I. Call To Order

II. Roll Call

III. Invocation

IV. Pledges Of Allegiance - United States And Texas

EXECUTIVE SESSION

NOTE: The City Council may adjourn into Executive Session to consider any item listed on this agenda if a matter is raised that is appropriate for Executive Session discussion. An announcement will be made of the basis for the Executive Session discussion. The City Council may also publicly discuss any item listed on the agenda for Executive Session.

1. 5:00PM Executive Session in accordance with Section § 551.087 of the Texas Government Code - Economic Development: to receive an update regarding Project Enfield.

2. Consider adoption or direction to Staff on matters discussed in Executive Session.

PRESENTATIONS

3. Receive a Staff presentation and hold discussion the regarding the Fiscal year 2017-2018 Budget Policy for the City of San Marcos, and provide direction to Staff.

6:00 PM

V. 30 Minute Citizen Comment Period

CONSENT AGENDA

THE FOLLOWING ORDINANCES, RESOLUTIONS AND OTHER ITEMS MAY BE ACTED UPON BY ONE MOTION. NO SEPARATE DISCUSSION OR ACTION ON ANY OF THE ITEMS IS NECESSARY UNLESS DESIRED BY A COUNCIL MEMBER OR A CITIZEN, IN WHICH EVENT THE ITEM SHALL BE CONSIDERED IN ITS NORMAL SEQUENCE AFTER THE ITEMS NOT REQUIRING SEPARATE DISCUSSION HAVE BEEN ACTED UPON BY A SINGLE MOTION.

4. Consider approval, by motion, of the following meeting Minutes:
A) March 21, 2017 - Regular City Council Meeting

5. Consider approval of Resolution 2017-54R, awarding a design contract for the provision of Sessom Drainage Improvements preliminary engineering, design engineering, bid and construction phase services to American Structurepoint Inc., in the estimated amount of $228,395.00; authorizing the City Manager or his designee to execute the appropriate purchasing documents on behalf of the City; and declaring an effective date.

6. Consider approval of Resolution 2017-55R, approving the award of a construction contract to Myers Concrete Construction, LP for the Guadalupe Street sidewalk widening project (IFB 217-158) in the amount of $216,384.00 contingent upon the contractor’s timely submission of sufficient bonds and insurance in accordance with the City’s construction contract documents for the project; authorizing the Interim City Manager or his designee to execute all contract documents on behalf of the City; and declaring an effective date.

7. Consider approval of Resolution 2017-56R approving Amendment No. 1 to Contract with the Department of State Health Services, Vital Statistics Unit (Contract No. 537-16-0027-00001) for the provision of on-line vital statistics computer services.

8. Consider approval of Resolution 2017-57R, approving the terms and conditions of an airport facility lease agreement with Compliance Aviation, Inc. d/b/a Blue Skies Aviation for lease of a hangar located at 1815 Airport Drive; authorizing the Interim City Manager to execute the lease agreement; and declaring an effective date.

9. Consider approval of Resolution 2017-58R, approving the terms and conditions of an Airport Facility Lease Agreement with Coast Flight Training and Management, Inc. for lease of a hangar located at 1813 Airport Drive; authorizing the Interim City Manager to execute the lease agreement; and declaring an effective date.

10. Consider approval of Resolution 2017-59R, approving the recommendation of the San Marcos Commission on Children and Youth to allocate $46,435.00 in 2016-2017 Fiscal Year funding for 17 youth programs that contribute to implementation of the Youth Master Plan; authorizing the Interim City Manager to take such actions as are necessary to enable such allocation of funds; and declaring an effective date.

11. Consider approval of Resolution 2017-60R, approving an advertising program agreement for a joint advertising program between the City and Tanger Properties Limited Partnership in an amount up to $150,000.00 per year over five years; authorizing the Interim City Manager to sign the agreement; and declaring an effective date.

12. Consider approval of Resolution 2017-61R, reappointing Charles P. Anderson, M.D. as the Local Health Authority; approving a letter agreement between the City and Dr. Anderson for his reappointment as the Local Health Authority; and declaring an effective date.

13. Consider approval of Resolution 2017-62R, approving an agreement with Deloitte & Touche, LLP for the provision of Community Development Block Grant - Disaster Recovery Internal Auditing Services in the not-to-exceed amount of $1,151,694.00.
contingent upon the consultant’s provision of sufficient insurance in accordance with the attached agreement; authorizing the Interim City Manager or his designee to execute this agreement on behalf of the City; and declaring an effective date.

PUBLIC HEARINGS - 7:00 PM

14. 7:00PM Receive a Staff presentation and hold a Public Hearing to receive comments for or against Resolution 2017-63R, approving a request for a Conditional Use Permit to allow insulated metal panels as an alternative exterior material for two buildings at the Hays County Jail Complex located at 1307 Uhland Road; authorizing City Staff to issue a Conditional Use Permit consistent with this Resolution; and declaring an effective date; and consider approval of Resolution 2017-63R.

NON-CONSENT AGENDA

15. Consider approval of Ordinance 2017-15, on the first of two readings, amending the traffic register maintained under Section 82.067 of the San Marcos City Code by reducing the speed limit from 30 miles per hour to 25 miles per hour along the 1400 block of Highland Drive, between Holland Street and Nichols Drive, and the 100 block of Nichols Drive, between North LBJ Drive and Highland Street; and including procedural provisions.

16. Consider approval of Ordinance 2017-16, on the first of two readings, creating a designated permit area under Section 82.189 of the San Marcos City Code that allows parking by permit on both sides of the 400 to 700 blocks of McGehee Street between Cheatham Street and the southern Terminus of the street, 8:00 am to 11:00 pm every day, during and including the months of February through November; amending the traffic register to reflect such designated permit area; and providing for an effective date.

17. Consider approval of Ordinance 2017-17, on the first of two readings, creating a designated permit area under Section 82.189 of the San Marcos City Code that allows parking by permit on both sides of East Grove Street between Mckie Street and CM Allen Parkway, 8:00 am-11:00pm, Friday to Sunday, during and including the months of February through November; amending the traffic register to reflect such designated permit area; and providing for an effective date.

18. Consider approval of Resolution 2017-64R, supporting an application by TX McCarty TH, LP to the Texas Department of Housing and Community Affairs for 2017 Housing Tax Credits for the proposed Savoy Townhome development located on McCarty Road west of Rattler Road; and declaring an effective date.

19. Receive a Staff presentation regarding schematic design and cost estimate for the 214 E. Hutchison Project; and consider, by motion, authorizing Staff to proceed with final design and solicit bids for construction of the Project.

20. Discuss and consider appointments to fill vacancies on the Downtown Tax Increment Reinvestment Zone #5 (TIRZ #5) Board of Directors for Position 1 (Chair) and Position 5, the mutually agreed upon position between the City and Hays County, and provide
direction to Staff.


22. Discussion regarding proposed amendment(s) to the San Marcos Commission on Children and Youth Ordinance, and provide direction to staff.

VI. Question and Answer Session with Press and Public.

This is an opportunity for the Press and Public to ask questions related to items on this agenda.

VII. Adjournment.

POSTED ON WEDNESDAY, MARCH 29, 2017 at 5:00PM

JAMIE LEE CASE, TRMC, CITY CLERK

VIII. ADDENDUM

23. Amendment:

The following item was added:

Item #21 Consider approval, by motion, of Mayor Thomaides’ appointment of Jude Prather to the Charter Review Commission to fill a vacancy.

Item #13:
The caption was updated to include “Community Development Block Grant - Disaster Recovery” prior to Internal Auditing Services.

The following item was found to not require a public hearing so it has been moved down to non-consent:

Resolution 2017-64R, supporting an application by TX McCarty TH, LP to the Texas Department of Housing and Community Affairs for 2017 Housing Tax Credits for the proposed Savoy Townhome development located on McCarty Road west of Rattler Road.

ADDENDUM POSTED ON FRIDAY, MARCH 31, 2017 AT 3:15PM

JAMIE LEE CASE, CITY CLERK

Notice of Assistance at the Public Meetings

The City of San Marcos does not discriminate on the basis of disability in the admission or access to its services, programs, or activities. Individuals who require auxiliary aids and services for this meeting should contact the City of San Marcos ADA Coordinator at 512-393-8000 (voice) or call Texas Relay Service (TRS) by dialing 7-1-1. Requests can also be faxed to 855-461-6674 or sent by e-mail to ADArequest@sanmarcostx.gov
5:00PM Executive Session in accordance with Section § 551.087 of the Texas Government Code - Economic Development: to receive an update regarding Project Enfield.
Consider adoption or direction to Staff on matters discussed in Executive Session.
AGENDA CAPTION:
Receive a Staff presentation and hold discussion the regarding the Fiscal year 2017-2018 Budget Policy for the City of San Marcos, and provide direction to Staff.
Meeting date: April 4, 2017

Department: Finance Department, Heather Hurlbert, Director of Finance

Funds Required: N/A
Account Number: N/A
Funds Available: N/A
Account Name: N/A

CITY COUNCIL GOAL: Maintain Fiscal Responsibility

COMPREHENSIVE PLAN ELEMENT(s): [add the Plan elements and Goal # and Objective(s)]

BACKGROUND: City Council held a budget policy workshop on March 27, 2017 to discuss the Fiscal Year 2017-18 Budget. This item will be to discuss any follow-up items needed to formulate the Budget Policy, which will be adopted on April 18, 2017.
FY 2017-2018
Budget Workshop

Monday March 27, 2017

Charles Daniels, Interim City Manager
Collette Jamison, Assistant City Manager
Steve Parker, Assistant City Manager/CFO
Heather Hurlbert, Finance Director
Fiscal Year 2017 Budget

We will work with City Council to develop a fiscally responsible budget that supports the vision and goals of the City Council and the City’s Comprehensive Master Plan.
General Fund
Results of Fiscal Year 2016

- Total Revenue $59,480,000
- Total Expenses $59,180,000
- Ending Fund Balance $17,980,000 or 33.1%
  - Revenues $300K below budget
  - Expenses under budget by $2.0M
  - Budgeted $1.5M use of fund balance but instead added 200K to the balance
Budget for Fiscal Year 2017

- Revenue $63,200,000
- Recurring Expenses $62,000,000
- One-Time Expenses $3,900,000
- Ending Fund Balance $15,280,000 or 25.3%
  - Sales tax collections budgeted with $400K increase over actual FY2016 collections
  - Funded capital outlay at $1.9M-fully funds replacement of light duty and pursuit vehicles on a 5 year replacement schedule, limited large equipment purchases, limited facility projects, and existing financing payments
  - Operating to Debt Service Ratio 62/38
Outstanding Financing Commitments

– Enterprise Leasing
  • FY 2016 through 2020
    – 38 vehicles at $255K/year
    – Total Cost $1.3M
  • FY 2017 through 2021
    – 36 vehicles at $240K/year
    – Total Cost $1.2M

– Equipment Financing

<table>
<thead>
<tr>
<th></th>
<th>Annual Payment</th>
<th>Total Amount Due</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>201,564</td>
<td>1,026,890</td>
</tr>
<tr>
<td>Police Vehicles</td>
<td>162,956</td>
<td>407,390</td>
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<tr>
<td>W/WW</td>
<td>37,267</td>
<td>279,508</td>
</tr>
<tr>
<td>Drainage</td>
<td>54,645</td>
<td>355,196</td>
</tr>
<tr>
<td>Total</td>
<td>$456,434</td>
<td>$2,068,986</td>
</tr>
</tbody>
</table>
Fiscal Year 2017 Trend Year to Date

– Sales Tax trending flat over prior year
  • Budgeted $400K increase over FY16 collections
    – Excluding non-recurring collections of $1.0M generated by Amazon construction- total collections totaled $1.6M by end of FY16
    – Included expected collections of $1.35M from Best Buy call center
    – Have not received anticipated increases due to new Best Buy sales to date

– Expenses trending slightly below budget through first quarter
  • Historically have experienced an average 2-3% savings ($1.2M-$1.9M for FY17) from budget
  • Will continue to monitor closely
Sales Tax

5-Year Sales Tax Collections

Collections in Millions

<table>
<thead>
<tr>
<th></th>
<th>OCT</th>
<th>NOV</th>
<th>DEC</th>
<th>JAN</th>
<th>FEB</th>
<th>MAR</th>
<th>APR</th>
<th>MAY</th>
<th>JUN</th>
<th>JUL</th>
<th>AUG</th>
<th>SEP</th>
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</thead>
<tbody>
<tr>
<td>2017</td>
<td>$2.35</td>
<td>$2.07</td>
<td>$2.34</td>
<td>$3.09</td>
<td>$1.95</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>2016</td>
<td>$2.11</td>
<td>$2.03</td>
<td>$2.30</td>
<td>$3.20</td>
<td>$2.15</td>
<td>$2.10</td>
<td>$2.60</td>
<td>$1.93</td>
<td>$2.16</td>
<td>$2.66</td>
<td>$2.59</td>
<td>$2.60</td>
</tr>
<tr>
<td>2015</td>
<td>$2.15</td>
<td>$1.87</td>
<td>$2.24</td>
<td>$3.04</td>
<td>$1.81</td>
<td>$1.78</td>
<td>$2.35</td>
<td>$1.99</td>
<td>$1.87</td>
<td>$2.25</td>
<td>$2.23</td>
<td>$2.30</td>
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<td>2014</td>
<td>$1.90</td>
<td>$1.73</td>
<td>$2.12</td>
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<td>$1.67</td>
<td>$2.05</td>
<td>$1.97</td>
<td>$1.68</td>
<td>$2.07</td>
<td>$2.16</td>
<td>$2.18</td>
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<tr>
<td>2013</td>
<td>$1.69</td>
<td>$1.64</td>
<td>$1.98</td>
<td>$2.56</td>
<td>$1.68</td>
<td>$1.62</td>
<td>$2.27</td>
<td>$1.68</td>
<td>$1.66</td>
<td>$1.95</td>
<td>$1.98</td>
<td>$2.15</td>
</tr>
</tbody>
</table>
Sales Tax

- Continued strong performance across the region
- San Marcos trending with other peer cities
- 7.5% average increase year over year for the past 5 years

2016 Total Collections
San Marcos $28.7M
New Braunfels $28.9M
Hays County $17.0M
Kyle $ 6.7M

Calendar year over year percentage change

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>San Marcos</td>
<td>8.0%</td>
<td>5.4%</td>
<td>6.2%</td>
<td>10.3%</td>
</tr>
<tr>
<td>New Braunfels</td>
<td>12.6%</td>
<td>8.0%</td>
<td>1.4%</td>
<td>5.7%</td>
</tr>
<tr>
<td>Hays County</td>
<td>9.9%</td>
<td>8.4%</td>
<td>7.3%</td>
<td>10.3%</td>
</tr>
<tr>
<td>Kyle</td>
<td>12.1%</td>
<td>17.9%</td>
<td>20.8%</td>
<td>12.6%</td>
</tr>
<tr>
<td>State of Texas</td>
<td>5.0%</td>
<td>7.3%</td>
<td>1.9%</td>
<td>-1.5%</td>
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</table>
Sales Tax

12 Month Rolling Average

sanmarcostx.gov
Sales Tax

Outlet Malls percentage of total sales taxes

<table>
<thead>
<tr>
<th>Year</th>
<th>Retail</th>
<th>Accommodation &amp; Food</th>
<th>Wholesalers</th>
<th>Service</th>
<th>Miscellaneous</th>
<th>Ag/ Mining/ Manufacturing</th>
<th>Not Reported by State</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>66%</td>
<td>5%</td>
<td>6%</td>
<td>4%</td>
<td>1%</td>
<td>11%</td>
<td>39%</td>
</tr>
<tr>
<td>2012</td>
<td>67%</td>
<td>5%</td>
<td>6%</td>
<td>4%</td>
<td>1%</td>
<td>8%</td>
<td>38%</td>
</tr>
<tr>
<td>2013</td>
<td>66%</td>
<td>5%</td>
<td>6%</td>
<td>4%</td>
<td>1%</td>
<td>12%</td>
<td>37%</td>
</tr>
<tr>
<td>2014</td>
<td>64%</td>
<td>5%</td>
<td>8%</td>
<td>8%</td>
<td>1%</td>
<td>12%</td>
<td>34%</td>
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<tr>
<td>2015</td>
<td>62%</td>
<td>5%</td>
<td>8%</td>
<td>8%</td>
<td>1%</td>
<td>12%</td>
<td>31%</td>
</tr>
<tr>
<td>2016</td>
<td>60%</td>
<td>5%</td>
<td>8%</td>
<td>8%</td>
<td>1%</td>
<td>12%</td>
<td></td>
</tr>
</tbody>
</table>

Total Collections

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Collections</th>
<th>Outlet Mall Collections</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>$22.0M</td>
<td>$8.6M</td>
</tr>
<tr>
<td>2013</td>
<td>$23.8M</td>
<td>$9.1M</td>
</tr>
<tr>
<td>2014</td>
<td>$25.0M</td>
<td>$9.3M</td>
</tr>
<tr>
<td>2015</td>
<td>$26.6M</td>
<td>$9.0M</td>
</tr>
<tr>
<td>2016</td>
<td>$29.3M</td>
<td>$9.0M</td>
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</tbody>
</table>
# New Valuation

## Single Family Permits

<table>
<thead>
<tr>
<th>Calendar Year</th>
<th>New Home Permits</th>
<th>Permit Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>224</td>
<td>32.3M</td>
</tr>
<tr>
<td>2013</td>
<td>237</td>
<td>38.0M</td>
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<tr>
<td>2014</td>
<td>279</td>
<td>48.9M</td>
</tr>
<tr>
<td>2015</td>
<td>238</td>
<td>40.0M</td>
</tr>
<tr>
<td>2016</td>
<td>350</td>
<td>58.6M</td>
</tr>
</tbody>
</table>

## Multi-Family Projects

<table>
<thead>
<tr>
<th>Calendar Year</th>
<th>Projects</th>
<th>Units</th>
<th>Projects Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>4</td>
<td>733</td>
<td>56.0M</td>
</tr>
<tr>
<td>2013</td>
<td>6</td>
<td>825</td>
<td>65.7M</td>
</tr>
<tr>
<td>2014</td>
<td>4</td>
<td>854</td>
<td>60.1M</td>
</tr>
<tr>
<td>2015</td>
<td>4</td>
<td>649</td>
<td>46.0M</td>
</tr>
<tr>
<td>2016</td>
<td>1</td>
<td>76</td>
<td>12.2M</td>
</tr>
</tbody>
</table>

## Commercial Permits

<table>
<thead>
<tr>
<th>Calendar Year</th>
<th>Projects</th>
<th>Permits Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>124</td>
<td>37.0M</td>
</tr>
<tr>
<td>2013</td>
<td>148</td>
<td>22.2M</td>
</tr>
<tr>
<td>2014</td>
<td>127</td>
<td>80.7M</td>
</tr>
<tr>
<td>2015</td>
<td>186</td>
<td>*130.8M</td>
</tr>
<tr>
<td>2016</td>
<td>145</td>
<td>61.9M</td>
</tr>
</tbody>
</table>

- 60% of multi-family projects since 2007 have been student oriented

*Amazon accounts for $70M of the 2015 Commercial Value

[sanmarcostx.gov](http://sanmarcostx.gov)
Fiscal Year 2018 Forecast

• Revenue $65.8M
  – 3% Sales tax increase
  – 8% Appraised value growth
    • Several large projects will be included in valuation
    • Preliminary estimate available in April
    • Small increases for other revenues
    • Development Services fees adjusted in FY17
    • CPI adjustment for all fees will be 1% based on 2016 annual CPI calculation
    • Community Services fees study completed for FY18 budget
Fiscal Year 2018 Forecast

Expenses

- **Operating Expenses** $63.3M
  - Personnel
    - 4% merit/COLA increases for non-civil service employees
    - Increases per Meet and Confer agreement for civil service employees
    - 5% increase in health insurance costs
    - TMRS remains the same
  - Other operating expenses
    - 1% increase for annual increases which equals $163K
    - $450K for Social Services
    - $910K for EMS
Fiscal Year 2018 Forecast

Expenses

- **Non-Recurring/ Capital Outlay/ Economic Development Incentive** $4.0M
  - $1.3M TIRZ/ED payments
    - Not including potential payments to Best Buy and Amazon
  - $2.7M Capital outlay and capital maintenance/equipment
    - $1.95M-Replacement of light duty vehicles leases and police pursuit vehicle purchases, large equipment purchases/financing and limited facility renovation funds
    - $600K-Capital maintenance/replacement for Facilities, IT and Parks
    - $150K-Fire, Police, Parks capital equipment replacement
Fiscal Year 2018 Forecast

Revenue 65.8M
Operating Expense 63.3M
Other Expenses 4.0M
Ending Fund Balance 15.1M or 24.4%

– Reflects no new positions or programs
– Revenues may increase as trends and assessments develop
– Expense projections may decrease/increase as fuel, utility rates/usage, contract renewals, etc. are refined
Preliminary Department Requests

Requested top five requests from departments

- **Personal**
  - Reclassification/move from PT to FT-5 positions
  - New positions-15
  - Total cost-$1.4M

- **Contracted/Professional Services**
  - Total cost-$387K

- **Supplies**
  - Total cost-$10K
Other Issues

• Electric Bus Service
  – $50/Hour per Bus
  – Cost for 2 buses 10 hours per day 5 days a week is $260K/year

• Municipal Court
  – Salary and total hour adjustments for the judge and associate judge of approximately $31K
  – Facilitates blood warrant and magistrate duties

• Building/Parks Maintenance
  – Continuing to exceed budget with needed repairs
  – Have exceeded budget for FY15 and FY16 by $200-$300K
  – YTD FY17 have exceeded current year budget with 6 month remaining
  – No remaining funding for non-critical but needed repairs/reimages

sanmarcostx.gov
Other Issues

• Possible funding request from the Village Main project
• Possible increased funding level for EMS
  – ESD 9 currently being formed
  – Number of San Marcos service calls increasing
  – Billing collection percentage for San Marcos has decreased resulting in lower revenues
CIP Assumptions

- Bond projects removed from CIP
- Includes funding for Public Services/Community Services facility
- Need to limit to $10M per year for non-bond projects
- Will need to prioritize and make choices to achieve the required limits
Water/ Wastewater Fund
Results of Fiscal Year 2016

• Total Revenue $35,210,000
• Total Expenses $31,300,000
• Transfer to Capital Reserve $2,300,000
• Ending Fund Balance $7,685,000 or 25.0%
  – Revenues $783K above budget
  – Expenses $2.1M below budget
  – Moved $2.3 for cash funding of capital projects
Budget for Fiscal Year 2017

- Revenue $37,700,000
- Recurring Expenses $35,100,000
- Capital Expense $940,000
- Transfer to Capital Reserve $850,000
- Ending Fund Balance $8,530,000 or 25.0%
  - Adopted Water rates include a 5% adjustment and Wastewater rates include a 2% adjustment
  - Adopted CIP of $17,409,000
## Fiscal Year 2018 Forecast

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>37.8M</td>
</tr>
<tr>
<td>Operating Expense</td>
<td>35.1M</td>
</tr>
<tr>
<td>Transfer to Capital Reserve</td>
<td>2.0M</td>
</tr>
<tr>
<td><strong>Ending Fund Balance</strong></td>
<td><strong>8.4M or 25%</strong></td>
</tr>
</tbody>
</table>

- Reflects no new positions or programs
- Uses a 5% rate adjustment in water and 2% rate adjustment in water/wastewater
- Rate modeling performed during budget process and presented to Citizen’s Utility Advisory Board (CUAB)
Preliminary Department Requests

Requested top five requests from departments

- **Personal**
  - New positions-6
  - Total cost-$435K

- **Contracted/Professional Services**
  - Total cost-$30K

- **Capital**
  - Total cost-$460K
Electric Fund
Results of Fiscal Year 2016

- Total Revenue $55,670,000
- Total Expenses $49,000,000
- Transfer to Capital Reserve $  6,400,000
- Ending Fund Balance $  7,890,000 or 25.0%
  - Revenues $6.2 less than budget
  - Expenses $10.1M below budget
  - Moved $6.4M for cash funding of capital projects
Budget for Fiscal Year 2017

- Revenue $58,700,000
- Recurring Expenses $54,400,000
- Capital Expense $1,300,000
- Transfer to Capital Reserve $2,300,000
- Ending Fund Balance $8,590,000 or 25.0%
  - No rate adjustment
  - Adopted CIP of $8,928,000
Fiscal Year 2018 Forecast

Revenue 60.2M
Operating Expense 59.0M
Transfer to Capital Reserve 500K
Ending Fund Balance 9.3M or 25%

- Reflects no new positions or programs
- Rate modeling preformed during budget process and presented to Citizen’s Utility Advisory Board (CUAB)
Preliminary Department Requests

Requested top five requests from departments

- **Personal**
  - New positions-1
  - Total cost-$95K

- **Professional Services**
  - Total cost-$40K

- **Capital**
  - Total cost-$428K
Drainage Utility Fund
Results of Fiscal Year 2016

- Total Revenue $ 3,710,000
- Total Expenses $ 3,440,000
- Transfer to Capital Reserve $ 900,000
- Ending Fund Balance $ 800,000 or 25.0%
  - Revenues $72K more than budget
  - Expenses $480K below budget
  - Moved $900K for cash funding of capital projects
Budget for Fiscal Year 2017

- Revenue $4,200,000
- Recurring Expenses $3,900,000
- Capital Expense $400,000
- Ending Fund Balance $700,000 or 20.0%
  - 10% rate adjustment
  - Adopted CIP of $8,465,000
Fiscal Year 2018 Forecast

Revenue 4.8M
Operating Expense 4.6M
Ending Fund Balance 900K or 20%
  – Reflects no new positions or programs
  – Assumes 10% rate adjustment
Preliminary Department Requests

Requested top five requests from departments

• **Personal**
  – New positions-4
  – Total cost-$229K

• **Operating Expenses**
  – Total cost $15K

• **Capital**
  – Total cost-$255K
Hotel Motel Fund
Results of Fiscal Year 2016

- **Revenue** $3.8M
  - Hotel Occupancy Tax $2,168,000
  - Venue Tax/Embassy Suites $1,610,000
  - Other Revenue $56,000

- **Expenses** $3.6M
  - Main Street $285K
  - CVB $1.3M
  - Sports Tourism $60K
  - Transportation $8K
  - Mural/Arts Funding $100K
  - Eco Tourism $15K
  - Tanger Marketing $141K
  - Downtown Mkting Coop $39K
  - Wayfinding $2K
  - Transfer to Debt $1.6 M

- **Ending Fund Balance** $640,000 or 18%
  - Revenues $70K above budget
  - Expenses on budget, specific funds moved to reserve for use in subsequent fiscal years
Results of Fiscal Year 2016

- Reserve Balances $516.3K
  - Airport Branding/Wayfinding $67.6K
  - Eco Tourism $65.2K
  - Facility Maintenance $79.0K
  - Branding/Marketing $23.8K
  - Sports Tourism $39.9K
  - Mural $47.3K
  - Transportation $25.0K
  - Permanent Art $152.8K
  - Sculpture Garden $15.7K
Budget for Fiscal Year 2017

• Revenue $4.0M
  • Hotel Occupancy Tax $ 2,301,000
  • Venue Tax/Embassy Suites $ 1,646,000
  • Other Revenue $ 97,000

• Expenses $4.6M
  • Main Street $316K -Eco Tourism $ 40K
  • CVB $1.5M -Tanger Marketing $150K
  • Sports Tourism $510K -Downtown Mkting Coop $ 50K
  • Facility Maintenance $ 30K -Tourist Account $ 5K
  • Transportation $ 10K -Wayfinding $ 2K
  • Mural Funding $ 35K -Arts/Permanent Arts $275K
  • Airport Improvement $ 50K -Transfer to Debt $1.6 M

– Revenues trending over prior year-$36K through January or 3.5%
– Budgeted 5% increase for FY17. Two hotels should be opening very soon
Fiscal Year 2018 Forecast

• 3 hotels set to open in FY17
• 1 hotel set to open in FY18
• Need to collect stats from additional months to be able to formulate trends for FY18
Airport Fund
Results of Fiscal Year 2016

- **Total Revenue**: $392,000
- **Total Expenses**: $437,000
- **Transfer from General Fund**: $47,000
  - Revenues $71K greater than budget
  - Expenses slightly more than budget
  - Revenue included $148K from new Agricultural Land lease
Budget for Fiscal Year 2017

- Revenue $ 469,000
- Operating Expenses $ 526,000
- Transfer from General Fund $ 60,000
  - New revenues due to updated lease rates/fees
Fiscal Year 2018 Forecast

• TAP working revenue projections for FY18
AGENDA CAPTION:
Consider approval, by motion, of the following meeting Minutes:
   A) March 21, 2017 - Regular City Council Meeting

Meeting date: April 4, 2017

Department: City Clerk

Funds Required: N/A
Account Number: N/A
Funds Available: N/A
Account Name: N/A

CITY COUNCIL GOAL: N/A

COMPREHENSIVE PLAN ELEMENT(s): N/A

BACKGROUND:
The following minutes are attached for review:
   A) March 21, 2017 - Regular City Council Meeting
I. Call To Order

With a quorum present, the regular meeting of the San Marcos City Council was called to order by Mayor Thomaides at 5:03 p.m. Tuesday, March 21, 2017 in the City Council Chambers, 630 E. Hopkins, San Marcos, Texas 78666.

II. Roll Call

Present: 8 - Mayor John Thomaides, Mayor Pro-Tem Jane Hughson, Deputy Mayor Pro Tem Lisa Prewitt, Council Member Saul Gonzales, Council Member Ed Mihalkanin, Council Member Scott Gregson, Council Member Melissa Derrick and Angie Ramirez

III. Invocation

Rev. Scottie McIntyre Johnson, of San Marcos Unitarian Universalist Fellowship, provided this evening’s invocation.

IV. Pledges Of Allegiance - United States And Texas

Kaitlyn Haley, a 4th grade student, at Texas Preparatory School led the assembly in the pledges of allegiance.

EXECUTIVE SESSION

1. 5:00PM Executive Session in accordance with Section §551.072 of the Texas Government Code: Real Property - to receive an update regarding the sale of City real estate comprised of three tracts of land known as the “Leah Tract,” comprised of a 1.378 acre tract out of the J.M. Veramendi Survey No. 1, Abstract No. 17, a 25.05 acre tract, being Lot 1 of the Cottonwood Parkway Addition and a 1.36 acre tract, being Lot 10A of the Municipal Airport Subdivision; and to also receive a Staff briefing and deliberate regarding the possible acquisition of real property in the downtown area for parking purposes; and in accordance with Section §551.074 of the Texas Government Code - Personnel Matters: to discuss and deliberate regarding compensation for the Municipal Court Judge of the Municipal Court of Record and Associate Municipal Court Judge positions.

A motion was made by Council Member Gregson, seconded by Deputy Mayor Pro Tem Prewitt, to enter into Executive Session at 5:10 p.m. The motion
carried by the following vote:

For: 8 - Mayor Thomaides, Mayor Pro-Tem Hughson, Deputy Mayor Pro Tem Prewitt, Council Member Gonzales, Council Member Mihalkanin, Council Member Gregson, Council Member Derrick and Ramirez

Against: 0

2. Consider adoption or direction to Staff on matters discussed in Executive Session.

The Council reconvened into Regular Session at 5:59pm. Council provided direction to staff.

PRESENTATIONS

3. Receive a Staff presentation of the Quarterly Investment and Financial Reports, and provide direction to Staff.

4. Receive the City of San Marcos' Comprehensive Annual Financial Report (CAFR) for the Fiscal Year ended September 30, 2016 from the City's audit firm ABIP, P.C.

5. Receive a Staff briefing and hold discussion regarding proposed amendments to the Parks Ordinance as recommended by the Parks and Recreation Board, and provide direction to Staff.

A motion was made by Council Member Derrick, seconded by Council Member Gonzales, to postpone this discussion to a later date. The motion carried by the following vote:

For: 7 - Mayor Thomaides, Mayor Pro-Tem Hughson, Deputy Mayor Pro Tem Prewitt, Council Member Mihalkanin, Council Member Gonzales, Council Member Gregson and Council Member Derrick

Against: 0

6:00 PM

V. 30 Minute Citizen Comment Period

Harvey Jenkins, addressed the Council regarding the detour signs that direct drivers off of Holland Street and onto Schulle Drive. He feels that it is opening up this street as a cut through and is turning into a raceway. He brings this up because his neighbors are primarily elderly. He is requesting that these signs be moved up to Moore Street and to detour students.

Mike Larosse, spoke in favor of Carina Boston Pinales and her 3-year efforts to bring a co-working space to San Marcos. He spoke about his experience with co-working and the advantages of these spaces.

The following individuals submitted comments in writing in support of Item
#23:
Taylor Christensen
Pamela Steger
Maurizio Turri
Dyhanara Rios
Felicity Maxwell
Leanne Beesley
Paul Dubiel
Shelley Delayne
Randall Terrell

CONSENT AGENDA

A motion was made by Council Member Gregson, seconded by Council Member Mihalkanin, to approve the Consent Agenda with the exception of item #8 and #12, which were pulled and considered separately. The motion carried by the following vote:

For: 7 - Mayor Thomaides, Mayor Pro-Tem Hughson, Deputy Mayor Pro-Tem Prewitt, Council Member Mihalkanin, Council Member Gonzales, Council Member Gregson and Council Member Derrick

Against: 0

6. Consider approval, by motion, of the following meeting Minutes:
   A) March 3, 2017 - Packet Meeting
   B) March 7, 2017 - Regular Meeting

7. Consider approval of Ordinance 2017-12, on the second of two readings, creating a designated permit area under Section 82.189 of the San Marcos City Code that allows parking by permit on both sides of the 100 to 200 blocks of West Hillcrest Drive between Ridgeway Drive and Holland Street, Monday through Friday from 8:00 am to 5:00 pm; amending the traffic register to reflect such designated permit area; and providing for an effective date.

8. Consider approval of Ordinance 2017-13, on the second of two readings, designating a no parking tow-away zone at all times on the North Side of Cheatham Street from Riverside Drive to Reynolds Street and on the South Side of Cheatham Street from Riverside Drive to CM Allen Parkway; and amending the traffic register maintained under section 82.067 of the San Marcos City Code to reflect such designation; and including procedural provisions.

A motion was made by Deputy Mayor Pro-Tem Prewitt, seconded by Council Member Gregson, to approve Ordinance 2017-13, on the second of two readings. The motion carried by the following vote:

For: 7 - Mayor Thomaides, Mayor Pro-Tem Hughson, Deputy Mayor Pro-Tem Prewitt, Council Member Mihalkanin, Council Member Gonzales, Council Member Gregson and Council Member Derrick
9. Consider approval of Resolution 2017-45R, awarding an IDIQ Master Contract for street overlay to Lone Star Paving in the estimated annual amount of $700,000.00 contingent upon the bidder’s timely submission of sufficient bonds, insurance and other pertinent information in accordance with the city’s bid documents for the project; authorizing the Interim City Manager or his designee to execute the contract documents on behalf of the City and declaring an effective date.

10. Consider approval of Resolution 2017-46R, approving the purchase of a mini excavator for the Public Services Department—Transportation Division in the total purchase amount of $56,705.00 from Vermeer Equipment of Texas through the Texas Local Government Purchasing Cooperative Buyboard contract for construction equipment, road and bridge equipment, ditching, trenching, utility and other equipment (contract #515-16); authorizing the Interim City Manager or his designee to execute the appropriate purchase documents on behalf of the City and declaring an effective date.

11. Consider approval of Resolution 2017-47R, approving a WIC program funding contract amendment with the Texas Department of State Health Services that provides additional funding for Fiscal Year 2017 in the amount of $12,500 for implementation of the Statewide Automation System for clinics and client services, and extends the contract through and allocates up to $1,713,818 for Fiscal Year 2018; authorizing the Interim City Manager to execute said contract amendment on behalf of the City; and providing an effective date.

12. Consider approval of Resolution 2017-48R, awarding an annual contract for the management and operation of the San Marcos Cemetery to Gene Bagwell, D/B/A Maintenance Management in the estimated annual amount of $145,200.00 for the Community Services Department, Parks and Recreation Division contingent upon the proponent’s timely submission of sufficient insurance in accordance with the city’s request for proposal documents; authorizing the Interim City Manager or his designee to execute the appropriate purchasing documents on behalf of the City; and declaring an effective date.

Main Motion: A motion was made by Council Member Gregson, seconded by Deputy Mayor Pro Tem Prewitt, to approve Resolution 2017-48R.

Motion to Amend: A motion was made by Mayor Pro-Tem Hughson, seconded by Council Member Derrick, to amend Resolution 2017-48R by amending Section C. Scope of Work subsection (4) Collection and Receipting of Money, by adding, "This employee may reserve a lot through the city software, print an invoice for the potential buyer and advise the buyer of location, dates and times in which to pay the invoice within 10 days. Payment may also be made by postal mail." The motion carried by the following vote:
Main Motion: A motion was made by Council Member Gregson, seconded by Council Member Mihalkanin to approve Resolution 2017-48R, as amended. The motion carried by the following vote:

For: 8 - Mayor Thomaides, Mayor Pro-Tem Hughson, Deputy Mayor Pro-Tem Prewitt, Council Member Gonzales, Council Member Mihalkanin, Council Member Gregson, Council Member Derrick and Ramirez

Against: 0

13. Consider approval of Resolution 2017-49R, awarding an annual contract to Compumeric Engineering, Inc., d/b/a Bearsaver for the purchase of animal-resistant trash and recycling containers for the Community Services Department, Parks and Recreation Division, in the estimated annual amount of $40,980.00; authorizing the Interim City Manager or his designee to execute the appropriate purchasing documents on behalf of the City; and declaring an effective date.

14. Consider approval of Resolution 2017-50R, authorizing the submission of an application to the Office of the Governor, Criminal Justice Division for a Justice Assistance Program Grant in the amount of $16,582 to fund the purchase two all-terrain vehicles for use by the City’s Park Rangers; authorizing the commitment and expenditure of matching funds from the City in the amount of $5,000; providing an assurance to refund grant funds in the event of loss or misuse; authorizing the Interim City Manager or his designee to execute any and all documents as necessary to accept and implement the grant, if awarded; and declaring an effective date.

15. Consider approval, by motion, of a contract amendment with United Healthcare to include Stop Loss coverage for the remainder of the 2017 plan year which will end December 31, 2017 in the not to exceed amount of $275,000.

NON-CONSENT AGENDA

16. Consider approval of Resolution 2017-51R, approving a license agreement with Carma Paso Robles, LLC to allow subdivision gateway improvements for the Kissing Tree subdivision in the city’s right-of-way, including a bridge across Centerpoint road, landscaping and irrigation improvements; authorizing the Interim City Manager to execute the license agreement on behalf of the City; and declaring an effective date.

A motion was made by Council Member Gregson, seconded by Deputy Mayor Pro Tem Prewitt, to approve Resolution 2017-51R. The motion carried by the following vote:

For: 7 - Mayor Thomaides, Mayor Pro-Tem Hughson, Deputy Mayor Pro-Tem Prewitt, Council Member Mihalkanin, Council Member Gonzales, Council Member Gregson and Council Member Derrick
17. Consider approval of Resolution 2017-52R, approving an agreement with Strategic
Government Resources for the provision of an Interim City Manager in accordance
with the attached agreement; authorizing the Mayor to execute the agreement with
Strategic Government Resources; appointing an Interim City Manager; and declaring
an effective date.

A motion was made by Mayor Thomaides, seconded by Council Member
Gregson, to approve Resolution 2017-52R and inserting the name of Charles
Daniels in Part 2 of the resolution. The motion carried by the following vote:

For: 7 - Mayor Thomaides, Mayor Pro-Tem Hughson, Deputy Mayor Pro Tem Prewitt,
Council Member Mihalkanin, Council Member Gonzales, Council Member
Gregson and Council Member Derrick

Against: 0

18. Discuss and consider an appointment made by Council Member Gonzales to the
Comprehensive Plan Oversight Committee, and provide direction to Staff.

A motion was made by Council Member Gonzales, seconded by Deputy Mayor
Pro Tem Prewitt, to appoint Tom Wassenich to the Comprehensive Plan
Oversight Committee. The motion carried by the following vote:

For: 8 - Mayor Thomaides, Mayor Pro-Tem Hughson, Deputy Mayor Pro Tem Prewitt,
Council Member Gonzales, Council Member Mihalkanin, Council Member
Gregson, Council Member Derrick and Ramirez

Against: 0

19. Discuss and consider approval of an appointment of a Council Member to fill a
vacancy on the Community Action Board of Directors, and provide direction to Staff.

A motion was made by Deputy Mayor Pro Tem Prewitt, seconded by Council
Member Gonzales, to approve the appointment of Council Member Melissa
Derrick to the Community Action Board of Directors. The motion carried by
the following vote:

For: 6 - Mayor Thomaides, Deputy Mayor Pro Tem Prewitt, Council Member Mihalkanin,
Council Member Gonzales, Council Member Gregson and Council Member
Derrick

Against: 0

Abstain: 1 - Mayor Pro-Tem Hughson

20. Discuss and consider an appointment of a Council Member to fill a vacancy on the
Whisper Subcommittee, and provide direction to Staff.

A motion was made by Council Member Gregson, seconded by Council
Member Gonzales, to approve the appointment of Mayor Thomaides to the
Whisper Subcommittee. The motion carried by the following vote:

For: 7 - Mayor Thomaides, Mayor Pro-Tem Hughson, Deputy Mayor Pro Tem Prewitt, Council Member Mihalkanin, Council Member Gonzales, Council Member Gregson and Council Member Derrick

Against: 0

21. Discuss and consider appointments to fill vacancies on the Downtown Tax Increment Reinvestment Zone #5 (TIRZ #5) Board of Directors for Position 1 (Chair) and Position 5, the mutually agreed upon position between the City and Hays County, and provide direction to Staff.

A motion was made by Deputy Mayor Pro Tem Prewitt, seconded by Council Member Gregson, to postpone the appointment to the TIRZ #5 board to the next meeting. The motion carried by the following vote:

For: 7 - Mayor Thomaides, Mayor Pro-Tem Hughson, Deputy Mayor Pro Tem Prewitt, Council Member Mihalkanin, Council Member Gonzales, Council Member Gregson and Council Member Derrick

Against: 0

22. Hold discussion regarding Alcohol CUPs, including but not limited to, the creation of a subcommittee, and provide direction to Staff.

Mayor Pro Tem Hughson provided an introduction and overview of her request to place this item on the agenda. She included that this review is not limited to downtown. She would like to see a subcommittee created of 3 council members and 2 or 3 planning and zoning commissioners. Following discussion the Council appointed Mayor Pro Tem Hughson, Council Member Gregson and Council Member Gonzales to the Alcohol CUP Subcommittee. Planning and Zoning Commission will discuss and consider their representatives on March 28.

23. Hold discussion regarding contracted service of program and support for entrepreneurs and local small businesses, and provide direction to Staff.

Mayor Pro Tem Hughson provided the introduction for this discussion regarding the need for support for entrepreneurs and local small businesses, and introduced Ms. Carina Boston Pinales. Ms. Pinales provided the Council with the definition of co-working and provided her experience and knowledge of co-working models. Ms. Pinales provided a funding request to the Council for $75,000 for a 6 month period. $15,000 for the first 3 months and following a progress report, a planned request for an additional $60,000 for the remaining FY17. Following discussion the Council created a subcommittee of Mayor Pro Tem Hughson, Council Member Gregson, and Council Member Mihalkanin to further discuss the request and program idea. The conversation will also include the Greater San Marcos Partnership, the
San Marcos Chamber of Commerce and Ms. Pinales.

VI. Question and Answer Session with Press and Public.

None.

VII. Adjournment.

Mayor Thomaides adjourned the regular meeting of the San Marcos City Council at 8:39 p.m.
AGENDA CAPTION:
Consider approval of Resolution 2017-54R, awarding a design contract for the provision of Sessom Drainage Improvements preliminary engineering, design engineering, bid and construction phase services to American Structurepoint Inc., in the estimated amount of $228,395.00; authorizing the City Manager or his designee to execute the appropriate purchasing documents on behalf of the City; and declaring an effective date

Meeting date: April 4, 2017

Department: Engineering/CIP

Funds Required: $228,395
Account Number: C419, C247
Funds Available: $200,000, $28,395
Account Name: Sessom Improvements at Academy, Water Distribution Improvements

CITY COUNCIL GOAL:
- Maintain & Improve City’s Infrastructure.

COMPREHENSIVE PLAN ELEMENT(s):
- Environment & Resource Protection: Public and private sectors working together to protect water quality and facilitating appropriate development in the San Marcos and Blanco rivers watersheds, and over the Edwards aquifer using measurable and scientific methods
- Transportation: A multimodal transportation network to improve accessibility, mobility, minimize congestion and reduce pollution
  - Develop and implement a complete street policy for coordination with other transportation related entities to properly integrate all modes of transportation into transportation network.

BACKGROUND:
On June 7, 2016 staff gave a presentation to City Council on the Sessom/Academy Drainage project and the possible intersection improvements requested by Texas State. City Council gave direction that they were interested in the traffic circle option with the understanding of financial participation by Texas State. Since that direction Texas State has determined that it is not able to participate in intersection improvements with the project.

Therefore, the City will be proceeding with the project to address the drainage issues for properties on Academy Street between Orchard Street and Sessom Drive as well as replacement of aged water and wastewater pipes in project limits. The intersection of Academy and Sessoms will also be reviewed to see if
conditions are currently present to warrant a traffic signal.

This Resolution in the amount of $228,395.00 will cover the design and construction phase services for Sessom Drainage Improvements at Academy St. The design scope includes:

- Drainage design along Academy Street and Sessom Drive from Orchard Street to the outfall on Texas State University property near Alamo Street. Final design will include a drainage alternate as previously determined by the City.

- The abandonment of the existing 12-inch pipe between Orchard Street and Sessom Drive, and the placement of a 36-inch main trunk line along the south edge curb line along Academy Street and Sessom Drive.

- Upsize existing 6-inch waterline along Academy Street to 12-inches from Orchard Street to Sessom Drive and relocate existing 12-inch waterline along Sessom Drive as required for the drainage improvements.

- Upsize existing wastewater line from 6-inches to 8-inches along Academy Street from Orchard Street to Sessom Drive, and relocate existing 8-inch wastewater line along Sessom Drive as required for the drainage improvements.

- Traffic Signal Warrant Study and Traffic Signal Plans at the Sessom Drive and Academy Street intersection if warranted.

- Pedestrian signals and revised pavement markings at the Sessom Drive and Academy Street intersection if warranted.
RESOLUTION 2017  R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS, APPROVING AN AGREEMENT WITH AMERICAN STRUCTUREPOINT, INC. FOR THE PROVISION OF PROFESSIONAL ENGINEERING SERVICES IN CONNECTION WITH THE SESSEOM DRAINAGE IMPROVEMENTS AT ACADEMY PROJECT IN THE NOT-TO-EXCEED AMOUNT OF $228,395.00 CONTINGENT UPON THE CONSULTANT’S PROVISION OF SUFFICIENT INSURANCE IN ACCORDANCE WITH THE ATTACHED AGREEMENT; AUTHORIZING THE INTERIM CITY MANAGER OR HIS DESIGNEE TO EXECUTE THIS AGREEMENT ON BEHALF OF THE CITY; AND DECLARING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS:

PART 1. The attached agreement (the “Agreement”) between the City and American Structurepoint, Inc. for the provision of professional engineering services in connection with the Sessom Drainage Improvements at Academy Project in the not-to-exceed amount of $228,395.00 is approved contingent upon the Consultant’s provision of sufficient insurance in accordance with the Agreement.

PART 2. The Interim City Manager or his designee is authorized to execute the Agreement on behalf of the City.

PART 3. This Resolution will be in full force and effect immediately from and after its passage.

ADOPTED this the day of 2017.

John Thomaides,
Mayor

Attest:

Jamie Lee Case,
City Clerk
PROFESSIONAL ENGINEERING SERVICES AGREEMENT
Contract Number: 217-262

This Agreement is effective March 21, 2017 between the City of San Marcos, Texas, a home-rule municipal corporation, (the “City”), 630 East Hopkins, San Marcos, Texas 78666 and American Structurepoint, Inc. (the “Engineer”), 1717 W 6th Street, Suite 375, Austin TX 78703, for the Engineer’s provision of engineering services in connection with the Sessom Drainage Improvements at Academy Project (the “Project”).

The City and the Engineer agree as follows:

ARTICLE 1
ENGINEER’S SERVICES AND STANDARD OF PERFORMANCE

A. The term of this Agreement begins on the effective date established above and will end upon the Engineer’s completion, and the City’s acceptance of all services included in this Agreement. The Engineer agrees to provide the City with the services described in Attachment A, Scope of Services, which is incorporated herein by reference for all intents and purposes. The services for this Project are more generally described as the provision of preliminary engineering (30%), design engineering (60%/90%/100%), bid assistance and construction and record drawing phase services. The project scope includes:

1) Drainage design along Academy Street and Sessom Drive from Orchard Street to the outfall on Texas State University property near Alamo Street. Final design will include a drainage alternate as previously determined by the City.
2) The abandonment of the existing 12-inch pipe between Orchard Street and Sessom Drive, and the placement of a 36-inch main trunk line along the south edge curb line along Academy Street and Sessom Drive.
3) Upsizing the existing 6-inch waterline along Academy Street to 12-inches from Orchard Street to Sessom Drive and relocating the existing 12-inch waterline in Sessom Drive as required for the drainage improvements.
4) Upsizing the existing wastewater line from 6-inches to 8-inches along Academy Street from Orchard Street to Sessom Drive, and relocating the existing 8-inch wastewater line in Sessom Drive as required for the drainage improvements.
6) Pedestrian signals and revised pavement markings at the Sessom Drive and Academy Street intersection.

B. The Engineer understands and agrees to provide all design work and professional services in the most expedient and efficient manner possible in order to complete the Project by August 20, 2019 in accordance with the approved Project Schedule included in this Agreement as Attachment C.
C. The Engineer will not subcontract any work under this Agreement without prior written approval from the City. In the event approval is given by the City, the Engineer will specify the appropriate insurance requirements and miscellaneous provisions by separate written agreement with the subcontractor.

D. The Engineer will perform all of its services in coordination with the City. The Engineer will advise the City of data and information the Engineer needs to perform its services and the Engineer will meet with City representatives at mutually convenient times to assemble this data and information.

E. April Sandoval, P.E. is the Engineer’s Project Representative assigned to this Project. The Engineer will not substitute another representative for this Project unless approved in writing by the City in advance of such proposed substitution. In the event the City and the Engineer cannot agree to the substitution of the Project Representative, the City may terminate this agreement.

F. The City will designate and notify the Engineer of its designation of an authorized Project representative who will act on the City’s behalf with respect to this Agreement.

G. Any change to the scope of services described in Attachment A, must be by an approved Authorization of Change in Services developed in accordance with the approved fee schedules and/or hourly rates stipulated in Attachment B and executed by the Engineer and the City prior to the work being performed.

ARTICLE 2
PAYMENTS TO THE ENGINEER

A. In consideration of the Engineer’s provision of services in accordance with all terms and conditions of this Agreement, the City will pay the Engineer in accordance with the terms set forth in Attachment B less any disputed amounts, pending resolution thereof. Except in the event of an Authorization of Change in Service executed by the Engineer and the City, the total cost of all professional services provided under this Contract may not exceed Two Hundred, Twenty-Eight Thousand, Three Hundred Ninety Five Dollars ($228,395.00). Reimbursable expenses including such things as expenses for plotting, reproduction of documents, auto travel mileage (at the current IRS rate), delivery charges, long distance communications, freight, and state accessibility review, if any, will be paid in accordance with Attachment B. In the event that additional services are requested by the City, those costs will be identified in Attachment B.

B. The Engineer will not include Federal taxes or State of Texas limited sales, excise and use taxes in its invoices or vouchers and statements of costs. The City is exempt from the payment of such taxes and the Engineer may retrieve a resale certificate for use on the Project form the State of Texas Comptroller’s website.
ARTICLE 3
ENGINEER'S RECORDS

A. The Engineer will keep all of its expense records in a recognized accounting format acceptable to the City and these records will be available to the City at mutually convenient times.

B. The City, its auditors, federal auditors, and state agencies that have monitoring or auditing responsibilities for this Agreement will have access to any books, documents, papers and records of the Engineer which are directly pertinent to this Agreement for the purpose of making audit, examination, excerpts, copying and transcriptions.

C. The Engineer will furnish to the City documents related to the Project, including but not limited to correspondence, drafts, calculations, sealed plans and specifications and, at such time and in such form as the City may require, financial statements including audited financial statements, records, reports, data and information, as the City may request pertaining to the matters covered by this Agreement.

ARTICLE 4
OWNERSHIP AND USE OF DOCUMENTS

A. All documents prepared by the Engineer in connection with this Agreement are the property of the City whether any project related to this Agreement is executed or not. The City agrees that the Engineer's sealed plans and specifications are not intended or represented to be suitable for reuse for another project by the City or others. Any such reuse by the City or those who obtained said documents from the City without written verification or adaptation by the Engineer will be without liability or legal exposure to the Engineer.

B. The Engineer will retain all of its records and supporting documentation relating to this Agreement, and not delivered to the City, for a period of three years except in the event that the Engineer goes out of business during that period, it will turn over, to the City, all of its records relating to the Project for retention by the City.

ARTICLE 5
TERMINATION OF AGREEMENT

A. The City may terminate this Agreement for convenience and without cause upon at least thirty (30) calendar days prior written notice to the Engineer.

B. Upon the Engineer's receipt of any such notice of termination under this Article 5, it will cease work as directed in writing by the City. The City will compensate the Engineer for all services performed up to the date of the notice of termination, which are deemed by the City to be in accordance with this Agreement. The City will pay this amount upon the Engineer's delivering to the City all information and materials developed or accumulated by the Engineer in performing
the services described in this Agreement, whether completed or in progress. The expense of reproduction of these items will be borne by the City.

C. If applicable to this Agreement, funds for the payment for work performed by the Engineer under this Agreement have been provided through the City's budget approved by City Council for the current fiscal year only. State statutes prohibit the obligation and expenditure of public funds beyond the fiscal year for which a budget has been approved. The City cannot guarantee the availability of funds, and enters into this Agreement only to the extent such funds are made available. The Engineer acknowledges and agrees that it will have no recourse against the City for its failure to appropriate funds for the purposes of this Agreement in any fiscal year other than the year in which this Agreement was executed. The fiscal year for the City extends from October 1st of each calendar year to September 30th of the following calendar year.

ARTICLE 6
WARRANTY AND INDEMNIFICATION

A. In performing all services under this Agreement, the Engineer or persons under the supervision of the Engineer will use that degree of care and skill normally exercised for similar projects by professional Engineers who possess special expertise in the types of services. The Engineer will ensure that all persons performing services under this Agreement possess the appropriate licenses under local, State or Federal law governing their respective discipline. As an experienced and qualified design professional, the Engineer warrants that the information it provides reflects highest professional and industry standards, procedures, and performances. The Engineer agrees that the preparation of designs/drawings, the designation or selection of materials and equipment, the selection and supervision of personnel, and the performance of other services under this Agreement, are pursuant to a high standard of performance in the profession. Any provisions in this Agreement pertaining to the City's review, approval and/or acceptance of written materials prepared by the Engineer and/or its subconsultants, contractors, and subcontractors in connection with this Agreement will not diminish the Engineer's responsibility for the materials. Approval of the City will not constitute, or be deemed, a release of the responsibility and liability of the Engineer, its employees, agents, or associates for the exercise of skill and diligence to promote the accuracy and competency of their designs, information, plans, specifications or any other document, nor will the City's approval be deemed to be the assumption of responsibility by the City for any defect or error in the aforesaid documents prepared by the Engineer, its employees, associates, agents, subconsultants or subcontractors.

B. The Engineer will promptly correct any defective designs or specifications it furnishes at no cost to the City. The City's approval, acceptance, use of, or payment for, all or any part of the Engineer's services under this Agreement or of the Project itself will in no way alter the Engineer's obligations or the City's rights under this Agreement.

C. It is expressly agreed that the Engineer and its employees are independent contractors, and not agents, employees, partners or joint venturers with the City. As an independent contractor, the
Engineer is responsible for the professional services and the final work product contemplated under this Agreement. Except for materials furnished by the City, the Engineer will supply all materials, equipment, and labor required for the provision of its professional services under this Agreement. The Engineer has ultimate control over the execution of its professional services and it is the Engineer's sole obligation to employ, direct, control, supervise, manage, discharge, and compensate all of its employees, subconsultants and subcontractors, and the City has no control of or supervision over the employees of the Engineer or any of the Engineer's subconsultants or subcontractors. The Engineer will not pledge or attempt to pledge the credit of the City.

D. The Engineer will at all times exercise reasonable precautions on behalf of, and be solely responsible for, the safety of its officers, employees, agents, subcontractors, licensees, and other persons, as well as their personal property, while in the vicinity of the Project or any of the work being done on or for the Project. It is expressly understood and agreed that the City is not liable or responsible for the negligence of the Engineer, its officers, employees, agents, subcontractors, invitees, licensees, and other persons.

E. The Engineer will indemnify and hold harmless the City and all its employees, agents, officers and servants from any and all lawsuits, claims, demands and causes of action of any kind arising solely from the negligent or intentional wrongful acts or omissions of the Engineer, its officers and employees or by or on account of any claims or amounts recovered under the Workers' Compensation Laws of Texas or any other law, ordinance, order or decree, and its sureties will be held liable until such suit or suits, action or actions, claim or claims for injury or damages as aforesaid have been settled and satisfactory evidence to that effect has been furnished to the City. This will include, but not be limited to, the amounts of judgments, court costs and reasonable legal fees incurred by the City arising in favor of any party, including the amounts of any damages or awards resulting from claims, demands and causes of action for personal injuries, death or damages to property or actual infringement of patents, copyrights, and trademarks and without limitation by enumeration, all other claims, demands, or causes of action of every character occurring, resulting, or arising solely from any negligent or intentional wrongful act, error or omission of the Engineer and/or its agents and/or employees. This obligation by Engineer will not be limited because of the specification of any particular insurance coverage in this Agreement.

ARTICLE 7
INSURANCE

A. Coverage. The Engineer will procure and maintain on a primary basis, at the Engineer's expense and for the duration of this Agreement insurance with insurance companies authorized to do business in the State of Texas, covering all operations under this Agreement, whether performed by Engineer or Engineer's agents, subcontractors or employees. Before commencing the work, the Engineer will furnish to the City a certificate or certificates in form satisfactory to the City (See Attachment D for example), showing that the Engineer has complied with this paragraph. Before commencing the work and within five (5) business days of the City's award of a contract, the Engineer must deliver to the City a certificate(s) of insurance evidencing that such policies are in
full force and effect. Failure to meet the stated insurance requirements and provide the required certificate(s) and any necessary endorsements within five business days **may cause the contract to be terminated.** The City reserves the right to obtain complete, certified copies of all required insurance policies at any time. The stated limits of insurance required by this Paragraph are **minimum only**—they do not limit the Engineer’s indemnity obligation, and it will be the Engineer’s responsibility to determine what limits are adequate. These limits may be met by basic policy limits or any combination of basic limits and umbrella limits. The City’s acceptance of certificates of insurance that do not comply with these requirements in any respect does not release the Engineer from compliance with these requirements. The kinds and amounts of insurance required are as follows:

1) **Workers’ Compensation Insurance and/or Employer’s Liability Insurance:** In accordance with the provisions of the Workers’ Compensation Act of the State of Texas and/or $500,000.00/$500,000.00 for Employer’s Liability.

2) **Commercial General Liability Insurance:** (1) Commercial general liability insurance with a combined single limit of $1,000,000 for each occurrence and $1,000,000 in the aggregate, Engineer agrees to maintain a standard ISO version Commercial General Liability occurrence form, or its equivalent providing coverage for, but not limited to, Bodily Injury and Property Damage, Premises/Operations, Products/Completed Operations, Independent Engineers.

3) **Business Automobile Liability Insurance,** – Limits of liability not less than $1,000,000.00 per occurrence. The Engineer agrees to maintain a standard ISO version Business Automobile Liability, or its equivalent, providing coverage for all owned, non-owned and hired automobiles. Should the Engineer not own any automobiles, the business auto liability requirement will be amended to allow the Engineer to agree to maintain only Hired and Non-Owned Auto Liability. This amended coverage requirement may be satisfied by way of endorsement to the Commercial General Liability, or separate Business Auto policy.

4) **Professional Liability Insurance,** – Limit of liability not less than $1,000,000 per occurrence. Engineer agrees to maintain Professional (Errors & Omissions) Liability to pay on behalf of the insured all sums which the insured will become legally obligated to pay as damages by reason of any act, malpractice, error or omission of the Engineer or any person employed or acting on the Engineer’s behalf (including but not limited to sub-contractors). For policies written on a “claims-made” basis, Engineer agrees to maintain a retroactive date prior to or equal to the effective date of this contract and that continuous coverage will be maintained or a supplemental extended reporting period will be purchased with a minimum reporting period not less than two years after the completion of this Agreement. The Engineer is solely responsible for any additional premium for the supplemental extended reporting period.
B. **Endorsements/Waiver of Subrogation.** The Engineer agrees to provide commercial
general liability insurance and motor vehicle insurance written with the City of San Marcos, Texas
endorsed as an additional insured. A waiver of the carrier’s right of subrogation against the City
of San Marcos is required for each insurance policy.

C. **Deductibles, Coinsurance Penalties, and Self-Insured Retention.** Engineer agrees to be
fully and solely responsible for any costs or expenses as a result of a coverage deductible,
coinsurance penalty, or self-insured retention; including any loss not covered because of the
operation of such deductible, coinsurance penalty, or self-insured retention.

D. **Subcontractor’s Insurance.** The Engineer will ensure that each subcontractor employed
by the Engineer for this Project purchases and maintains insurance of the types specified, provided
that the Engineer’s insurance does not afford coverage on behalf of the subcontractor.

E. **Certificate of Insurance Form.** The Engineer will furnish the City with a certificate(s)
of insurance, executed by a duly authorized representative of each insurer, showing compliance
with the insurance requirements. The certificate must be from a company with an A.M. Best rating
of "AVII" or better and/or otherwise acceptable to the City. Certificates must be submitted using
the ACORD form and all endorsements must be included with the submittal. All certificates will
provide that coverage under the policies will not be canceled or non-renewed until at least thirty
(30) calendar days prior written notice, or ten (10) calendar days notice of cancellation due to the
non-payment of premiums is given to the City. Failure of the Engineer to demand a certificate or
other sufficient evidence of full compliance with these insurance requirements or failure of the
Engineer to identify a deficiency from the evidence that is provided as proof of insurance will not
be construed as a waiver of the Engineer’s obligation to maintain the required insurance coverage
specified herein. If, in the event the City is notified that a required insurance coverage will cancel
or non-renew during the contract period, the Engineer agrees to furnish prior to the expiration of
such insurance, a new or revised certificate(s) as proof that equal and like coverage is in effect.
The City reserves the right, but not the obligation, to withhold payment to the Engineer until
coverage is reinstated. Certificates and notices will be given to the City at the following address:

City of San Marcos
Attn: Engineering and Capital Improvements Department
630 E. Hopkins
San Marcos, Texas 78666

F. **Right to Review and Adjust.** The City reserves the right to review these requirements
and to modify insurance coverage and their limits when deemed necessary and prudent.
Furthermore, the City reserves the right, but not the obligation, to review and reject any insurer
providing coverage because of poor financial condition.
ARTICLE 8
CERTIFICATE OF INTERESTED PARTIES.

This Engineer is required to electronically create a Certificate of Interested Parties Form 1295 through the Texas Ethics Commission ("TEC") website (https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm) and submit a signed and notarized copy of the form to the City prior to the award of the contract. A contract, including a City-issued purchase order, will not be enforceable or legally binding until the City receives and acknowledges receipt of the properly completed Form 1295 from the Engineer.

ARTICLE 9
MISCELLANEOUS PROVISIONS

A. This Agreement is governed by and will be construed under the laws of the State of Texas. All obligations of both parties are performable and exclusive venue for any dispute arising under this Agreement is in Hays County, Texas.

B. As to all acts or failures to act by either party to this Agreement, any applicable statute of limitations will commence to run and any alleged cause of action will be deemed to have accrued when the party commencing the cause of action knew or should have known of the existence of the subject act(s) or failure(s) to act.

C. The Engineer will not use funds received by it directly or indirectly under the terms of this Agreement for any partisan political activity or to further the election or defeat of any candidate for public office.

D. The Engineer hereby affirms that Engineer and Engineer’s firm have not made or agreed to make any valuable gift whether in the form of service, loan, thing, or promise to any person or any of his/her immediate family, having the duty to recommend, the right to vote upon, or any other direct influence on the selection of consultants to provide consulting services to the City within the two years preceding the execution of this Agreement. A campaign contribution, as defined by the Texas Election Code or the San Marcos City Code is not considered a valuable gift for the purposes of this Agreement.

E. In performing the services required under this Agreement, the Engineer will not discriminate against any person on the basis of race, color, religion, sex, national origin, age, disability or ancestry. The Engineer agrees not to engage in employment practices, which have the purpose or effect of discriminating against employees or prospective employees because of race, color, sex, religion, national origin, age, disability or ancestry. A breach of this covenant by the Engineer may be regarded as a default of the Agreement.

F. All references in this Agreement to any particular gender are for convenience only and will be construed and interpreted to be of the appropriate gender. The term "will" is mandatory in this
Agreement.

G. Should any provision in this Agreement be found or deemed invalid, this Agreement will be construed as not containing the provision and all other provisions, which are otherwise lawful, will remain in full force and effect, and to this end, the provisions of this Agreement are declared severable.

H. All services provided pursuant to this Agreement are for the exclusive use and benefit of the City and this Agreement does not create rights in third parties.

I. In performing all services under this Agreement, the Engineer, its agents, employees, subcontractors, successors and assigns will comply with all local, state and federal laws, the charter and ordinances of the City of San Marcos and with all applicable rules and regulations promulgated by local, state, and federal boards, bureaus, and agencies. It is the Engineer’s responsibility to obtain all necessary permits and licenses required to provide services required by this Agreement.

J. The City’s execution of and performance under this Agreement will not act as a waiver by the City of any immunity from suit or liability to which it is entitled under applicable law. The parties acknowledge that the City, in executing and performing this Agreement, is governmental entity acting in a governmental capacity.

K. The City of San Marcos is governed by the Texas Public Information Act (the “Act”), Chapter 552 of the Texas Government Code. This Agreement and all written information generated under this agreement may be subject to release under the Act. The Engineer will not make any reports, information, data, etc. generated under this Agreement available to any individual or organization without the written approval of the City. Upon receipt of a request for information under the Act, the City will immediately notify the Engineer of the request, and it will be the responsibility of the Engineer to object, within ten days of the City’s receipt of the request, to the Texas Attorney General by way of a written request. If the Engineer fails to submit a letter to the Attorney General within ten days of the City’s receipt of a request for information, the City shall release the information in accordance with the Act.

L. The captions or headings included in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions, articles, or sections of this Agreement.

M. In the event that the performance by either the City or the Engineer of any of its obligations under this Agreement is interrupted or delayed by events outside of their control such as acts of God, war, riot or civil commotion, then the party is excused from such performance for the period of time reasonably necessary to remedy the effects of such events.

N. In the event of a default or breach of this Agreement by the Engineer, the City reserves the right to choose among the remedies for the default or breach available to the City. These remedies
may be used in conjunction with one another or separately, and together with any other statutory or common law remedies available to the City. Any failure by the City to enforce this Agreement with respect to one or more defaults by the Engineer will not waive the City’s ability to enforce the Agreement after that time.

O. No waiver by either party hereto of any term or condition of this Contract will be deemed or construed to be a waiver of any other term or condition or subsequent waiver of the same term or condition.

P. If applicable, the Engineer will pay all license fees, royalties and other costs incident to the use of any invention, design, process, product or device subject to a patent right or copyright held by others in performing the work or in the completed Project.

Q. It is the City’s intent to be proactive with regard to the environment. The City encourages “value purchasing” of environmentally friendly products. The Engineer is encouraged to utilize green solutions in performing any services under the Agreement, as appropriate.

R. The Engineer’s attention is called to the fact that pursuant to San Marcos Ordinance No. 2013-57, as amended, all City of San Marcos owned and rented/leased properties are smoke free properties. All consultants, their subconsultants and employees are prohibited from smoking while on City property. This prohibition includes the enclosed areas of public places and workplaces and within 10 feet of doors and windows of City-owned or rented buildings, all City parks and the grounds outside of any City building. This prohibition includes e-cigarettes and other inhaled vapor devices. The City may terminate this Agreement for noncompliance with this ordinance.

ARTICLE 10
SUCCESSORS AND ASSIGNS

A. The City and the Engineer, respectively, bind themselves, their partners, successors, assigns and legal representatives to the other party to this Agreement and to the partners, successors, assigns and legal representatives of such other party with respect to all covenants of this Agreement. The City and the Engineer will not assign, sublet or transfer any interest in this Agreement without the prior written consent of the other.

B. The Engineer will notify the City, in writing, of any change in its partnership/ownership within thirty (30) calendar days of such change.

ARTICLE 11
EXTENT OF AGREEMENT

A. This Agreement, including appendices and referenced attachments represents the entire and integrated Agreement between the City and the Engineer and supersedes all prior proposals,
negotiations, representations or agreements either written or oral between the parties. In the event of a dispute between the City and Engineer regarding the intent of this Agreement, both parties agree that they will construe this Agreement in a manner consistent with the City’s Request for Proposals, the Engineer’s proposal response and the public record of the City Council’s approval of this agreement as applicable. This Agreement may be amended only by written instrument, which must be signed by both the City and the Engineer. The San Marcos City Council must approve any such authorization of change in services or amendment if the compensation for which exceeds $50,000.00. The City may agree to a revised completion date/extension of time at its sole discretion, and only upon receipt of a fully executed Authorization of Change in Services (Attachment E) form.

B. Any exhibits and/or attachments attached to this Agreement are incorporated by reference into this Agreement as though included verbatim herein.

C. In the event of any conflict between this Agreement and the provisions of any exhibit or attachment to this Agreement, this Agreement will govern and control.

ARTICLE 12 NOTICES

Notices required under this Agreement will be provided by the parties to one another and will be deemed received when sent by certified mail, return receipt requested, or by confirmed facsimile transmission, to the following addresses:

To the City:
City Manager
City of San Marcos
630 E. Hopkins
San Marcos, Texas 78666

To the Engineer:
April Sandoval, P.E.
American Structurepoint Inc.
1717 W 6th Street, Suite 375
Austin Texas 78703

The parties acknowledge that they have read, understand and intend to be bound by the terms and conditions of this Agreement. Each of the persons executing this Agreement represents that he or she has full power and authority to execute this Agreement on behalf of the party that person represents. This Agreement will be effective as of the day and year established in the first paragraph of this Agreement.

Approved As to Form:

By: [Signature]
City Attorney’s Office
8/20/17
(Date)
City of San Marcos

By: ____________________________
   (Signature)

______________________________
Printed Name and Title

Date: __________________________

American Structurepoint, Inc.

By:  ____________________________
   (Signature)

Ricardo Zamarripa, PE – Vice President
Printed Name and Title

Firm’s License No. F-3961

Date: 3/13/2017
ATTACHMENT A: SCOPE OF SERVICES
CITY OF SAN MARCOS
SESSOM DRAINAGE IMPROVEMENTS AT ACADEMY PS&E

Project Understanding

The work to be performed by The ENGINEER, under this contract will consist of providing Preliminary Engineering (30%), Design Engineering (60%/90%/100%), Bid, Construction, and Record Drawing Phase Services. The project consists of the following improvements:

- Drainage design along Academy St. and Sessom Dr. from Orchard St. to the outfall on Texas State University property near Alamo St.
- Final design will implement drainage alternate as previously determined by the CITY. (Alternate 4)
- In general, consisting of abandoning the existing 12-inch pipe between Orchard St. and Sessom Dr., and placing a 36-inch main trunkline along the south edge curb line along Academy St. and Sessom Dr.
- Upsizing the existing 6-inch waterline along Academy to 12-inches from Orchard St. to Sessom Dr., and relocating the existing 12-inch waterline in Sessom Dr. as required for the drainage improvements.
- Upsizing the existing wastewater line from 6-inches to 8-inches along Academy St. from Orchard St. to Sessom Dr., and relocating the existing 8-inch wastewater line in Sessom Dr. as required for the drainage improvements.
- Traffic Signal Warrant Study and Traffic Signal Plans at the Sessom Dr. & Academy St. intersection.
- Pedestrian signals and revised pavement markings at the Sessom Dr. & Academy St. intersection.

I. Preliminary Phase (30%)

A. Project Management and QA/QC: This task includes routine communication with the OWNER; managing subconsultants, manpower, budgets, and schedules; invoicing; implementing and monitoring of QA/QC efforts; and other activities associated with managing the project.
   i. Project Management
   ii. QA/QC

B. Meetings: The ENGINEER will prepare meeting minutes and letter responses to questions as needed.
   i. Project Meeting: The ENGINEER will prepare for and attend one (1) kickoff meeting on site with the OWNER and sub-consultants to initiate the project.

C. Field Investigations
   i. Topographic and Tree Survey: Develop map with visible improvements, visible utilities, one-foot contours, spot elevations, trees 4" diameter and larger, utility pipe sizes and flowlines when possible. This will include coordinating with and locating One-Call markings for the site.
   ii. Boundary Surveying: Establish the right-of-way lines of Sessom Dr., Academy St., Orchard St., and Alamo St. together with the side lines and rear lines. The survey will show the boundary and easement information. Boundary corners will be found and verified, and any material discrepancies will be reported.
   iii. SUE – Up to 5 Sue borings will be performed.

D. Pipelines—Water/Sanitary Sewer
   i. Identify potential conflicts between water and sanitary sewer utilities and preliminary engineering for replacement using topographic survey information and available utility records.
   ii. Prepare necessary plan sheets for bidding (plan and profile of main relocations, plan view of abandonment detail, bypass pumping and shut-out detail, water and wastewater detail sheets)

E. Drainage
   i. Watershed Analysis — The ENGINEER will delineate drainage areas and determine hydrology based on the rational method or other method as appropriate based on the size of
the drainage areas. A 25-year design storm and a 100-year check storm will be used. Geopak Drainage will be used for design.

ii. Determine Alignments— The ENGINEER will place inlets and drainage pipes as appropriate to fulfill the ponding and gravity flow requirements. The layout will be presented in the 30% plans.

iii. Preliminary Hydraulics/Modeling— The ENGINEER will model the proposed system based on the previously produced Drainage Technical Memorandum by B&G Engineers dated July 3, 2012. A recommendation will be made for the best alternative based on cost and design requirements. The results will be summarized in the Preliminary Engineering Report. It is not anticipated that a Geotechnical or Structural Analysis will be required for any of the proposed drainage structures. In the event that either is required, it will be considered additional services outside this scope of services.

F. Traffic Signal Warrant and Traffic Signal Design
   i. Perform traffic signal warrant analysis using the current MUTCD criteria for the intersection of Academy St. & Sessom Dr. Traffic volumes for the intersection will be obtained from City of San Marcos.
   ii. Prepare traffic signal design plan, specifications, construction cost estimates and signal timing plan for the intersection of Academy St. & Sessom Dr.

G. Develop Opinion of Probable Cost for Construction: The opinion of probable cost will be prepared according to the current practices for the City of San Marcos and will include all items of work required for the complete construction of the work.

H. Deliverables
   i. Preliminary Engineering Report Draft (3-hardcopies, 1-PDF)
   ii. Preliminary Engineering Report Final (3-hardcopies, 1-PDF, 1-DGN)

II. Design Phase (60%/90%/100%)

A. Project Management and QA/QC: This task includes routine communication with the OWNER;
managing subconsultants, manpower, budgets, and schedules; invoicing; implementing and monitoring of QA/QC efforts; and other activities associated with managing the project.
   i. Project Management
   ii. QA/QC

B. Meetings: The ENGINEER will prepare meeting minutes and letter responses to questions as need.
   i. Project Meetings: The ENGINEER will attend three (3) project meetings for each milestone deliverable.
   ii. Public Meeting: The ENGINEER will attend one (1) public meeting, prepare exhibits necessary for the meeting, and assist the City in preparing the meeting agenda.

C. Design Sheet Categories
   i. Cover/Index/Project Layout
   ii. Quantity Table
   iii. General Notes
   iv. Typical Sections
   v. Construction Phasing
   vi. Traffic Control Sheets
   vii. Drainage (1"=40')
   viii. Water/Wastewater (1"=40')
   ix. Signing & Pavement Marking
   x. Traffic Signal
   xi. Erosion Control & Tree Removal
   xii. Removals (1"=100')
   xiii. SUE Level A: Assume five (5) Level A vacuum test hole locations at 0 to 6-foot depth.
   xiv. Standards

D. Permitting Submittals
i. TCEQ Storm Water Permit: Prepare a TCEQ Stormwater Pollution Prevention Plan

E. Deliverables
   i. 60% Submittal: Four (4) hardcopies of 11”x17” set and one (1) PDF electronic copy of Plan Set (List of Standard Details, List of Standard Specifications, Project Specific/Special Specifications, Project Specific/Special Details, Opinion of Probable Construction Cost, and Construction Schedule.)
   ii. 90% Submittal: Four (4) hardcopies of 11”x17” set and one (1) PDF electronic copy of Plan Set (List of Standard Details, List of Standard Specifications, Project Specific/Special Specifications, Project Specific/Special Details, Opinion of Probable Construction Cost, and Construction Schedule) and Bid Form.
   iii. 95% Submittal: One (1) PDF electronic copy of unsealed plans with all comments addressed and all items from the 60% and 90% submittal.
   iv. 100% Submittal: Two (2) hardcopies of 22”x34” set, four (4) hardcopies of 11”x17” set, one (1) PDF electronic copy, and one (1) CAD copy of Sealed Plan Set (List of Standard Details, List of Standard Specifications, Project Specific/Special Specifications, Project Specific/Special Details, Opinion of Probable Construction Cost, and Construction Schedule) and Bid Form; one (1) PDF of Construction Check List; one (1) Word version of Bid Form, and one (1) PDF of Technical Specifications.

III. Bid Phase

A. Attend Pre-Bid Meeting: Assist the OWNER in conducting pre-bid meeting and developing the agenda.
B. Answer Questions: Coordinate with the OWNER for issuing responses to technical questions and requests for additional information. The ENGINEER will issue addenda to Purchasing, as necessary and provide conformed plans per changes made during this process, if any.
C. Issue Addenda to Purchasing: The ENGINEER shall issue addenda as appropriate to clarify, correct, or change the bidding documents.
D. Bid Tabulation and Recommendation of Award: Assist the OWNER in opening of bids, review all bids and evaluate them for responsiveness and bid amount. The ENGINEER will also check references, by telephone, of the low bidder and second low bidder, and will prepare a letter summarizing the review and evaluation and include recommendations for award of the contract for construction, or other action as may be appropriate. The OWNER shall make the final decision on the award of the contract for construction and the acceptance or rejection of all bids.
E. Conformed Plans: The ENGINEER will incorporate addenda items in the Construction Plans and issue a "Conformed" set of plans for construction.
   i. Bid Form: Provide the Bid Form in Word Document format.
   ii. Technical Specifications: Provide one (1) PDF electronic copy of the Technical Specifications.
   iii. Conformed Plans: Provide one (1) PDF electronic copy of Construction Plans, one (1) CAD copy, two (2) hardcopies of 22”x34” plan sets, and four (4) hardcopies 11”x17” plan sets

IV. Construction Phase

A. Project Meetings: The ENGINEER will attend nine (9) monthly construction meetings with the City, Contractor, and other parties as appropriate.
B. Attend Pre-Construction Conference: The ENGINEER will attend a pre-construction conference for the project with the City, Contractor, and other parties as appropriate.
C. Submittal Review: The ENGINEER will review and approve shop drawing submittals.
D. Respond to Requests for Information/Modifications
E. Construction Observation: The ENGINEER will perform site visits to check the progress of the work and verify general conformance with the project plans and technical specifications on an as-needed basis.

Page 3 of 4
F. Final Pay Estimate Review
G. Review Change Orders
H. Project Startup
I. Substantial and Final Completion/Utility Certifications

V. Record Drawing Phase

A. Deliverables (must follow COSM CADD standards)
   i. Draft Drawings: Provide one (1) hardcopy of 22"x34" plan set, one (1) PDF electronic copy of 11"x17" plan set, one (1) CAD copy. Drawings will be based on information provided by the contractor and COSM.
   ii. Final Drawings

Exclusions

A. The following services are not included in the scope:
   a. Traffic counts
   b. Cross-section alternatives
   c. LID/water quality
   d. ROW acquisition
   e. Construction inspection
   f. TCEQ Coordination not required in the Edwards Transition Zone
   g. Site visit reports and shop drawing submittal log not required. Owner Insite system will be used.
### I. Preliminary Phase (85%)  
**A. Project Management and QA/QC**
- **i. Project Management**
  - 0 0 20 0 0 0 0 0 20 $2,800.00 - $1,700.00 $1,700.00 $5,500.00
- **ii. QA/QC**
  - 0 6 0 0 0 0 0 6 $6,000.00 - $ - $1,400.00

**B. Meetings**
- **i. Project Meeting (Include site visit)**
  - 0 0 4 0 0 0 0 4 $1,200.00 $80.00 $3,210.00 $3,090.00 $4,580.00

**C. Field Investigations**
- **i. Topographic and Tree Survey (Includes One Call)**
  - 0 0 0 0 0 0 0 0 $ - $ - $12,500.00 $12,500.00
- **ii. Baseline Surveying/Geosynthetice Survey**
  - 0 0 0 0 0 0 0 0 $ - $ - $7,500.00 $7,000.00 $7,500.00

**D. Pipelines – Water/Sewer Source**
- **i. Determine Alignments**
  - 0 0 0 0 0 0 0 0 $ - $ - $1,200.00 $1,200.00
- **ii. Preliminary Hydrologic/Modeling**
  - 0 0 2 0 0 0 0 2 $5,200.00 $ - $ - $2,800.00 $5,200.00

**E. Drainage**
- **1. Wastewater System**
  - 0 0 1 0 4 0 0 13 $1,630.00 - $ - $ - $1,630.00
-  **ii. Determine Alignments**
  - 0 0 4 0 0 0 0 16 $2,200.00 - $ - $ - $2,200.00
-  **iii. Preliminary Hydraulic/Modeling**
  - 0 0 2 0 0 0 0 - $ - $ - $2,600.00 $2,600.00

**F. Traffic**
- **i. Traffic Signal Ward Analysis**
  - 2 0 2 0 11 0 0 28 $4,460.00 $100.00 $ - $4,460.00
- **ii. Traffic Signal Design**
  - 2 0 2 0 10 0 0 10 $4,800.00 $100.00 $ - $4,800.00

**G. Design (85%)**
- **i. Design (Most Follow CSG/CADD standards)**
  - 0 4 3 0 0 0 0 12 $1,700.00 $ - $ - $1,700.00
-  **ii. Preliminary Engineering Report (Draft/An!roop, TIPs)**
  - 0 4 2 0 0 0 0 16 $2,800.00 $100.00 $ - $2,800.00
-  **iii. Preliminary Engineering Report Final/Urbanization, TIPs, TIPD)**
  - 0 4 1 0 0 0 0 11 $1,420.00 $100.00 $ - $1,420.00

**H. Design Phase (60%/85%/95%)**
- **A. Project Management and QA/QC**
  - 0 0 32 0 0 0 0 0 32 $6,600.00 $ - $3,100.00 $3,500.00 $9,100.00
  -  **i. Project Management**
    - 0 0 32 0 0 0 0 0 32 $6,600.00 $ - $3,100.00 $3,500.00 $9,100.00
  -  **ii. QA/QC**
    - 0 15 0 0 0 0 0 15 $2,500.00 $ - $ - $2,500.00
  -  **B. Meetings**
    - 0 0 8 0 0 0 0 0 14 $2,400.00 $200.00 $ - $2,200.00 $2,600.00

**I. Design Stuff Categories**
- **1. Civil/Structural/Project Layout**
  - 0 0 0 1 0 0 0 0 7 $800.00 - $ - $800.00

**J. Grading**
- **1. Typical Sections**
  - 0 0 1 0 0 0 0 0 16 $2,670.00 $ - $ - $2,670.00

**K. Construction Planning**
- **1. Traffic Control Sheets**
  - 0 0 2 0 0 0 0 8 $2,500.00 - $ - $2,500.00

**L. Survey**
- **1. Detailed Survey/Signage**
  - 0 0 0 0 0 0 0 0 20 $3,200.00 - $ - $2,200.00 $5,200.00

**M. 3D Plan (1 sheet)**
- **1. Plan**
  - 0 0 1 0 0 0 0 0 20 $3,200.00 - $ - $3,200.00

**N. Drainage**
- **1. GIS Site**
  - 0 0 1 0 0 0 0 0 15 $1,850.00 $ - $ - $1,850.00

**O. Utilities**
- **1. Topographic and Tree Survey (Includes One-Call)**
  - 0 0 0 0 0 0 0 0 $ - $ - $12,500.00 $12,500.00

**P. Water/Wastewater (1 sheet)**
- **1. Stormwater and Road Network (4 sheets)**
  - 0 0 1 0 0 0 0 0 14 $2,270.00 - $ - $2,270.00

**Q. Traffic**
- **1. Traffic Signal (1 sheet)**
  - 0 0 1 0 0 0 0 0 14 $2,270.00 - $ - $2,270.00

**R. GPR/Magnetometer (4 sheets)**
- **1. GPR/Magnetometer**
  - 0 0 1 0 0 0 0 0 14 $2,270.00 - $ - $2,270.00

**S. Geophysical (2 sheets)**
- **1. Geophysical**
  - 0 0 1 0 0 0 0 0 16 $3,040.00 - $ - $3,040.00

**T. Survey**
- **1. Suburb (1 sheet)**
  - 0 0 0 0 0 0 0 0 5 $2,040.00 - $ - $2,040.00

**U. Standards and Materials**
- **1. Base Standard Materials**
  - 0 0 0 0 0 0 0 0 $ - $ - $1,160.00 $1,160.00

**V. Deliverables – (Most Follow CSG/CADD standards)**
- **1. Deliverables**
  - 0 0 0 0 0 0 0 0 $ - $ - $2,320.00 $2,320.00
<p>| Task                                                                 | Principal | QA/QC | FM | Sr Proj Eng | Proj Eng | Sr Tech | Tech | EIT | Total Hours | Labor Cost | ASI Direct Expense | Cobb Frondelay Sil | Chartered Survey | K-Pricer WW | Total Subconsultants | Total Cost |
|----------------------------------------------------------------------|-----------|-------|----|-------------|---------|--------|------|-----|-------------|------------|-------------------|----------------|----------------|-------------|----------------|---------------|-------------|
| 1. 10% Subtotal (4-hydrants of 11&quot;x17&quot; Set, L-PDF(1)=40&quot;) | 0 0 1 1 0 0 0 6 | $200.00 | $5,703.13 | $5,903.23 |
| a. Plan Set                                                   | 0 0 1 1 0 0 0 0 | $ - | $ - | $ - |
| b. Civil Sheet/Index                                           | 0 0 1 1 0 0 0 0 | $ - | $ - | $ - |
| c. Project Layout Sheet                                        | 0 0 1 1 0 0 0 0 | $ - | $ - | $ - |
| d. Plan Sheets (the 11&quot; x 17&quot;)                                 | 0 0 1 1 0 0 0 0 | $ - | $ - | $ - |
| e. List of Standard Details - CSSM and CSS                                                                 | 0 0 0 2 0 0 0 4 | $ - | $ - | $ - |
| f. List of Standard Specifications - CSSM Div 3 and COA                                                          | 0 0 0 2 0 0 0 2 | $ - | $ - | $ - |
| g. Project Specific/Optional Specifications (include easements)                                                   | 0 0 0 0 0 0 0 8 | $ - | $ - | $ - |
| h. Project Specific/Optional Details                                                                            | 0 0 0 0 0 0 0 8 | $ - | $ - | $ - |
| i. Opinion of Probable Construction Cost                                                                        | 0 0 0 0 0 0 0 8 | $ - | $ - | $ - |
| j. Construction Schedule                                       | 0 0 0 0 0 0 0 8 | $ - | $ - | $ - |
| ii. 95% Subtotal (4-hydrants of 11&quot;x17&quot; Set, L-PDF)                                                             | 0 0 1 1 0 0 0 0 | $200.00 | $5,703.13 | $5,903.23 |
| a. Plan Set (include name from 60% subtotal) (See BC Items)                                                      | 0 0 1 1 0 0 0 0 | $ - | $ - | $ - |
| b. Profile, Details, Quantities (See BC Items)                                                                  | 0 0 1 1 0 0 0 0 | $ - | $ - | $ - |
| c. Specifications                                               | 0 0 1 1 0 0 0 0 | $ - | $ - | $ - |
| d. Index of Specifications                                      | 0 0 0 0 0 0 0 4 | $ - | $ - | $ - |
| e. Modifications to Access Specifications                                                                      | 0 0 0 0 0 0 0 4 | $ - | $ - | $ - |
| f. CSSM Adopted Specifications - Project Specific                                                            | 0 0 0 0 0 0 0 4 | $ - | $ - | $ - |
| g. Special Specification                                        | 0 0 1 1 0 0 0 0 | $ - | $ - | $ - |
| h. Opinion of Probable Construction Cost                                                                        | 0 0 1 1 0 0 0 0 | $ - | $ - | $ - |
| i. Construction Schedule                                       | 0 0 1 1 0 0 0 0 | $ - | $ - | $ - |
| j. Bid Form                                                   | 0 0 1 1 0 0 0 0 | $ - | $ - | $ - |
| iii. 99% Subtotal Set (1-PDF)                                                                                 | 0 0 1 1 0 0 0 0 | $ - | $ - | $ - |
| iv. 100% Subtotal (4-hydrants of 12&quot;x18&quot; Set, 4-hydrants of 11&quot;x17&quot;, L-PDF, CAD)                             | 0 0 1 1 0 0 0 0 | $200.00 | $5,703.13 | $5,903.23 |
| a. Simplified Plan Set (include all notes from 60%, 95%, subtotal)                                               | 0 0 1 1 0 0 0 0 | $ - | $ - | $ - |
| b. Construction Check (L-PDF)                                                                                  | 0 0 1 1 0 0 0 0 | $ - | $ - | $ - |
| c. Update Bid Form (word version)                                                                              | 0 0 1 1 0 0 0 0 | $ - | $ - | $ - |
| d. Technical Specifications (L-PDF)                                                                             | 0 0 1 1 0 0 0 0 | $ - | $ - | $ - |
| e. Design Phase (60%/95%/100% Subtotal)                                                                          | 0 0 1 1 0 0 0 0 | $ - | $ - | $ - |
| III. Bid Phase                                                   | 0 0 1 1 0 0 0 0 | $ - | $ - | $ - |
| A. Attend Pre Bid Meeting                                       | 0 0 1 1 0 0 0 0 | $ - | $ - | $ - |
| B. Answer Questions                                              | 0 0 1 1 0 0 0 0 | $ - | $ - | $ - |
| C. Issue Addenda/Purchasing                                      | 0 0 1 1 0 0 0 0 | $ - | $ - | $ - |
| D. Bid Tabulation and Recommendations of Award                                                                | 0 0 1 1 0 0 0 0 | $ - | $ - | $ - |
| E. Final Project Plan (1-PDF), L-PDF, CAD of 12&quot;x18&quot; Set, 4-hydrants of 11&quot;x17&quot; Set                          | 0 0 1 1 0 0 0 0 | $ - | $ - | $ - |
| III. Bid Phase Submit                                          | 0 0 1 1 0 0 0 0 | $ - | $ - | $ - |
| A. Project Hearing (duly attended with one vote)                                                              | 0 0 1 1 0 0 0 0 | $ - | $ - | $ - |
| B. Attend Project Hearing Conference                                                                            | 0 0 1 1 0 0 0 0 | $ - | $ - | $ - |
| C. Substantial Review, Shop Drawings                                                                         | 0 0 1 1 0 0 0 0 | $ - | $ - | $ - |
| D. Response to Requests for Information/Modifications                                                         | 0 0 1 1 0 0 0 0 | $ - | $ - | $ - |
| E. Construction Observation (Due View Per Month x 3)                                                           | 0 0 1 1 0 0 0 0 | $ - | $ - | $ - |
| F. Shop Drawings                                                                                | 0 0 1 1 0 0 0 0 | $ - | $ - | $ - |
| G. Review Project Plans                                                                                       | 0 0 1 1 0 0 0 0 | $ - | $ - | $ - |
| H. Project Status                                                                                              | 0 0 1 1 0 0 0 0 | $ - | $ - | $ - |
| I. Substantial and Final Completion/Utility Certifications                                                    | 0 0 1 1 0 0 0 0 | $ - | $ - | $ - |
| IV. Construction Phase                                                                                        | 0 0 1 1 0 0 0 0 | $ - | $ - | $ - |
| A. Design/Build (add the 23454&quot; for inspection review, 1-PDF of 11&quot;x17&quot; Set, L-PDF(7)=40&quot;)                | 0 0 1 1 0 0 0 0 | $ - | $ - | $ - |
| B. Final Drawings (1-hydrants of 12&quot;x18&quot; Set, 4-hydrants of 11&quot;x17&quot;)                                         | 0 0 1 1 0 0 0 0 | $ - | $ - | $ - |
| V. Record Drawing Phase                                                                                        | 0 0 1 1 0 0 0 0 | $ - | $ - | $ - |</p>
<table>
<thead>
<tr>
<th>Task</th>
<th>Principal</th>
<th>QA/QC</th>
<th>PM</th>
<th>Sr Proj Eng</th>
<th>Proj Eng</th>
<th>Sr Tech</th>
<th>Tech</th>
<th>EIT</th>
<th>Total Hours</th>
<th>Labor Cost</th>
<th>All Direct Expenses</th>
<th>Cobb Penalty</th>
<th>Chaparral Survey</th>
<th>K Prime</th>
<th>WW/WW</th>
<th>Total Amount</th>
<th>Total Cost</th>
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<td>Basic Scope Total</td>
<td>2</td>
<td>62</td>
<td>120</td>
<td>197</td>
<td>123</td>
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<td>$43,440.00</td>
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<td>3%</td>
<td>12%</td>
<td>15%</td>
<td>13%</td>
<td>3%</td>
<td>0%</td>
<td>0%</td>
<td>49%</td>
<td>Direct Expenses</td>
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<td>$ -</td>
<td>$220.00</td>
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<td>$2,525.00</td>
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<td>Total Cost</td>
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</tr>
</tbody>
</table>

The hours listed above are an estimate. The hours assigned to the phase are not exclusive to the phase to which they are assigned. The total fee will not exceed the total contract amount as per Article 2. The hourly rates shall apply throughout the remainder of the contract and to all changes in services.

Payment to the ENGINEER will be made as follows:
1. Basic Services - The amounts of these invoices will be based on the extent of work completed by the Engineer on an hourly basis.
2. Supplemental Services - The Engineer will receive approval in writing before performing supplemental services. The amounts of these invoices will be based on the extent of work completed by the Engineer on an hourly basis.
3. Reimbursable expenses - Reimbursable expenses including, such as expenses for plotting, reproduction of documents, auto-travel mileage (current IRS approved mileage rate), delivery charges, long distance communications, freight and state accessibility will be invoiced with appropriate backup. Invoices will be prepared in a format approved by the City prior to submission of the first monthly invoice. Invoices shall be submitted monthly and paid within 30 days.

<table>
<thead>
<tr>
<th>Direct Expenses</th>
<th>RATE</th>
<th>All Hourly Billing Rates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meals</td>
<td>$25.00 Each</td>
<td>Principal $200.00</td>
</tr>
<tr>
<td>Mileage</td>
<td>0.38 Mile</td>
<td>$25.00 Each</td>
</tr>
<tr>
<td>Cruise Services (Deliveries)</td>
<td>$25.00 Each</td>
<td>$0.01 Each</td>
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<tr>
<td>Photocopy BW/BIW (8.5x11)</td>
<td>$0.01 Each</td>
<td>$0.15 Each</td>
</tr>
<tr>
<td>Photocopy BW/BIW (11x17)</td>
<td>$0.15 Each</td>
<td>$0.65 Each</td>
</tr>
<tr>
<td>Color Copies (8.5x11)</td>
<td>$0.49 Each</td>
<td>$1.00 Each</td>
</tr>
<tr>
<td>Color Copies (11x17)</td>
<td>$1.00 Each</td>
<td>$55.00 TRIP</td>
</tr>
<tr>
<td>Track for SUE</td>
<td>$55.00 TRIP</td>
<td>$5.00 Square Foot</td>
</tr>
<tr>
<td>Asphalt Report SUE</td>
<td>$55.00 TRIP</td>
<td>$5.00 Square Foot</td>
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<tr>
<td>ID</td>
<td>Task Name</td>
<td>Duration</td>
</tr>
<tr>
<td>----</td>
<td>---------------------------------------------------------------------------</td>
<td>----------</td>
</tr>
<tr>
<td>31</td>
<td>Survey/Exhib/Field Notes Prepared</td>
<td>21 days</td>
</tr>
<tr>
<td>32</td>
<td>Field Notes to appraiser</td>
<td>1 day</td>
</tr>
<tr>
<td>33</td>
<td>Notice of intent to acquire sent to property owner</td>
<td>14 days</td>
</tr>
<tr>
<td>34</td>
<td>Prepare Appraisal</td>
<td>90 days</td>
</tr>
<tr>
<td>35</td>
<td>Review Appraisal/Adj to make offer</td>
<td>14 days</td>
</tr>
<tr>
<td>36</td>
<td>Prepare offer letter</td>
<td>14 days</td>
</tr>
<tr>
<td>37</td>
<td>Negotiation with owners, begin title clearing</td>
<td>90 days</td>
</tr>
<tr>
<td>38</td>
<td>Offer accepted; clear title, schedule closing (Easement/ROV/W19, Sent to Title Commitment)</td>
<td>7 days</td>
</tr>
<tr>
<td>39</td>
<td>Request check</td>
<td>14 days</td>
</tr>
<tr>
<td>40</td>
<td>Possession of Real Estate from Close</td>
<td>14 days</td>
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<tr>
<td>41</td>
<td>Bid Phase</td>
<td>78 days</td>
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<tr>
<td>42</td>
<td>Advertise (Must Start on a Sunday)</td>
<td>15 days</td>
</tr>
<tr>
<td>43</td>
<td>Bid Opening (Must be Two-Thirds)</td>
<td>3 days</td>
</tr>
<tr>
<td>44</td>
<td>Review Bids</td>
<td>10 days</td>
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<tr>
<td>45</td>
<td>Prepare ARFF/Very Funds with Finance - May need reimbursement form</td>
<td>9 days</td>
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<tr>
<td>46</td>
<td>City Council Award</td>
<td>15 days</td>
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<tr>
<td>47</td>
<td>Execute Contract</td>
<td>15 days</td>
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<tr>
<td>48</td>
<td>Pre Construction Tasks (Materials Testing/Prepare Precon)</td>
<td>5 days</td>
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<tr>
<td>49</td>
<td>Pre Construction Meeting</td>
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<tr>
<td>50</td>
<td>Construction Phase</td>
<td>180 days</td>
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<tr>
<td>51</td>
<td>Construction</td>
<td>180 days</td>
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<tr>
<td>52</td>
<td>Closeout Phase</td>
<td>60 days</td>
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<td>53</td>
<td>Consultant Prep Record Drawings</td>
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<td>54</td>
<td>Review Record Drawings</td>
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<tr>
<td>55</td>
<td>Consultant Review Record Drawings</td>
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<tr>
<td>56</td>
<td>Prepare Final Invoice Construction</td>
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<td>57</td>
<td>Pay Final Invoice Construction</td>
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<tr>
<td>58</td>
<td>Pay Final Invoice Design</td>
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</tbody>
</table>

**Project Name:** Wed 3/11/17

**Task Summary**: Group By Summary

**Project Summary**: Inactive Milestone

**External Task**: Manual Summary/Reup

**Duration-Only**: Start-only

**Manual Summary**: Finish-only

**External Milestone**: Progress

**External Task**: Deadlines

**Project Name**: Wed 3/11/17

---

**Page 2**
CERTIFICATE OF INSURANCE

PRODUCER

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFFER NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE

<table>
<thead>
<tr>
<th>INSURER</th>
<th>TYPE OF INSURANCE</th>
<th>POLICY NUMBER</th>
<th>POLICY EFFECTIVE DATE (MM/DD/YY)</th>
<th>POLICY EXPIRATION DATE (MM/DD/YY)</th>
<th>LIMITS</th>
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<tbody>
<tr>
<td>A</td>
<td>GENERAL LIABILITY</td>
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<tr>
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<td>COMMERCIAL GENERAL LIABILITY</td>
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<td>EACH OCCURRENCE: $1,000,000</td>
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<td></td>
<td>CLAIMS MADE ☑ OCCUR</td>
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<td>FIRE DAMAGE (Any one fire): $50,000</td>
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<td>OWNER’S &amp; CONT. PROT</td>
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<td>MED EXP (Any one person): $5,000</td>
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<td>OWNER’S PROTECTIVE LIABILITY</td>
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<td>PERSONAL &amp; ADV INJURY: $1,000,000</td>
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<td>GEN’L AGGREGATE LIMIT APPLIES PER: POLICY ☑ PROJECT ☑ LOC</td>
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<td>GENERAL AGGREGATE: $1,000,000</td>
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<td>B</td>
<td>AUTOMOBILE LIABILITY</td>
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<td>COMBINED SINGLE LIMIT (Ea accident): $1,000,000</td>
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<td>ANY AUTO ☑ ALL OWNED AUTOS ☑ SCHEDULED AUTOS ☑ HIRED AUTOS ☑ NON-OWNED AUTOS</td>
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<td>BODILY INJURY (Per person): $</td>
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<td>GARAGE LIABILITY</td>
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<td>PROPERTY DAMAGE (Per accident): $</td>
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<td>C</td>
<td>EXCESS LIABILITY</td>
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<td>EACH OCCURRENCE: $</td>
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<td>OCCUR ☑ CLAIMS MADE</td>
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<td>AGGREGATE: $</td>
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<td>DEDUCTIBLE ☑ RETENTION $</td>
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<td>D</td>
<td>WORKERS COMPENSATION AND EMPLOYER’S LIABILITY</td>
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<td>WC STATUTORY LIMIT ☑ OTHER TORY LIMITS</td>
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<td>E.L. EACH ACCIDENT $500,000</td>
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DESCRIPTION OF OPERATIONS / LOCATION / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

City of San Marcos is named as additional insured on all Commercial General Liability and Automobile Liability policies. General Liability, Automotive Liability and Worker’s Compensation policy to include a Waiver of Subrogation in favor of the City of San Marcos. (All Endorsements must be submitted with the certificate.)

CERTIFICATE HOLDER

City of San Marcos
Attn: Capital Improvements
630 E. Hopkins
San Marcos, Texas 78666

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT. BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

ATTACHMENT “D” -THE CITY OF SAN MARCOS INSURANCE REQUIREMENTS
Attachment E

AUTHORIZATION OF CHANGE IN SERVICES
CITY OF SAN MARCOS, TEXAS

PROJECT NAME: Sessom Drainage Improvements Project
CITY PROJECT MANAGER/REP: Rohit Vij, P.E.
CONSULTANT/VENDOR: American Structurepoint, Inc.
CONTRACT NUMBER: 217-262
AUTHORIZATION NO:
CONTRACT EXECUTION DATE:
DATE OF THIS CHANGE:

WORK TO BE ADDED TO OR DELETED FROM SCOPE OF SERVICES

Previous contract amount: $________________
Net increase/decrease in contract amount: $________________
Revised contract amount: $________________

American Structurepoint, Inc.

By: ________________________________  Date: ________________________________

______________________________
Printed name, title

Approved by:

City of San Marcos:

By: ________________________________  Date: ________________________________

______________________________
Printed name, title

City Department (PM, etc.) only below this line.

Account Number(s): ________________________________
Previous Changes in Service:
# _____; date; amount
# _____; date; amount
# _____; date; amount

17
Project Limit

Drainage Improvements Along Academy
Waterline Replacement
Wastewater Line Replacement
Academy/Sessom Intersection Improvements
AGENDA CAPTION:
Consider approval of Resolution 2017-55R, approving the award of a construction contract to Myers Concrete Construction, LP for the Guadalupe Street sidewalk widening project (IFB 217-158) in the amount of $216,384.00 contingent upon the contractor’s timely submission of sufficient bonds and insurance in accordance with the City’s construction contract documents for the project; authorizing the Interim City Manager or his designee to execute all contract documents on behalf of the City; and declaring an effective date.

Meeting date: April 4, 2017

Department: Engineering/CIP - Laurie Moyer, Director of Engineering (by Cheryl Pantermuehl, Purchasing Manager)

Funds Required: $216,384
Account Number: C456
Funds Available: $488,000
Account Name: Gateway Beautification - Construction

CITY COUNCIL GOAL:
Goal #5 Maintain and Improve City’s Infrastructure

COMPREHENSIVE PLAN ELEMENT(s): [add the Plan elements and Goal # and Objective(s)]

BACKGROUND:
Six (6) bids were received on March 2, 2017 for the Guadalupe Street Sidewalk Widening Project (IFB 217-158). The Engineer, Tracy Bratton of Bowman Consulting has reviewed the bids and recommends awarding the contract to the low bidder Myers Concrete Construction, L.P. in the amount of $216,384.00.

The project is to widen the sidewalk from five feet to ten feet along Guadalupe Street between Sonic to Knox Street (west side) and from Willow Springs Creek bridge to EconoLodge/Pluckers driveway (east side).

The estimated construction time is ninety (90) calendar days to final completion.
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS, APPROVING THE AWARD OF A CONSTRUCTION CONTRACT TO MYERS CONCRETE CONSTRUCTION, LP FOR THE GUADALUPE STREET SIDEWALK WIDENING PROJECT (IFB 217-158) IN THE AMOUNT OF $216,384.00 CONTINGENT UPON THE CONTRACTOR’S TIMELY SUBMISSION OF SUFFICIENT BONDS AND INSURANCE IN ACCORDANCE WITH THE CITY’S CONSTRUCTION CONTRACT DOCUMENTS FOR THE PROJECT; AUTHORIZING THE INTERIM CITY MANAGER OR HIS DESIGNEE TO EXECUTE ALL CONTRACT DOCUMENTS ON BEHALF OF THE CITY AND DECLARING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS:

PART 1. The award of a construction contract to Myers Concrete Construction, LP for the Guadalupe Street Sidewalk Widening Project (IFB 217-158) in the amount of $216,384.00 is approved contingent upon the Contractor’s timely submission of sufficient bonds and insurance in accordance with the City’s construction contract documents for the Project.

PART 2. The Interim City Manager, or his designee, is authorized to execute the contract documents on behalf of the City.

PART 3. This Resolution shall be in full force and effect immediately from and after its passage.

ADOPTED this the day of , 2017.

John Thomaides,
Mayor

Attest:

Jamie Lee Case,
City Clerk
March 10th, 2017

Cheryl Pantermuehl  
Purchasing Manager  
City of San Marcos  
630 E. Hopkins  
San Marcos, Texas

Re: Guadalupe Street Sidewalk Widening Project – Bid Engineer’s Recommendation of Bid Award

Cheryl,

Attached please find a copy of the Bid Tabulations from the March 2nd, 2017 bid opening for the above referenced project. Six (6) bids were received and we have itemized their bids as attached for the following contractors: Myers Concrete Construction L.P., Highway Partners, Inc., Straight Line Management, LLC, 4Ward Construction, LLC, Rockin Q Construction, LLC, and Firenda Group Inc.

The lowest bid received as read aloud at the bid opening is Myers Concrete Construction L.P. The table below is a summary of the submitted bids:

<table>
<thead>
<tr>
<th>BID TOTALS</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>MYERS CONCRETE CONSTRUCTION, LP</td>
<td>$216,384.00</td>
</tr>
<tr>
<td>HIGHWAY PARTNERS</td>
<td>$263,972.47</td>
</tr>
<tr>
<td>STRAIGHT LINE MANAGEMENT</td>
<td>$268,713.74</td>
</tr>
<tr>
<td>FIREnda GROUP</td>
<td>$273,136.49</td>
</tr>
<tr>
<td>4WARD CONSTRUCTION LLC</td>
<td>$274,658.22</td>
</tr>
<tr>
<td>ROCKIN Q CONSTRUCTION</td>
<td>$277,777.80</td>
</tr>
</tbody>
</table>

Based on our examination of the bids and references received, we recommend that the contract for the Guadalupe Street Sidewalk Widening Project A be awarded to Myers Concrete Construction L.P. for the amount of $216,384.00. Should you have questions or comments regarding this recommendation, please call me at (512) 327-1180.

Thank you,

Timothy M. Holland, P.E.  
Team Leader

Bowman Consulting Group, Ltd.  
1120 S. 1st St. Of Tx Hwy • Suite 220 • Austin, Texas 78746  
Tel: 512.327.1180 • Fax: 512.327.4062 • bowmanconsulting.com  
TBPE Firm No. 14309 • TBPLS Firm No.101206-00
<table>
<thead>
<tr>
<th>Item No.</th>
<th>Description</th>
<th>Unit</th>
<th>Quant.</th>
<th>Unit Price</th>
<th>TOTAL PRICE</th>
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<tbody>
<tr>
<td>104</td>
<td>REMOVING CONC (CURB AND GUTTER)</td>
<td>LF</td>
<td>649</td>
<td>13.00</td>
<td>$8,437.00</td>
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<tr>
<td>105</td>
<td>REMOVING CONC (SIDEWALKS)</td>
<td>SY</td>
<td>314</td>
<td>25.00</td>
<td>$7,865.00</td>
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<tr>
<td>106</td>
<td>REMOVING CONC (DRIVEWAYS)</td>
<td>SY</td>
<td>39</td>
<td>4.00</td>
<td>$1,575.00</td>
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<tr>
<td>107</td>
<td>REMOVING STAB BASE &amp; ASPH Pav (7'-12&quot;)</td>
<td>SY</td>
<td>128</td>
<td>30.00</td>
<td>$3,940.00</td>
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<tr>
<td>108</td>
<td>REMOVING STAB BASE &amp; ASPH Pav (2&quot;)</td>
<td>SY</td>
<td>37</td>
<td>10.00</td>
<td>$377.00</td>
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<tr>
<td>112</td>
<td>ELM/ELT PAINT MVR &amp; MRR (4&quot;)</td>
<td>LF</td>
<td>1,345.00</td>
<td>2.00</td>
<td>$2,690.00</td>
</tr>
<tr>
<td>113</td>
<td>ELM/ELT PAINT MVR &amp; MRR (2&quot;)</td>
<td>LF</td>
<td>1,345.00</td>
<td>2.00</td>
<td>$2,690.00</td>
</tr>
<tr>
<td>114</td>
<td>RELOCATE SM RD RN SUP &amp; AM TY 10BWG EA</td>
<td>EA</td>
<td>603</td>
<td>603.00</td>
<td>$370,891.00</td>
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<tr>
<td>115</td>
<td>EXCAVATION (ROADWAY)</td>
<td>CY</td>
<td>45</td>
<td>41.00</td>
<td>$1,845.00</td>
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<td>116</td>
<td>REMNANT (FINAL)/ORD COMP (TY B)</td>
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<td>72</td>
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<td>117</td>
<td>BRIDGE SIDEWALKS</td>
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<td>$13,221.00</td>
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<td>118</td>
<td>CONC CURB &amp; GUTTER (TY II)</td>
<td>LF</td>
<td>810</td>
<td>36.00</td>
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<td>119</td>
<td>DG-GR HAULAGE TY II P0H-22</td>
<td>TON</td>
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<td>9,445.00</td>
<td>$520,596.00</td>
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<tr>
<td>120</td>
<td>DG-GR HAULAGE TY I SAC-B PD5-22</td>
<td>TON</td>
<td>20.4</td>
<td>283.00</td>
<td>$5,773.00</td>
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<td>121</td>
<td>ASPH (TIER)</td>
<td>GAL</td>
<td>41.4</td>
<td>26.00</td>
<td>$1,076.40</td>
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<tr>
<td>122</td>
<td>REFR PAV MRK TY II (W) 4&quot; (BRK) LF</td>
<td>LF</td>
<td>108</td>
<td>3,780.00</td>
<td>$167,160.00</td>
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<tr>
<td>123</td>
<td>REFR PAV MRK TY II (W) 4&quot; (BRK) LF</td>
<td>LF</td>
<td>113</td>
<td>8,605.00</td>
<td>$137,971.50</td>
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<tr>
<td>124</td>
<td>REFR PAV MRK TY II (W) 4&quot; (BRK) LF</td>
<td>LF</td>
<td>113</td>
<td>8,605.00</td>
<td>$137,971.50</td>
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<tr>
<td>125</td>
<td>CRETE OVERLAY (2.5 in)</td>
<td>SY</td>
<td>95</td>
<td>85.00</td>
<td>$7,825.00</td>
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<tr>
<td>126</td>
<td>PROOF ROLLING</td>
<td>HR</td>
<td>5</td>
<td>95.00</td>
<td>$4,725.00</td>
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<td>127</td>
<td>BARRICADES, SIGNS AND TRAFFIC HANDLING MO</td>
<td>MO</td>
<td>5000</td>
<td>5,000.00</td>
<td>$25,000.00</td>
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<tr>
<td>128</td>
<td>OPAQUE SEALER FINISH ON BRIDGE RAILING SF</td>
<td>SF</td>
<td>3240</td>
<td>2.00</td>
<td>$6,480.00</td>
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</tbody>
</table>

**Total BID:** $216,384.00

**Notes:**
- Numbers have been adjusted to match totals in contractor's breakdown. It is not an accurate representation of the unit price times the quantity.
EQUATIONS: NONE
EXCEPTIONS: NONE
RAILROAD CROSSINGS: NONE
Report to Council

IFB # 217-158
Guadalupe Street Sidewalk Widening Project

Recommended Contractor:
Myers Concrete Construction, L.P.

Total Cost Recommended for Award:
$216,384

Purpose:
The scope of work for this Project includes widening the sidewalk from five (5) feet to ten (10) feet along Guadalupe Street between Sonic and Knox Street (west side) and from Willow Springs Creek bridge to the Econolodge/Pluckers driveway (east side). The concrete railing on the bridge over Willow Springs Creek will be painted as well. Weather dependent, construction is anticipated to take 3 months to complete.

Basis for Award:
Total Low Bid

Evaluation:
An invitation for bid was issued in accordance with purchasing procedures. Six (6) bids were received. The low bid was evaluated to assure they were responsive and responsible.

Recommendation:
Staff recommends awarding the contract to Myers Concrete Construction, LP as the lowest, most responsive, responsible bidder.

Purchasing Division:
Cheryl Pantermuehl, Purchasing Manager

Department Executive Director:
Laurie Moyer, Capital Improvements.
<table>
<thead>
<tr>
<th>BIDDER NAME</th>
<th>Total Bid Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Myers Concrete Construction&lt;br&gt;Wimberley, Texas</td>
<td>$216,384.00</td>
</tr>
<tr>
<td>Highway Partners&lt;br&gt;Austin, Texas</td>
<td>$263,972.47</td>
</tr>
<tr>
<td>Straight Line Management&lt;br&gt;San Antonio, Texas</td>
<td>$268,713.74</td>
</tr>
<tr>
<td>4Ward Construction, LLC&lt;br&gt;San Antonio, Texas</td>
<td>$274,658.22</td>
</tr>
<tr>
<td>Rockin Q Construction&lt;br&gt;Fredericksburg, Texas</td>
<td>$277,777.80</td>
</tr>
<tr>
<td>Firenda Group, Inc.&lt;br&gt;San Antonio, Texas</td>
<td>$273,136.49</td>
</tr>
</tbody>
</table>
AGENDA CAPTION:
Consider approval of Resolution 2017-56R approving Amendment No. 1 to Contract with the Department of State Health Services, Vital Statistics Unit (Contract No. 537-16-0027-00001) for the provision of on-line vital statistics computer services.
Meeting date: April 4, 2017

Department: City Clerk's Office

Funds Required: N/A
Account Number: N/A
Funds Available: N/A
Account Name: N/A

CITY COUNCIL GOAL:

COMPREHENSIVE PLAN ELEMENT(s): [add the Plan elements and Goal # and Objective(s)]

BACKGROUND:
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS, APPROVING AMENDMENT NO. 1 TO CONTRACT NUMBER 537-16-0027-00001 BETWEEN THE CITY OF SAN MARCOS AND THE TEXAS DEPARTMENT OF STATE HEALTH SERVICES, VITAL STATISTICS UNIT, FOR THE PROVISION OF ON-LINE VITAL STATISTICS COMPUTER SERVICES; AUTHORIZING THE INTERIM CITY MANAGER OR HIS DESIGNEE TO EXECUTE THIS AMENDMENT ON BEHALF OF THE CITY; AND DECLARING AN EFFECTIVE DATE.

RECITALS:

1. On September 15, 2015 the City Council approved Contract Number 537-16-0027-00001 (the “Contract”) with the Texas Department of State Health Services, Vital Statistics Unit, for the provision of on-line vital statistics computer services.

2. Both parties agree to amend the Statement of Work portion of the Contract.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS:

PART 1. The attached Amendment No. 1 to the Contract between the City and the Texas Department of State Health Services, Vital Statistic Unit, for the provision of on-line vital statistics computer services is approved.

PART 2. The Interim City Manager or his designee is authorized to execute Amendment No. 1 on behalf of the City.

PART 3. This Resolution shall be in full force and effect immediately from and after its passage.

ADOPTED this the day of 2017.

John Thomaides,
Mayor

Attest:

Jamie Lee Case,
City Clerk
DEPARTMENT OF STATE HEALTH SERVICES
AMENDMENT NO. 01

The Department of State Health Services ("DSHS") and City of San Marcos ("Contractor") agree to amend Contract No. 537-16-0027-00001 (Contract), which was effective on September 1, 2015. This amendment will be denominated as Contract No. 537-16-0027-00001A.

I. The Parties agree to amend Article II. Term of the Contract to extend the end of the contract term to August 31, 2018.

II. The Parties agree to delete Article IV. Statement of Work, Section B. in its entirety, and replace it with the following:

Contractor will search DSHS databases, locate data, and issue Certifications of Vital Records to authorized individuals requesting such data. The certifications will be in a format formally approved by DSHS. Contractor will take reasonable efforts to ensure use of the TER Remote System is not abused by its staff. Abuse of the access to confidential information in the TER Remote System may be cause for termination of this Contract in accordance with Section IX.K.

III. The Parties agree to delete Article VI. Billing, Section B., and replace with the following:

Contractor will direct any billing inquiries either by phone to 512-776-7428 or email to lori.pate@dshs.state.tx.us.

IV. The parties agree to delete Article VIII. Representatives and replace with the following:

The following will act as the Representative authorized to administer activities under this Contract on behalf of their respective Party.

<table>
<thead>
<tr>
<th>DSHS (Previous)</th>
<th>DSHS (New)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Texas Department of State Health Services</td>
<td>Texas Department of State Health Services</td>
</tr>
<tr>
<td>Contract Oversight and Support</td>
<td>DCP/RLHS Contract Management Unit</td>
</tr>
<tr>
<td>Attn: Princess Lindsay</td>
<td>Attn: Lori Pate</td>
</tr>
<tr>
<td>Mail Code 1326</td>
<td>Mail Code 1982</td>
</tr>
<tr>
<td>P.O. Box 149347</td>
<td>P.O. Box 149347</td>
</tr>
<tr>
<td>Austin, TX 78714-9347</td>
<td>Austin, TX 78714-9347</td>
</tr>
<tr>
<td>Phone: 512-776-3713</td>
<td>Phone: 512-776-7428</td>
</tr>
<tr>
<td>Email: <a href="mailto:Princess.Lindsay@dshs.state.tx.us">Princess.Lindsay@dshs.state.tx.us</a></td>
<td>Email: <a href="mailto:Lori.Pate@dshs.state.tx.us">Lori.Pate@dshs.state.tx.us</a></td>
</tr>
</tbody>
</table>
V. This Amendment No. 01 shall be effective as of the date last signed below.

VI. Except as amended and modified by this Amendment No. 01, all terms and conditions of the Contract, as amended, shall remain in full force and effect.

VII. Any further revisions to the Contract shall be by written agreement of the Parties.

**SIGNATURE PAGE FOLLOWS**
SIGNATURE PAGE FOR AMENDMENT NO. 01
DSHS CONTRACT NO. 537-16-0027-00001A

DEPARTMENT OF STATE HEALTH SERVICES

[Signature]
Mike Maples
Assistant Deputy Commissioner
Date of Execution: 2-17-17

CITY OF SAN MARCOS

By: ______________________
Name: ____________________
Title: _____________________
Date of Execution: __________
RESOLUTION NO. 2015-131R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS, APPROVING A CONTRACT BETWEEN THE CITY AND THE TEXAS DEPARTMENT OF STATE HEALTH SERVICES, VITAL STATISTICS UNIT, FOR THE PROVISION OF ON-LINE VITAL STATISTICS COMPUTER SERVICES TO THE CITY; AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO EXECUTE THE AGREEMENT ON BEHALF OF THE CITY; AND DECLARING AN EFFECTIVE DATE.

RECITALS:

1. The City wishes to participate in the on-line vital statistics computer services program offered by the Texas Department of State Health Services, Vital Statistics Unit.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS:

PART 1. The attached Contract with the Department of State Health Services, Vital Statistics Unit (Contract No. 537-16-0027-00001) for the provision of on-line vital statistics computer services is approved.

PART 2. The City Manager, or his designee is authorized to execute the Contract on behalf of the City.

PART 3. This Resolution is in full force and effect immediately from and after its adoption.

ADOPTED this the 15th day of September, 2015.

[Signature]
Daniel Guerrero
Mayor

Attest:

[Signature]
Jamie Lee Pettis
City Clerk
Contract number 537-16-0027-00001 (Contract), is entered into by Department of State Health Services (DSHS) Vital Statistics Unit and City of San Marcos (Contractor). DSHS and Contractor are collectively referred to herein as the "Parties."

I. **Purpose of the Contract.** DSHS agrees to provide access to the Texas Electronic Registration Remote System (TER Remote System) for the purpose of issuing individual birth certificates.

II. **Term of the Contract.** This Contract will begin on September 1, 2015 and end on August 31, 2017.

III. **Authority.** The Parties enter into this Contract under the authority of Texas Government Code Chapter 791.

IV. **Statement of Work.**
   A. DSHS agrees to provide on-line computer services in support of Contractor from 7:00 a.m. to 6:00 p.m. (CST) Monday thru Friday, except holidays. In the event of an emergency or computer application error, DSHS may temporarily suspend services without advance notice.

   B. Contractor will search DSHS databases, locate data, and issue Certifications of Vital Records to authorized individuals requesting such data. The certifications will be in a format formally approved by DSHS. No limit will be established on the number of searches per month not resulting in issuance of a certification, provided the number is reasonable.

   C. Contractor will acquire the necessary data processing equipment, communications, hardware or software, and purchase "bank note" paper, as specified by DSHS. DSHS will assist in connection of the equipment, furnish software program and provide technical assistance, if necessary.

   D. Contractor acknowledges that records may not be located in the searching process instituted by Contractor or records, which are located, may have errors due to:

      1. Normal key-entry errors in spellings;
      2. Accidental failure on the part of the DSHS to update a file for an amendment or paternity determination; and
      3. The event year does not exist on the system.
E. Contractor will notify DSHS in writing, at least monthly of errors or suspected errors that exist on the database information.

F. Contractor is to maintain an inventory control and account for each document produced on "bank note" paper, including voided documents.

G. Contractor is responsible for maintaining a system of vital record keeping that is in accordance with Health and Safety Code Chapter 195 and the regulations adopted.

H. The Parties are required to comply with all applicable state and federal laws relating to the privacy and confidentiality of this data and records, which includes Texas Government Code Section 552.0038.

I. The Parties will maintain sufficient safeguards to prevent release or disclosure of any such records or information obtained under this Contract to anyone other than individuals who are authorized by law to receive such records or information and who will protect the records or information from re-disclosure as required by law.

J. The Parties will use confidential records and information obtained under this Contract only for purposes as described in this Contract and as otherwise allowed by law.

V. Fees.
Contractor agrees to pay DSHS $1.83 for each Certification of Vital Record printed as a result of searches of the database. Contractor agrees to charge the same base search fee for a birth certificate as DSHS. Additional fees may only be charged as authorized by Texas Health and Safety Code 191.

VI. Billing.
A. DSHS will send an itemized billing to Contractor on a monthly basis for each certification of Vital Record printed. This billing will be sent through the U.S. Postal Service to the Contractor at:

   Name: City of San Marcos

   Address: 630 E. Hopkins
             San Marcos, TX 78666

B. Contractor will direct any billing inquiries either by phone to 512-776-7206 or email to vsubusinessservices@dshs.state.tx.us.

VII. Payment Method.
A. Contractor will remit payment to DSHS within thirty days after a billing is received by them. Payment by the Contractor will be considered made on the date postmarked.

B. Contractor will send payments to DSHS at:
Texas Department of State Health Services  
Cash Receipts Branch MC 2096  
P.O. Box 149347  
Austin, TX 78714-9347

C. Contractor will make payment to DSHS out of its current revenues.

VIII. Representatives. The following will act as the Representative authorized to administer activities under this Contract on behalf of their respective Party.

<table>
<thead>
<tr>
<th>City of San Marcos</th>
<th>DSHS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jamie Pettijohn</td>
<td>Texas Department of State Health Services</td>
</tr>
<tr>
<td>City of San Marcos</td>
<td>Contract Oversight and Support</td>
</tr>
<tr>
<td>630 E Hopkins</td>
<td>Attn: Princess Lindsay</td>
</tr>
<tr>
<td>San Marcos, TX 78666</td>
<td>Mail Code 1326</td>
</tr>
<tr>
<td>Phone: 512-393-8090</td>
<td>P.O. Box 149347</td>
</tr>
<tr>
<td>Email: <a href="mailto:jpettijohn@sanmarcostx.gov">jpettijohn@sanmarcostx.gov</a></td>
<td>Austin, TX 78714-9347</td>
</tr>
<tr>
<td></td>
<td>Phone: 512-776-3713</td>
</tr>
<tr>
<td></td>
<td>Email: <a href="mailto:Princess.Lindsay@dshs.state.tx.us">Princess.Lindsay@dshs.state.tx.us</a></td>
</tr>
</tbody>
</table>

IX. General Terms and Conditions.

A. Governing Law. Regarding all issues related to this Contract’s formation, performance, interpretation, and any issues that may arise in any dispute between the Parties, the Contract will be governed by and construed in accordance with the laws of the State of Texas.

B. Amendment. This Contract may be modified by written amendment signed by the Parties.

C. Confidentiality.
1. The Parties are required to comply with all applicable state and federal laws relating to the privacy and confidentiality of patient and client records that contain Protected Health Information (PHI) or other information or records made confidential by law.

2. The Data Use Agreement # 2014-044199-001 that was executed between the Parties on 4/2/2015 is applicable to this Contract and Contractor agrees to continue to be bound by its terms and conditions.

3. Contractor will maintain sufficient safeguards to prevent release or disclosure of any such records or information obtained under this Contract to anyone other than
individuals who are authorized by law to receive such records or information and who will protect the records or information from re-disclosure as required by law.

4. Contractor will use confidential records and information obtained under this Contract only for purposes as described in this Contract and as otherwise allowed by law.

5. Notwithstanding any provision relating to confidentiality, the confidential information held by DSHS may be disclosed to a third party pursuant to the Texas Public Information Act (Texas Government Code Chapter 552), any open records decision or ruling by the Attorney General that such information constitutes public information or as otherwise provided by law.

D. Exchange of Client-Identifying Information. If this Contract concerns client-identifying information, except as prohibited by other law, Contractor and DSHS may exchange PHI without the consent of clients in accordance with 45 Code of Federal Regulation § 164.504(e)(3)(i)(B), Texas Health and Safety Code § 533.009 and other applicable law or rules.

E. Records Retention. DSHS will retain records in accordance with DSHS State of Texas Records Retention Schedule at http://www.dshs.state.tx.us/records/schedules.shtml, Department Rules and other applicable state and federal statutes and regulations governing medical, mental health, and substance abuse information.

F. Severability. If any provision of this Contract is construed to be illegal or invalid, the illegal or invalid provision will be deemed stricken and deleted to the same extent and effect as if never incorporated, but all other provisions will continue.

G. Notice. Any notice required or permitted to be given under this Contract will be in writing and sent to the respective Party’s Representative in Section VIII. Notice will be deemed to have been received by a Party on the third business day after the date on which it was mailed to the Party at the address specified in writing by the Party to the other Party, or, if sent by certified mail, on the date of receipt.

H. Waiver. Acceptance by either Party of partial performance or failure to complain of any action, non-action or default under this Contract will not constitute a waiver of either Party’s rights under the Contract.

I. Assignment. Neither DSHS nor Contractor will not transfer, assign, or sell its interest, in whole or in part, in this Contract without prior written consent by both Parties.

J. Suspension of Services Under This Contract. In the event of an emergency or information technology system failure, DSHS may temporarily suspend services without advance notice.

K. Termination.
1. **Convenience.** This Contract may be terminated by mutual agreement of both Parties. Either Party may terminate this Contract without cause by giving 30 days written notice of its intent to terminate to the non-terminating Party.

2. **Cause.** This Contract may be terminated for cause by either Party for breach or failure to perform an essential requirement of the Contract.

3. **Notice of Termination.** Written notice may be sent by any method that provides verification of receipt, which will be calculated from the date of receipt by the non-terminating Party’s Representative provided in Section VIII.

4. **Transition after Termination.** At the end of the Term of this Contract or termination as provided for in this Section, the Parties will equitably settle their respective accrued interests or obligations incurred prior to termination.

By signing below, the Parties agree that this Contract constitutes the entire legal and binding agreement between them. The Parties acknowledge that they have read the Contract and agree to its terms, and that the persons whose signatures appear below have the authority to execute this Contract on behalf of their respective Party.

**DEPARTMENT OF STATE HEALTH SERVICES**

[Signature]

Ed House
Chief Operating Officer
Department of State Health Services

Date: 9/24/2015

**CITY OF SAN MARCOS**

[Signature]

Steve Parker
Assistant City Manager
City of San Marcos

Date: 9/18/15
September 25, 2015

Jamie Pettijohn  
City of San Marcos  
630 E. Hopkins  
San Marcos, Texas 78666

Subject: Executed Remote Birth Access Contract  
Contract Number 537-16-0027-00001

Dear Ms. Pettijohn,

Enclosed is an executed copy of the Remote Birth Access contract between the Texas Department of State Health Services and the City of San Marcos.

Please let me know if you have any questions or need additional information. Princess Lindsay, Contract Manager, serves as the lead staff on this matter and can be reached by telephone at (512) 776-3713 or by email at Princess.Lindsay@dshs.state.tx.us.

Sincerely,

Carol Haynes – Buchanan, MAHS, CTCM, PMP  
Contract Administration Manager  
Contract Oversight and Support

Enclosure
AGENDA CAPTION:
Consider approval of Resolution 2017-57R, approving the terms and conditions of an airport facility lease agreement with Compliance Aviation, Inc. d/b/a Blue Skies Aviation for lease of a hangar located at 1815 Airport Drive; authorizing the Interim City Manager to execute the lease agreement; and declaring an effective date.

Meeting date: April 4, 2017

Department: San Marcos Regional Airport

Funds Required:
Account Number:
Funds Available:
Account Name:

CITY COUNCIL GOAL: Economic Development

COMPREHENSIVE PLAN ELEMENT(s): [add the Plan elements and Goal # and Objective(s)]

BACKGROUND:

Compliance Aviation, Inc. dba Blue Skies Aviation is an existing airport commercial tenant who desires to lease a City-owned facility for the expansion of their business.

Compliance Aviation currently provides aircraft maintenance services out of a hangar located at 1982 Airport Drive. The new hangar, located at 1815 Airport Drive, would be used for custom aircraft interiors, engine motor and power exhaust installations, and a pilot shop.

Additionally, Compliance will relocate their corporate offices and remove a temporary office trailer from behind their existing facility, making them compliant with current Airport Minimum Standards.

In exchange for repairs necessary to operate a business from the hangar, Compliance will receive rent credits in the amount of $34,480.00 to be applied as pre-approved repair work is complete. Repairs include HVAC, electrical fixture and lighting upgrades, and plumbing repairs, among others.

The initial term is 5 years for $1,500.00 per month.
RESOLUTION NO. 2017- R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS APPROVING THE TERMS AND CONDITIONS OF AN AIRPORT FACILITY LEASE AGREEMENT WITH COMPLIANCE AVIATION, INC. DOING BUSINESS AS BLUE SKIES AVIATION FOR LEASE OF A HANGAR LOCATED AT 1815 AIRPORT DRIVE; AUTHORIZING THE CITY MANAGER TO EXECUTE THE LEASE AGREEMENT; AND DECLARING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS:

PART 1. The attached Airport Facility Lease Agreement for Commercial Lease with Compliance Aviation, Inc. doing business as Blue Skies Aviation is hereby approved.

PART 2. The City Manager is authorized to sign the Lease Agreement on behalf of the City.

PART 3. This resolution shall be in full force and effect from and after its passage.

ADOPTED on April 4, 2017.

John Thomaides
Mayor

Attest:

Jamie Lee Case
City Clerk
CITY OF SAN MARCOS, TEXAS
SAN MARCOS REGIONAL AIRPORT

AIRPORT FACILITY LEASE AGREEMENT FOR COMMERCIAL USE

THE STATE OF TEXAS
COUNTIES OF HAYS AND CALDWELL

THIS SAN MARCOS REGIONAL AIRPORT FACILITY LEASE AGREEMENT FOR COMMERCIAL USE (“Lease”) is made between the City of San Marcos, a municipal corporation of the State of Texas (“Lessor” OR “City”), acting by and through its Airport Management Texas Aviation Partners, LLC., a Texas Limited Liability Corporation (“Airport Management”) and Compliance Aviation, Inc. (“Lessee”).

The Lessor is the owner of the San Marcos Regional Airport (“Airport”), situated in Caldwell County, Texas, by virtue of deeds from the United States of America.

This Lease is subject to approval by the Federal Aviation Administration.

NOW, THEREFORE, for and in consideration of the covenants and obligations set forth herein, the Lessor and Lessee agree as follows:

ARTICLE 1: LEASE OF PREMISES; ACCEPTANCE OF EXISTING CONDITIONS; COMPLIANCE WITH REGULATIONS

1.01. In consideration of the obligation of the Lessee to pay rent and in consideration of the other terms, covenants and conditions of this Lease, the Lessor leases to the Lessee, and the Lessee leases from the Lessor a hangar and storage building at the San Marcos Regional Airport (collectively referred to herein as the “Leased Premises”) being more particularly described as:

1815 Airport Drive described in Exhibit “A” of this Lease;

1.02. The Lessee acknowledges that, subject to the Lessor’s obligations under paragraph 1.04 below: 1) the Lessor makes no representations or warranty regarding the suitability of the Leased Premises for the Lessee’s intended purposes, or the presence of environmental, geologic, or other site conditions that may affect the Lessee’s use of the Leased Premises; 2) the Lessee accepts full responsibility for determining the suitability of the Leased Premises for its intended purposes; 3) the Lessee has inspected and performed all tests and investigations of the Leased Premises for its intended purposes; and 4) the Lessee is accepting the Leased Premises in their present condition,
and the Lessee agrees to perform all preparation, repairs, remediation and other activities necessary to use the Leased Premises for the Lessee’s intended purposes. Lessee agrees that Lessor and Airport Management do not represent or guarantee the safety or security of the property stored within the Premises and has no duty of safety or security of any kind under any circumstances.

1.03. The Lessee agrees to comply with the SAN MARCOS REGIONAL AIRPORT RULES AND REGULATIONS and the MINIMUM STANDARDS, as they now exist or may be amended during the term of this Lease, and any conflict between this Lease and these procedures, regulations, and standards will be resolved in favor of the procedures, regulations, and standards.

1.04. The Lessor covenants and agrees that during the term of this Lease it will operate and maintain the Airport and its facilities as a public airport consistent with and pursuant to the sponsor's assurances given by the Lessor to the United States Government and/or the State of Texas through the Federal Airport Act; and the Lessee agrees that this Lease and the Lessee’s rights and privileges hereunder shall be subordinate to the sponsor's assurances.

1.05. The Lessor agrees that the Lessee, and its agents, contractors, employees, invitees and licensees, shall have the right of ingress and egress to and from the Leased Premises by means of roadways for automobiles and taxiways for aircraft. Such rights shall be consistent with the rules and regulations with respect to the occupancy and use of airport premises as adopted from time to time by the City of San Marcos and by the Federal Aviation Administration or any other state, federal or local authority.

ARTICLE 2: RENT AND TERM OF AGREEMENT

2.01. Rental shall accrue commencing upon execution of this Lease. Rent shall be payable at the place designated in Section 2.04a.

2.02. The Primary Term of this Lease will commence on April 4, 2017 (the “Commencement Date”). The Primary Term of this Lease shall expire on April 3, 2022. Lessee shall have the option to renew this Lease for an additional term of 5 years (the “Extension Term”). Lessee shall notify Lessor in writing of its intent to exercise its option to renew at least ninety (90) days prior to the expiration of this Lease and any extension thereof.

2.03. Any extension shall continue under the terms of this Lease, or on such changed terms, conditions, and rental rate as Lessor may give to Lessee in accordance with Section 3.01 of this Lease herein. The Term may not be extended if: (1) the Lease or Lessee’s right to possession of the Premises is terminated, (2) Lessee assigns its interest in the Lease or any portion of the Premises, (3) Lessee fails to timely exercise the extension, or (4) Lessee is in default under the Lease at the time Lessee seeks to extend the Term.

2.04. The Lessee agrees to pay to the Lessor a fixed rental in the sum of $18,000.00 per year for the entire Leased Premises during the Primary Term of this Lease. The annual amount for the fixed
rental shall be paid in equal monthly installments in the amount of $1,500.00 each. The rental rate shall be increased by a flat ten percent (10%) during the Extension Term of the Lease. The Lessee, at its option, may make advance payments of up to one (1) year’s fixed rentals, but there will be no discount for these payments.

a. Method of Payment: Rent is payable to Airport Management by e-check. Airport Management reserves the right to require the form of payment of rent to be by check, certified or cashier’s check, or money order. Cash is not an acceptable form of payment without the Airport Management’s prior written consent. Rent may be paid online or physically at 4400 Airport Highway 21 or by mail to 1807 Airport Drive Suite 200, San Marcos, Texas 78666.

2.06. Late Charges: Payments not received in full by 5:00 p.m. CST on the 5th day of the month in which it is due, will be considered late, and a $15.00 per day late charge will be assessed. In addition to the foregoing late charges, Lessee shall reimburse Lessor for each check that is returned or not honored.

2.07. Except with the Lessor’s prior written consent, Lessee will not be released from this Agreement for any reason – including but not limited to voluntary or involuntary job transfer, change of marital status, loss of co-tenant, loss of employment, bad health, or the sale or disposition of the Aircraft. Lessee is obligated to the terms and conditions of this Agreement, including the payment of rent, for the entire Primary Term, from the Commencement Date through the Expiration Date, and for each month thereafter (if any) until this Agreement is terminated.

2.08. In the event Lessee holds over after the expiration of this Lease, such hold over status will create a month-to-month tenancy. In this event, Lessee agrees to pay the rental amount set for the premises at the date of expiration of this Lease plus fifty (50%) percent, which is the holdover month-to-month tenancy rate. Said holdover tenancy will be subject to all other terms and conditions of this Lease.

2.09. The Lessee agrees to pay to the Lessor a monthly fee for the use of any reserved tie-downs or any other Airport Facilities for aircraft, motor vehicles or any other equipment or items which are outside of the Leased Premises and under the custody and control of the Lessee or its employees, agents or customers. The Airport Facilities will be charged at the then-established standard rental or use fee prescribed by the Lessor.

2.10. If the Lessee fails to pay any rent or any other sum payable to the Lessor under the terms of this Lease when due, then interest at the maximum legal rate in the State of Texas shall accrue from the date on which the maximum late charges described in section 2.05 have been incurred.

ARTICLE 3: ADJUSTMENT IN RENT, CHARGES, AND FEES OR OTHER TERMS TO THIS AGREEMENT

3.01. Except as otherwise provided for herein, during the Primary Term no change in any term or condition of this Agreement will be effective, unless Lessor and Lessee each sign and deliver a
written instrument evidencing the change. Following the Expiration Date of the Primary Term, Lessor may in its sole discretion make changes to this Agreement (including, without limitation, changes regarding the amount of rent) without Lessee's consent or agreement; provided, however, that such changes shall not be effective until the first day of the month next following the expiration of thirty (30) days after the date Lessor gives notice of such changes to Lessee.

ARTICLE 4: USE AND CARE OF PREMISES

4.01. During the terms of this Lease or any renewal thereof, the Premises are to be used by Lessee exclusively for aviation activities. Specifically, the Leased Premises shall be used and occupied for the business of aviation related activities and business including but not limited to: custom aircraft interiors, engine monitor and power exhaust installations, corporate offices, and pilot shop. The Lessee shall use the Leased Premises in good faith continuously for this purpose throughout the term of this Lease. The Lessee will use good faith efforts to ensure that the Leased Premises are occupied through the term of this Lease.

The Leased Premises may not be used for any other purpose without the prior written consent of Lessor. Any commercial use of the Leased Premises not expressly authorized under the terms of this Lease shall be negotiated under separate contract with Lessor. Lessee shall not at any time leave the Leased Premises vacant, but shall in good faith continuously, throughout the term of this Lease, conduct on the Leased Premises the type of business described, and shall keep the Leased Premises open to the public for business during reasonable business hours as established by the Lessee in light of good business practices.

4.02. Lessee shall relocate its corporate offices from 1982 Airport Drive and remove the mobile office trailer from the premises within 90 days of the execution of this Lease.

4.03. The Lessee shall not place or keep anything on the Leased Premises or use the Leased Premises for any purpose which invalidates any insurance policy carried on the Leased Premises without the Lessor’s prior written consent. The Lessee agrees that the risk of loss and damage for all property kept, stored or maintained by it within the Leased Premises shall be the Lessee’s.

4.03. The Lessee shall not use or permit the use of the Leased Premises in any manner which results in waste of the Leased Premises, or constitutes a nuisance, or violates any statute, ordinance, rule or regulation that applies to the Leased Premises.

4.04. The Lessee shall keep the Leased Premises, including ramps, signs, sidewalks, service ways, and loading areas adjacent to the Leased Premises, neat, clean, and free from dirt and trash at all times. The Lessee shall provide containers for all trash on the Leased Premises, and shall arrange for the regular removal of the trash at the Lessee’s expense. The Lessee will provide a dumpster or trash service for the Leased Premises for use by Lessee and its agents, contractors, employees, invitees, and licensees.
4.05. The Lessee shall store all equipment, materials and supplies within the confines of the building located on the Leased Premises. Outside storage is specifically prohibited without the advance written consent of the Lessor.

4.06. The Lessor agrees that the Lessee shall have access to the runways, taxiways and ramps at the Airport to the same extent as other Airport users.

ARTICLE 5: MAINTENANCE AND REPAIR OF PREMISES

5.01. The Lessee shall maintain the Leased Premises in good, clean condition and shall make all repairs to structures and improvements on the premises needed to maintain their function, safety and appearance. The Lessee shall comply with all governmental laws, ordinances, and regulations that apply to the Leased Premises, at its sole cost and expense. Lessee shall remove unauthorized additions or modifications and maintain the Leased Premises, with the exception of normal wear and tear and gaining consistent with normal usage and passage of time, and will repair damages to any part of the Leased Premises caused by the actions or by the negligence or misconduct of Lessee, its agents, servants, employees, contractors, subcontractors, licensees, patrons, invitees, or trespassers.

5.02. Lessor and Airport Management shall have the right and privilege, through its officers, agents, servants, and employees, to make inspections of the Leased Premises, and thereafter to make recommendations to Lessee of any repairs that, in Lessor’s opinion, are necessary to be performed upon the Premises in accordance with the foregoing. If the Lessee fails to make any required repairs within thirty (30) days after written notice from the Lessor, the Lessor may make the repairs without liability to the Lessee for any loss or damage which may result to the Lessee by reason of the repairs, and the Lessee shall pay to the Lessor the full cost of the repairs within thirty (30) days of the Lessor’s issuance of a written invoice to the Lessee. At the expiration of this Lease, the Lessee shall surrender the Leased Premises in good condition, reasonable wear and tear excepted.

5.03. The Lessor will use Airport revenue funds to maintain the existing runways, taxiways, and entrance roads on the Airport. The Lessor shall not be obligated to use general, operating, or bond funds for this maintenance.

5.04. Lessee, at Lessee’s sole cost and expense, shall be responsible for obtaining all items necessary or desirable for the use and operation of the Premises, including, without limitation, items such as light bulbs and bathroom supplies, if applicable. Lessee agrees to provide Lessee’s own lock and to lock the Premises immediately after execution of this Lease. Lessee agrees to keep the Premises locked when Lessee is not on the Premises. If the Premises are found unlocked by Lessor or Airport Management, Lessor may overlook the Premises until Lessee’s lock is replaced and Lessee notifies Lessor that the Premises have been locked by Lessee. At all times during the term of this Lease, Lessee shall provide Lessor with a currently operative key or any combination to locks placed on hangar by Lessee.
ARTICLE 6: CONSTRUCTION, ALTERATIONS, AND FIXTURES

6.01. Lessee shall receive rent credits for improvements made to the facility during the first year of the Lease as pre-approved by Airport Management. A list of approved repairs and their costs are described in Exhibit “B” of this Lease. Lessee must complete a Permit Determination Form with the Permit Center based on the scope of work provided in Exhibit “B”. Upon completion of any repairs that do not require a permit, Lessee shall contact Airport Management for approval before credits are applied to Lessee’s account. Credits for repairs requiring a permit will not be issued until approval from the Permit Center is obtained.

6.02. The Lessee shall not make any alterations, additions, or improvements to the Leased Premises without the prior written consent of Lessor. All buildings, structures, improvements, alterations, additions, and fixtures which may be made or installed upon the Leased Premises shall become the property of the Lessor upon the expiration of the term of this Lease unless the Lessor requests their removal, in which event the Lessee shall remove them and restore the Leased Premises at the Lessee’s expense.

6.03. If Lessee chooses to make discretionary improvements or any modifications mandated by County or Municipal code, state law, or federal law, all plans and specifications must receive the written, prior approval of Lessor, which approval shall not be unreasonably withheld. All discretionary improvements, and/or modifications mandated by County or municipal Code, state law, or federal law and any other facilities (including landscaping) shall be constructed in accordance with plans and specifications approved by the Airport Management, and shall be subject to inspection. No construction, modification or installation may be undertaken until written approval is obtained. All plans, specifications and work shall conform to all local, state and federal rules, regulations, and laws, now in force or hereafter prescribed. Notwithstanding the permissive nature of Lessee’s discretionary improvements, and/or modifications, Lessee agrees to make all discretionary improvements, modifications, and/or alterations necessary to make the premises comply with all applicable provisions of the Americans With Disabilities Act of 1990, as amended; any modifications mandated by governmental Codes, state law, or federal law which Lessee agrees to perform, whether paid for in full or in part by Lessee, shall also conform with said Act.

6.04. The Lessee shall ensure that no lien or similar obligation is imposed upon the Leased Premises for any alteration, repair, labor performed, or materials furnished to the Leased Premises, and the Lessee shall immediately discharge any lien or charge after the lien occurs or charges become due and payable. In the event the Lessee disputes the lien or obligation, however, the Lessee shall have the right to promptly pursue settlement or litigation without paying the claim until the claim becomes final and subject to no further appeal by the Lessee. The Lessee shall hold harmless, indemnify and defend the Lessor and Airport Management, its officers, agents, and employees from and against any claims, demands or suits related to such liens or obligations.

6.05. The Lessee shall not do any of the following without the Lessor’s prior written consent, which consent will not be unreasonably withheld: 1) install any exterior lighting, shades or awnings, or any exterior decorations or paintings on the Facilities; or 2) erect, install or change any signs,
window or door lettering, placards, decorations, or advertising media of any type which can be viewed from the exterior of the Facilities.

6.06. Signs: No signs, posters, or other similar devices shall be placed on the exterior of the hangar or any portion of the Leased Premises (excluding the interior of the hangar) without the prior written consent of Lessor or Airport Management. Lessee shall, at its sole expense, be responsible for creation, installation and maintenance of all such signs, posters, or other similar devices. Lessee agrees to pay Lessor for any damages, injury or repairs resulting from the installation, maintenance or repair of any such signs, posters, or other similar devices. Any signs, posters, or other similar devices placed on the Leased Premises shall be maintained at all times in a safe, neat, sightly and good physical condition. Any such sign, poster, or other similar device shall be removed from the Leased Premises immediately upon receipt of instructions for the removal of same from Lessor or Airport Management.

ARTICLE 7: UTILITIES AND TAXES

7.01. The Lessee shall promptly pay all charges for electricity, water, telephone service, and other utilities furnished to the Leased Premises. Lessee further covenants and agrees that Lessee will pay all costs and expenses for initial service and any extension, installation, maintenance or repair of any and all utilities serving the Leased Premises. Lessee must first obtain, in writing, permission from Lessor before undertaking any utility improvements that impact Lessee’s property. All heating equipment and electricity operated equipment which may be used on the Leased Premises shall be of such kind and character as to comply with any applicable mechanical, fire, and building codes.

7.02. The Lessor shall not be liable for any interruption or impairment whatsoever in utility services to the Leased Premises.

7.03. In entering into this Lease, Lessee understands that it will be solely responsible for the payment of ad valorem taxes, if any, that are assessed against all or any portion of the Leased Premises, the equipment, inventory, personal property, including but not limited to aircraft used for commercial purposes. Lessee agrees to pay all such taxes and assessments when due.

7.04. The Lessee shall also pay when due all sales, excise, income and other taxes levied upon its business operations on the Leased Premises.

ARTICLE 8: INSURANCE AND INDEMNITY

8.01. Liability Insurance: The Lessee shall procure and maintain insurance in full force at its expense as set forth in the Minimum Standards, covering claims which arise out of or in connection with the Lessee’s use or maintenance of the Leased Premises. This insurance shall be written so that the Lessor must be notified in writing at least thirty (30) days in advance of cancellation, restrictive amendment or non-renewal. The Lessee shall file certificates of insurance with the Lessor upon
execution of this Lease and annually during the Lease term. All insurance required under this paragraph shall be primary over any other insurance coverage the Lessor may have, and shall be written with the Lessor and Airport Management as an additional insured. In any event, the Lessee is fully responsible for all losses arising out of, resulting from or connected with operations under this Lease whether or not the losses are covered by insurance. The Lessor’s acceptance of insurance certificates that do not comply with these requirements will not release the Lessee from compliance with these provisions.

8.02. **Casualty Coverage**: The Lessee shall maintain in full force and effect during the term of this Lease a policy of insurance on the Texas Standard form of fire and extended coverage for all contents, goods, stock, and any personal property which is or may be situated upon the Leased Premises.

8.03. **Indemnity and Hold Harmless**

a. **LESSEE AGREES TO HOLD HARMLESS, INDEMNIFY, AND DEFEND THE LESSOR AND AIRPORT MANAGEMENT AND THEIR OFFICERS, AGENTS, OWNERS, AND EMPLOYEES FROM AND AGAINST ALL CLAIMS, SUITS, AND ACTIONS BY THIRD PARTIES FOR LOSS OF LIFE, PERSONAL INJURY, OR PROPERTY DAMAGE ARISING IN CONNECTION WITH THE USE OF LESSEE’S PREMISES OR ANY AREAS OF THE AIRPORT BY LESSEE, ITS AGENTS, CONTRACTORS, EMPLOYEES, SERVANTS, INVITEES, OR LICENSEES.**

b. **LESSEE SHALL USE THE AIRPORT AND USE, OCCUPY, AND STORE PROPERTY ON ITS PREMISES AND ON ANY AREAS OF THE AIRPORT AT ITS OWN RISK, AND LESSEE AGREES TO HOLD HARMLESS AND RELEASE LESSOR AND AIRPORT MANAGEMENT AND THEIR OFFICERS, AGENTS, OWNERS, AND EMPLOYEES FROM ALL CLAIMS, SUITS, AND ACTIONS BY LESSEE OR ITS OFFICERS, AGENTS, OWNERS, EMPLOYEES, SERVANTS, INVITEES, OR LICENSEES FOR LOSS OF LIFE, PERSONAL INJURY, OR PROPERTY DAMAGE OCCURRING ON LESSEE’S PREMISES OR ON ANY AREAS OF THE AIRPORT, INCLUDING THOSE RESULTING FROM THE SOLE NEGLIGENCE OR OTHER ACTIONABLE CONDUCT OF THE LESSOR OR AIRPORT MANAGEMENT, THEIR OFFICERS, AGENTS, OWNERS, OR EMPLOYEES, OR FROM ACTS OR OMISSIONS OF THIRD PERSONS.**

c. **LESSEE SHALL GIVE PROMPT NOTICE TO LESSOR AND AIRPORT MANAGEMENT OF ANY ACCIDENT ON ITS PREMISES OR ANY AREAS OF THE AIRPORT, AND OF ANY DEFECTS IN THE RUNWAYS, TAXIWAYS, LIGHTING SYSTEMS, OR OTHER FACILITIES AT THE AIRPORT OF WHICH THE LESSEE IS AWARE.**

d. **IN CASE LESSOR OR AIRPORT MANAGEMENT, OR ANY OF THEIR OFFICERS, AGENTS, OWNERS, OR EMPLOYEES ARE MADE A PARTY TO ANY LITIGATION COMMENCED BY OR AGAINST LESSEE THAT IS COVERED BY**
THIS SECTION, THEN LESSEE SHALL HOLD LESSOR AND AIRPORT MANAGEMENT, AND THEIR OFFICERS, AGENTS, OWNERS, AND EMPLOYEES HARMLESS FROM, AND LESSEE SHALL PAY, ALL COSTS AND EXPENSES RELATED TO THE LITIGATION, INCLUDING THE FEES OF ATTORNEYS AND EXPERT WITNESSES.

e. LESSEE ASSUMES ALL RESPONSIBILITY AND AGREES TO PAY LESSOR AND AIRPORT MANAGEMENT FOR ANY AND ALL INJURY OR DAMAGE TO LESSOR’S OR AIRPORT MANAGEMENT’S PROPERTY ARISING OUT OF OR IN CONNECTION WITH ANY AND ALL ACTS OR OMISSIONS OF LESSEE, ITS OFFICERS, OWNERS, AGENTS, SERVANTS, EMPLOYEES, CONTRACTORS, SUBCONTRACTORS, LICENSEES, OR INVITEES.

f. NEITHER LESSOR NOR AIRPORT MANAGEMENT GUARANTEES POLICE PROTECTION OR SECURITY TO LESSEE OR ITS PROPERTY, AND LESSOR AND AIRPORT MANAGEMENT SHALL NOT BE RESPONSIBLE FOR INJURY TO ANY PERSON ON THE LESSEE’S PREMISES OR FOR HARM TO ANY PROPERTY WHICH BELONGS TO LESSEE, ITS OFFICERS, OWNERS, SERVANTS, EMPLOYEES, CONTRACTORS, SUBCONTRACTORS, LICENSEES, INVITEES OR PATRONS, OR WHICH MAY BE STOLEN, DESTROYED OR IN ANY WAY DAMAGED; AND LESSEE HEREBY INDEMNIFIES AND HOLDS HARMLESS LESSOR AND AIRPORT MANAGEMENT, THEIR OFFICERS, OWNERS, AGENTS, SERVANTS AND EMPLOYEES FROM AND AGAINST ANY AND ALL SUCH CLAIMS.

ARTICLE 9: CONDEMNATION

9.01. Total: If the whole of the Leased Premises is taken by eminent domain, then this Lease shall terminate as of the date the title vests in the proceeding.

9.02. Partial: If a portion of the Leased Premises is taken by eminent domain, and the partial taking renders the remaining portion unsuitable for the business of the Lessee, then this Lease shall terminate. If the partial taking is not extensive enough to render the premises unsuitable for the business of the Lessee, then this Lease shall continue in effect, except that the fixed annual rental shall be reduced and adjusted in an appropriate manner.

9.03. If this Lease is terminated as provided in this section, rent shall be paid up to the date that possession is taken by the condemning authority, and the Lessor shall make an equitable refund of any rent paid by the Lessee in advance.

9.04. Division of Award: The Lessor and the Lessee shall each be entitled to receive and retain separate awards, or portions of lump sum awards, as are allocated to their respective interests in the condemnation proceeding. Without limiting the generality of the preceding sentence, the Lessor
has no interest in any award made to Lessee for Lessee’s moving and relocation expenses or for the loss of Lessee’s leasehold interest, fixtures and other tangible personal property if a separate award for such items is made to Lessee. The termination of this Lease under this Paragraph shall not affect the rights of the respective parties to such awards.

ARTICLE 10: DAMAGE BY CASUALTY

10.01. The Lessee shall give immediate verbal notice, and prompt written notice to the Lessor of any damage caused to the Leased Premises by fire or other casualty.

10.02. If the Premises are totally destroyed by fire, tornado, or other casualty not the fault (in whole or in part) of Lessee or any person in or about the Premises with the express or implied consent of Lessee, or if not totally destroyed, if it should be so damaged by such a cause that rebuilding or repairs cannot reasonably be completed within 180 working days after the date of Lessor’s receipt of insurance proceeds in connection with the casualty, this Lease shall terminate, and rent shall be abated for the unexpired portion of this Agreement, effective as of the date of written notification.

10.03. If the Premises are damaged by fire, tornado, or other casualty not the fault of Lessee or any person in or about the Premises with the express or implied consent of Lessee, but not to such an extent that rebuilding or repairs cannot reasonably be completed within 180 days after the date of Lessor’s receipt of insurance proceeds in connection with the casualty, this Lease shall not terminate except as provided in subsection below:

a. If such damage to the Premises occurs during the Term hereof, Lessor may, at its sole cost and in its sole discretion, proceed to rebuild or repair the Premises to substantially the condition in which they existed upon commencement of this Lease. Lessee shall, at its sole cost and risk, be responsible for rebuilding or repairing any damaged improvements made by Lessee. If the Premises are untenantable in whole or in part following such damage, the rent payable during the period in which they are untenantable shall be adjusted equitably. In the event that Lessor should elect not to so rebuild or repair the Premises or fails to complete such rebuilding or repairs within 180 working days after the date of Lessor’s receipt of insurance proceeds in connection with the casualty, Lessor or Lessee may terminate this Lease by written notification. Upon such notification, all rights and obligations under this Lease shall cease.

10.04. If the destruction (in whole or in part) of the Premises is the result of or caused by (in whole or in part) any act or omission of Lessee, or any person in or about the Premises with the express or implied consent of Lessee (including, without limitation, Lessee’s representatives, agents, invitees, and contractors), Lessor may elect (at its sole option and in its sole discretion) to rebuild the Premises and the building or structure of which the Premises may be a part. If Lessor so elects to rebuild, Lessee shall pay Lessor the difference between the actual cost of rebuilding and any insurance proceeds received by Lessor as a result of the casualty destruction. Lessee’s obligations under this paragraph shall survive the termination of this Lease.
ARTICLE 11: ASSIGNMENT AND SUBLETTING

11.01. The Lessee shall not assign or sublet all or part of its interest in this Lease without the advance written consent of the Lessor. Consent by the Lessor to one (1) or more assignments or sublettings shall not operate as a waiver of the Lessor’s rights as to any subsequent assignments or sublettings. Notwithstanding subletting, the Lessee shall remain fully responsible and liable for the payment of the rent and for compliance with all of its other obligations under this Lease.

11.02. In the event of an assignment by the Lessor of all of its interest in this Lease to a person, firm or corporation that assumes all of the Lessor’s obligations, the Lessee agrees to look solely to the responsibility of the successor-in-interest of the Lessor. Any security given by the Lessee to secure performance of its obligations may be assigned and transferred by the Lessor to its successor-in-interest, and the Lessor shall be released of any further obligations under this Lease.

ARTICLE 12: EVENTS OF DEFAULT AND REMEDIES; TERMINATION

12.01. The following events shall be events of default by the Lessee under this Lease:

a. The Lessee fails to pay when due any rental or any other sums or charges due under this Lease, and such failure continues for seven (7) days following written notice thereof (provided, however, that Lessor shall be obligated to give only two such notices in any calendar year, and after such two notices, Lessor will no longer be obligated to give any other notice under this Section within such calendar year).

b. The Lessee fails to comply with any other term, provision, or covenant of this Lease, and does not cure the failure within thirty (30) days after written notice to the Lessee. However, if Lessee’s failure to comply cannot reasonably be cured within thirty (30) days, Lessee shall be allowed additional time (not to exceed sixty (60) days) as is reasonably necessary to cure the failure so long as Lessee commences to cure the failure within fifteen (15) days and Lessee diligently pursues a course of action that will cure the failure. For any subsequent default by the Lessee for the same or any other reason, the Lessor may terminate the Lease if that subsequent default continues for more than three (3) days after notice of the subsequent default.

c. The Lessee becomes insolvent, makes a transfer in fraud of creditors, or makes an assignment for the benefit of creditors.

d. The Lessee commences, or another party commences against the Lessee, proceedings in bankruptcy, for reorganization, or for the readjustment or arrangement of its debts under the bankruptcy laws of the United States or under any other law.

e. A receiver or trustee is appointed for all or substantially all of the assets of the Lessee.

f. The Lessee abandons or vacates all or any substantial portion of the Leased Premises for 120 consecutive days.
g. Lessee defaults on any mortgage advanced by a lender to finance the Facilities, improvements, or fixtures for the Leased Premises

12.02. The acceptance by the Lessor of the Lessee’s monthly payments subsequent to the occurrence of any event of default shall be considered to be compensation for Lessee’s use and occupancy of the Leased Premises, and shall in no way constitute a waiver by the Lessor of its right to exercise any remedy provided for any event of default.

12.03. Upon the occurrence of any of the events of default, the Lessor shall have the option to pursue any one (1) or more of the following remedies without any notice or demand whatsoever:

a. Terminate this Lease. In this event the Lessee shall immediately surrender the Leased Premises to the Lessor, and if the Lessee fails to do so, the Lessor may enter and take possession of the Leased Premises and remove the Lessee and any other person occupying the premises, by force if necessary, without prejudice to any other remedy it may have for possession or arrearages in rent, and without being liable for any resulting damages. The Lessee agrees to pay to the Lessor the amount of all resulting costs, losses, and damages incurred by the Lessor within thirty (30) days of the Lessor’s issuance of a statement to the Lessee. If Lessor terminates this Lease, Lessee shall be deemed to have relinquished all right, title and interest in and to all real property improvements and the Facilities on the Leased Premises and such shall become the property of the Lessor.

b. Relet the Leased Premises and receive the rent. The Lessee agrees to pay to the Lessor any resulting costs, and any deficiency that may arise by reason of reletting, within thirty (30) days of the Lessor’s issuance of a statement to the Lessee.

c. Enter the Leased Premises, by force if necessary, without being liable for prosecution or any claim for damages, and do whatever the Lessee is obligated to do under the terms of this Lease. The Lessee agrees to reimburse the Lessor for any expenses the Lessor incurs in effecting compliance with the Lessee’s obligations under this Lease, within thirty (30) days of the Lessor’s issuance of a statement for the expenses to the Lessee. The Lessor and its officers, agents and employees shall not be liable for any damages or injuries that result to the Lessee from any action taken under this paragraph, whether caused by the negligence of the Lessor or otherwise.

12.04. The Lessor’s pursuit of any of these remedies will not preclude pursuit of any other remedies provided under this Lease or by law, nor will pursuit of any remedy constitute a waiver of any rent due to the Lessor or of any damages caused to the lessor by any violation of this lease by the Lessee. Any failure by the Lessor to enforce a remedy upon an event of default shall not be deemed to constitute a waiver of the default or of the Lessor’s right to insist on strict compliance with this Lease.

12.05. If it becomes necessary for the Lessor to employ an attorney to enforce or defend any of the Lessor’s rights or remedies because of any breach or default by the Lessee under this Lease, the Lessee
agrees to pay all reasonable attorney’s fees incurred by the Lessor, within thirty (30) days of the Lessor’s issuance of a statement for the fees to the Lessee.

ARTICLE 13: LESSOR’S LIEN

13.01. The Lessee grants to the Lessor a valid first security interest upon all of the Lessee’s goods, chattels, furniture, trade fixtures, inventory and other property upon the Leased Premises to secure all rents and other sums due or to become due to the Lessor. The Lessee expressly waives all exemption laws in favor of this security interest; and it is agreed that this express security interest shall be in addition to, and not as a waiver of or substitute for any statutory or other liens of the Lessor. In connection with this security interest, it is agreed that in the event of a breach or default by the Lessee, the Lessor may exercise all rights and remedies provided to a secured party after default under the Uniform Commercial Code (“UCC”), as adopted and amended in Texas, with respect to all such property, including, without limitation, the right to take and retain possession of the property and to sell it at public or private sale, or to use it in any other manner authorized or provided in the UCC. Lessee shall complete and file all necessary UCC Financing Statement forms with the Texas Secretary of State’s necessary to perfect the Lessor’s security interest in the property, and proceeds thereof under the provisions of the Uniform Commercial Code and provide copies of the Financing Statement forms to the Airport Management.

ARTICLE 14: LESSEE’S MORTGAGE OF LEASEHOLD INTEREST

14.01. The Lessor grants permission to the Lessee for the mortgaging of the Lessee’s leasehold interest in the Leased Premises for the sole purpose of obtaining funding for permanent improvements to the Leased Premises. The Lessee will provide written notification to the Lessor of each such mortgage within Ten (10) days after it is executed. The Lessor agrees that any lien in its favor arising under this Lease as to the Leased Premises will be subordinate to the lien of the mortgagee under each such mortgage. This clause is self-operative and no further instrument of subordination need be required by any mortgagee of the Lessee. The mortgaging by the Lessee of its leasehold interest for any other purpose, however, shall require the advance written approval of the Lessor. In no event, however, shall any lien be asserted against the underlying fee simple interest of Lessor in the Leased Premises.

ARTICLE 15: OPERATION OF THE AIRPORT AND LESSOR’S ACCESS TO LEASED PREMISES

15.01 This Lease, and any interest granted to any lender or other third party by Lessee, shall be subordinate to the provisions of any existing or future agreement between Lessor and the United States Government or the State of Texas, which relates to the operation or maintenance of the Airport and is required as a condition for the expenditure of federal funds for the development, maintenance or repair of Airport infrastructure. In the event that any such existing or future
agreement directly causes a material restriction, impairment or interference with Lessee's primary operations on the Leased Premises ("Limitation") for a period of less than seven (7) calendar days, this Lease shall continue in full force and effect. If the Limitation lasts more than seven (7) calendar days, Lessee and Lessor shall negotiate in good faith to resolve or mitigate the effect of the Limitation. If Lessee and Lessor are in good faith unable to resolve or mitigate the effect of the Limitation, and the Limitation lasts between seven (7) and one hundred eighty (180) days, then for such period (i) Lessee may suspend the payment of any rent due hereunder, but only if Lessee first provides adequate proof to Lessor that the Limitation has directly caused Lessee a material loss in revenue; (ii) subject to ordinary wear and tear, Lessor shall maintain and preserve the Leased Premises and its improvements in the same condition as they existed on the date such Limitation commenced; and (iii) the term of this Lease shall be extended, at Lessee's option, for a period equal to the duration of such Limitation. If the Limitation lasts more than one hundred eighty (180) days, then (i) Lessor and Lessee may, but shall not be required to, (a) further adjust the payment of rent and other fees or charges, (b) renegotiate maintenance responsibilities and (c) extend the term of this Lease, or (ii) Lessee may terminate this Lease upon thirty (30) days' written notice to Lessor.

15.02 It is specifically understood and agreed that this Lease does not grant or authorize an exclusive right for conducting any aeronautical activity which is unlawfully discriminatory. The Lessee specifically agrees not to discriminate in its use of the Leased Premises in any manner prohibited by Federal Aviation Administration Regulations. The Lessee further agrees to comply with any nondiscrimination enforcement procedures required by the Federal government.

15.03 The Lessor reserves the right to take any action it considers necessary to protect the aerial approaches of the Airport against obstructions; and to limit the Lessee from erecting any building or structure on the Airport or on the Leased Premises that would limit the usefulness of the Airport or constitute a hazard to aircraft.

15.04 The Lessor reserves the right to further develop the Airport as it sees fit regardless of the desires of the Lessee, and without any hindrance or interference from the Lessee. The Lessor expressly reserves the right to grant leases and privileges to other persons with respect to the Airport, even though the purposes for which these leases are given are the same and duplicate those contained in this Lease.

15.05 This Lease shall be subject to and in conformance with all City, State and Federal ordinances, statutes and regulations.

15.06 Lessee, for itself, its personal representative, successors in interest and assigns, as part of the consideration herein, agrees that no person shall be excluded from participation in or denied the benefits of Lessee’s use of Airport on the basis of race, color, national origin, religion, handicap, or gender. Lessee further agrees for itself, its personal representatives, successors in interest and assigns that no person shall be excluded from the provision of any service on or in the construction of any improvements or alterations to the Premises on grounds of race, color, national origin, religion, handicap, or gender. In addition, Lessee covenants and agrees that it will at all times comply with any requirements imposed by or pursuant to Title 49 of the Code of Federal
Regulations, Part 121, Non-Discrimination in Federally Assisted Programs of the Department of Transportation and with any amendments to this regulation which may hereafter be enacted.

IF ANY CLAIM ARISES FROM AN ALLEGED VIOLATION OF THIS NON-DISCRIMINATION COVENANT BY LESSEE, ITS PERSONAL REPRESENTATIVES, SUCCESSORS IN INTEREST OR ASSIGNS, USER AGREES TO INDEMNIFY LESSOR AND AIRPORT MANAGEMENT AND THEIR OFFICERS, OWNERS, AGENTS, SERVANTS, AND EMPLOYEES AND HOLD THEM HARMLESS FROM ANY LOSS OR LIABILITY.

15.07 During the time of war or national emergency, the Lessor shall have the right to Lease all or part of the landing areas at the Airport to the Federal government for military use, and, if a Lease is executed, the provisions of this Lease shall be suspended to the extent they are inconsistent with the provisions of the Lease to the government.

15.08 Lessor or Airport Management, through their officers, agents, servants, or employees, shall have the full reasonable right to enter the Leased Premises during normal business hours, except in the event of an emergency, for the purposes of doing any and all things Lessor is authorized or required to do under the terms of this Lease, or for the purpose of performing proper inspections under Health, Mechanical, Building, Electrical, Plumbing, and Fire Codes, or other health, safety, and general welfare regulations. The Lessor shall not be liable to the Lessee for any expense, loss, or damage from any such entry upon the Leased Premises. Lessor shall provide Lessee with advance notice of inspection as is reasonable under the circumstance.

15.09 The right to furnish aeronautical services to the public is granted to the Lessee subject to the Lessee agreeing:

a. To furnish the services on a fair, equal and nondiscriminatory basis to all users, and

b. To charge fair, reasonable and nondiscriminatory discounts, rebates, or similar price reductions to volume purchasers.

ARTICLE 16: MISCELLANEOUS

16.01. When the singular number is used in this Lease, it will include the plural when appropriate, and the neuter gender will include the feminine and masculine genders when appropriate.

16.02. If any clause or provision of this Lease is illegal, invalid or unenforceable under present or future laws, this Lease will remain in effect, and the remaining provisions will continue in force if they can be given effect without the invalid portion.
16.03. This Lease may be amended only by an instrument in writing signed by both parties. This Lease shall apply to and be binding upon the parties, and upon their respective successors in interest and legal representatives, unless otherwise expressly provided in this Lease.

16.04. The captions used in this Lease are for convenience only and do not in any way limit or amplify the terms and provisions of this Lease.

16.05. One (1) or more waivers of any covenant, term or condition of this Lease by either party shall not be deemed as a waiver by that party as to any subsequent similar act or omission.

16.06. Whenever a period of time is prescribed for action to be taken by the Lessor or Lessee, any delays due to strikes, riots, acts of God, shortages of labor or materials, war, governmental laws, regulations or restrictions or any other causes beyond the reasonable control of the Lessor or Lessee shall be excluded from the computation of any such period of time.

16.07. The Lessor represents and warrants that it has the lawful authority to enter into this Lease, and has title to the Leased Premises as shown by the deeds to Airport property from the Federal government and the Lessor. The Lessor further covenants that the Lessee shall have and enjoy undisturbed possession of the Leased Premises as long as the Lessee fully complies with this Lease. This Lease is subject, however, to the right of the Federal government to use and control the Airport during periods of national emergency; and is also subject to the right of the Federal government to take all or a portion of the Airport for federal activities.

16.08. This Lease shall not be construed as creating the relationship of principal and agent or of partnership or of joint venture between the parties. The only relationship between the parties is only that of Lessor and Lessee.

16.09. The Lessee warrants that it has had no dealings with any broker or agent in connection with the negotiation or execution of this Lease and the Lessee agrees to indemnify and hold the Lessor harmless from and against any and all costs, expense or liability for commissions or other compensation and charges claimed by any other broker or agent with respect to this Lease.

16.10. The parties agree that the laws of the State of Texas shall govern this Lease and that exclusive venue for enforcement of this Lease shall lie in Hays County, Texas.

16.11. If Lessee is a charitable association, corporation, partnership, individual enterprise or entity, and claims immunity to or an exemption from liability for any kind of property damage or personal damage, injury or death, Lessee hereby expressly waives its rights to plead defensively any such immunity or exemption as against Lessor and Airport Management.

16.12. Wherever any notice is required or permitted under this Lease, the notice shall be in writing and sent by certified mail, return receipt requested, addressed to the respective party at the following addresses. The Lessee shall provide the Lessor and Airport Management with advance written notice of any change in its address.
ARTICLE 17: Airport Management

17.01. All parties agree that City may choose to exercise any of its powers under this Lease through its duly-appointed Airport Management company. The currently-appointed Airport Management company is Texas Aviation Partners, LLC with a physical address of 4400 HWY 21, San Marcos, Texas 78666 and a mailing address as indicated above.

FOR CITY OF SAN MARCOS

Signature: _________________________________
Printed Name: ______________________________
Title: _________________________________
Date: ________________________________

FOR LESSEE

Signature: _________________________________
Printed Name: ______________________________
Title: _________________________________
Date: ________________________________

FOR TEXAS AVIATION PARTNERS, LLC

Signature: _________________________________
Printed Name: ______________________________
Title: _________________________________
Date: ________________________________
<table>
<thead>
<tr>
<th>Description of Work</th>
<th>Allowed Rent Credit</th>
<th>Estimated Repair Schedule</th>
</tr>
</thead>
<tbody>
<tr>
<td>Replace front door with commercial glass door</td>
<td>$2,500.00</td>
<td>30 Days or less</td>
</tr>
<tr>
<td>Upgrade A/C System and repair ducting</td>
<td>$8,500.00</td>
<td>30 Days or less</td>
</tr>
<tr>
<td>Electrical for code, install GFI outlets, re-locate water heater outlet</td>
<td>$1,000.00</td>
<td>30 Days or less</td>
</tr>
<tr>
<td>Electrical fixture and lighting upgrades. Energy efficient lighting, remove ceiling fans and install light where existing wiring is in breakroom.</td>
<td>$680.00</td>
<td>120 Days or less</td>
</tr>
<tr>
<td>Plumbing Repairs for code, P traps, new low flow toilets, energy efficient water heater</td>
<td>$3,900.00</td>
<td>30 Days or less</td>
</tr>
<tr>
<td>Complete restroom decoration</td>
<td>$1,000.00</td>
<td>90 Days or less</td>
</tr>
<tr>
<td>Replace floors and fix doors in offices.</td>
<td>$7,300.00</td>
<td>60 Days or less</td>
</tr>
<tr>
<td>Remove kitchen cabinets and old stove. Install new cabinets, new counters, new sink and paint. Turn into break room.</td>
<td>$3,000.00</td>
<td>Start 30 Days or less, Complete 180 Days or less</td>
</tr>
<tr>
<td>Repair ceilings and walls</td>
<td>$1,600.00</td>
<td>30 Days or less</td>
</tr>
<tr>
<td>Remove interior wall panel covering, replace with drywall and paint</td>
<td>$2,700.00</td>
<td>180 Days or less</td>
</tr>
<tr>
<td>Repair hole in exterior of building</td>
<td>$800.00</td>
<td>60 Days or less</td>
</tr>
<tr>
<td>Remove fence behind building</td>
<td>$1,500.00</td>
<td>30 Days or less</td>
</tr>
<tr>
<td>Remove trash behind building</td>
<td>$500.00</td>
<td>30 Days or less</td>
</tr>
</tbody>
</table>
AGENDA CAPTION:
Consider approval of Resolution 2017-58R, approving the terms and conditions of an Airport Facility Lease Agreement with Coast Flight Training and Management, Inc. for lease of a hangar located at 1813 Airport Drive; authorizing the Interim City Manager to execute the lease agreement; and declaring an effective date.

Meeting date: April 4, 2017

Department: San Marcos Regional Airport

Funds Required: N/A
Account Number: N/A
Funds Available: N/A
Account Name: N/A

CITY COUNCIL GOAL: Economic Development

COMPREHENSIVE PLAN ELEMENT(s): [add the Plan elements and Goal # and Objective(s)]

BACKGROUND:
Coast Flight Training and Management, Inc. ("Coast") is a San Diego based flight school that specializes in airline pilot training. Coast recently finalized a contract with Envoy Air, a regional carrier for American Airlines, to train US Military helicopter pilots who are transitioning to civilian airline pilots.

Council approved a short-term (2 year) lease for a temporary modular facility and reserved tie-down parking on December 20, 2016. The modular facility is used for classroom instruction.

Coast desires to lease a City-owned hangar located at 1813 Airport Drive for the storage of their aircraft during inclement weather and FAA-approved minor maintenance of owned aircraft.

The initial term is 19 months for $1,500.00 per month.
RESOLUTION NO. 2017- R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS APPROVING THE TERMS AND CONDITIONS OF AN AIRPORT FACILITY LEASE AGREEMENT WITH COAST FLIGHT TRAINING AND MANAGEMENT, INC. FOR LEASE OF A HANGAR LOCATED AT 1813 AIRPORT DRIVE; AUTHORIZING THE INTERIM CITY MANAGER TO EXECUTE THE LEASE AGREEMENT; AND DECLARING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS:

PART 1. The attached Airport Facility Lease Agreement with Coast Flight Training and Management, Inc. is hereby approved.

PART 2. The Interim City Manager is authorized to sign the Lease Agreement on behalf of the City.

PART 3. This resolution shall be in full force and effect from and after its passage.

ADOPTED on April 4, 2017.

John Thomaides
Mayor

Attest:

Jamie Lee Case
City Clerk
CITY OF SAN MARCOS, TEXAS
SAN MARCOS REGIONAL AIRPORT

AIRPORT FACILITY LEASE AGREEMENT FOR COMMERCIAL USE

THE STATE OF TEXAS

COUNTIES OF HAYS AND CALDWELL

THIS SAN MARCOS REGIONAL AIRPORT FACILITY LEASE AGREEMENT FOR COMMERCIAL USE ("Lease") is made between the City of San Marcos, a municipal corporation of the State of Texas ("Lessor" OR "City"), acting by and through its Airport Management Texas Aviation Partners, LLC., a Texas Limited Liability Corporation ("Airport Management") and Coast Flight Training & Management, Inc. ("Lessee").

The Lessor is the owner of the San Marcos Regional Airport ("Airport"), situated in Caldwell County, Texas, by virtue of deeds from the United States of America.

This Lease is subject to approval by the Federal Aviation Administration.

NOW, THEREFORE, for and in consideration of the covenants and obligations set forth herein, the Lessor and Lessee agree as follows:

ARTICLE 1: LEASE OF PREMISES; ACCEPTANCE OF EXISTING CONDITIONS; COMPLIANCE WITH REGULATIONS

1.01. In consideration of the obligation of the Lessee to pay rent and in consideration of the other terms, covenants and conditions of this Lease, the Lessor leases to the Lessee, and the Lessee leases from the Lessor a hangar and storage building at the San Marcos Regional Airport (collectively referred to herein as the “Leased Premises”) being more particularly described as:

_1813 Airport Drive (7,200 square foot hangar)_ described in Exhibit “A” of this Lease;

1.02. The Lessee acknowledges that, subject to the Lessor’s obligations under paragraph 1.04 below: 1) the Lessor makes no representations or warranty regarding the suitability of the Leased Premises for the Lessee’s intended purposes, or the presence of environmental, geologic, or other site conditions that may affect the Lessee’s use of the Leased Premises; 2) the Lessee accepts full responsibility for determining the suitability of the Leased Premises for its intended purposes; 3) the Lessee has inspected and performed all tests and investigations of the Leased Premises for its intended purposes; and 4) the Lessee is accepting the Leased Premises in their present condition,
and the Lessee agrees to perform all preparation, repairs, remediation and other activities necessary to use the Leased Premises for the Lessee’s intended purposes. Lessee agrees that Lessor and Airport Management do not represent or guarantee the safety or security of the property stored within the Premises and has no duty of safety or security of any kind under any circumstances.

1.03. The Lessee agrees to comply with the SAN MARCOS REGIONAL AIRPORT RULES AND REGULATIONS and the MINIMUM STANDARDS, as they now exist or may be amended during the term of this Lease, and any conflict between this Lease and these procedures, regulations, and standards will be resolved in favor of the procedures, regulations, and standards.

1.04. The Lessor covenants and agrees that during the term of this Lease it will operate and maintain the Airport and its facilities as a public airport consistent with and pursuant to the sponsor's assurances given by the Lessor to the United States Government and/or the State of Texas through the Federal Airport Act; and the Lessee agrees that this Lease and the Lessee’s rights and privileges hereunder shall be subordinate to the sponsor's assurances.

1.05. The Lessor agrees that the Lessee, and its agents, contractors, employees, invitees and licensees, shall have the right of ingress and egress to and from the Leased Premises by means of roadways for automobiles and taxiways for aircraft. Such rights shall be consistent with the rules and regulations with respect to the occupancy and use of airport premises as adopted from time to time by the City of San Marcos and by the Federal Aviation Administration or any other state, federal or local authority.

ARTICLE 2: RENT AND TERM OF AGREEMENT

2.01. Rental shall accrue commencing upon execution of this Lease. Rent shall be payable at the place designated in Section 2.04a.

2.02. The Primary Term of this Lease will commence on _April 4, 2017_ (the “Commencement Date”). The Primary Term of this Lease shall expire on _December 19, 2018_. Lessee shall have the option to renew this Lease for an additional term of 5 years (the “Extension Term”). Lessee shall notify Lessor in writing of its intent to exercise its option to renew at least ninety (90) days prior to the expiration of this Lease and any extension thereof.

2.03. Any extension shall continue under the terms of this Lease, or on such changed terms, conditions, and rental rate as Lessor may give to Lessee in accordance with Section 3.01 of this Lease herein. The Term may not be extended if: (1) the Lease or Lessee’s right to possession of the Premises is terminated, (2) Lessee assigns its interest in the Lease or any portion of the Premises, (3) Lessee fails to timely exercise the extension, or (4) Lessee is in default under the Lease at the time Lessee seeks to extend the Term.
2.04. The Lessee agrees to pay to the Lessor a fixed rental in the sum of $18,000.00 per year for the entire Leased Premises during the Primary Term of this Lease. The annual amount for the fixed rental shall be paid in equal monthly installments in the amount of $1,500.00 each. The rental rate shall be increased by a flat ten percent (10%) in year three (3) of the Extension Term of the Lease. The Lessee, at its option, may make advance payments of up to one (1) year’s fixed rentals, but there will be no discount for these payments.

a. Method of Payment: Rent is payable to Airport Management by e-check. Airport Management reserves the right to require the form of payment of rent to be by check, certified or cashier’s check, or money order. Cash is not an acceptable form of payment without the Airport Management’s prior written consent. Rent may be paid online or physically at 4400 Airport Highway 21 or by mail to 1807 Airport Drive Suite 200, San Marcos, Texas 78666.

2.05. The monthly rent payment shall be due on or before the first day of the month. A payment shall be considered past due if, after the fifth (5th) day of the month in which the payment is due, Lessor has not received full payment during normal working hours at San Marcos Regional Airport. Payments submitted via United States Postal Service or any similar type messenger service are not considered paid on the date posted by said service.

2.06. Late Charges: Payments not received in full by 5:00 p.m. CST on the 5th day of the month in which it is due will be considered late, and a $15.00 per day late charge will be assessed. In addition to the foregoing late charges, Lessee shall reimburse Lessor for each check that is returned or not honored.

2.07. Except with the Lessor’s prior written consent, Lessee will not be released from this Agreement for any reason – including but not limited to voluntary or involuntary job transfer, change of marital status, loss of co-tenant, loss of employment, bad health, or the sale or disposition of the any aircraft. Lessee is obligated to the terms and conditions of this Agreement, including the payment of rent, for the entire Primary Term, from the Commencement Date through the Expiration Date, and for each month thereafter (if any) until this Agreement is terminated.

2.08. In the event Lessee holds over after the expiration of this Lease, such hold over status will create a month-to-month tenancy. In this event, Lessee agrees to pay the rental amount set for the premises at the date of expiration of this Lease plus fifty (50%) percent, which is the holdover month-to-month tenancy rate. Said holdover tenancy will be subject to all other terms and conditions of this Lease.

2.09. The Lessee agrees to pay to the Lessor a monthly fee for the use of tie-down or any other Airport Facilities for aircraft, motor vehicles or any other equipment or items which are outside of the Leased Premises and under the custody and control of the Lessee or its employees, agents or customers. The Airport Facilities will be charged at the then-established standard rental or use fee prescribed by the Lessor.
2.10. If the Lessee fails to pay any rent or any other sum payable to the Lessor under the terms of this Lease when due, then interest at the maximum legal rate in the State of Texas shall accrue from the date on which the maximum late charges described in section 2.05 have been incurred.

2.11. Lessee shall make available to City or Airport Management within ten business days of any such request such books and records necessary, as determined by the City, to verify amounts payable under this Article.

ARTICLE 3: ADJUSTMENT IN RENT, CHARGES, AND FEES OR OTHER TERMS TO THIS AGREEMENT

3.01. Except as otherwise provided for herein, during the Primary Term no change in any term or condition of this Agreement will be effective, unless Lessor and Lessee each sign and deliver a written instrument evidencing the change. Following the Expiration Date of the Primary Term, Lessor may in its sole discretion make changes to this Agreement (including, without limitation, changes regarding the amount of rent) without Lessee's consent or agreement; provided, however, that such changes shall not be effective until the first day of the month next following the expiration of thirty (30) days after the date Lessor gives notice of such changes to Lessee.

ARTICLE 4: USE AND CARE OF PREMISES

4.01. During the terms of this Lease or any renewal thereof, the Premises are to be used by Lessee exclusively for aviation activities. Specifically, the Leased Premises shall be used and occupied for the business of aviation related activities and business including but not limited to: storage of flight school aircraft and preventative maintenance. The Lessee shall use the Leased Premises in good faith continuously for this purpose throughout the term of this Lease. The Lessee will use good faith efforts to ensure that the Leased Premises are occupied through the term of this Lease.

The Leased Premises may not be used for any other purpose without the prior written consent of Lessor. Any commercial use of the Leased Premises not expressly authorized under the terms of this Lease shall be negotiated under separate contract with Lessor. Lessee shall not at any time leave the Leased Premises vacant, but shall in good faith continuously, throughout the term of this Lease, conduct on the Leased Premises the type of business described.

4.02. The Lessee shall not place or keep anything on the Leased Premises or use the Leased Premises for any purpose which invalidates any insurance policy carried on the Leased Premises without the Lessor’s prior written consent. The Lessee agrees that the risk of loss and damage for all property kept, stored or maintained by it within the Leased Premises shall be the Lessee’s.

4.03. The Lessee shall not use or permit the use of the Leased Premises in any manner which results in waste of the Leased Premises, or constitutes a nuisance, or violates any statute, ordinance, rule or regulation that applies to the Leased Premises.
4.04. The Lessee shall keep the Leased Premises, including ramps, signs, sidewalks, service ways, and loading areas adjacent to the Leased Premises, neat, clean, and free from dirt and trash at all times. The Lessee shall provide containers for all trash on the Leased Premises, and shall arrange for the regular removal of the trash at the Lessee’s expense. The Lessee will provide a dumpster or dumpsters for the Leased Premises for use by Lessee and its agents, contractors, employees, invitees, and licensees.

4.05. The Lessee shall store all equipment, materials and supplies within the confines of the building located on the Leased Premises. Outside storage is specifically prohibited without the advance written consent of the Lessor.

4.06. The Lessor agrees that the Lessee shall have access to the runways, taxiways and ramps at the Airport to the same extent as other Airport users.

ARTICLE 5: MAINTENANCE AND REPAIR OF PREMISES

5.01. The Lessee shall maintain the Leased Premises in good, clean condition and shall make all minor repairs to structures and improvements on the premises needed to maintain their function, safety and appearance. The Lessee shall comply with all governmental laws, ordinances, and regulations that apply to the Leased Premises, at its sole cost and expense. Lessee shall remove unauthorized additions or modifications and maintain the Leased Premises, with the exception of normal wear and tear and gaining consistent with normal usage and passage of time, and will repair damages to any part of the Leased Premises caused by the actions or by the negligence or misconduct of Lessee, its agents, servants, employees, contractors, subcontractors, licensees, patrons, invitees, or trespassers at the expiration of this Lease.

5.02. Lessor and Airport Management shall have the right and privilege, through its officers, agents, servants, and employees, to make inspections of the Leased Premises, and thereafter to make recommendations to Lessee of any repairs that, in Lessor’s opinion, are necessary to be performed upon the Premises in accordance with the foregoing. If the Lessee fails to make any required repairs within thirty (30) days after written notice from the Lessor, the Lessor may make the repairs without liability to the Lessee for any loss or damage which may result to the Lessee by reason of the repairs, and the Lessee shall pay to the Lessor the full cost of the repairs within thirty (30) days of the Lessor’s issuance of a written invoice to the Lessee. At the expiration of this Lease, the Lessee shall surrender the Leased Premises in good condition, reasonable wear and tear excepted.

5.03. The Lessor will use Airport revenue funds to maintain the existing runways, taxiways, and entrance roads on the Airport. The Lessor shall not be obligated to use general, operating, or bond funds for this maintenance.

5.04. Lessee, at Lessee’s sole cost and expense, shall be responsible for obtaining all items necessary or desirable for the use and operation of the Premises, including, without limitation, items such as light bulbs and bathroom supplies, if applicable. Lessee agrees to provide Lessee’s own lock and to lock the Premises immediately after execution of this Lease. At all times during the term of this Lease.
Lease, Lessee shall provide Lessor with a currently operative key or any combination to locks placed on hangar by Lessee.

ARTICLE 6: CONSTRUCTION, ALTERATIONS, AND FIXTURES

6.01. The Lessee shall not make any alterations, additions, or improvements to the Leased Premises without the prior written consent of Lessor. All buildings, structures, improvements, alterations, additions, and fixtures which may be made or installed upon the Leased Premises shall become the property of the Lessor upon the expiration of the term of this Lease unless the Lessor requests their removal, in which event the Lessee shall remove them and restore the Leased Premises at the Lessee’s expense.

6.02. If Lessee chooses to make discretionary improvements or any modifications mandated by County or Municipal code, state law, or federal law, all plans and specifications must receive the written, prior approval of Lessor, which approval shall not be unreasonably withheld. All discretionary improvements, and/or modifications mandated by County or municipal Code, state law, or federal law and any other facilities (including landscaping) shall be constructed in accordance with plans and specifications approved by the Airport Management, and shall be subject to inspection. No construction, modification or installation may be undertaken until written approval is obtained. All plans, specifications and work shall conform to all local, state and federal rules, regulations, and laws, now in force or hereafter prescribed. Notwithstanding the permissive nature of Lessee’s discretionary improvements, and/or modifications, Lessee agrees to make all discretionary improvements, modifications, and/or alterations necessary to make the premises comply with all applicable provisions of the Americans With Disabilities Act of 1990, as amended; any modifications mandated by governmental codes, state law, or federal law which Lessee agrees to perform, whether paid for in full or in part by Lessee, shall also conform with said Americans with Disabilities Act.

6.03. The Lessee shall ensure that no lien or similar obligation is imposed upon the Leased Premises for any alteration, repair, labor performed, or materials furnished to the Leased Premises, and the Lessee shall immediately discharge any lien or charge after the lien occurs or charges become due and payable. In the event the Lessee disputes the lien or obligation, however, the Lessee shall have the right to promptly pursue settlement or litigation without paying the claim until the claim becomes final and subject to no further appeal by the Lessee. The Lessee shall hold harmless, indemnify and defend the Lessor and Airport Management, its officers, agents, and employees from and against any claims, demands or suits related to such liens or obligations.

6.04. The Lessee shall not do any of the following without the Lessor’s prior written consent, which consent will not be unreasonably withheld: 1) install any exterior lighting, shades or awnings, or any exterior decorations or paintings on the Facilities; or 2) erect, install or change any signs, window or door lettering, placards, decorations, or advertising media of any type which can be viewed from the exterior of the Facilities.
6.05. Signs: No signs, posters, or other similar devices shall be placed on the exterior of the hangar or any portion of the Leased Premises (excluding the interior of the hangar) without the prior written consent of Lessor or Airport Management. Lessee shall, at its sole expense, be responsible for creation, installation and maintenance of all such signs, posters, or other similar devices. Lessee agrees to pay Lessor for any damages, injury or repairs resulting from the installation, maintenance or repair of any such signs, posters, or other similar devices. Any signs, posters, or other similar devices placed on the Leased Premises shall be maintained at all times in a safe, neat, sightly and good physical condition. Any such sign, poster, or other similar device shall be removed from the Leased Premises immediately upon receipt of instructions for the removal of same from Lessor or Airport Management.

ARTICLE 7: UTILITIES AND TAXES

7.01. The Lessee shall promptly pay all charges for electricity, water, telephone service, and other utilities furnished to the Leased Premises. Lessee further covenants and agrees that Lessee will pay all costs and expenses for initial service and any extension, installation, maintenance or repair of any and all utilities serving the Leased Premises. Lessee must first obtain, in writing, permission from Lessor before undertaking any utility improvements that impact Lessee’s property. All heating equipment and electricity operated equipment which may be used on the Leased Premises shall be of such kind and character as to comply with any applicable mechanical, fire, and building codes.

7.02. The Lessor shall not be liable for any interruption or impairment whatsoever in utility services to the Leased Premises.

7.03. In entering into this Lease, Lessee understands that it will be solely responsible for the payment of ad valorem taxes, if any, that are assessed against all or any portion of the equipment, inventory, personal property, including but not limited to aircraft used for commercial purposes stored on the Leased Premises. Lessee agrees to pay all such taxes and assessments when due. Property taxes assessed on the physical structure shall be paid by Lessor.

7.04. The Lessee shall also pay when due all sales, excise, income and other taxes levied upon its business operations on the Leased Premises.

ARTICLE 8: INSURANCE AND INDEMNITY

8.01. Liability Insurance: The Lessee shall procure and maintain insurance in full force at its expense as set forth in the Minimum Standards, covering claims which arise out of or in connection with the Lessee’s use or maintenance of the Leased Premises. This insurance shall be written so that the Lessor must be notified in writing at least thirty (30) days in advance of cancellation, restrictive amendment or non-renewal. The Lessee shall file certificates of insurance with the Lessor upon execution of this Lease and annually during the Lease term. All insurance required under this paragraph shall be primary over any other insurance coverage the Lessor may have, and shall be
written with the Lessor and Airport Management as an additional insured. In any event, the Lessee is fully responsible for all losses arising out of, resulting from or connected with operations under this Lease whether or not the losses are covered by insurance. The Lessor’s acceptance of insurance certificates that do not comply with these requirements will not release the Lessee from compliance with these provisions.

8.02. **Casualty Coverage:** The Lessee shall maintain in full force and effect during the term of this Lease a policy of insurance on the Texas Standard form of fire and extended coverage for all contents, goods, stock, and any personal property which is or may be situated upon the Leased Premises.

8.03. **Indemnity and Hold Harmless**

a. LESSEE AGREES TO HOLD HARMLESS, INDEMNIFY, AND DEFEND THE LESSOR AND AIRPORT MANAGEMENT AND THEIR OFFICERS, AGENTS, OWNERS, AND EMPLOYEES FROM AND AGAINST ALL CLAIMS, SUITS, AND ACTIONS BY THIRD PARTIES FOR LOSS OF LIFE, PERSONAL INJURY, OR PROPERTY DAMAGE ARISING IN CONNECTION WITH THE USE OF LESSEE’S PREMISES OR ANY AREAS OF THE AIRPORT BY LESSEE, ITS AGENTS, CONTRACTORS, EMPLOYEES, SERVANTS, INVITEES, OR LICENSEES.

b. LESSEE SHALL USE THE AIRPORT AND USE, OCCUPY, AND STORE PROPERTY ON ITS PREMISES AND ON ANY AREAS OF THE AIRPORT AT ITS OWN RISK, AND LESSEE AGREES TO HOLD HARMLESS AND RELEASE LESSOR AND AIRPORT MANAGEMENT AND THEIR OFFICERS, AGENTS, OWNERS, AND EMPLOYEES FROM ALL CLAIMS, SUITS, AND ACTIONS BY LESSEE OR ITS OFFICERS, AGENTS, OWNERS, EMPLOYEES, SERVANTS, INVITEES, OR LICENSEES FOR LOSS OF LIFE, PERSONAL INJURY, OR PROPERTY DAMAGE OCCURRING ON LESSEE’S PREMISES OR ON ANY AREAS OF THE AIRPORT, INCLUDING THOSE RESULTING FROM THE SOLE NEGLIGENCE OR OTHER ACTIONABLE CONDUCT OF THE LESSOR OR AIRPORT MANAGEMENT, THEIR OFFICERS, AGENTS, OWNERS, OR EMPLOYEES, OR FROM ACTS OR OMISSIONS OF THIRD PERSONS.

c. LESSEE SHALL GIVE PROMPT NOTICE TO LESSOR AND AIRPORT MANAGEMENT OF ANY ACCIDENT ON ITS PREMISES OR ANY AREAS OF THE AIRPORT, AND OF ANY DEFECTS IN THE RUNWAYS, TAXIWAYS, LIGHTING SYSTEMS, OR OTHER FACILITIES AT THE AIRPORT OF WHICH THE LESSEE IS AWARE.

d. IN CASE LESSOR OR AIRPORT MANAGEMENT, OR ANY OF THEIR OFFICERS, AGENTS, OWNERS, OR EMPLOYEES ARE MADE A PARTY TO ANY LITIGATION COMMENCED BY OR AGAINST LESSEE THAT IS COVERED BY THIS SECTION, THEN LESSEE SHALL HOLD LESSOR AND AIRPORT MANAGEMENT, AND THEIR OFFICERS, AGENTS, OWNERS, AND EMPLOYEES
HARMLESS FROM, AND LESSEE SHALL PAY, ALL COSTS AND EXPENSES RELATED TO THE LITIGATION, INCLUDING THE FEES OF ATTORNEYS AND EXPERT WITNESSES.

e. LESSEE ASSUMES ALL RESPONSIBILITY AND AGREES TO PAY LESSOR AND AIRPORT MANAGEMENT FOR ANY AND ALL INJURY OR DAMAGE TO LESSOR’S OR AIRPORT MANAGEMENT’S PROPERTY ARISING OUT OF OR IN CONNECTION WITH ANY AND ALL ACTS OR OMISSIONS OF LESSEE, ITS OFFICERS, OWNERS, AGENTS, SERVANTS, EMPLOYEES, CONTRACTORS, SUBCONTRACTORS, LICENSEES, OR INVITEES.

f. NEITHER LESSOR NOR AIRPORT MANAGEMENT GUARANTEES POLICE PROTECTION OR SECURITY TO LESSEE OR ITS PROPERTY, AND LESSOR AND AIRPORT MANAGEMENT SHALL NOT BE RESPONSIBLE FOR INJURY TO ANY PERSON ON THE LESSEE’S PREMISES OR FOR HARM TO ANY PROPERTY WHICH BELONGS TO LESSEE, ITS OFFICERS, OWNERS, SERVANTS, EMPLOYEES, CONTRACTORS, SUBCONTRACTORS, LICENSEES, INVITEES OR PATRONS, OR WHICH MAY BE STOLEN, DESTROYED OR IN ANY WAY DAMAGED; AND LESSEE HEREBY INDEMNIFIES AND HOLDS HARMLESS LESSOR AND AIRPORT MANAGEMENT, THEIR OFFICERS, OWNERS, AGENTS, SERVANTS AND EMPLOYEES FROM AND AGAINST ANY AND ALL SUCH CLAIMS.

ARTICLE 9: CONDEMNATION

9.01. Total: If the whole of the Leased Premises is taken by eminent domain, then this Lease shall terminate as of the date the title vests in the proceeding.

9.02. Partial: If a portion of the Leased Premises is taken by eminent domain, and the partial taking renders the remaining portion unsuitable for the business of the Lessee, then this Lease shall terminate. If the partial taking is not extensive enough to render the premises unsuitable for the business of the Lessee, then this Lease shall continue in effect, except that the fixed annual rental shall be reduced and adjusted in an appropriate manner.

9.03. If this Lease is terminated as provided in this section, rent shall be paid up to the date that possession is taken by the condemning authority, and the Lessor shall make an equitable refund of any rent paid by the Lessee in advance.

9.04. Division of Award: The Lessor and the Lessee shall each be entitled to receive and retain separate awards, or portions of lump sum awards, as are allocated to their respective interests in the condemnation proceeding. Without limiting the generality of the preceding sentence, the Lessor has no interest in any award made to Lessee for Lessee’s moving and relocation expenses or for the loss of Lessee’s leasehold interest, fixtures and other tangible personal property if a separate
award for such items is made to Lessee. The termination of this Lease under this Paragraph shall not affect the rights of the respective parties to such awards.

ARTICLE 10: DAMAGE BY CASUALTY

10.01. The Lessee shall give immediate verbal notice, and prompt written notice to the Lessor of any damage caused to the Leased Premises by fire or other casualty.

10.02. If the Premises are totally destroyed by fire, tornado, or other casualty not the fault (in whole or in part) of Lessee or any person in or about the Premises with the express or implied consent of Lessee, or if not totally destroyed, if it should be so damaged by such a cause that rebuilding or repairs cannot reasonably be completed within 180 working days after the date of Lessor’s receipt of insurance proceeds in connection with the casualty, this Lease shall terminate, and rent shall be abated for the unexpired portion of this Agreement, effective as of the date of written notification.

10.03. If the Premises are damaged by fire, tornado, or other casualty not the fault of Lessee or any person in or about the Premises with the express or implied consent of Lessee, but not to such an extent that rebuilding or repairs cannot reasonably be completed within 180 days after the date of Lessor’s receipt of insurance proceeds in connection with the casualty, this Lease shall not terminate except as provided in subsection below:

a. If such damage to the Premises occurs during the Term hereof, Lessor may, at its sole cost and in its sole discretion, proceed to rebuild or repair the Premises to substantially the condition in which they existed upon commencement of this Lease. Lessee shall, at its sole cost and risk, be responsible for rebuilding or repairing any damaged improvements made by Lessee. If the Premises are untenantable in whole or in part following such damage, the rent payable during the period in which they are untenantable shall be adjusted equitably. In the event that Lessor should elect not to so rebuild or repair the Premises or fails to complete such rebuilding or repairs within 180 working days after the date of Lessor’s receipt of insurance proceeds in connection with the casualty, this Lease shall not terminate except as provided in subsection below:

b. If the destruction (in whole or in part) of the Premises is the result of or caused by (in whole or in part) any act or omission of Lessee, or any person in or about the Premises with the express or implied consent of Lessee (including, without limitation, Lessee’s representatives, agents, invitees, and contractors), Lessor may elect (at its sole option and in its sole discretion) to rebuild the Premises and the building or structure of which the Premises may be a part. If Lessor so elects to rebuild, Lessee shall pay Lessor the difference between the actual cost of rebuilding and any insurance proceeds received by Lessor as a result of the casualty destruction. Lessee’s obligations under this paragraph shall survive the termination of this Lease.
ARTICLE 11: ASSIGNMENT AND SUBLETTING

11.01. The Lessee shall not assign or sublet all or part of its interest in this Lease without the advance written consent of the Lessor, which shall not be unreasonable withheld. Consent by the Lessor to one (1) or more assignments or sublettings shall not operate as a waiver of the Lessor’s rights as to any subsequent assignments or sublettings. Notwithstanding subletting, the Lessee shall remain fully responsible and liable for the payment of the rent and for compliance with all of its other obligations under this Lease.

11.02. In the event of an assignment by the Lessor of all of its interest in this Lease to a person, firm or corporation that assumes all of the Lessor’s obligations, the Lessee agrees to look solely to the responsibility of the successor-in-interest of the Lessor. Any security given by the Lessee to secure performance of its obligations may be assigned and transferred by the Lessor to its successor-in-interest, and the Lessor shall be released of any further obligations under this Lease.

ARTICLE 12: EVENTS OF DEFAULT AND REMEDIES; TERMINATION

12.01. The following events shall be events of default by the Lessee under this Lease:

a. The Lessee fails to pay when due any rental or any other sums or charges due under this Lease, and such failure continues for seven (7) days following written notice thereof (provided, however, that Lessor shall be obligated to give only two such notices in any calendar year, and after such two notices, Lessor will no longer be obligated to give any other notice under this Section within such calendar year).

b. The Lessee fails to comply with any other term, provision, or covenant of this Lease, and does not cure the failure within thirty (30) days after written notice to the Lessee. However, if Lessee’s failure to comply cannot reasonably be cured within thirty (30) days, Lessee shall be allowed additional time (not to exceed sixty (60) days) as is reasonably necessary to cure the failure so long as Lessee commences to cure the failure within fifteen (15) days and Lessee diligently pursues a course of action that will cure the failure. For any subsequent default by the Lessee for the same or any other reason, the Lessor may terminate the Lease if that subsequent default continues for more than three (3) days after notice of the subsequent default.

c. The Lessee becomes insolvent, makes a transfer in fraud of creditors, or makes an assignment for the benefit of creditors.

d. The Lessee commences, or another party commences against the Lessee, proceedings in bankruptcy, for reorganization, or for the readjustment or arrangement of its debts under the bankruptcy laws of the United States or under any other law.

e. A receiver or trustee is appointed for all or substantially all of the assets of the Lessee.
f. The Lessee abandons or vacates all or any substantial portion of the Leased Premises for 120 consecutive days.

g. Lessee defaults on any mortgage advanced by a lender to finance the Facilities, improvements, or fixtures for the Leased Premises.

12.02. The acceptance by the Lessor of the Lessee’s monthly payments subsequent to the occurrence of any event of default shall be considered to be compensation for Lessee’s use and occupancy of the Leased Premises, and shall in no way constitute a waiver by the Lessor of its right to exercise any remedy provided for any event of default.

12.03. Upon the occurrence of any of the events of default, the Lessor shall have the option to pursue any one (1) or more of the following remedies without any notice or demand whatsoever:

a. Terminate this Lease. In this event the Lessee shall immediately surrender the Leased Premises to the Lessor, and if the Lessee fails to do so, the Lessor may enter and take possession of the Leased Premises and remove the Lessee and any other person occupying the premises, by force if necessary, without prejudice to any other remedy it may have for possession or arrearages in rent, and without being liable for any resulting damages. The Lessee agrees to pay to the Lessor the amount of all resulting costs, losses, and damages incurred by the Lessor within thirty (30) days of the Lessor’s issuance of a statement to the Lessee. If Lessor terminates this Lease, Lessee shall be deemed to have relinquished all right, title and interest in and to all real property improvements and the Facilities on the Leased Premises and such shall become the property of the Lessor.

b. Relet the Leased Premises and receive the rent. The Lessee agrees to pay to the Lessor any resulting costs, and any deficiency that may arise by reason of reletting, within thirty (30) days of the Lessor’s issuance of a statement to the Lessee.

c. Enter the Leased Premises, by force if necessary, without being liable for prosecution or any claim for damages, and do whatever the Lessee is obligated to do under the terms of this Lease. The Lessee agrees to reimburse the Lessor for any expenses the Lessor incurs in effecting compliance with the Lessee’s obligations under this Lease, within thirty (30) days of the Lessor’s issuance of a statement for the expenses to the Lessee. The Lessor and its officers, agents and employees shall not be liable for any damages or injuries that result to the Lessee from any action taken under this paragraph, whether caused by the negligence of the Lessor or otherwise.

12.04. The Lessor’s pursuit of any of these remedies will not preclude pursuit of any other remedies provided under this Lease or by law, nor will pursuit of any remedy constitute a waiver of any rent due to the Lessor or of any damages caused to the lessor by any violation of this lease by the Lessee. Any failure by the Lessor to enforce a remedy upon an event of default shall not be deemed to constitute a waiver of the default or of the Lessor’s right to insist on strict compliance with this Lease.
12.05. If it becomes necessary for the Lessor to employ an attorney to enforce or defend any of the Lessor’s rights or remedies because of any breach or default by the Lessee under this Lease, the Lessee agrees to pay all reasonable attorney’s fees incurred by the Lessor, within thirty (30) days of the Lessor’s issuance of a statement for the fees to the Lessee.

ARTICLE 13: LESSOR’S LIEN

13.01. The Lessee grants to the Lessor a valid first security interest upon all of the Lessee’s goods, chattels, furniture, trade fixtures, inventory and other property upon the Leased Premises to secure all rents and other sums due or to become due to the Lessor. The Lessee expressly waives all exemption laws in favor of this security interest; and it is agreed that this express security interest shall be in addition to, and not as a waiver of or substitute for any statutory or other liens of the Lessor. In connection with this security interest, it is agreed that in the event of a breach or default by the Lessee, the Lessor may exercise all rights and remedies provided to a secured party after default under the Uniform Commercial Code (“UCC”), as adopted and amended in Texas, with respect to all such property, including, without limitation, the right to take and retain possession of the property and to sell it at public or private sale, or to use it in any other manner authorized or provided in the UCC. Lessee shall complete and file all necessary UCC Financing Statement forms with the Texas Secretary of State’s necessary to perfect the Lessor’s security interest in the property, and proceeds thereof under the provisions of the Uniform Commercial Code and provide copies of the Financing Statement forms to the Airport Management.

ARTICLE 14: LESSEE’S MORTGAGE OF LEASEHOLD INTEREST

14.01. The Lessor grants permission to the Lessee for the mortgaging of the Lessee’s leasehold interest in the Leased Premises for the sole purpose of obtaining funding for permanent improvements to the Leased Premises. The Lessee will provide written notification to the Lessor of each such mortgage within Ten (10) days after it is executed. The Lessor agrees that any lien in its favor arising under this Lease as to the Leased Premises will be subordinate to the lien of the mortgagee under each such mortgage. This clause is self-operative and no further instrument of subordination need be required by any mortgagee of the Lessee. The mortgaging by the Lessee of its leasehold interest for any other purpose, however, shall require the advance written approval of the Lessor. In no event, however, shall any lien be asserted against the underlying fee simple interest of Lessor in the Leased Premises.

ARTICLE 15: OPERATION OF THE AIRPORT AND LESSOR’S ACCESS TO LEASED PREMISES

15.01 This Lease, and any interest granted to any lender or other third party by Lessee, shall be subordinate to the provisions of any existing or future agreement between Lessor and the United States Government or the State of Texas, which relates to the operation or maintenance of the
Airport and is required as a condition for the expenditure of federal funds for the development, maintenance or repair of Airport infrastructure. In the event that any such existing or future agreement directly causes a material restriction, impairment or interference with Lessee's primary operations on the Leased Premises ("Limitation") for a period of less than seven (7) calendar days, this Lease shall continue in full force and effect. If the Limitation lasts more than seven (7) calendar days, Lessee and Lessor shall negotiate in good faith to resolve or mitigate the effect of the Limitation. If Lessee and Lessor are in good faith unable to resolve or mitigate the effect of the Limitation, and the Limitation lasts between seven (7) and one hundred eighty (180) days, then for such period (i) Lessee may suspend the payment of any rent due hereunder, but only if Lessee first provides adequate proof to Lessor that the Limitation has directly caused Lessee a material loss in revenue; (ii) subject to ordinary wear and tear, Lessor shall maintain and preserve the Leased Premises and its improvements in the same condition as they existed on the date such Limitation commenced; and (iii) the term of this Lease shall be extended, at Lessee's option, for a period equal to the duration of such Limitation. If the Limitation lasts more than one hundred eighty (180) days, then (i) Lessor and Lessee may, but shall not be required to, (a) further adjust the payment of rent and other fees or charges, (b) renegotiate maintenance responsibilities and (c) extend the term of this Lease, or (ii) Lessee may terminate this Lease upon thirty (30) days' written notice to Lessor.

15.02 It is specifically understood and agreed that this Lease does not grant or authorize an exclusive right for conducting any aeronautical activity which is unlawfully discriminatory. The Lessee specifically agrees not to discriminate in its use of the Leased Premises in any manner prohibited by Federal Aviation Administration Regulations. The Lessee further agrees to comply with any nondiscrimination enforcement procedures required by the Federal government.

15.03 The Lessor reserves the right to take any action it considers necessary to protect the aerial approaches of the Airport against obstructions; and to limit the Lessee from erecting any building or structure on the Airport or on the Leased Premises that would limit the usefulness of the Airport or constitute a hazard to aircraft.

15.04 The Lessor reserves the right to further develop the Airport as it sees fit regardless of the desires of the Lessee, and without any hindrance or interference from the Lessee. The Lessor expressly reserves the right to grant leases and privileges to other persons with respect to the Airport, even though the purposes for which these leases are given are the same and duplicate those contained in this Lease.

15.05 This Lease shall be subject to and in conformance with all City, State and Federal ordinances, statutes and regulations.

15.06 Lessee, for itself, its personal representative, successors in interest and assigns, as part of the consideration herein, agrees that no person shall be excluded from participation in or denied the benefits of Lessee’s use of Airport on the basis of race, color, national origin, religion, handicap, or gender. Lessee further agrees for itself, its personal representatives, successors in interest and assigns that no person shall be excluded from the provision of any service on or in the construction of any improvements or alterations to the Premises on grounds of race, color, national origin,
religion, handicap, or gender. In addition, Lessee covenants and agrees that it will at all times comply with any requirements imposed by or pursuant to Title 49 of the Code of Federal Regulations, Part 121, Non-Discrimination in Federally Assisted Programs of the Department of Transportation and with any amendments to this regulation which may hereafter be enacted.

**IF ANY CLAIM ARISES FROM AN ALLEGED VIOLATION OF THIS NON-DISCRIMINATION COVENANT BY LESSEE, ITS PERSONAL REPRESENTATIVES, SUCCESSORS IN INTEREST OR ASSIGNS, USER AGREES TO INDEMNIFY LESSOR AND AIRPORT MANAGEMENT AND THEIR OFFICERS, OWNERS, AGENTS, SERVANTS, AND EMPLOYEES AND HOLD THEM HARMLESS FROM ANY LOSS OR LIABILITY.**

15.07 During the time of war or national emergency, the Lessor shall have the right to Lease all or part of the landing areas at the Airport to the Federal government for military use, and, if a Lease is executed, the provisions of this Lease shall be suspended to the extent they are inconsistent with the provisions of the Lease to the government.

15.08 Lessor or Airport Management, through their officers, agents, servants, or employees, shall have the full reasonable right to enter the Leased Premises during normal business hours, except in the event of an emergency, for the purposes of doing any and all things Lessor is authorized or required to do under the terms of this Lease, or for the purpose of performing proper inspections under Health, Mechanical, Building, Electrical, Plumbing, and Fire Codes, or other health, safety, and general welfare regulations. The Lessor shall not be liable to the Lessee for any expense, loss, or damage from any such entry upon the Leased Premises. Lessor shall provide Lessee with advance notice of inspection as is reasonable under the circumstance.

15.09 The right to furnish aeronautical services to the public is granted to the Lessee subject to the Lessee agreeing:

a. To furnish the services on a fair, equal and nondiscriminatory basis to all users, and

b. To charge fair, reasonable and nondiscriminatory discounts, rebates, or similar price reductions to volume purchasers.

**ARTICLE 16: MISCELLANEOUS**

16.01 When the singular number is used in this Lease, it will include the plural when appropriate, and the neuter gender will include the feminine and masculine genders when appropriate.

16.02 If any clause or provision of this Lease is illegal, invalid or unenforceable under present or future laws, this Lease will remain in effect, and the remaining provisions will continue in force if they can be given effect without the invalid portion.

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16.03. This Lease may be amended only by an instrument in writing signed by both parties. This Lease shall apply to and be binding upon the parties, and upon their respective successors in interest and legal representatives, unless otherwise expressly provided in this Lease.

16.04. The captions used in this Lease are for convenience only and do not in any way limit or amplify the terms and provisions of this Lease.

16.05. One (1) or more waivers of any covenant, term or condition of this Lease by either party shall not be deemed as a waiver by that party as to any subsequent similar act or omission.

16.06. Whenever a period of time is prescribed for action to be taken by the Lessor or Lessee, any delays due to strikes, riots, acts of God, shortages of labor or materials, war, governmental laws, regulations or restrictions or any other causes beyond the reasonable control of the Lessor or Lessee shall be excluded from the computation of any such period of time.

16.07. The Lessor represents and warrants that it has the lawful authority to enter into this Lease, and has title to the Leased Premises as shown by the deeds to Airport property from the Federal government and the Lessor. The Lessor further covenants that the Lessee shall have and enjoy undisturbed possession of the Leased Premises as long as the Lessee fully complies with this Lease. This Lease is subject, however, to the right of the Federal government to use and control the Airport during periods of national emergency; and is also subject to the right of the Federal government to take all or a portion of the Airport for federal activities.

16.08. This Lease shall not be construed as creating the relationship of principal and agent or of partnership or of joint venture between the parties. The only relationship between the parties is only that of Lessor and Lessee.

16.09. The Lessee warrants that it has had no dealings with any broker or agent in connection with the negotiation or execution of this Lease and the Lessee agrees to indemnify and hold the Lessor harmless from and against any and all costs, expense or liability for commissions or other compensation and charges claimed by any other broker or agent with respect to this Lease.

16.10. The parties agree that the laws of the State of Texas shall govern this Lease and that exclusive venue for enforcement of this Lease shall lie in Hays County, Texas.

16.11. If Lessee is a charitable association, corporation, partnership, individual enterprise or entity, and claims immunity to or an exemption from liability for any kind of property damage or personal damage, injury or death, Lessee hereby expressly waives its rights to plead defensively any such immunity or exemption as against Lessor and Airport Management.

16.12. Wherever any notice is required or permitted under this Lease, the notice shall be in writing and sent by certified mail, return receipt requested, addressed to the respective party at the following addresses. The Lessee shall provide the Lessor and Airport Management with advance written notice of any change in its address.
ARTICLE 17: Airport Management

17.01. All parties agree that City may choose to exercise any of its powers under this Lease through its duly-appointed Airport Management. The currently-appointed Airport Manager is Texas Aviation Partners, LLC with a physical address of 4400 HWY 21, San Marcos, Texas 78666 and a mailing address as indicated above.

FOR CITY OF SAN MARCOS

Signature: _________________________________
Printed Name: _____________________________
Title: ____________________________________
Date: ____________________________________

FOR TEXAS AVIATION PARTNERS, LLC

Signature: _________________________________
Printed Name: _____________________________
Title: ____________________________________
Date: ____________________________________

FOR LESSEE

Signature: _________________________________
Printed Name: _____________________________
Title: ____________________________________
Date: ____________________________________
File #: Res. 2017-59R, Version: 1

AGENDA CAPTION:
Consider approval of Resolution 2017-59R, approving the recommendation of the San Marcos Commission on Children and Youth to allocate $46,435.00 in 2016-2017 Fiscal Year funding for 17 youth programs that contribute to implementation of the Youth Master Plan; authorizing the Interim City Manager to take such actions as are necessary to enable such allocation of funds; and declaring an effective date.

Meeting date: April 4, 2017

Department: Parks and Recreation

Funds Required: $46,435
Account Number: 10001280-54275
Funds Available: $122,064.00
Account Name: Youth Initiatives

CITY COUNCIL GOAL:

COMPREHENSIVE PLAN ELEMENT(s): [add the Plan elements and Goal # and Objective(s)]

BACKGROUND:
This will be our third round of funding since we implemented this process. To achieve the goals of the Youth Master Plan, we are currently creating an Executive Summary of the current resources in San Marcos. This will determine the programs and services currently offered in San Marcos and where we are lacking (in line with the goals in the Youth Master Plan). We are also creating an Implementation Plan to put those Priority Areas in order of importance and determine what goals we can achieve first. Distributing this funding is putting us closer to achieving these goals and we plan to distribute more funds later this year when the Executive Summary and Implementation Plan are completed.
RESOLUTION NO. 2017-R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS APPROVING THE RECOMMENDATION OF THE SAN MARCOS COMMISSION ON CHILDREN AND YOUTH TO ALLOCATE $46,435.00 IN 2016-2017 FISCAL YEAR FUNDING FOR 17 YOUTH PROGRAMS THAT CONTRIBUTE TO IMPLEMENTATION OF THE YOUTH MASTER PLAN; AUTHORIZING THE CITY MANAGER TO TAKE SUCH ACTIONS AS ARE NECESSARY TO ENABLE SUCH ALLOCATION OF FUNDS; AND DECLARING AN EFFECTIVE DATE.

RECITALS:

1. The San Marcos Commission on Children and Youth has recommended that $46,435.00 in 2016-2017 Fiscal Year funds be allocated for 17 youth programs in amounts as shown in Exhibit A, attached hereto and made a part hereof.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS:

PART 1. The recommendation of the San Marcos Commission on Children and Youth to allocate $46,435.00 in 2016-2017 Fiscal Year funds for 17 youth programs as shown in Exhibit A is hereby approved.

PART 2. The City Manager is hereby authorized to take such actions as are necessary to enable the allocation of such funds.

PART 3. This resolution shall become effective immediately from and after its passage.

ADOPTED on April 4, 2017.

John Thomaides
Mayor

Attest:

Jamie Lee Case
City Clerk
Texas State University

Aquatic Science Adventure Camp- This is a summer camp with session available for age groups 9-11, 11-13, & 13-15. Campers learn about water resources and have opportunities to enjoy nature in the beautiful Central Texas Hill Country. The camp features a variety of educational and recreation activities. Educational activities include field collecting of aquatic organisms from ponds, streams and a flowing artesian well; microscope labs; water chemistry (measuring pH, temperature, dissolved oxygen, turbidity) and viewing aquatic wildlife and spring systems from a glass-bottom boat. Other activities include cave exploration, rock climbing, swimming, river rafting and an introductory scuba lesson.

How they will measure program success: 1) By tracking parent’s opinions of program results through an online survey sent out in post-camp email. 2) By tracking the number of returning students each year. 3) Age-appropriate surveys and evaluations will be given out to camp participants to gauge knowledge retention and impact as well as to provide data to inform future directions for the camp.

Priority Areas that this program will fulfill: Priority Area 3, Str 1&2: Promote out of school educational opportunities. Action 4, Str 3: Promote healthy lifestyles through fun, physical activity (swimming, hiking, scuba diving, caving, outdoor games, etc); Action 5, Str 3: We hire local teachers to assist with our camps and give them CPE credit and valuable knowledge and skills; Action 6, Str 1: increase awareness about learning opportunities through social media and advertising.

How will they know they met these goals: We want to extend our outreach to local children who may not be able to afford a summer camp on their own. We will use the funding from this grant to provide scholarships (ranging in value from $150-$700) to local students to attend our program. We will award these scholarships by asking local middle and high school teachers to nominate deserving students and by working with the Hays-Caldwell Women’s Center and the San Marcos Youth Services Board to provide scholarships to their clients.

Number of clients served yearly: ~200  Number of direct clients served ONLY in San Marcos: 34
Amount Requested: $5,000  Commission on Children and Youth Recommendation: $3,500

Greater San Marcos Youth Council

“Back to School” School Supply Drive: For the past 16 years, GSMYC has collected school supplies and monetary donations from the community to benefit San Marcos public school children. In the past, children and their families would come to our Counseling and Resource Center to pick up their supplies. However, with the on-going success of this program, our agency effectively served well over 800 individual children and their families, which prompted us to utilize the district’s parent-teacher liaisons. These dedicated professionals pick the supplies up before each new school year begins which allows time for them to identify the families and students with the most need. Throughout the year, liaisons contact GSMYC when supplies run out or when there is a particular need (ie, child needs shoes).

How they will measure program success: Success is measured by the volume and type of supplies received, as well as the monetary donations received, which allows GSMYC to purchase supplies. Success will also be measured by the feedback received from parents, parent teacher liaisons and school administrators at the beginning of each school year, as well as throughout the school year, as on-going needs are met.

Priority Areas that this program will fulfill: Priority Area 2: Equip and empower parents/families to support child development and success. Priority Area 5: Build engaging and supportive networks and systems throughout the education lifecycle.
How will they know they met these goals: As each SMCISD parent/teacher liaison picks up supplies for the children attending school on their campus and as requests are fulfilled throughout the year, the aforementioned goals have been met.

Number of clients served yearly: 2,160  Number of direct clients served ONLY in San Marcos: 1,005

Amount Requested: $5,000  Commission on Children and Youth Recommendation: $1,000

Texas State University

Bobcat for a Day- By removing barriers of limited opportunities and lack of transportation and infusing peer mentoring activities with a "real-life" college experience and parent education component, Bobcat for a Day benefits a diverse audience of high school juniors and their families, as well as Texas State University student leaders through a meaningful hands-on college access activities. Approximately 25 San Marcos HS AVID students and 25 TxState Student Foundation members will participate in "Bobcat for a Day". The SMHS students will complete a "Bobcat for a Day" Application, including an essay on why they would like to participate and list their interests so they can be matched to a TxState student with similar interests. SMHS students will arrive on campus around 9 a.m. for a welcoming breakfast with their "Bobcats". After introductions, the TxState student mentors will take their assigned “Baby Bobcats” for a "Day in the life of a Bobcat". They will attend class, eat lunch on campus, visit a residence hall, tour campus, receive information about financial aid and admissions and will return to the high school around 2 pm.

How they will measure program success: Success of the program will be measured using quantitative and qualitative data to access goals. We will gather data using observation, interviewing and primarily through surveys based on Likert scale. The survey will assess each of the goals and general satisfaction.

Priority Areas that this program will fulfill: Fulfills every objective in the Youth Master Plan. Priority Area 1: College admission process education for youth and their families. Priority Area 2: Direct education for families to provide education about success in higher education. Priority Area 3: Provides access to TxState campus and services for 25 SMHS underserved juniors and their families. Priority Area 4: Reduces anxiety and demystifies college and FA processes, improving mental health of participants and families; creates positive experience in service learning for 25 TxState student leaders. Priority Area 5: Connects SMHS families to resources at TxState. Connects TxState University Student Foundation members with ongoing service learning opportunities.

How will they know they met these goals: 1. Pre and post surveys of SMHS students and their families. 2. Pre and post surveys of Txstate university student foundation members 3. Number of students from SMHS attending 4. Number of SMHS students completing college applications, FAFSA, and enrolling in dual credit, Pre-AP or AP classes.

Number of clients served yearly: 50  Number of direct clients served ONLY in San Marcos: 50

Amount Requested: $1,935  Commission on Children and Youth Recommendation: $1,935

San Marcos Housing Authority

Chapultepec After-School Program: The SMHA Resident Services Program consists of four resident services centers providing a variety of services and service coordination as a part of four major initiatives: Youth Development Services, Elderly & Disabled Services, Self-Sufficiency and Resident Organization. We are requesting funds to support the direct costs of our after-school program and summer program for school-age youth residing in public housing at the Chapultepec Homes. How they will measure program success: We focus on specific service and outcome benchmarks to tell us whether or not our service plan is adequate and where adjustments may be needed.

Priority Areas that this program will fulfill: Priority Areas 1,2,3,4

How will they know they met these goals: We use spreadsheets and a special software program to enable us to track services we provide and the outcomes we achieve, including the number of residents receiving services and progress toward specific goals. We work closely with parents to monitor school grades and use a special rubric to assess the
development of leadership skills. We also track incidents of crime and vandalism. We produce periodic reports, which we submit to HUD and other agencies as appropriate.

Number of clients served yearly: 28  
Number of direct clients served ONLY in San Marcos: 28  
Amount Requested: $5,000  
Commission on Children and Youth Recommendation: $2,500

Country Estates Recreation Association Summer Swim League

**CERA Swim Club**- Summer Swim team for youth ages 6-18 years of age. Offering morning practice from 9 am-10 am throughout the summer from June 1-Aug 18th. Practices will be held at Country Estates Pool located at 712 Country Estates Dr, SMTX. Membership to the team will be open to all SM residents and surrounding areas in the SMCISD territory.

**How they will measure program success:** Success will be measured not only by the numbers of children signed up for the program from year to year, but also by improvements in personal fitness levels, endurance, time and technique of each swimmer. We will assess each swimmers ability at the beginning of the program and again at the end to measure and record progress and personal best times. We will have happy and healthy kids who develop a love for the water and their team and want to come back next year!

**Priority Areas that this program will fulfill:** Priority area 4

**How will they know they met these goals:** We will establish a swim team under the umbrella of CERA that will run throughout each summer and have all of the equipment necessary to perform the duties of the team. We will have a variety of ages participate. We will not only have increases in the numbers of participants from the beginning of the season to the end, but we will show improvements in performance and fitness levels from the beginning to the end of the season for our regular attendees.

Number of clients served yearly: N/a (first year program)  
Number of direct clients served ONLY in San Marcos: N/a  
Amount Requested: $5,000  
Commission on Children and Youth Recommendation: $1,000

Texas State University

**Different Hearts, One Beat: Inclusive Drumming Research Initiative(DH1B):** an inclusive, dynamic, fun drumming program for children and youth with and without disabilities paired with college-aged participants from vulnerable populations. The program is delivered through a partnership between Special Olympics Texas, TxState, San Marcos Parks and Rec, and SMCISD. DH1B incorporates cognitive, social, emotional and physical interventions from Drumtastic and two Special Olympics initiatives, Young Athletes Program and Unified Champion Sports. DH1B seeks to expand current BFFL SMPARD program, which serves children from SMCISDs early childhood program, elementary school and middle schools. In Fall 2017, DH1B will consist of drumming on large exercise balls pairing SMCISD and Special Olympics Youth with Txstate students, and research its impact on participant’s cognitive development, social engagement, emotional well-being, and physical function. By pairing 20 children/youth who may or may not have disabilities with 20 Txstate students from vulnerable populations (e.g., veterans, students with anxiety/depression or learning disabilities), this research-based program creates a multigenerational program with unique opportunities for meaningful interactions and building engaging and supportive networks across the education lifecycle.

**How they will measure program success:** DH1B will succeed if participants improve their cognitive, social, emotional, and physical functioning as measured by pre and post-tests. We also expect to observe positive engagement and interactions between the paired children/youth and Txstate student participants and the children from SMCISD.

**Priority Areas that this program will fulfill:** Priority Area 4- Increase and improve mental health, resilience, wellness and healthy life choices
How will they know they met these goals: Prior to implementation, DH1B will be approved by TxState Institutional Review Board to ensure the safety or participants and confidentiality of data collected.

Pre and posttest assessments to determine success of program will include 1) Cognitive assessment 2) Social skills assessment 3) emotional assessment 4) Behavior assessment 5) physical skills assessment

Session 1: 40 participants complete pretest measuring cognitive, social, emotional and physical functioning

Session 2-7: Participants will be divided into two groups by age and level of function. Group 1 will have 10 children ages 2-7 paired with 10 TX state college students. Group 2 will have 10 children ages 7-13 paired with 10 Txstate students. Both groups will engage in on hour drumming session, once a week for six weeks.

Session 8: 40 participants’ complete posttest to determine changes in cognitive, social, emotional and physical functioning over the six-week program.

Number of clients served yearly: 441 Number of direct clients served ONLY in San Marcos: 166

Amount Requested: $5,000 Commission on Children and Youth Recommendation: $1,500

Texas State University

Drumtastic Camp Research Project: Veterans and Youth with Autism Unite- The Autism Summer Camp, delivered by the Dept. of Health and Human Performance at Txstate and supported with a 2016 YMP grant, serves children and youth from the SMCISD and surrounding areas who have Autism Spectrum Disorder (ASD). This proposal seeks to expand camp activities by offering a drumming intervention for 60 of the 2017 campers. Drumtastic is research based program that integrates drumming on large exercise balls with physical, music and educational activities to improve the cognitive, social, emotional and physical functioning of children and youth with ASD as well as other children, youth and adults with and without disabilities. Drumtastic Summer Camp will add a unique element to the drumming activities by partnering 15 of the 60 campers with 15 veteran TX state students. The purpose of this new approach is to determine the impact of pairing these two vulnerable groups on improvements to their cognitive, social, emotional and physical functioning as compared to the 45 campers who are not paired with a vet.

How they will measure program success: Uniting Veterans and Youth with Autism will succeed if our participants improve their cognitive, emotional, and social functioning as measured by pre and posttests. We also expect to observe positive engagement and interactions between the paired children/youth with autism and veteran Tx state students.

Priority Areas that this program will fulfill: Priority Area 4, 5

How will they know they met these goals: Prior to implementation, Drumtastic will be approved by TxState Institutional Review Board to ensure the safety or participants and confidentiality of data collected.

Pre and posttest assessments to determine success of program will include 1) Cognitive assessment 2) Social skills assessment 3) emotional assessment 4) Behavior assessment 5) physical skills assessment

Session 1: 30 participants complete pretest measuring cognitive, social, emotional and physical functioning

Session 2-7: Participants will be divided into two groups by age and level of function. Group 1 will have 8 children ages 2-7 paired with 8 TX state college students. Group 2 will have 7 children ages 7-13 paired with 7 Txstate students. Both groups will engage in on hour drumming session, twice a week for four weeks

Session 8: 30 participants’ complete posttest to determine changes in cognitive, social, emotional and physical functioning over the four-week program.

Number of clients served yearly: 180 Number of direct clients served ONLY in San Marcos: 90

Amount Requested: $5,000 Commission on Children and Youth Recommendation: $1,500
Texas State University

Family Fun Days-The Meadows Center is offering 10 Family Fun Days on Saturdays throughout the year. Programming will include the topics of nature, science, the environment, conservation and watershed sustainability. The programs will be open to the public and free for families to participate. Programming will involve hands-on games, activities and crafts for children, with a different related theme each day. We plan to reach at least 300 participants with our program.

How they will measure program success: An attendance sheet will be filled out during each event. Data collected will include number of family members, ages of children and city of residence. Families will be asked to fill out a short survey about their experience during Family Fun Days at The Meadows Center. Results will be tabulated and reported. Feedback will be used to modify the program as needed.

Priority Areas that this program will fulfill: Priority Area 3: Our program will increase and improve availability and access to developmental activities, opportunities and supports. We will ensure that all youth from toddlers thru 12th grade have access to year-round, high quality, developmentally appropriate out-of-school time activities that help them develop academically, emotionally and physically through our Family Fun Day programming. Our program expansion will ensure access for young people across the community. This expansion of our community outreach programming will ensure that it is available at appropriate times and locations with fee structures that meet the needs of working families and young people. Explore public-private partnerships with Mermaid Society and other methods to ensure that the cost of participating in youth activities-including sports, school, Summer Fun, Parks and Rec and library programs-are free or affordable for families. We will utilize volunteers through TxState organization Bobcat Stream Team to develop low-cost, fun and effective programming.

Priority Area 5: We will build engaging and supportive networks and systems throughout the education lifecycle. We will ensure that children have access to high-quality toys, books and spaces that promote early learning (e.g. Children’s Museum, SM history, culture business and outdoor spaces) And we will build systems to ensure that programs meet quality standards.

Priority Area 6: This will increase community awareness about our available programs and services. Our proactive social media team will organize a creative, broad-based promotional campaign that could include: Spreading awareness thru electronic media (Facebook, city website, etc).

How will they know they met these goals: Family Fun Days were test piloted in the Fall of 2016. The program was successful. Families that attended indicated they would like to see more community programming in the future. We would like to expand this program and be able to offer it monthly on Saturdays to a larger audience. We already have an intern in place from the Nature and Heritage Tourism program at Txstate who is dedicated to expanding this programming as a part of her internship. We have interest for community and student groups who would like to work with us. We will have strong attendance to this program because it is free of charge. We also have good connections with San Marcos Schools, a prominent social media presence and a strong history with the SM community.

Number of clients served yearly: 111,926  
Number of direct clients served ONLY in San Marcos: 14,327

Amount Requested: $3,600  
Commission on Children and Youth Recommendation: $3,600

Texas State University

Goal:POST: Txstate, City of San Marcos and Miller Middle school are partners in Goal:POST, an engaging after-school program that provides opportunities for Miller Middle School students to achieve academic success, increase cognitive and social skills and improve physical and emotional health. Goal:POST affords Miller students opportunities to work in small groups with TxState students to complete homework and, through intentional initiatives facilitated by TxState students, meet new friends, play movement-oriented games, and acquire important cognitive and social skills.

How they will measure program success: Success for Goal:POST will be measured using quantitative and qualitative data to assess the goals, stated above. We will gather data using observation and interviewing, but primarily through a
A short survey on a Likert scale. The survey will assess each of the goals as well as general satisfaction markers that we indicate how well we are serving the community. In addition, our program will be successful if we are consistently drawing more than 20 Miller Students per week. WE will measure this through an attendance log. Lastly, the success of Goal:POST depends on our ability to create a positive experience for each of the entities involved- the community (Miller), The University and San Marcos Parks and Recreation. This outcome will be assessed through frequent meetings between the three entities and open lines of communication, as well as surveys conducted with Txstreet Students.

**Priority Areas that this program will fulfill:** Priority 1, Str 2- By engaging with Txstreet students and their peers at Goal:POST, Miller students will have enhanced opportunities to begin to improve their social and cognitive skills, including creating and maintaining relationships and problem-solving. Priority 3, Str 1- Goal:POST is an existing, successful youth service that will be expanded by continued provision of bus transportation to ensure improved access to all Miller students as well as potentially expanded programming.

**How will they know they met these goals:** 1) Parent Survey will be administered every semester and parents of 90% of Miller students in the program will agree or strongly agree that our program has offered a safe after-school social environment. 2) Parent survey will be administered and parents of 75% of Miller students will agree or strongly agree that Goal:POST has improved their student’s physical or emotional health. 3) Parent survey will be administered and parents of 75% of Miller students will agree or strongly agree that Goal:POST provided a fun learning environment. Additionally, 75% of Texas State students, participating in Goal:POST, will report that Goal:POST was a learning environment for them as well.

**Number of clients served yearly:** 100  
**Number of direct clients served ONLY in San Marcos:** 42

**Amount Requested:** $5,000  
**Commission on Children and Youth Recommendation:** $5,000

**Texas State University**

**Implementation and Evaluation of Fun & Fit For Life Program** - The Fun & Fit 4 Life Camp provides innovative experiences and activities in positive youth development, physical activity, healthy and college readiness to children living in low income households residing in the San Marcos community. Current funding enables children to participate during a portion of the summer (4 hours per day, 3 days per week, 12 sessions total). Resources secured from the San Marcos Youth Master Plan Funding will extend the camp and provide the campers additional opportunities to engage in activities designed to promote physical activity and healthy life choices consistent with Priority #4 of the Youth Master Plan. Funds will also allow us to continue to evaluate program effectiveness by assessing physical activity levels and psychosocial outcomes.

**How they will measure program success:** 1) Promotion of Healthy and Active Lifestyles: Accelerometers will quantify campers’ levels of engagement in moderate to vigorous physical activity. 2) College Ready: Campers will complete pre- and post-surveys assessing gains in knowledge about college readiness and access. 3) Productive and Contributing members of the community: Campers will complete pre and post-surveys assessing personal and social responsibility, and perceived physical competence.

**Priority Areas that this program will fulfill:** Priority Area 4. The developmentally appropriate and culturally responsive curriculum engages children in physical activity and teaches children from low-income families how to make healthy choices and increase physical activity in their daily lives. The camps also address mental health and resilience by promoting personal and social responsibility.

**How will they know they met these goals:** Attendance and participation records for the program will be recorded. In addition, quantitative and qualitative data assessing the measures of program success.

**Number of clients served yearly:** 85  
**Number of direct clients served ONLY in San Marcos:** 85

**Amount Requested:** $5,000  
**Commission on Children and Youth Recommendation:** $3,000
San Marcos Housing Authority

Kids Against Drugs - The SMHA Resident Services Program consists of four resident services centers providing a variety of services and service coordination as a part of four major initiatives: Youth Development Services, Elderly and Disabled Services, Self Sufficiency, and Resident Organization. We are requesting funds to support the direct costs of our after-school program and summer program for school-age youth residing in public housing at the C.M. Allen Homes.

How they will measure program success: We focus on specific service and outcome benchmarks to tell us whether or not our service plan is adequate and where adjustments may be needed.

Priority Areas that this program will fulfill: Priority Areas 1, 2, 3, 4

How will they know they met these goals: We use spreadsheets and a special software program to enable us to track services we provide and the outcomes we achieve, including the number of residents receiving services and progress toward specific goals. We work closely with parents to monitor school grades and use a special rubric to assess the development of leadership skills. We also track incidents of crime and vandalism. We produce periodic reports, which we submit to HUD and other agencies as appropriate.

Number of clients served yearly: 70
Number of direct clients served ONLY in San Marcos: 70
Amount Requested: $5,000
Commission on Children and Youth Recommendation: $2,500

Hays-Caldwell Women's Center

Mock Trial Program - The mock trial program held at the Hays County Courthouse simulates the circumstances of an actual trial and is performed in a courtroom with a judge and a jury, with students acting as the lawyers and witnesses. Students learn proper trial procedures and have an opportunity to simulate the process in the presence of judges and court officials.

How they will measure program success: The event will have been successfully staged and student participants will complete surveys upon completion of the Mock Trial Program.

Priority Areas that this program will fulfill: Priority Area for Action 4

How will they know they met these goals: The Mock Trial Program will have reached our goal of the number of students and will have conducted entrance and exit surveys to measure the student’s changes in perceptions and attitudes.

Number of clients served yearly: 63,017
Number of direct clients served ONLY in San Marcos: 120
Amount Requested: $1,000
Commission on Children and Youth Recommendation: $1,000

San Marcos Housing Authority

PODER Learning Center - The SMHA Resident Services Program consists of four resident services centers providing a variety of services and service coordination as a part of four major initiatives: Youth Development Services, Elderly and Disabled Services, Self Sufficiency, and Resident Organization. We are requesting funds to support the direct costs of our after-school program and summer program for school-age youth residing in public housing at the Allen Woods Homes.

How they will measure program success: We focus on specific service and outcome benchmarks to tell us whether or not our service plan is adequate and where adjustments may be needed.

Priority Areas that this program will fulfill: Priority Areas 1, 2, 3, 4

How will they know they met these goals: We use spreadsheets and a special software program to enable us to track services we provide and the outcomes we achieve, including the number of residents receiving services and progress toward specific goals. We work closely with parents to monitor school grades and use a special rubric to assess the
development of leadership skills. We also track incidents of crime and vandalism. We produce periodic reports, which we submit to HUD and other agencies as appropriate.

Number of clients served yearly: 78  
Number of direct clients served ONLY in San Marcos: 78  
Amount Requested: $5,000  
Commission on Children and Youth Recommendation: $2,500

Texas State University

STREAM in Motion 3.0-This spring on April 28, 2017, we plan to invite up to 700 3rd graders from elementary schools in SMCISD to visit Texas State and experience an interactive dance concert created especially for them titles S.T.R.E.A.M. in Motion 3.0. The show which will be at Evans Auditorium on the Tx State campus, will contain works inspired by Science, Technology, Reading/Writing, Engineering, Art and Math aka STREAM as well as works based on social-emotional issues such as bullying and the ups and downs we incorporate as we journey through life. WE have secured interest and commitment from the SMCISD schools as well as funding for the buses.

How they will measure program success: We will count the number of attending students and collect a brief survey from the teachers.

Priority Areas that this program will fulfill: Priority Area 6: Improve communications, coordination and community engagement in support of children and youth.

-Children will be offered the opportunity to attend a dance concert free of charge, enhancing their performing arts cultural experience.

-Children will have the opportunity to visit Texas State campus which is a major part of their community that they may take for granted and might not realize is an attainable goal for their future.

-The dance works provide the children with alternative ways of learning and understanding academic concepts such as science and math.

-The dance works provide inspiration for future dancers and/or choreographers.

-The dance works provide messages of resilience and hope for children dealing with challenges such as bullying or anxiety.

-The dance works provide inspiration for future engineers.

How will they know they met these goals: -The completion of the STREAM in Motion 3.0 matinee on April 28, 2017. –Documentation of attendance numbers to the matinee. –Provide teachers with a short 2-3 question survey.

Number of clients served yearly: ~700  
Number of direct clients served ONLY in San Marcos: ~700  
Amount Requested: $1,900  
Commission on Children and Youth Recommendation: $1,900

Community Action, Inc. of Central Texas

Texas Home Visiting Program- The Texas Home Visiting Program grant, operated by the Dept. of Family and Protective Services and funded by Senate Bill 426, was awarded to Community Action, Inc. of Central Texas in May 2015. Texas Home Visiting Program supports communities in operating evidence-based home visiting programs while creating a coordinated, comprehensive system of services for pregnant women, young children and their families. This coalition is a collaboration that coordinates multiple early childhood services to better promote child development by supporting families and communities.

How they will measure program success: Program success is measured by number of fathers participating in Father Engagement workshops and center and community events. The program aggregates school readiness data for each child participating in the program, measuring each child’s gain across all developmental domains. This data is compared with
father/father figure and other family member’s level of engagement in the program and child’s education. Each father/father figure participating in the 24/7 DAD workshop completed pre-12 workshop session survey and will complete post workshop sessions survey. This data will be utilized to measure the effects of the 24/7 DAD curriculum on father and family outcomes.

**Priority Areas that this program will fulfill:** Priority Area 2: Home Visits-we have 8 parent educators throughout Hays County that help parents understand the development of their growing child between the ages of 0-5. Four of our educators have served families in the San Marcos area. The educators use the curriculum Parents as Teachers to help mothers and fathers understand that they are the first teachers of their children. In the home visiting setting, we have helped to educate families and invite fathers to workshops and trainings to increase their skills in fathering, understanding their child, and realizing the importance of being involved in their child’s development and education.

Workshops- At workshops, we have educated participants on the role parents, especially fathers, play in the lives of their children. We have conducted the following workshops over the past year: Motivating parents to parent with purpose with an emphasis on fatherhood, make believe with Dad activity, discipline vs. punishment, benefits of reading to your children, and outcomes from having an engaged father. The workshops helped to empower parents to support child development and success, 24/7 DAD group, Celebrating Fatherhood.

Priority Area 3: Group Connections- At our group connections, we have offered opportunity for support and the chance for parents to participate in developmental activities. Workshops- We provided opportunities for parents to engage in developmental activities such as our “Make believe with dad activity”. During this workshop, fathers and their children were able to play with puppets, pretend to make a commercial on television, and doodle and color with dad on a coloring sheet.

How will they know they met these goals: By aggregating school readiness data on an ongoing basis: assessing each child gain across all developmental domains, measuring parent/father and community engagement. We are currently tracking father involvement in our database and will be able to see the increase in father involvement from the beginning to the end of the funding year and measure child developmental outcome.

**Number of clients served yearly:** 700  
**Number of direct clients served ONLY in San Marcos:** 268

**Amount Requested:** $4,000  
**Commission on Children and Youth Recommendation:** $4,000

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**Texas State University**

**Autism Summer Camp-** Our program, the Texas State University Autism Summer Camp is the first of its kind in San Marcos. Est. in 2010, this autism camp is a partnership between the TxSTate Dept. of Health and Human Performance and SMCISD. This camp provides many children access to a quality summer camp experience designed to accommodate the special needs of children with autism. We do not turn down any child because of the severity of his/her disability. We host four 1-week camp sessions each summer. Camp counselors assist campers (1:1) in a daily schedule that provides time for dance, music, arts, crafts, games, swimming, yoga and many other therapeutic activities.

**How they will measure program success:** All counselors keep a journal to record their daily interactive activities with their assigned child. After each camp session, counselors submit a summary describing their overall experience with the assigned child. They write about the usefulness of the training sessions before the camp, problems that occurred during the camp sessions, ways they solved the problems, and what they learned from serving the campers. All parents/caregivers complete a survey at the end of each summer camp session. They are asked to answer questions about the impact of the scholarship to their financial needs and their child’s camp experience. Children will be measured on their proficiency in fundamental motor skills before and after the 4-week camp. The ability to perform fine and gross motor skills will provide children with opportunities to successfully integrate into their communities.

**Priority Areas that this program will fulfill:** Priority Area 1, 2, 3, 4, 5, 6

**How will they know they met these goals:** We will meet our goal by giving out 25 $200 scholarships to San Marcos children with autism to attend our camp.
Girls Empowerment Network

The 180 Program-The 180 program is a prevention and intervention program designed to reach middle and high school girls involved in or at high risk of becoming involved in the juvenile justice system. Its goals are to decrease rates of juvenile delinquency and increase in-school functioning, critical thinking skills and self-sufficiency. 180 reaches many girls after a first offense and helps them get back on track, preventing them from entering or re-entering the juvenile justice system.

How they will measure program success: Participants are asked to respond to evaluation forms at the conclusion of the program indicating knowledge gained and potential behavior change or risk avoidance. Informal feedback is gathered from teachers and other school personnel. Previous measurement by a professional evaluator indicated that participants who attend the targeted sessions for juvenile delinquent girls come to school more often and get in less trouble and show a particularly positive impact on ability to handle conflict and stressful situations.

Priority Areas that this program will fulfill: Priority Area 4- The 180 program will directly contribute to the mental health and prevention of risky behaviors in teen girls in SM by providing them a safe place to process the challenges they are facing, gain access to peer support and learn new skills and behaviors. According to GENS former professional evaluator, Shore Research, who studied the program in depth, 180 positively affects girls in the following way: come to school more often and get in less trouble, positive impact on girl’s ability to handle conflict/stress, learning new skills and are bonding with their group and program staff.

How will they know they met these goals: By gathering information through surveys and focus groups? This information we gather enables us to improve our program delivery and determine if our outcomes are being achieved.
<table>
<thead>
<tr>
<th>Agency</th>
<th>Program</th>
<th>YMP Priority Area</th>
<th>Requests</th>
<th>SMCCY Recommendation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Texas State University</td>
<td>Aquatic Science Adventure Camp</td>
<td>Area 3, Str 1, 2; Area 4, Str 3</td>
<td>$5,000</td>
<td>$3,500</td>
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<td></td>
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<td>Area 5, Str 3; Area 6, Str 1</td>
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<td>2 Greater San Marcos Youth Council</td>
<td>&quot;Back to School&quot; School Supply Drive</td>
<td>Priority Areas 2 &amp; 5</td>
<td>$5,000</td>
<td>$1,000</td>
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<td>3 Texas State University</td>
<td>Bobcat for a Day</td>
<td>Fulfills in every Priority Area</td>
<td>$1,935</td>
<td>$1,935</td>
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<td>4 San Marcos Housing Authority</td>
<td>Chapultepec After-School Program</td>
<td>Priority Areas 1, 2, 3, 4</td>
<td>$5,000</td>
<td>$2,500</td>
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<td>5 Country Estates Recreation Association Summer Swim League</td>
<td>CERA Swim Club</td>
<td>Priority Area 4</td>
<td>$5,000</td>
<td>$1,000</td>
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<td>6 Texas State University</td>
<td>Different Hearts, One Beat</td>
<td>Priority Area 4</td>
<td>$5,000</td>
<td>$1,500</td>
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<td>Inclusive Drumming Research Initiative</td>
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<tr>
<td>7 Texas State University</td>
<td>Drumtastic Camp Research Project:</td>
<td>Priority Areas 4 and 5</td>
<td>$5,000</td>
<td>$1,500</td>
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<td></td>
<td>Veterans and Youth with Autism Unite</td>
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<tr>
<td>8 Texas State University</td>
<td>Family Fun Days</td>
<td>Priority Areas 3, 5, 6</td>
<td>$3,600</td>
<td>$3,600</td>
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<tr>
<td>9 Texas State University</td>
<td>Goal: POST</td>
<td>Area 1, Str 2; Area 3, Str 1, 2, 4</td>
<td>$5,000</td>
<td>$5,000</td>
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<tr>
<td>10 Texas State University</td>
<td>Fun &amp; Fit for Life</td>
<td>Priority Area 4</td>
<td>$5,000</td>
<td>$3,000</td>
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<td>San Marcos Housing Authority</td>
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<td>11</td>
<td><strong>Kids Against Drugs</strong></td>
<td><strong>Priority Areas 1,2,3,4</strong></td>
<td>$5,000</td>
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<td>12</td>
<td>Hays-Caldwell Women’s Center</td>
<td><strong>Mock Trial Program</strong></td>
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<td>13</td>
<td>San Marcos Housing Authority</td>
<td><strong>PODER Learning Center</strong></td>
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<td>14</td>
<td>Texas State University</td>
<td><strong>STREAM in Motion 3.0</strong></td>
<td>$1,900</td>
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<td>15</td>
<td>Community Action, Inc. of Central Texas</td>
<td><strong>Texas Home Visiting Program</strong></td>
<td>$4,000</td>
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<td>16</td>
<td>Texas State University</td>
<td><strong>Autism Summer Camp</strong></td>
<td>$5,000</td>
<td>$5,000</td>
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<tr>
<td>17</td>
<td>Girls Empowerment Network</td>
<td><strong>The 180 Program</strong></td>
<td>$5,000</td>
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<tr>
<th></th>
<th>Total Requested</th>
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<tbody>
<tr>
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<td>$72,435</td>
<td>$46,435</td>
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AGENDA CAPTION:
Consider approval of Resolution 2017-60R, approving an advertising program agreement for a joint advertising program between the City and Tanger Properties Limited Partnership in an amount up to $150,000.00 per year over five years; authorizing the Interim City Manager to sign the agreement; and declaring an effective date.

Meeting date:  April 4, 2017

Department:  Finance-Heather Hurlbert, Finance Director

Funds Required:  $150,000
Account Number:  12024226.52060
Funds Available:  $150,000
Account Name:  Tanger Marketing Program

CITY COUNCIL GOAL:  Maintain Fiscal Responsibility

COMPREHENSIVE PLAN ELEMENT(s):  Fiscally Responsible Incentives for Economic Development; Sports Tourism, Ecotourism, Retail Tourism and the Community’s 13,000 year Heritage as an Economic Generator.

BACKGROUND:  Tanger Outlets San Marcos has provided advertising services in partnership with the City of San Marcos for several years.  As allowed by State regulations, the City uses the Hotel/Motel as the funding source for this advertising activity.  The attached contract provides the terms and conditions which these services will be provided.
RESOLUTION NO. 2017 - R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS, APPROVING AN ADVERTISING PROGRAM AGREEMENT FOR A JOINT ADVERTISING PROGRAM BETWEEN THE CITY AND TANGER PROPERTIES LIMITED PARTNERSHIP IN AN AMOUNT UP TO $150,000.00 PER YEAR OVER FIVE YEARS; AUTHORIZING THE INTERIM CITY MANAGER TO SIGN THE AGREEMENT; AND DECLARING AN EFFECTIVE DATE.

RECITALS:

1. In order to ensure the continued success of the San Marcos outlet mall area, and to enhance revenue to the City from tourism and retail business activity, the City has used the professional services and resources of Tanger Properties Limited Partnership ("Tanger") for advertising programs in the past.

2. The City Council wishes to approve the attached agreement, which would continue the joint advertising program for the next year.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS:

PART 1. The attached Advertising Program Agreement between the City and Tanger Properties Limited Partnership (the “Agreement”) is approved.

PART 2. The City Manager is authorized to execute the Agreement on behalf of the City.

PART 3. This Resolution shall be in full force and effect immediately from and after its passage.

ADOPTED on April 4, 2017.

John Thomaides
Mayor

Attest:

Jamie Lee Case
City Clerk
ADVERTISING PROGRAM AGREEMENT

This agreement (the "Agreement") is being entered into effective October 1, 2016, between the City of San Marcos (the "City") and Tanger Properties Limited Partnership ("Tanger").

RECITALS

1. WHEREAS, Tanger is the owner and operator of the Tanger Factory Outlet Center in San Marcos, Texas (the "Tanger Outlet Center"); and,

2. WHEREAS, the City derives significant revenues from retail business and tourism activity in the City; and,

3. WHEREAS, in order to ensure the continued success of the San Marcos outlet mall area, to enhance revenue to the City from retail business and tourism activity, and to increase the number of tourists staying in the City's hotel and motel facilities, Tanger has offered to use its professional services and efforts to facilitate a joint advertising program (the "Program") with the City.

AGREEMENT

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein and good and valuable consideration, receipt of which is hereby acknowledged, the parties agree as follows:

1. Development of Advertising Program.

   A. Tanger will facilitate the media planning and buying for the Program, developed in collaboration with the City towards which City funds are to be contributed, in coordination with the City Manager or his designee. Tanger agrees to use these funds with its best professional efforts for the implementation of the Program to promote retail business and tourism activity in the City generally, at attractions in the area of the City, and at the Tanger Outlet Mall. The Program will include a preliminary advertisement/promotion concept, media schedule and advertising plan for each fiscal year of the City during the term of this Agreement, being the period each year from October 1 through September 30.

   B. Once initial development of the Program for a particular year is complete, Tanger will prepare a proposal and provide a copy to the City Manager. The City Manager (or designee) will provide comments, changes, and objections, if any, on the Program to Tanger within ten business days after receiving the proposed Program, after which all matters not changed or objected to will be deemed approved by the City. Once the Program for a particular year is approved Tanger may execute advertising contracts in accordance with the Program.

   C. Tanger will incorporate the City's adopted brand or logo into all advertising programs initiated under this Agreement.
2. Contribution of Funds by Tanger.

Tanger agrees to contribute up to $150,000 per year for advertising expenses incurred for the applicable year’s Program, a sum that matches the funds provided by the City. In the event that Tanger expends funds in excess of its match either to advertise the Tanger Outlet Center, or promote retail business or tourism in the City, the City will not be obligated to contribute any additional funds, and correspondingly Tanger would have no obligation to gain pre-approval by the City for those particular advertising endeavors.

3. Contribution of Funds by City.

The City agrees to contribute to the applicable year’s Program up to the sum of $150,000 per year.

The City will use these amounts to reimburse Tanger for the City's share, which is 50 percent of the amount of the advertising costs incurred each year by Tanger for the Program. The City will make these payments within 30 days from receipt of an invoice submitted with copies of the placed advertising. In no event will the total of contributions by the City under this Agreement exceed a total of $150,000 per year.

4. Advertising Placement; Program Costs; Payments.

A. Tanger will pay for all advertising placed under this Agreement, and Tanger will provide the City with proof of the advertising and detailed copies of invoices associated with the advertising.

B. The City shall have the right to review and approve expenses in advance related to the Program to include, but not limited to, placement fees, agency fees, design and production fees, in order to ensure the best possible rates can be obtained for the Program. The City shall have 48 hours to respond, after notification by Tanger; otherwise, its consent is deemed approved. Objections to expenses must be made in writing, in advance of placement. No party at any time shall unreasonably withhold its approval.

C. The City's contributions to the Program made pursuant to the Agreement shall not be used to reimburse Tanger for services provided by any of its officers, agents or employees for any services it provides in connection with the advertising expenses incurred under this Agreement. When placing media buys, all discounts, rebates, or added value shall be re-invested into the Program.

5. Reports.

A. Tanger shall, annually, provide the City with reports related to the Program containing the following information, within 45 days after completion of each advertising campaign paid for in whole or in part with funds under this Agreement:

1. An analysis of funds expended under this Agreement;
2. A listing of the advertising media used, the dates of use, and the type of advertisements placed; and,

3. The number of print ad redemptions.

In addition to the above information, Tanger shall, for each year’s Program, provide the following information to the City to demonstrate the effectiveness of the Program:

1. Tanger will perform intercept surveys which capture data from guests who return vouchers from Tanger’s advertising program. The survey results will be provided to the City by February 28/29 (as applicable), May 31, and September 30.

2. Tanger will perform a survey of its stores to find out if traffic and/or sales increased over the previous year. The survey results will be tallied and provided to the City by May 31.

3. Quarterly car traffic percentage increases will be calculated and provided to the City by January 20, April 20, July 20 and October 20.

C. In the event any information contained in these reports is designated by Tanger to be proprietary or confidential, the information will be treated as confidential by the City to the extent permitted by law. In the event a request for public disclosure is made for the information designated by Tanger as confidential, the City will notify that party, and will seek the opinion of the Texas Attorney General as to the confidentiality of the information and the need to provide the information in response to the disclosure request.

6. Contact Information.

The contacts and addresses for notices and approvals under this Agreement are as follows:

For the City:  City Manager
              630 E. Hopkins
              San Marcos, TX  78666
              Phone: 512/393-8100
              Fax: 512/396-4656

For Tanger:  General Manager, Tanger Outlet Center
              4015 IH-35 South, Suite 805
              San Marcos, TX  78666
              Phone: 512/396-7441
              Fax 512/396-7449

7. Term.

The term of this Agreement shall be for a period of five years beginning October 1, 2016 and ending September 30, 2021 unless sooner terminated by either party as provided in this paragraph. Either party may terminate this Agreement by providing written notice of termination to the other on or before August 31 of the fiscal year during which the notice is sent. Such notice will terminate this Agreement effective as of September 30 of such fiscal year.
8. Assignment and Amendment.

No party may assign its rights or obligations under this Agreement without the written consent of the other parties. All amendments to this Agreement must be in writing and signed by all parties.

9. Applicable Law; Venue.

This Agreement shall be construed according to the laws of the State of Texas. This agreement is performable in San Marcos, Hays County, Texas.

10. Subject to Annual Appropriation.

The City’s obligations under this Agreement are subject to the annual appropriation by the San Marcos City Council of lawfully available funds for each fiscal year during the term. Tanger shall have no recourse against the City for failure to appropriate funds for any fiscal year during the Term.

CITY OF SAN MARCOS, TEXAS

By: _____________________________
    Charles Daniels, Interim City Manager

Date: ___________________________

TANGER PROPERTIES LIMITED PARTNERSHIP,
A North Carolina limited partnership

By: _____________________________
    Carrie A. Geldner, Authorized Agent and Senior Vice President of Marketing
    Tanger Factory Outlet Centers, Inc.

Date: ___________________________
AGENDA CAPTION:
Consider approval of Resolution 2017-61R, reappointing Charles P. Anderson, M.D. as the Local Health Authority; approving a letter agreement between the City and Dr. Anderson for his reappointment as the Local Health Authority; and declaring an effective date.

Meeting date: April 4, 2017

Department:

Funds Required:
Account Number:
Funds Available:
Account Name:

CITY COUNCIL GOAL:

COMPREHENSIVE PLAN ELEMENT(s): [add the Plan elements and Goal # and Objective(s)]

BACKGROUND:
The City Health Authority acts in an advisory capacity to the Neighborhood Services-Code Compliance & Health Department when medical advice may be needed. This will usually be during a crisis situation, such as a food borne or disease outbreak. Monthly compensation is at the rate of one hundred twenty five dollars ($125.00). Either party upon thirty (30) days written notice may terminate this agreement.]

Staff is requesting approval by city council and a letter agreement for designation of Dr. Charles P. Anderson as Health Authority for a two-year term.
RESOLUTION 2017- R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS, REAPPOINTING CHARLES P. ANDERSON, M.D. AS THE LOCAL HEALTH AUTHORITY; APPROVING A LETTER AGREEMENT BETWEEN THE CITY AND DR. ANDERSON FOR HIS REAPPOINTMENT AS THE LOCAL HEALTH AUTHORITY; AND DECLARING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS:

PART 1. Charles P. Anderson, M.D. is reappointed as the Local Health Authority of the City of San Marcos pursuant to Section 121.021 of the Texas Health and Safety Code.

PART 2. The attached letter of agreement between the City and Dr. Anderson for his reappointment as the Local Health Authority is approved.

PART 3. That this Resolution shall be in full force and effect from and after its passage.

ADOPTED this the day of , 2017.

John Thomaides
Mayor

Attest:

Jamie Lee Case,
City Clerk
April 4, 2017

Charles P Anderson, M.D.
P.O. Box 1804
San Marcos, Texas 78667

Re: Designation of Local Health Authority

LETTER OF AGREEMENT

Dear Dr. Anderson:

This letter of Agreement is to confirm your appointment as the Local Health Authority by the City Council for the City of San Marcos, and to confirm the terms of your engagement in this capacity.

As the Local Health Authority, your professional advice may be requested by employees of the City Neighborhood Services Department in the administration of local laws relating to public health within the City limits. In addition, you agree to ensure compliance with the Texas Health and Safety Code requirements for the City’s Automated External Defibrillators program.

You will be compensated for your services at a fixed monthly rate of $125.00. The term of this Agreement shall be for a period of two years effective as of October 1, 2016. This Agreement may be canceled by either party upon thirty days prior written notice to the other party.

Please indicate your acceptance of this Agreement by counter-signing both Agreements and returning one fully executed agreement to the City.

City of San Marcos

By: ________________________________  Charles Anderson, M.D.

_______________________________  ________________________________
Printed Name and Title
AGENDA CAPTION:
Consider approval of Resolution 2017-62R, approving an agreement with Deloitte & Touche, LLP for the provision of Community Development Block Grant - Disaster Recovery Internal Auditing Services in the not-to-exceed amount of $1,151,694.00 contingent upon the consultant’s provision of sufficient insurance in accordance with the attached agreement; authorizing the Interim City Manager or his designee to execute this agreement on behalf of the City; and declaring an effective date.

Meeting date: April 4, 2017

Department: Finance - Heather Hurlbert, Finance Director (by Cheryl Pantermuehl, Purchasing Manager)

Funds Required: $1,151,694.00-Estimated FY17 $84,960
Account Number: 
Funds Available: 
Account Name: CDBG-DR Grant Funding

CITY COUNCIL GOAL:
#7 Maintain Fiscal Responsibility
#5 Maintain and Improve City’s Infrastructure

COMPREHENSIVE PLAN ELEMENT(s):

BACKGROUND:
On January 19, 2017 the City received seven (7) proposals for CDBG-DR Internal Audit Services (RFP 217-153). A selection committee has met, evaluated the proposals, and ranked the proposals according the criteria set forth in the Request for Proposals (RFP). Interviews were conducted with the top three (3) proponents and a final decision was made to award a contract to Deloitte & Touche LLP of New York, New York.

This contract for internal audit and monitoring services for compliance with CDBG-DR funding will continue until all CDBG-DR funds have been expended and reimbursed, all projects are complete and finalized, and U.S. Department of Housing and Urban Development (HUD) has accepted and closed the grant. It is anticipated that all funding will be expended and all projects will be complete six (6) years from the effective date of this contract.

The estimated annual amounts for this contract over the course of the six (6) years is as follows:

Year 1 - $169,920
Year 2 - $177,862  
Year 3 - $186,602  
Year 4 - $196,138  
Year 5 - $205,750  
Year 6 - $216,052  

These estimated annual amounts are based on approximately twenty (20) hours work per week. Additional fees that may be incurred by the City include hourly rates for work beyond the twenty (20) hours per week for a Project Manager, Investigator, Accountant/Auditor, and Engagement Partner.

The City has been awarded approximately twenty-five million dollars ($25,000,000) through HUD pursuant to the authority of Title I of the Housing and Community Development Act of 1974, as amended (42 USC 5301 et seq.). The funds will be used primarily for projects related to the damage caused by the flooding events of May and October 2015. These projects may include, but are not limited to, housing and infrastructure. This funding will also cover the costs of this CDBG-DR Internal Audit Services contract.
RESOLUTION 2017

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS, APPROVING AN AGREEMENT WITH DELOITTE & TOUCHE LLP FOR THE PROVISION OF INTERNAL AUDITING SERVICES IN THE NOT-TO-EXCEED AMOUNT OF $1,151,694.00 FOR THE SIX-YEAR TERM CONTINGENT UPON THE CONSULTANT’S PROVISION OF SUFFICIENT INSURANCE IN ACCORDANCE WITH THE ATTACHED AGREEMENT; AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO EXECUTE THIS AGREEMENT ON BEHALF OF THE CITY; AND DECLARING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS:

PART 1. The attached agreement (the “Agreement”) between the City and Deloitte & Touche LLP for the provision of Internal Auditing Services a professional Infrastructure Feasibility Study in the not-to-exceed amount of $1,151,694.00 for the six-year term is approved contingent upon the Consultant’s provision of sufficient insurance in accordance with the Agreement.

PART 2. The City Manager or his designee is authorized to execute the Agreement on behalf of the City.

PART 3. This Resolution will be in full force and effect immediately from and after its passage.

ADOPTED this the day of 2017.

John Thomaides,
Mayor

Attest:

Jamie Lee Case,
City Clerk
PROFESSIONAL CONSULTING SERVICES AGREEMENT
CONTRACT NUMBER: 217-153

This Agreement is effective the 4th day of April, 2017, between the City of San Marcos, Texas, (the “City”), 630 East Hopkins, San Marcos, Texas 78666 and Deloitte & Touche LLP (the “Internal Auditor”), West 15th St. Suite 1700, Austin, TX 78701, for the Internal Auditor’s provision of Internal Auditing Services (the “Services” or the “Project”).

The City and the Auditor agree as follows:

ARTICLE 1
AUDITOR’S SERVICES AND RESPONSIBILITIES

1.0 STANDARDS OF PERFORMANCE

1.0.1 The Internal Auditor is responsible for the delivery of internal auditing services with respect to CDBG-DR funding received by the City. These services include a blend of internal audit, CDBG grants management, and external oversight capabilities centered on maintaining grant compliance and helping mitigate risks of potential fraud, waste, and abuse. This, in turn, allows the City to meet its federal compliance requirements.

1.0.2 The Internal Auditor understands that the City has received funding for this Project from the United States Department of Housing and Urban Development (“HUD”) through the Community Development Block Grant – Disaster Recovery Program (“CDBG-DR”). The City is responsible for meeting all requirements included in the Federal Register Notice (“the Notice”) published by the U. S. Department of Housing and Urban Development (“HUD”). The Internal Auditor will perform all of its services so that the Project will proceed in accordance with the detailed provisions of the Notice.

1.0.3 The Internal Auditor’s Basic Services consist of the services described in Sections 1.0 through 1.3. The Services will be performed in accordance with the Statement on Standards for Consulting Services issued by the American Institute of Certified Public Accountants (the “AICPA”). However, the performance of the Services will not constitute an engagement to provide audit, compilation, review, or attest services as described in the pronouncements on professional standards issued by the AICPA or the U.S. Public Company Accounting Oversight Board and, therefore, Internal Auditor will not express an opinion or any other form of assurance with respect to any matters (including, without limitation, compliance with U.S. GAAP, IFRS and SEC rules and regulations). It is understood and agreed that the Services may include advice and recommendations, but all decisions in connection with the implementation of such advice and recommendations will be the responsibility of, and made by, the City. In connection with the performance of the Services, the Internal Auditor will be entitled to rely on all decisions and approvals of the City.
1.0.4 The performance of all services by the Internal Auditor in connection with this Agreement will be by persons appropriately licensed or registered under the State of Texas, local and Federal laws governing their respective consulting disciplines as applicable. In performing all services under this Agreement, the Internal Auditor will use that degree of care and skill normally exercised for similar projects by professional consultants who possess skill and experience in the types of services included in this Agreement.

1.0.5 The Internal Auditor understands and agrees that it will comply with the Federal Register notice as issued, all HUD, CDBG-DR, and cross-cutting federal requirements applicable to it in its performance of the Services as well as with all applicable local, State and federal rules, laws, regulations, ordinances and policies all in accordance with Article 9 of this Agreement.

1.0.6 The Internal Auditor will not subcontract any work under this Agreement without prior written approval from the City. The City hereby will consent to the Internal Auditor subcontracting or assigning any portion of the Services to any affiliated or related entity, whether located within or outside the United States. However, in no event will the City conduct business directly with any entity performing Services on behalf of the Internal Auditor from outside the United States. The Internal Auditor will specify any work or services subcontracted under this Agreement by separate written Agreements and those Agreements will include or require compliance with each applicable provision of this Agreement.

1.0.7 Any provisions in this Agreement pertaining to the City’s review, approval and/or acceptance of written materials prepared by the Internal Auditor and/or its subconsultant, contractors, and subcontractors in connection with this Agreement will not diminish the Internal Auditor’s responsibility for performing the services in a professional and workmanlike manner in accordance with industry standards.

1.0.8 The Internal Auditor will perform all of its services in coordination with the City. The Internal Auditor will advise the City of data and information the Internal Auditor needs to perform its services and the Internal Auditor will meet with City representatives at mutually convenient times to assemble this data and information.

1.0.9 Kathie Schwerdtfeger, Engagement Partner, is the Internal Auditor’s Project Representative assigned to this Project. Except in the event of disability, illness, grave personal circumstances, or resignation, termination, or other severance of association, the Internal Auditor will not substitute another representative for this Project unless approved in writing by the City in advance of such proposed substitution. In the event the City and the Internal Auditor cannot agree to the substitution of the Project Representative, the City may terminate this agreement in accordance with Article 7. Remaining members of the Project team include:

- Christian Montz, Project Manager and Investigator
- Shawn Kilchrist, Advisory Panel
- Mark Blumkin, Advisory Panel
- Matt Murch, Advisory Panel
• Adriana Buford, Accountant/Auditor

The nature, timing, and extent of the specific procedures to be performed by the Internal Auditor will be discussed and approved at the completion of the initial program risk assessment and updated annually by the parties. Any substantive change to the Services described herein will be reduced to writing in the form of an Authorization of Change in Services as stipulated in Section 4.2 of the Agreement. Professional staff will be added as needed throughout the term of the engagement to execute the monitoring services as specified herein.

1.1 TASK 1 – CDBG-DR MONITORING

In monitoring projects managed by the City and its subrecipients, the Internal Auditor will:

1.1.1 Design. Under the design task, the Internal Auditor will generally assess types of projects and subrecipients and design a protocol and risk based plan based on this assessment (the “risk assessment”) that will set the process and priorities for monitoring the City’s CDBG-DR activities as well as the subrecipient’s CDBG-DR activities. The Internal Auditor will customize a monitoring protocol for the City that is inclusive of relevant requirements from Chapter 24 of the Code of Federal Regulations (C.F.R.), depending upon the types of projects implemented by the City, as well as 2 C.F.R. 200. Further, the Internal Auditor will test the City’s and the subrecipient’s CDBG-DR activity against any agreement conditions specified in the City’s grant agreement with HUD and the City’s subrecipient agreements with their subrecipients. In addition, the Internal Auditor will review City activity by understanding the City’s policies, procedures, and activities related to the administration of the CDBG-DR program, comparing those activities against grant requirements and best practices to identify areas of potential concern, testing for compliance with federal regulations and City policy and procedures, and communicating observations through periodic written reports to the City. The City’s subrecipients, depending upon the risk of the entity and the Project, will undergo ongoing desk monitoring and may be subjected to one or more onsite visits whereby monitors can ascertain the adequacy of policies and procedures, accounting systems, project progress, and test a certain number of federal grant transactions. The purpose and nature of projects chosen by the City will drive the monitoring approach and the Internal Auditor will select the appropriate monitoring approach for each project. The Internal Auditor will utilize protocols that will address all types of projects under broad categories of housing, service, and infrastructure. Finally, the risk assessment of the subrecipient will involve examining the entity’s audit findings from their single audits and will assess experience managing federal funding, indicators, among other key factors.

1.1.2 Monitor. Under the monitoring task, the Internal Auditor will generally use the protocols and risk based monitory plan, communicate with subrecipients and establish monitoring cadence. The Internal Auditor will work with City staff to ensure that all subrecipients are aware of monitoring requirements and events. The Internal Auditor will devise a schedule based upon a risk assessment of the projects and the subrecipients so that together, the City and the Internal Auditor can engage in effective monitoring. Whether the monitoring required is a mix of ongoing desk monitoring of financial reports and progress reports or onsite monitoring visits, the Internal Auditor will...
Auditor will draft notification letters for the City to send to subrecipients. Onsite monitoring events will generate a results letter which the Internal Auditor will create for the City to send to subrecipients. This letter will require a response from the subrecipient with a corrective action plan within 45 calendar days. In addition, the Internal Auditor will, because of the ongoing nature of desk monitoring, require semi-annual results letters. The Internal Auditor will assist the City with the creation and submission of these results letters to subrecipients. In the event that the Internal Auditor detects potential fraud that would normally generate a report of questioned costs, the Internal Auditor will report this information to the City within 48 hours of a finding with an internal potential fraud report. The Internal Auditor will work closely with the City to devise a plan of action to resolve any instances of potential fraud, up to and including consulting with the City on how to work with the HUD Inspector General. Once the Internal Auditor has determined that a subrecipient requires onsite monitoring, the Internal Auditor will:

a. **Perform a Kick-off Meeting.**

Schedule a site visit and host a kick-off meeting at the start of the site visit. This meeting includes an overview of the City’s Subrecipient Monitoring Program, which will be developed by the Internal Auditor, as well as the scope, objectives, benefits, logistics, and points-of-contact for the site visit. This purpose of the site visit is not to conduct an audit; rather, the purpose is to perform monitoring procedures as defined in the risk assessment. Site visit work papers will be developed as a result of this task.

b. **Interview Subrecipient Grant Managers.**

Interview the subrecipient grant manager(s) according to the areas of compliance found in the site visit work papers after the kick-off meeting. If there is more than one subrecipient grant manager, these interviews will be performed separately. The Internal Auditor will record information obtained during the interview in the site visit work paper file, request all outstanding documentation, and schedule the closing meeting for later in the day.

c. **Execute Site Visit Work Papers.**

Review documentation and perform testing for compliance with Federal, state, and local grant requirements. The Internal Auditor will record the results of this testing in the site visit work paper file. Finally, the Internal Auditor will follow-up with clarifying questions. As defined above in 1.1.2 a site visit work paper file refers to the supporting work papers prepared to support the monitoring visit and the subsequent report prepared by the Consultant.

d. **Draft Initial Observations Presentation**

Compile initial observations, supporting guidance, follow-up requests, open items, and areas of note from the site visit work papers file and communicate with the project investigator to ensure there are no red flags regarding potential fraud.

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e. **Host closing meeting**

Hold a closing meeting with the subrecipient grant manager(s) to review the Site Visit Presentation, developed as part of the monitoring task, when the review is complete. During this meeting the Internal Auditor will represent to the subrecipient that all observations are initial and subject to change.

1.1.3 **Resolve.** In the event issues of deficiency arise during the desk or onsite monitoring, the Internal Auditor will advise the City regarding the resolution of all issues with subrecipients during onsite monitoring visits. The Internal Auditor’s goal is to generate a draft letter of results for the subrecipient within two weeks of the monitoring event. In this letter, the Internal Auditor will require subrecipients to submit corrective action plans within 30 calendar days of the issuance of the results letter. If, after the Internal Auditor and City determine that the corrective action plans proposed by subrecipients are inadequate, the Internal Auditor will generate another letter for the City to send to subrecipients that describes specific actions needed to resolve the issues identified during monitoring. For unresponsive subrecipients, the Internal Auditor will work with the City to leverage penalties afforded to it in 2 CFR 200 to gain compliance or responsiveness. The Internal Auditor follow up process will continue until sufficient evidence is submitted and accepted by the City that addresses the corrective action plans.

1.1.4 **Report:** Produce a full project report of monitoring activities on an annual basis for the City which will include quantitative and qualitative data regarding the monitoring and compliance program. This report will allow the City to demonstrate an umbrella of oversight to stakeholders, City Council, and HUD. For day-to-day tracking of metrics, the Internal Auditor will configure reporting and dashboard templates in coordination with the City in order to meet the specific needs of the City.

1.2 **TASK 2 – COMPLIANCE AND GRANT REPORTING**

The Internal Auditor will:

Assess the sufficiency of the City’s CDBG-DR policies and procedures through a risk assessment and provide recommendations regarding areas that should be enhanced in these policies and procedures. In addition, the Internal Auditor will assess the adequacy of CDBG-DR reporting for HUD. Finally, the Internal Auditor will work with the City to create a mechanism, such as a fraud email address, where citizens can report potential instances of fraud. Finally, the Internal Auditor will consult with the City on issues related to HUD monitoring issues or OIG audits.

1.3 **TASK 3 – DELIVERABLES**

The Internal Auditor will provide the City with following deliverables.

a) City project and subrecipient monitoring reporting to the City;

b) Reporting template(s) and schedule;
c) Draft letters of monitoring results and resolution;
d) Report and recommendations regarding CDBG-DR policies and procedures;
e) Project timeline of monitoring;
f) Internal reports of potential fraud; and
g) Work papers and the retention and use of them.

In addition, the Internal Auditor, as part of its quality control program, will perform these services and provide deliverables as set forth in this Agreement. Each monitoring results letter, internal report of potential fraud, and other reports generated by the team will be reviewed by senior team members including the project partner.

1.4 ADDITIONAL SERVICES/CHANGE OR DELAY IN SERVICES/PROJECT ASSUMPTIONS

1.4.1 The parties may agree in writing that the Internal Auditor will perform services outside of the scope of the Basic Services described in Sections 1.1 through 1.3 above. The Internal Auditor will submit a written estimate of fees to the City and obtain the City’s authorization before initiating any additional services.

1.4.2 Each change (deletion or addition) in the services to be provided by the Internal Auditor must be agreed upon by the parties and authorized by the City on the Authorization of Change in Services form attached to this Agreement as Attachment A. Compensation for additional services will be in addition to that specified for Basic Services in accordance with Article 14 of this Agreement. The approval of the San Marcos City Council is necessary for all additional services the compensation for which exceeds $50,000.00.

1.4.3 The Internal Auditor will complete its Services in accordance with the risk assessment and plan completed in accordance with the provisions of sections 1.1 above and as agreed to with the City. No charge will be made by the Internal Auditor for any hindrance or delay from any cause if the hindrance or delay is caused solely by the Internal Auditor during the progress of any portion of its work contemplated by the specifications. The City may grant an extension of time at their discretion in the event such delay in services is caused by the Internal Auditor, or the Internal Auditor may charge for the completion of the work, provided it has satisfied that such delays or hindrances were due to causes beyond the reasonable control of the Internal Auditor or to the acts of omission or commission by the City. Any such extension of time will be provided utilizing the City’s Authorization of Change in Services form included as Attachment A.

1.4.4 The City and the Internal Auditor acknowledge that the Internal Auditor will spend approximately 20 hours per week for services on behalf of the City under this Agreement.
ARTICLE 2
THE CITY’S RESPONSIBILITIES

The City will:

2.1 Provide full information to the Internal Auditor regarding the City’s requirements for the Internal Auditor’s services under this Agreement. The City will furnish the Internal Auditor with copies of data and information in the City’s possession needed by the Internal Auditor at the Internal Auditor’s request. The City will provide this information and render decisions expeditiously for the orderly progress of the Internal Auditor’s services.

2.2 Designate Heather Hurlbert, Director of Finance, as the City’s Project Manager and authorized representative to act on the City’s behalf with respect to this Agreement. The City will examine the documents and information submitted by the Internal Auditor and promptly render responses to the Internal Auditor on issues requiring a decision by the City.

2.3 Provide access to and make all necessary provisions for the Internal Auditor to enter public and private property as required for the Internal Auditor to perform its services under this Agreement.

2.4 Bear all other costs incidental to this Article.

2.5 Be responsible for the delivery of written communication with subrecipients pertaining to the grant compliance and the Internal Auditor’s services under this Agreement.

ARTICLE 3
REIMBURSABLE EXPENSES

3.1 Reimbursable expenses, including such things as travel (auto travel mileage at the prevailing IRS rate, airfare, hotel and car rentals if required) reproduction of documents, delivery charges, long distance communications and freight are included in the Internal Auditor’s basic services compensation.

ARTICLE 4
PAYMENTS TO THE INTERNAL AUDITOR

4.1 PAYMENTS FOR BASIC SERVICES

The City will pay the Internal Auditor for Basic Services on a monthly basis following receipt by the City of the Internal Auditor’s invoices showing professional services fees, expenses for materials and supplies and any other reimbursable expenses if applicable, and appropriate payment requisitions. The Internal Auditor will base its invoices upon the extent of work it has completed on an hourly basis within each task of services, in accordance with Article 14 of this Agreement, less any disputed amounts, pending resolution thereof. If payment is not received within thirty
(30) days of receipt of a correct invoice, the Internal Auditor may suspend or terminate the Services upon thirty (30) days notice if not paid within such notice period. The City will comply with the rules and regulations of the Texas Prompt Payment Act, Chapter 2251, et. seq., Texas Government Code, as amended.

4.2 PAYMENTS FOR ADDITIONAL SERVICES

The City will pay the Internal Auditor for Additional Services as those are defined in Section 1.4, monthly upon presentation of the Internal Auditor’s statement of services rendered or expenses incurred, less any disputed amounts, pending resolution thereof and an Authorization of Change in Services form executed by the Internal Auditor and the City. If payment is not received within thirty (30) days of receipt of a correct invoice, the Internal Auditor may suspend or terminate the Services upon thirty (30) days’ notice if not paid within such cure period. The City will comply with the rules and regulations of the Texas Prompt Payment Act, Chapter 2251, et. seq., Texas Government Code, as amended.

4.3 TAXES

The Internal Auditor will not include Federal taxes or State of Texas limited sales excise and use taxes in its invoices or vouchers and statement of costs. The City is exempt from payment of such taxes and the Internal Auditor may retrieve a resale certificate for use on this Project from the State of Texas Comptroller’s website.

ARTICLE 5
INTERNAL AUDITOR’S RECORDS

5.1 The Internal Auditor will keep all of its expense records in a standard accounting format consistently applied and these records will be available to the City at mutually convenient times.

5.2 The City, its Internal Auditor, federal auditors, and state agencies that have monitoring or auditing responsibilities for this Agreement will have access upon reasonable advance written notice, during normal business hours, to any billing and payment books, documents, papers and records of the Internal Auditor which are directly pertinent to fees and expenses incurred by the Internal Auditor under this Agreement for the purpose of making audit, examination, excerpts, copying and transcriptions.

5.3 The Internal Auditor will furnish to the City upon reasonable advance written notice, during normal business hours and in such form as the City may require, records, reports, data and information, pertaining to the matters covered by this Agreement. Information provided pursuant to this subsection will be held in strict confidence to the extent permitted by applicable law.
ARTICLE 6
OWNERSHIP AND USE OF DOCUMENTS

6.1 Upon the completion of the Internal Auditor’s services and full payment to the Internal Auditor by the City, all documents and other deliverables (“Deliverables”) prepared by the Internal Auditor in connection with the Agreement will become the property of the City, except to the extent they include any Internal Auditor pre-existing intellectual property. Internal Auditor grants to the City the right to use, for the City’s internal business purposes, any pre-existing intellectual property included in the documents in connection with its use of the Deliverables.

6.2 The Internal Auditor will retain all of its records, work papers and supporting documentation relating to this Agreement, and not delivered to the City, for a period of three years after grant closeout except in the event that the Internal Auditor goes out of business during that period, it will turn over, to the City, all of its records relating to the Project for retention by the City. The Internal Auditor will use electronic storage of these documents and utilize SharePoint or another City approved record depository that allows data to be imported to Tyler-Munis with ease for shared access with the City. Once the project is complete, the Internal Auditor will transfer the data to the City so it may continue to have access to documentation during the federal retention period. Alternatively, the Internal Auditor will utilize any other work paper retention system the City maintains.

6.3 As applicable, the Internal Auditor will pay all license fees, royalties, and other costs incident to the use of any invention, design, process, product or device subject to a patent right or copyright held by others in performing the work or in the completed project.

ARTICLE 7
TERM; TERMINATION OF AGREEMENT

7.1 The term of this Agreement begins on the effective date established in the first paragraph of the Agreement and will extend for six (6) years until March 22, 2023 unless this Agreement is terminated under Sections 7.2 or 7.3 below. Both the City and the Internal Auditor assume the Project/Services will be finally completed in accordance with the any schedule negotiated between the Internal Auditor and the City.

7.2 This Agreement may be terminated by either party upon 60 calendar days prior written notice should the other party fail substantially to perform in accordance with its terms through no fault of the party initiating the termination; notwithstanding, Internal Auditor may terminate for nonpayment as set forth in Section 4.1. Each party will provide the other with at least a 30 calendar day period of opportunity to cure before the other party initiates termination.

7.3 The City may terminate this Agreement for convenience and without cause upon at least thirty (30) calendar days prior written notice to the Internal Auditor. The Internal Auditor may terminate this Agreement for convenience and without cause upon at least thirty (30) calendar days prior written notice to the City. In the event of termination for convenience the City may require
the Internal Auditor to transfer title and deliver to the City in the manner and to the extent directed by the Purchasing Manager: (a) any completed materials; and (b) such partially completed materials as the Internal Auditor has specifically produced for the performance of the terminated part of the agreement, for which payment has been made by the City. Upon such termination, the Internal Auditor will use reasonable efforts to (a) stop work to the extent specified (b) terminate any subconsultants as they relate to the terminated work, and (c) be paid the following amounts without duplication, subject to the other terms of this contract: (i) contract prices for supplies or services delivered under the agreement (ii) costs incurred in performing the terminated portion of the work, and (iii) any other reasonable costs that the Internal Auditor can demonstrate to the City, using its standard record keeping system, have resulted from the termination. The Internal Auditor will not be paid for any work performed or costs incurred that reasonably could have been avoided. As a condition of payment, the Internal Auditor will submit within three months of the effective date of the termination a claim specifying the amounts due because of the termination. The absence of an appropriate termination for convenience clause in any subcontract will not increase the obligation of the City beyond what it would have been had the subcontract contained such a clause.

ARTICLE 8
INSURANCE, INDEMNITY AND LIMITATION ON LIABILITY

8.1 The Internal Auditor will indemnify, hold harmless and defend the City and its employees, agents, officers and servants from any and all third party lawsuits, claims, demands and causes of action solely for bodily injury, death or damage to real or tangible personal property to the extent directly and proximately caused by the negligent or intentional wrongful acts or omissions of the Internal Auditor, its officers, employees or agents. This will include, but not be limited to, the amounts of judgments, penalties, interest, court costs, reasonable legal fees and expert witness fees incurred in defending against such claims and all other expenses incurred by the City arising from such claims, including the amounts of any damages or awards resulting from claims demands and causes of action for personal injuries, death or damages to property.

The Internal Auditor will hold harmless, indemnify and defend the City, its officers, agents and employees from and against all third party claims for alleged or actual infringement of patents, copyrights and trademarks in the performance of the work or the incorporation in a Deliverable of any invention, design, process, product or device except to the extent that such infringement or unauthorized use arises from, or could have been avoided except for (i) modification of such Deliverable other than by Internal Auditor or its subcontractors or use thereof in a manner not contemplated by this Agreement, (ii) the failure of the indemnified party to use any corrections or modifications made available by Internal Auditor, (iii) information, materials, instructions, specifications, requirements or designs provided by or on behalf of the indemnified party, or (iv) the use of such Deliverable in combination with any platform, product, network or data not provided by Internal Auditor. If City’s use of any such Deliverable, or any portion thereof, is or is likely to be enjoined by order of a court of competent jurisdiction as such an infringement or unauthorized use, Internal Auditor, at its option and expense, will have the right to (x)
procure for City the continued use of such Deliverable, (y) replace such Deliverable with a non-
infringing Deliverable, or (z) modify such Deliverable so it becomes non-infringing; provided
that, if (y) or (z) is the option chosen by Internal Auditor, the replacement or modified
Deliverable is capable of performing substantially the same function. In the event Internal
Auditor cannot reasonably procure, replace or modify such Deliverable in accordance with the
immediately preceding sentence, Internal Auditor may require City to cease use of such
Deliverable and refund the professional fees paid to Internal Auditor with respect to the Services
giving rise to such Deliverable. The foregoing provisions of this Section constitute the sole and
exclusive remedy of the indemnified parties, and the sole and exclusive obligation of Internal
Auditor, relating to a claim that any of Internal Auditor’s Deliverables infringe any patent,
copyright or other intellectual property right of a third party... This obligation by Internal
Auditor will not be limited because of the specification of any particular insurance coverage in
this Agreement.

8.2 The Internal Auditor will procure and maintain at Internal Auditor’s expense insurance
with insurance companies authorized or legally permitted to do business in the State of Texas,
covering all Services under this Agreement, whether performed by Internal Auditor or Internal
Auditor’s agents, subcontractors or employees. Before commencing the work, the Internal Auditor
will furnish to the City an industry standard ACORD certificate or certificates in form satisfactory
to the City, showing that Internal Auditor has complied with this paragraph. All certificates will
provide that the policy will not be materially and adversely changed or canceled until at least 30
calendar days written notice has been given to the Internal Auditor. In turn, the Internal Auditor
will provide notice in accordance with same to the City in the event Internal Auditor is unable to
procure replacement insurance meeting the requirements and specifications herein. Failure of the
Internal Auditor to demand a certificate or other sufficient evidence of full compliance with these
insurance requirements or failure of the Internal Auditor to identify a deficiency from the evidence
that is provided as proof of insurance will not be construed as a waiver of the Internal Auditor’s
obligation to maintain the required insurance coverage specified herein. Commercial general
liability insurance and motor vehicle insurance will be written with the City of San Marcos, Texas
as an additional insured with respect to Internal Auditor’s acts or omissions in performance of its
Services under this Agreement and will be endorsed or otherwise provide a waiver of the carrier’s
right of subrogation against the City unless prohibited by law. The kinds and amounts of insurance
required are as follows:

**Workers’ Compensation Insurance and/or Employer’s Liability:** In accordance with the
provisions of the Workers’ Compensation Act of the State of Texas and/or $500,000.00 for bodily
injury by accident/$500,000.00 for bodily injury by disease, each employee/$500,000 for bodily
injury by disease, policy limit for Employer’s Liability.

**Liability Insurance:** (1) Commercial general liability insurance (standard ISO version) with
a combined single limit of $1,000,000 for each occurrence and $1,000,000 in the aggregate,
providing coverage for, but not limited to, bodily injury and property damage, premises/operations,
products/completed operations, vicarious liability for independent consultants as applicable (2)
Business Motor Vehicle liability insurance (standard ISO version) in an amount not less than
$1,000,000 per accident (3) professional liability coverage to cover lawful claims arising in connection with Internal Auditor’s legal liability for acts, errors or omissions in performance of its Services under the Project in the combined single limit amount of at least $1,000,000.00 per claim as applicable. Should the Contractor not own any automobiles, the business auto liability requirement will be amended to allow the Contractor to agree to maintain only Hired and Non-Owned Auto Liability. This amended coverage requirement may be satisfied by way of endorsement to the Commercial General Liability or separate Business Auto Policy.

The stated limits of insurance required by this Paragraph are minimum only—they do not limit the Internal Auditor’s indemnity obligation, and it will be the Internal Auditor’s responsibility to determine what limits are adequate. These limits may be basic policy limits or any combination of basic limits and umbrella limits. The City’s acceptance of Certificates of Insurance that do not comply with these requirements in any respect does not release the Internal Auditor from compliance with these requirements.

8.3 Each party, its subsidiaries and subcontractors, and their respective personnel will not be liable to the other party for any claims, liabilities, or expenses relating to this Agreement or the Services (“Claims”) for an aggregate amount in excess of (i) in the case of the Internal Auditor, two (2) times the fees paid by the City to Internal Auditor under this Agreement, or (ii) in the case of the City, the fees paid and payable by the City to Internal Auditor under such SOW, except to the extent resulting from their recklessness, bad faith or intentional misconduct. In no event will either party, its subsidiaries or subcontractors, or their respective personnel be liable to the other party for any loss of use, data, goodwill, revenues, or profits (whether or not deemed to constitute a direct Claim), or any consequential, special, indirect, incidental, punitive, or exemplary loss, damage, or expense relating to this Agreement, any SOW, or the Services. The provisions of this subsection will not apply to any Claim for which one party has an express obligation to indemnify the other hereunder. In circumstances where any limitation on damages or indemnification provision hereunder is unavailable, the aggregate liability of each party, its subsidiaries and subcontractors, and their respective personnel for any Claim will not exceed an amount that is proportional to the relative fault that their conduct bears to all other conduct giving rise to such Claim. The provisions of this paragraph will apply to the fullest extent of the law, whether in contract, statute, tort (such as negligence), or otherwise.

ARTICLE 9
FEDERALLY REQUIRED PROVISIONS

9.1 COPELAND ANTI-KICKBACK ACT COMPLIANCE

The Internal Auditor will comply with the requirements of 29 CFR Part 3 (the Copeland Act). The “Anti-Kickback” section of the Act precludes a contractor or subcontractor from inducing an employee -- in any manner -- to give up any part of his/her compensation to which he/she is entitled under his/her contract of employment.

9.2 CONFLICTS OF INTEREST (24 CFR 570.611; 24 CFR 85.35; and 24 CFR 84.42)
There are two sets of conflict of interest provisions applicable to activities carried out with CDBG funding. The first set, applicable to the procurement of goods and services by subrecipients (funded applicants), is the procurement regulations located at 24 CFR 84.42 and 85.36. The second set of provisions is located at 24 CFR 570.611(a)(2). These provisions cover situations not covered by parts 84 and 85.

With respect to procurement activities, the Internal Auditor must maintain written standards of conduct governing the performance of its employees engaged in the award and administration of contracts. At a minimum, these standards must:

(a) Require that no employee, officer, or agent may participate in the selection, award, or administration of a contract supported by federal funds if a real or apparent conflict would be involved. Such a conflict would arise when any of the following parties has a financial or other interest in the firm selected for a CDBG award:

1) An employee, officer, or agent of the Internal Auditor;
2) Any member of an employee’s, officer’s, or agent’s immediate family;
3) An employee’s, agent’s, or officer’s partner; or
4) An organization which employs or is about to employ any of the persons listed in the preceding sections.

(b) Require that employees, agents, and officers of the Internal Auditor neither solicit nor accept gratuities, favors, or anything of value from contractors or parties to sub-agreements. However, Internal Auditors may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value.

(c) Provide for disciplinary actions to be applied for any violations of such standards by employees, agents or officers of the subrecipient.

With respect to all other CDBG-assisted activities, the general standard is that no employee, agent or officer of the subrecipient, who exercises decision-making responsibility with respect to CDBG funds and activities is allowed to obtain a financial interest in or benefit from CDBG activities, or have a financial interest in any contract, subcontract, or agreement regarding those activities or in the proceeds for the activities. Specific provisions include that:

1) This requirement applies to any person who is an employee, agent, consultant, officer, or elected or appointed official of the City, a designated public agency, or a subrecipient, and to their immediate family members and business partner(s).
2) The requirement applies for such persons during their tenure and for a period of one year after leaving the grantee or subrecipient organization.
3) Upon written request, exceptions may be granted by HUD on a case-by-case basis.

9.3 CERTIFICATION OF ELIGIBILITY
By submitting a proposal in response to the Invitation for Bids, the Internal Auditor certifies that at the time of submission, he/she/it is not listed on the government-wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR Part 1986 Comp., p 189) and 12689 (3 CFR part 1989 Comp., p 235), “Debarment and Suspension”.

(a) In the event of placement on the list between the time of bid/proposal submission and time of contract award, the bidder/proposer will immediately notify the City.

(b) Internal Auditor certifies that its subcontractors are not presently debarred, suspended, or proposed for debarment, declared ineligible or voluntarily excluded from participation in any state or federal program.

(c) Placement of Internal Auditor on the federal government's list of suspended, ineligible, or debarred contractors, false certification, or failure to notify City as required may result in City's termination of this Contract for default.

(d) When requested by the City or HUD, Internal Auditor will furnish a copy of the certification in accordance with 24 C.F.R. Part 24 (Debarment and Suspension).

9.4 NON-COLLUSION CERTIFICATION

The Internal Auditor certifies that, if a proposal was provided that resulted in a contract, that proposal was made without collusion with any other person, firm or corporation.

9.5 BYRD ANTI- LOBBYING AMENDMENT

(31 U.S.C. 1352) Contractors that bid for an award exceeding $100,000 must file the required certification that it will not and has not used Federal appropriated funds to pay any persons or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352.

9.6 SECTION 3 COMPLIANCE

Compliance with Section 3 [These provisions are applicable to projects for which the amount of HUD assistance exceeds $200,000 and the contract or subcontract exceeds $100,000.]

(a) The work to be performed under this Contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, will to the greatest extent feasible, be directed to low-and very low-income persons,
particularly persons who are recipients of HUD assistance for housing.

(b) The parties to this Contract agree to comply with HUD's regulations in 24 C.F.R. Part 135, which implement Section 3. As evidenced by their execution of this Contract, the parties to this Contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.

(c) The Contractor agrees to send to each labor organization or representative of workers with which the Contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the Contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice will describe the Section 3 preference, will set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work will begin.

(d) The Contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 C.F.R. Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 C.F.R. Part 135. The Contractor will not subcontract with any subcontractor where the Contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 C.F.R. Part 135.

(e) The Contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the Contractor is selected but before the Contract is executed, and (2) with persons other than those to whom the regulations of 24 C.F.R. Part 135 require employment opportunities to be directed, were not filled to circumvent the Contractor's obligations under 24 C.F.R. Part 135.

(f) Noncompliance with HUD's regulations in 24 C.F.R. Part 135 may result in sanctions, termination of this Contract for default, and debarment or suspension from future HUD assisted contracts.

(g) When required, Contractor will furnish the City or HUD with satisfactory proof of its compliance herewith.

9.7 COMPLIANCE WITH RULES & REGULATIONS

Funding for the Project has been made available by HUD through the CDBG-DR Program. The Internal Auditor will comply with all of the applicable uniform administrative regulations related to the application, acceptance and use of federal funds as contained in 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. The Internal Auditor is encouraged to obtain the necessary information but failure to do so will not relieve it from compliance with the applicable regulations. The Internal Auditor will be
responsible for compliance and conformance with applicable federal and state laws, rules, regulations and codes, City permitting requirements, and city ordinances currently in effect. Federal and state laws, rules, regulations and codes include but are not limited to applicable:

(a) Workers Compensation laws;

(b) Minimum and maximum salary and wage statutes and regulations, including but not limited to:

1) Fair Labor Standards Act of 1938, as amended;
2) Equal Pay Act of 1963, PL 88-38; and
3) All applicable regulations implementing the above laws;

(c) Non-discrimination statutes and regulations, including but not limited to:

1) Title VII of the Civil Rights Act of 1964, as amended;
2) Section 504 of the Rehabilitation Act of 1973, as amended;
3) The Age Discrimination Act of 1975, as amended; and
4) all applicable regulations implementing the above laws;

(d) Licensing laws and regulations;

(e) Compliance with Texas Accessibility Standards ("TAS") and ADA requirements, issued by the Texas Department of Licensing and Regulation, under the Architectural Barriers Act, or other applicable Texas law;

(f) Requirements under the Architectural Barriers Act and the Americans with Disabilities Act set forth in 24 C.F.R. Section 570.614;

(g) All applicable standards, orders, or requirements issued under the Clean Air Act (42 U.S.C.7401-7671q), and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387, as amended.

(h) Mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (PUB L 94-163, 89 Stat. 871) codified at 42 U.S.C.A. Section 6321 et seq.;

(i) National Environmental Policy Act ("NEPA") including Environmental Protection Agency regulations (40 C.F.R. Part 15), applicable HUD regulations set forth in 24 C.F.R. Parts 50 and 58 including authorities cited therein, and National Historic Preservation Act of 1966, including Federal Historic Preservation Regulations (36 C.F.R. Part 800), which require environmental clearance of federal aid projects; and in connection with NEPA requirements, The Internal Auditor is responsible for the preparation of NEPA documents required for environmental clearance of the Project covered hereunder;
(j) 24 C.F.R. Section 5.105, including applicable authorities cited therein, as well as applicable provisions of 24 C.F.R. Part 58, including Section 58.5 and applicable authorities cited therein and Section 58.6 and applicable authorities cited therein.

**ARTICLE 10**

**MISCELLANEOUS PROVISIONS**

**10.1** This Agreement is governed by the law of the State of Texas. This Agreement is to be performed in Hays County and exclusive venue for any dispute arising under this Agreement is in Hays County, Texas. In the event of a dispute in federal court, venue will be in the United States District Court for the Western District of Texas, Austin Division.

**10.2** As to all acts or failures to act by either party to this Agreement, any applicable statute of limitations will commence to run and any alleged cause of action will be deemed to have accrued when the party commencing the cause of action knew or should have known of the existence of the subject act(s) or failure(s) to act.

**10.3** The Internal Auditor will not use funds received by it directly or indirectly under the terms of this Agreement for any partisan political activity or to further the election or defeat of any candidate for public office.

**10.4** The Internal Auditor hereby affirms that neither the Internal Auditor, the Internal Auditor’s firm nor any of its associates or employees have made or agreed to make any valuable gift whether in the form of service, loan, thing, or promise to any person or any of his/her immediate family, having the duty to recommend, the right to vote upon, or any other direct influence on the selection of Internal Auditors to provide consulting services to the City within the two years preceding the execution of this Agreement. A campaign contribution, as defined by the Texas Election Code or the San Marcos City Code is not considered a valuable gift for the purposes of this Agreement. The Internal Auditor further agrees that none of its paid personnel will be employees of the City or have any contractual relationship with the City. All activities, investigations, and other efforts made by Internal Auditor pursuant to the Agreement will be conducted by employees, associates, or independent contractors of the Internal Auditor.

**10.5** In performing the services required under this Agreement, the Internal Auditor will not discriminate against any person on the basis of race, color, religion, sex, national origin, age, disability or ancestry. The Internal Auditor agrees not to engage in employment practices, which have the purpose or effect of discriminating against employees or prospective employees because of race, color, sex, religion, national origin, age, disability or ancestry. A breach of this covenant by the Internal Auditor may be regarded as a default of the Agreement.

**10.6** All references in this Agreement to any particular gender are for convenience only and will be construed and interpreted to be of the appropriate gender. The term “will” is mandatory in this Agreement.

Deloitte & Touche, LLP  Agreement for Internal Auditor Services 2017
10.7 Should any provision in this Agreement be found or deemed invalid, this Agreement will be construed as not containing the provision and all other provisions, which are otherwise lawful, will remain in full force and effect, and to this end, the provisions of this Agreement are declared severable. Paragraph and Section headings included in the Agreement are for convenience only and are not intended to define or limit the scope of any provisions of the Agreement.

10.8 All Services and deliverables provided pursuant to this Agreement are for the exclusive use and benefit of the City and this Agreement does not create rights in third parties.


10.10 Internal Auditor may be in breach of the Agreement if the Internal Auditor materially fails to perform in accordance with its written terms and conditions.

10.11 In the event of a default or breach of this Agreement by the Internal Auditor, the City reserves the right to terminate for default as set forth in Section 7.2. This remedy may be used in conjunction with another or separately, and together with any other statutory or common law remedies available to the City. Any failure by the City to enforce this Agreement with respect to one or more defaults by the Internal Auditor will not waive the City’s ability to enforce the Agreement after that time.

10.12 The City’s execution of and performance under this Agreement will not act as a waiver by the City of any immunity from suit or liability to which it is entitled under applicable law. The parties acknowledge that the City, in executing and performing this Agreement, is a governmental entity acting in a governmental capacity.

10.13 The City of San Marcos is governed by the Texas Public Information Act (the “Act”), Chapter 552 of the Texas Government Code. This Agreement and all written information generated under this agreement may be subject to release under the Act. The Internal Auditor will not make any reports, information, data, etc. generated under this Agreement available to any individual or organization without the written approval of the City except to the extent they include any Internal Auditor pre-existing intellectual property.

10.14 In the event that the performance by either the City or the Internal Auditor of any of its obligations under this Agreement is interrupted or delayed by events outside of their control such as acts of God, war, riot or civil commotion, then the party is excused from such performance for the period of time reasonably necessary to remedy the effects of such events.

10.15 If applicable, the Internal Auditor will pay all license fees, royalties and other costs incident to the use of any invention, design, process, product or device subject to a patent right or copyright held by others in performing the work or in the completed Project.
10.16 It is expressly agreed that the Internal Auditor is an independent contractor and not an employee, agent partner or joint venturer with the City. The Internal Auditor will not pledge or attempt to pledge the credit of the City.

10.17 It is the City’s intent to be proactive with regard to the environment. The City encourages “value purchasing” of environmentally friendly products. The Internal Auditor is encouraged to utilize green solutions in performing any services under the Agreement, as appropriate.

10.18 The Internal Auditor’s attention is called to the fact that pursuant to San Marcos Ordinance No. 2013-57, as amended, all City of San Marcos owned and rented/leased properties are smoke free properties. All consultants, their subconsultants and employees are prohibited from smoking while on City property. This prohibition includes the enclosed areas of public places and workplaces and within 10 feet of doors and windows of City-owned or rented buildings, all City parks and the grounds outside of any City building. This prohibition includes e-cigarettes and other inhaled vapor devices. The City may terminate this Agreement for noncompliance with this ordinance.

10.19 If City funds are utilized to fund any part of this Agreement, the Internal Auditor understands that those City funds for the payment for work performed by the Internal Auditor under this Agreement have been provided through the City’s budget approved by City Council for the current fiscal year only. State statutes prohibit the obligation and expenditure of public funds beyond the fiscal year for which a budget has been approved. The City cannot guarantee the availability of funds, and enters into this Agreement only to the extent such funds are made available. The Internal Auditor acknowledges and agrees that it will have no recourse against the City for its failure to appropriate funds for the purposes of this Agreement in any fiscal year other than the year in which this Agreement was executed. The fiscal year for the City extends from October 1st of each calendar year to September 30th of the following calendar year.

10.20 The Internal Auditor is required to electronically generate a Certificate of Interested Parties Form 1295 through the Texas Ethics Commission (“TEC”) website (https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm) and submit a signed and notarized copy of the form to the City prior to the award of the contract. This contract, including a City-issued purchase order, will not be enforceable or legally binding until the City receives and acknowledges receipt of the properly completed Form 1295 from the vendor.

ARTICLE 11
SUCCESSORS AND ASSIGNS

11.1 The City and the Internal Auditor, respectively, bind themselves, their partners, successors, assigns and legal representatives to the other party to this Agreement and to the partners, successors, assigns and legal representatives of such other party with respect to all covenants of this Agreement. The City and the Internal Auditor will not assign, sublet or transfer any interest in this Agreement without the prior written consent of the other. The City will consent to the Internal Auditor subcontracting or assigning any portion of the Services to any affiliated or related
entity, whether located within or outside the United States. However, in no event will the City conduct business directly with any entity performing Services on behalf of the Internal Auditor from outside the United States.

11.2 The Internal Auditor will notify the City, in writing, of any material (greater than 50%) in its ownership within 30 calendar days of such change.

ARTICLE 12
EXTENT OF AGREEMENT

12.1 This Agreement, including appendices and referenced attachments represents the entire and integrated Agreement between the City and the Internal Auditor and supersedes all prior proposals, negotiations, representations or agreements either written or oral between the parties. In the event of a dispute between the City and Internal Auditor regarding the intent of this Agreement, both parties agree that they will construe this Agreement in a manner consistent with the City’s Request for Proposals, the Internal Auditor’s proposal response and the public record of the City Council’s approval of this agreement as applicable. The Internal Auditor’s expenses for travel, office, production and other expenses associated directly or indirectly with this Agreement are included as part of the total fee. This Agreement may be amended only by written instrument, which must be signed by both the City and the Internal Auditor. The San Marcos City Council must approve any such authorization of change in services or amendment if the compensation for which exceeds $50,000.00.

12.2 Any exhibits and/or attachments attached to this Agreement are incorporated by reference into this Agreement as though included verbatim herein.

12.3 In the event of any conflict between this Agreement and the provisions of any exhibit or attachment to this Agreement, this Agreement will govern and control.

ARTICLE 13
NOTICES

13.1 Notices required under this Agreement will be provided by the parties to one another by certified mail, return receipt requested, or by confirmed facsimile transmission, to the following addresses:

To the City:
City Manager
City of San Marcos
630 E. Hopkins
San Marcos, Texas  78666

To the Internal Auditor:
Kathie Schwerdtfeger, Engagement Partner
Deloitte & Touche LLP
West 15th St. Suite 1700,
Austin, Texas 78701
ARTICLE 14
BASIS OF COMPENSATION

14.1 The City will compensate the Internal Auditor, in accordance with Article 4, Payments to the Internal Auditor, and the other terms and conditions of this Agreement, as follows:

14.2 The total of all fees and expenses (at direct cost) to be paid to the Internal Auditor for Basic Services as described in Sections 1.1 through 1.5 is a not to exceed fee of $1,151,694.00 for the entire six year term. The annual estimated costs are shown per year below. Reimbursable expenses, include such things as expenses for reproduction of documents, auto travel mileage at the prevailing IRS rate, lodging, delivery charges, long distance, communications and freight and are included in the total compensation.

<table>
<thead>
<tr>
<th>Section One- Total Estimated Annual Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Estimated Annual Amount</td>
</tr>
<tr>
<td>Year One</td>
</tr>
<tr>
<td>$169,290</td>
</tr>
</tbody>
</table>

There are several unknown factors regarding this work that may impact the planned hours per week prescribed by the City.

14.3 Compensation for the Internal Auditor’s additional services will be computed based on the following hourly rates, plus reimbursable expenses at direct cost.

<table>
<thead>
<tr>
<th>Section Two</th>
</tr>
</thead>
<tbody>
<tr>
<td>Title</td>
</tr>
<tr>
<td>Engagement Partner- Kathie Schwerdtfeger</td>
</tr>
<tr>
<td>Project Manager- Christian Montz</td>
</tr>
<tr>
<td>Investigator- Christian Montz</td>
</tr>
<tr>
<td>Accountant/ Auditor- Adriana Buford</td>
</tr>
</tbody>
</table>

Each of the persons executing this Agreement represents that he or she has full power and
authority to execute this Agreement on behalf of the party that person represents. This Agreement will be effective as of the day and year established in the first paragraph of this Agreement.

**City of San Marcos**

By: _____________________________

______________________________

Printed Name and Title

Date: __________________________

**Deloitte & Touche LLP**

By: _____________________________

______________________________

Printed Name and Title

Date: __________________________
ATTACHMENT A

AUTHORIZATION OF CHANGE IN SERVICES
CITY OF SAN MARCOS, TEXAS

PROJECT: Deloitte & Touche LLP
INTERNAL AUDITOR: Internal Auditing Services
CONTRACT NUMBER: 217-153

WORK TO BE ADDED TO OR DELETED FROM SCOPE OF SERVICES

Previous contract amount: $_________________  
Net increase/decrease in contract amount: $_________________  
Revised contract amount: $_________________

Deloitte & Touche LLP

By: ____________________________  Date:__________________

___________________________
Printed Name, Title

City of San Marcos:

By: ____________________________  Date:__________________

___________________________
Printed Name, Title

City only below this line.

Account Number(s): ____________________________, ____________________________
Previous Changes in Service:
#_____; date; amount
#_____; date; amount
#_____; date; amount
# PROPOSAL SUBMITTALS

**CDBG-DR Internal Audit Services**  
February 2, 2017, at 2:00 P.M.

<table>
<thead>
<tr>
<th>RFP 217-153</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>PROONENT NAME</strong></td>
</tr>
<tr>
<td>Postlethwaite &amp; Netterville, APAC</td>
</tr>
<tr>
<td>Houston, TX</td>
</tr>
<tr>
<td>Innovative Costing Solutions, LLC</td>
</tr>
<tr>
<td>Tallahassee, FL</td>
</tr>
<tr>
<td>Innovative Emergency Management, Inc. (dba IEM)</td>
</tr>
<tr>
<td>Baton Rouge, LA</td>
</tr>
<tr>
<td>Grant Thornton LLP</td>
</tr>
<tr>
<td>Chicago, IL</td>
</tr>
<tr>
<td>Deloitte &amp; Touche LLP</td>
</tr>
<tr>
<td>New York, NY</td>
</tr>
<tr>
<td>CohnReznick LLP</td>
</tr>
<tr>
<td>Austin, TX</td>
</tr>
<tr>
<td>Weaver &amp; Tidwell, L.L.P.</td>
</tr>
<tr>
<td>Austin, TX</td>
</tr>
</tbody>
</table>

**WITNESSED BY:**

[Signatures]
AGENDA CAPTION:
7:00PM Receive a Staff presentation and hold a Public Hearing to receive comments for or against Resolution 2017-63R, approving a request for a Conditional Use Permit to allow insulated metal panels as an alternative exterior material for two buildings at the Hays County Jail Complex located at 1307 Uhland Road; authorizing City Staff to issue a Conditional Use Permit consistent with this Resolution; and declaring an effective date; and consider approval of Resolution 2017-63R.

Meeting date: April 4, 2017

Department: Planning and Development Services

Funds Required: NA
Account Number: NA
Funds Available: NA
Account Name: NA

CITY COUNCIL GOAL: Beautify and Enhance the Quality of Place

COMPREHENSIVE PLAN ELEMENT(s): Parks, Public Spaces and Facilities: Goal 1 - “Well-maintained public facilities that meet the need of our community.”

BACKGROUND:

The subject property is approximately 22 acres located on Uhland Road between IH-35 and the Blanco River. This site is zoned Public (P) and is the location of the Hays County Jail, which the County of Hays recently passed a bond election to expand and improve. The first phase of the proposed improvements includes two new metal buildings.

This is the second application by the applicant for approval of this CUP. A previous application was approved with the following conditions:

1. Vertical landscaping requirements that exceed base code.
   a. Install and maintain 1 irrigated shade tree for every 30 linear feet along Uhland Road, instead of 50 feet as required by the base code.
   b. Install and maintain 1 irrigated understory tree for every 30 feet to be located within 50 feet of
the privacy fence where adjacent to any commercial or residential zoning district.

2. A solid privacy fence shall be constructed of decorative masonry material.

The applicant has resubmitted their application as they feel that the approved conditions are detrimental to security and that the costs associated with meeting the conditions would add to the financial hardship realized by the County. The County is requesting that the City approve the CUP without the conditions previously approved by the Council.

The two buildings which this request is tailored for, identified as buildings F and G, are a fleet vehicle maintenance building and a future training center respectively. As proposed, the Primary Material is insulated metal panel, while the Secondary Material is glazing/glass. The applicant has proposed a pre-cast concrete skin on one wall of Building F which faces Uhland Road, but the remaining three walls of Building F and all 4 walls of Building G are proposed to be insulated metal panel.

The Land Development Code Section 6.1.2.1 requires the following when any nonresidential use that is separated by only a street or has a side or rear contiguous to any residential use other than multiple-family:

(1) The nonresidential use shall construct an opaque screening fence a minimum of six feet in height. The screen shall be located no closer to the street than the property line. Such screening fence shall be maintained in good condition. Any sections of this Code concerning sight obstructions of intersections shall be applicable to the screen where it is intersected by a street or throughway.

(2) Buildings shall be set back from the applicable street or property line at a width equal to twice the required setback.

(3) Prior to construction of buffers, as defined in Section 6.1.2.4
(3), complete plans showing type of material, depth of beam and structural support shall be submitted to the Building Inspection Division for analysis to determine whether or not:

a. The screen will withstand the pressures of time and nature; and

b. The screen adequately accomplishes the purpose for which it was intended.

(4) The Building Official shall determine if the buffer meets the requirements of this Section.

The applicant has submitted a Zoning Variance Request to waive these standards, in addition to waiving the landscaping standards and requesting a 10 foot tall chain link fence topped with razor wire. The application is scheduled to be heard by the Zoning Board of Adjustments on April 20, 2017.
Agenda Item #14

Receive a Staff presentation and hold a Public Hearing to receive comments for or against Resolution 2017-63R, approving a request for a Conditional Use Permit to allow insulated metal panels as an alternative exterior material for two buildings at the Hays County Jail Complex located at 1307 Uhland Road; authorizing City Staff to issue a Conditional Use Permit consistent with this Resolution; and declaring an effective date; and consider approval of Resolution 2017-63R.
Request is for a Conditional Use Permit (CUP) to allow insulated metal panel as an alternative primary exterior material for two proposed new buildings.

The Land Development Code states that the Public (P) zoning district shall be required to have a minimum of 80% of each building wall constructed of a Primary Material, which includes masonry, glass, and steel framework.

Architectural Metal Panel is allowed as a secondary material, and is defined as:

“Metals used for decorative architectural purposes. Includes insulated architectural metal panels, and rain screen architectural metal panels with no exposed fasteners…”
Proposed Elevations for Building F

- Request proposes that the South Elevation facing Uhland Road will be precast concrete, and the columns will be covered in CMU.
- Other three elevations proposed to be insulated metal panel.
Proposed Elevations for Building G

- Building G is proposed as a future training facility
- Building G is proposed to be 75% insulated metal panel and 25% glazing
Previous Action

• On February 21, 2017 City Council approved CUP-17-04, allowing the Hays County Jail to erect two new buildings that will not meet the Exterior Design and Material Standards as set forth in Section 4.4.2.1(c)(1) of the Land Development Code with the following conditions:

1. Vertical landscaping requirements that exceed base code:
   • Install and maintain 1 irrigated shade tree for every 30 linear feet along Uhland Road, instead of 50 feet as required by the base code.
   • Install and maintain 1 irrigated understory tree for every 30 feet to be located within 50 feet of the privacy fence where adjacent to any commercial or residential zoning district.

2. A solid privacy fence shall be constructed of decorative masonry material.
Current Request

- The Applicant is requesting to not meet the Design Materials Standards OR the Conditions Council previously established on December 21.
- The Hays County Sheriff’s Office does not believe that they will be able to meet the conditions of the CUP and continue to maintain a secure facility.
- The primary concerns of the County are as follows:
  - Cost: In order to secure facility with approved conditions, the County estimates an additional 2.1 million dollars in cost.
  - Required trees may provide potential hiding places for contraband and/or inmates.
  - A privacy fence may obstruct the view of the perimeter of the property.
Rendering of Proposed Building F

*the end of the building is a precast concrete product*
View of Building G from Pecan Street
Rendering of Proposed Building G
Surrounding Zoning
Existing Fence

- Existing Fleet/Maintenance
- Existing LEC/911
- Existing Training Portables
- Existing 10' chain link with razor wire
Proposed Fence
Resolution 2017-63R (CUP-17-14) Land Development Code Requirements

The Land Development Code Section 6.1.2.1 requires the following when any nonresidential use has a side or rear contiguous to any residential use other than multiple-family:

1. Minimum 6 foot tall privacy fence
2. Increased building setbacks
3. Screens must be approved by the Building Official prior to construction

ZBOA Variance Request
The applicant has submitted a Zoning Variance application to remove these requirements and other development standards currently scheduled to be heard by the Zoning Board of Adjustments on April 20, 2017.
RESOLUTION NO. 2017- R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS APPROVING A REQUEST FOR A CONDITIONAL USE PERMIT TO ALLOW INSULATED METAL PANELS AS AN ALTERNATIVE EXTERIOR MATERIAL FOR TWO BUILDINGS AT THE HAYS COUNTY JAIL COMPLEX LOCATED AT 1307 UHLAND ROAD; AUTHORIZING CITY STAFF TO ISSUE A CONDITIONAL USE PERMIT CONSISTENT WITH THIS RESOLUTION; AND DECLARING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS:

PART 1. The request by Andrew Dodson, P.E., Doucet and Associates, Inc., on behalf of Hays County, for a conditional use permit to allow insulated metal panels as an alternative exterior material for two buildings at 1307 Uhland Road is hereby approved, subject to conformance with the plans and specifications submitted with such request and conditions, if any, as imposed by the City Council. [If the City Council imposes conditions, then such conditions shall be described in an exhibit to be attached to and incorporated into this resolution.]

PART 2. City staff is hereby authorized to issue a conditional use permit consistent with this resolution.

PART 3. This resolution shall become effective immediately from and after its passage.

ADOPTED on April 4, 2017.

John Thomaides
Mayor

Attest:

Jamie Lee Case
City Clerk
This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.
This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.
CUP-17-14  
Conditional Use Permit  
Hays County Jail  
Alternative Exterior Material (Insulated Metal Panel)  
1307 Uhland Road

Applicant Information:

Applicant: Andrew Dodson  
7401B Highway 71 West, Suite 160  
Austin, TX 78735

Property Owner: Hays County  
712 South Stagecoach  
San Marcos, TX 78666

Applicant Request: This is the second request to use insulated metal panel as a primary exterior material on two buildings within the Hays County Jail property. This request is to approve the insulated metal panel buildings without the conditions the City Council required with the previous approval, or any new conditions.

Notification: Personal notification was mailed to all property owners within 200 feet of the property on March 24, 2017.

Response: None as of date of this report.

Subject Property:

Legal Description: Lot 1, Hays County Law Enforcement Center Addition

Location: 1307 Uhland Road

Existing Use of Property: County Jail

Proposed Use of Property: Expansion of County Jail Facilities

Preferred Scenario Map: Area of Stability

Existing Zoning: Public (P)

Zoning and Land Use Pattern:

<table>
<thead>
<tr>
<th>Property Side</th>
<th>Zoning</th>
<th>Existing Land Use</th>
</tr>
</thead>
<tbody>
<tr>
<td>N of Property</td>
<td>CC/SF-6/MR</td>
<td>Church/Single Family Homes</td>
</tr>
<tr>
<td>S of Property</td>
<td>MF-24</td>
<td>Apartments</td>
</tr>
<tr>
<td>E of Property</td>
<td>MH</td>
<td>Mobile Home Park</td>
</tr>
<tr>
<td>W of Property</td>
<td>MH</td>
<td>Mobile Home Park</td>
</tr>
</tbody>
</table>
**Code Requirements:**

Section 4.4.2.1(c)(1) of the Land Development Code states that the Public (P) zoning district shall be required to have a minimum of 80% of each building wall constructed of a Primary Material, which includes masonry, glass, and steel framework. Secondary Materials may make up to 20% of each building wall in this zoning district. Additionally the LDC allows the Planning Director the ability to use an Administrative Adjustment which would allow a 10% reduction to the Primary Material requirement. Architectural Metal Panel is allowed as a secondary material, and is defined as:

> “Metals used for decorative architectural purposes. Includes insulated architectural metal panels, and rain screen architectural metal panels with no exposed fasteners…”

Section 4.4.2.4 of the Land Development Code states that Council may approve a Conditional Use Permit for alternative exterior designs or materials.

The intent of the design standards is to promote quality design and create visual interest through texture, color, and detailing. Materials should be durable so that the development will continue to be an attractive part of the community over time.

**Previous Action**

On February 21, 2017 City Council approved CUP-17-04, allowing the Hays County Jail to erect two new buildings that will not meet the Exterior Design and Material Standards as set forth in Section 4.4.2.1(c)(1) of the Land Development Code with the following conditions:

1. Vertical landscaping requirements that exceed base code:
   a. Install and maintain 1 irrigated shade tree for every 30 linear feet along Uhland Road, instead of 50 feet as required by the base code.
   b. Install and maintain 1 irrigated understory tree for every 30 feet to be located within 50 feet of the privacy fence where adjacent to any commercial or residential zoning district.
2. A solid privacy fence shall be constructed of decorative masonry material.

After reviewing the approved CUP and associated conditions, the Hays County Sheriff’s Office does not believe that they will be able to meet the conditions of the CUP and continue to maintain a secure facility. The applicant has calculated that the cost associated with securing the facility under the approved conditions will be in the proximity of $2.1 million. The applicant is concerned that the required trees may serve as hiding places for contraband and inmates, and that privacy fencing would obscure the view of the perimeter of the property.

**Background**

The subject property is approximately 22 acres located on Uhland Road between IH-35 and the Blanco River. This site is zoned Public (P) and is the location of the Hays County Jail. A bond election was passed to expand and improve the jail site. Improvements include expansion of the existing building, additional parking lots, a rear access off of Pecan Street, and two new metal buildings for maintenance and training.

This request is for a Conditional Use Permit (CUP) to allow insulated metal panel as an alternative primary exterior material for these two proposed new buildings. These buildings, which are the first phase of the proposed improvements, are identified as buildings F and G on the site plan. Buildings F and G are a fleet vehicle maintenance building and a future training center respectively.
According to the applicant, Hays County intends to meet the Exterior Design Materials Standards for the expansion of all other facilities on this campus.

**Proposed Material**

The architect is proposing insulated metal panels as the primary material for buildings F and G. Building F, the fleet vehicle maintenance building is proposed to have the south facing wall (facing Uhland Road) skinned with a pre-cast concrete material, the remaining three sides will be insulated metal panel and approximately 8% glazing overall. Additionally, the columns that support the awning structure attached to Building F will be wrapped in a Concrete Masonry Unit (CMU). Building G, the future training facility, is proposed to be approximately 75% insulated metal panel and 25% glazing overall. The exact breakdown per side is attached to this report.

Additionally, an open carport at the northwest corner of the lot will have columns wrapped in CMU.

**Comments from Other Departments:**

There have been no comments from other departments.

**Planning Department Analysis:**

Evaluation of a request for CUPs for alternate materials is subject to the criteria in Section 4.4.2.2(d).

1. **The approved alternative meets the intent of the Exterior Design and Materials Standards to an equivalent or better degree than the minimum standards required;**

   The proposed alternative does not meet the intent of the Exterior Design and Materials Standards.

2. **The request conforms to the Comprehensive Plan and adopted City Plans;**

   While the Comprehensive Plan does not address materials, the proposed expansion of the facilities at the Hays County Jail meets Goal 1 of Parks, Public Spaces & Facilities: “Well-maintained public facilities that meet the needs of our community.”

3. **The request is based on a unique character of the property or proposed use;**

   This property is unique as it is the location of the Hays County Jail.

4. **Financial hardship is not the basis for the request;**

   According to the applicant financial hardship based on the amount of the bonds approved by voters is the primary basis for the request for the materials standards. Safety and security is the primary basis for the revised request to remove the conditions that were approved with CUP-17-04 on February 21, 2017.

5. **The request is offset by additional architecture treatments and increased vertical landscaping;**

   The applicant has provided elevations that show there is no proposed screening other than a chain link fence topped with razor wire between the proposed buildings and Uhland Road, Pecan Street, or any of the residentially zoned property adjacent to the site. This does not meet the minimum standards of the Land Development Code and the applicant has applied for a variance to waive screening requirements and allow the 10 foot tall chain link fence which is currently scheduled to go before the Zoning Board of Adjustments on April 20, 2017.
Review of the surrounding property shows that the property on the two sides of the Hays County Jail is currently zoned and used as mobile home parks. However, to the rear of the Hays County Jail, the majority of properties are zoned Community Commercial and Single-Family 6. These properties contain a church and single family homes. It is worth noting that the church is a metal building with a masonry veneer on the side visible to IH-35, but with exposed insulated metal panel on the other three sides.

Land Development Code Requirements:

Section 6.1.2.1 of the LDC requires the following when any nonresidential use that has a side or rear contiguous to any residential use other than multiple-family:

1. The nonresidential use shall construct an opaque screening fence a minimum of six feet in height. The screen shall be located no closer to the street than the property line. Such screening fence shall be maintained in good condition. Any sections of this Code concerning sight obstructions of intersections shall be applicable to the screen where it is intersected by a street or throughway.

2. Buildings shall be set back from the applicable street or property line at a width equal to twice the required setback.

3. Prior to construction of buffers, as defined in Section 6.1.2.4(3), complete plans showing type of material, depth of beam and structural support shall be submitted to the Building Inspection Division for analysis to determine whether or not:
   a. The screen will withstand the pressures of time and nature; and
   b. The screen adequately accomplishes the purpose for which it was intended.

4. The Building Official shall determine if the buffer meets the requirements of this Section.

The applicant has submitted a Zoning Variance Request to waive these standards, in addition to waiving the landscaping standards and requesting a 10 foot tall chain link fence topped with razor wire. The application is scheduled to be heard by the Zoning Board of Adjustments on April 20, 2017.

The City Council’s Responsibility:

The City Council may approve, approve with conditions or deny the request. In evaluating the use of the alternative material, consider the five criteria of approval listed above.

Prepared by:
Will Parrish
March 29, 2017

Name Title Date
CONDITIONAL USE PERMIT (GENERAL)
APPLICATION FORM

Updated: March, 2017

Case # CUP- 17- 14

CONTACT INFORMATION

Applicant's Name: Andy Dodson
Property Owner: Hays County

Applicant's Mailing Address: 7901 B Hwy 710 W
Owner's Mailing Address: 712 S Staynroch St.

Applicant's Phone #: 512-583-2600
Owner's Phone #: 512-393-7779

Applicant's Email: adodson@docet-engineers.com
Owner's Email: 

PROPERTY INFORMATION

Subject Property Address: 1307 Olland Rd
Zoning District: P
Tax ID #: R

Legal Description: Lot 1 Block A Subdivision Hays County Law Etc.

DESCRIPTION OF REQUEST

Please use this space to describe the Proposed Use, Material, etc. Attach separate pages as needed.

See attached

AUTHORIZATION

All required application documents are attached. I understand the fees for and the process to obtain a Conditional Use Permit and understand my responsibility to be present at meetings regarding this application.

Initial Filing Fee $750
Renewal/Amendment Filing Fee $400

Technology Fee $11
TOTAL COST $761
TOTAL COST $411

Applicant's Signature: Andrew Dodson
Date: 

Printed Name: 

To be completed by Staff: Accepted By: Date Accepted: Application Deadline:

Proposed Meeting Date: 

Planning & Development Services • 630 East Hopkins • San Marcos, Texas 78666 • 512-393-8230
# Checklist for Conditional Use Permit (General)

<table>
<thead>
<tr>
<th>Items Required* for Complete Submittal</th>
<th>Staff Verification &amp; Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ Pre-application conference with staff is recommended</td>
<td>☐</td>
</tr>
<tr>
<td>Please call 393-8230 to schedule</td>
<td>☐</td>
</tr>
<tr>
<td>☑ Completed Application for Conditional Use Permit (General)</td>
<td>☐</td>
</tr>
<tr>
<td>Site Plan illustrating, where appropriate: location, square</td>
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</tr>
<tr>
<td>footage and height of existing and proposed structures,</td>
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</tr>
<tr>
<td>landscaping or fencing, setbacks, parking, ingress &amp; egress,</td>
<td>☐</td>
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<tr>
<td>signs, etc.</td>
<td>☐</td>
</tr>
<tr>
<td>☑ Notification Authorization</td>
<td>☐</td>
</tr>
<tr>
<td>☑ Authorization to represent the property owner, if the applicant</td>
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</tr>
<tr>
<td>is not the owner</td>
<td>☐</td>
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<tr>
<td>☐ Initial Application Filing Fee $700</td>
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<td>☑ Renewal or Amendment Filing Fee $400</td>
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<tr>
<td>Technology Fee $11</td>
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</table>

Additional information may be required at the request of the Department

*For Renewals, staff may accept a written statement that no changes have been made if copies are available on file

---

I hereby certify and attest that this application and all required documentation is complete and accurate. I hereby submit this application and attachments for review by the City of San Marcos.

Signed: [Signature]  Date: 3/10/17

Print Name: [Name]

[ ] Engineer  [ ] Architect/Planner  [ ] Surveyor  [ ] Property Owner  [ ] Agent

Planning & Development Services • 630 East Hopkins • San Marcos, Texas 78666 • 512-393-8230
AGREEMENT TO THE PLACEMENT OF NOTIFICATION SIGNS
AND ACKNOWLEDGEMENT OF NOTIFICATION REQUIREMENTS

The City of San Marcos Land Development Code requires public notification in the form of notification signs on the subject property, published notice, and/or personal notice based on the type of application presented to the Planning Commission and/or City Council.

- Notification Signs: if required by code, staff shall place notification signs on each street adjacent to the subject property and must be placed in a visible, unobstructed location near the property line. It is unlawful for a person to alter any notification sign, or to remove it while the request is pending. However, any removal or alteration that is beyond the control of the applicant shall not constitute a failure to meet notification requirements. **It is the responsibility of the applicant to periodically check the sign locations to verify that the signs remain in place until final action is taken on the application and have not been vandalized or removed until after such final decision or when such application is withdrawn by the applicant. It is the responsibility of the applicant to immediately notify the Planning and Development Services Department of missing or defective signs.**

- Published Notice: if required by code, staff shall publish a notice in a newspaper of general circulation in accordance with City Codes and the Texas Local Government Code. **If, for any reason, more than one notice is required to be published it may be at the expense of the applicant. The renotification fee shall be $85 plus an $11 technology fee.**

- Personal Notice: if required by code, staff shall mail personal notice in accordance with City Codes and the Texas Local Government Code. **If, for any reason, more than one notice is required to be mailed it may be at the expense of the applicant. The renotification fee shall be $85 plus an $11 technology fee.**

I have read the above statements and agree to the required public notification, as required, based on the attached application. The City's Planning and Development Services Department staff has my permission to place signs, as required, on the property and I will notify City staff if the sign(s) is/are damaged, moved or removed. I understand the process of notification and public hearing and hereby submit the attached application for review by the City.

Signature: [Signature]
Print Name: ANDREW DODSON
Date: 3/16/17

To be completed by Staff: Case #: ________

Planning & Development Services • 630 East Hopkins • San Marcos, Texas 78666 • 512-393-8230
Narrative addressing City Councils Goal of enhancing and beautifying a place

Hays County agrees with the San Marcos City Council’s efforts to enhancing and beautifying areas within the City of San Marcos. Hays County has always done its part to ensure security at the Uhland Road property, while also spending money to maintain and upgrading the buildings and site areas.

The new jail building being built at this property as an addition to the existing building will be faced with concrete at all facades. The new facilities are primarily being built to the north side of the existing jail facility.

Ancillary buildings at the property include a new Fleet Maintenance Building which is being built to replace the existing Fleet Maintenance Building. The new Fleet Maintenance Building will be a metal building structure with metal siding on 3 sides and metal roofing. For the side of the building that faces Uhland Road, we are proposing a concrete finish that will be similar to the concrete finish on the walls of the jail addition. Additionally, the columns of the awning structure will have masonry or concrete surrounds. See the rendering provided of this building.

The other ancillary building at the property will be a new Training Building. This building will be built at the north side of the new jail addition. This replaces 2 existing portable buildings at the property. This building will be a metal building structure with metal siding on all sides and metal roofing.

Both of the ancillary buildings will be an upgrade to the existing ancillary buildings at the property, providing a cleaner appearance. In addition, current flooding concerns and issues at the southwest and northern sides of the property will be mitigated as these new facilities and parking areas being built will be higher in elevation. Also, open site areas that currently are used for storage of vehicles and other equipment will be organized and will present a cleaner appearance on the property.

A small area at the northwest corner of the property is being developed with carport parking (approximately 15 spaces) for storage of seized vehicles. The columns of the carport structures will have masonry or concrete surrounds, keeping with the City’s goal of limiting the amount of metal finishes at the property.
March 7, 2017

Planning Department
City of San Marcos
630 E. Hopkins
San Marcos, TX 78666

RE: Resolution 2017-34R CUP-17-04 (Hays County Jail Alternative Exterior Material)

City of San Marcos,

The aforementioned Conditional Use Permit (CUP) to allow insulated metal panels as an alternate exterior material on two buildings on the Hays County Jail site at 1307 Uhland Road was considered by the San Marcos City Council on February 21, 2017. The CUP was approved and adopted with additional conditions related to vertical landscaping and solid privacy fencing requirements. However, due to site security and safety concerns related to the housing of inmates and prevention of escapees, the county is unable to meet the conditions of the CUP, and therefore, has elected to decline the approval.

A new CUP will be submitted to the San Marcos City Council with additional information for consideration regarding this matter.

Sincerely,

[Signature]

Sheriff Gary Cutler
March 8, 2017

City of San Marcos
630 E. Hopkins
San Marcos, TX 78666

City of San Marcos,

We have been notified that the City of San Marcos building code will require additional landscaping and a solid perimeter fence around the Hays County Jail located at 1307 Uhland Road as a result of our expansion project. As we can appreciate a desire to improve aesthetics of the area, these requirements introduce inherent dangers to the citizens of San Marcos and significantly limit the ability of the Sheriff’s Office to maintain a secure facility in order to keep the citizens safe.

The Hays County Jail houses over 300 inmates who have been charged with a felonious crime and are awaiting trial. Such charges include Capital Murder, Murder, Aggravated Sexual Assault, and Aggravated Robbery etc. Security is of the upmost importance as the Sheriff’s Office must not allow one of these inmates get beyond the secure perimeter.

Due to the aforementioned concerns, we respectfully request that you work with our consultant team to achieve construction standards that emphasize security.

Respectfully,

Gary Cutler
Sheriff
March 7, 2017

Planning Department
City of San Marcos
630 E. Hopkins
San Marcos, TX 78666

RE: Hays County Jail Alternative Exterior Material Cost Impact

City of San Marcos,

Hays County passed a Public Safety Bond initiative in November 2016, which included extensive bond planning prior to calling the Bond Election on August 16, 2016. Bond planning included preliminary meetings with the City of San Marcos Planning Department to help determine cost and code requirements of the projects included in the bond. Based on planning initiatives the county had included a new Vehicle Maintenance Building (to replace the existing metal maintenance building onsite) and Training Building as two projects within the bond, both estimated and planned as pre-engineered metal buildings (PEMB) with metal siding to keep costs down and maintain the lowest financial impact on taxpayers. PEMBs with metal siding are a highly cost effective solution for buildings with intended purposes such as vehicle maintenance shops and training activities.

On September 20, 2016, the City of San Marcos adopted Ordinance No. 2016-25 amending the Land Development Code regarding standards for exterior building materials for non-residential buildings in commercial, public and industrial zoning districts. The amendment requires a minimum of 80% of each building wall shall be of Primary Materials (Brick, Stone, Stucco, Rock, Marble, Granite, Decorative CMU, Decorate Concrete Tilt Wall) and up to 20% of each building wall may be of Secondary Materials (Wood, Architectural Metal, Glass, Block, Tile).

Financial hardship will be realized should the buildings be required to meet the amended requirements for non-residential and industrial exterior wall construction, by doubling the cost of the building, as upgrades to the building foundations and structural elements will be necessary in addition to the increase in cost of exterior building materials.

In addition to the associated costs of required exterior building materials noted above, the County submitted a Conditional Use Permit (CUP-17-04) for consideration by City Council on February 21, 2017. CUP-17-04 was adopted and approved based on additional screening and landscaping conditions including:

1. Vertical landscaping requirements that exceed base code.
   a. Install and maintain 1 irrigated shade tree for every 30 linear feet along Uhland Road, instead of 50 feet as required by the base code.
   b. Install and maintain 1 irrigated understory tree for every 30 linear feet to be located within 50 feet of the privacy fence where adjacent to any commercial or residential zoning district.
2. A solid privacy fence shall be constructed of decorative masonry material.

The county was unable to meet the above conditions due to site security and public safety concerns related to the housing of inmates, prevention of inmate escape, and potential risk of delivery of contraband or weapons; therefore, elected to decline the approval of CUP-17-04 per the attached letter from the Sheriff’s Office dated March 7, 2017. In addition to site security and public safety concerns, the additional cost impact to meet these conditions and maintain site security would be over $2,100,000.00 in additional cost to the project and taxpayers. These conditions would add to the financial hardship realized by the county and taxpayers should they be required to meet the new requested CUP for alternative exterior materials.

In summary, the county is asking the City Council to consider our new Conditional Use Permit request submitted on March 10, 2017 to avoid additional financial hardship and help the Sheriff’s Office maintain a secure and safe site for the community, staff and inmates.

Sincerely,
Aerial View of Hays County Jail Site

1. STAFF PARKING
2. FLEET MAINTENANCE BLDG
3. IMPOUND LOT
4. TRAINING BUILDING
5. HOUSING UNIT
6. SALLY PORT
7. INTAKE AREA
8. FOOD/LAUNDRY
9. TRAINING PARKING
10. TRAINING YARD
11. EXISTING JAIL
12. EXISTING SALLY PORT
13. EXISTING PARKING
14. EXISTING LEC/DISPATCH BLDG
### FLEET MAINTENACE MATERIAL PERCENTAGES

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<th>Elevation</th>
<th>Metal Panels</th>
<th>Doors</th>
<th>Windows</th>
<th>Total SQ</th>
<th>Total Excluding Doors</th>
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<td></td>
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<td>0.00</td>
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Precast Concrete for 100% of the facade excluding doors.

### TRAINING FACILITY MATERIAL PERCENTAGES

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<tr>
<th>Elevation</th>
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<th>Windows</th>
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</table>
INSULATED METAL WALL PANELS
BASIS OF DESIGN: MBCI LS36 RIBBED INSULATED PANELS

EXTERIOR ELEVATION LEGEND

1. EXT. ELEV. GENERAL NOTES

INSULATED METAL ROOF PANELS
BASIS OF DESIGN: MBCI LS 36 RIBBED INSULATED PANELS

REINFORCED AUTOCLAVED AERATED CONCRETE PANEL
BASIS OF DESIGN: 6" HEBEL WALL PANELS

LEVEL 1 (GROUND)
0"

LEVEL 2 (MEZZ)
12' - 0"

LEVEL 3 (ROOF LOW)
20' - 0"

A
B
C
D
E
F
G
H
J

METAL PANELS AREA: 1,261 SF

LEVEL 1 (GROUND)
0"

LEVEL 2 (MEZZ)
12' - 0"

LEVEL 3 (ROOF LOW)
20' - 0"

METAL PANELS AREA: 4,194 SF

LEVEL 1 (GROUND)
0"

LEVEL 2 (MEZZ)
12' - 0"

LEVEL 3 (ROOF LOW)
20' - 0"

METAL PANELS AREA: 4,440 SF

NOT FOR CONSTRUCTION

A501
existing chain link fencing east of existing jail

existing chain link and entrance to public visitation along east property, looking from Uhland Road

existing landscaping and parking lot along Uhland Road

looking west along Uhland Road
looking north from Uhland Road
looking east along Uhland Road
looking to existing PSB from Uhland Road
looking west from the jail site, toward the mobile home park
looking north along the jail west property line

looking north to the church from the jail north property line

looking toward the PSB from the west property line

existing 10’ chain link fencing with razor wire along the top

EXISTING PHOTOS OF SITE

Hays County Jail
Exhibit B

March 8, 2017
looking east along north property line

existing 8' chain link fencing north of existing jail

existing 10' chain link fencing north of existing jail

existing 8' chain link fencing west of fleet maintenance building
EXISTING PHOTOS OF SITE

March 8, 2017

Hays County Jail
Exhibit B
existing chain link fencing along east property abutting mobile home park

existing chain link fencing along east property abutting mobile home park

existing chain link fencing along east property abutting mobile home park

existing chain link fencing along north property line at training yard
Perspective View of Existing Site from Uhland Rd

Fleet Maintenance
the end of the building is a precast concrete product
Perspective View of Fleet Maintenance Building - Looking Southwest
Perspective View from northern end of site - looking south
Perspective View from Fleet Maintenance - looking north towards property boundary

Hays County Jail

March 8, 2017

Exhibit B
AGENDA CAPTION:
Consider approval of Ordinance 2017-15, on the first of two readings, amending the traffic register maintained under Section 82.067 of the San Marcos City Code by reducing the speed limit from 30 miles per hour to 25 miles per hour along the 1400 block of Highland Drive, between Holland Street and Nichols Drive, and the 100 block of Nichols Drive, between North LBJ Drive and Highland Street; and including procedural provisions.

Meeting date:  April 4th, 2017 - 1st Reading
April 18th, 2017 - 2nd Reading

Department:  Public Services - Transportation Division (Sabas Avila)

Funds Required:  $600
Account Number:  10006147.53230
Funds Available:  $43,973
Account Name:  Traffic-Signs

CITY COUNCIL GOAL:  Big Picture Infrastructure

COMPREHENSIVE PLAN ELEMENT(s):  A safe well-coordinated transportation system implemented in an environmentally sensitive manner.

BACKGROUND:

Pursuant with Sec. 82.066, all regulatory signs where the authority to install is not specifically delegated to the traffic engineer, requires approval from City Council by ordinance.

Transportation Department received petition from residents live on Highland Drive and Nichols Drive to reduce the traffic speed from 30 mph to 25 mph. Highland Drive and Nichols Drive are local residential streets joints with a 90 degree bend. Both roads are approximately 30 feet wide without sidewalk. In order to improve roadway safety, City staff recommends approval of the 25 mph speed on following streets:

Highland Drive (1400 block, Holland Street to Nichols Drive); Nichols Drive (100 block, N
Pursuant with 82.067- The traffic engineer shall develop and maintain a traffic register containing a record of every location in the city where any traffic control device or special regulation is made applicable, whether by ordinance or by the traffic engineer's authority established under this chapter.
ORDINANCE NO. 2017 -

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS AMENDING THE TRAFFIC REGISTER MAINTAINED UNDER SECTION 82.067 OF THE SAN MARCOS CITY CODE BY REDUCING THE SPEED LIMIT FROM 30 MILES PER HOUR TO 25 MILES PER HOUR ALONG THE 1400 BLOCK OF HIGHLAND DRIVE, BETWEEN HOLLAND STREET AND NICHOLS DRIVE, AND THE 100 BLOCK OF NICHOLS DRIVE, BETWEEN NORTH LBJ DRIVE AND HIGHLAND STREET; AND INCLUDING PROCEDURAL PROVISIONS.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS:

SECTION 1. Pursuant to Sections 82.003 and 82.066 of the San Marcos City Code, and on the basis of finding that reduced speed limits are reasonable and prudent, the traffic register maintained under Section 82.067 of the San Marcos City Code is amended by reducing the following speed limits:

a. From 30 miles per hour to 25 miles per hour along the 1400 block of Highland Drive, between Holland Street and Nichols Drive; and

b. From 30 miles per hour to 25 miles per hour along the 100 block of Nichols Drive, between North LBJ Drive and Highland Street.

SECTION 2. If any word, phrase, clause, sentence, or paragraph of this ordinance is held to be unconstitutional or invalid by a court of competent jurisdiction, the other provisions of this ordinance will continue in force if they can be given effect without the invalid portion.

SECTION 3. All ordinances and resolutions or parts of ordinances or resolutions in conflict with this ordinance are repealed.

SECTION 4. This ordinance shall be effective upon its adoption on second reading.

PASSED AND APPROVED on first reading April 4, 2017.

PASSED, APPROVED AND ADOPTED on second reading April 18, 2017.

John Thomaides
Mayor
Attest: Jamie Lee Case  
City Clerk

Approved: Michael Cosentino  
City Attorney
Highland Dr. and Nichols Dr. 25 mph Speed Zone

- Property supports the petition
- Property has no response to the petition
City of San Marcos
305 E. Hopkins
San Marcos, Texas 78666

TRAFFIC CALMING SURVEY

The City of San Marcos has received a request to reduce the speed limit at the location described below. This survey serves to assess neighborhood/business consent of the proposed traffic calming measure. This survey will be used in conjunction with other City evaluations to assess the feasibility of this restriction or variation thereof. The results of this survey do not guarantee the installation of the traffic calming measure.

Street Name (for Restriction:) Highland Dr. (e.g. N. LBJ Drive)
Block No.(s) (for Restriction:) (e.g. 500 block, 100 – 300 block, etc.)
Suggested Traffic Calming Measure: 25 MPH speed limit (e.g. speed humps, rumble strips, diverter, etc.)

<table>
<thead>
<tr>
<th>NAME (print)</th>
<th>COMPANY</th>
<th>ADDRESS</th>
<th>PHONE NUMBER</th>
<th>APPROVE 25 MPH signs (check one)</th>
<th>SIGNATURE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Andrea Boren</td>
<td></td>
<td>1400 Highland Dr.</td>
<td>(512) 593-8797</td>
<td>YES</td>
<td>Andrea Boren</td>
</tr>
<tr>
<td>Mary Longe</td>
<td></td>
<td>1408 Highland Dr.</td>
<td>512-618-7085</td>
<td>NO</td>
<td></td>
</tr>
<tr>
<td>Marjorie Leder</td>
<td></td>
<td>1416 Highland Dr.</td>
<td>512-787-4429</td>
<td>YES</td>
<td>Marjorie Leder</td>
</tr>
<tr>
<td>Arnold Leder</td>
<td></td>
<td>1418 Highland Dr.</td>
<td>512-287-4425</td>
<td>YES</td>
<td>Arnold Leder</td>
</tr>
<tr>
<td>Michelle Pviron</td>
<td></td>
<td>1424 Highland Dr.</td>
<td>512-644-9036</td>
<td>YES</td>
<td>Michelle Pviron</td>
</tr>
<tr>
<td>MARK CARTER</td>
<td></td>
<td>1424 Highland Dr.</td>
<td>512-644-9036</td>
<td>YES</td>
<td>Mark Carter</td>
</tr>
<tr>
<td>Dale Bolea</td>
<td></td>
<td>1439 Highland Dr.</td>
<td>512-677-4848</td>
<td>YES</td>
<td>Dale Bolea</td>
</tr>
</tbody>
</table>

Community Contact: Rebecca Grunig
Address: 1439 Highland Dr.
Phone: (512) 593-8797

Please Return to: Kris Gonzalez
City of San Marcos, Public Services – Transportation
512-393-8135
TRAFFIC CALMING SURVEY

The City of San Marcos has received a request to reduce the speed limit at the location described below. This survey serves to assess neighborhood/business consent of the proposed traffic calming measure. This survey will be used in conjunction with other City evaluations to assess the feasibility of this restriction or variation thereof. The results of this survey do not guarantee the installation of the traffic calming measure.

Street Name (for Restriction): Highland Dr.  (e.g. N. LBJ Drive)
Block No.(s) (for Restriction):  (e.g. 500 block, 100 – 300 block, etc.)
Suggested Traffic Calming Measure: 25 MPH speed limit  (e.g. speed humps, rumble strips, diverter, etc.)

<table>
<thead>
<tr>
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<th>SIGNATURE</th>
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</thead>
<tbody>
<tr>
<td>Rags Bynum</td>
<td></td>
<td>1446 Highland Dr.</td>
<td>512-938-3096</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>Kristi Bynum</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ryan Schuurman</td>
<td></td>
<td>1417 Highland Dr.</td>
<td>512-740-4583</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>Stephanie Hill</td>
<td></td>
<td>1409 Highland Dr.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>John</td>
<td></td>
<td>1405 Highland Dr.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tina Gonzalez</td>
<td></td>
<td>1405 Highland Dr.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mitchell Boren</td>
<td></td>
<td>1400 Highland Dr.</td>
<td>512-393-4705</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Community Contact: Rebecca Liwanis  Address: 1446 Highland Dr.

Phone: 512-383-6135

Please Return to: Cris Gonzalez
City of San Marcos, Public Services – Transportation
512-383-6135
The City of San Marcos has received a request to reduce the speed limit at the location described below. This survey serves to assess neighborhood/business consent of the proposed traffic calming measure. This survey will be used in conjunction with other City evaluations to assess the feasibility of this restriction or variation thereof. The results of this survey do not guarantee the installation of the traffic calming measure.

Street Name (for Restriction): Highland Dr.  
(e.g. N. LBJ Drive)
Block No.(s) (for Restriction):  
(e.g. 500 block, 100 – 300 block, etc.)
Suggested Traffic Calming Measure: 25 MPH speed limit  
(e.g. speed humps, rumble strips, diverter, etc.)

<table>
<thead>
<tr>
<th>NAME (print)</th>
<th>COMPANY</th>
<th>ADDRESS</th>
<th>PHONE NUMBER</th>
<th>APPROVE 25 MPH signs (check one)</th>
<th>SIGNATURE</th>
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</thead>
<tbody>
<tr>
<td>Catherine Grosso</td>
<td></td>
<td>1449 Highland Dr.</td>
<td>512-551-7360</td>
<td>√</td>
<td></td>
</tr>
<tr>
<td>Rev. Mary Louise Bretheren</td>
<td></td>
<td>1445 Highland Dr.</td>
<td>512-392-4400</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Henry Wagenen</td>
<td></td>
<td>128 Nichols Dr.</td>
<td>512-787-8260</td>
<td>v</td>
<td></td>
</tr>
<tr>
<td>Ganelle Cannon</td>
<td></td>
<td>1436 Highland Dr.</td>
<td>512-422-8380</td>
<td>√</td>
<td></td>
</tr>
<tr>
<td>Jeff Cannon</td>
<td></td>
<td>1426 Highland Dr.</td>
<td>512-560-1585</td>
<td>√</td>
<td></td>
</tr>
</tbody>
</table>

Community Contact: Rebecca Cousins  
Address: 1449 Highland Dr.

Please Return to:  
Cris Gonzalez  
City of San Marcos, Public Services – Transportation  
512-393-8135
City of San Marcos  
630 E. Hopkins  
San Marcos, Texas 78666  

TRAFFIC CALMING SURVEY  

The City of San Marcos has received a request to reduce the speed limit at the location described below. This survey serves to assess neighborhood/business consent of the proposed traffic calming measure. This survey will be used in conjunction with other City evaluations to assess the feasibility of this restriction or variation thereof. The results of this survey do not guarantee the installation of the traffic calming measure.

Street Name (for Restriction):  Nichols  
(e.g. N. LBJ Drive)  
Block No.(s) (for Restriction):  (e.g. 500 block, 100 – 300 block, etc.)  
Suggested Traffic Calming Measure:  25 MPH speed limit  
(e.g. speed humps, rumble strips, diverter, etc.)

<table>
<thead>
<tr>
<th>NAME (print)</th>
<th>COMPANY</th>
<th>ADDRESS</th>
<th>PHONE NUMBER</th>
<th>APPROVE 25 MPH signs (check one)</th>
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<tbody>
<tr>
<td>James Champion</td>
<td></td>
<td>127 Nichols</td>
<td>YES</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>119 Nichols</td>
<td>YES</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>107 Nichols</td>
<td>YES</td>
<td></td>
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<tr>
<td></td>
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<td>104 Nichols Dr.</td>
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<tr>
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<td></td>
<td>104 Nichols Dr.</td>
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<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>104 Nichols Dr.</td>
<td>NO</td>
<td></td>
</tr>
</tbody>
</table>

Community Contact:  Rebecca Black  
Address:  1414 W. Highland Dr.  

Please Return to:  Cris Gonzalez  
City of San Marcos, Public Services – Transportation  
512-393-8135
TRAFFIC CALMING SURVEY

The City of San Marcos has received a request to reduce the speed limit at the location described below. This survey serves to assess neighborhood/business consent of the proposed traffic calming measure. This survey will be used in conjunction with other City evaluations to assess the feasibility of this restriction or variation thereof. The results of this survey do not guarantee the installation of the traffic calming measure.

Street Name (for Restriction): Nichols (e.g. N. LBJ Drive)
Block No.(s) (for Restriction): (e.g. 500 block, 100 – 300 block, etc.)
Suggested Traffic Calming Measure: 25 MPH speed limit (e.g. speed humps, rumble strips, diverter, etc.)

<table>
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<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Greg Verret</td>
<td>R E T I R E D M I L I T A R Y</td>
<td>108 Nichols Dr.</td>
<td>512-618-6342</td>
<td>yes</td>
</tr>
<tr>
<td>Sandra Verret</td>
<td>Retinco</td>
<td>108 Nichols Dr.</td>
<td>512-618-2071</td>
<td>yes</td>
</tr>
<tr>
<td>Jennifer Richard</td>
<td>Attorney</td>
<td>116 Nichols Dr.</td>
<td>512-879-0978</td>
<td>no</td>
</tr>
<tr>
<td>Kay Quinn</td>
<td>retired</td>
<td>116 Nichols Dr.</td>
<td>512-879-0978</td>
<td>no</td>
</tr>
<tr>
<td>Jay Bradley Davis</td>
<td>Honeywell</td>
<td>119 Nichols Dr.</td>
<td>512-787-7508</td>
<td>yes</td>
</tr>
<tr>
<td>Nicholas Marsfield</td>
<td>Ally Financial</td>
<td>131 Nichols Dr.</td>
<td>248-731-7641</td>
<td>yes</td>
</tr>
<tr>
<td>Trinidad Chapman</td>
<td></td>
<td>127 Nichols Dr.</td>
<td>512-292-2392</td>
<td>yes</td>
</tr>
</tbody>
</table>

Community Contact: Rebecca Liounis
Address: 14649 Highland Dr.
Phone: (512) 517-0658

Please Return to: Cris Gonzalez
City of San Marcos, Public Services – Transportation
512-393-8135
TRAFFIC CALMING SURVEY

The City of San Marcos has received a request to reduce the speed limit at the location described below. This survey serves to assess neighborhood/business consent of the proposed traffic calming measure. This survey will be used in conjunction with other City evaluations to assess the feasibility of this restriction or variation thereof. The results of this survey do not guarantee the installation of the traffic calming measure.

Street Name (for Restriction): Nichols (e.g. N. LBJ Drive)
Block No.(s) (for Restriction): (e.g. 500 block, 100 – 300 block, etc.)
Suggested Traffic Calming Measure: 25 MPH speed limit (e.g. speed humps, rumble strips, diverter, etc.)

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<tbody>
<tr>
<td>Chelsea Davis</td>
<td></td>
<td>119 Nichols Dr.</td>
<td>512-396-4117</td>
<td>YES</td>
<td>Chelsea Davis</td>
</tr>
<tr>
<td>Allison Ellis</td>
<td></td>
<td>115 Nichols Dr.</td>
<td>832-755-9487</td>
<td>YES</td>
<td></td>
</tr>
<tr>
<td>Lauren Sorell</td>
<td></td>
<td>124 Nichols Dr.</td>
<td>512-757-6571</td>
<td>YES</td>
<td>Lauren Sorell</td>
</tr>
<tr>
<td>Marty Sorell</td>
<td></td>
<td>124 Nichols Dr.</td>
<td>512-787-6021</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Community Contact: Cris Gonzalez
Address: City of San Marcos, Public Services – Transportation
Phone: 512-393-8135
TRAFFIC CALMING SURVEY

The City of San Marcos has received a request to reduce the speed limit at the location described below. This survey serves to assess neighborhood/business consent of the proposed traffic calming measure. This survey will be used in conjunction with other City evaluations to assess the feasibility of this restriction or variation thereof. The results of this survey do not guarantee the installation of the traffic calming measure.

<table>
<thead>
<tr>
<th>Street Name (for Restriction:)</th>
<th>Highland Dr.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Block No(s) (for Restriction:)</td>
<td>(e.g. 500 block, 100 - 300 block, etc.)</td>
</tr>
<tr>
<td>Suggested Traffic Calming Measure:</td>
<td>25 MPH speed limit</td>
</tr>
<tr>
<td>(e.g. speed humps, rumble strips, diverter, etc.)</td>
<td></td>
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<table>
<thead>
<tr>
<th>NAME (print)</th>
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<th>ADDRESS</th>
<th>PHONE NUMBER</th>
<th>APPROVE 25 MPH signs (check one)</th>
<th>SIGNATURE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Timothy Miller</td>
<td></td>
<td>1439 Highland Dr.</td>
<td>512-888-9745</td>
<td>YES</td>
<td>Timothy Miller</td>
</tr>
<tr>
<td>Jack Butler</td>
<td>1440 Highland Dr.</td>
<td>512-791-1837</td>
<td></td>
<td>NO</td>
<td></td>
</tr>
<tr>
<td>Melissa Butler</td>
<td>1440 Highland Dr.</td>
<td>512-548-6172</td>
<td></td>
<td>YES</td>
<td>Melissa Butler</td>
</tr>
<tr>
<td>Stacy Price</td>
<td>1444 Highland Dr.</td>
<td>512-355-8357</td>
<td></td>
<td>YES</td>
<td>Stacy Price</td>
</tr>
<tr>
<td>Michelle Brewer</td>
<td>1444 Highland Dr.</td>
<td>512-355-8327</td>
<td></td>
<td>YES</td>
<td>Michelle Brewer</td>
</tr>
<tr>
<td>Rebecca Liounis</td>
<td>1449 Highland Dr.</td>
<td>512-557-0450</td>
<td></td>
<td>YES</td>
<td>Rebecca Liounis</td>
</tr>
<tr>
<td>Kenneth L. Gentry</td>
<td>1449 Highland Dr.</td>
<td>512-557-0658</td>
<td></td>
<td>YES</td>
<td>Kenneth L. Gentry</td>
</tr>
</tbody>
</table>

Community Contact: Rebecca Liounis  
Address: 1449 Highland Dr.

Please Return to: Cris Gonzalez  
City of San Marcos, Public Services – Transportation  
512-383-8135
Consider approval of Ordinance 2017-16, on the first of two readings, creating a designated permit area under Section 82.189 of the San Marcos City Code that allows parking by permit on both sides of the 400 to 700 blocks of McGehee Street between Cheatham Street and the southern Terminus of the street, 8:00 am to 11:00 pm every day, during and including the months of February through November; amending the traffic register to reflect such designated permit area; and providing for an effective date.

Meeting date: April 4th, 2017 - 1st Reading
April 18th, 2017 - 2nd Reading

Department: Public Services - Transportation Division (Sabas Avila)

Funds Required: $900
Account Number: 10006147.53230
Funds Available: $43,973
Account Name: Traffic-Signs

CITY COUNCIL GOAL:
Beautify and Enhance the Quality of Place

COMPREHENSIVE PLAN ELEMENT(s):
Neighborhood and Housing Goal 4: Well maintained, stable neighborhoods protected from blight or the encroachment of incompatible land uses

BACKGROUND:
Residents of 400-700 McGehee Street (from Cheatham Street to south end of the street) are requesting the installation of residential parking permits on both sides of the street, 8 am - 11 pm daily, February to November.

City staff has reviewed the request and the request meets the requirements for residential permit parking. City staff recommends parking restriction with residential parking permits, 8 am - 11 pm daily, February to November.

Pursuant with 82.067- The traffic engineer shall develop and maintain a traffic register containing a record of every location in the city where any traffic control device or special regulation is made applicable, whether by
ordinance or by the traffic engineer's authority established under this chapter.
ORDINANCE NO. 2017-

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS CREATING A DESIGNATED PERMIT AREA UNDER SECTION 82.189 OF THE SAN MARCOS CITY CODE THAT ALLOWS PARKING BY PERMIT ONLY ON BOTH SIDES OF THE 400 TO 700 BLOCKS OF MCGEEHEE STREET BETWEEN CHEATHAM STREET AND THE SOUTHERN TERMINUS OF THE STREET, 8:00 A.M. TO 11:00 P.M., EVERY DAY, DURING AND INCLUDING THE MONTHS OF FEBRUARY THROUGH NOVEMBER; AMENDING THE TRAFFIC REGISTER TO REFLECT SUCH DESIGNATED PERMIT AREA; AND PROVIDING FOR AN EFFECTIVE DATE.

RECITALS:

1. Section 82.189 of the San Marcos City Code authorizes the creation of a Designated Permit Area upon the request of a property owner whose property abuts the requested Designated Permit Area, the submittal of a petition and fulfillment of the requirements of Section 82.189(b) of the San Marcos City Code.

2. The San Marcos Transportation Department has received a request and a petition for the creation of a Designated Permit Area that allows parking by permit only on both sides of the 400 to 700 blocks of McGehee Street between Cheatham Street and the southern terminus of the street, 8:00 a.m. to 11:00 p.m., every day, during and including the months of February through November.

3. City Transportation Department staff recommends the creation of this Designated Permit Area within which parking will be restricted to permit parking only during the hours indicated in paragraph 2.

4. A public hearing on the application as required by Section 82.189(d) of the San Marcos City Code was held on April 4, 2017.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS:

SECTION 1. All of the above premises are hereby found to be true and correct legislative and factual findings of the City Council of the City of San Marcos.

SECTION 2. The City Council hereby approves the creation of a Designated Permit Area that allows parking by permit only on both sides of the 400 to 700 blocks of McGehee Street between Cheatham Street and the southern terminus of the street, 8:00 a.m. to 11:00 p.m., every day, during and including the months of February through November. The Designated Permit Area is depicted in the map attached hereto and incorporated herein for all purposes as Exhibit “A.”

SECTION 3. No parking shall be allowed in the Designated Permit Area at any time without a valid permit and the Traffic Register is amended to reflect such restriction.
SECTION 4. If any word, phrase, clause, sentence, or paragraph of this ordinance is held to be unconstitutional or invalid by a court of competent jurisdiction, the other provisions of this ordinance will continue in force if they can be given effect without the invalid portion.

SECTION 5. All ordinances and resolutions or parts of ordinances or resolutions in conflict with this ordinance are repealed.

SECTION 6. This ordinance shall be in effect upon adoption on second reading.

PASSED AND APPROVED on first reading on April 4, 2017.

PASSED, APPROVED AND ADOPTED on April 18, 2017.

John Thomaides
Mayor

Attest: Approved:

Jamie Lee Case Michael J. Cosentino
City Clerk City Attorney
EXHIBIT A
Map of Designated Permit Area

McGehee Street Residential Parking Zone
(8AM-11PM Daily, February-November)

- Business Property (No signature collected)
- Property supports the petition
- Property has no response to the petition
McGehee Street Residential Parking Zone
(8AM-11PM Daily, February-November)

Property supports the petition
Property has no response to the petition

Business Property (No signature collected)
# NEIGHBORHOOD SURVEY

The City of San Marcos has received a request to install a Residential Parking Permit System as described below. This survey serves to assess neighborhood/business consent of the proposed Residential Parking area. This survey will be used in conjunction with other City evaluations to assess the feasibility of this restriction or variation thereof. The results of this survey do not guarantee the installation of the signs.

- **Street Name (for Restriction):** McGeehe St
- **Block No.(s) (for Restriction):** 336
- **Proposed Regulation:** Residential Parking Zone - Residential Permit Only
  - **Mon-Sunday:** 8AM - 11PM
  - **Feb-November:** Mon-Sunday 8AM - 11PM

We, the undersigned, are residents and/or property owners of the proposed designated permit area described in this application. We understand that: (i) if this area is designated, certain restrictions will be placed upon on-street parking within the area; (ii) residents and/or residential property owners of the area will be entitled to obtain a limited number of parking permits exempting their vehicles from such parking restrictions, but if a resident and/or property owner owns a vehicle without having a permit displayed, that vehicle will be subject to the parking restrictions; (iii) parking permits will be issued for a term of one year and require replacement each year; (iv) the cost of the annual parking permits will be paid by the residents and/or property owners. This restriction will be valid for a minimum of one year.

<table>
<thead>
<tr>
<th>NAME (print)</th>
<th>ADDRESS</th>
<th>PHONE NUMBER</th>
<th>APPROVE RESTRICTION (check one)</th>
<th>SIGNATURE</th>
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</thead>
<tbody>
<tr>
<td>Johnny Garcia</td>
<td>420 McGeehe St.</td>
<td>978-724-39</td>
<td>YES</td>
<td></td>
</tr>
<tr>
<td>Chuck Fugur</td>
<td>336 Drive</td>
<td>398-254-25</td>
<td>NO</td>
<td></td>
</tr>
<tr>
<td>Janie Austin</td>
<td>500 McGeehe</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dan M. Cruz Jr.</td>
<td>515 McGeehe St.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Krista Bost</td>
<td>326 Cheatham St.</td>
<td>612-353-1960</td>
<td>YES</td>
<td></td>
</tr>
<tr>
<td>Brandy Prater</td>
<td>520 McGeehe</td>
<td>912-710-3702</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Belinda J. Bragone</td>
<td>519 McGeehe St.</td>
<td>512-087-2132</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nickie S. Hargrove</td>
<td>780 McGeehe St.</td>
<td>733-4211</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rebecca Herrandez</td>
<td>720 McGeehe</td>
<td>512-323-7147</td>
<td>YES</td>
<td></td>
</tr>
<tr>
<td>Angel Ari</td>
<td>501 McGeehe</td>
<td>71-723-9147</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Vacant 012

Craig Klinkenberg 608 McGeehe
Roland Bolden 523 McGeehe St.
AGENDA CAPTION:
Consider approval of Ordinance 2017-17, on the first of two readings, creating a designated permit area under Section 82.189 of the San Marcos City Code that allows parking by permit on both sides of East Grove Street between Mckie Street and CM Allen Parkway, 8:00 am-11:00pm, Friday to Sunday, during and including the months of February through November; amending the traffic register to reflect such designated permit area; and providing for an effective date.

Meeting date: April 4th, 2017 - 1st Reading
April 18th, 2017 - 2nd Reading

Department: Public Services - Transportation Division (Sabas Avila)

Funds Required: $900
Account Number: 10006147.53230
Funds Available: $43,973
Account Name: Traffic-Signs

CITY COUNCIL GOAL:
Beautify and Enhance the Quality of Place

COMPREHENSIVE PLAN ELEMENT(s):
Neighborhood and Housing Goal 4: Well maintained, stable neighborhoods protected from blight or the encroachment of incompatible land uses

BACKGROUND:
Residents of 300-400 Grove Street (from Mckie Street to CM Allen Parkway) are requesting the installation of residential parking permits on both sides of the street, Friday to Sunday 8 am - 11 pm, February to November.

City staff has reviewed the request and the request meets the requirements for residential permit parking. City staff recommends parking restriction with residential parking permits, Friday to Sunday 8 am - 11 pm, February to November.

Pursuant with 82.067- The traffic engineer shall develop and maintain a traffic register containing a record of every location in the city where any traffic control device or special regulation is made applicable, whether by ordinance or by the traffic engineer's authority established under this chapter.
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS CREATING A DESIGNATED PERMIT AREA UNDER SECTION 82.189 OF THE SAN MARCOS CITY CODE THAT ALLOWS PARKING BY PERMIT ONLY ON BOTH SIDES OF EAST GROVE STREET BETWEEN MCKIE STREET AND CM ALLEN PARKWAY, 8:00 A.M. TO 11:00 P.M., FRIDAY TO SUNDAY, DURING AND INCLUDING THE MONTHS OF FEBRUARY THROUGH NOVEMBER; AMENDING THE TRAFFIC REGISTER TO REFLECT SUCH DESIGNATED PERMIT AREA; AND PROVIDING FOR AN EFFECTIVE DATE.

on both sides of Grove Street between Mckie Street and CM Allen Parkway, 8:00 a.m. to 11:00 p.m. Friday to Sunday during and including the months of February through November

RECIDALS:

1. Section 82.189 of the San Marcos City Code authorizes the creation of a Designated Permit Area upon the request of a property owner whose property abuts the requested Designated Permit Area, the submittal of a petition and fulfillment of the requirements of Section 82.189(b) of the San Marcos City Code.

2. The San Marcos Transportation Department has received a request and a petition for the creation of a Designated Permit Area that allows parking by permit only on both sides of East Grove Street between Mckie Street and CM Allen Parkway, 8:00 a.m. to 11:00 p.m., Friday to Sunday, during and including the months of February through November.

3. City Transportation Department staff recommends the creation of this Designated Permit Area within which parking will be restricted to permit parking only during the hours indicated in paragraph 2.

4. A public hearing on the application as required by Section 82.189(d) of the San Marcos City Code was held on April 4, 2017.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS:

SECTION 1. All of the above premises are hereby found to be true and correct legislative and factual findings of the City Council of the City of San Marcos.

SECTION 2. The City Council hereby approves the creation of a Designated Permit Area that allows parking by permit only on both sides of East Grove Street between Mckie Street and CM Allen Parkway, 8:00 a.m. to 11:00 p.m., Friday to Sunday, during and including the months of February through November. The Designated Permit Area is depicted in the map attached hereto and incorporated herein for all purposes as Exhibit “A.”

SECTION 3. No parking shall be allowed in the Designated Permit Area at any time without a valid permit and the Traffic Register is amended to reflect such restriction.
SECTION 4. If any word, phrase, clause, sentence, or paragraph of this ordinance is held to be unconstitutional or invalid by a court of competent jurisdiction, the other provisions of this ordinance will continue in force if they can be given effect without the invalid portion.

SECTION 5. All ordinances and resolutions or parts of ordinances or resolutions in conflict with this ordinance are repealed.

SECTION 6. This ordinance shall be in effect upon adoption on second reading.

PASSED AND APPROVED on first reading on April 4, 2017.

PASSED, APPROVED AND ADOPTED on April 18, 2017.

John Thomaides
Mayor

Attest: Approved:

Jamie Lee Case Michael J. Cosentino
City Clerk City Attorney
EXHIBIT A
Map of Designated Permit Area

Grove Street Residential Parking Zone
(Friday - Sunday, 8AM-11PM February-November)
Grove Street Residential Parking Zone
(Friday - Sunday, 8AM-11PM February-November)

Business Property (no signature collected)
Property supports the petition
Property has no response to the petition
The City of San Marcos has received a request to install Residential Parking Permit System as described below. This survey serves to assess neighborhood/business consent of the proposed Residential Parking area. This survey will be used in conjunction with other City evaluations to assess the feasibility of this restriction or variation thereof. The results of this survey do not guarantee the installation of the signs.

**Proposed Regulation:** Residential Parking Zone – Residential Permit Only

We the undersigned are residents and/or property owners of the proposed designated permit area described in this application. We understand that: (i) if this area is designated, certain restrictions will be placed upon on-street parking within the area; (ii) residents and/or residential property owners of the area will be entitled to obtain a limited number of parking permits exempting their vehicles from such parking restrictions, but if a resident and/or property owner owns a vehicle without having a permit displayed, that vehicle will be subject to the parking restrictions; (iii) parking permits will be issued for a term of one year and require replacement each year; (iv) the cost of the annual parking permits will be paid by the residents and/or property owners. This restriction will be valid for a minimum of one year.

<table>
<thead>
<tr>
<th>NAME (print)</th>
<th>ADDRESS</th>
<th>PHONE NUMBER</th>
<th>APPROVE RESTRICTION (check one)</th>
<th>SIGNATURE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Johnny Garcia</td>
<td>420 McKeen St</td>
<td>830-743-2399</td>
<td>YES</td>
<td></td>
</tr>
<tr>
<td>Johnny Brewer</td>
<td>303 E. Grove St</td>
<td>740-2976</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nancy DeHass</td>
<td>309 E. Grove</td>
<td>214-528</td>
<td>NO</td>
<td></td>
</tr>
<tr>
<td>Elvin Addie</td>
<td>329 E. Grove</td>
<td>346-0140</td>
<td></td>
<td></td>
</tr>
<tr>
<td>John Sanchez</td>
<td>332 E. E. Grove</td>
<td>640-3977</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lee Tazah</td>
<td>313 E. Grove</td>
<td>513-0200</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Leslie Wood</td>
<td>314 E Grove</td>
<td>716-280</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jim White</td>
<td>601 McKeen St</td>
<td>717-243-912</td>
<td>YES</td>
<td></td>
</tr>
<tr>
<td>S. Gilbert Torres</td>
<td>311 E Grove</td>
<td>512-922-3104</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shannon Alvis</td>
<td>412 E. McAllen</td>
<td>512-711-5486</td>
<td>NO</td>
<td></td>
</tr>
<tr>
<td>Josh Amos</td>
<td>500 McKeen St</td>
<td>712-968-49</td>
<td>YES</td>
<td></td>
</tr>
</tbody>
</table>
AGENDA CAPTION:
Consider approval of Resolution 2017-64R, supporting an application by TX McCarty TH, LP to the Texas Department of Housing and Community Affairs for 2017 Housing Tax Credits for the proposed Savoy Townhome development located on McCarty Road west of Rattler Road; and declaring an effective date.

Meeting date: April 4, 2017

Department: Planning & Development Services

Funds Required: N/A
Account Number: N/A
Funds Available: N/A
Account Name: N/A

CITY COUNCIL GOAL: Community Wellness / Strengthen the Middle Class

COMPREHENSIVE PLAN ELEMENT(s):
Neighborhoods & Housing, Goal 3: Diversified Housing Options to Serve Citizens with Varying Needs and Interests

BACKGROUND:
The applicant is proposing to develop an affordable rental housing project of approximately 184 units on McCarty Road west of Rattler Road in the City’s extraterritorial jurisdiction. The applicant is requesting that the City Council approve a Resolution of Support as required by Section 2306.67071 of the Texas Government Code to provide no objection to its application to the Texas Department of Housing and Community Affairs for Federal Housing Tax Credits and acknowledging that the City of San Marcos has more than twice the state average of units per capita supported by Housing Tax Credits.

Even though the annexation process has begun for the property, state law requires that the Hays County Commissioners Court also issue a resolution of support since the project is planned on property currently within the county.
The following provides a summary of the project:

- Approximately 17 acres within the City’s ETJ;
- Located within a Medium Intensity Zone on the Preferred Scenario Map;
- Approximately 184 Low-Income Townhome Units each on individual lots;
- Willing to comply with all City Regulations;
- Proposal for Social Service Programs, which can assist low income individuals, to be reviewed by the Texas Department of Housing and Community Affairs;
- Not Tax-Exempt.

Staff Recommends Denial of the request for a resolution of support / no objection for the following reasons:

- The intent of the City’s Affordable Housing Policy is to encourage and promote affordable, owner-occupied, housing in appropriate locations.
- The intent of the City’s Affordable Housing Policy is to encourage and promote affordable, owner-occupied, housing dispersed throughout the community.
- The project is not located within ¼ mile of an existing public transportation route.
- The project is not located within proximity to private services such as grocery, medical facilities, schools and jobs.
Non-Consent Agenda

Item 18

- Resolution 2017-64R, supporting an application by TX McCarty TH, LP to the Texas Department of Housing and Community Affairs for 2017 Housing Tax Credits for the proposed Savoy Townhome development and consider approval of Resolution 2017-64R.
<table>
<thead>
<tr>
<th></th>
<th>Savoy San Marcos Apartments (November 2016)</th>
<th>Savoy Townhomes (March 2017)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Units</td>
<td>264</td>
<td>184</td>
</tr>
<tr>
<td>Acreage</td>
<td>17</td>
<td>17</td>
</tr>
<tr>
<td>Zoning</td>
<td>MF-12</td>
<td>TH</td>
</tr>
<tr>
<td>Structures</td>
<td>12 to 14</td>
<td>184</td>
</tr>
<tr>
<td>Unit Types</td>
<td>0 to 3 bedroom</td>
<td>2 to 4 bedroom</td>
</tr>
<tr>
<td>Average Rent</td>
<td>$886</td>
<td>$1,100</td>
</tr>
<tr>
<td>Land Costs</td>
<td>$1.9 million</td>
<td>$1.6 million</td>
</tr>
<tr>
<td>Construction Costs</td>
<td>$27.9 million</td>
<td>$25.8 million</td>
</tr>
<tr>
<td>Developer Fee</td>
<td>$4.6 million</td>
<td>$4.3 million</td>
</tr>
<tr>
<td>Total Costs</td>
<td>$40 million</td>
<td>$37 million</td>
</tr>
</tbody>
</table>
NOTES:
1. THIS LAYOUT WAS DEVELOPED IN ACCORDANCE WITH THE CITY'S TOWNHOME (TH) ZONING DESIGNATION.
2. UNLESS OTHERWISE SHOWN, ALL LOTS ARE 25'x100' (TYP.), OR AS REQUIRED FOR THE SIDE LOTS. MINIMUM (2,500sf min.).
3. TOTAL RESIDENTIAL LOTS = 168
4. ALL PROPOSED PUBLIC ROW SHOWN IS 50-FOOT WIDE, UNLESS SHOWN OTHERWISE.
Staff Recommends Denial of the request for a resolution of support / no objection for the following reasons:

- The intent of the City’s Affordable Housing Policy is to encourage and promote affordable, owner-occupied, housing in appropriate locations.
- The intent of the City’s Affordable Housing Policy is to encourage and promote affordable, owner-occupied, housing dispersed throughout the community.
- The project is not located within ¼ mile of an existing public transportation route.
- The project is not located within proximity to private services such as grocery, medical facilities, schools and jobs.
RESOLUTION NO. 2017- R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS SUPPORTING AN APPLICATION BY TX MCCARTY TH, LP TO THE TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS FOR 2017 HOUSING TAX CREDITS FOR THE PROPOSED SAVOY TOWNHOME DEVELOPMENT LOCATED ON MCCARTY ROAD WEST OF RATTLER ROAD; AND DECLARING AN EFFECTIVE DATE.

RECITALS:

1. TX McCarty TH, LP has proposed a development for affordable rental housing at McCarty Road west of Rattler Road named Savoy Townhomes in the City of San Marcos which will include approximately 184 low income townhome units.

2. TX McCarty TH, LP has communicated that it intends to submit an application to the Texas Department of Housing and Community Affairs (TDHCA) for 2017 Housing Tax Credits for Savoy Townhomes

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS:

PART 1. As provided for in §11.3(b) of the Qualified Allocation Plan, it is expressly acknowledged and confirmed that the City of San Marcos has more than twice the state average of units per capita supported by Housing Tax Credits or Private Activity Bonds.

PART 2. The City of San Marcos hereby supports Savoy Townhomes, and confirms that the City Council has voted specifically to approve the submittal of applications for the development and to authorize an allocation of Housing Tax Credits for the Development pursuant to Texas Government Code §2306.6703(a)(4).

PART 3. In accordance with the requirements of Texas Government Code §2306.67071 and Texas Administrative Code §10.204(4), it is hereby found that:

a. Notice has been provided to the City of San Marcos, Texas;

b. The City of San Marcos, Texas has had sufficient opportunity to obtain a response from the Applicant regarding any questions or concerns about the proposed Development;

c. The City of San Marcos, Texas has held a hearing at which public comment may be made on the proposed Development; and

d. After due consideration of the information provided by the Applicant and public comment, the City of San Marcos, Texas does not object to the proposed
Application to the Texas Department of Housing and Community Affairs.

**PART 4.** that the applicant has shown compliance with the City of San Marcos Affordable Housing Policy in that:

- **a.** The project is reserved for one and two family lots only;
- **b.** No exemptions from local taxes shall be given;
- **c.** The project is located in a Medium Intensity Zone (East Village) on the Preferred Scenario Map;
- **d.** The project is located in proximity to private services such as grocery, medical facilities, schools and jobs;
- **e.** The project is located within ¼ mile of public transportation; and
- **f.** Sidewalks will be required along all public streets and pedestrian connections will be made within the development.

**PART 5.** that the applicant, as a condition of approval of this resolution, must comply with the City of San Marcos, Texas rules and regulations governing the development of the project including, but not limited to:

- **a.** Compliance with all standards and regulations within the City’s Code of Ordinances;
- **b.** Submission of required applications and fees; and
- **c.** No variances, waivers or the like will be requested by the Applicant.

**PART 6.** For and on behalf of the Governing Body, Mayor John Thomaides is hereby authorized, empowered, and directed to certify these resolutions to the Texas Department of Housing and Community Affairs.

**PART 7.** This resolution is in full force and effect from and after the date of adoption.
ADOPTED on April 4, 2017.

John Thomaides
Mayor

Attest:

Jamie Lee Case
City Clerk
# TDHCA HOUSING CREDIT RESOLUTION REQUEST FORM

**Updated:** November, 2016  
**Meeting Date:** __________

## CONTACT INFORMATION (please print clearly)

<table>
<thead>
<tr>
<th>Applicant's Name</th>
<th>Rise Residential for TX McCarty TH, LP or their designee</th>
<th>Property Owner*</th>
<th>Jaster Edmund Hays County Partnership</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company</td>
<td>Sonoma Housing Advisors, LLC</td>
<td>Company</td>
<td>Family owned</td>
</tr>
<tr>
<td>Applicant's Mailing Address</td>
<td>16812 Dallas Parkway, Dallas, TX 75248</td>
<td>Owner's Mailing Address</td>
<td>PO Box 481 Madisonville, TX, 77864</td>
</tr>
<tr>
<td>Applicant's Phone #</td>
<td>214-608-7201 or 972-701-5558</td>
<td>Owner's Phone #</td>
<td><a href="mailto:madami@rise-residential.com">madami@rise-residential.com</a></td>
</tr>
<tr>
<td>Applicant's Email</td>
<td><a href="mailto:bill.fisher@sonomaadvisors.com">bill.fisher@sonomaadvisors.com</a></td>
<td>Owner's Email</td>
<td></td>
</tr>
<tr>
<td>Applicant's Affiliation</td>
<td>□ Engineer  □ Surveyor  □ Architect □ Planner</td>
<td>Owner's Affiliation</td>
<td>□ Engineer  □ Surveyor  □ Architect □ Planner</td>
</tr>
</tbody>
</table>

## PROPERTY INFORMATION (complete to the best of your knowledge – if unsure, please leave blank)

**Subject Property Address:** E. McCarty Lane, San Marcos, TX, 78666

- **Tax ID #:** R18927
- **Existing Zoning:** N/A
- **Legal Description:** Lot _______ Block _______ Subdivision Please see attached field notes
- **Existing Use:** N/A  
- **Proposed Use:** Town homes (TH)

## DESCRIPTION OF REQUEST

**Project Name:** Savoy Townhomes San Marcos (see attached information)

Briefly Describe the Proposal (number of units, reason for choosing location, etc.):
The applicant intends to develop, construct and operate the subject property for approximately 184 town homes on TH platted lots. This particular location was chosen due to the proximity to the amazon fulfillment center, shopping and schools.

**Is this project proposed to be Fully Tax Exempt?** No

## AUTHORIZATION

**Applicant's Signature:** [Signature]

**Printed Name:** [Signature]

**Date:** 8/14/17

---

Planning & Development Services • 630 East Hopkins • San Marcos, Texas 78666 • 512-393-8230
Savoy Townhomes---San Marcos

Project Financing Narrative

Savoy Townhomes San Marcos will be a mixed income, workforce housing community comprised of +/-184 new townhome living units on +/-17 acres at 1600 E. McCarty Lane, San Marcos, Hays County, Texas. The residential units will be marketed to families earning 60% of the area median income or less. The development will offer housing convenient to the 1-35 corridor to Austin and San Antonio. This property serves the new Amazon fulfillment distribution center, the Outlet Mall and First Responders, Texas State university staff and faculty in a high-quality amenity rich area of San Marcos. A significant % of the affordable units will be special equipped for wounded warrior and their families or other families in need a handicap equipped unit. (7% of the total units).

Savoy Townhomes San Marcos will offer residents more than a roof over their head. The community provides family supportive services like student achievement, reading programs, adult education, homebuyer education, counseling services, credit education classes, health and nutritional courses, and other appropriate programs, at no additional cost to residents. Residents at the property will also enjoy a 4,000+ square foot club house with a fitness center, business center with computers and internet access, and a community room. The developments will also offer a swimming pool, sport court, barbecue/picnic areas, and public street access to the properties. The project sponsor is an experience development team including Melissa R. Adami, CPA, Rise Residential Construction and Rise Property Management. This is a for profit stand-alone entity without involvement of public entities or partners.
As shown in the Sources and Uses chart on the following page, the total community cost is approximately $37.3 million. Land acquisition with closing costs represents $1.65 million of the development cost. The hard cost construction with GC fees and costs total just under $25.9 million. The balance represents soft costs, indirect construction including design, financing costs and developer fee.

The costs will be financed from several sources of funding. Approximately $23 million will be financed with an interim period, tax exempt, bond financing. A competitive syndicator will purchase the full amount (99.99%) of Tax Credits. The tax credits will provide approximately $14.3 million in total equity funds, of which, approximately 65% will be made available during the construction phase of the community, 10% at construction completion, 10% at cost certification and 8% at stabilization, 2%, paid in at the later of cost certification, conversion of the bond debt and/or issuance of 8609’s.

The final source of financing to insure a balanced source and use of funds is from a deferral of the developer fee, $956K (22% of the fee). The developers will take back a note for the deferred developer fee, to be repaid at 1-5% interest out of cash flow from the community after all other debt service and reserves are paid in full. There is no fixed debt service obligation for the deferred developer fee note. It is strictly a cash flow note. The deferred fee is expected to be paid in full with interest in less than 6 years.
The HTC equity combined with the tax-exempt bond interim construction loan, permit and impact fee waivers, the permanent tax-exempt loan financing, and a deferral of developer fee by will successfully complete and fully fund the project as presented below.

<table>
<thead>
<tr>
<th>Sources of Funds</th>
<th>Permanent Amount</th>
<th>% of Ttl Dev. Cost</th>
<th>Construction</th>
<th>% of Ttl Dev. Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debt</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tax-exempt Bonds</td>
<td>-</td>
<td>0.0%</td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td>Tax Exempt Loan--Freddie Mac</td>
<td>22,000,000</td>
<td>59.1%</td>
<td>23,000,000</td>
<td>62%</td>
</tr>
<tr>
<td>Other soft debt</td>
<td>-</td>
<td>0.0%</td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td>GP Equity</td>
<td>-</td>
<td>0.0%</td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td>Hays Co., COSM, TCAP, HOME, Fee Waivers</td>
<td>-</td>
<td>0.0%</td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td>Weatherization</td>
<td>-</td>
<td>0.0%</td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td>NOI During Construction</td>
<td>-</td>
<td>0.0%</td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td>GP Equity</td>
<td>-</td>
<td>0.0%</td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td>GIC Income</td>
<td>-</td>
<td>0.0%</td>
<td>-</td>
<td>0%</td>
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<tr>
<td>Equity</td>
<td></td>
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<tr>
<td>Tax Credit Equity @</td>
<td>0.950</td>
<td>38.4%</td>
<td>10,716,057</td>
<td>29%</td>
</tr>
<tr>
<td>Deferred Developer Fee</td>
<td>22%</td>
<td>2.6%</td>
<td>3,527,633</td>
<td>9%</td>
</tr>
<tr>
<td>GP Equity</td>
<td>-</td>
<td>0.0%</td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td>Interest Rate Buydown</td>
<td>$0.000</td>
<td></td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td>Total Sources of Funds</td>
<td>37,243,689</td>
<td>100%</td>
<td>37,243,689</td>
<td>100%</td>
</tr>
</tbody>
</table>

The development is located and designed to be in full compliance with the City’s adopted affordable housing policy for general population properties. It is the sponsor’s intent to design and operate the community in full compliance with the policy.
Enjoy the best of both worlds...new construction, townhomes on platted lots, urban design, stone and brick accented exterior design located only minutes from shopping, entertainment, quality schools, local employment with easy access to I-35. Walking distance to Amazon, outlet mall and short drive to all of historic San Marcos. Local bus route access with only a short commute to the High School. You can live here and access to the San Antonio-San Marcos-Austin transportation corridor. This upscale community offers spacious one, two and three-bedroom floor plans with Class A amenities in each unit. The site offers a large clubhouse with fitness center, business center, leasing office and meeting rooms for parties and events. The site amenities include swimming pool, spa (endless pool), sports court, age appropriate play-grounds and related amenities. This is a mixed income housing development offering well-appointed and fully equipped living units. This property is NOT designed for student households. The developer has no student housing experience and has never owned a student housing community. Whatever your lifestyle, these townhomes offer something for everyone in the family.

<table>
<thead>
<tr>
<th>Townhome Features</th>
<th>Community Features</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Private patios and balconies with storage</td>
<td>• Resort style swimming pool</td>
</tr>
<tr>
<td>• Ceiling fans in every room</td>
<td>• Playgrounds</td>
</tr>
<tr>
<td>• Walk-in showers (2 bath units)</td>
<td>• Fully equipped clubhouse</td>
</tr>
<tr>
<td>• Garden tubs</td>
<td>• Grand Salon with big screen TV</td>
</tr>
<tr>
<td>• Built in solid wood cabinets</td>
<td>• Fully Equipped Fitness center</td>
</tr>
<tr>
<td>• Full size washer/dryers provided</td>
<td>• Game Room with WIFI</td>
</tr>
<tr>
<td>• Gourmet kitchens with built in microwaves</td>
<td>• Shopping &amp; restaurants just a short distance</td>
</tr>
<tr>
<td>• GE or Whirlpool appliance package</td>
<td>• Carports</td>
</tr>
<tr>
<td>• Designer countertops</td>
<td>• Community entertainment services and recreational activities for residents</td>
</tr>
<tr>
<td>• Decorative niches with wood plank flooring or equivalent</td>
<td>• Rear entry driveways</td>
</tr>
<tr>
<td>• Tile entryways</td>
<td>• Family supportive services at no cost to residents</td>
</tr>
</tbody>
</table>
The Savoy Townhomes San Marcos, 1601 east
McCarty, San Marcos, TX 78666

Aesthetics and Design Features

- Enhanced architectural styles
- Interior landscaping and seasonal color planting
- 50 to 75 interior shade trees
- 2 story building height
- Meets the City TH design standards to a T
- 100% masonry w/ faux stone accent
- Over 45,000 square ft. (1~ acres) of transitional buffer area with 66 evergreen and deciduous trees
- Decorative wrought iron perimeter fencing around the pool and front of the property

Facts

<table>
<thead>
<tr>
<th>Item</th>
<th>Key Metrics</th>
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</thead>
<tbody>
<tr>
<td>Units</td>
<td>184 (10.5 units/acre actual)</td>
</tr>
<tr>
<td>Structures</td>
<td>8 Unit building pods</td>
</tr>
<tr>
<td>Structure Types</td>
<td>2 Story, Urban design</td>
</tr>
<tr>
<td>Parking</td>
<td>380/28/5</td>
</tr>
<tr>
<td>Covered Parking</td>
<td>184 + available</td>
</tr>
<tr>
<td>Transitional Buffer Area</td>
<td>43,800 1/300</td>
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<tr>
<td>Transitional Buffer Trees</td>
<td>66</td>
</tr>
<tr>
<td>Street Trees</td>
<td>31</td>
</tr>
<tr>
<td>Interior Trees</td>
<td>25</td>
</tr>
<tr>
<td>Parking Trees</td>
<td>Covered parking</td>
</tr>
<tr>
<td>Entryway</td>
<td>Opticom laser emergency system</td>
</tr>
<tr>
<td>Fence</td>
<td>LIMITED IN THIS CITY DESIGN STANDARD</td>
</tr>
<tr>
<td></td>
<td>Double sided wood</td>
</tr>
<tr>
<td>Amenities</td>
<td>Swimming Pool, spa Indoor Fitness Area All-Sport Courts Playground Areas Garden Pavilion Clubhouse 4000 sq. ft. (lounge, kitchen, WIFI computer center, fitness center, business center, mngt &amp; leasing office)</td>
</tr>
<tr>
<td>Minimum</td>
<td>Minimum 100%</td>
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</table>
### The Savoy Townhomes San Marcos, 1601 east McCarty, San Marcos, TX  78666

<table>
<thead>
<tr>
<th>Masonry</th>
<th>Brick, Hardy, Faux Stone and/or Stucco accent</th>
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<tbody>
<tr>
<td>Gross acreage</td>
<td>17.35</td>
</tr>
<tr>
<td>Net Area</td>
<td>17.0</td>
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<tr>
<td>Density Requested</td>
<td>Under 11.0 units per acre</td>
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### PROJECT SUMMARY

<table>
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<tr>
<th>Description</th>
<th>Value</th>
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<tr>
<td>Acreage</td>
<td>17.25</td>
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<tr>
<td>Total Net Rentable Square Footage</td>
<td>209,120</td>
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<tr>
<td>Accessory Structure Sq. Ft.</td>
<td>4,000</td>
</tr>
<tr>
<td>Low Inc. Rentable &amp; Access. Sq. Ft.</td>
<td>213,120</td>
</tr>
<tr>
<td>Patio, Balconies &amp; Utility Sq. Ft.</td>
<td>20,912</td>
</tr>
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<td>Total Rentable Sq. Ft. &amp; Patio etc.</td>
<td>234,032</td>
</tr>
<tr>
<td>Commercial Spaces (Sq. Ft.)</td>
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<tr>
<td>Total Overall Square Footage</td>
<td>234,032</td>
</tr>
<tr>
<td>Number of Units</td>
<td>184</td>
</tr>
<tr>
<td>Number of Low Income Units</td>
<td>184</td>
</tr>
<tr>
<td>Number of Market Rate Units</td>
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### Sources of Funds

<table>
<thead>
<tr>
<th>Description</th>
<th>Permanent Amount</th>
<th>% of Ttl Dev. Cost</th>
<th>Construction</th>
<th>% of Ttl Dev. Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debt</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tax-exempt Bonds</td>
<td>-</td>
<td>0.0%</td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td>Tax Exempt Loan--Freddie Mac</td>
<td>22,000,000</td>
<td>59.1%</td>
<td>23,000,000</td>
<td>62%</td>
</tr>
<tr>
<td>Other soft debt</td>
<td>-</td>
<td>0.0%</td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td>GP Equity</td>
<td>-</td>
<td>0.0%</td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td>Hays Co.,COSM, TCAP, HOME, Fee Waivers</td>
<td>-</td>
<td>0.0%</td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td>Weatherization</td>
<td>-</td>
<td>0.0%</td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td>NOI During Construction</td>
<td>-</td>
<td>0.0%</td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td>GP Equity</td>
<td>-</td>
<td>0.0%</td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td>GIC Income</td>
<td>-</td>
<td>0.0%</td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td>Equity</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tax Credit Equity @ $0.950</td>
<td>14,288,075</td>
<td>38.4%</td>
<td>10,716,057</td>
<td>29%</td>
</tr>
<tr>
<td>Deferred Developer Fee 22%</td>
<td>955,614</td>
<td>2.6%</td>
<td>3,527,633</td>
<td>9%</td>
</tr>
<tr>
<td>GP Equity</td>
<td>-</td>
<td>0.0%</td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td>Interest Rate Buydown $0.000</td>
<td>-</td>
<td>0.0%</td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td>Total Sources of Funds</td>
<td>37,243,689</td>
<td>100%</td>
<td>37,243,689</td>
<td>100%</td>
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</table>

### Uses of Funds

<table>
<thead>
<tr>
<th>Description</th>
<th>Total Costs</th>
<th>Per Unit</th>
<th>Per Sq. Ft.</th>
<th>% of Ttl Dev. Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land &amp; Buildings</td>
<td>1,640,000</td>
<td>8,913</td>
<td>7.84</td>
<td>4.4%</td>
</tr>
<tr>
<td>Construction</td>
<td>25,672,516</td>
<td>140,612</td>
<td>123.72</td>
<td>69.47%</td>
</tr>
<tr>
<td>Architecture &amp; Engineering</td>
<td>515,540</td>
<td>2,802</td>
<td>2.47</td>
<td>1.38%</td>
</tr>
<tr>
<td>Permits &amp; Fees</td>
<td>400,000</td>
<td>2,174</td>
<td>1.91</td>
<td>1.07%</td>
</tr>
<tr>
<td>Financing</td>
<td>765,000</td>
<td>4,158</td>
<td>3.66</td>
<td>2.05%</td>
</tr>
<tr>
<td>Construction Period Interest</td>
<td>1,380,000</td>
<td>7,500</td>
<td>6.60</td>
<td>3.71%</td>
</tr>
<tr>
<td>Bond Costs</td>
<td>968,500</td>
<td>5,264</td>
<td>4.63</td>
<td>2.60%</td>
</tr>
<tr>
<td>Tax Credit Costs</td>
<td>68,110</td>
<td>370</td>
<td>0.33</td>
<td>0.18%</td>
</tr>
<tr>
<td>Soft Costs</td>
<td>45,000</td>
<td>245</td>
<td>0.22</td>
<td>0.12%</td>
</tr>
<tr>
<td>Legal</td>
<td>125,000</td>
<td>679</td>
<td>0.60</td>
<td>0.34%</td>
</tr>
<tr>
<td>FF&amp;E</td>
<td>200,000</td>
<td>1,087</td>
<td>0.96</td>
<td>0.54%</td>
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<tr>
<td>Pre Stabilization Costs</td>
<td>340,000</td>
<td>1,848</td>
<td>1.63</td>
<td>0.91%</td>
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<tr>
<td>Reserves</td>
<td>550,000</td>
<td>2,989</td>
<td>2.63</td>
<td>1.48%</td>
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<tr>
<td>Developer Fee</td>
<td>4,374,023</td>
<td>23,772</td>
<td>20.92</td>
<td>11.74%</td>
</tr>
<tr>
<td>Total Uses of Funds</td>
<td>37,243,689</td>
<td>202,411</td>
<td>178.10</td>
<td>100.00%</td>
</tr>
</tbody>
</table>
### Building Data
- **Property Name:** Savoy Townhomes San Marcos
- **Type of Project:** Family or Seniors
- **Units:** 1,180
- **Gross Rent:** $234,032
- **Net Rent:** $184
- **All-in Rate:** 0.25%
- **Vacancy Rate:** 0%

### Operating Factors
- **Capitalization Rate for Valuation:** 8.12%
- **Operating Expenses Per Unit (Annualized):** $1,139
- **Net Asset Value if Bond Financed:** $2,442,592

### Equity Factors
- **Equity Factors:**
  - **GP Equity:** $150,000
  - **Hays Co., COSM, TCAP, HOME, Fee Waivers:** $1,268
  - **Total: Asset Mgmt Fee to LP:** $1,137

### Construction Cost
- **Construction Cost per Sq. Ft. NRA:** $1,139
- **Construction Loan Amount:** $22,697,115
- **Permanent Debt Factors:**
  - **Term in Months:** 300
  - **Term in Months (Yr):** 24

### Project Totals
- **Total Rentable Sq. Ft. & Patio etc.:** 209,120
- **Low Inc. Rentable & Access. Sq. Ft.:** 184

### Other Financing Factors
- **Other Financing Factors:**
  - **Cref 1 Bonds:** $125,000

### Miscellaneous Factors
- **Miscellaneous Factors:**
  - **Developer Fee Percentage Allowed:** 12.5%

---

### Appendix

**Applicable Fraction Calculation:**

<table>
<thead>
<tr>
<th>Type</th>
<th>Rent Level</th>
<th>% of Net SF</th>
<th>Total Gross Rent</th>
<th>Utility Allowances</th>
<th>Maximum Net Rent</th>
<th>Proposed Rent</th>
<th>Max Variance</th>
<th>Total Annualized</th>
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</thead>
<tbody>
<tr>
<td>2bd/2ba</td>
<td>Market</td>
<td>5%</td>
<td>0%</td>
<td>1,120</td>
<td>$1,120</td>
<td>$1,120</td>
<td>$1,120</td>
<td>-</td>
</tr>
<tr>
<td>3bd/2ba</td>
<td>Market</td>
<td>60%</td>
<td>0%</td>
<td>1,250</td>
<td>$1,250</td>
<td>$1,250</td>
<td>$1,250</td>
<td>-</td>
</tr>
<tr>
<td>4bd/2ba</td>
<td>Market</td>
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<td>0%</td>
<td>1,320</td>
<td>$1,320</td>
<td>$1,320</td>
<td>$1,320</td>
<td>-</td>
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</tbody>
</table>

**Construction Hard Cost Factors:**

- **Construction cost per sq. ft. NRA:** $123.72
  - **New Applications:** $130.00

**Construction Debt Factors:**

- **Debt Service Reserve Fund:** $2,444,250
- **Amount Deferred:** $555,614
- **Income During Construction:** 0
- **Debt Service Reserve Fund:** $2,444,250
- **Deferred Developer Fee:** $955,614

---

**Input Sheet**

**San Marcos TH COSM at Conversion 3-14-17 184 homes K +**
### Schedule of Utility Allowances

<table>
<thead>
<tr>
<th>Category</th>
<th>Type</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Heating</td>
<td>Electric</td>
<td>$11.00</td>
<td>18.00</td>
<td>28.00</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cooking</td>
<td>Electric</td>
<td>$ 7.00</td>
<td>9.00</td>
<td>12.00</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Basic Electric</td>
<td>Electric</td>
<td>$30.00</td>
<td>35.00</td>
<td>40.00</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Water Heating</td>
<td>Electric</td>
<td>$19.00</td>
<td>23.00</td>
<td>27.00</td>
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<tr>
<td>Air Conditioning</td>
<td>Electric</td>
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<td>17.00</td>
<td>23.00</td>
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</tr>
<tr>
<td>Water</td>
<td>Owner</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td></td>
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<td>Sewer</td>
<td>Owner</td>
<td>$</td>
<td>$</td>
<td>$</td>
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<td>Trash</td>
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<td>Total</td>
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<td>102.00</td>
<td>130.00</td>
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### Bond Sizing

- NOI: $1,491,543
- Cash available for debt service: $1,296,994
- Tax-exempt interest rate: 6.00%
- Maximum tax exempt debt: $2,000,000
- Maximum annual payment: $-
- Cash available for tax-exempt debt service: $1,296,993.74
- Tax-exempt debt: $22,000,000
- Actual tax-exempt debt service: $-
- Actual total debt service: $1,298,892.31

### Debit & Other

<table>
<thead>
<tr>
<th>Source</th>
<th>Taxable</th>
<th>Tax Exempt</th>
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<td>Land &amp; Buildings</td>
<td>1,640,000</td>
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<tr>
<td>Construction</td>
<td>25,872,516</td>
<td>140,612</td>
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<tr>
<td>Architecture &amp; Engineering</td>
<td>515,540</td>
<td>2,802</td>
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<td>NOI</td>
<td>1,491,543</td>
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<tr>
<td>DCR</td>
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<tr>
<td>GIC Income</td>
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</tr>
<tr>
<td>Tax Credit Costs</td>
<td>68,110</td>
<td>370</td>
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<tr>
<td>Tax Credit Equity</td>
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</tr>
<tr>
<td>Tax Credit Costs</td>
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<td>370</td>
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<tr>
<td>Financial Assistance Funds</td>
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<tr>
<td>Total Sources of Funds</td>
<td>37,243,689</td>
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</table>

### Syndication Costs & Capital Contributions

<table>
<thead>
<tr>
<th>Source</th>
<th>Total Eligible Basis</th>
<th>Total Qualifed Basis</th>
<th>Credit Percentage</th>
<th>Applicable Fraction</th>
<th>Total Annual Tax Credits - per basis</th>
<th>Maximum Available Capital Contribution</th>
<th>Annual Tax Credits</th>
<th>Total 10 Years Tax Credits</th>
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<tbody>
<tr>
<td>Syndication Legal Fees</td>
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<td></td>
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<tr>
<td>Bridge Loan Fee</td>
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<td>100.00%</td>
<td>100.00%</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Initial Capital Contribution</td>
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<td>43,394,453</td>
<td>3.23%</td>
<td></td>
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<tr>
<td>Bridge Loan</td>
<td>$0.00</td>
<td>3.46%</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1st Capital Contribution</td>
<td>75.00%</td>
<td>10,716,057</td>
<td>1,504,008</td>
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<td></td>
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<tr>
<td>2nd Capital Contribution</td>
<td>18.75%</td>
<td>1,504,008</td>
<td></td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>10 Years Total Capital Contribution</td>
<td>$10,716,057</td>
<td>15,040,079</td>
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<td></td>
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</tr>
</tbody>
</table>

### Other Income, monthly

<table>
<thead>
<tr>
<th>Source</th>
<th>Percentage</th>
<th>Amount</th>
<th>Total</th>
<th>Amount / Unit</th>
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<tbody>
<tr>
<td>Application Fees</td>
<td>35%</td>
<td>$30.00</td>
<td>$10,500</td>
<td></td>
</tr>
<tr>
<td>Rental Deposits</td>
<td>35%</td>
<td>$30.00</td>
<td>10%</td>
<td></td>
</tr>
<tr>
<td>Lease Termination &amp; Cleaning Fees</td>
<td>10%</td>
<td>$10.00</td>
<td>35%</td>
<td></td>
</tr>
<tr>
<td>Utility Reimbursements</td>
<td>10%</td>
<td>$10.00</td>
<td>10%</td>
<td></td>
</tr>
<tr>
<td>Storage 10x10</td>
<td>0</td>
<td>$15.00</td>
<td>100%</td>
<td></td>
</tr>
<tr>
<td>Carports</td>
<td>125</td>
<td>$30.00</td>
<td>10%</td>
<td></td>
</tr>
<tr>
<td>Garages 10x20</td>
<td>50</td>
<td>$45.00</td>
<td>10%</td>
<td></td>
</tr>
<tr>
<td>Vending Machines</td>
<td>184</td>
<td>$2.50</td>
<td>10%</td>
<td></td>
</tr>
<tr>
<td>Cable TV and Telephone Fees</td>
<td>184</td>
<td>$6.00</td>
<td>85%</td>
<td></td>
</tr>
</tbody>
</table>

- Total Other Income: $50,000 per unit max
- Total Other Income: $30,000 per unit max
### Personnel

<table>
<thead>
<tr>
<th>Position</th>
<th>Hours</th>
<th>Pay Rate</th>
<th>Total Pay</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Manager</td>
<td></td>
<td>$18.47</td>
<td>454.63</td>
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<tr>
<td>Assistant Property Manager</td>
<td>40</td>
<td>$15.95</td>
<td>638.00</td>
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<tr>
<td>Leasing Agent</td>
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<td>$19.60</td>
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<tr>
<td>Operating Expense Manager</td>
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<td>$19.60</td>
<td>0.00</td>
</tr>
<tr>
<td>Payroll &amp; Benefits</td>
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<td></td>
<td>38,000.00</td>
</tr>
<tr>
<td>Administrative Payroll/Payroll Taxes</td>
<td></td>
<td></td>
<td>94,000.00</td>
</tr>
<tr>
<td></td>
<td></td>
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<td>83,040.00</td>
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<td>80,640.00</td>
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<td></td>
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<td>187,669.00</td>
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<tr>
<td></td>
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<td></td>
<td>10,000.00</td>
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<tr>
<td></td>
<td></td>
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<td></td>
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<td>75,500.00</td>
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<td></td>
<td></td>
<td></td>
<td>8,464.00</td>
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<td>30,500.00</td>
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<td></td>
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<td>165.76</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>1,790.76</td>
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<td></td>
<td></td>
<td></td>
<td>30,500.00</td>
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<tr>
<td></td>
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<td></td>
<td>46,000.00</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>4,750.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>329,500.00</td>
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### Management Fees

<table>
<thead>
<tr>
<th>Description</th>
<th>Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management Fee at 4% EGI</td>
<td>94,622</td>
</tr>
</tbody>
</table>

### Utilities

<table>
<thead>
<tr>
<th>Description</th>
<th>Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grounds Expense (Landscaping, Lights &amp; Treatments Only)</td>
<td>24,000</td>
</tr>
<tr>
<td>Exterminating</td>
<td>6,000</td>
</tr>
<tr>
<td>Security</td>
<td>18,000</td>
</tr>
<tr>
<td>Uniforms - Work Clothes</td>
<td>1,000</td>
</tr>
<tr>
<td>Elevator</td>
<td>0.00</td>
</tr>
<tr>
<td>Fire Safety</td>
<td>0.00</td>
</tr>
</tbody>
</table>

### Cleaning & Decorating

<table>
<thead>
<tr>
<th>Description</th>
<th>Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carpet</td>
<td>3,680</td>
</tr>
<tr>
<td>Painting</td>
<td>3,680</td>
</tr>
<tr>
<td>Cleaning, Blinds</td>
<td>1,104</td>
</tr>
</tbody>
</table>

### Repairs & Maintenance

<table>
<thead>
<tr>
<th>Description</th>
<th>Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Expense Summary</td>
<td>503,993</td>
</tr>
<tr>
<td>Management Fee</td>
<td>94,002</td>
</tr>
<tr>
<td>Property Taxes</td>
<td>230,000</td>
</tr>
<tr>
<td>Land Lease Pmt</td>
<td>0</td>
</tr>
<tr>
<td>Reserve</td>
<td>46,000</td>
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</table>

### Taxes & Insurance

<table>
<thead>
<tr>
<th>Description</th>
<th>Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 BR Real Estate Tax</td>
<td>250.00</td>
</tr>
<tr>
<td>2 BR Real Estate Tax</td>
<td>54.00</td>
</tr>
<tr>
<td>3 BR Real Estate Tax</td>
<td>104.00</td>
</tr>
<tr>
<td>4 BR Real Estate Tax</td>
<td>16.00</td>
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</table>

### Replacement Reserves

<table>
<thead>
<tr>
<th>Description</th>
<th>Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 BR</td>
<td>$250</td>
</tr>
<tr>
<td>2 BR</td>
<td>$250</td>
</tr>
<tr>
<td>3 BR</td>
<td>$250</td>
</tr>
<tr>
<td>4 BR</td>
<td>$250</td>
</tr>
</tbody>
</table>

### Operating Expense Summary

<table>
<thead>
<tr>
<th>Description</th>
<th>Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL OPERATING EXPENSES</td>
<td>874,015</td>
</tr>
<tr>
<td>Operating Expense Per Unit</td>
<td>4,750</td>
</tr>
<tr>
<td>OPERATING PRO FORMA</td>
<td>Year</td>
</tr>
<tr>
<td>---------------------</td>
<td>------</td>
</tr>
<tr>
<td><strong>Income</strong></td>
<td></td>
</tr>
<tr>
<td>Gross Potential Revenue</td>
<td>$1,170.00</td>
</tr>
<tr>
<td>Other Income</td>
<td>$45.00</td>
</tr>
<tr>
<td>Interest Earnings on VRSF</td>
<td>0.00%</td>
</tr>
<tr>
<td>Less: Vacancy</td>
<td>7.00%</td>
</tr>
<tr>
<td><strong>TOTAL REVENUE</strong></td>
<td></td>
</tr>
</tbody>
</table>

| Expenses             |      |   |   |   |   |   |   |   |   |
| Operating            | #    | $2,737 | $503,393 | $518,495 | $534,049 | $550,071 | $566,573 | $583,570 | $601,077 | $619,110 |
| Management Fee       | 4.00% | $514 | $94,622 | $96,515 | $98,445 | $100,414 | $102,422 | $104,471 | $106,560 | $108,691 |
| Property Taxes       | $1,250 | $230,000 | $236,900 | $244,007 | $251,327 | $258,867 | $266,633 | $274,632 | $282,671 |
| Reserves             | 3%   | $250 | $46,000 | $47,360 | $48,801 | $50,265 | $51,773 | $53,327 | $54,926 | $56,574 |
| Land Lease Payment   | $7   | $874,015 | $899,289 | $925,303 | $952,077 | $979,636 | $1,008,000 | $1,037,196 | $1,067,246 |
| **TOTAL EXPENSES**   |      | $2,497,250 | $2,516,915 | $2,544,408 | $2,571,376 | $2,627,077 | $2,687,347 | $2,732,211 | $2,785,472 |

| **NET OPERATING INCOME** |      | $1,491,543 | $1,513,579 | $1,535,623 | $1,558,271 | $1,580,920 | $1,603,766 | $1,626,806 | $1,650,036 |

<table>
<thead>
<tr>
<th>Debt Service</th>
<th>Amount</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax-exempt bonds</td>
<td>$0</td>
<td>4.750%</td>
</tr>
<tr>
<td>Coverage</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total Annual Bond Fees</td>
<td>$22,000,000</td>
<td>4.80%</td>
</tr>
<tr>
<td>Coverage</td>
<td>1.15</td>
<td>1.17</td>
</tr>
<tr>
<td><strong>TOTAL DEBT SERVICE</strong></td>
<td>$1,298,892</td>
<td>3.00%</td>
</tr>
</tbody>
</table>

| **CASH FLOW AFTER DEBT SERVICE** |      | $187,213 | $209,314 | $231,626 | $254,146 | $276,670 | $299,795 | $322,918 | $346,235 |

| Release of reserves |      |   |   |   |   |   |   |   |   |
| Asset Management Fee | 3% | 7,500 | 7,725 | 7,957 | 8,195 | 8,441 | 8,695 | 8,955 | 9,224 |
| Contingent property mgmt fee | - | - | - | - | - | - | - | - | - |
| Other Debt | $0 | 1.00% | - | - | - | - | - | - | - |
| Cash Flow after Other Debt | - | 179,713 | 201,589 | 223,670 | 245,951 | 268,429 | 291,101 | 313,963 | 337,010 |
| Developer Note | 90% CF | $955,614 | 3.00% | 179,713 | 201,589 | 223,670 | 245,951 | 194,648 | - | - |
| Cash Flow after Developer Note | - | - | - | - | - | - | - | - | - |
| Partnership Management Fee |   |   |   |   |   |   |   |   | - |
| Soft Debt | 0% CF | $0 | 3.00% | - | - | - | - | - | - |
| Cash Flow after Soft Debt | - | - | - | - | - | - | - | - | - |
| **NET CASH FLOW** |      | 0 | - | - | - | - | - | 322,918 | 337,010 |

| Incentive Management Fee to General Partner | 90% | - | - | - | 66,403 | 261,991 | 282,566 | 303,309 |
| Remaining Cash Flow to Limited Partner | 10% | - | - | - | - | - | 7,378 | 29,110 | 31,396 | 33,701 |
# Savoy Townhomes San Marcos

1600 E. McCarty Ln.-FM 110, San Marcos, TX 78666

2016 - 4% HTC with Tax Exempt bonds

## OPERATING PRO FORMA

<table>
<thead>
<tr>
<th>Year</th>
<th>9</th>
<th>10</th>
<th>11</th>
<th>12</th>
<th>13</th>
<th>14</th>
<th>15</th>
<th>16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross Potential Revenue</td>
<td>$1,107,00</td>
<td>$2,863,829</td>
<td>$2,921,105</td>
<td>$2,979,527</td>
<td>$3,039,118</td>
<td>$3,099,900</td>
<td>$3,161,898</td>
<td>$3,225,136</td>
</tr>
<tr>
<td>Other Income</td>
<td>$45,00</td>
<td>116,416</td>
<td>118,744</td>
<td>121,119</td>
<td>123,542</td>
<td>126,013</td>
<td>128,533</td>
<td>131,103</td>
</tr>
<tr>
<td>Interest Earnings on DSRF</td>
<td>0.00%</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Loss: Vacancy</td>
<td>7.00%</td>
<td>(208,617)</td>
<td>(212,789)</td>
<td>(217,045)</td>
<td>(221,386)</td>
<td>(225,614)</td>
<td>(230,330)</td>
<td>(234,237)</td>
</tr>
<tr>
<td>TOTAL REVENUE</td>
<td>$2,771,628</td>
<td>$2,827,060</td>
<td>$2,883,601</td>
<td>$2,941,273</td>
<td>$3,000,099</td>
<td>$3,060,101</td>
<td>$3,121,303</td>
<td>$3,183,729</td>
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## Expenses

<table>
<thead>
<tr>
<th></th>
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<th></th>
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<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating</td>
<td>2,737</td>
<td>$637,683</td>
<td>$656,813</td>
<td>$676,518</td>
<td>$696,813</td>
<td>$717,718</td>
<td>$739,249</td>
<td>$761,427</td>
<td>$784,269</td>
<td>-</td>
</tr>
<tr>
<td>Management Fee</td>
<td>4.00%</td>
<td>$514</td>
<td>110,865</td>
<td>113,082</td>
<td>115,344</td>
<td>117,651</td>
<td>120,004</td>
<td>122,404</td>
<td>124,852</td>
<td>127,349</td>
</tr>
<tr>
<td>Property Taxes</td>
<td>$1,250</td>
<td>291,357</td>
<td>300,098</td>
<td>309,101</td>
<td>318,374</td>
<td>327,925</td>
<td>337,763</td>
<td>347,896</td>
<td>358,333</td>
<td>-</td>
</tr>
<tr>
<td>Reserves</td>
<td>3%</td>
<td>$250</td>
<td>58,271</td>
<td>60,020</td>
<td>61,820</td>
<td>63,675</td>
<td>65,565</td>
<td>67,503</td>
<td>69,579</td>
<td>71,667</td>
</tr>
<tr>
<td>Land Lease Payment</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>TOTAL EXPENSES</td>
<td>36.95%</td>
<td>4,750</td>
<td>1,098,176</td>
<td>1,130,013</td>
<td>1,162,783</td>
<td>1,196,513</td>
<td>1,231,232</td>
<td>1,266,969</td>
<td>1,303,754</td>
<td>1,347,618</td>
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</table>

## NET OPERATING INCOME

<table>
<thead>
<tr>
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<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,673,451</td>
<td>$1,697,047</td>
<td>$1,720,819</td>
<td>$1,744,761</td>
<td>$1,768,867</td>
<td>$1,793,132</td>
<td>$1,817,549</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

## Debt Service

| Tax Exempt Bonds | $22,000,000 | 4.80% | 1,298,892 | 1,298,892 | 1,298,892 | 1,298,892 | 1,298,892 | 1,298,892 | 1,298,892 | 1,298,892 |
| Coverage | 4,818 | 4,723 | 4,622 | 4,517 | 4,407 | 4,291 | 4,170 | 4,042 | - | - |
| TOTAL Annual Bond Fees | 1,293,710 | 1,303,617 | 1,303,915 | 1,303,915 | 1,303,410 | 1,303,229 | 1,303,184 | 1,303,462 | 1,303,935 | 1,303,935 |
| Debt Service Coverage including fees | 1,28 | 1.30 | 1.32 | 1.34 | 1.36 | 1.38 | 1.40 | 1.42 | - | - |
| TOTAL DEBT SERVICE | $1,298,892 | - | - | - | - | - | - | - | - | - |
| All in Debt Service Coverage Ratio | 1.28 | 1.30 | 1.32 | 1.34 | 1.36 | 1.38 | 1.39 | 1.41 | - | - |

## CASH FLOW AFTER DEBT SERVICE

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>$369,741</td>
<td>$393,432</td>
<td>$417,304</td>
<td>$441,351</td>
<td>$465,568</td>
<td>$489,949</td>
<td>$514,487</td>
<td>$539,177</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

## Release of reserves

| Asset Management Fee | 3% | 9,501 | 9,786 | 10,079 | 10,382 | 10,693 | 11,014 | 11,344 | 11,685 | - |
| Contingent property mgmt fee | - | - | - | - | - | - | - | - | - | - |
| Other Debt | 0.00% | 0 | - | - | - | - | - | - | - | - |
| Cash Flow after Other Debt | $369,240 | $383,646 | $407,225 | $430,969 | $454,875 | $478,935 | $503,143 | $527,492 | - | - |
| Developer Note | 90% CF | $955,614 | 3.00% | - | - | - | - | - | - | - |
| Cash Flow after Developer Note | $369,240 | $383,646 | $407,225 | $430,969 | $454,875 | $478,935 | $503,143 | $527,492 | - | - |
| Partnership Management Fee | - | - | - | - | - | - | - | - | - | - |
| Soft Debt | 0% CF | $0 | 3.00% | - | - | - | - | - | - | - |
| Cash Flow after Soft Debt | $369,240 | $383,646 | $407,225 | $430,969 | $454,875 | $478,935 | $503,143 | $527,492 | - | - |

## NET CASH FLOW

<table>
<thead>
<tr>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>$369,240</td>
<td>$383,646</td>
<td>$407,225</td>
<td>$430,969</td>
<td>$454,875</td>
<td>$478,935</td>
<td>$503,143</td>
<td>$527,492</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

## Incentive Management Fee to General Partner | 90% | $324,216 | $345,282 | $366,502 | $387,872 | $409,387 | $431,041 | $452,829 | $474,743 | - |
| Remaining Cash Flow to Limited Partner | 10% | $36,204 | $38,365 | $40,722 | $43,975 | $46,487 | $47,892 | $50,314 | $52,749 | - |
March 16, 2017

Shannon Mattingly
Director, Planning & Development Services
City of San Marcos
630 E. Hopkins, 2nd Floor
San Marcos, TX, 78666

Jaime Lee Case
City Clerk
City of San Marcos
630 E. Hopkins
San Marcos, TX, 78666

Re: Request to Postpone the Annexation of 1.143-Acres and 17.45-Acres out of the Cyrus Wickson Survey, Abstract No. 474, Hays County, Texas, located on East McCarty Lane, Northwest of the Intersection with Rattler Road (the “Property”); Our File No. 9805.002

Dear Ms. Mattingly and Ms. Case,

As the Applicant for the above referenced annexations, I would like to formally request that San Marcos City Ordinance 2017-10 and Ordinance 2017-11 be postponed from further City Council consideration until the Housing Credit Resolution for the Property is considered and approved by the City Council of San Marcos.

If you have any questions, please call me at (214) 608-7201.

Sincerely,

Bill Fisher
McCarty Rd - San Marcos

Amenities

- 1m
- 1 m
- 1 m
- 1 m
- 1 mile
- Bus Stop 1.05m
- Bus Stop .5m
- Bus Stop To Be Constructed
- JCPenney
- Sam’s Club
- Lowe’s Home Improvement
- Academy Sports + Outdoors
- Whataburger
- Target
- Guadalupe Meat Market

Amenities

- A+ Federal Credit Union
- Bowie Elementary School
- El Camino Park
- Dollar General
- Rocky River Grille
- Hays County Civic Center
- San Marcos High School
Subject Site

- Subject Site McCarty Rd
- 16.5 Acres
The following is a summary of the projects that Rise Residential Construction and its principals have been involved in since 1997, providing construction services from start to finish on nearly 7,000 living units of which over 5,000 have been completed since 2003:

**Total number of housing units:** 5,522 units since 2003  
**Total number of affordable units:** 4,200 units since 2003  
**Total number of units with housing authorities:** 950 units since 2003  
**Total number of units with hurricane CDBG-DR money:** 644 units since 2008  
**Total number of units mixed finance with HUD:** 1,290 units since 2003  
**Total HOME Funds:** $17.05 million (includes section 108 loan funding)  
**Total CDBG-Hurricane Recovery Funds:** $39 million plus GO ZONE HTC; the total is $68 million (includes section 108 loan funding)  
**Total AHP Grant or other Funds, including HTF:** $8.0 million  
**Total HTC Equity 4% and 9%:** $240 million allocated from TDHCA, MFA and CHFA  
**Total amount of Tax Exempt Bonds:** $270 million in bonds issued and sold  
**Total Senior Housing since 1997:** 3,090 units in Texas

**Developments since 2003:**

**City Square Artists Lofts, Garland, Texas:**  
A 126-unit new construction, 9% HTC, mixed income, adaptive re-use development for families is located in Downtown Garland near the new City municipal complex. The development is a TOD within walking distance of the DART light rail line. Resident incomes range from 30% of AMFI to 60% of AMFI. Thirty percent (30%), are leased at market rates without income restrictions. Rise Residential or their affiliate is the GP and owner of the development partnership. Construction financing for this development will be provided by International Bank of Commerce (IBC) in the amount of $13.5 million. The City of Garland and their HFC made financial contributions to the development totaling $1.75MM including a construction period loan. IBC is providing a permanent mortgage at stabilization at 4.5% per annum fixed for 15 years, 40-year amortization permanent mortgage for this property in the amount of $10.5MM. The contractor broke ground on the project in October 2016. HTC award was $930,000 in annual 9% credits or $9.3 million total. The construction contract is $10.5 million.

**Villas at Indian Lake Family Housing, Los Fresnos, Texas:**  
An 80-unit new construction, 9% HTC, mixed income development for families is located in the Town of Indian Lake. Resident incomes range from 30% of AMFI to 60% of AMFI. Twenty percent (20%) are leased at market rates without income restrictions. Rise Residential or their affiliate is the GP and owner of the development partnership. Construction financing for this development will be provided by International Bank of Commerce (IBC) in the amount of $10.0 million. The Town of Indian Lake made financial contributions to the development totaling $15,000 including a construction period loan. IBC is providing a permanent mortgage at stabilization at 5% per annum fixed for 15 years, 40-year amortization permanent mortgage for this property in the amount of $3,250,000. The contractor will break ground on the project in December 2017. HTC award was $880,000 in annual 9% credits or $8.8 million total. The construction contract is $9.35 million.
**Austin Colorado Creek Apartments, Austin, TX:**
A 240-unit new construction development for low and moderate-income families located in Austin, Texas, approximately 1 mile east of Austin Bergstrom Airport at the intersection of TX 130/45 and Hwy 71. The site is located on Fallwell Road. Construction and permanent financing for this development has been provided by IBC Bank, N.A. through a tax-exempt bond offering for $25,000,000. The bonds closed and the contractor broke ground on the project in April 2016. It is schedule for completion in September 2017. It is scheduled for 100% occupancy by August 2018. The 42 Equity Partners is the equity investor in this development. Total development costs of $37 MM.

**Villas at Plano Gateway Senior Housing, Plano, TX:**
A 292-unit new construction, mixed income development for low and moderate-income seniors age 55 years and better located in Plano, Collin County, Texas, approximately 1.5 miles east of Central Expressway, 75, and the new State Farm regional headquarters. The development targets senior at or below 60% of AMFI for 80% of the living units. The remaining market rate units, 20%, are without income or rent restrictions. The site is located in a zero vacancy, urban infill, area of North Dallas. Medical service providers surround the property location. The new Richardson Methodist Hospital is the center piece of this medical services complex. Construction financing and HTC equity for this development has been provided by IBC Bank in conjunction with a tax-exempt bond offering for $20,000,000. The bonds closed on December 5 and the contractor breaks ground on the project in January 2015. Completion in 12-14 month is February 2016 with full occupancy by December 2016. Rise is the general contractor and property manager. SHA is the development consultant. The construction contract is $19.3 million. ORM was the property manager through lease up and stabilization. At stabilization, the bonds are purchased, pursuant to a rate locked forward purchase agreement by AFR.

**Major Place Apartments, Greenville, Texas:**
A 176-unit new construction, HOME, mixed income development for families is located in Greenville, Hunt County, Texas. Resident incomes range from 30% of AMFI to 50% of AMFI for the 20% of the units that are affordable. A majority of the development units, 80%, are leased at market rates without income restrictions. Rise Residential or their affiliate is the GP and owner of the development partnership. SHA is the development consultant and ORC is the general contractor. Construction and permanent financing for this development was provided by IBC Bank in the amount of $15.0 million. The permanent mortgage at stabilization is 5.0% per annum fixed for 15 years, 35-year amortization in the amount of $18.0 million, HUD 223 F. The contractor breaks ground on the project in December 2014. It is scheduled to reach 100% completion in March 2016. The property should be 100% occupied as of 12/30/16. The HOME award was $3.0 million. The construction contract is $15.4 million.

**Champion Homes on the Lake, Lake Dallas, Texas:**
A 140-unit new construction, CHDO HOME, mixed income development for families is located in Lake Dallas, Denton County, Texas. Resident incomes range from 30% of AMFI to 50% of AMFI for the 20% of the units that are affordable. A majority of the development units, 80%, are
leased at market rates without income restrictions. Rise Residential or their affiliate is the GP and owner of the development partnership along with a CHDO Not for Profit, Housing Services, Inc. Construction and permanent financing for this development was provided by an FHA insured HUD 221 D 4 program loan in the amount of $14.0 million. The permanent mortgage at stabilization is 4.30% per annum fixed for 40 years, 40-year amortization in the amount of $14.0 million. The contractor broke ground on the project in June 2014. It is scheduled to reach 100% completion in August 2014. The property should be 100% occupied as of 3/31/16. The HOME award was $3.05 million. The construction contract is $12.5 million.

**Champion Homes at Tahoe Lakes, Midland, Texas:**
A 156-unit new construction, CHDO HOME, mixed income development for families is located in Midland, Texas. Resident incomes range from 30% of AMFI to 50% of AMFI for the 20% of the units that are affordable. A majority of the development units, 80%, are leased at market rates without income restrictions. Rise Residential or their affiliate is the GP and owner of the development partnership along with a CHDO Not for Profit, Housing Services, Inc. Construction and permanent financing for this development was provided by IBC Bank, N.A. The permanent mortgage at stabilization is 4.5% per annum fixed for 15 years, 35-year amortization in the amount of $21.0 million. The contractor broke ground on the project in January 2014. It is scheduled to reach 100% completion in March 2015. The property should be 100% occupied as of 12/31/15. The HOME award was $3.1 million. The construction contract is $14.5 million.

**Grand Manor Apartments:**
A 120-unit, rehabilitation of an existing two story, garden apartment, community located in Tyler, TX. This redevelopment is a preservation project of a HUD HAP property near Texas College in the City’s Northend Revitalization area. Rise is the fee developer and general contractor for the community. This project was considered at-risk with an expiring HAP contract and was preserved with the acquisition of the property in August 2012 by the partnership. During the 2013 TDHCA application round the property received an award of 9% housing tax credits in the amount of approximately $12 million. Resident incomes range from 30% of AMFI to 60% of AMFI. Acquisition, construction and permanent financing for this development will be provided by IBC in the amount of $6.5 million. Greystone provided a pension fund financed, rate locked forward funding commitment at 5.72% per annum fixed for 18 years, 35-year amortization permanent mortgage for this property in the amount up to $6,500,000. The contractor broke ground on the project in December 2013 following the first section of resident relocation. It will be completed in November 2014. The value of the construction contract is approximately $8.0 million.

**Colonial Hillcrest and La Posada Apartments, Carlsbad, NM:**
A 88-unit rehabilitation of an existing two story, garden apartment community, located in the boom town that is Carlsbad, New Mexico. This is a HUD HAP property that was marked to market and then SOLD for $4.4 million. The developer paid under $2 million for the asset 18 month earlier.

**Mayorca Villas Family Housing, Brownsville, Texas:**
A 120-unit new construction, 9% HTC, mixed income development for families is located in the Brownsville Country Club neighborhood. Resident incomes range from 30% of AMFI to 60% of
AMFI. A majority of the development units, 60%, are leased at market rates without income restrictions. Rise Residential or their affiliate is the GP and owner of the development partnership. Construction financing for this development will be provided by International Bank of Commerce (IBC) in the amount of $10.0 million. The City of Brownsville made financial contributions to the development totaling $750,000 including an allocation of Housing funds and project fee waivers, IBC is providing a permanent mortgage at stabilization at 7.5% per annum fixed for 15 years, 30-year amortization permanent mortgage for this property in the amount of $3,250,000. The contractor broke ground on the project in August 2014. HTC award was $500,000 in annual 9% credits or $5 million total. The construction contract is $10.9 million.

**Champion Homes at Canyon Creek Family Housing, Brownsville, Texas:**
A 100-unit new construction, 9% HTC, mixed income development for families is located in Brownsville, Texas. Resident incomes range from 30% of AMFI to 60% of AMFI. Rise is the fee developer, contractor and GP and owner of the development partnership. Construction financing for this development is being provided by International Bank of Commerce (IBC) in the amount of $7.5 million. IBC provided a permanent mortgage take out at stabilization at 7.25% per annum fixed for 18 years, 30-year amortization permanent mortgage for this property in the amount of $2,510,000. The contractor will break ground on the project in August 2011. It is scheduled to be completed in September 2012. 100% occupancy was achieved April 2007. This project received a soft money contribution from BHA for $710,000 plus an assignment of the public housing subsidy for the public housing units. BHA received a $750,000 HOPE VI demolition grant to supplement this replacement housing project in the Rio Grande Valley. The HTC award was $1.082 million in annual 9% credits. AIG Sun America is the equity investor. The construction contract was for $10.4 million. ORM was the property manager through lease up and stabilization.

**Marina Landing Apartments:** A 256-unit, garden style, rental community located at 72nd and Heards Lane, Galveston, TX. This is a demolition rehabilitation of a hurricane Ike damaged apartment community. This redevelopment is undertaken of Rise Residential Holdings and its principal owner, Saleem Jafar. The project financing is based upon allocation of Community Development Block Grant funds from the TDHCA awarded in March 2010 in the amount of $10 million (no payment fully subordinated, 2% interest, accrued only, with a balloon in year 30) combined with a forward allocation of housing tax credits. TDHCA awarded credits from the 2010 credit ceiling for the development of $1.65 million in annual credits to fully fund the acquisition and rehabilitation of the community. At least 18 of the units are specially equipped for residents with special needs.

Rise is the fee developer, property manager and general contractor for the development. They are also the long term owner of the development. Construction financing for this development is provided by IBC Bank using the FHLB CIP program in the amount of $8.0 million. The IBC FHLB funds offers a rate lock, forward funding commitment at 7.60% per annum fixed for 15 years, 30-year amortization, permanent mortgage for this property in the amount up to $8,000,000. The contractor will break ground on the project in March 2011. It will be completed in March 2012. 100% occupancy is anticipated to be achieved October 2012. The construction contract is for $13.2 million. (Equity Provided by Liberty Bankers Life).
**Bay Walk Apartments:** A 192-unit, garden style, rental community located at 72nd and Heards Lane, Galveston, TX. This is a demolition rehabilitation of a hurricane Ike damaged apartment community. This redevelopment is undertaken of Rise Residential Holdings and its principal owner, Saleem Jafar. The project financing is based upon allocation of Community Development Block Grant funds from the TDHCA awarded in December 2009 (same terms as Marina Landing) in the amount of $5.0 million combined with an allocation of hurricane recovery housing tax credits in the 2009 application round. In July 2009, TDHCA awarded the development a tax credit commitment of $1.45 million in annual housing tax credits to fully fund the acquisition and rehabilitation of the community. At least 14 of the units are specially equipped for residents with special needs.

Rise is the fee developer, property manager and general contractor for the development. They are also the long term owner of the development. Construction financing for this development is provided by IBC in the amount of $7.0 million. IBC\FHLB offered a rate locked forward funding commitment at 7.25% per annum fixed for 18 years, 30-year amortization permanent mortgage for this property in the amount up to $7,000,000. The contractor will broke ground on the project in November 2010. It will be completed in August 2011. 100% occupancy is anticipated to be achieved December 2011. The construction contract is for $10.44 million. ORM is the property manager. (Closed and funded transaction).

**Brittany Place Single Family Homes:** A 100-unit, single family home, rental community located at Ray Avenue and 58th Street just off of Hwy 73, Port Arthur, TX. This is an off-site replacement housing development to recover units lost to Hurricane Rita. This development is undertaken as a joint venture with the Housing Authority of the City of Port Arthur. The project financing is based upon allocation of Community Development Block Grant funds from the TDHCA awarded in September 2007. This is hurricane replacement housing that targets displaced residents of the community earning at or below 80% of AMFI. The Housing authority has provided approximately 95 project based rental vouchers to help families in need of direct assistance. Another 15 of the single family homes are specially equipped for residents with special needs. The income and rent restriction expires 5 years following construction completion at which point they may be sold as market rate homes or for affordable housing home ownership.

Rise is the fee developer and contractor for the PAHA, who is the long-term owner of the development. Construction financing for this development was provided by IBC in the amount of $6.0 million. FNMA offered a rate locked forward funding commitment at 7.27% per annum fixed for 10 years, 30-year amortization permanent mortgage for this property in the amount up to $6,000,000. The contractor broke ground on the project in May 2009 following the release to work by TDHCA. The homes will all be completed in summer 2010. 100% occupancy is anticipated to be achieved December 2010. The CDBG grant for this portion of the development is $17.0 million. The construction contract is for $12.44 million. ORM is the property manager.

**Brittany Place Townhomes:** A 96-unit, town home style, rental community located at 3500 Normandy, Port Arthur, TX. This is a demolition reconstruction of a severely hurricane Rita damaged apartment community. This redevelopment is undertaken as a joint venture with the Housing Authority of the City of Port Arthur. The project financing is based upon allocation of Community Development Block Grant funds from the TDHCA awarded in September 2007. This
is hurricane replacement housing that targets displaced residents of the community earning at or below 80% of AMFI. The Housing authority has provided approximately 25 project based rental vouchers to help families in need of direct assistance. Another 15 of the townhomes are specially equipped for residents with special needs.

Rise is the fee developer and contractor for the PAHA, who is the long term owner of the development. Construction financing for this development was provided by IBC in the amount of $4.0 million. FNMA offered a rate locked forward funding commitment at 7.27% per annum fixed for 10 years, 30-year amortization permanent mortgage for this property in the amount up to $4,000,000. The contractor broke ground on the project in June 2008 following demolition of the previous apartment community. It was completed in November 2009. 100% occupancy was achieved February 2010. The CDBG grant for this portion of the development is $11.0 million. The construction contract was for $7.95 million. ORM is the property manager.

Candlewick Apartments:

A 132-unit, rehabilitation of an existing two story, garden apartment, community located at 1155 Paredes Line Road, Brownsville, TX. This redevelopment was undertaken in a joint venture with the Brownsville Housing Authority, BHA. This project was considered at-risk with an expiring HAP contract and was preserved with the acquisition of the property in August 2007 by the partnership following an award of 9% housing tax credits and an allocation of HOME funds from TDHCA and the City of Brownsville respectively. Resident incomes range from 30% of AMFI to 60% of AMFI. Rise is the fee developer and contractor for the BHA, who is the long term owner of the development. The project received a soft money contribution from the City of Brownsville of $800,000 of HOME funds in the form of a long-term, low-interest loan. The TDHCA awarded $10,760,000 in total credit to this development in the 2007 competitive HTC round. Construction financing for this development is provided by IBC in the amount of $8.3 million. FNMA offered a rate locked forward funding commitment at 7.15% per annum fixed for 18 years, 30-year amortization permanent mortgage for this property in the amount up to $6,350,000. The project converted to perm loan in October 2010. The contractor broke ground on the project in March 2009 following the first section of resident relocation. It was completed in March 2010. 100% occupancy was achieved in April 2010. 100% of the units are subsidized by a 20 year project based rental assistance (HAP Contract) from HUD. The construction contract was for $7.5 million. ORM was the property manager through lease up and stabilization.

Alta Vista Senior Towers, Weslaco, Texas:

A 100-unit rehabilitation of a six story, mid-rise, senior tower financed and developed using 9% HTC. The senior towers is a mixed income, HUD mixed financed development for seniors age 55 and older located at 303 West 6th Street, Weslaco, Texas. Resident incomes range from 30% of AMFI including public housing units to 60% of AMFI. Rise is the fee developer and contractor for the Housing Authority of the City of Weslaco, WHA, who is the long term owner of the development. The project received a soft money contribution from WHA of $1.45 million in the form of a long-term, low-interest loan. The TDHCA awarded $5,393,850 in total credit to this development in the 2006 competitive HTC round. The project is eligible for 4% acquisition credits in addition to the 9% HTC award. Construction financing for this development is provided by AIG Sun America in the amount of $1.45 million. AIG Sun America
provided a rate locked forward funding commitment at 7.75% per annum fixed for 18 years, 30-year amortization permanent mortgage for this property in the amount of $1,450,000. The contractor broke ground on the project in May 2008. It was completed in December 2008. 100% occupancy was achieved November 2009. The construction contract was for $4.65 million. ORM was the property manager through lease up and stabilization.

**Centerpointe Home Ownership, Weslaco, TX:**

A 36 unit single-family home development on 40 scattered lots within an existing single family, Centerpointe subdivision located Diamond and International (FM 1015), Weslaco, Texas. Residents are vesting with the Section 42 option to own the home for the debt plus the exit taxes at the end of the primary compliance period. The rents are mixed income with affordable units for families earning 30% to 60% of the 2006 area median income of the Weslaco MSA. Public units, if any, fall under the 30% to 60% of AMFI category and consist of not less than 10% of the units. All of the units in the community will be covered by income and rent restrictions. **Rise was the fee developer and contractor for the Housing Authority of the City of Weslaco, WHA. This is a HUD mixed financed development.** AIG Sun America is providing construction financing for this development in the amount of $2.0 million. AIG also committed a rate locked forward funding commitment at 7.75% per annum fixed for 18 years, 30-year amortization permanent mortgage for this property in the amount of $1,050,000. The contractor broke ground on the project in August 2007. It was completed in April 2008. 100% occupancy was achieved June 2008. AIG provided the perm loan at stabilization. This project received a soft money contribution from WHA for $600,000 plus an assignment of the pubic housing subsidy for the public housing units. The HTC award was $527,676 in annual 9% credits, $5,276,760 total. The construction contract was for $7.25 million. ORM was the property manager through lease up and stabilization.

**Tropical Gardens at Boca Chica Family Housing, Brownsville, Texas:**

A 158-unit new construction, 9% HTC, mixed income development for families is located in Brownsville, Texas. **This is a HUD mixed finance development.** Resident incomes range from 30% of AMFI including 30% public housing units to 60% of AMFI. A small portion of the development units, 5%, are leased at market rates without income restrictions. **Rise is the fee developer and contractor for the Housing Authority of the City of Brownsville, BHA, who is the GP and owner of the development partnership.** Construction financing for this development was provided by International Bank of Commerce (IBC) in the amount of $5.5 million. AIG Sun America provided a permanent mortgage at stabilization at 7.15% per annum fixed for 18 years, 30-year amortization permanent mortgage for this property in the amount of $3,250,000. The contractor broke ground on the project in December 2005. It was completed in October 2006. 100% occupancy was achieved April 2007. This project received a soft money contribution from BHA for $710,000 plus an assignment of the pubic housing subsidy for the public housing units. BHA received a $750,000 HOPE VI demolition grant to supplement this replacement housing project in the Rio Grande Valley. The HTC award was $1.082 million in annual 9% credits. AIG Sun America is the equity investor. The construction contract was for $10.4 million. ORM was the property manager through lease up and stabilization.
**The Edinburg Senior Towers, Edinburg, Texas:**
A 100-unit rehab of an eight story senior tower, 9% HTC, mixed income development for seniors age 55 and older located in Edinburg, Texas. Resident incomes range from 30% of AMFI including 30% public housing units to 60% of AMFI. **Rise is the fee developer and contractor for the Housing Authority of the City of Edinburg, EHA, who is the GP and owner of the development partnership. This is a HUD mixed financed development.** Construction financing for this development was provided by AIG Sun America in the amount of $4.0 million. AIG Sun America provided a rate locked forward funding commitment at 6.75% per annum fixed for 18 years, 30-year amortization permanent mortgage for this property in the amount of $1,200,000. The contractor broke ground on the project in June 2006. It was completed in December 2006. 100% occupancy was achieved April 1, 2007. This project received a soft money contribution from EHA for $1,210,000 plus an assignment of the public housing subsidy for the public housing units. This project received an AHP grant for $350,000 from the FHLBB, Dallas, via IBC Bank, Brownsville in the Fall of 2006. The HTC award was $387,316 in annual 9% credits. The project was eligible for 4% acquisition credits in addition to the 9% HTC award. The non-public housing units are supported by a ten year project based section 8 contract. AIG Sun America is the equity investor. The construction contract was for $3.95 million. ORM was the property manager through lease up and stabilization.

**Quail Creek Family Housing, Denton, TX:**
A 264-unit new construction development for low and moderate-income families located in Denton, Texas, approximately 15 miles North of Downtown Dallas. The site is located on Brinker Road with access to Loop 288 near the new Denton Regional Medical Center. Construction and permanent financing for this development has been provided by Charter Mac through a tax exempt bond offering for $16,800,000. The bonds closed and the contractor broke ground on the project in May 2003. It was completed in August 2004 and achieved stabilized occupancy in June 2005. The Related Capital Companies is the equity investor in this development. (This project was sold to Provident Realty Advisors in 2004). The construction contract was for $15.25 million. ORM was the property manager through lease up and stabilization.

**Rose Court at Thorntree Family Housing, Dallas, TX:**
A 280-unit new construction development for low and moderate-income families located in Dallas, Texas, approximately 15 miles South of Downtown Dallas. The site is located on Wheatland Road with access to Hwy 67 near the new Methodist Regional Medical Center. Construction and permanent financing for this development has been provided by Charter Mac through a tax exempt bond offering for $16,800,000. The bonds closed and the contractor broke ground on the project in October 2003. It was completed in October 2004 and achieved stabilized occupancy in June 2005. The Related Capital Companies is the equity investor in this development. (This project was sold to Provident Realty Advisors in 2004). The construction contract was for $16.25 million. ORM was the property manager through lease up and stabilization.

**Champion at Rush Creek Family Housing, Arlington, TX:**
A 248-unit new construction development for low and moderate-income families located in Arlington, Texas, approximately 5 miles south of Downtown Arlington. The site is located on Sublett Road with access to Cooper Street. Construction and permanent financing for this
development has been provided by Charter Mac through a tax exempt bond offering for $16,600,000. The bonds closed and the contractor broke ground on the project in May 2004. It was completed in April 2005 and is scheduled for 100% occupancy by October 2005. Related Capital Companies is the equity investor in this development. Wachovia Bank N.A. was the Letter of Credit provider during the interim construction. The LC has been released at this time. This development has achieved stabilized occupancy and converted to permanent in May 2007. (This project was sold to CCG in December 2008). The construction contract was for $14.75 million. ORM was the property manager through lease up and stabilization.

**Champion Town Homes on the Green Family Housing, Houston, TX:**
A 238-unit new construction development for low and moderate-income families located in Houston, Texas, approximately 15 miles North of Downtown Houston. The site is located on Veterans Memorial Parkway at Beltway 8, with direct access to the George Bush International Airport. Construction and permanent financing for this development has been provided by Charter Mac through a tax exempt bond offering for $16,200,000. The bonds closed and the contractor broke ground on the project in February 2004. It was completed in April 2005. The Related Capital Companies is the equity investor in this development. This development has achieved stabilized occupancy and converted to permanent in May 2007. (This project was sold to CCG in December 2008). The construction contract was for $15.15 million. ORM was the property manager through lease up and stabilization.

**Champion at Marshall Meadows Mixed Income Family Housing, San Antonio, TX:**
A 250-unit new construction development for families of mixed income from 60% of AMFI to market rate housing located in San Antonio, Texas, approximately 10 miles South of Downtown San Antonio. The site is located on Loop 410 at Espada Road near the site of the new Texas A&M campus on the Mission Trails. Construction and permanent financing for this development has been provided by Charter Mac through a tax exempt bond offering for $14,260,000. Soft money was loaned into the development partnership by TSAHC, the issuer for $500,000 and $250,000 by Bexar County in the form a HOME funds grant to the non profit GP and a loan to the project partnership. The bonds closed and the contractor broke ground on the project in March 2005. It was completed in July 2006 and was 100% occupied by September 2007. The Related Capital Companies is the equity investor in this development. It is 60% market rate 40% affordable. (This project was sold to CCG in December 2008). The construction contract was for $16.35 million. ORM was the property manager through lease up and stabilization.

**Champion at Port Royal Family Housing, San Antonio, TX:**
A 250-unit new construction development for families of low and moderate income at or below 60% of AMFI to market rate housing located in San Antonio, Texas, approximately 5 miles Southwest of Downtown San Antonio. The site is located at 5300 Military Parkway near the entrance to Lackland Air Force Base. Construction and permanent financing for this development has been provided by Charter Mac through a tax exempt bond offering for $12,200,000. The bonds closed and the contractor broke ground on the project in April 2005. It was completed in May 2006 and was 100% occupied by April 2007. The Related Capital Companies is the equity investor in this development. (This project was sold to CCG in December 2008). The construction contract was for $14.5 million. ORM was the property manager through lease up and stabilization.
**Champion at Mission Del Rio Family Housing, San Antonio, TX:**
A 240-unit new construction development for families of low and moderate income at or below 60% of AMFI to market rate housing located in San Antonio, Texas, approximately 3 miles South of Downtown San Antonio. The site is located at Riverside Drive off of South Presa. The cross street is VFW Boulevard, formally East White, near the entrance to the historic Mission San Jose. The site runs along the banks of the San Antonio River. Mission County Park is directly adjacent to the site. Construction and permanent financing for this development has been provided by Charter Mac through a tax exempt bond offering for $11,490,000. The bonds closed and the contractor broke ground on the project in May 2005. It was completed in June 2006 and was 100% occupied by December 2006. The site is located just off of I-45 at Monroe with access to Hobby Airport. Medical service providers surround the property. ORM was the property manager through lease up and stabilization. (This project was sold to CCG in December 2008). The construction contract was for $16.9 million. ORM was the property manager through lease up and stabilization.

**Villas at Winkler Senior Housing, Houston, TX:**
A 234-unit new construction development for **low and moderate-income seniors age 55 years** and older located in Houston, Texas, approximately 5 miles south of Downtown Houston. The development targets senior at or below 50% and 60% of AMFI. The site is located just off of I-45 at Monroe with access to Hobby Airport. Medical service providers surround the property location. Construction and permanent financing for this development has been provided by Charter Mac through a tax exempt bond offering for $11,450,000. The bonds closed and the contractor broke ground on the project in April 2005. It was completed in June 2006 and was 100% occupancy by December 2008. **Rise is the fee developer and contractor for the Housing Authority of the City of Houston, HACH, who is the GP and owner of the development partnership.** The Related Capital Companies is the equity investor in this development. (This project was sold to CCG in December 2008). The construction contract was for $12.05 million. ORM was the property manager through lease up and stabilization.

**Champion Town Homes at Pecan Grove Family Housing, Dallas, TX:**
A 250-unit new construction development for families of low and moderate income at or below 50% and 60% of AMFI located in Dallas, Texas, approximately 8 miles South of Downtown Dallas in the Pleasant Grove area. The site is located at 3131 Simpson Stuart Road near Paul Quinn College. The site is contiguous to the successful Homes of Persimmons development. Construction and permanent financing for this development has been provided by Charter Mac through a tax exempt bond offering for $14,030,000. The bonds closed and the contractor will break ground on the project in May 2005. It was completed in June 2006 and was 100% occupied by December 2006. The Related Capital Companies is the equity investor in this development. (This project was sold to CCG in December 2008). The construction contract was for $16.9 million. ORM was the property manager through lease up and stabilization.

**Developments undertaken while ORC principals and officers were development team leaders of another affordable housing development company (1997-2002):**

**The Villas at Remond, Dallas, TX:**
A 131-unit new construction development for **independent senior citizens** age 60 and over located in Dallas, Texas. Construction and permanent financing were provided by Bank One, and Related Capital purchased the tax credits. Remond reached 100% occupancy by December 2000. The projects permanent loan is a 30-30 at 8.0% fixed, FNMA cash forward that funded in January 2001. The Related Capital Companies is the equity investor in this development.

**The Villas at Greenville, Greenville, TX:**
A 128-unit new construction development for **independent seniors age 60** and over located in Greenville, Texas, approximately 60 miles east of Dallas. Construction financing for this development has been provided by Chase Bank of Texas. First Union committed a 15-year, 30-year amortization permanent mortgage for this property in the amount of $3,715,000. The contractor broke ground on the project in December 1999. The property is 100% occupancy and converted to the Fannie Mae perm loan on March 31, 2002. The Related Capital Companies is the equity investor in this development.

**The Oaks at Hampton, Dallas, TX:**
A 250-unit new construction development for **independent seniors age 55** and over located in Oak Cliff, Texas, approximately 5 miles South of Downtown Dallas. Construction and permanent financing for this development has been provided by Charter Mac through a tax exempt bond offering for $10,060,000. The City of Dallas provided $1.5 million of CDBG and Neighborhood Renaissance funding at very low interest for 18 years to support construction of the development. The bonds closed and the contractor broke ground on the project in May 2000. It was completed in October 2001. It reached stabilized occupancy in March 2002. It is currently 100% occupied. This development was recognized by HUD as a “model for affordable housing” in 2002. The Related Capital Companies is the equity investor in this development.

**The Parks at Westmoreland, DeSoto, TX:**
A 250-unit new construction development for **independent seniors age 55** and over located in DeSoto, Texas, approximately 7 miles South of Downtown Dallas. This project is the second phase of the successful Courtyards at Kirnwood development. Construction and permanent financing for this development has been provided by Charter Mac through a tax exempt bond offering for $10,060,000. The bonds closed and the contractor broke ground on the project in July 2000. It was completed in March 2002 and was 100% occupancy by July 2002. **This development was recognized by the NAHB for its marketing material with a “Pillars of the Industry” Award in 2002.** The Related Capital Companies is the equity investor in this development.

**Medical Center Gardens, Dallas, TX:**
A 100-unit new construction development for families located in the UT Southwest Medical Center Hospital District in Dallas, Texas. Construction financing for this development was provided by Bank One Texas. PW Funding, a FNMA DUS, committed an 18-year, 30-year amortization permanent mortgage for this property in the amount of $5,000,000. The contractor broke ground on the project in December 2000. It was completed in March 2002 and 100% occupied by May 2002. This project was a cooperative venture with El Dorado Housing Development Corporation. This is mixed income project, 70% LIHTC income restricted units and
30% of the units at Market Rate. The Related Capital Companies is the equity investor in this development.

**Hillsboro Gardens Apartments, Hillsboro, TX:**
A 76-unit new construction development for families located in Hillsboro, Texas, 90 miles south of Dallas between Waco and Austin. Construction financing for this development will be provided by Bank One Texas. PW Funding, a FNMA DUS, committed an 18-year, 30-year amortization permanent mortgage for this property in the amount of $2,000,000. The contractor broke ground on the project in December 2000. It was completed in December 2001. 100% occupancy was achieved March 2002. This project is a cooperative venture with Villas Buenas, Inc. The Related Capital Companies is the equity investor in this development.

**Bluffview Villas Senior Housing, Denton, TX:**
A 250-unit new construction development for independent seniors age 55 and over located in Denton, Texas, approximately 15 miles North of Downtown Dallas. This project was the first unanimous zoning case in Denton in 20 years. Construction and permanent financing for this development has been provided by Charter Mac through a tax exempt bond offering for $10,700,000. The bonds closed and the contractor broke ground on the project in May 2001. It was completed in October 2003. It is expected to reach stabilized occupancy in the summer of 2003. The Related Capital Companies is the equity investor in this development. This project received an AHP grant for $500,000 from the FHLBB, Dallas.

**Knollwood Villas Family Housing, Denton, TX:**
A 264-unit new construction development for low and moderate-income families located in Denton, Texas, approximately 15 miles North of Downtown Dallas. This project was approved by PD in a six to one zoning case in Denton. The site is located on McKinney Street with access to Loop 288. Construction and permanent financing for this development has been provided by Charter Mac through a tax exempt bond offering for $13,750,000. The bonds closed and the contractor broke ground on the project in June 2001. It was completed in December 2002 and is scheduled for 100% occupancy by June 2003. The Related Capital Companies is the equity investor in this development.

**Arbors at Creekside Senior Housing, Austin, TX:**
A 176-unit new construction fee development for independent seniors age 55 and over located in Austin, Texas, approximately 3 miles north of the State Capitol. The project is a corner parcel at I-35 and Hwy 290. This project is owned by an affiliate of the City of Austin, Austin Housing Finance Corporation, AHFC. Construction and permanent financing for this development has been provided by Charter Mac through a tax exempt bond offering for $8,600,000 and a taxable tail of up to $800,000. The bonds closed and the contractor broke ground on the project in June 2001. It was completed in December 2002 and is scheduled to be 100% occupancy by March 2003. The City of Austin contributed the land to the project, which also enjoys 100% ad valorem tax abatement. The Related Capital Companies is the equity investor in this development. This community won a Meritorious Achievement Award for the National Council of Local Housing Finance Companies. This project received an AHP grant for $500,000 from the FHLBB, Dallas.

**Shadow Mountain Family Housing, Colorado Springs, CO:**
A 144 unit new construction development for low and moderate income families located in Colorado Springs, CO, approximately 3 miles North of Downtown on North Nevada Avenue. This project was approved for a special use permit in a zoning case in July 2001. The site is located on North Nevada Avenue near the intersection with Garden of the Gods Boulevard. Construction and permanent financing for this development will be provided by Amac and Related Capital Companies through a sale of the 9% LIHTC tax credits. ORH plans to close the land and break ground on the project in September 2001. This project is the largest recipient of tax credits in Colorado in 2001. It was completed in June 2003 and achieved 100% occupancy in January 2004. The Related Capital Companies is the equity investor in this development. This project received an AHP grant for $350,000 from the FHLBB, Topeka. It also received HOME funds in the form of a long term low interest loan through the City of Colorado Springs in the amount of $400,000.

**Hillside Family Housing, Dallas, Texas:**
A 236 unit new construction development for low and moderate income families located in Dallas, Texas, located on Loop 12 and Trailglen Drive in the Pleasant Grove area of Dallas. Construction and permanent financing for this development has been provided by Charter Mac through a tax exempt bond offering for $14,250,000. The partnership closed the bonds and broke ground on the project in December 2001. It was completed in December 2002 and achieved 100% occupancy in December 2003. The Related Capital Companies is the equity investor in this development. This project received an AHP grant for $500,000 from the FHLBB, Dallas.

**Oak Hollow Family Housing, Dallas, Texas:**
A 153 unit new construction development for low and moderate income families located in Dallas, Texas, located on the East corner of Ledbetter Road and Bonnie View. Construction and permanent financing for this development has been provided by Charter Mac through a tax exempt bond offering for $10,750,000. The bonds closed and the contractor broke ground on the project in December 2001. It was completed in February 2003. It is projected to be 100% occupied by April 2003. The Related Capital Companies is the equity investor in this development. This project received an AHP grant for $500,000 from the FHLBB, Dallas. The City of Dallas provided funding of $1.4 million of CDBG and neighborhood renaissance monies to this development.

**Highland Gardens Apartments, Harlingen, Texas:**
A 174-unit new construction development for families located in Harlingen, Texas. Construction financing for this development was provided by Chase Bank of Texas. Community Development Trust provided a rate locked forward funding commitment at 7.75% per annum fixed for 18 years, 30-year amortization permanent mortgage for this property in the amount of $4,550,000. The contractor broke ground on the project in March 2002. It was completed in March 2003. 100% occupancy is anticipated to be achieved July 2003. This project is a cooperative venture with Casa Linda Development, Inc. This project received an AHP grant for $500,000 from the FHLBB, Dallas, via IBC Bank, Brownsville. The Related Capital Companies is the equity investor in this development.

**El Dorado Town homes, Brownsville, Texas:**
A 146-unit new construction development for families located at Hwy 48 and Robindale Road in Brownsville, Texas. Construction financing for this development was provided by Chase Bank of Texas. Community Development Trust provided a rate locked forward funding commitment at 7.75% per annum fixed for 18 years, 30-year amortization permanent mortgage for this property in the amount of $3,950,000. The contractor broke ground on the project in March 2002. It was completed in March 2003. 100% occupancy was achieved in July 2003. This project is a cooperative venture with El Dorado Housing Development, Inc. This project received an AHP grant for $500,000 from the FHLBB, Dallas, via IBC Bank, Brownsville. The Related Capital Companies is the equity investor in this development.

**Villas of Cedar Hill Senior Housing, Cedar Hill, Texas:**
A 132 unit new construction development for independent seniors age 55 and over located in Cedar Hill, Texas, East of Beltline Road and Joe Wilson Parkway. Construction and permanent financing for this development was be provided by the Prudential Fannie Mae DUS. AIG Sun America is the equity investor in the 9% LIHTC tax credits. The land acquisition closed and the contractor broke ground on the project in May 2002. It was completed in March 2003. It achieved stabilized occupancy through the pre-leasing period. It was 100% occupied by December 2003. This is a mixed income development, 60% of the units are affordable the other 40% are market rate.

**The Town Homes at Timbercreek, Dallas, Texas:**
A 100 unit new construction townhouse development for families located in Dallas, Texas, at I-20 and Polk Street near the site of the new University of North Texas, Dallas campus. Construction and permanent financing for this development was provided by the Prudential Fannie Mae DUS. Sun America is the equity investor in the 9% LIHTC tax credits. The land acquisition closed and the contractor broke ground on the project in May 2002. This project is a cooperative venture with B & L Development, Inc. It reached completion in June 2003 and 100% occupancy by October 2003. Over 80% of the units were pre leased during construction. The community is a mixed income development, 60% of the units are affordable the other 40% are market rate.

**Clarkridge Villas Family Housing, Dallas, TX:**
A 264-unit new construction development for low and moderate-income families located in Dallas, Texas, approximately 5 miles South of Downtown Dallas. The site is located on Clarkridge Drive and Clark Road with access to I-20 at Mountain Creek Parkway. The community families are served by the prestigious Duncanville School District Construction and permanent financing for this development has been provided by Charter Mac through a tax exempt bond offering for $15,000,000. The bonds closed and the contractor broke ground on the project in September 2002. It was completed in December 2003. It was forecast to achieve 100% occupancy by June 2004. The Related Capital Companies is the equity investor in this development.

**Heatherwilde Villas Family Housing, Pflugerville, TX:**
A 256-unit new construction development for low and moderate-income families located in Pflugerville, Texas, approximately 5 miles North of Downtown Austin. The site is located on Yellow Sage Road with access to I-35 close by the community. Construction and permanent financing for this development has been provided by Charter Mac through a tax exempt bond
offering for $14,750,000. The bonds closed and the contractor broke ground on the project in September 2002. It was completed in December 2003. It was scheduled for 100% occupancy by June 2004. The Related Capital Companies is the equity investor in this development.

**Pleasant Valley Villas Family Housing, Austin, TX:**
A 280-unit new construction development for low and moderate-income families located in Austin, Texas, approximately 1 mile South of Downtown Austin. The site is located on Oltorf Street and Pleasant Valley Road. Construction and permanent financing for this development has been provided by Charter Mac through a tax exempt bond offering for $16,500,000. The bonds closed and the contractor broke ground on the project in October 2002. It was completed in December 2003 and is scheduled for 100% occupancy by June 2004. The Related Capital Companies is the equity investor in this development. Approximately half the living units are duplexes the balance are garden apartments.

**Hickory Trace Family Housing, Dallas, TX:**
A 180-unit new construction townhouse style development for low and moderate-income families located in Dallas, Texas, approximately 5 miles South of Downtown Dallas. The development zoning was unanimously approved by the Dallas City Council for this specific use. The site is located on Westmoreland Street just north of the intersection with Wheatland Road adjacent to Charlton Methodist Hospital. Construction and permanent financing for this development has been provided by Charter Mac through a tax exempt bond offering for $12,500,000. The bonds closed and the contractor broke ground on the project in November 2002. It was completed in December 2003 and was scheduled for 100% occupancy by June 2004. The Related Capital Companies is the equity investor in this development.

**Southern Oaks Family Housing, Dallas, TX:**
A 256-unit new construction development for low and moderate-income families located in Denton, Texas, approximately 5 miles East of Downtown Dallas. The development zoning was unanimously approved by the Dallas City Council for this specific use. The site is located on McKinney Street with access to Loop 288. Construction and permanent financing for this development has been provided by Charter Mac through a tax exempt bond offering for $13,750,000. The bonds closed and the contractor broke ground on the project in June 2001. It was completed in December 2002 and was scheduled to achieve 100% occupancy by June 2003. The Related Capital Companies is the equity investor in this development.

**Primrose SA II Family Housing, San Antonio:**
A 280-unit new construction development for low and moderate-income families located in South San Antonio, Texas, approximately 10 miles south of Downtown. The San Antonio City council unanimously approved the land use for this community. The site is located on Palo Alto (Hwy 16) and Loop 410 near Palo Alto College. Construction and permanent financing for this development has been provided by Charter Mac through a tax exempt bond offering for $15,000,000. The bonds closed and the contractor broke ground on the project in December 2003. It was completed in December 2003 and was scheduled for 100% occupancy by June 2004. The Related Capital Companies is the equity investor in this development. The partnership is owned and controlled by the Housing Authority of Bexar County.

**Pleasant Valley Courtyards, Austin, Texas:**
A 163-unit new construction development for families located in Austin, Texas. Construction financing for this development will be provided by Chase Bank of Texas. GMAC’s FNMA DUS will provide a rate locked forward funding commitment at 7.05% per annum fixed for 18 years, 30-year amortization permanent mortgage for this property in the amount of $7,250,000. The development received nine percent LIHTC in July 2002 and met carryover in November 2002. It was completed in June 2003 and was scheduled for 100% occupancy by January 2004. This project is a cooperative venture with El Dorado Housing Development, Inc. GMAC is the equity investor in this development.

**Heatherwilde Estates, San Antonio, Texas:**
A 176 unit new construction development for families located in San Antonio, Texas. Construction and permanent financing for this development will be provided by GMAC Fannie Mae DUS. GMAC is the equity investor in the 9% LIHTC tax credits. The land acquisition closed in November 2002. The project is a cooperative venture with B & L Development, Inc. and its principal, Bobby Leopold. GMAC’s FNMA DUS will provide a rate locked forward funding commitment at 7.05% per annum fixed for 18 years, 30-year amortization permanent mortgage for this property in the amount of $4,750,000. The development received nine percent LIHTC in July 2002 and met carryover in November 2002. It was completed in December 2004 and was scheduled for 100% occupancy by June 2005. This project is a cooperative venture with B & L Development, Inc. The community is a mixed income development, 80% of the units are affordable and the other 20% are market rate. The partnership was to be owned and controlled by the Housing Authority of Bexar County.

**Kirnwood Senior Housing, Desoto, Texas:**
A 176 unit new construction development for independent seniors age 55 and over located in Desoto, Texas, Kirnwood Drive by Charelton Methodist Hospital. Construction and permanent financing for this development was be provided by the Prudential Fannie Mae DUS. Related Capital is the equity investor in the 9% LIHTC tax credits. The land acquisition closed and the contractor broke ground on the project in May 1998. It was completed in March 1999. It achieved stabilized occupancy through the pre-leasing period. It was 100% occupied by March 2000. This is a mixed income development, 95% of the units are affordable the other 5% are market rate.
The Texas Comptroller of Public Accounts (CPA) administers the Statewide Historically Underutilized Business (HUB) Program for the State of Texas, which includes certifying minority and woman-owned businesses as HUBs and is designed to facilitate the participation of minority and woman-owned businesses in state agency procurement opportunities.

We are pleased to inform you that your application for certification/re-certification as a HUB has been approved. Your company’s profile is listed in the State of Texas HUB Directory and may be viewed online at http://www.window.state.tx.us/procurement/cmbl/hubonly.html. Provided that your company continues to meet HUB eligibility requirements, the enclosed HUB certificate is valid for four years.

You must notify the HUB Program in writing of any changes affecting your company’s compliance with the HUB eligibility requirements, including changes in ownership, day-to-day management, control and/or principal place of business. Note: Any changes made to your company’s information may require the HUB Program to re-evaluate your company’s eligibility.

Please reference the enclosed pamphlet for additional resources, such as the state’s Centralized Master Bidders List (CMBL), that can increase your chance of doing business with the state.

Thank you for your participation in the HUB Program! If you have any questions, you may contact a HUB Program representative at 512-463-5872 or toll-free in Texas at 1-888-863-5881.

Texas Historically Underutilized Business (HUB) Certificate

The Texas Comptroller of Public Accounts (CPA), hereby certifies that

RISE RESIDENTIAL CONSTRUCTION, LP.

has successfully met the established requirements of the State of Texas Historically Underutilized Business (HUB) Program to be recognized as a HUB. This certificate printed 19-FEB-2016, supersedes any registration and certificate previously issued by the HUB Program. If there are any changes regarding the information (i.e., business structure, ownership, day-to-day management, operational control, business location) provided in the submission of the business’ application for registration/certification as a HUB, you must immediately (within 30 days of such changes) notify the HUB Program in writing. The CPA reserves the right to conduct a compliance review at any time to confirm HUB eligibility. HUB certification may be suspended or revoked upon findings of ineligibility.

Paul Gibson, Statewide HUB Program Manager
Texas Procurement and Support Services

Note: In order for State agencies and institutions of higher education (universities) to be credited for utilizing this business as a HUB, they must award payment under the Certificate/VID Number identified above. Agencies and universities are encouraged to validate HUB certification prior to issuing a notice of award by accessing the Internet (http://www.window.state.tx.us/procurement/cmbl/cmbihub.html) or by contacting the HUB Program at 1-888-863-5881 or 512-463-5872.
### Top 50 Affordable Housing Developers of 2014

**By Affordable Housing Finance Staff**

<table>
<thead>
<tr>
<th>RANK (VS. 2013)</th>
<th>COMPANY INFO</th>
<th>EXECUTIVE CONTACT</th>
<th>2014 STARTS COMPLETIONS</th>
<th>REGION(S)</th>
<th>ORG. TYPE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 (6)</td>
<td>THE MICHAELS ORGANIZATION 3 E. Stow Road, Suite 100; P.O. Box 994; Marlton, NJ 08053 (856) 596-3081</td>
<td>John O'Donnell, president</td>
<td>1,296 1,605</td>
<td>National</td>
<td>For-profit</td>
</tr>
<tr>
<td>2 (1)</td>
<td>THE NRP GROUP 5309 Transportation Blvd., Cleveland, OH 44125 (216) 475-8900</td>
<td>J. David Heller and T. Richard Bailey, partners</td>
<td>1,154 948</td>
<td>National</td>
<td>For-profit</td>
</tr>
<tr>
<td>3 (22)</td>
<td>CONIFER REALTY 1000 University Ave., Suite 500; Rochester, NY 14607 (385) 324-0571</td>
<td>Andrew J. Crossed, executive vice president</td>
<td>853 468</td>
<td>MW, NE</td>
<td>For-profit</td>
</tr>
<tr>
<td>4 (10)</td>
<td>MCCORMACK BARON SALAZAR 720 Olive St., Suite 2500; St. Louis, MO 63101 (314) 621-3400</td>
<td>Kevin J. McCormack, president</td>
<td>765 647</td>
<td>National</td>
<td>For-profit</td>
</tr>
<tr>
<td>5 (15)</td>
<td>PENNROSE PROPERTIES 1301 N. 31st St., Philadelphia, PA 19121 (267) 386-8600</td>
<td>Mark H. Dambly, president</td>
<td>748 582</td>
<td>MW, NE, SE</td>
<td>For-profit</td>
</tr>
<tr>
<td>6 (4)</td>
<td>THE WODA GROUP 229 Huber Village Blvd., Suite 100, Westerville, OH 43081 (614) 396-3200</td>
<td>Jeffrey Woda and David Cooper Jr., principals</td>
<td>723 386</td>
<td>MW, NE, SE</td>
<td>For-profit</td>
</tr>
<tr>
<td>7 (new)</td>
<td>ODYSSEY RESIDENTIAL 5420 LBJ Freeway, Suite 1355; Dallas, TX 75240 (972) 701-5555</td>
<td>Melissa Adami, president</td>
<td>708 100</td>
<td>MW, SC, W</td>
<td>For-profit</td>
</tr>
<tr>
<td>8 (23)</td>
<td>ROEM CORP. 1650 Lafayette St., Santa Clara, CA 95050 (408) 984-5600</td>
<td>Robert Emami, president and CEO</td>
<td>611 0</td>
<td>W</td>
<td>For-profit</td>
</tr>
<tr>
<td>9 (17)</td>
<td>PINNACLE HOUSING GROUP 9400 S. Dadeland Blvd., Suite 100, Miami, FL</td>
<td>David Deutsch, partner</td>
<td>586 374</td>
<td>SC, SE</td>
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</tr>
<tr>
<td>Rank</td>
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<td>10</td>
<td>THE PACIFIC COS.</td>
<td>Caleb Roope, president and CEO</td>
<td>563</td>
<td>W</td>
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</tr>
<tr>
<td></td>
<td>430 E. State St., Suite 100;</td>
<td>(303) 854-7100</td>
<td><a href="http://www.pinnaclehousing.com">www.pinnaclehousing.com</a></td>
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<td>11</td>
<td>MILLER-VALENTINE GROUP</td>
<td>Brian McGeady, president, MV</td>
<td>540</td>
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<td></td>
<td>Affordable Housing Development</td>
<td>(513) 588-1000</td>
<td><a href="http://www.mvg.com">www.mvg.com</a></td>
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<td>BRIDGE HOUSING CORP.</td>
<td>Cynthia A. Parker, president and CEO</td>
<td>513</td>
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<tr>
<td></td>
<td>660 California St., Suite 900; San Francisco, CA</td>
<td>(415) 985-1111</td>
<td><a href="http://www.bridgehousing.com">www.bridgehousing.com</a></td>
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<td>(new) LDG DEVELOPMENT</td>
<td>Chris Diachinger and Mark Lechner, co-owners</td>
<td>513</td>
<td>MW, SC, SE</td>
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<tr>
<td></td>
<td>1469 54th St., Louisville, KY 40208</td>
<td>(502) 638-0584</td>
<td><a href="http://www.ldgdevelopment.com">www.ldgdevelopment.com</a></td>
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<td>REALTEX DEVELOPMENT CORP.</td>
<td>Rick Deyoe, president</td>
<td>471</td>
<td>SC, SE</td>
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<tr>
<td></td>
<td>1101 S. Capital of Texas Highway, Suite F-200; Austin, TX 78746</td>
<td>(512) 306-9206</td>
<td><a href="http://www.realtextdevelopment.com">www.realtextdevelopment.com</a></td>
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<td>14</td>
<td>RELATED CALIFORNIA</td>
<td>Frank Cardone, president of Related California Affordable</td>
<td>445</td>
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<tr>
<td></td>
<td>18201 Von Kurnac Ave., Suite 900; Irvine, CA 92612</td>
<td>(949) 666-7722</td>
<td><a href="http://www.relatedcalifornia.com">www.relatedcalifornia.com</a></td>
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<tr>
<td>15</td>
<td>DOMINION</td>
<td>Paul Sween and Armand Barchman, managing partners</td>
<td>412</td>
<td>MW, SC, SE, W</td>
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<tr>
<td></td>
<td>2905 Northwest Blvd., Suite 150; Plymouth, MN 55441</td>
<td>(763) 354-5500</td>
<td><a href="http://www.dominionapartments.com">www.dominionapartments.com</a></td>
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<td>CHELSEA INVESTMENT CORP.</td>
<td>James J. Schmid, CEO</td>
<td>401</td>
<td>SE, W</td>
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<tr>
<td></td>
<td>5993 Avenida Encinas, Suite 101; Carlsbad, CA 92008</td>
<td>(760) 456-6000</td>
<td><a href="http://www.chelseainvestco.com">www.chelseainvestco.com</a></td>
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<td>TWW DEVELOPMENT</td>
<td>Joe Whitsett, principal</td>
<td>397</td>
<td>MW</td>
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<tr>
<td></td>
<td>333 N. Pennsylvania St., Suite 100; Indianapolis, IN 46204</td>
<td>(317) 264-1833</td>
<td><a href="http://www.twdev.com">www.twdev.com</a></td>
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<td>18</td>
<td>ATLANTIC PACIFIC COMMUNITIES</td>
<td>Kenneth Naylor, COO</td>
<td>365</td>
<td>NE, SC, SE, W</td>
<td>For-profit</td>
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<td>2950 S.W. 27th Ave., Suite 200; Miami, FL 33133</td>
<td>(305) 357-4700</td>
<td><a href="http://www.apcommunities.com">www.apcommunities.com</a></td>
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<td>DUNN DEVELOPMENT CORP.</td>
<td>Martin Dunn, president</td>
<td>358</td>
<td>NE</td>
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<tr>
<td></td>
<td>516 Douglass St., 2nd Floor; Brooklyn, NY 11217</td>
<td>(718) 388-9407</td>
<td><a href="http://www.dunndev.com">www.dunndev.com</a></td>
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<td>MERCY HOUSING</td>
<td>Jane Graf, president and CEO</td>
<td>355</td>
<td>National</td>
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<td></td>
<td>1999 Broadway, Suite 1000; Denver, CO 80202</td>
<td>(303) 830-3300</td>
<td><a href="http://www.mercyhousing.org">www.mercyhousing.org</a></td>
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<td>MIDPEX HOUSING CORP.</td>
<td>Matthew O. Franzén, president</td>
<td>341</td>
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<tr>
<td></td>
<td>303 Vintage Park Drive, Suite 250; Foster City, CA 94404</td>
<td>(650) 356-2900</td>
<td><a href="http://www.midpex-housing.org">www.midpex-housing.org</a></td>
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<td>COLUMBIA RESIDENTIAL</td>
<td>Noel Khalil and Jim Granfey, principals</td>
<td>312</td>
<td>SC, SE</td>
<td>For-profit</td>
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<tr>
<td></td>
<td>1718 Peachtree St., N.W., Suite 684; Atlanta, GA</td>
<td>(404) 893-2438</td>
<td><a href="http://www.columbiaresidential.com">www.columbiaresidential.com</a></td>
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<tr>
<td>Rank</td>
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<td>PRESTWICK COS.</td>
<td>3715 Northside Pkwy., Bldg. 200, Suite 175, Atlanta, GA 30327</td>
<td>Ken Blankenship, Darren Lee, and Jody Tucker, partners</td>
<td>Atlanta, GA</td>
<td>SC, SE</td>
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<tr>
<td>24</td>
<td>PIHL</td>
<td>4949 Galaxy Parkway, Suite S, Warrensville Heights, OH 44128</td>
<td>David Bung and David Unam, managing members</td>
<td>Cleveland, OH</td>
<td>MW, NE, SE</td>
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<tr>
<td>25</td>
<td>VOLUNTEERS OF AMERICA</td>
<td>1950 Duke St., Alexandria, VA 22314</td>
<td>Patrick Sheridan, senior vice president of leasing development</td>
<td>Alexandria, VA</td>
<td>National</td>
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<tr>
<td>26</td>
<td>L+M DEVELOPMENT PARTNERS</td>
<td>1865 Palmer Ave., Suite 203; Larchmont, NY 10538</td>
<td>Ron Moelis, CEO</td>
<td>Larchmont, NY</td>
<td>NE, SC, W</td>
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<td>27</td>
<td>HERMAN &amp; KITTEL PROPERTIES</td>
<td>500 E. 96th St., Suite 300; Indianapolis, IN 46240</td>
<td>Jeffrey Kittle, president and CEO</td>
<td>Indianapolis, IN</td>
<td>National</td>
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<tr>
<td>28</td>
<td>BENEFICIAL COMMUNITIES</td>
<td>3550 S. Tamiami Trail, Suite 301, Sarasota, FL 34239</td>
<td>Donald Paxton, president</td>
<td>Sarasota, FL</td>
<td>National</td>
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<td>28</td>
<td>FORE PROPERTY CO.</td>
<td>600 New Hampshire Ave., N W., Washington, DC 20037</td>
<td>Rick Fore, chairman</td>
<td>Washington, DC</td>
<td>National</td>
</tr>
<tr>
<td>29</td>
<td>THE COMMUNITY BUILDERS</td>
<td>95 Berkeley St., Suite 300; Boston, MA 02116</td>
<td>Bart Mitchell, president and CEO</td>
<td>Boston, MA</td>
<td>MW, NE, SE</td>
</tr>
<tr>
<td>30</td>
<td>ENTERPRISE HOMES</td>
<td>312 N. Martin Luther King Jr Blvd., Suite 300; Baltimore, MD 21201</td>
<td>Chickie Grayson, president and CEO</td>
<td>Baltimore, MD</td>
<td>NE</td>
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<tr>
<td>30</td>
<td>SKA MARIN</td>
<td>98 Cutter Mill Road, Suite 342 Sooth; Great Neck, NY 11021</td>
<td>Stephanie Kneppe, counsel and vice president</td>
<td>Great Neck, NY</td>
<td>NE</td>
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<tr>
<td>30</td>
<td>TRIANGLE DEVELOPMENT</td>
<td>102 First Choice Drive, Madison, MS 39110</td>
<td>Robert C. King, president and CEO</td>
<td>Madison, MS</td>
<td>SC, SE</td>
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<tr>
<td>31</td>
<td>JAMBOREE HOUSING CORP.</td>
<td>17701 Cowan Ave., Suite 200; Irvine, CA 92614</td>
<td>Laura Archuleta, president</td>
<td>Irvine, CA</td>
<td>W</td>
</tr>
<tr>
<td>32</td>
<td>HOUSING VISIONS</td>
<td>1201 E. Fayette St., Syracuse, NY 13210</td>
<td>Rebecca Newman, executive vice president</td>
<td>Syracuse, NY</td>
<td>NE</td>
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<tr>
<td>33</td>
<td>PICERNE REAL ESTATE GROUP</td>
<td>247 N. Westminster Drive; Altamonte Springs, FL 32714</td>
<td>Robert M. Picerne, COO</td>
<td>Altamonte Springs, FL</td>
<td>National</td>
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<tr>
<td>Rank</td>
<td>Company Name</td>
<td>Address</td>
<td>Contact Person</td>
<td>Phone</td>
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<td>34</td>
<td>AMCAL MULTIHOUSING</td>
<td>30141 Agura Road, Suite 100, Agura Hills, CA 91301</td>
<td>Percival Vaz, CEO</td>
<td>(818) 706-0694</td>
<td><a href="http://www.amcalhousing.com">www.amcalhousing.com</a></td>
</tr>
<tr>
<td>35</td>
<td>OMNI NEW YORK</td>
<td>885 Second Ave., 31st Floor; New York, NY 10017</td>
<td>Megan Thomas, executive vice president and COO</td>
<td>(646) 502-7192</td>
<td><a href="http://www.onylc.com">www.onylc.com</a></td>
</tr>
<tr>
<td>36</td>
<td>NORSTAR DEVELOPMENT USA</td>
<td>250 S. Division St., Buffalo, NY 14204</td>
<td>Linda Goodman, vice president</td>
<td>(716) 847-1098</td>
<td><a href="http://www.norstarcompanies.com">www.norstarcompanies.com</a></td>
</tr>
<tr>
<td>37</td>
<td>COMMUNITY INVESTMENT STRATEGIES</td>
<td>1970 Brunswick Ave., Suite 100, Lawrenceville, NJ 08648</td>
<td>Christiana Foglio, owner and CEO</td>
<td>(609) 298-2229</td>
<td><a href="http://www.cisnj.com">www.cisnj.com</a></td>
</tr>
<tr>
<td>38</td>
<td>WINNCOMPANIES</td>
<td>6 Farewell Hall Marketplace, Boston, MA 02109</td>
<td>Adam Stein, senior vice president, WinnDevelopment</td>
<td>(617) 239-4554</td>
<td><a href="http://www.winnco.com">www.winnco.com</a></td>
</tr>
<tr>
<td>39</td>
<td>MADHOUSE DEVELOPMENT SERVICES</td>
<td>8311 Rockwood Lane, Austin, TX 78757</td>
<td>Henry Flores, president</td>
<td>(512) 633-4037</td>
<td><a href="http://www.madhousedevelopment.net">www.madhousedevelopment.net</a></td>
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<td>40</td>
<td>USA PROPERTIES FUND</td>
<td>3200 Douglas Blvd., Suite 200, Roseville, CA 95661</td>
<td>Geoffrey C. Brown, president</td>
<td>(916) 773-6060</td>
<td><a href="http://www.usapropfund.com">www.usapropfund.com</a></td>
</tr>
<tr>
<td>41</td>
<td>THE ARKER COS.</td>
<td>15 Verbeau Ave., Suite 100; Floral Park, NY 11001</td>
<td>Daniel Moritz, principal</td>
<td>(516) 277-9325</td>
<td><a href="http://www.arkercompanies.com">www.arkercompanies.com</a></td>
</tr>
<tr>
<td>41</td>
<td>COMMUNITY HOUSINGWORKS 2815 Camino del Rio S., Suite 350; San Diego, CA 92108</td>
<td>Amie B. Wilson, senior vice president, housing and real estate finance</td>
<td>(619) 450-8799</td>
<td><a href="http://www.chworks.org">www.chworks.org</a></td>
<td></td>
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<td>42</td>
<td>THOMAS SAFFAN &amp; ASSOCIATES</td>
<td>11812 San Vicente Blvd., Suite 600; Los Angeles, CA 90049</td>
<td>Tom Safran, chairman</td>
<td>(310) 820-8888</td>
<td><a href="http://www.tsahousing.com">www.tsahousing.com</a></td>
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<tr>
<td>43</td>
<td>EDEN HOUSING</td>
<td>22645 Grand St., Hayward, CA 94541</td>
<td>Linda Mandelini, president</td>
<td>(510) 582-1660</td>
<td><a href="http://www.edenhousing.org">www.edenhousing.org</a></td>
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<td>44</td>
<td>COSTELLO COS.</td>
<td>7469 S. Bitterroot Place; Sioux Falls, SD 57108</td>
<td>Joan Franken, managing director</td>
<td>(605) 336-9131</td>
<td><a href="http://www.costelloco.com">www.costelloco.com</a></td>
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<tr>
<td>44</td>
<td>GORMAN &amp; CO.</td>
<td>200 N. Main St., OREGON, WI 53575</td>
<td>Tom Capp, COO</td>
<td>(608) 833-39061</td>
<td><a href="http://www.gormanusa.com">www.gormanusa.com</a></td>
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<tr>
<td>45</td>
<td>DAKOTA PARTNERS</td>
<td>1264 Main St., Waltham, MA 02451</td>
<td>Marc Dargie and Roberto Arista, principals</td>
<td>(781) 899-4002</td>
<td><a href="http://www.dakotapartners.net">www.dakotapartners.net</a></td>
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<tr>
<td>46</td>
<td>FLAHERTY &amp; COLLINS PROPERTIES</td>
<td>8900 Keystone Crossing, Suite 1200, Indianapolis, IN 46240</td>
<td>Duane Miller, vice president of community development and asset management</td>
<td></td>
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<tr>
<td>Rank</td>
<td>Name</td>
<td>President and CEO</td>
<td>Zip Code</td>
<td>City, State</td>
<td>Type</td>
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<td>47</td>
<td>Community Housing Partners</td>
<td>Jaraka Casper, president and CEO</td>
<td>24073</td>
<td>Christiansburg, VA</td>
<td>Nonprofit</td>
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<td>48</td>
<td>Reach Community Development</td>
<td>Dan Valiere, CEO</td>
<td>97239</td>
<td>Portland, OR</td>
<td>Nonprofit</td>
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<td>49</td>
<td>Bear Development</td>
<td>S.R. Mills, president</td>
<td>53142</td>
<td>Kenosha, WI</td>
<td>For-profit</td>
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<td>50</td>
<td>Retirement Housing Foundation</td>
<td>Laverne R. Joseph, president and CEO</td>
<td>90815</td>
<td>Long Beach, CA</td>
<td>National</td>
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</tbody>
</table>
Top 50 Affordable Housing Developers of 2015

Indiana-based Pedcor Cos. tops the list after starting construction on 1,070 units last year.

<table>
<thead>
<tr>
<th>RANK</th>
<th>COMPANY INFO</th>
<th>EXECUTIVE CONTACT</th>
<th>2015 STARTS/COMPLETIONS</th>
<th>REGION(S)</th>
<th>ORG. TYPE</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Pedcor Cos.</td>
<td>Phillip J. Stoffregen, COO and executive vice president</td>
<td>1,070 / 92</td>
<td>MW, SC, SE, W</td>
<td>For-profit</td>
</tr>
<tr>
<td></td>
<td>1 Pedcor Square, 770 3rd Ave., S.W.; Carmel, IN 46032 (317) 587-0320 • <a href="http://www.pedcorcompanies.com">www.pedcorcompanies.com</a></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Pedcor Cos., a longtime affordable housing provider, tops the developers list after starting construction on six new projects with 1,070 units in 2015.</td>
<td></td>
<td></td>
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<tr>
<td>2</td>
<td>McCormack Baron Salazar</td>
<td>Vince R. Bennett, president</td>
<td>829 / 386</td>
<td>National</td>
<td>For-profit</td>
</tr>
<tr>
<td></td>
<td>720 Olive St., Suite 2500; St. Louis, MO 63101 (314) 621-3400 • <a href="http://www.mccormackbaron.com">www.mccormackbaron.com</a></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Last year, the firm secured a major contract to redevelop three public housing sites into mixed-income communities in Puerto Rico.</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>3</td>
<td>Herman &amp; Kittle Properties</td>
<td>Jeffrey Kittle, president and CEO</td>
<td>792 / 638</td>
<td>National</td>
<td>For-profit</td>
</tr>
<tr>
<td></td>
<td>500 E. 96th St., Suite 300; Indianapolis, IN 46240 (317) 805-1980 • <a href="http://www.hermankittle.com">www.hermankittle.com</a></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>The firm added new-construction bond deals back into its pipeline in addition to 9% low-income housing tax credit (LIHTC) deals.</td>
<td></td>
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<td>4</td>
<td>Pennrose Properties</td>
<td>Mark H. Dambly, president</td>
<td>688 / 461</td>
<td>MW, NE, SE</td>
<td>For-profit</td>
</tr>
<tr>
<td></td>
<td>1301 N. 31st St.; Philadelphia, PA 19121 (267) 386-8600 • <a href="http://www.pennrose.com">www.pennrose.com</a></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Pennrose started construction on 10 affordable housing developments in 2015 and recently opened a Boston office.</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>RANK (VS. 2014)</td>
<td>COMPANY INFO</td>
<td>EXECUTIVE CONTACT</td>
<td>2015 STARTS/COMPLETIONS</td>
<td>REGION(S)</td>
<td>ORG. TYPE</td>
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<tr>
<td>----------------</td>
<td>--------------</td>
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<td>-----------</td>
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<tr>
<td>5 (5)</td>
<td>Conifer Realty</td>
<td>Timothy D. Fournier, president and CEO</td>
<td>617 / 707</td>
<td>MW, NE</td>
<td>For-profit</td>
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<td>6 (10)</td>
<td>The Pacific Cos.</td>
<td>Caleb Roope, president and CEO</td>
<td>561 / 689</td>
<td>W</td>
<td>For-profit</td>
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<tr>
<td>7 (6)</td>
<td>The Woda Group</td>
<td>Jeffrey Woda and David Cooper Jr., co-principals</td>
<td>552 / 774</td>
<td>MW, NE, SE</td>
<td>For-profit</td>
</tr>
<tr>
<td>8 (7)</td>
<td>Rise Residential Construction</td>
<td>Melissa Adami, president</td>
<td>495 / 708</td>
<td>SC, W</td>
<td>For-profit</td>
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<tr>
<td>9 (2)</td>
<td>The NRP Group</td>
<td>J. David Heller and T. Richard Bailey, partners</td>
<td>485 / 1487</td>
<td>National</td>
<td>For-profit</td>
</tr>
<tr>
<td>10 (20)</td>
<td>Mercy Housing</td>
<td>Jane Graf, president and CEO</td>
<td>481 / 436</td>
<td>National</td>
<td>Nonprofit</td>
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<tr>
<td>11 (14)</td>
<td>Related California</td>
<td>Frank Cardone, president, Related California Affordable</td>
<td>438 / 261</td>
<td>W</td>
<td>For-profit</td>
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</tbody>
</table>

Conifer projects starting as many as 13 new developments this year after starting eight projects in 2015.

The Pacific Cos. completed 935 affordable and market-rate units, the largest number in company history, in 2015.

In addition to the firm’s affordable housing work, it completed a 120-bed student housing project in Columbia, S.C., last year.

Formerly Odyssey Residential Construction, the firm is now known as Rise Residential Construction.

After starting construction on three affordable housing developments in 2015, the firm plans to start seven this year.

Mercy created regional real estate strategies that build concentration and commitment aimed at improving neighborhoods.

Related California, which started four projects last year, has separated its affordable and market-rate housing divisions.
AGENDA CAPTION:
Receive a Staff presentation regarding schematic design and cost estimate for the 214 E. Hutchison Project; and consider, by motion, authorizing Staff to proceed with final design and solicit bids for construction of the Project.

Meeting date: April 4, 2017

Department: City Manager

Funds Required: $350,000
Account Number: N/A
Funds Available: N/A
Account Name: N/A

CITY COUNCIL GOAL: N/A

COMPREHENSIVE PLAN ELEMENT(s): N/A

BACKGROUND:
On September 20, 2016 Council provided direction to staff regarding specific elements to be incorporated into the design of an approximately 6,000 sf “pocket park” on the vacant, City-owned property at 214 E. Hutchison.

In January, 2017 the City entered into a professional services agreement with Kimley-Horn Associates for landscape architectural services. The contract consists of two discreet tasks:

1) Schematic design submittal, and
2) Construction document submittal.

In early March, Kimley-Horn completed the attached Schematic Design & Preliminary Opinion of Probable Cost.

Property History
On August 17, 2010, City Council adopted a Resolution approving a Chapter 380 Economic Development Incentive Agreement between the City of San Marcos and Trico Partners, LLC. The agreement provided an amount not to exceed $50,000 for the demolition of structures on the property in conjunction with participation in the TCEQ Dry Clean Remediation Program, and provided for a five-year lease of the property to the City for
Public Parking purposes for a base monthly rental amount of $1,750.00. The City also retained the option to purchase the property within three years for a price of $216,576.00, less any amounts provided under the Chapter 380 Economic Development Incentive agreement.

The property was remediated, in accordance with TCEQ standards, and purchased by the City on January 1, 2012. It was subsequently used as a staging area for the Downtown Improvement Project Phase I. The property is currently graded and vacant, with no public access.

As part of the 2016 Capital Improvements Plan (CIP), Council approved the construction of a surface parking lot on the property, authorizing $85,000 for the project.
Agenda Item

Presentation regarding Schematic Design and Cost Estimate for the 214 E. Hutchison project.
• On September 20, 2016 Council provided direction to staff regarding specific elements to be incorporated into the design of an approximately 6,000 sf “pocket park” on the vacant, City-owned property at 214 E. Hutchison.

• In January, 2017 the City entered into a professional services agreement with Kimley-Horn Associates for landscape architectural services. The contract consists of two discreet tasks: 1) schematic design submittal, and 2) construction document submittal.

• In early March, Kimley-Horn completed the attached Schematic Design & Preliminary Opinion of Probable Cost. Staff seeks Council authorization to proceed with final design and solicit bids for construction of the project.
The City contracted Kimley-Horn to provide a 100% engineered site design and construction cost estimate, to include the following elements:

- Landscape area and/or rain garden(s)
- Shade structure / covered seating area
- Substantial bicycle parking and bicycle repair station
- Public art or space for public art
- Drinking water station
- Plumbing for future restroom facilities
- Vehicular parking, with the ability to accommodate EV charging, car-sharing, and/or lease to downtown employers
## Schematic Level - Opinion of Probable Cost

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<tr>
<th>SITE PREPARATION</th>
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<th>Unit Cost</th>
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<td>Mobilization, Demobilization (10%)</td>
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<td>Construction Surveying (4%)</td>
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<td>Construction Surveying As-Builts (1%)</td>
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<td>Traffic Control/Temporary Construction Fence (4%)</td>
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Sub Total | $33,713.88 |

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Sub Total | $35,000.00 |

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<td>Lithocrete Accent Band</td>
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<td>Stabilized DG Path</td>
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Sub Total | $25,389.80 |

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Sub Total | $29,500.00 |

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<td>Groundcovers (1 Gallon)</td>
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<td>Turf (Sod)</td>
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<td>SF</td>
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<td>Decomposed Granite and Rock Cobble</td>
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<td>Landscape Irrigation Water Meter and Backflow Preventor</td>
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Sub Total | $20,131.60 |

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Sub Total | $101,200.00 |

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Sub Total | $16,100.00 |

Subtotal all Sections | $261,035.28 |

Contingency 20% | $52,207.06 |

Construction Fee 12% | $31,324.23 |

Grand Total | $344,566.57 |

**Opinion of Probable Cost Assumptions:**
The Opinion of probable cost has been derived from the Preliminary Master Plan. Due to the preliminary nature of the design, assumptions on line items and unit quantities have been made. Additional line items and adjustments to the unit quantities are likely as the design progresses. Unit costs have been derived from projects of similar type and size. Those on the design team are not cost estimators and the unit costs are only impressions of the current market cost. If a cost estimate is needed, it is suggested that the City hire an objective, third party professional cost estimator for exact current market conditions. Mobilization/ Demobilization, SWPPP compliance, and temporary construction fencing are approximations based upon projects of similar size.
Hutchison “HUB” Lot
214 E. Hutchison

The case for developing the site with a variety of amenities.
The Case for “The HUB”

The City has put together plans for two possible uses for the 214 E. Hutchison lot.

Land Use Option 1:
A mixed use space that would provide a number of possible amenities. All of the proposed options focus on a public plaza and green space with other features ranging from covered bike parking to a small stage to public restrooms.

Land Use Option 2:
A small parking lot consisting of 13 spots.
Current Building Coverage
Current Parking Coverage
Both Building & Parking Coverage
Current Park & Green Space
Green Space v. Financial Institutions

As a comparison of how we are currently allocating land use.
Current Parking Details

Public Parking Spaces
• 871 no fee spaces
• 450 paid parking spaces in the University garage, adjacent to the Performing Arts Center

An additional 13 spots will:
• increase the no-fee downtown parking by 1.5%.
• increase the overall downtown parking by 1%.

Private Parking Spaces
We do not currently have an official count of total private/off-street parking spaces, but have done a rough estimate of most of the larger lots and come up with around 600 spaces.
13 Parking Spaces: Other Options

As the maps show, there is near parity of coverage between parking and buildings downtown. The issue is NOT not enough parking, but no strategy to maximize the use of existing, underutilized spaces.

Option 1: Lease 13 spots from an existing lot a block away that is currently often mostly empty. The City already has similar agreements, so it should be a straightforward option.

Option 2: Another proven strategy is to increase enforcement of parking time limits. Consistent enforcement in a narrowly designated zone increases availability of short term street parking and can be managed with minimal additional staff.

Option 3: The most flexible and long term solution is a Shared Parking Program under a designated Parking Management District. A rough count of currently available private parking downtown totals around 600 spaces—approaching the number of public spaces currently available. With a robust shared parking program the City would be able to increase the available parking by much more than just 13 spaces.
Compelling Reasons for a HUB

A variety of City Master Plans, including Downtown, Arts, and Parks, call for the development of spaces like this or require the sort of infrastructure this space would provide.

From the **Downtown Master Plan:**

**Encourage Third Places**

“San Marcos should encourage the establishment of “third places” distinct from home and work,... that foster a culture of informal gathering, socializing, conversing and exchanging ideas. The best third places are adjacent to sidewalks and public spaces; each benefits greatly through association with the other.”
Conclusions

• This is a great opportunity for the City to create a much needed multimodal transportation Hub.
• This Hub could also feature some key amenities currently lacking in the downtown streetscape.
• Currently the downtown area features only buildings and paved or concrete surfaces. Adding plaza and park space is vital to creating an engaging, activated city core.
• Downtown parking issues can’t be solved by paving our way out. We need to maximize use of all existing parking through a multi-pronged strategy.
• Environmental stewardship requires us to think beyond single use surface parking.
• Multiple City Master Plans call for “third-space” development exactly like the multi-use plans put forth for this Hub lot.
• Slowly moving away from car-centric design is necessary for livable cities. Human scaled development like this Hub is a great first step.
Public Restrooms

• Public restrooms relieve stress from area restaurants, coffee shops and businesses. Having public facilities to direct people to eliminates the need for shopkeepers to repeatedly deny access to their private facilities.

• Public restrooms are an asset for a town that has so much river based traffic and commerce. Growing the number of facilities nearby the river can help ease the burden on any one place.

• Towns that have large bar districts tend to have more need for public restrooms. Public facilities offer one less excuse for urinating in alleys and streets.
Covered Bike Parking

• Complete streets require robust parking options for bikes as well as cars. There are individual bike racks around town, but this is a perfect area in town to create a sizable bike parking area.

• Having this transit hub encourages people to bike to a bus stop from home, place their bike on the bus rack and come to downtown. A bike shelter is designed to accommodate bikes while people go to work, lunch, meetings or complete errands downtown.

• Covered bike parking helps protect bikes from both rain and sun.

• Creating a bank of bike parking allows bikers to feel certain they will have a place to secure their bike once they get to their destination.
Bike Repair Station

- These take up very little space but can be invaluable to bikers. Repair stations encourage more and more consistent biking because people know they can fix something or easily pump up a tire.

- Bike repair stations allow people who don’t have the proper repair tools to fix a bike and get it back on the road at minimal cost.
Performance Stage

• This could be a flexible space that offers shaded seating, but designed in a way that could also allow for performances.

• A small performance space creates a venue perfect for downtown lunchtime or happy hour music series.

• These spaces also invite a range of spontaneous performances from acoustic guitar to improv troupes.
Shaded Seating

• Downtown currently has very little outside seating space. Creating these is one of the keys to adding vibrancy to the downtown.

• Encouraging people to be outside studying, reading books, working or relaxing engenders more community interaction among a wide range of ages and backgrounds.
Green Space

• Downtown currently has no park space south of CM Allen. This would be a bit of visual and psychic relief from all the concrete, brick and asphalt.

• Even a small amount of green space can provide an oasis from the activity of a city.
Public WiFi and Charging Station

- Internet connection is a vital part of life today and the ability to access it or charge a device is important.
Public Water Station

• Access to potable water is important anywhere, but doubly so in the arid and hot climate we live in.

• A pet watering station is easily incorporated as well.
AGENDA CAPTION:
Discuss and consider appointments to fill vacancies on the Downtown Tax Increment Reinvestment Zone #5 (TIRZ #5) Board of Directors for Position 1 (Chair) and Position 5, the mutually agreed upon position between the City and Hays County, and provide direction to Staff.
Meeting date: April 4, 2017

Department: City Clerk's Office

Funds Required: N/A
Account Number: N/A
Funds Available: N/A
Account Name: N/A

CITY COUNCIL GOAL: Goal #3: Continue Downtown Redevelopment.

COMPREHENSIVE PLAN ELEMENT(s): N/A

BACKGROUND:
The following members currently serve on the TIRZ #5:

Position 1 (Chair) - Vacant (2-year term), Expires September 30, 2017 (previously held by Jared Miller)
Position 2 - Council Member John Thomaides (1-year term), Expires September 30, 2018
Position 3 - Commissioner Debbie Ingalsbe (2-year term), Expires September 30, 2017
Position 4 - Commissioner Will Conley (1-year term), Expires September 30, 2018
Position 5 - Vacant (2-year term), Expires September 30, 2017 (previously held by Dr. Ed Mihalkanin)

The County will be considering approval of their recommendation on March 28, 2017. At this time they will be considering Mr. John McGlothlin.

Here is a brief biography of Mr. McGlothlin:
John McGlothlin grew up in San Marcos, Texas and graduated from San Marcos High School. In late 2011, John opened a law office on the city square, less than a mile from his family’s home. John and his wife Marissa have four children between the ages of six and eighteen. John and Marissa serve in leadership roles for a local church and John serves as an elected trustee on the SMCISD school board.
sAGENDA CAPTION:
Consider approval, by motion, of Mayor Thomaides’ appointment of Jude Prather to the Charter Review Commission to fill a vacancy.

Meeting date: April 4, 2017

Department: City Clerk’s Office

Funds Required: N/A
Account Number: N/A
Funds Available: N/A
Account Name: N/A

CITY COUNCIL GOAL: N/A

COMPREHENSIVE PLAN ELEMENT(s): N/A

BACKGROUND:
The Charter Review Commission was appointed on January 3, 2017 and have been meeting every Thursday to complete their review of the Charter and the charge that was provided by the Council.

They have a few meetings left before they have completed their review and it is important to have a full commission prior to the drafting of the final Council recommendation.

Staff will be meeting with Mr. Prather to update him on progress up to this point.

Mr. Daniel Guerrero was previously appointed by Mayor Thomaides and resigned due to conflicts with his work schedule.
AGENDA CAPTION:
Discussion regarding proposed amendment(s) to the San Marcos Commission on Children and Youth Ordinance, and provide direction to staff.

Meeting date: April 4, 2017

Department: Community Services, Parks Department

Funds Required: N/A
Account Number: N/A
Funds Available: N/A
Account Name: N/A

CITY COUNCIL GOAL:

COMPREHENSIVE PLAN ELEMENT(s):

BACKGROUND:
At the January 11, 2017 meeting, all members of the San Marcos Commission on Children and Youth voted to recommend a change to the Ordinance (2.370.26) to City Council. Currently, the Key Constituency members serve one-year terms and the Commission would like to extend those members to serve two-year terms and update the ordinance to reflect this.

Since the Commission’s inception, the Key Constituency members have served one-year terms. The board believes that these members do not have enough time serving to feel invested in the projects before they might be removed from the board.