for the improvement of the Sculpture Garden at Sunken Garden Park as part of a collaborative effort (Presentation by Carl White, Parks and Recreation Director and Howard Taylor, Director of the San Angelo Museum of Fine Arts)

Summary/History:

In the spring of 2012, City Council authorized the creation of the Sculpture Garden at Sunken Garden Park (along South Bryant, just west of the Visitors' Center). The Sculpture Garden is a creation of businessman Richard Salmon and Howard Taylor of the San Angelo Museum of Fine Arts (SAMFA).

SAMFA holds an international sculpture competition in which up to 12 works are selected to be placed for up to 2 years at the park. Works local, regional, national and international are displayed for all to see in a setting unique in San Angelo's history.

The Sculpture Garden has been a successful cultural addition to the city for 5 years. The park's visitation has very noticeably increased. Staff finds it to be a perfect use for the space based on its content and location.

For the last few years, we've realized the park needs significant improvements to make it more usable, attractive and fitting for the asset that it is. We see the clear need for several specific improvements to the park including: a closer connection to the river trail, walkways, trees, lighting, rejuvenated water feature, notable park entrances, sculpture plinths and general park improvements. These are important because they will improve access and enjoy-ability as well as the overall appearance. We estimate the cost of these improvements to be about \$700,000. Attached is a spreadsheet detailing this cost estimate.

Our goal is to implement these improvements so that the Sculpture Garden can become an important draw for the city and can help set the stage for further development, both artistic and economic.

Much value has already been invested and committed to the Sculpture Garden. Howard Taylor will provide information about this at the meeting.

Attached is a recently written column about the Sculpture Garden that is scheduled to print in the Standard-Times in October 22.

Financial Impact:

Improvements, including design and preparatory work, are estimated to cost about \$700,000. Attached is a spreadsheet showing the break down of this estimate.

As part of the discussion of this item is consideration of the value of the park, river improvements and the sculpture

garden itself. Attached is also an article showing the Museum's and community's investment to the Sculpture Garden.

Other Information/Recommendation:

Attachments:

- | | | |
|----|--|---|
| 1. | Cost Estimates Sculpture Garden | Salmon Sculpture Garden Improvements Costs Estimates.xlsx |
| 2. | Conceptual Improvements Sculpture Garden | 2017-04-04 Sculpture Garden Improvements.pdf |
| 3. | Background information unprinted column | Article Carl September 2017.doc |

Presentation:

Approvals/Reviews:

Carl White	Created/Initiated
Dan Saluri	Approved
Roland Pena	Approved
Bryan Kendrick	Final Approval

Salmon Sculpture Garden, Sunken Garden Park, Proposed Improvements and Costs Estimates
(as of Sep. 20, 2017)

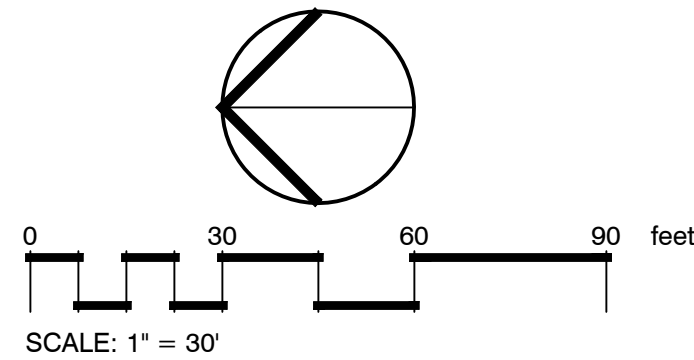
Design, survey and permits	\$60,000
Site work	\$25,000
Utilities improvements: electrical and water	\$15,000
Walking paths and river trail connections	\$185,000
Pedestrian bridge connection	\$150,000
Entrances	\$20,000
Lighting	\$40,000
Sculpture plinths	\$50,000
Parking improvements	\$30,000
Irrigation improvements	\$15,000
Water pumping system and feature improvements	\$30,000
Benches, trashcans, signage	\$15,000
Landscaping	\$15,000
Security cameras	\$25,000
Contingency	\$25,000
Total estimated costs:	\$700,000

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1 CONCEPTUAL SITE PLAN

1" = 30'



SHEET INDEX	
SHEET	DESCRIPTION
L100	CONCEPTUAL SITE PLAN
L600	SITE DETAILS

Salmon Sculpture Garden Landscape Development

client information:	
project location:	

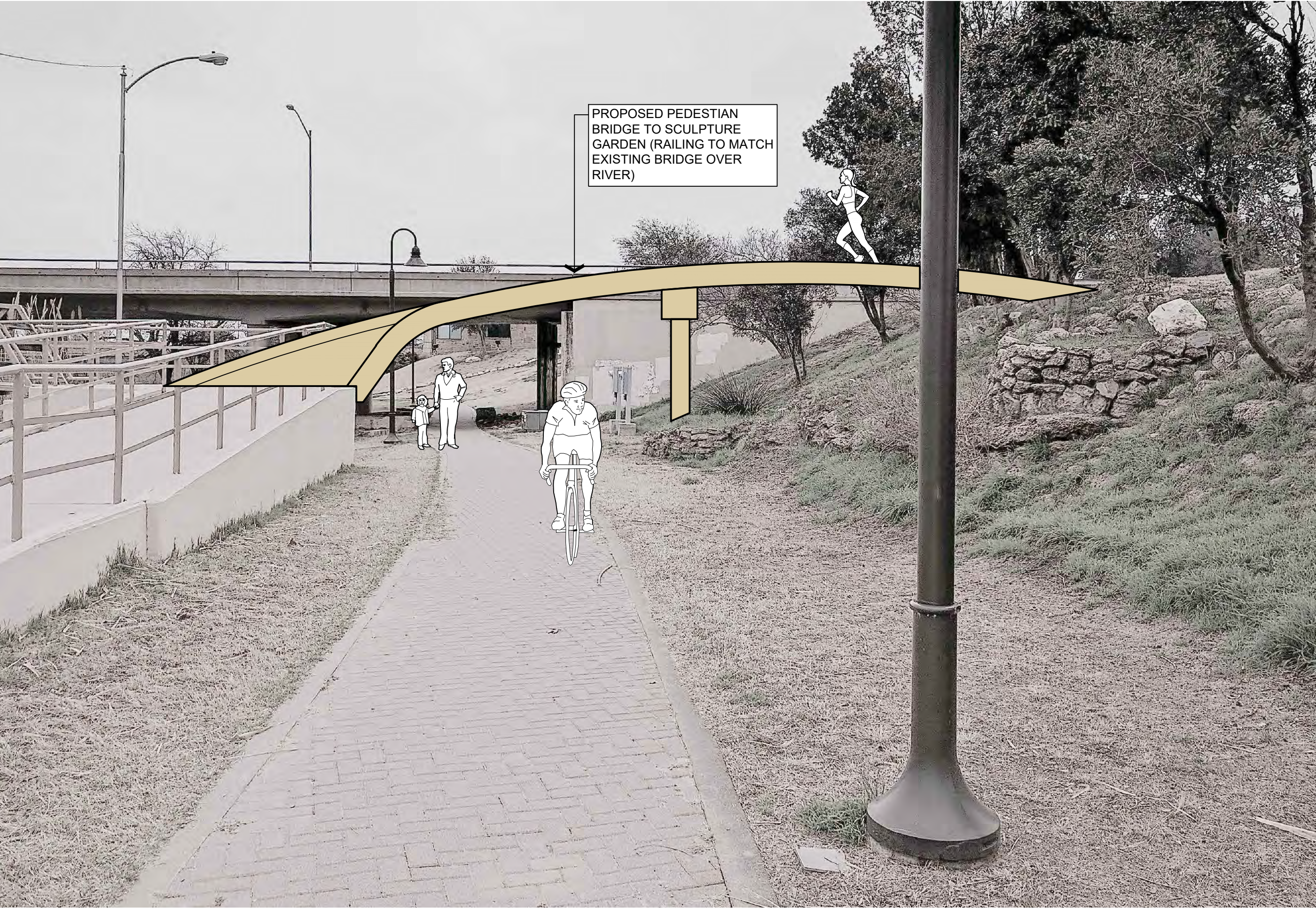


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revisions:	
No.	Description:

sheet title:	
CONCEPTUAL SITE PLAN	
phase:	REVIEW SET not for construction
date:	April 4, 2017
scale:	original scale: 1" = 30' original sheet size: 36" x 24"

C:\Users\adam\Dropbox\ALS Projects\170111 - San Angelo\170111-L600_details.dwg 4/4/2017 4:05:02 PM



1 PEDESTRIAN BRIDGE - PRELIMINARY CONCEPT
N.T.S.



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revisions:		Description:
No.	Date:	

sheet title: SITE DETAILS	
phase:	REVIEW SET not for construction
date:	April 4, 2017
scale:	original scale: AS NOTED original sheet size: 36" x 24"

For the last 5 years, San Angelo has enjoyed something new, unique and truly game changing, the Richard and Pam Salmon Sculpture Garden.

This important artistic asset is pleasantly placed on the 7.1 acres called, “Sunken Garden Park.” The park remains one of my favorites for its history, beauty and art. I can’t think of a better home for the sculpture garden. It is centrally located, adjacent to the Visitors’ Center, on Highway 87 South, along the river and highly visible.

Sunken Garden Park is one of the oldest, dating to 1917, now 100 years. It possesses original rock work created by the Workers Progress Administration in the 1930’s. The canna lily garden is also nestled in the old quarry site, adding warm-weather color to the prominent park. Fall foliage is some of the most colorful here, mostly because of the numerous Jujube Trees along the ravine. It is one of those neat places in San Angelo where once you enter the depths of the park, you no longer feel as if you’re in the city. It is comforting and calming.

Recently, we have improved the park’s turf and connections to and through the park to the river trail network. I often use this connection to walk downtown from home, as do other Santa Rita homeowners. It is one of those places that truly makes you feel like you’re living where you should be living, San Angelo.

When Richard Salmon and Howard Taylor approached me about a possible home for the sculpture garden, I knew Sunken Garden was where it should be. It’s such a good fit. At the time, a good portion of the park was underutilized, open and bare. Being a well-traveled businessman and appreciator of the arts, the sculpture garden was Richard’s idea. Howard knows a great idea when he hears one and quickly moved to support it. In fact, Howard has had the vision to create a sculpture garden for years.

Both Richard and Howard agreed to the location and it won the approval of the Public Art Commission and City Council and so, for the last 5 years, we have enjoyed the opportunity to see some of the coolest outdoor art ever publicly displayed in San Angelo. And what is really neat is that because it is based on a competition led by the San Angelo Museum of Fine Arts, most of the pieces change out every year or 2. Selected pieces are local, national and international, some as far away as Israel and Iran.

We owe a debt of gratitude to Richard and Pam Salmon for having the vision and courage to step forward and show us the need for a sculpture garden. Howard Taylor too deserves much credit for providing the means to make it work.

But our work is not complete. There is much we need to do to recreate the park as a place we can truly be proud, a place that complements well the new artistic asset. We see the clear need for several specific improvements to the park including: a closer connection to the river trail, walkways, trees, lighting, rejuvenated water feature, notable park entrances, sculpture plinths and general park improvements. These are important because they will improve access and enjoyability as well as the overall appearance.

To be honest, we are far behind in learning the importance that other cities have already realized. Not only do successful sculpture gardens provide beauty and art, they also drive the economy, influencing businesses and families to discover and choose San Angelo. And that is what we need most now; we need businesses and manufacturers to discover the wonderful place we call home. Sculpture gardens reinforce our sense of place and celebrate our community character.

Yes, we need to fix our streets, maintain our infrastructure, adequately pay our first responders, and we also need to show the world that we are a great place to live, work and play.

This fall, as we celebrate the 5th year of the Richard and Pam Salmon Sculpture Garden, we will be looking for support to make these improvements. I hope you can share in this vision.

Carl White is the Parks and Recreation director for the City of San Angelo. Contact him at (325) 657-4450 or carl.white@cosatx.us.

Requestor: Shannon Scott, Economic Development Specialist, COSADC, 325.653.7197

Meeting Date: September 27, 2017

Item type: Regular Item

Caption:

Presentation and consideration of approving the Chamber of Commerce Marketing and Recruitment Action Plan for FY2018 (Presentation by Michael Looney, Vice President of Marketing and Recruitment)

Summary/History:

This item is a requirement by the performance agreement which states "No later than the October meetings of each year, Provider shall present such Plan of Action as it relates to economic development marketing and recruitment for approval at a regular meeting of the COSADC. COSADC and Provider staff will review such report and modify, if necessary, the Provider's Plan of Action as it relates to evaluating the success of efforts in the plan".

At its regular meeting on August 26, 2017, the COSADC Board unanimously approved a resolution authorizing the expenditure of \$225,000 for a Marketing and Recruitment services to be provided by the San Angelo Chamber of Commerce.

Financial Impact:

Other Information/Recommendation:

Attached is the 2018 Chamber of Commerce Marketing and Recruitment Action Plan.

Attachments:

- | | | |
|----|--|---|
| 1. | 2018 Chamber of Commerce Marketing and Recruitment Action Plan | 2018 San Angelo Chamber Marketing Recruitment Plan of Action - Final.docx |
|----|--|---|

Presentation:

Michael Looney,

Approvals/Reviews:

Shannon Scott	Created/Initiated
Dan Saluri	Approved
Roland Pena	Approved
Bryan Kendrick	Final Approval

MARKETING & RECRUITMENT PLAN OF ACTION 2018

The mission of the San Angelo Chamber of Commerce Economic Development Division (COCEDD) is to grow the San Angelo economy by recruiting employers from outside the San Angelo region, and acting as a contractor to the City of San Angelo Development Corporation (COSADC). The goal is to recruit primary employers with NAICS code designations that identify the company as a "Primary Employer" per half-cent sales tax eligibility rules. A Primary Employer is a company that manufactures goods or provides services that are exported with the result of importing dollars from outside the region. The Economic Development Division is dedicated to growing the San Angelo economy by recruiting industries and promoting capital investment.

MARKETING AND RECRUITMENT SERVICES.....\$136,500

- A. **Overview:** Provide professional economic development marketing and external company recruitment services with the goals of: 1) Creating jobs; 2) Facilitating the development of capital investment in the form of facilities (either leased, purchased, or constructed) and other economically beneficial capital improvements to the community.
- B. **PUBLIC RELATIONS:** COCEDD will publish at least:
 - a. 2 public relations articles, 1 blog-site postings, 2 interviews on radio, 2 public speeches/presentations, attend 1 conference, create content for the webpage, and conduct 2 television appearances,
 - b. Increase San Angelo Chamber Economic Development social media presence by enhancing our Facebook, Twitter, Linked-In and other avenues.
- C. **GOVERNOR'S OFFICE OR TEXAS ECONOMIC DEVELOPMENT COUNCIL:** COCEDD will respond to all Governor's office RFI's and work with them on trade show promotions to promote San Angelo for job creation and capital investment.
- D. **PLAN OF ACTION:** COCEDD will present a Plan of Action as it relates to economic development marketing and recruitment for approval at a regular meeting of the COSADC. COCEDD will create the plan with input from the Economic Development Executive Committee, the Economic Development Advisory Board, the Chamber president, and COSADC staff. The advisory board includes ED partners, chamber board and other business leaders.
- E. **QUARTERLY REPORTS:** In January, April, July and October of each year the COCEDD shall present a written report at a regular meeting of COSADC on the status of each task in scope of services to include the effectiveness of each task to the date of each report.
- F. **DELIVERABLES:** COCEDD will maintain and publish
 - a. a Community Profile, (published in March)
 - b. cost of living index
 - c. specialized brochures advertising available land and buildings, (maintain the relationship with Xcelligent for commercial real estate listings)
 - d. a current website relative to the community and COSADC, Chamber of Commerce, County assistance. (www.economicdevelopmentsanangelo.com and www.sanangelo.org)
 - e. Business Barometer (published monthly)
 - f. San Angelo Industrial Park Brochure (create a one page flyer highlight shovel ready certified super park and lots available)
- G. **COLLABORATION:** COCEDD will work with COSADC Staff to provide any and all background information for any projects deemed eligible of COSADC assistance (i.e. the site requirement form, economic impact analysis, prospect summary reports, financial due diligence reviews and/or presentations to the COSADC Board of Directors and City Council.)
- H. **PARTNERS:** COCEDD will include ED partners in every Economic Development Advisory Board meeting and include the partners as needed on prospect recruitment.
 - a. Collaborate with Howard College/West Texas Training Center Board, Workforce Development Board, and ASU to develop workforce training program initiatives.
 - b. Create the San Angelo Regional Manufacturers Alliance to address the needs of local manufacturers
- I. **WEBSITE:** COCEDD shall maintain and update the www.economicdevelopmentsanangelo.com and www.sanangelo.org websites with fresh relevant content.
- J. **PROSPECT DATABASE:** COCEDD will maintain a prospect/lead database that tracks progress on all prospects and leads as well as outcomes and time invested.
- K. **MONTHLY REPORT:** COCEDD will produce a monthly report that includes status of all prospects and leads as well as their potential for job development and capital investment, the amount and result of direct mailers, public relations efforts, and internet and print marketing updates, etc.

MARKETING & RECRUITMENT PLAN OF ACTION 2018

INTERNET & PRINT MARKETING.....\$22,250

Create and update Community Profile and brochures customized to highlight specific properties, community benefits and workforce related to each prospective Targeted Industry

- Maintain on-line commercial property database. (Xcelligent)
- Create print and electronic version of San Angelo marketing brochures, a single or two-page basic brochure targeted industrial sectors*
- Create economic development videos of San Angelo business community including testimonial videos from individuals who have worked with the COCEDD and COSADC.
- Write 2 articles and contribute content to public print and online media.

DIRECT OUTREACH VISITS\$15,500

Make a minimum of ten (10) appointments for outreach visits to state-wide and out-of-state companies that are compatible with the San Angelo economic base, facilities, proximity to market, proximity to adequate distribution channels and workforce, all within the targeted industrial sectors* list.

- Schedule outreach visits with existing San Angelo (NAICS-code qualified) service COCEDDs and manufacturers, with the goal of sourcing manufacturer/service company recruitment leads.
- COCEDD will conduct an industry-wide survey of local and regional NAICS-code qualified service and manufacturing companies to determine opportunities, risk and potential barriers to business growth. This information will be reported to COSADC, Economic Development Partners and Economic Development Advisory Board.

DIRECT MAIL AND EMAIL CAMPAIGN\$3000

- Create and deliver mailers to targeted industrial sectors* on a monthly basis.

PROSPECT MEETING AND COORDINATION\$7000

COCEDD shall encourage and coordinate personal visits from prospective recruit companies to San Angelo, to discuss investment in the City, conduct site/facility tours and in-person meetings with COCEDD, COSADC staff, City/Council staff, Workforce and all other economic development partners when applicable.

TRADE SHOWS.....\$20,000

COCEDD shall attend or exhibit at two (2) national or regional trade shows. COCEDD shall determine the effectiveness of the proposed trade shows scheduled during the year and seek Economic Development Advisory Board, COSADC input on attendance.

- Attend at two (2) nationally recognized industry trade shows per year
- COCEDD shall attend at least one trade show as an exhibitor in concert with Team Texas (TEDC) or Texas One (Governor's office).

GOODFELLOW AFB OUTREACH\$8,750

COCEDD shall work with personnel at Goodfellow AFB, DOD, NSA, Department of the Air Force and related personnel to preserve existing and increase and improve the air force base missions and facilities with activities such as:

- Trip to Washington DC
- Goodfellow Appreciation Day
- Bi-monthly Trolley Tour
- Command staff social/orientation
- Participation in Goodfellow advisory group

PROFESSIONAL MEMBERSHIPS.....\$12,000

Maintain professional memberships with TEDC, Team Texas, Texas One, IEDC, Ports to Plains, Gulf Coast Strategic Highway (I-14) and participation with economic development allies, and resource providers, such as (but not exclusively) the Governor's Economic Development Office and the Texas Economic Development Council.

- Education and training – COCEDD shall engage in at least one (4) education and training programs per year toward IEDC certification.

***TARGETED INDUSTRIAL SECTORS**

- Oilfield Services

MARKETING & RECRUITMENT PLAN OF ACTION 2018

- Biotechnology/Medical device manufacturing
- Trucking/Warehouse/Distribution
- Food Production
- Aviation - Maintenance, Repair, Operations and Components fabrication
- Vehicle parts fabrication (trailer/engine/chassis).
- Utilities/Municipal infrastructure components fabrication

Eligible NAICS Target Codes

- 1) 311 Food Manufacturing
- 2) 31111 Animal Food Manufacturing
- 3) 331110 Steel Alloy Manufacturing
- 4) 322212 Fiber Box Manufacturing
- 5) 326119 Plastics Manufacturing
- 6) 33621 Motor Vehicle Body and Trailer Manufacturing
- 7) 332996 Fabricated Pipe and Pipe Fitting Manufacturing
- 5) 333120 Construction Machinery Manufacturing
- 6) 33313 Mining and Oil and Gas Field Machinery Manufacturing
- 7) 33361 Engine, Turbine, and Power Transmission Equipment Manufacturing
- 8) 327310 Concrete Manufacturing
- 9) 332410 Metal Tank Heavy Gauge Manufacturing
- 10) 333924 Industrial Tractor, Trailer and Stacker Machinery Manufacturing
- 11) 336412 Aircraft Parts Manufacturing
- 12) 339112 Surgical and Medical Instrument Manufacturing
- 13) 484110 Freight and Transportation
- 14) 484121 General Freight Trucking, Long-Distance, Truckload
- 15) 517110 Wired Telecommunications Carriers
- 16) 518210 Data Processing, Hosting, and Related Services
- 17) 928110 National Security for the corresponding index entries for Armed Forces. Army, Navy, Air Force, Marine Corps and Military Bases

MARKETING & RECRUITMENT PLAN OF ACTION 2018

Requestor: Shannon Scott, Economic Development Specialist, COSADC, 325.653.7197

Meeting Date: September 27, 2017

Item type: Regular Item

Caption:

Consider a resolution authorizing the Board President to execute Task 2, of the Professional Services Agreement in the amount up to, but not to exceed \$280,000 with Parkhill, Smith & Cooper, Inc. (PSC) to perform Professional Engineering and Surveying Services for "Infrastructure Design" for Phase 2 of the San Angelo Business & Industrial Park (Presentation by Bob Schneeman, Business, Retention and Expansion Coordinator)

Summary/History:

The new Task 2, of the Professional Services with Parkhill, Smith & Cooper, Inc. is necessary to provide the Professional Engineering and Surveying Services for Infrastructure Design for Phase 2 of the San Angelo Business & Industrial Park. The work will help to meet infrastructure requirements for the new AEP facility that is on a short time-line to be built as well of the expansion of infrastructure in Phase 2. At its meeting on June 22, 2016 the COSADC Board approved allocating up to \$2 Million as matching funds for an Economic Development Administration (EDA) grant for construction of infrastructure in Phase 2 or Phase 3 of the Industrial Park. Due to recent land sales the Phase 2 improvements have become the higher priority. In order to obtain the EDA grant, COSADC will be required to secure the services of an Engineering firm to prepare design drawings and cost estimates. Parkhill Smith & Cooper, Inc were selected via the City's Request for Qualifications process. Due to the relatively fast rate at which parcels are selling in Phase 1 , Tasks 1.1 and 1.2 included Data Collection and preparation of a conceptual layout of the Park with emphasis on Phase 2, particularly a recommended conceptual layout that would include providing additional smaller lots (5 acres +/-) and the potential additional infrastructure to support the proposed layout. Parkhill, Smith & Cooper developed several concept plans which were reviewed by staff, the preferred option being presented to and approved by COSADC at its meeting on August 23, 2017.

Financial Impact:

An up to amount of \$280,000.

Other Information/Recommendation:

Attached is the Work Order for Task 2 and the Platting and Infrastructure Design.

Attachments:

- | | |
|---|---|
| 1. Resolution | 17-XXX_COSADC_PARKHILL_TASK_ORDER_NO.2_RESO (2).docx |
| 2. Task 2 Work Order-Scope of Services/Cost | COSADC - RFQ DC-02-17 - PSC WO2 Scope-Fee Exhibit (Revised).pdf |
| 3. Platting/Infrastruture Design | Ex01-9406 Ex-01 (3).pdf |

Presentation:

Robert Schneeman

Approvals/Reviews:

Shannon Scott
Dan Saluri
Roland Pena
Bryan Kendrick

Created/Initiated
Approved
Approved
Final Approval

A RESOLUTION OF THE CITY OF SAN ANGELO DEVELOPMENT CORPORATION BOARD OF DIRECTORS AUTHORIZING THE PRESIDENT TO NEGOTIATE AND EXECUTE TASK ORDER NO. 2 TO PROFESSIONAL SERVICES AGREEMENT, RFQ DC-02-17, WITH PARKHILL SMITH & COOPER, INC., EFFECTIVE APRIL 25, 2017, IN A SUM NOT TO EXCEED \$280,000 TO PERFORM PROFESSIONAL ENGINEERING AND SURVEYING SERVICES FOR INFRASTRUCTURE FOR THE SAN ANGELO BUSINESS & INDUSTRIAL PARK, SUBJECT TO APPROVAL OF THE CITY COUNCIL.

WHEREAS, the City of San Angelo Development Corporation (COSADC) issued a Request for Qualifications, RFQ No. DC-02-17, for Professional Engineering and Surveying Services with a submittal deadline of February 10, 2017, and PARKHILL, SMITH & COOPER, INC. (“Provider” or “PSC”) response thereto has been selected as the most qualified for the provision of Services; and,

WHEREAS, COSADC and PSC entered into a Professional Services Agreement, effective April 25, 2017, and Task Order No. 1, **Exhibit B-1** thereto providing for Tasks 1.1 and 1.2 of the San Angelo Business and Industrial Park; and,

WHEREAS; City desires to add to the scope of work under said contract, Task Order No. 2, for additional engineering and surveying professional services providing for Tasks 2.1 through 2.5 of the San Angelo Business and Industrial Park;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF SAN ANGELO DEVELOPMENT CORPORATION THAT:

Section 1. The foregoing recitals are true and adopted as part of this Resolution.

Section 2. The Board President is hereby authorized and directed to negotiate and execute on behalf of COSADC Task Order No. 2 under the Professional Services Agreement with Parkhill Smith & Cooper, Inc., effective April 25, 2017, for a sum not to exceed \$280,000, in substantially the attached form.

Section 3. The Board’s authorization of Task Order No. 2 shall be subject to approval of the City of San Angelo City Council.

CITY OF SAN ANGELO DEVELOPMENT CORPORATION

ATTEST:

Edward Carrasco, President

Bryan Kendrick, Corporate Secretary

APPROVED AS TO CONTENT:

Roland Peña, Director of Economic
Development

APPROVED AS TO FORM:

Dan T. Saluri, Deputy City Attorney

EXHIBIT “A”
RFQ DC-02-17
SCOPE OF SERVICES
Work Order #2

Parkhill, Smith & Cooper, Inc. (PSC) will provide the following scope of services on the above referenced contract.

Task 2.1 Platting Activity

PSC will prepare, process, and submit required plans, exhibits, engineering reports, permit applications, transmittals, notices, administrative forms, and other related items to the City of San Angelo and administer the same through the review and approval process. Tasks may include, but not be limited to:

- Preparation and submittal of a Preliminary Plat for the entire Phase 2 acreage
- Preparation and submittal of a Preliminary Drainage Plan
- Preparation of applicable legal descriptions and boundaries
- Representation of Preliminary Plat and other actions before staff and at Planning Commission meetings (*Includes 1 Trip*)
- Coordination of plat with franchise utility providers
- Preparation and submittal of a Final Plat for 52 acre AEP lot and adjacent Rights-of-Way
- Representation of Final Plat at Planning Commission (*Includes 1 Trip*)

Task 2.1 Provided at Lump Sum of \$12,000

Task 2.2 Surveying Activity

PSC will provide surveying for both the plat boundaries and the design topographic information for areas of detailed design. Tasks may include, but not be limited to:

- Boundary surveys of platted areas (52 acre AEP lot + Adjacent ROWs)
- Legal descriptions of needed easements (sewer & drainage, possibly)
- Final Plat review and signature
- Lot monumentation
- Topographic survey for design of roadways, water, sewer, and drainage infrastructure (50+ acres in heavy brush)
- Establishment of benchmarks and control points for construction of infrastructure
- Multiple Trips

Task 2.2 Provided at Lump Sum of \$24,000

Task 2.3 Infrastructure Design

PSC will design, analyze, and document the design of paving, drainage, and utility infrastructure for the purpose of construction. Approximate limits of construction are shown on Exhibit “Ex-01.” Tasks may include, but not be limited to:

- Street alignment and layout
- Street profiles and hydraulics analysis
- ADA Issues – driveways, intersection ramps, public spaces
- Water Line Layout – pipes, valves, fittings, fire hydrants, services, etc.
- Sewer Line Layout – pipes, manholes, services, crossings, profiles
- Hydrologic Analysis and Production of Drainage Report
- Storm Sewer Layout – pipes, manholes, service laterals, inlets, outlets, crossings, profiles
- Regional Detention Basin Design
- Channel and Culvert Design
- Construction Details
- Storm Water Pollution Prevention Plans (SWP3) – site plans only
- Opinions of Probable Cost (OPCs) – 50% & 100% Stage – Entire Phase 2 & Immediate Project
- City review (*Includes 2 Trips*)
- Production of Construction documents – plans, specs, and contracts

Task 2.3 Provided at Lump Sum of \$170,000

Task 2.4 Bidding and Construction Phase Services

PSC shall advertise and seek out construction proposals and conduct bidding related tasks on behalf of the Owner, utilizing Economic Development Grant related requirements. PSC will also represent the Owner throughout the construction process to answer technical questions, confirm design requirements, and observe construction to the extent shown below. Tasks may include, but not be limited to:

- City review and approval process of development construction drawings
- Preparation of bid documents
- Conducting pre-bid meetings (*Includes 1 Trip*)
- Plans distribution and bid advertisements
- Respond to questions and issue addenda
- Conduct bid openings (*Includes 1 Trip*)
- Preparation of bid tabulations and make recommendations to Owner
- Preparation of contract documents between contractors and Owner – obtain City approval and issue Notice to Proceed (NTP)
- Conduct a Kickoff Meeting or Pre-Construction Meeting (*Includes 1 Trip*)
- Review Submittals
- Review or Prepare Cut Sheets for streets and gravity sewers
- Site Visits – Observe construction and provide records of observation to the owner (This is not inspection.) (*Includes 10 Trips*)
- Attend Construction Progress Meetings (*Included in Site Visit Trips*)
- Coordinate surveyors and contractors schedules
- Coordinate testing and City inspection requirements
- Process change orders
- Process and issue pay requests
- Conduct a Final Walkthrough (*Includes 1 Trip*)
- Process and Submit City Close Out Documentation

Task 2.4 Provided at Hourly Rate Not to Exceed \$65,000

Task 2.5 Reimbursable Expenses

Reimbursable expenses will be invoiced separately at 1.15 times the direct cost. These would include but are not limited to:

- Travel costs for undeclared trips (mileage or rental cars and gasoline, meals)
- Reproduction costs (printing of sets of plans for bidding or extras for contractor)
- Postage/Shipping fees (large set delivery through the mail to COSADC or Contractors)
- City Application fees

Task 2.5 Provided at Cost x 1.15

Additional Services

PSC will provide any additional services not specifically called out in the above tasks at an hourly rate, according to the most current hourly rate fee sheet or by execution of an amendment to this proposal for an agreed sum. Additional services could include, but are not limited to the excluded items listed below.

Exclusions

The above scope of services and fees specifically excludes the following work.

- Zoning Tasks
- Site Visits or Construction Meetings Beyond those Specified
- SWP3 permitting tasks beyond the erosion control sheet (Permit applications or Conducting SWP3 Inspections)
- Design of off-site improvements, such as extension of utilities or roadways not shown on Exhibit "Ex-01"
- Construction Surveying (Staking for contractors)
- Construction Testing
- Conducting City Acceptance Inspection Activities
- Geotechnical Investigations
- Environmental Site Assessments
- Landscape design or consultation
- Architectural, MEP, or Structural Design Services
- Street Lighting Design
- Design of Franchise Utility Extensions

Timeline

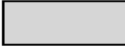
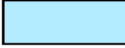
PSC will provide final Construction Drawings for submission to the City of San Angelo on December 1, 2017 for the portion of infrastructure required for platting the AEP lot. (Approximately 2,000 LF of Sewer, 800 LF of Water, and 800 LF of Roadway.) This set is known as Phase 2.1.

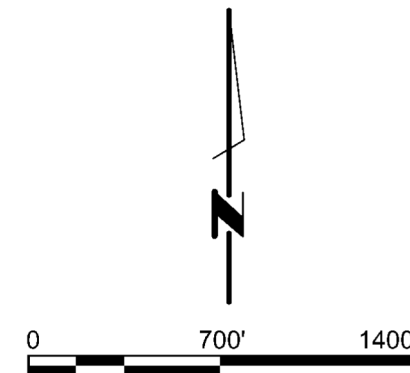
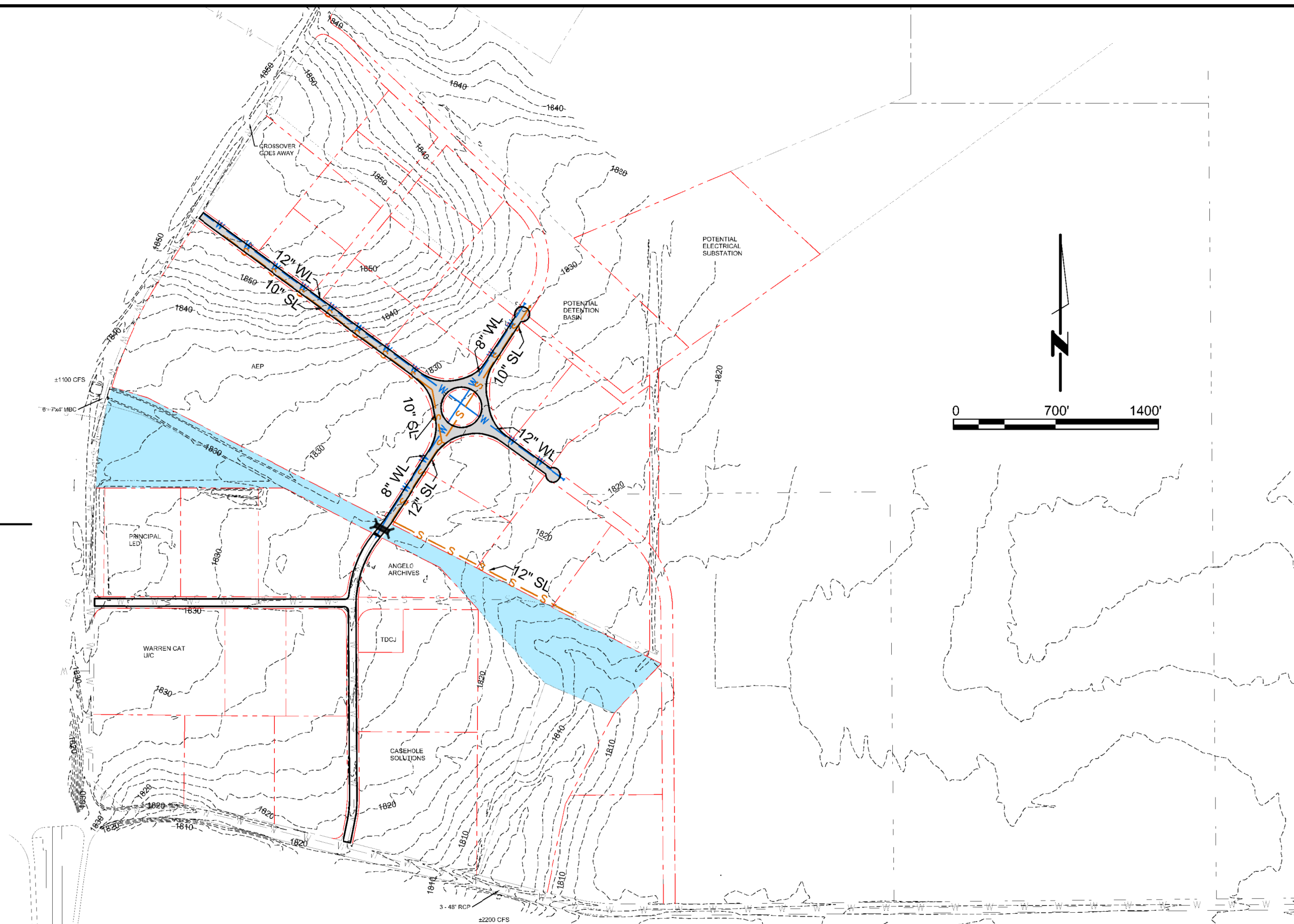
PSC will provide final Construction Drawings for submission to the City of San Angelo on February 1, 2017 for the remainder of infrastructure in this contract. This set is known as Phase 2.2.

Fees assume this breakdown, but anticipates 1 bidding timeframe for 2 contracts, one for paving/grading, and one for utilities.

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LEGEND

-  PROPOSED PAVING
±38,850 S.Y. PAVING
±10,070 L.F. CURB & GUTTER
-  PROPOSED DRAINAGE FACILITIES
±60,000 C.Y. EXCAVATION
-  PROPOSED WATER LINE
±3,100 L.F. 12" WATER LINE
±1,900 L.F. 8" WATER LINE
-  PROPOSED SEWER LINE
±2,000 L.F. 12" SEWER LINE
±3,300 L.F. 10" SEWER LINE
-  PROPOSED CULVERT CROSSING
6 - 7'x4' MBC



SAN ANGELO BUSINESS & INDUSTRIAL PARK
PHASE II
PRELIMINARY ENGINEERING REPORT



PARKHILL SMITH & COOPER

PROJECT SITE LAYOUT

Issue:	1.0	Date:	8/31/2017
Project No:	9406.17	Sheet:	Ex-01

Requestor: Shannon Scott, Economic Development Specialist, COSADC, 325.653.7197

Meeting Date: September 27, 2017

Item type: Regular Item

Caption:

Consider resolution approving a Project in support of the City Council and the expenditure of promotional campaign to expand the Air Service Marketing Initiative and advertise the City of San Angelo for the purpose of developing new and expanded business enterprises and authorize the President to negotiate and execute a performance agreement in the amount of up to and not to exceed \$60,000 with McLaughlin Advertising. (Presentation by Roland Peña, Economic Development Director)

Summary/History:

This item consists of a year long public awareness campaign to promote the City of San Angelo and its air service benefits in an effort to yield the development of new and expanded business enterprises. The campaign initiative is a result of a new Task Force (Air Service Working Group-ASWG) created by the San Angelo City Council. This group is comprised of several stakeholders: San Angelo City Council members, the Mayor, representatives of the Airport Advisory Board, San Angelo Chamber of Commerce, COSADC Board, and local business leaders. COSADC Board President Edward Carrasco serves on the ASWG and has been actively involved. The group is facilitated by City staff. In addition, the ASWG has worked with Edward Shelswell-White, an airline consultant experienced with airports our size from the airlines perspective and as an advisor to municipalities and their airports. The campaign is expected to create positive perceptions about doing business in San Angelo and the attributes of such which include flying from the San Angelo Regional Airport at Mathis Field. The ASWG was formed by the City Council in response to the announcement of American Airlines decision to cut the number of flights departing San Angelo. Stephen McLaughlin of McLaughlin Advertising serves in an advisory capacity as the City of San Angelo marketing and public relations agent.

The group has studied the economic impact of our air service and gained a grasp of the current status of air service, economic position, the potential to increase demand, and the risk in relation to losing air service altogether.

Financial Impact:

Up to and not to exceed \$60,000. It will require a budget amendment to fund the project.

Other Information/Recommendation:

Attached is the Air Service Marketing Initiative Resolution.

Attachments:

- | | |
|--|-------------------------------------|
| 1. Air Service Marketing Initiative Resolution | COSADC_AIRPORT_McLaughlin_RESO.docx |
|--|-------------------------------------|

Presentation:

Roland Pena

Approvals/Reviews:

Shannon Scott	Created/Initiated
Dan Saluri	Approved
Roland Pena	Approved

Bryan Kendrick

Final Approval

A RESOLUTION OF THE CITY OF SAN ANGELO DEVELOPMENT CORPORATION BOARD OF DIRECTORS, AUTHORIZING THE BOARD PRESIDENT TO NEGOTIATE AND EXECUTE A PERFORMANCE AGREEMENT WITH MCLAUGHLIN ADVERTISING PROVIDING FUNDING NOT TO EXCEED \$63,000 FOR A PROJECT FOR THE PURPOSE OF DEVELOPING NEW AND EXPANDED BUSINESS ENTERPRISES THAT CREATE OR RETAIN PRIMARY JOBS AS AUTHORIZED UNDER THE TEXAS LOCAL GOVERNMENT CODE, CHAPTER 505.

WHEREAS, The voters of the City of San Angelo on November 2, 2010 approved the use of sales and use tax proceeds for the continued economic development projects authorized under Section 4B of the Act, including but not limited to, the development, promotion, creation, retention, or expansion of business enterprises that create or retain primary jobs, including suitable infrastructure, and

WHEREAS, the City of San Angelo, San Angelo Regional Airport—Mathis Field, is in need of professional air service marketing services for the promotion and development of new or expanded business enterprises that create or retain primary jobs (the “Services”) which will be conducive to ensuring the continued economic development and growth of the City; and,

WHEREAS, the City of San Angelo Development Corporation desires to contract with Stephen McLaughlin, dba McLaughlin Advertising. for the Services subject to the terms and conditions to be set forth in a performance agreement between COSADC and McLaughlin Advertising, and

WHEREAS, at least sixty (60) days prior to undertaking the Project, a public notice of the specific project shall be published and at least one public hearing shall be held by the Development Corporation prior to expending funds on the Project in compliance with the requirements of the Development Corporation Act, Sections 505.159 and 505.160 of the Local Government Code;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF SAN ANGELO DEVELOPMENT CORPORATION THAT:

The City of San Angelo Development Corporation Board of Directors offers this Resolution: in support of City Council approval of a Project funding airport marketing services to be provided by the McLaughlin Advertising under a performance agreement., in an amount not to exceed \$63,000, for the promotion and development of new or expanded business enterprises that create or retain primary jobs; recommends City Council approval of the project; directs and authorizes the Board President to negotiate and execute an economic development performance agreement with Stephen McLaughlin, dba McLaughlin Advertising at San Angelo for up to the authorized funding of the Project; and directs that notice of the Project be published and a public hearing be held pursuant to statutory requirements.

PASSED, APPROVED, and ADOPTED on this the 20th day of September, 2017.

CITY OF SAN ANGELO DEVELOPMENT CORPORATION

ATTEST:

By: _____
Edward Carasco, President

By: _____
Bryan Kendrick, Corporate Secretary

APPROVED FOR CONTENT

Roland Peña, Director of Economic Development

APPROVED AS TO FORM

Dan T. Saluri, Deputy City Attorney

APPROVED FOR CONTENT

Luis Elguezabal, Airport Director

Requestor: Roland Pena, Economic Development Director, COSADC, 325.653.7197

Meeting Date: September 27, 2017

Item type: Regular Item

Caption:

A resolution of the City of San Angelo Development Corporation Board of Directors authorizing the use of sales and use tax funds in an amount not to exceed \$100,000, for a project that entails acquisition from the City of San Angelo of a 17.58 acre parcel of real property fronting on Houston Harte Expressway, within an area bounded by Southwest Boulevard, Sherwood Way and Sunset Drive, and a Development Agreement with the city pursuant to which the property will be improved for resale and commercial development as permitted under Chapter 505 of the Texas Development Corporation Act to promote and develop a new or expanded business enterprises that create or retain primary jobs, or that provide facilities that enhance Convention Purposes and Tourism (Presentation by Roland Peña, Economic Development Director)

Summary/History:

The resolution authorizes the Board determination of a project for the purchase of city land and the expenditures to acquire the land. \$25,000 for the property and up to \$75,000 in expected acquisition costs. The COSADC Board authorized staff to respond to the RFP: RE-03-17 for the purposes mentioned in the caption (improve for resale and commercial development). The City Council approved the proposal and award to COSADC on August 15. Since this time, we have been negotiating terms the result of which is substantially in the form attached.

Financial Impact:

\$100,000 (\$25,000 for purchase of land and \$75,000 for environmental studies, surveying, and geotechnical and closing costs)

Other Information/Recommendation:

Resolution attached. Staff recommends approval.

Attachments:

- | | | |
|----|--------------------|--|
| 1. | Resolution | 17-515A_COSADC_HILLSIDE_PROJECT_RESO.docx |
| 2. | Purchase Agreement | 17-515_COSADC_CITY_HILLSIDE_RE_SALES_K(DR2).docx |

Presentation:

Roland Pena

Approvals/Reviews:

Roland Pena
Bryan Kendrick

Created/Initiated
Final Approval

A RESOLUTION OF THE CITY OF SAN ANGELO DEVELOPMENT CORPORATION BOARD OF DIRECTORS AUTHORIZING THE USE OF SALES AND USE TAX FUNDS IN AN AMOUNT NOT TO EXCEED \$100,000, FOR A PROJECT THAT ENTAILS ACQUISITION FROM THE CITY OF SAN ANGELO OF A 17.58 ACRE PARCEL OF REAL PROPERTY FRONTING ON HOUSTON HARTE EXPRESSWAY, WITHIN AN AREA BOUNDED BY SOUTHWEST BOULEVARD, SHERWOOD WAY AND SUNSET DRIVE, AND A DEVELOPMENT AGREEMENT WITH THE CITY PURSUANT TO WHICH THE PROPERTY WILL BE IMPROVED FOR RESALE AND COMMERCIAL DEVELOPMENT AS PERMITTED UNDER CHAPTER 505 OF THE TEXAS DEVELOPMENT CORPORATION ACT TO PROMOTE AND DEVELOP NEW OR EXPANDED BUSINESS ENTERPRISES THAT CREATE OR RETAIN PRIMARY JOBS, OR THAT PROVIDE FACILITIES THAT ENHANCE CONVENTION PURPOSES AND TOURISM.

WHEREAS, The voters of the City of San Angelo on November 2, 2010 approved the use of sales and use tax proceeds for continued economic development projects authorized under Section 4B of the Development Corporation Act, which includes authority for the expenditure of not more than ten percent of corporate revenues for promotional purposes; and,

WHEREAS, COSADC is a section 4B development corporation authorized to utilize sales and use tax funds to promote or develop new or expanded business enterprises that create or retain primary jobs; and,

WHEREAS, the City of San Angelo published RFP No. RE-03-17 for proposals for the commercial development of a 17.58 acre parcel of vacant real property fronting on the Houston Harte Express Way, in the heart of the primary growth direction of the City of San Angelo, within an area bounded by Southwest Boulevard, Sherwood Way and Sunset Drive; and,

WHEREAS, COSADC has proposed a project that entails acquisition from the City of the property for \$25,000, and for completion of environmental studies, geotechnical investigations, survey and related services necessary to market the property for commercial development to prospective high growth, high skilled, higher paying industry sector businesses that create or retain primary jobs; and,

WHEREAS, the Board has determined that the project will promote or develop new or expanded business enterprises that create or retain primary jobs or that provide facilities that enhance convention purposes and tourism ; and,

WHEREAS, at least sixty (60) days prior to undertaking the Project, a public notice of the specific project shall be published and at least one public hearing shall be held by the Development Corporation prior to expending funds on the Project in compliance with the requirements of the Development Corporation Act, Sections 505.159 and 505.160 of the Local Government Code;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF SAN ANGELO DEVELOPMENT CORPORATION THAT:

The City of San Angelo Development Corporation offers this Resolution authorizing the use of sales and use tax funds for the acquisition by COSADC of 17.58 acres of vacant land from the City of San Angelo, RFP No. RE-03-17, for a purchase price of \$25,000; authorizing the Director of Economic Development to negotiate terms and conditions of a Real Estate Sales Contract and a Development

Agreement with the City in a form approved by the City Attorney's Office, inclusive of costs related to inspection and testing of the property, due diligence, survey and closing costs, plus completion of environmental studies, geotechnical investigations, survey and related services necessary to market the property for commercial development to prospective businesses that create primary jobs, in a total sum not to exceed \$100,000; authorizing the Board President, to execute said agreements and related documents; directing that notice of the Project be published and a public hearing be held pursuant to statutory requirements; recommending to City Council ratification of the Real Estate Sales Contract and Development Agreement; and, authorizing the Economic Development Department of the City together with COSADC to market the property for commercial development by business entities that create or retain primary jobs as herein provided.

PASSED, APPROVED, and ADOPTED on this the 23rd day of August, 2017.

CITY OF SAN ANGELO DEVELOPMENT CORPORATION

By: _____
Edward Carrasco, President

ATTEST:

By: _____
Bryan Kendrick, Corporate Secretary

Real Estate Sales Contract

This Agreement to buy and sell real property (Agreement) 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 Agreement and by Title Company to acknowledge receipt of the Earnest Money. 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 Agreement 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, a Texas home rule municipal corporation
Address: 72 W. College Ave., San Angelo, Tom Green County, Texas 76903
Phone: (325) 657-4407 Fax: (325) 481-2695
Email: cynthia.preas@cosatx.us

Buyer: CITY OF SAN ANGELO DEVELOPMENT CORPORATION
Address: 69 North Chadbourne, San Angelo, Tom Green County, Texas 76903
Phone: (325) 657-4407
Email: Roland.pena@cosatx.us

Buyer's Attorney: Dan Saluri, Deputy City Attorney
72 West College – San Angelo, Texas 76903_____

Buyer's Broker: _____ None _____

Property: The surface estate only in Lot 9-A, Block 2, Section 9-A, RED ARROYO HILLS ADDITION, City of San Angelo, Tom Green County, Texas, according to the map or plat recorded in Plat Cabinet G, Slide 39, Plat Records, Tom Green County, Texas, commonly known as 4751 Houston Harte Expressway, (referred to in this Contract as the "Property"), together with all and singular the rights and appurtenances pertaining to the property, for the consideration and upon and subject to the terms, provisions, and conditions set forth below, provided however, this conveyance shall not include any improvements to the property but the land only.

Title Company: First Title Company
Address: 4 S. Koenigheim, San Angelo, TX 76903

Phone: (325) 653-1421

Purchase Price: \$ 25,000

Cash portion: \$ _25,000

Additional Consideration:

1. Seller and Buyer agree upon the sale of Property to an undisclosed 3rd party, Buyer shall split equally with Seller sale proceeds in excess of the sum of \$25,000 plus the cost of the environmental studies, remedial costs estimates, geotechnical investigations and surveys estimated at \$55,000.
2. Buyer's execution of Development Agreement with Seller, a copy of which is attached hereto as **Exhibit "D"**, and made a part hereof for all purposes.

Earnest Money: \$5,000

Surveyor: SKG Engineering, LLC or another registered professional land surveyor licensed by the Texas Board of Professional Land Surveying selected by Buyer

Survey Category: Buyer shall secure a new Survey at Buyer's expense, a copy of which shall be provided to Seller

County for Performance: Tom Green County

A-1 Deadlines For Performance and Other Dates

All deadlines for performance required in this Agreement 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 Agreement.

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 (60) days after Effective Date.
3. Delivery of Title Objections: sixty (60) days after delivery of Title Commitment.
4. Delivery of Sellers Cure Notice: thirty (30) days after delivery of Buyers Title Objections
5. 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

6. Inspection Period: commences on the Effective Date and expires two hundred forty (240) days after the Effective Date.
7. Closing Date shall be the earlier of: sixty (60) days after the termination of the Inspection Period and any extensions; or, upon thirty (30) days prior written notice from Buyer.

A-2 Extension of Inspection period and Closing

Buyer and seller may elect to extend the Inspection Period for two (2) sixty (60) days periods. Buyer shall provide written notice to Seller of its intent to exercise the Extension five (5) days prior to the end of Inspection Period or any Extensions. . Upon the exercise of the extension, Buyer shall provide Title Company with a copy of the written extension and an additional \$10,000 in Escrow. The additional Escrow shall be applied to the Purchase Price.

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 a 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 with the provision that Seller shall not extract any water by surface removal methods except as may be done from adjacent property. The foregoing reservation does not include a right to enter upon or use the surface of the Property, and Seller shall not disturb the surface of the Property or any improvements constructed thereon by Buyer, cause subsidence or impact the structural integrity, or interfere with the use of, the Property or any improvements constructed thereon by Buyer.
 - b. IRS Non-foreign person affidavit
 - c. 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
 - 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 Agreement:

Exhibit A—Representations;

Exhibit B—Notices, Statements, and Certificates;

Exhibit C – Seller's Records;

Exhibit D – Development Agreement

Exhibit E – Form of Warranty deed with exception to and reservations from conveyance

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 provided for herein.

E. Interest on Earnest Money

All earnest money required under this Agreement shall be deposited with Title Company. Title Company shall be required to invest the Earnest Money in an interest-bearing account for the benefit of Buyer. If the sale hereunder is consummated in accordance with the terms hereof, the Earnest Money, including the Option Consideration, shall be applied to the Purchase Price to be paid by Buyer at closing. In the event of default hereunder by Buyer, the Earnest Money shall be applied as provided under part "M" paragraph 2. "Buyer's Default." In the event this Agreement is terminated by Buyer in accordance with the terms hereof, the Earnest Money shall be returned to Buyer.

F. Survey

Buyer, at Buyer's option and expense, may commission a survey of the Property if Buyer determines such is necessary or desirable. 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

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 Agreement. "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 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. Seller's Delivery of Title Commitment and Survey.

a. Within ten (10) days after the date of this Agreement, Seller shall furnish Buyer a copy of the most recent owner's policy of title insurance (or, if Seller has no such owner's policy of title insurance, the most recent title commitment) for the Property in Seller's possession.

b. Within ten (10) days after the date of this Agreement, Seller shall furnish Buyer a copy of the most recent survey, if any, and copy of the recorded plat of the Premises in Seller's possession. Prior to sixty (60) days before close of the Inspection Period, Buyer, at Buyer's expense, shall obtain a Survey of the Property certified and acceptable to Buyer, Buyer's lender (if any) and Title Company, and provide a copy of the meets and bounds description and survey prepared by the Surveyor to Seller

c. *Delivery of Title Commitment, Survey, and Legible Copies.* Seller must deliver the Title Commitment to Buyer by the deadline stated in section A-1.2

5. *Title Objections.* Buyer has until the deadline stated in section A-1.3. ("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 seven (7) days after the deadline for the

giving of Seller's Cure Notice, notify Seller that either this Agreement is terminated 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 Agreement, and cure the Title Objections that Seller has agreed to cure.

H. Inspection Period

1. *Review of Seller's Records.* Seller shall 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 on to 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 Property from the Effective Date of this Contract until the close of the Inspection Period (as such Inspection period may be extended), for the sole purpose 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 Property, 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 test;
- 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 the Contract and closing);
- d. Buyer must deliver to Seller copies of all inspection reports, other than those subject to the attorney-client privilege or confidentiality requirements 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 (this provision shall survive termination of this Contract and closing); and
- e. Buyer must abide by any other reasonable entry rules imposed by Seller and provided in advance to Buyer.

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 PROPERTY 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 CONTRACT AND CLOSING.**

5. *Buyer's Right to Terminate* Buyer may terminate this Agreement for any reason by delivering notice of termination to Seller before the end of the Inspection Period (as such Inspection Period may be extended). If Buyer does not deliver notice to Seller of Buyer's termination of the Agreement before the end of the Inspection Period (as such Inspection Period may be extended), Buyer waives the right to terminate this Agreement pursuant to this provision..

6. *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 Property, 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 beyond Seller's control; (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 within fifteen (15) 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 (15) 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 Agreement if the condemnation would materially affect Buyer's intended use of the Property by giving notice to Seller within fifteen (15) days after receipt of Seller's notice to Buyer (provided that the Closing Date will be extended as necessary to give Buyer fifteen (15) days to respond). If Buyer does not terminate this Agreement, (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 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, and (d) no change in the Purchase Price will be made. If Buyer elects to terminate this Agreement, the Parties shall have no further right or obligation hereunder, except as otherwise provided in this Agreement, and the Earnest Money shall be distributed to the parties as provided at part "E" entitled "Deposit and Interest on Earnest Money".

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. , and (c) before and after closing, to grant any easements across land owned by Seller that is adjacent to the Property reasonably required for most economical right-of-way for utility service.

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 AND ANY WARRANTIES CONTAINED HEREIN, 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 EXAMINATION 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 Agreement 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 Agreement 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 Agreement 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 Agreement or that expressly survive termination of this Agreement.

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 Agreement 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 Agreement, record the 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 Agreement, 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 Agreement; 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 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 Agreement; 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 adjustment.* If errors in the prorations made at closing are identified within ninety days after closing, Seller and Buyer will make post closing adjustments to correct the errors within fifteen days of receipt of notice of the errors.
- e. *Buyer's Brokers Commissions.* SUBJECT TO SECTION 0.70 HEREOF, 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 AGREEMENT, 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.

4. *Buyer's Closing Conditions.* Buyer's obligation to close the purchase of the

M. Default and Remedies

1. *Seller's Default.* If Seller fails to perform any of its obligations under this Agreement and fails to cure such default after notice as herein provided Buyer may elect to terminate this Agreement 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 Agreement and fails to cure such default after receiving notice as herein provided ("Buyer's Default"), Seller may terminate this Agreement 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 terminate this Agreement by giving notice to Buyer on or before the Closing Date and have the Earnest Money paid to Seller.

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 Agreement, 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 Agreement must be in writing. Any notice required by this Agreement 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 Agreement. 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 Agreement, 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 Agreement.

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

4. *Assignment.* Buyer's rights under this Agreement are expressly assignable without the consent of Seller, effective upon fourteen (14) days written, advance notice of Buyer's intent to assign this Agreement. Buyer shall provide Seller with an executed copy of any such assignment within ten (10) days of the effective date. Such assignment shall not discharge Buyer from liability for default in performance by an Assignee of Buyer's obligations under this Agreement.

5. *Survival.* The obligations of this Agreement that cannot be performed before termination of this Agreement or before closing will survive termination of this Agreement or closing, including but not limited to the provisions of: Part H subpart 4.; Part J. subpart 5, 6.; Part K.; Part L., 2., 3.; 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 Agreement will be construed under the laws of the state of Texas, without regard to choice-of-law rules of any jurisdiction. Venue is in Tom Green County.

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 Agreement.

9. *Severability.* The provisions of this Agreement are severable. If a court of

competent jurisdiction finds that any provision of this Agreement 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 Agreement 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 Agreement.

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 Agreement is executed in multiple counterparts, all counterparts taken together will constitute this Agreement.

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

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

BUYER:

CITY OF SAN ANGELO DEVELOPMENT CORPORATION

By: _____

SELLER:

CITY OF SAN ANGELO

By: _____

ATTEST:

Daniel Valenzuela, City Manager

Bryan Kendrick, City Clerk

Approved as to Form:

Approved as to Content:

Dan T. Saluri, Deputy City Attorney

Cynthia Preas, Real Estate Manager

Title Company acknowledges receipt of Earnest a copy of this Agreement executed by both Buyer and Seller.

By: _____

Title: _____

Date: _____

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.* There is no litigation pending or threatened against Seller that might affect the Property or Seller's ability to perform its obligations under this Agreement.

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. *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.

4. *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 there are no 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 included incinerator and or landfill for disposal of solid waste, but have not involved other treatment, storage, or recycling of hazardous substances or solid wastes;
- d. Except as stated at subparagraph "c." above, to Seller's information and belief the Property has not been used for any other industrial or commercial operations involving hazardous substances or solid wastes;
- e. to Seller's information and belief that there are no aboveground or underground storage tanks on the Property;

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

6. *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 liens against the Property other than work or materials to which Buyer has given its consent.

7. *No Other Representation.* Except as stated above or in the notices, statements, and certificates set forth in Exhibit D, 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 Agreement 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

Requestor: Shannon Scott, Economic Development Specialist, COSADC, 325.653.7197

Meeting Date: September 27, 2017

Item type: Regular Item

Caption:

Consider approving the proposed COSADC meeting calendar for 2018 (Presentation by Nora Nevarez, Executive Office Coordinator)

Summary/History:

Staff proposes for approval the following 2017-2018 meeting calendar.

January 24, 2018

February 28, 2018

March 28, 2018

April 25, 2018

May 23, 2018

June 27, 2018

July 25, 2018

August 22, 2018

September 26, 2018

October 24, 2018

November 28, 2018

December 19, 2018

Financial Impact:

Other Information/Recommendation:

Attachments:

Presentation:

Nora Nevarez

Approvals/Reviews:

Shannon Scott

Roland Pena

Bryan Kendrick

Created/Initiated

Approved

Final Approval

Requestor: Roland Pena, Economic Development Director, COSADC, 325.653.7197

Meeting Date: September 27, 2017

Item type: Regular Item

Caption:

Approve a Resolution of the City of San Angelo Development Corporation Board of Directors authorizing the President to execute Task Order No.1 to RFQ ES-04-15 with SKG Engineering, LLC., in a sum not to exceed \$65,000, to perform professional engineering and surveying services for an Economic Development Project that entails acquisition from the City of San Angelo of a 17.58 acre parcel of Real Property fronting on Houston Harte Expressway, within an area bounded by Southwest Boulevard, Sherwood Way and Sunset Drive, for commercial development that requires survey, environmental studies and geotechnical investigations and related services (Presentation by Roland Peña, Economic Development Director)

Summary/History:

As part of the due diligence in the acquisition of the 17.58 acre parcel from the City of San Angelo, a series of environmental studies and survey will be required to be able to acquire the property. The studies will consist of an Environmental Phase 1 and Phase 2 site assessments (ESA), Remediation Cost Estimate, and Geotechnical Investigations. In April of 2015, the City of San Angelo issues an RFQ No. ES-04-15 for Professional Engineering and Surveying Services with the deadline submittal of July 7, 2015. SKG Engineering, LLC was deemed qualified for the provision of services. COSADC will take advantage of the RFQ to secure the services needed to move this project as efficiently and timely.

Financial Impact:

\$65,000

Other Information/Recommendation:

Attached is the Resolution and proposal Task Order, with SKG Proposal, SKG's Terms and Conditions and the Site Plan.

Attachments:

1. Resolution 17-515_COSADC_SKG_HILLSIDE_TASK_ORD_NO_RESO.docx
2. Task Order 17-515_COSADC_SKG_HILLSIDE_TASK_ORD_NO1_PDF.pdf

Presentation:

Roland Pena

Approvals/Reviews:

Roland Pena
Roland Pena
Bryan Kendrick

Created/Initiated
Approved
Final Approval

A RESOLUTION OF THE CITY OF SAN ANGELO DEVELOPMENT CORPORATION BOARD OF DIRECTORS AUTHORIZING THE PRESIDENT TO EXECUTE TASK ORDER NO. 1 TO RFQ ES-04-15 WITH SKG ENGINEERING, LLC, IN A SUM NOT TO EXCEED \$65,000, TO PERFORM PROFESSIONAL ENGINEERING AND SURVEYING SERVICES .FOR AN APPROVED ECONOMIC DEVELOPMENT PROJECT THAT ENTAILS ACQUISITION FROM THE CITY OF SAN ANGELO OF A 17.58 ACRE PARCEL OF REAL PROPERTY FRONTING ON HOUSTON HARTE EXPRESSWAY, WITHIN AN AREA BOUNDED BY SOUTHWEST BOULEVARD, SHERWOOD WAY AND SUNSET DRIVE, FOR COMMERCIAL DEVELOPMENT THAT REQUIRES SURVEY, ENVIRONMENTAL STUDIES AND GEOTECHNICAL INVESTIGATIONS AND RELATED SERVICES

WHEREAS, the City of San Angelo and SKG ENGINEERING, LLC (“SKG”) entered into a master agreement for professional surveying and engineering services, effective September 15, 2015, pursuant to RFQ ES-04-15 (“Master Agreement”); and,

WHEREAS the City of San Angelo Development Corporation (“COSADC”) and City of San Angelo (“City”) have entered into an Administrative Services Agreement, pursuant to which the City provides administrative services to COSADC, including services related to purchasing through the City’s Purchasing Division; and,

WHEREAS, the Board has approved the project for commercial development of 17.58 acre parcel of real property fronting on Houston Harte Expressway, within an area bounded by Southwest Boulevard, Sherwood Way and Sunset Drive, that requires survey, environmental studies and geotechnical investigations and related services; and,

WHEREAS, COSADC desires to retain the professional services of SKG under the Master Agreement, and SKG has provided COSADC with a proposal and fee schedule for such services;

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

The Board President is hereby authorized to execute Task Order No. 1 to the Master Agreement by and between the City of San Angelo and SKG Engineering, LLC, RFQ ES-04-15, for professional survey and engineering services related to commercial development of 17.58 acre parcel of real property fronting on Houston Harte Expressway, within an area bounded by Southwest Boulevard, Sherwood Way and Sunset Drive, that requires survey, environmental studies and geotechnical investigations and related services, in a sum not to exceed \$65,000.

PASSED and APPROVED THIS 27th DAY OF September, 2017.

CITY OF SAN ANGELO
DEVELOPMENT CORPORATION

ATTEST:

Edward Carrasco, President

Bryan Kendrick, Corporate Secretary

APPROVED AS TO CONTENT:

Roland Peña, Director of
Economic Development

APPROVED AS TO FORM:

Dan T. Saluri, Deputy City
Deputy City Attorney



TASK ORDER No. 1

Effective Date: September 27, 2017

RFQ NO.: RFQ No. ES-04-17

Contractor: SKG ENGINEERING, LLC.
Attention: Jason Clinton, P.E.
706 South Abe Street
San Angelo, Texas 76903
Phone: (325) 655-1288

Approving Director: Roland Peña. Director of Economic Development

Effective Date of Master Contract: September 15, 2015

Task Order Scope of Work (*Include references to attachments*): Exhibit "A" RFQ ES-04-17, SKG ENGINEERING, LLC letter proposal and fee schedule, dated September 13, 2017, "Revised Environmental, Engineering and Surveying Services Proposal".

Time of Completion: Professional Services provided under this Agreement shall be performed as expeditiously as is prudent considering the ordinary professional skill and care of a competent member of the same profession. Approval for beginning Work on the project will not be given and that Work will not start until all required bonds and insurance certificates specified in the contract documents have been received and approved by City of San Angelo Risk Management Office. Contractor agrees that any extension of the Contract Time stated herein shall not be effective or of any force or effect until and unless in writing, signed by the above named Approving Director, or designee.

Task Order Contract Price: SIXTY-FIVE THOUSAND AND NO/100 DOLLARS (\$65,000).

Council Authorization Date (Task Orders of \$50,000 or more): October 3, 2017

Documents Incorporated Into and Made a Part of This Task Order (Attached): Exhibit "A" RFQ ES-04-17, SKG ENGINEERING, LLC letter proposal and fee schedule, dated September 13, 2017, "Revised Environmental, Engineering and Surveying Services Proposal".

Reaffirmation of Master Contract: This Task Order is an addendum to the Master Contract, and all contract provisions shall apply unless specifically exempted. The price and time designated in this Task Order are the maximums agreed to by COSADC and Contractor. This Task Order and any attached Exhibits and contract documents referred to herein are the entire agreement between Owner and Contractor with respect to this Task Order. Notwithstanding anything to the contrary herein, the cost of the change indicted on the face of this Task

Order is the entire amount of the change, and no backup documentation attached hereto may reserve the Contractor's right to increase the contract time or the cost of this change for extended overhead or general conditions or any other reason.

At time of execution of this Task Order, Contractor shall execute and provide to City/Owner the verified certification in a form provided by City in compliance with Chapter 2270 of the Texas Government Code and Subchapter "F" of Chapter 2252 of the Texas Government Code.

CONTRACTOR: SKG ENGINEERING, LLC .

CITY OF SAN ANGELO
DEVELOPMENT CORPORATION

BY: _____
Jason Clinton, P.E.

Edward Carrasco, Board President

EMAIL: jc@skge.com

DATE: _____, 2017

ATTEST:

Bryan Kendrick, City Clerk

APPROVED AS TO FORM

APPROVED AS TO CONTENT

Dan T. Saluri, Deputy City Attorney

Roland Peña. Director of Economic Development

Date: _____

Date: _____



September 13, 2017

Mr. Roland Pena
City of San Angelo Developmental Corporation
69 N. Chadbourne Street
San Angelo, Texas 76903

RE: Revised Environmental, Engineering and Surveying Services Proposal,
Phase I and Phase II Environmental Site Assessment (ESA) and
Remediation Cost Estimate, Geotechnical Investigation and Survey
Houston Harte Expressway,
San Angelo, Texas

Dear Mr. Pena,

I would like to thank you for the opportunity to provide you a proposal for services and fee estimates for the 17.58 acre tract in Tom Green County. The scope of environmental, engineering and surveying services we will provide are as described below.

We will conduct a Phase I Environmental Site Assessment for the site in conformance with the standards set forth in ASTM E 1527-13 to identify the likely presence of any hazardous substances or petroleum products on the property under conditions that indicate an existing release, past release, or a material threat of a release into structures on the property or into the ground, groundwater, or surface water of the property. Specifically excluded is any work associated with determining the nature and extent of any soil or groundwater contamination that presently exist on the site, or any services associated with the remediation of any soil or groundwater contamination that presently exist on the site. Specifically excluded in these services are consulting in regard to Recognized Environmental Conditions noted at the site. Consulting to address any REC's will be billed at our standard hourly rate. We can perform these services for an amount of \$3,200.

ASTM E 1527-13 describes certain responsibilities of the Client as the User of the Phase I ESA to collect and provide information to the environmental professional to help identify the possibility of recognized environmental conditions in connection with the property. Failure to provide the information on the User Questionnaire could result in a determination that all appropriate inquiry is not complete. Review of reasonably ascertainable recorded land title records and lien records to recognize environmental liens and AULs is particularly important to completion of the Phase I. In order for the User to be eligible for Liability Landowner Protections, the User must meet the requirements of 40 CFR 312.20 and 312.25, which requires a search for the existence of environmental liens and AULs that are filed or recorded against the

property. According to ASTM E 1527-13, this practice does not impose on the environmental professional the responsibility to undertake a review of recorded land title records and judicial records for environmental liens and AULs. The responsibility falls on the User. For an additional fee, SKG Engineering can conduct the search for environmental liens and AULs, as well as the chain of title. We will need the survey of the property, current property owner's name, and the legal description in its entirety for environmental lien and chain of title research. We can perform the environmental lien search for an additional cost of \$250, or the chain of title and environmental lien search for an additional \$495. We request you fill out the User Questionnaire and provide the records requested at the time of approving our services.

A Phase I ESA consists of research, site assessment, and reporting. The specifics regarding time of completion will be directly related to the type of property, and the User's ability to provide the needed documentation in a timely manner. If the property is closing on a set date, or the report is needed in a short amount of time, it is the User's responsibility to inform SKG Engineering of any and all time and date limitations to be imposed on this ESA.

This report will be designed for the User only; any reliance beyond the User will be at the User's own risk, even in the case that SKG Engineering provides a reliance letter. Reliance letters are not included in this scope of work. If reliance letters are needed, additional charges will incur. SKG will only provide a reliance letter to third parties with the User's expressed, written consent. This consent must be signed by the user, and must include a statement which states the User understands that they will be assuming all risk and liability of allowing third party reliance.

We will conduct a Phase II ESA for the site in conformance with the standards set forth in ASTM E 1903-11 to investigate site soils and produce a report of findings to the client. We would conduct soil sampling across the tract to obtain soil samples for analysis. We would conduct a maximum of 20 boreholes to a maximum depth of 10 feet. We would submit up to 20 samples to the laboratory for testing in regard to TPH (1005) and B-TEX, submit up to 20 samples for heavy metal analysis (TCLP (RCRA8 & TX4)). We would submit up to 5 samples for VOC's. We would provide a Phase II Environmental Site Assessment report defining the sampling locations, results of laboratory analysis, and conclusions about the site conditions. We can prepare the Phase II report for a fee of \$19,100. We could include a 20 year chain of title and environmental lien for an additional \$1,100. These services do not include providing a Reliance Letter for any loan applications, such as SBA Loans, or testing for Volatiles or Semi-volatiles. If additional laboratory tests are required to conclude the Phase II report, there will be an extra fee. Scheduling will begin upon receipt of the signed proposal.

We can also provide a Remediation Cost Estimate for the site based on the findings of the Phase II ESA for a fee of \$1,500.

We propose to conduct a geotechnical investigation to include 8 boreholes to a maximum depth of 20 feet and 8 boreholes to a maximum of 25' within the building area and 6

boreholes to 5' in the parking lot area. Representative soil samples will then be taken to the lab to determine soil properties that include, but are not limited to, Atterberg Limits, sieve analysis, unconfined compressive strength, and natural moisture contents. We would then prepare a geotechnical report based on the geotechnical investigation and lab results. The report would include site conditions, site map showing borehole locations, logs of boreholes, groundwater conditions, Potential Vertical Rise estimates, results of lab tests, allowable bearing capacity values, foundation and pavement recommendations, provisions to mitigate the effects of expansive soils, if applicable, engineered and compacted fill material requirements, and construction testing requirements. We can perform these services for a price of \$17,200. Should additional borehole depth be required due to unforeseen subsurface conditions encountered in the field, it will be billed at a rate of \$50 per foot beyond the above stated depths. Our fee includes a PDF copy sent via email.

We will conduct a property survey of the aforementioned property. We will provide a survey with a metes and bounds description and set property corners as required. We can perform these services for a fee of \$2,500 plus tax.

We will conduct a topographic survey across the tract to determine spot elevations, one foot contour intervals, and existing site improvements. We can perform these services for an amount of \$4,200. We would survey underground utilities based on what is marked on the ground at the time of the survey after we call DigTess. These surveying services do not include "pot-holing" utilities to determine depths or sizes of utilities.

Fee Summary:	Phase I ESA	\$3,200
	Phase II ESA	\$19,100
	20 year Chain of Title and Enviro Lien	\$1,100
	Remediation Cost Estimate	\$1,500
	Geotechnical Investigation	\$18,700
	Property Survey (17.58 acres)	\$2,500
	<u>Topographic Survey</u>	<u>\$4,200</u>
	Total =	\$50,300

Our fee includes a PDF copy sent via email. Additional copies can be provided for an additional cost. If changes to the services stated herein are required, please contact us to review and revise this fee proposal. This proposal is based upon the site being accessible for drilling equipment. Scheduling will begin upon receipt of the signed proposal.

All reimbursable expenses are invoiced at cost plus 10% handling with a maximum fee of \$1,000. These include, but may not be limited to: printing and reproduction costs, and other direct project charges.

SKG Engineering appreciates the opportunity to respond to your request. Please feel free to contact us at 325-655-1288 if you have any questions or if additional information is

Revised Environmental, Engineering and Surveying Services Proposal,
Off US-67,
San Angelo, Texas
-2-
required.

Sincerely,
SKG Engineering, LLC



Jason Clinton, P.E.

Attachments: Terms & Conditions of Professional Service
Site Plan

ACCEPTANCE:

I agree to the terms of this proposal along with the Terms and Conditions of Professional Service attached hereto as presented and accept same the _____ day of _____ 2017.

Signature

Printed Name

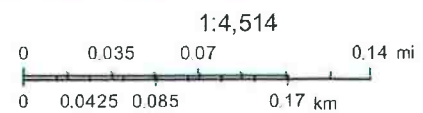
City of San Angelo



August 24, 2017

 Tax Parcels

 World Transportation



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Esri, HERE, DeLorme, MapmyIndia, © OpenStreetMap contributors, and the
GIS user community
Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus
DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community

SKG Engineering, LLC
Terms and Conditions of Professional Service

These terms and conditions together with any Proposal attached hereto constitute the entire agreement between SKG Engineering, LLC (SKG) and Client as if they were part of one and the same document.

Definitions:

SKG shall refer to SKG Engineering, LLC, a Texas limited liability company and its subcontractors.

Client shall refer to the person, firm, or corporation that has entered into a contractual relationship with SKG providing for the performance of professional services related to civil engineering, surveying, environmental science, planning, consulting, laboratory, construction material testing, drilling, construction observation, or geospatial services.

Proposal shall refer to the written scope of services, unit prices, and/or fixed fee provided by SKG to Client describing, if applicable, the nature of the services to be performed by SKG or its subcontractors, and the amount and type of compensation to be paid for those services.

Authorization as Agent

Client authorizes SKG to take all actions on Client's behalf which SKG, in its sole discretion, believes to be necessary to perform the services described herein and in the Proposal. Free right of access shall be granted to SKG personnel to enter upon any land owned or controlled by Client so long as such entry is reasonably necessary to perform said services. If SKG notifies Client that SKG requires entry onto land not owned or controlled by client, then Client shall obtain such right of entry without cost to SKG. Client understands that services provided by SKG commonly require drilling, sampling, and other activities that may disrupt use of the premises and may disturb, alter, or damage terrain and vegetation. SKG assumes no responsibility to compensate owner for such loss and will not restore the site to its original condition.

Standard of Care and Liability

SKG will exercise reasonable care in the performance of its duties under this Contract. Client agrees that the liability of SKG, and that of its officers, members, directors, employees, agents, and subcontractors, to Client or any third party due to any negligent professional acts, errors or omissions will be limited to the lesser of SKG's professional liability insurance coverage available at the time of settlement or judgement, or the fee amount provided in the Proposal.

Client shall provide information the Client reasonable believes to be accurate as to the condition of the project site including the location of any underground utilities, utility services, structures, manholes, and underground storage tanks, and SKG shall be entitled to rely upon the accuracy and completeness thereof. Client agrees to defend, indemnify, and hold harmless SKG from any claim or expense, including attorney fees, arising from an allegation that SKG performance under this Contract resulted in damage to any subterranean or surface structure or facility as a result of errors, omissions, or inaccuracies in information provided by client.

Hazardous Materials

Both SKG and Client acknowledge that this Contract does not contemplate the presence at the project site of any hazardous or regulated substances or materials. Client agrees to defend, indemnify, and hold harmless SKG from any claim or expense, including attorney fees, arising from an allegation that SKG's performance under this Contract resulted in the handling, transportation, or disposal of any hazardous or regulated substance, if Client knew or should have known such substance was present at the site and failed to properly notify SKG. In the event that the presence becomes known of any hazardous or regulated substances on or near the project site, SKG may, at its option and without liability for consequential or any other damages, suspend performance of services under this contract.

Confidentiality of Information

SKG will utilize reasonable measures to maintain confidentiality of Client information related to services described in the Proposal. Client acknowledges that SKG does not have a duty of confidentiality and further acknowledges that SKG may have past or present contractual relationships with other individuals or companies practicing the same or related business in the same geographic area as Client. Client acknowledges that SKG may have past or present contractual relationships with governmental agencies having regulatory authority over Client's project and acknowledges that SKG may appear before such agencies on behalf of other individuals or companies practicing the same or related business in the same geographic area as Client.

Opinions of Probable Construction Cost

Opinions of the probable cost of performance in accordance with plans, specifications, reports, or other instruments prepared by SKG are not warranted to, and may not, reflect the actual cost to Client of such work. Unless otherwise specified, the construction cost of an entire project means the probable total cost to Client of those portions of the project designed and specified by SKG exclusive of the value and cost of SKG services, and cost of such things as land, rights of way, and the cost of interest and financing.

Ownership of Documents

Client accepts reports, plans, specifications, logs, calculations, estimates, and test data, including electronic media, as instruments of professional service, not products. All such material is and shall remain the sole and executive property of SKG. Client may make and retain hard copies of documents for use on the project. Documents are not intended or represented to be suitable for reuse. SKG shall not be required to provide or deliver electronic copies of documents unless specifically required in the Proposal. In the case of any discrepancy between any electronic files and hard copies of drawings or files, hard copies shall control. Due to the easily alterable nature of electronic files, SKG makes no warranties, either express or implied, with respect to electronic files if such files are provided. Client agrees to defend, indemnify and hold harmless SKG against all claims and expenses, including attorney fees, arising out of any use or modification of instruments of services without the express written consent of SKG.

Non-Public Improvements

Client acknowledges that there is no public agency supervision over construction of improvements such as pavements, utilities and walks on private property such as may be found on condominium, apartment, and commercial sites. Unless specifically provided for in the Proposal, SKG does not provide geotechnical assessment of soil conditions and accepts no responsibility for design of pavement sections, subgrade, underdrainage, backfill, and related items whether or not shown on a plan provided by SKG. Client agrees to defend, indemnify and hold harmless SKG from any claim or expense, including attorney fees, arising from 1) use of Client standards for non-public improvements, and/or 2) reliance on geotechnical data and designs provided by Client or a Client consultant, and/or 3) construction of any non-public improvements that are not observed and inspected by SKG pursuant to a construction phase services contract.

Americans with Disabilities Act (ADA) and Texas Accessibility Standards (TAS)

Client acknowledges that ADA & TAS requirements and implementation guidelines change over time and may vary by jurisdiction. Client further acknowledges that ADA & TAS compliance involves fine tolerances that are governed by the means and methods of construction. SKG will exercise reasonable care in the specification of ADA & TAS compliant facilities subject to local standards and requirements. SKG makes no warranty or representation, either express or implied, that either public or non-public improvements will satisfy ADA and/or TAS requirements, implementation guidelines, and/or local requirements, regardless of whether or not said improvements constructed in accordance with instruments of services prepared under this Contract. Client is advised to procure an independent assessment of ADA & TAS compliance prior to accepting constructed improvements.

Payment

By accepting the Proposal, Client agrees to pay SKG, in the manner described therein, the full amount set out in the Proposal. In the event the Proposal does not provide for a fixed fee or hourly rate schedule for specific services provided, billing shall be on a value basis in accordance with SKG Billing Policy. Client will be invoiced and all invoices will be due and payable within 30 days of issuance. Unless prior agreement is made in writing, Client is liable for timely payment of invoiced amounts without regard to whether Client has received financing, payments, or income from any source, including funds related to the project for which services were provided by SKG. In the event payment is not made in a timely manner, the overdue balance shall bear interest at a rate of 1.5% per month. If the Client fails to make payments when due or otherwise is in breach of this Contract, SKG may suspend performance of services immediately. In the event legal action is necessary to enforce the payment provisions of this Contract, SKG shall be entitled to collect from the Client any judgment or settlement sums due, and reasonable attorney fees, court costs, and other expenses incurred by SKG in connection therewith, together with the value of the time of SKG employees and expenses spent in connection with such collection action.

Performance, Delay, and Force Majeure

If a schedule is agreed to in the Proposal then SKG will use its best efforts to perform according to said schedule. Client acknowledges that SKG's performance often involves public agencies and other businesses and groups who can have substantial impact on scheduling. Neither party shall hold the other responsible for damages or delays in performance caused by force majeure, acts of God, or other events beyond the control of either party which could not have been reasonably foreseen or prevented. Such acts or events shall include unusual weather, floods, epidemics, strikes, lockouts, protest demonstrations, and unanticipated site conditions. Any delay within the scope of this provision that cumulatively exceeds 60 calendar days shall, at the option of either party, make the Contract subject to termination or renegotiation.

Notice

Any notice to be given under this Contract shall be in writing and shall be deemed duly given when delivered personally or by courier, or three business days after deposit in the United States mail, certified or registered, return receipt requested, with postage prepaid addressed to an agent of SKG.

Applicable Law and Survival

The validity, performance, and interpretation of this Contract shall be according to the laws of the State of Texas. All obligations arising prior to the termination of this Contract and all provisions of this Contract allocating responsibility or liability between SKG and Client shall survive the completion of services and the termination of this Contract.

Assignment and Addendum

Neither party shall assign or transfer its interest in this Contract without the written consent of the other party. Consent to such assignment or transfer shall not be unreasonably withheld. This Contract may not be amended except in a writing executed by both SKG and Client. No alterations or modifications to the Proposal or these terms and conditions shall be effective unless affirmatively agreed to in writing by both parties.

Binding Effect of Agreement

This Contract shall be binding upon and inure to the benefit of the parties thereto, their successors and assigns. If and to the extent that any court of competent jurisdiction holds any provisions or part thereof of this Contract to be invalid or unenforceable as a final non-appealable order, then the remainder of the Contract shall not be affected and each provision of this Contract shall be valid and enforced to the fullest extent permitted by law.

Cancellation and Suspension

This Contract may be terminated by either party providing written notice to the other no less than 10 calendar days in advance of the effective date of the termination. Fees, expenses, and other amounts due SKG shall be due and payable immediately upon termination including such amounts reasonably incurred by SKG in the process of stopping work after the notice of termination is received. If the project is suspended for more than 30 calendar days in the aggregate, SKG shall be compensated for services performed and charges incurred prior to receipt of notice to suspend and, upon resumption, an equitable adjustment in fees to accommodate the resulting remobilization costs. In addition, there shall be equitable adjustment in the project schedule based on the delay caused by the suspension.

Requestor: Roland Pena, Economic Development Director, COSADC, 325.653.7197

Meeting Date: September 27, 2017

Item type: Executive Session Item

Caption:

Section 551.072 Deliberations about Real Property regarding 17.58 acre parcel of real property fronting on Houston Harte Expressway, within an area bounded by Southwest Boulevard, Sherwood Way and Sunset Drive

Summary/History:

Financial Impact:

Other Information/Recommendation:

Attachments:

Presentation:

Approvals/Reviews:

Roland Pena
Dan Saluri
Bryan Kendrick

Created/Initiated
Approved
Final Approval

Report to Board



Requestor: Bryan Kendrick, City Clerk, COSADC,

Meeting Date: September 27, 2017

Item type: Regular Item

Caption:

Approve a Resolution of the City of San Angelo Development Corporation Board of Directors authorizing the use of sales and use tax funds in an amount not to exceed \$300,00, to provide an Economic Development Incentive to Detmar Logistics, LLC., for a project related to Business Enterprises that create or retain primary jobs, as authorized for a Type B Corporation under Local Government Code Chapter 501 Subchapter C (Presentation by Shannon Scott, Economic Development Specialist)

Summary/History:

Financial Impact:

\$300,000

Other Information/Recommendation:

Resolution attached.

Attachments:

1. Resolution 17-939_COSADC_DETMAR_EDA_RESO.docx

Presentation:

Approvals/Reviews:

Bryan Kendrick

Roland Pena

Dan Saluri

Bryan Kendrick

Created/Initiated

Approved

Approved

Final Approval

A RESOLUTION OF THE CITY OF SAN ANGELO DEVELOPMENT CORPORATION BOARD OF DIRECTORS AUTHORIZING THE USE OF SALES AND USE TAX FUNDS IN AN AMOUNT NOT TO EXCEED \$300,000, TO PROVIDE AN ECONOMIC DEVELOPMENT INCENTIVE TO DETMAR LOGISTICS, LLC. FOR A PROJECT RELATED TO BUSINESS ENTERPRISES THAT CREATE OR RETAIN PRIMARY JOBS, AS AUTHORIZED FOR A TYPE B CORPORATION UNDER LOCAL GOVERNMENT CODE CHAPTER 501 SUBCHAPTER C.

WHEREAS, The voters of the City of San Angelo on November 2, 2010 approved the use of sales and use tax proceeds for the continued economic development projects authorized under Section 4B of the Act, including but not limited to, the development, promotion, creation, retention, or expansion of business enterprises that create or retain primary jobs, including suitable infrastructure, and,

WHEREAS, DETMAR LOGISTICS, LLC is engaged in the transportation and logistics of fra sand throughout the nation but more specifically in the Permian Basin and Eagle Ford Shales, based out of San Antonio, Texas, with a local facility at San Angelo; and,

WHEREAS, DETMAR LOGISTICS, LLC intends to invest approximately FIVE MILLION DOLLARS (\$5,000,000.) in personal property, equipment, trucks and capital improvements , and,

WHEREAS DETMAR LOGISTICS, LLC intends to create up to 120 new Full Time Equivalent (FTE) primary job positions, and,

WHEREAS, DETMAR LOGISTICS, LLC has requested incentives from COSADC in order to make such investment and job creation at its San Angelo facility and the Board has determined that the Project will promote or develop an expanded business enterprise that creates or retains primary jobs; and,

WHEREAS, at least sixty (60) days prior to undertaking a project, a public notice of the specific project shall be published and at least one public hearing shall be held by the Development Corporation prior to expending funds on the Project in compliance with the requirements of the Development Corporation Act, Sections 505.159 and 505.160 of the Local Government Code;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF SAN ANGELO DEVELOPMENT CORPORATION THAT:

The City of San Angelo Development Corporation offers this Resolution authorizing the use of sales and use tax funds as an economic development incentive to DETMAR LOGISTICS, LLC., in an amount not to exceed THREE HUNDRED THOUSAND AND NO/100 DOLLARS (\$300,000); authorizing the Director of

Economic Development to prepare an economic development performance agreement with DETMAR LOGISTICS, LLC in compliance with the Development Corporation Act in a form approved by the City Attorney's Office; authorizing the COSADC Board President to execute said agreement and related documents; and recommending to City Council ratification of the incentive and approval of the economic development performance agreement.

CITY OF SAN ANGELO DEVELOPMENT CORPORATION

ATTEST:

By: _____
Edward Carrasco, President

Bryan Kendrick, Corporate Secretary

APPROVED FOR CONTENT

APPROVED AS TO FORM

Roland Peña, Director of Economic Development

Dan T. Saluri, Deputy City Attorney