

CITY OF HUNTSVILLE, TEXAS

Andy Brauning, Mayor

Keith D. Olson, Mayor Pro Tem, Position 4
Paul Davidhizar, Position 1 At-Large
Tyler McCaffety, Position 2 At-Large
Clyde D. Loll, Position 3 At-Large



Joe Emmett, Ward 1
Tish Humphrey, Ward 2
Ronald Allen, Ward 3
Joe Rodriguez, Ward 4

HUNTSVILLE CITY COUNCIL AGENDA TUESDAY, JANUARY 3, 2017 - REGULAR SESSION 6:00 P.M.

CITY COUNCIL CHAMBERS
HUNTSVILLE CITY HALL, 1212 AVENUE M, HUNTSVILLE, TEXAS, 77340

Persons with disabilities who plan to attend this meeting and who may need auxiliary aids or services are requested to contact the City Secretary's office (936.291.5403), two working days prior to the meeting for appropriate arrangements.

MAIN SESSION [6:00 P.M.]

1. CALL TO ORDER

2. INVOCATION AND PLEDGES

U.S. Flag

Texas Flag: Honor the Texas Flag. I pledge allegiance to thee, Texas, one state, under God, one, and indivisible.

3. CONSENT AGENDA

Public Comments will be called for by the presiding officer before action is taken on these items. *(Approval of Consent Agenda authorizes the City Manager to implement each item in accordance with staff recommendations. An item may be removed from the Consent Agenda and added to the Statutory Agenda for full discussion by request of a member of Council.)*

- Approve the minutes of the City Council meeting held on December 20, 2016. [Lee Woodward, City Secretary]
- Adopt Ordinance 2017-14 to amend the budget for FY 16-17. [Steve Ritter, Finance Director]

4. STATUTORY AGENDA

- Presentation, public comment, discussion, and possible action* to consider award of Farris Cabin relocation to Cherry House Moving and consider adoption of Ordinance 2017-15 to amend the budget for FY 16-17. [Steve Ritter, Finance Director]
- Presentation, public comment, discussion, and possible action* to consider authorizing the City Manager to sign a lease agreement for 1114 Sam Houston Avenue to provide space for a Downtown Visitors Center and the City's Main Street Division and adopting Ordinance 2017-16 to amend the budget for FY 16-17. [Aron Kulhavy, Community and Economic Development Director]
- Presentation, public comment, discussion, and possible action* to consider authorizing the City Manager to award the purchase of Street Milling/Overlay and Street Reconstruction services, second reading. [Carol Reed, Public Works Director]

5. MEDIA INQUIRIES RELATED TO MATTERS ON THE AGENDA

6. ITEMS OF COMMUNITY INTEREST

(Hear announcements concerning items of community interest from the Mayor, Councilmembers, and City staff for which no action will be discussed or taken.)

9. EXECUTIVE SESSION

- City Council will convene in closed session as authorized by Texas Government Code Chapter 551, Section 551.071 - 071 - consultation with counsel on legal matters, and Section 551.072 - deliberation regarding purchase, exchange, lease or value of real property located at 1105 University Avenue and 1114 Sam Houston Avenue. [Leonard Schneider, City Attorney; Matt Benoit, City Manager]

10. RECONVENE

- Take action, if necessary, on items addressed during Executive Session.

11. ADJOURNMENT

*If, during the course of the meeting and discussion of any items covered by this notice, City Council determines that a Closed or Executive session of the Council is required, then such closed meeting will be held as authorized by Texas Government Code, Chapter 551, Sections: 551.071 - consultation with counsel on legal matters; 551.072 - deliberation regarding purchase, exchange, lease or value of real property; 551.073 - deliberation regarding a prospective gift; 551.074 - personnel matters regarding the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; 551.076 - implementation of security personnel or devices; 551.087 - deliberation regarding economic development negotiation; and/or other matters as authorized under the Texas Government Code. If a Closed or Executive session is held in accordance with the Texas Government Code as set out above, the City Council will reconvene in Open Session in order to take action, if necessary, on the items addressed during Executive Session.

CERTIFICATE

I, Lee Woodward, City Secretary, do hereby certify that a copy of the January 3, 2017 City Council Agenda was posted on the City Hall bulletin board, a place convenient and readily accessible to the general public at all times, and to the City's website, www.huntsvilletx.gov, in compliance with Chapter 551, Texas Government Code.

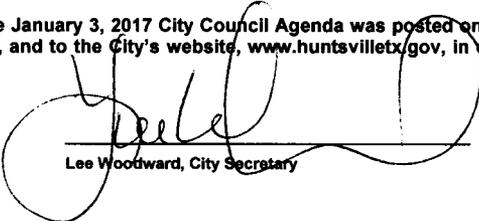
DATE OF POSTING:

12/29/16

TIME OF POSTING:

12:30 am/pm

TAKEN DOWN:


Lee Woodward, City Secretary

MINUTES FROM THE HUNTSVILLE CITY COUNCIL REGULAR MEETING HELD ON THE 20TH DAY OF DECEMBER 2016, IN THE CITY HALL, LOCATED AT 1212 AVENUE M, IN THE CITY OF HUNTSVILLE, COUNTY OF WALKER, TEXAS, AT 6:00 P.M.

The Council met in a regular session with the following:

COUNCILMEMBERS PRESENT: Andy Brauninger, Paul Davidhizar, Tyler McCaffety, Clyde D. Loll, Keith D. Olson
(not present for the workshop, Joe Emmett, Tish Humphrey, Ronald Allen, Joe P. Rodriguez)

COUNCILMEMBERS ABSENT: None

OFFICERS PRESENT: Matt Benoit, City Manager; Leonard Schneider, City Attorney; Lee Woodward, City Secretary

WORK SESSION [4:30 P.M.] – The City Council will receive a presentation from Freese and Nichols on horizontal infrastructure related to the City's sanitary sewer system.

Jessica Brown and Richard Weatherly of Freese & Nichols spoke on their findings of the wastewater study and inflow and infiltration issues, including prioritized CIP project schedules.

MAIN SESSION [6:00 p.m.]

1. **CALL TO ORDER** – Mayor Brauninger called the meeting to order at 6:00 p.m.

2. **INVOCATION AND PLEDGES**

U.S. Flag

Texas Flag: *Honor the Texas Flag. I pledge allegiance to thee, Texas, one state, under God, one, and indivisible.*

Councilmember McCaffety gave an invocation and Camryn and Kodie Hanley from HISD led the pledges. Mayor Brauninger acknowledged Pastor Jesse and Mrs. Sylvia Chester and the congregation of Progressive Bible Ministries. They collected an offering of presents for City of Huntsville staff to show appreciation for all they do.

3. **CONSENT AGENDA**

Public Comments will be called for by the presiding officer before action is taken on these items. (Approval of Consent Agenda authorizes the City Manager to implement each item in accordance with staff recommendations. An item may be removed from the Consent Agenda and added to the Statutory Agenda for full discussion by request of a member of Council.)

- a. Approve the minutes of the City Council meeting held on December 6, 2016. [Lee Woodward, City Secretary]
- b. Reject all responses to the water and wastewater supply invitation for bid. [Carol Reed, Director of Public Works]
- c. Authorize the City Manager to apply for an Emergency Management Performance Grant (EMPG). [Dr. Sherry McKibben, Director of Neighborhood Resources]
- d. Approve the purchase of one 2018 Schwarze Model A7 Street Sweeper. [Mike Clouds, Fleet Manager]

Mayor Pro Tem Olson moved to approve the Consent Agenda; the motion was seconded by Councilmember Rodriguez. The motion was unanimously adopted, 9-0.

4. **STATUTORY AGENDA**

- a. **FIRST READING - Presentation, public comment, discussion, and possible action** to authorize the City Manager to award the purchase of Street Milling/Overlay and Street Reconstruction services, first reading. [Carol Reed, Director of Public Works]

(First reading, no action.)

- b. **FIRST READING - Presentation, public comment, discussion, and possible action** to approve the purchase of one Ferrara Pumper Fire Truck, first reading. [Mike Clouds, Fleet Manager]

Councilmember Rodriguez moved to waive a second reading per the provisions of the Council Rules of Procedure (mistakenly stated as a waiver per the City Charter, which is waiver for ordinances) and approve the purchase of one 2018 Ferrara Custom Rescue Pumper Body and Cinder Chassis through HGACBuy from Hall Buick – GMC for \$527,722.00; the motion was seconded by Mayor Pro Tem Olson. The motion was unanimously adopted, 9-0.

- c. **Presentation, public comment, discussion, and possible action** to authorize the City Manager to sign an Access Easement for Sam Houston State University to construct a sidewalk to connect a planned parking project. [Matt Benoit, City Manager]

Councilmember Humphrey moved to authorize the City Manager to sign an Access Easement for Sam Houston State University to construct a sidewalk to connect a planned parking project and making the following findings of fact: 1) The proposed easement alleviates a parking shortage at Sam Houston State University, and in so doing, limits congestion and improves on-street parking in adjacent neighborhoods, and 2) The proposed easement is in a flood plain and does not inhibit the future development or diminish the property value. The motion was seconded by Councilmember Loll. Mayor Pro Tem also moved a point of order. The motion was unanimously adopted, 9-0.

5. **MAYOR/CITY COUNCIL/CITY MANAGER AND CITY ATTORNEY REPORT**

- a. **Presentation, public comment, discussion, and possible action** on the Mayor's nominations for Council Committees – Councilmember Loll for the Communications and Service Committee, and Councilmembers Emmett, Humphrey, Rodriguez, and Davidhizar for the Finance Committee. [Mayor Brauninger]

Mayor Brauninger moved his nomination of Councilmember Loll for the Communications and Service Committee; the appointment was unanimously approved, 9-0. Mayor Brauninger moved his nomination of Councilmembers Emmett (as Chair), Humphrey, Rodriguez, and Davidhizar for the Finance Committee. The appointment was unanimously approved, 9-0.

- b. **Presentation, public comment, discussion, and possible action on the Mayor's nomination of David Standlee to the Hotel Occupancy Tax Board. [Mayor Brauninger]**

Mayor Brauninger moved his nomination of David Standlee to the Hotel Occupancy Tax Board. The appointment was unanimously approved, 9-0.

- c. **Presentation, public comment, discussion, and possible action on the nomination of the 2017 TIRZ #1 Board of Directors Chair. [Mayor Brauninger]**

Mayor Brauninger nominated Don Johnson to serve as the 2017 TIRZ #1 Board of Directors Chair. The nomination was unanimously approved, 9-0.

6. REQUESTS FOR CITIZEN PARTICIPATION

An opportunity for citizens to be heard on any topic and for the City Council to participate in the discussion. No action will be taken.

No requests were received by noon on Tuesday, December 13, 2016.

7. MEDIA INQUIRIES RELATED TO MATTERS ON THE AGENDA

There were no media inquiries.

8. ITEMS OF COMMUNITY INTEREST

(Hear announcements concerning items of community interest from the Mayor, Councilmembers, and City staff for which no action will be discussed or taken.)

Mayor Brauninger announced:

- Mayor Pro Tem Olson offered an *HISD Minute!* - As many of you may have heard last week, Huntsville High School Class of 1970 graduate Rex Tillerson has been tapped by President-Elect Trump to be considered as the next United States Secretary of State. We know great things come out of HISD and wish Mr. Tillerson all the best! He also asked that as you celebrate the Christmas season this year, please remember students in the District who will not have such a happy holiday. Over 350 local kids do not have homes with their families or do not know where they will spend each night, many shuffling among friends' and other relatives' homes on a regular basis. If you know a young person you can help, please make time to do so. In the new year, we will be receiving a list of most-needed items from HISD.
- The City was honored with a visit from USA Gymnastics Coach Bela Karolyi this week, who stopped by with a memento from the Women's Team win in Brazil. Please stop by City Hall to see this special item in the Council Chambers. Coaches Bela and Marta Karolyi were Olympic gymnasts in Romania and have guided many champions over the years, including Nadia Comaneci and Mary Lou Retton, and the Women's gold medal teams in 2012 and 2016.
- The City of Huntsville will be closed this Friday, December 23, and next Monday, December 26, for the Christmas holidays.
- The Council will move its first regular meeting in January from January 3 to the morning of January 5. Please check the website at the end of next week for the time and agenda information.
- Deputy City Secretary Megan Kaltenbach is ready to debut a special Christmas video for you – please watch the screen!

Councilmember Humphrey thanked the Council for donating to help local families for the holidays.

9. ADJOURNMENT

Mayor Brauninger adjourned the meeting at 6:41 p.m.

Lee Woodward, City Secretary



CITY COUNCIL AGENDA

1/3/2017
Agenda Item: 3b

Item/Subject: Consider adoption of Ordinance 2017-14 to amend the budget for FY 16-17.

Initiating Department/Presenter: Finance

Presenter: Steve Ritter – Finance Director

Recommended Motion: Move to adopt Ordinance 2017-14 to amend the budget for FY 16-17.

Strategic Initiative: Goal #6 - Finance - Provide a sustainable, efficient and fiscally sound government through conservative fiscal practices and resource management.

Discussion: The 10" clay tile sewer line under Highway 19 has collapsed to the point that it can no longer withstand the full flow from the Tanyard Lift Station. The line was laid through that area before the Highway 19 loop was constructed and therefore was not placed inside a casing pipe to protect it from being crushed. After nearly 40 years of bearing the weight of Highway 19 and all of its traffic, the line failed. A bypass pump has been put in to divert the flow and the repair should be underway by the week of January the third.

A bid proposal for the repair of the sewer line has been submitted by 5-T Utilities, Inc. at a cost of \$81,162.50. Due to the emergency need to protect citizens safety and welfare (as provided for in Section 252.022 of the Texas Local Government Code) a purchase was made for bypass pumps and repair/replacement of the line. The expected cost for bypass pumps and equipment will be around \$25,000. A PO was issued to 5-T Utilities in the amount of \$81,162.50 for construction of a new line.

As discussed in the attachment, Exhibit A, to the ordinance, a budget amendment is presented for City Council consideration to use \$81,163 of Future Appropriations of the Wastewater Fund to cover the emergency purchase for cost of work to be performed by 5-T Utilities. The original amount budgeted for Future Appropriations for the Wastewater Fund for FY 16-17 was \$172,627. After this budget amendment, if approved, the balance for Future Appropriations in the Wastewater Fund will be \$91,464. Use of Future Appropriations in excess of \$50,000 in a Fund requires Council approval.

Previous Council Action: No previous Council action.

Financial Implications:

See the attached Ordinance and related Budget Amendments (Exhibit A)

Approvals: City Attorney Director of Finance City Manager

Associated Information:

- Ordinance 2017-14, page 2
- Exhibit A (list of budget amendments), page 3

ORDINANCE NO. 2017-14

AN ORDINANCE OF THE CITY OF HUNTSVILLE, TEXAS, AMENDING THE 2016-2017 ANNUAL BUDGET AND CAPITAL IMPROVEMENTS PROJECTS (CIP) BUDGETS, ORDINANCE NO. 2016-40 TO AMEND ADOPTED EXPENDITURES OF THE BUDGET; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, the 2016-2017 Annual Budget and CIP Budgets were adopted by Ordinance 2016-40 on September 20, 2016;

WHEREAS, various unforeseen circumstances affecting the City have presented themselves during the course of the fiscal year;

WHEREAS, the City Council considered the circumstances independently, deliberating appropriately on the associated revenues and expenditures and the overall impact on the general financial status of the City;

WHEREAS, pursuant to the laws of the State of Texas and the City Charter of the City of Huntsville, Texas, the City Council has determined that it will be beneficial and advantageous to the citizens of the City of Huntsville to amend the annual budget for fiscal year 2016 – 2017 as set forth herein; and

WHEREAS, this ordinance combines the independent Council actions into one budget amendment document;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HUNTSVILLE, TEXAS, that:

Section 1. The findings set forth above are incorporated into the body of this ordinance.

Section 2. The annual budget for fiscal year 2016 – 2017 is hereby amended to include the expenditures in Exhibit “A” attached hereto and made a part of this ordinance as if set out verbatim herein.

Section 3. All ordinances of the City in conflict with the provisions of this ordinance are hereby repealed, and all other ordinances of the City not in conflict with the provisions of this ordinance shall remain in full force and effect.

Section 4. Should any section, portion, sentence, clause or phrase of this ordinance be declared unconstitutional or invalid for any reason, it shall not invalidate or impair the force or effect of any other section or portion of this ordinance.

Section 5. The necessity for amending the budget for the fiscal year 2016 – 2017, as required by the laws of the State of Texas, requires that this ordinance shall take effect immediately from and after its passage, as the law in such cases provides.

Section 6. This ordinance shall take effect immediately after its passage.

PASSED AND APPROVED on this the 3rd day of January 2017.

THE CITY OF HUNTSVILLE, TEXAS

Andy Brauninger, Mayor

ATTEST:

APPROVED AS TO FORM:

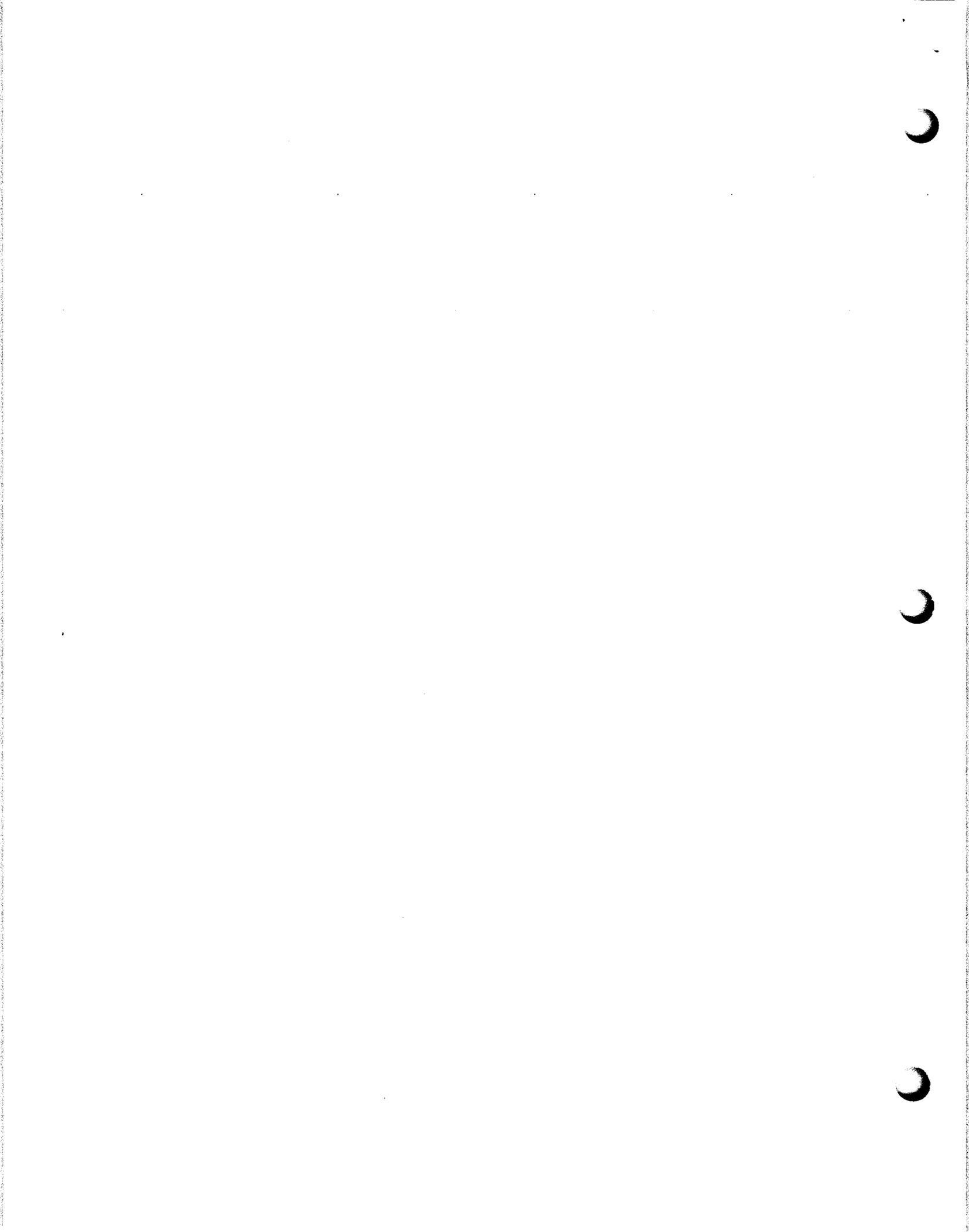
Lee Woodward, City Secretary

Leonard Schneider, City Attorney

**Budget Amendments FY 16-17
January 3, 2017**

**Exhibit
A**

	Increase: Sewer Line Maintenance – Wastewater Fund	\$ 81,163
	Decrease: Future Appropriations - Wastewater Fund	\$ 81,163
Explanation:	<p>The 10" clay tile sewer line under Highway 19 has collapsed to the point that it can no longer withstand the full flow from the Tanyard Lift Station. The line was laid through that area before the Highway 19 loop was put in and therefore was not placed inside a casing pipe to protect it from being crushed. After nearly 40 years of bearing the weight of Highway 19 and all of its traffic, the line failed. A bypass pump has been put in to divert the flow and the repair should be underway by the week of January the third.</p> <p>A bid proposal for the repair of the sewer line has been submitted by 5-T Utilities, Inc. at a cost of \$81,162.50. Due to the emergency need to protect citizens safety and welfare (as provided for in Section 252.022 of the Texas Local Government Code) a purchase was made for bypass pumps and repair/replacement of the line. The expected cost for bypass pumps and equipment will be around \$25,000. A PO was issued to 5-T Utilities in the amount of \$81,162.50 for construction of a new line.</p> <p>As discussed in the attachment, Exhibit A, to the ordinance, a budget amendment is presented for City Council consideration to use \$81,163 of Future Appropriations of the Wastewater Fund to cover the emergency purchase for cost of work to be performed by 5-T Utilities. The original amount budgeted for Future Appropriations for the Wastewater Fund for FY 16–17 was \$172,627. After this budget amendment, if approved, the balance for Future Appropriations in the Wastewater Fund will be \$91,464. Use of Future Appropriations in excess of \$50,000 in a Fund requires Council approval.</p>	





CITY COUNCIL AGENDA

1/3/2017

Agenda Item: 4a

Item/Subject: Consider award of Farris Cabin relocation to Cherry House Moving and adopting Ordinance 2017-15 to amend the budget for FY 16-17.

Initiating Department/Presenter: Finance

Presenter: Steve Ritter – Finance Director

Recommended Motion: Move to award Farris Cabin relocation to Cherry House Moving and adopt Ordinance 2017-15 to amend the budget for FY 16-17.

Strategic Initiative: Goal #6 - Finance - Provide a sustainable, efficient and fiscally sound government through conservative fiscal practices and resource management.

Discussion: In 2001 the City entered into a ten year agreement for lease of premises/land on University Ave, the downtown square area. The intent was to relocate the oldest known cabin in Walker County, The Farris Cabin, to the downtown square. The City would create a downtown park like space for the cabin. The City would landscape, add utilities and restrooms to the space. All additions and/or improvements would become property of the owner except for the Farris Cabin; this would remain the City's property. In 2016 a revised agreement was executed, the City would pay the owner \$3,496.92 for 2001 – 2015 property taxes and \$425.00 rent per month beginning February 1, 2016 through January 31, 2017. The agreement could be terminated with a 90-day notice. The City received a written notice of cancellation from the owner, effective January 31, 2017.

The City immediately began planning for the relocation of the cabin. After much thought an agreement was made with the Sam Houston Memorial Museum to move the cabin to their museum grounds. The City placed a formal sealed Request for Proposal for cabin relocation services. This solicitation method would allow an award based on best value. It is the City's desire to protect this extremely fragile cabin while understanding the time constraints of the terminated lease. The proposal was sent to eight potential vendors, placed in the Huntsville Item, City of Huntsville website, Public Purchase and Electronic State Business Daily. There was one responder, Cherry Moving. The City contacted Sam Houston Museum and learned that Cherry Moving had moved some cabins previously to their location and Cherry Moving came highly recommended. Staff phoned Cherry Moving to establish/confirm a full understanding of the project. Cherry Moving mentioned the project will take approximately 3 weeks and in order to get this accomplished they are ready to begin as soon as a City award is given. The base price submitted is \$46,500. There could be additional fees such as; replacing possible rotten or deteriorated floor joists. Additionally the base price does include the removal the roof (this is necessary due to the minimum height requirements during transporting of the cabin) however does not include the labor and materials of the roof replacement, estimated cost of around \$10,000. The City will be required to conduct some in-house tasks, such as removal of HVAC and chimney, landscaping clearing and utility cut-offs. This project is not expected to exceed \$60,000.

Previous Council Action: No previous Council action.

Financial Implications:

See the attached Ordinance and related Budget Amendments (Exhibit A)

Approvals:

City Attorney

Director of Finance

City Manager

Associated Information:

- Ordinance 2017-15, pages 2-3

ORDINANCE NO. 2017-15

AN ORDINANCE OF THE CITY OF HUNTSVILLE, TEXAS, AMENDING THE 2016-2017 ANNUAL BUDGET AND CAPITAL IMPROVEMENTS PROJECTS (CIP) BUDGETS, ORDINANCE NO. 2016-40 TO AMEND ADOPTED EXPENDITURES OF THE BUDGET; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, the 2016-2017 Annual Budget and CIP Budgets were adopted by Ordinance 2016-40 on September 20, 2016;

WHEREAS, various unforeseen circumstances affecting the City have presented themselves during the course of the fiscal year;

WHEREAS, the City Council considered the circumstances independently, deliberating appropriately on the associated revenues and expenditures and the overall impact on the general financial status of the City;

WHEREAS, pursuant to the laws of the State of Texas and the City Charter of the City of Huntsville, Texas, the City Council has determined that it will be beneficial and advantageous to the citizens of the City of Huntsville to amend the annual budget for fiscal year 2016 – 2017 as set forth herein; and

WHEREAS, this ordinance combines the independent Council actions into one budget amendment document;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HUNTSVILLE, TEXAS, that:

Section 1. The findings set forth above are incorporated into the body of this ordinance.

Section 2. The annual budget for fiscal year 2016 – 2017 is hereby amended to include the expenditures in Exhibit “A” attached hereto and made a part of this ordinance as if set out verbatim herein.

Section 3. All ordinances of the City in conflict with the provisions of this ordinance are hereby repealed, and all other ordinances of the City not in conflict with the provisions of this ordinance shall remain in full force and effect.

Section 4. Should any section, portion, sentence, clause or phrase of this ordinance be declared unconstitutional or invalid for any reason, it shall not invalidate or impair the force or effect of any other section or portion of this ordinance.

Section 5. The necessity for amending the budget for the fiscal year 2016 – 2017, as required by the laws of the State of Texas, requires that this ordinance shall take effect immediately from and after its passage, as the law in such cases provides.

Section 6. This ordinance shall take effect immediately after its passage.

PASSED AND APPROVED on this the 3rd day of January 2017.

THE CITY OF HUNTSVILLE, TEXAS

Andy Brauning, Mayor

ATTEST:

APPROVED AS TO FORM:

Lee Woodward, City Secretary

Leonard Schneider, City Attorney

Budget Amendments FY 16-17 January 3, 2017

**Exhibit
A**

	<p>Increase: Purchased Services/Contracts in the Tourism & Cultural Services Department monies to come from fund balance in the Hotel Occupancy Tax Fund (no "Decrease" to any budgeted account)</p>	<p>\$ 60,000</p>
<p>Explanation:</p>	<p>Moving the Cabin on the Square was bid and will cost approximately \$60,000. Monies to cover the cost are requested from Fund Balance of the fund. The fund has \$1,526,426 of Fund Balance as of 9/30/16 (unaudited). The FY 16-17 Budget approved use of \$53,816 of the Fund Balance. With this additional use of \$60,000 (if approved) the estimated Fund Balance of the fund at 9/30/17 is \$1,412,610. The Hotel Occupancy Tax Fund does not have a "Required Fund Balance"(Unallocated Reserve). The estimated \$1,412,610 balance at 9/30/17 is 226% of the Fund's FY 16-17 operating budget of \$625,133.</p>	



CITY COUNCIL AGENDA

1/3/2017

Agenda Item: 4b

Item/Subject: Consider authorizing the City Manager to sign a lease agreement for 1114 Sam Houston Avenue to provide space for a Downtown Visitors Center and the City's Main Street Division and adopting Ordinance 2017-16 to amend the budget for FY 16-17.

Initiating Department/Presenter: City Manager

Presenter: Matt Benoit, City Manager
Aron Kulhavy, Director of Community and Economic Development

Recommended Motion: Move to authorize the City Manager to sign a lease agreement for 1114 Sam Houston Avenue to provide space for a Downtown Visitors Center and the City's Main Street Division and adopt Ordinance 2017-16 to amend the budget for FY16-17.

Strategic Initiative: Goal #4 - Infrastructure - Ensure the quality of the City utilities, transportation and physical structures so that the City's core services can be provided in an effective and efficient manner.

Discussion: There are several converging factors bringing this item for consideration to the City Council. They are as follows:

1. In November of this year, the City was notified that the owner of the property leasing space for the City's Cabin on the Square wished to terminate his lease. Elsewhere on this agenda, the City Council will be asked to consider awarding a proposal for relocation services away from the downtown square. Once the Cabin is moved, there will no longer be a formal downtown Visitors Center or space for the Tall Pines Quilt Guild. To address this issue, the lease of 1114 Sam Houston Avenue is estimated to provide approximately 800 square feet for restrooms and space for the Tall Pines Quilt Guild.
2. The Main Street operation has previously leased approximately 750 square feet at 1203 University Avenue. While the space has been adequate, leasing space at 1114 Sam Houston Avenue will allow more visibility in the downtown area. The finish out is estimated to provide approximately 1,100 square feet of space for the Main Street operations. The City was not actively looking to move away from the current location at 1203 University Avenue, rather the availability of space at 1114 Sam Houston Avenue afforded an opportunity to formalize the Main Street Program's presence downtown.
3. 1114 Sam Houston Avenue has a second floor with approximately 1,750 square feet. It is presently finished out with three bedrooms, a full kitchen, and a bathroom. Although the need for this space is about four to five years away, there will come a time when implementation of Proposition #2 (renovation of City Hall and construction of a new Service Center) will require space for some operations to move out of their present locations. The availability of 1,750 square feet on the second floor of 1114 Sam Houston Avenue will allow the City to move one or more divisions at the appropriate time. If a division(s) move to this location, it will almost certainly be necessary for the City to install an elevator to make the second floor accessible. In the meantime, the lease allows the City to sublease the space (more on that issue below).

The attached lease has been reviewed and approved by the City Attorney. The initial term of the lease is 60 months (5 years), beginning February 1, 2017. The leased rate is \$2,000/mo. (or \$.57/foot). There is a second 5-year option on the lease with a negotiated rent of not-to-exceed 25% (\$2,500/month).

The City is currently paying \$250/month for the leased space at 1203 University Avenue (Main Street Program office). The City was also paying \$425/month for the ground lease for the Cabin on the Square. Those funds will go towards the \$2,000/month lease. If the City is successful in finding a residential tenant for the second floor, the City will cover another \$750 per month towards the \$2,000/month, leaving a deficit of approximately \$575/month (if the second floor has a residential occupant) or \$1,325 (if the second floor does not have a residential occupant).

Ordinance 2017-16 proposes the use of \$15,000 of the Hotel Occupancy Tax Fund's fund balance and \$10,000 of General Fund's Unallocated Reserve to complete renovations and remodeling costs. This budget amendment has been reviewed and approved by the City Council Finance Committee pending approval of the lease for 1114 Sam Houston Avenue.

Previous Council Action: No formal action. The Council was briefed on this issue in Executive Session on December 6, 2016.

Financial Implications:

Item is budgeted: The City currently budgets a total of \$8,100 annually for the lease of the current Main Street Offices and the expiring land lease for the Cabin on the Square.

Item is not budgeted: Depending on whether the City can find a tenant for the second floor, the unbudgeted expense for the lease is either \$575/mo. or \$1,325/mo. (\$5,900 or \$15,900 annually).

Item is estimated to generate additional revenue: An estimated \$750/mo. if the second floor can be leased to a residential tenant.

Approvals: City Attorney Director of Finance City Manager

Associated Information:

- Draft Lease for 1114 Sam Houston Avenue (pages 3-17)
- Ordinance 2017-16 (pages 18-19)



TEXAS ASSOCIATION OF REALTORS®
COMMERCIAL LEASE

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1. PARTIES: The parties to this lease are:

Landlord: Drew Slack Management Corp., Inc.; and

Tenant: City of Huntsville

2. LEASED PREMISES:

A. Landlord leases to Tenant the following described real property, known as the "leased premises," along with all its improvements (Check only one box):

(1) Multiple-Tenant Property: Suite or Unit Number N/A containing approximately 4,050 square feet of rentable area in N/A (project name) at 1114 & 1114 1/2 Sam Houston Ave. (address) in Huntsville (city), Walker (county), Texas, which is legally described on attached Exhibit _____ or as follows:

(2) Single-Tenant Property: The real property containing approximately _____ square feet of rentable area at: _____ (address) in _____ (city), _____ (county), Texas, which is legally described on attached Exhibit _____ or as follows:

B. If Paragraph 2A(1) applies:
(1) "Property" means the building or complex in which the leased premises are located, inclusive of any common areas, drives, parking areas, and walks; and
(2) the parties agree that the rentable area of the leased premises may not equal the actual or useable area within the leased premises and may include an allocation of common areas in the Property. The rentable area will will not be adjusted if re-measured.

3. TERM:

A. Term: The term of this lease is 60 months and N/A days, commencing on: February 1, 2017 (Commencement Date) and ending on January 31, 2022 (Expiration Date).

B. Delay of Occupancy: If Tenant is unable to occupy the leased premises on the Commencement Date because of construction on the leased premises to be completed by Landlord that is not substantially

complete or a prior tenant's holding over of the leased premises, Landlord will not be liable to Tenant for such delay and this lease will remain enforceable. In the event of such a delay, the Commencement Date will automatically be extended to the date Tenant is able to occupy the Property and the Expiration Date will also be extended by a like number of days, so that the length of this lease remains unchanged. If Tenant is unable to occupy the leased premises after the 90th day after the Commencement Date because of construction on the leased premises to be completed by Landlord that is not substantially complete or a prior tenant's holding over of the leased premises, Tenant may terminate this lease by giving written notice to Landlord before the leased premises become available to be occupied by Tenant and Landlord will refund to Tenant any amounts paid to Landlord by Tenant. This Paragraph 3B does not apply to any delay in occupancy caused by cleaning or repairs.

C. Certificate of Occupancy: Unless the parties agree otherwise, Tenant is responsible for obtaining a certificate of occupancy for the leased premises if required by a governmental body.

4. RENT AND EXPENSES:

A. Base Monthly Rent: On or before the first day of each month during this lease, Tenant will pay Landlord base monthly rent as described on attached Exhibit N/A or as follows:

Dates		Rate per rentable square foot (optional)		Base Monthly Rent \$
From	To	\$ Monthly Rate	\$ Annual Rate	
02/01/2017	01/31/2022	2,000.00 / sq ft / month	24,000.00 / sq ft / year	2,000.00
		/ sq ft / month	/ sq ft / year	
		/ sq ft / month	/ sq ft / year	
		/ sq ft / month	/ sq ft / year	
		/ sq ft / month	/ sq ft / year	

B. Additional Rent: In addition to the base monthly rent, Tenant will pay Landlord all other amounts, as provided by the attached (Check all that apply):

- (1) Commercial Lease Addendum for Expense Reimbursement (TAR-2103)
- (2) Commercial Lease Addendum for Percentage Rent (TAR-2106)
- (3) Commercial Lease Addendum for Parking (TAR-2107)
- (4) N/A

All amounts payable under the applicable addenda are deemed to be "rent" for the purposes of this lease.

C. First Full Month's Rent: The first full monthly rent is due on or before February 1, 2017

D. Prorated Rent: If the Commencement Date is on a day other than the first day of a month, Tenant will pay Landlord as prorated rent, an amount equal to the base monthly rent multiplied by the following fraction: the number of days from the Commencement Date to the first day of the following month divided by the number of days in the month in which this lease commences. The prorated rent is due on or before the Commencement Date.

E. Place of Payment: Tenant will remit all amounts due to Landlord under this lease to the following person at the place stated or to such other person or place as Landlord may later designate in writing:

Name: DSMC, Inc.
 Address: 1600 Normal Park
Huntsville, TX 77340

F. Method of Payment: Tenant must pay all rent timely without demand, deduction, or offset, except as permitted by law or this lease. If Tenant fails to timely pay any amounts due under this lease or if any

check of Tenant is returned to Landlord by the institution on which it was drawn, Landlord after providing written notice to Tenant may require Tenant to pay subsequent amounts that become due under this lease in certified funds. This paragraph does not limit Landlord from seeking other remedies under this lease for Tenant's failure to make timely payments with good funds.

- G. **Late Charges:** If Landlord does not actually receive a rent payment at the designated place of payment within 5 days after the date it is due, Tenant will pay Landlord a late charge equal to 10% of the amount due. In this paragraph, the mailbox is not the agent for receipt for Landlord. The late charge is a cost associated with the collection of rent and Landlord's acceptance of a late charge does not waive Landlord's right to exercise remedies under Paragraph 20.
- H. **Returned Checks:** Tenant will pay \$ 50.00 for each check Tenant tenders to Landlord which is returned by the institution on which it is drawn for any reason, plus any late charges until Landlord receives payment.

5. SECURITY DEPOSIT:

- A. Upon execution of this lease, Tenant will pay \$ _____ to Landlord as a security deposit.
 - B. Landlord may apply the security deposit to any amounts owed by Tenant under this lease. If Landlord applies any part of the security deposit during any time this lease is in effect to amounts owed by Tenant, Tenant must, within 10 days after receipt of notice from Landlord, restore the security deposit to the amount stated.
 - C. Within 60 days after Tenant surrenders the leased premises and provides Landlord written notice of Tenant's forwarding address, Landlord will refund the security deposit less any amounts applied toward amounts owed by Tenant or other charges authorized by this lease.
6. **TAXES:** Unless otherwise agreed by the parties, Landlord will pay all real property ad valorem taxes assessed against the leased premises.

7. UTILITIES:

- A. The party designated below will pay for the following utility charges to the leased premises and any connection charges for the utilities. (Check all that apply.)

	N/A	Landlord	Tenant
(1) Water	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(2) Sewer	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(3) Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(4) Gas	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(5) Telephone	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(6) Internet	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(7) Cable	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(8) Trash	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(9) _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(10) All other utilities	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

- B. The party responsible for the charges under Paragraph 7A will pay the charges directly to the utility service provider. The responsible party may select the utility service provider except that if Tenant selects the provider, any access or alterations to the Property or leased premises necessary for the utilities may be made only with Landlord's prior consent, which Landlord will not unreasonably withhold. If Landlord incurs any liability for utility or connection charges for which Tenant is responsible to pay

and Landlord pays such amount, Tenant will immediately upon written notice from Landlord reimburse Landlord such amount.

- C. **Notice:** Tenant should determine if all necessary utilities are available to the leased premises and are adequate for Tenant's intended use.
- D. **After-Hours HVAC Charges:** "HVAC services" means heating, ventilating, and air conditioning of the leased premises. (Check one box only.)
- (1) Landlord is obligated to provide the HVAC services to the leased premises only during the Property's operating hours specified under Paragraph 9C.
- (2) Landlord will provide the HVAC services to the leased premises during the operating hours specified under Paragraph 9C for no additional charge and will, at Tenant's request, provide HVAC services to the leased premises during other hours for an additional charge of \$ _____ per hour. Tenant will pay Landlord the charges under this paragraph immediately upon receipt of Landlord's invoice. Hourly charges are charged on a half-hour basis. Any partial hour will be rounded up to the next half hour. Tenant will comply with Landlord's procedures to make a request to provide the additional HVAC services under this paragraph.
- (3) Tenant will pay for the HVAC services under this lease.

8. **INSURANCE:**

- A. During all times this lease is in effect, Tenant must, at Tenant's expense, maintain in full force and effect from an insurer authorized to operate in Texas:
- (1) public liability insurance naming Landlord as an additional insured with policy limits on an occurrence basis in a minimum amount of: (check only (a) or (b) below)
- (a) \$1,000,000; or
- (b) \$2,000,000.
- If neither box is checked the minimum amount will be \$1,000,000.
- (2) personal property damage insurance for the business operations being conducted in the leased premises and contents in the leased premises in an amount sufficient to replace such contents after a casualty loss; and
- (3) business interruption insurance sufficient to pay 12 months of rent payments;
- B. Before the Commencement Date, Tenant must provide Landlord with a copy of insurance certificates evidencing the required coverage. If the insurance coverage is renewed or changes in any manner or degree at any time this lease is in effect, Tenant must, not later than 10 days after the renewal or change, provide Landlord a copy of an insurance certificate evidencing the renewal or change.
- C. If Tenant fails to maintain the required insurance in full force and effect at all times this lease is in effect, Landlord may:
- (1) purchase insurance that will provide Landlord the same coverage as the required insurance and Tenant must immediately reimburse Landlord for such expense; or
- (2) exercise Landlord's remedies under Paragraph 20.
- D. Unless the parties agree otherwise, Landlord will maintain in full force and effect insurance for: (1) fire and extended coverage in an amount to cover the reasonable replacement cost of the improvements of the Property; and (2) any public liability insurance in an amount that Landlord determines reasonable and appropriate.
- E. If there is an increase in Landlord's insurance premiums for the leased premises or Property or its contents that is caused by Tenant, Tenant's use of the leased premises, or any improvements made by or for Tenant, Tenant will, for each year this lease is in effect, pay Landlord the increase immediately

(TAR-2101) 4-1-14

Initialed for identification by Landlord: _____, _____, and Tenant: _____, _____

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after Landlord notifies Tenant of the increase. Any charge to Tenant under this Paragraph 8E will be equal to the actual amount of the increase in Landlord's insurance premium.

9. USE AND HOURS:

- A. Tenant may use the leased premises for the following purpose and no other: N/A
- B. Unless otherwise specified in this lease, Tenant will operate and conduct its business in the leased premises during business hours that are typical of the industry in which Tenant represents it operates.
- C. The Property maintains operating hours of (specify hours, days of week, and if inclusive or exclusive of weekends and holidays): N/A

10. LEGAL COMPLIANCE:

- A. Tenant may not use or permit any part of the leased premises or the Property to be used for:
- (1) any activity which is a nuisance or is offensive, noisy, or dangerous;
 - (2) any activity that interferes with any other tenant's normal business operations or Landlord's management of the Property;
 - (3) any activity that violates any applicable law, regulation, zoning ordinance, restrictive covenant, governmental order, owners' association rules, tenants' association rules, Landlord's rules or regulations, or this lease;
 - (4) any hazardous activity that would require any insurance premium on the Property or leased premises to increase or that would void any such insurance;
 - (5) any activity that violates any applicable federal, state, or local law, including but not limited to those laws related to air quality, water quality, hazardous materials, wastewater, waste disposal, air emissions, or other environmental matters;
 - (6) the permanent or temporary storage of any hazardous material; or
 - (7) N/A
- B. "Hazardous material" means any pollutant, toxic substance, hazardous waste, hazardous material, hazardous substance, solvent, or oil as defined by any federal, state, or local environmental law, regulation, ordinance, or rule existing as of the date of this lease or later enacted.
- C. Landlord does not represent or warrant that the leased premises or Property conform to applicable restrictions, zoning ordinances, setback lines, parking requirements, impervious ground cover ratio requirements, and other matters that may relate to Tenant's intended use. Tenant must satisfy itself that the leased premises may be used as Tenant intends by independently investigating all matters related to the use of the leased premises or Property. Tenant agrees that it is not relying on any warranty or representation made by Landlord, Landlord's agent, or any broker concerning the use of the leased premises or Property.

11. SIGNS:

- A. Tenant may not post or paint any signs or place any decoration outside the leased premises or on the Property without Landlord's written consent. Landlord may remove any unauthorized sign or decorations, and Tenant will promptly reimburse Landlord for its cost to remove any unauthorized sign or decorations.

(TAR-2101) 4-1-14

Initialed for identification by Landlord: _____, _____, and Tenant: _____

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- B. Any authorized sign must comply with all laws, restrictions, zoning ordinances, and any governmental order relating to signs on the leased premises or Property. Landlord may temporarily remove any authorized sign to complete repairs or alterations to the leased premises or the Property.
- C. By providing written notice to Tenant before this lease ends, Landlord may require Tenant, upon move-out and at Tenant's expense, to remove, without damage to the Property or leased premises, any or all signs or decorations that were placed on the Property or leased premises by or at the request of Tenant. Any signs or decorations that Landlord does not require Tenant to remove and that are fixtures, become the property of the Landlord and must be surrendered to Landlord at the time this lease ends.

12. ACCESS BY LANDLORD:

- A. During Tenant's normal business hours Landlord may enter the leased premises for any reasonable purpose, including but not limited to purposes for repairs, maintenance, alterations, and showing the leased premises to prospective tenants or purchasers. Landlord may access the leased premises after Tenant's normal business hours if: (1) entry is made with Tenant's permission; or (2) entry is necessary to complete emergency repairs. Landlord will not unreasonably interfere with Tenant's business operations when accessing the leased premises.
- B. During the last 60 days of this lease, Landlord may place a "For Lease" or similarly worded sign on the leased premises.

13. MOVE-IN CONDITION: Tenant has inspected the leased premises and accepts it in its present (as-is) condition unless expressly noted otherwise in this lease or in an addendum. Landlord and any agent have made no express or implied warranties as to the condition or permitted use of the leased premises or Property.

14. MOVE-OUT CONDITION AND FORFEITURE OF TENANT'S PERSONAL PROPERTY:

- A. At the time this lease ends, Tenant will surrender the leased premises in the same condition as when received, except for normal wear and tear. Tenant will leave the leased premises in a clean condition free of all trash, debris, personal property, hazardous materials, and environmental contaminants.
- B. If Tenant leaves any personal property in the leased premises after Tenant surrenders possession of the leased premises, Landlord may: (1) require Tenant, at Tenant's expense, to remove the personal property by providing written notice to Tenant; or (2) retain such personal property as forfeited property to Landlord.
- C. "Surrender" means vacating the leased premises and returning all keys and access devices to Landlord. "Normal wear and tear" means deterioration that occurs without negligence, carelessness, accident, or abuse.
- D. By providing written notice to Tenant before this lease ends, Landlord may require Tenant, upon move-out and at Tenant's expense, to remove, without damage to the Property or leased premises, any or all fixtures that were placed on the Property or leased premises by or at the request of Tenant. Any fixtures that Landlord does not require Tenant to remove become the property of the Landlord and must be surrendered to Landlord at the time this lease ends.

15. MAINTENANCE AND REPAIRS:

- A. Cleaning: Tenant must keep the leased premises clean and sanitary and promptly dispose of all garbage in appropriate receptacles. Landlord Tenant will provide, at its expense, janitorial services to the leased premises that are customary and ordinary for the property type. Tenant will maintain any grease trap on the Property which Tenant uses, including but not limited to periodic

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emptying and cleaning, as well as making any modification to the grease trap that may be necessary to comply with any applicable law.

B. Repairs of Conditions Caused by a Party: Each party must promptly repair a condition in need of repair that is caused, either intentionally or negligently, by that party or that party's guests, patrons, invitees, contractors or permitted subtenants.

C. Repair and Maintenance Responsibility: Except as otherwise provided by this Paragraph 15, the party designated below, at its expense, is responsible to maintain and repair the following specified items in the leased premises (if any). The specified items must be maintained in clean and good operable condition. If a governmental regulation or order requires a modification to any of the specified items, the party designated to maintain the item must complete and pay the expense of the modification. The specified items include and relate only to real property in the leased premises. Tenant is responsible for the repair and maintenance of its personal property. (Check all that apply.)

	N/A	Landlord	Tenant
(1) Foundation, exterior walls, roof, and other structural components	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(2) Glass and windows	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(3) Fire protection equipment	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(4) Fire sprinkler systems	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(5) Exterior & overhead doors, including closure devices, molding, locks, and hardware	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(6) Grounds maintenance, including landscaping and irrigation systems	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(7) Interior doors, including closure devices, frames, molding, locks, and hardware	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(8) Parking areas and walks	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(9) Plumbing systems, drainage systems and sump pumps	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(10) Electrical systems, mechanical systems	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(11) Ballast and lamp replacement	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(12) Heating, Ventilation and Air Conditioning (HVAC) systems	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(13) HVAC system replacement	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(14) Signs and lighting:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(a) Pylon	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(b) Facia	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(c) Monument	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(d) Door/Suite	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(e) Other:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(15) Extermination and pest control, excluding wood-destroying insects	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(16) Fences and Gates	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(17) Storage yards and storage buildings	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(18) Wood-destroying insect treatment and repairs	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(19) Cranes and related systems	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(20)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(21)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(22) All other items and systems.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

D. Repair Persons: Repairs must be completed by trained, qualified, and insured repair persons.

- E. HVAC Service Contract: If Tenant maintains the HVAC system under Paragraph 15C(12), Tenant is is not required to maintain, at its expense, a regularly scheduled maintenance and service contract for the HVAC system. ~~The maintenance and service contract must be purchased from a HVAC maintenance company that regularly provides such contracts to similar properties.~~ If Tenant fails to maintain a required HVAC maintenance and service contract in effect at all times during this lease, Landlord may do so and Tenant will reimburse Landlord for the expense of such maintenance and service contract or Landlord may exercise Landlord's remedies under Paragraph 20.
- F. Common Areas: Landlord will maintain any common areas in the Property in a manner as Landlord determines to be in the best interest of the Property. Landlord will maintain any elevator and signs in the common area. Landlord may change the size, dimension, and location of any common areas, provided that such change does not materially impair Tenant's use and access to the leased premises. Tenant has the non-exclusive license to use the common areas in compliance with Landlord's rules and regulations. Tenant may not solicit any business in the common areas or interfere with any other person's right to use the common areas. This paragraph does not apply if Paragraph 2A(2) applies.
- G. Notice of Repairs: Tenant must promptly notify Landlord of any item that is in need of repair and that is Landlord's responsibility to repair. All requests for repairs to Landlord must be in writing.
- H. Failure to Repair: Landlord must make a repair for which Landlord is responsible within a reasonable period of time after Tenant provides Landlord written notice of the needed repair. If Tenant fails to repair or maintain an item for which Tenant is responsible within 10 days after Landlord provides Tenant written notice of the needed repair or maintenance, Landlord may: (1) repair or maintain the item, without liability for any damage or loss to Tenant, and Tenant must immediately reimburse Landlord for the cost to repair or maintain; or (2) exercise Landlord's remedies under Paragraph 20.

16. ALTERATIONS:

- A. Tenant may not alter (including making any penetrations to the roof, exterior walls or foundation), improve, or add to the Property or the leased premises without Landlord's written consent. Landlord will not unreasonably withhold consent for the Tenant to make reasonable non-structural alterations, modifications, or improvements to the leased premises.
- B. Tenant may not alter any locks or any security devices on the Property or the leased premises without Landlord's consent. If Landlord authorizes the changing, addition, or rekeying of any locks or other security devices, Tenant must immediately deliver the new keys and access devices to Landlord.
- C. If a governmental order requires alteration or modification to the leased premises, the party obligated to maintain and repair the item to be modified or altered as designated in Paragraph 15 will, at its expense, modify or alter the item in compliance with the order and in compliance with Paragraphs 16A and 17.
- D. Any alterations, improvements, fixtures or additions to the Property or leased premises installed by either party during the term of this lease will become Landlord's property and must be surrendered to Landlord at the time this lease ends, except for those fixtures Landlord requires Tenant to remove under Paragraph 11 or 14 or if the parties agree otherwise in writing.
17. LIENS: Tenant may not do anything that will cause the title of the Property or leased premises to be encumbered in any way. If Tenant causes a lien to be filed against the Property or leased premises, Tenant will within 20 days after receipt of Landlord's demand: (1) pay the lien and have the lien released of record; or (2) take action to discharge the lien. Tenant will provide Landlord a copy of any release Tenant obtains pursuant to this paragraph.
18. LIABILITY: ~~To the extent permitted by law, Landlord is NOT responsible to Tenant or Tenant's employees, patrons, guests, or invitees for any damages, injuries, or losses to person or property caused by:~~

- A. an act, omission, or neglect of Tenant, Tenant's agent, Tenant's guest, Tenant's employees, Tenant's patrons, Tenant's invitees, or any other tenant on the Property;
- B. fire, flood, water leaks, ice, snow, hail, winds, explosion, smoke, riot, strike, interruption of utilities, theft, burglary, robbery, assault, vandalism, other persons, environmental contaminants, or other occurrences or casualty losses.

19. INDEMNITY: ^{TO THE EXTENT PROVIDED BY LAW,} Each party will indemnify, defend, and hold the other party harmless from any property damage, personal injury, suits, actions, liabilities, damages, cost of repairs or service to the leased premises or Property, or any other loss caused, negligently or otherwise, by that party or that party's employees, patrons, guests, or invitees.

20. DEFAULT:

- A. If Landlord fails to comply with this lease within 30 days after Tenant notifies Landlord of Landlord's failure to comply, Landlord will be in default and Tenant may seek any remedy provided by law. If, however, Landlord's non-compliance reasonably requires more than 30 days to cure, Landlord will not be in default if the cure is commenced within the 30-day period and is diligently pursued.
- B. If Landlord does not actually receive at the place designated for payment any rent due under this lease within 5 days after it is due, Tenant will be in default. If Tenant fails to comply with this lease for any other reason within 10 days after Landlord notifies Tenant of its failure to comply, Tenant will be in default.
- C. If Tenant is in default, Landlord may, with at least 3 days written notice to Tenant: (i) terminate this lease, or (ii) terminate Tenant's right to occupy the leased premises without terminating this lease and may accelerate all rents which are payable during the remainder of this lease or any renewal period. Landlord will attempt to mitigate any damage or loss caused by Tenant's breach by using commercially reasonable means. If Tenant is in default, Tenant will be liable for:
- (1) any lost rent;
 - (2) Landlord's cost of reletting the leased premises, including brokerage fees, advertising fees, and other fees necessary to relet the leased premises;
 - (3) repairs to the leased premises for use beyond normal wear and tear;
 - (4) all Landlord's costs associated with eviction of Tenant, such as attorney's fees, court costs, and prejudgment interest;
 - (5) all Landlord's costs associated with collection of rent such as collection fees, late charges, and returned check charges;
 - (6) cost of removing any of Tenant's equipment or fixtures left on the leased premises or Property;
 - (7) cost to remove any trash, debris, personal property, hazardous materials, or environmental contaminants left by Tenant or Tenant's employees, patrons, guests, or invitees in the leased premises or Property;
 - (8) cost to replace any unreturned keys or access devices to the leased premises, parking areas, or Property; and
 - (9) any other recovery to which Landlord may be entitled under this lease or under law.

21. ABANDONMENT, INTERRUPTION OF UTILITIES, REMOVAL OF PROPERTY, AND LOCKOUT: Chapter 93 of the Texas Property Code governs the rights and obligations of the parties with regard to: (a) abandonment of the leased premises; (b) interruption of utilities; (c) removal of Tenant's property; and (d) "lock-out" of Tenant.

22. HOLDOVER: If Tenant fails to vacate the leased premises at the time this lease ends, Tenant will become a tenant-at-will and must vacate the leased premises immediately upon receipt of demand from Landlord. No holding over by Tenant, with or without the consent of Landlord, will extend this lease. Tenant will

indemnify Landlord and any prospective tenants for any and all damages caused by the holdover. Rent for any holdover period will be ^{100%} 400% of the base monthly rent plus any additional rent calculated on a daily basis and will be immediately due and payable daily without notice or demand.

~~23. LANDLORD'S LIEN AND SECURITY INTEREST: To secure Tenant's performance under this lease, Tenant grants to Landlord a lien and security interest against all of Tenant's nonexempt personal property that is in the leased premises or on the Property. This lease is a security agreement for the purposes of the Uniform Commercial Code. Landlord may file a financing statement to perfect Landlord's security interest under the Uniform Commercial Code.~~

24. ASSIGNMENT AND SUBLETTING: Landlord may assign this lease to any subsequent owner of the Property. Tenant may not assign this lease or sublet any part of the leased premises without Landlord's written consent. An assignment of this lease or subletting of the leased premises without Landlord's written consent is voidable by Landlord. If Tenant assigns this lease or sublets any part of the leased premises, Tenant will remain liable for all of Tenant's obligations under this lease regardless if the assignment or sublease is made with or without the consent of Landlord.

25. RELOCATION:

A. By providing Tenant with not less than 90 days advanced written notice, Landlord may require Tenant to relocate to another location in the Property, provided that the other location is equal in size or larger than the leased premises then occupied by Tenant and contains similar leasehold improvements. Landlord will pay Tenant's reasonable out-of-pocket moving expenses for moving to the other location. "Moving expenses" means reasonable expenses payable to professional movers, utility companies for connection and disconnection fees, wiring companies for connecting and disconnecting Tenant's office equipment required by the relocation, and printing companies for reprinting Tenant's stationery and business cards. A relocation of Tenant will not change or affect any other provision of this lease that is then in effect, including rent and reimbursement amounts, except that the description of the suite or unit number will automatically be amended.

B. Landlord may not require Tenant to relocate to another location in the Property without Tenant's prior consent.

26. SUBORDINATION:

A. This lease and Tenant's leasehold interest are and will be subject, subordinate, and inferior to:
(1) any lien, encumbrance, or ground lease now or hereafter placed on the leased premises or the Property that Landlord authorizes;
(2) all advances made under any such lien, encumbrance, or ground lease;
(3) the interest payable on any such lien or encumbrance;
(4) any and all renewals and extensions of any such lien, encumbrance, or ground lease;
(5) any restrictive covenant affecting the leased premises or the Property; and
(6) the rights of any owners' association affecting the leased premises or Property.

B. Tenant must, on demand, execute a subordination, attornment, and non-disturbance agreement that Landlord may request that Tenant execute, provided that such agreement is made on the condition that this lease and Tenant's rights under this lease are recognized by the lien-holder.

27. ESTOPPEL CERTIFICATES & FINANCIAL INFORMATION:

A. Within 10 days after receipt of a written request from Landlord, Tenant will execute and deliver to Landlord an estoppel certificate that identifies the terms and conditions of this lease.

- B. Within 30 days after receipt of a written request from Landlord, Tenant will provide to Landlord Tenant's current financial information (balance sheet and income statement). Landlord may request the financial information no more frequently than once every 12 months.

28. CASUALTY LOSS:

- A. Tenant must immediately notify Landlord of any casualty loss in the leased premises. Within 20 days after receipt of Tenant's notice of a casualty loss, Landlord will notify Tenant if the leased premises are less than or more than 50% unusable, on a per square foot basis, and if Landlord can substantially restore the leased premises within 120 days after Tenant notifies Landlord of the casualty loss.
- B. If the leased premises are less than 50% unusable and Landlord can substantially restore the leased premises within 120 days after Tenant notifies Landlord of the casualty, Landlord will restore the leased premises to substantially the same condition as before the casualty. If Landlord fails to substantially restore within the time required, Tenant may terminate this lease.
- C. If the leased premises are more than 50% unusable and Landlord can substantially restore the leased premises within 120 days after Tenant notifies Landlord of the casualty, Landlord may: (1) terminate this lease; or (2) restore the leased premises to substantially the same condition as before the casualty. If Landlord chooses to restore and does not substantially restore the leased premises within the time required, Tenant may terminate this lease.
- D. If Landlord notifies Tenant that Landlord cannot substantially restore the leased premises within 120 days after Tenant notifies Landlord of the casualty loss, Landlord may: (1) choose not to restore and terminate this lease; or (2) choose to restore, notify Tenant of the estimated time to restore, and give Tenant the option to terminate this lease by notifying Landlord within 10 days.
- E. If this lease does not terminate because of a casualty loss, rent will be reduced from the date Tenant notifies Landlord of the casualty loss to the date the leased premises are substantially restored by an amount proportionate to the extent the leased premises are unusable.

29. CONDEMNATION: If after a condemnation or purchase in lieu of condemnation the leased premises are totally unusable for the purposes stated in this lease, this lease will terminate. If after a condemnation or purchase in lieu of condemnation the leased premises or Property are partially unusable for the purposes of this lease, this lease will continue and rent will be reduced in an amount proportionate to the extent the leased premises are unusable. Any condemnation award or proceeds in lieu of condemnation are the property of Landlord and Tenant has no claim to such proceeds or award. Tenant may seek compensation from the condemning authority for its moving expenses and damages to Tenant's personal property.

30. ATTORNEY'S FEES: Any person who is a prevailing party in any legal proceeding brought under or related to the transaction described in this lease is entitled to recover prejudgment interest, reasonable attorney's fees, and all other costs of litigation from the nonprevailing party.

31. REPRESENTATIONS:

- A. Tenant's statements in this lease and any application for rental are material representations relied upon by Landlord. Each party signing this lease represents that he or she is of legal age to enter into a binding contract and is authorized to sign the lease. If Tenant makes any misrepresentation in this lease or in any application for rental, Tenant is in default.
- B. Landlord is not aware of any material defect on the Property that would affect the health and safety of an ordinary person or any environmental hazard on or affecting the Property that would affect the

health or safety of an ordinary person, except: N/A

- C. Each party and each signatory to this lease represents that: (1) it is not a person named as a Specially Designated National and Blocked Person as defined in Presidential Executive Order 13224; (2) it is not acting, directly or indirectly, for or on behalf of a Specially Designated and Blocked Person; and (3) is not arranging or facilitating this lease or any transaction related to this lease for a Specially Designated and Blocked Person. Any party or any signatory to this lease who is a Specially Designated and Blocked person will indemnify and hold harmless any other person who relies on this representation and who suffers any claim, damage, loss, liability or expense as a result of this representation.

32. BROKERS:

- A. The brokers to this lease are:

Principal Broker: _____ <u>Andy Elack, Broker@LC</u>	Cooperating Broker: _____
Agent: <u>Karen Elack</u>	Agent: _____
Address: <u>1600 Normal Park</u> <u>Huntsville, TX 77340</u>	Address: _____
Phone & Fax: <u>(936)294-9899</u> <u>(936)294-9574</u>	Phone & Fax: _____
E-mail: <u>karen@homedirect.com</u>	E-mail: _____
License No.: <u>8344665</u>	License No.: _____

Principal Broker: (Check only one box)

- represents Landlord only.
 represents Tenant only.
 is an intermediary between Landlord and Tenant.

Cooperating Broker represents Tenant.

B. Fees:

- (1) Principal Broker's fee will be paid according to: (Check only one box).
 (a) a separate written commission agreement between Principal Broker and:
 Landlord Tenant.
 (b) the attached Commercial Lease Addendum for Broker's Fee (TAR-2102).
- (2) Cooperating Broker's fee will be paid according to: (Check only one box).
 (a) a separate written commission agreement between Cooperating Broker and:
 Principal Broker Landlord Tenant.
 (b) the attached Commercial Lease Addendum for Broker's Fee (TAR-2102).

33. ADDENDA: Incorporated into this lease are the addenda, exhibits and other information marked in the Addenda and Exhibit section of the Table of Contents. If Landlord's Rules and Regulations are made part of this lease, Tenant agrees to comply with the Rules and Regulations as Landlord may, at its discretion, amend from time to time.

34. NOTICES: All notices under this lease must be in writing and are effective when hand-delivered, sent by mail, or sent by facsimile transmission to:

Landlord at: DSMC, Inc.
Address: 1600 Normal Park, Huntsville, TX 77340

1114 & 1114 1/2 Sam Houston Ave.
Commercial Lease concerning: Huntsville, TX 77340

Phone: _____ Fax: _____
and a copy to: _____
Address: _____
Phone: _____ Fax: _____
 Landlord also consents to receive notices by e-mail at: _____
Tenant at the leased premises,
and a copy to: _____
Address: _____
Phone: _____ Fax: _____
 Tenant also consents to receive notices by e-mail at: _____

35. SPECIAL PROVISIONS:

Landlord agrees to grant tenant a 5-year option to extend this lease after the initial term. The monthly rental amount to be reviewed and increased per a market rate not to exceed 25%.

36. AGREEMENT OF PARTIES:

- A. Entire Agreement: This lease contains the entire agreement between Landlord and Tenant and may not be changed except by written agreement.
- B. Binding Effect: This lease is binding upon and inures to the benefit of the parties and their respective heirs, executors, administrators, successors, and permitted assigns.
- C. Joint and Several: All Tenants are jointly and severally liable for all provisions of this lease. Any act or notice to, or refund to, or signature of, any one or more of the Tenants regarding any term of this lease, its renewal, or its termination is binding on all Tenants.
- D. Controlling Law: The laws of the State of Texas govern the interpretation, performance, and enforcement of this lease.
- E. Severable Clauses: If any clause in this lease is found invalid or unenforceable by a court of law, the remainder of this lease will not be affected and all other provisions of this lease will remain valid and enforceable.
- F. Waiver: Landlord's delay, waiver, or non-enforcement of acceleration, contractual or statutory lien, rental due date, or any other right will not be deemed a waiver of any other or subsequent breach by Tenant or any other term in this lease.

(TAR-2101)-4-1-14 Initialed for identification by Landlord: _____, _____, and Tenant: _____, _____ Page 14 of 15
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1114 & 1114 1/2 Sam Houston Ave.
Commercial Lease concerning: Huntsville, TN 37340

- G. **Quiet Enjoyment:** Provided that Tenant is not in default of this lease, Landlord covenants that Tenant will enjoy possession and use of the leased premises free from material interference.
- H. **Force Majeure:** If Landlord's performance of a term in this lease is delayed by strike, lock-out, shortage of material, governmental restriction, riot, flood, or any cause outside Landlord's control, the time for Landlord's performance will be abated until after the delay.
- I. **Time:** Time is of the essence. The parties require strict compliance with the times for performance.

Brokers are not qualified to render legal advice, property inspections, surveys, engineering studies, environmental assessments, tax advice, or compliance inspections. The parties should seek experts to render such services. **READ THIS LEASE CAREFULLY.** If you do not understand the effect of this Lease, consult your attorney **BEFORE** signing.

Landlord: Over Stock Management Corp., Inc.

Tenant: City of Huntsville

By: _____

By: _____

By (signature): _____
Printed Name: _____
Title: _____ Date: _____

By (signature): _____
Printed Name: _____
Title: _____ Date: _____

By: _____

By: _____

By (signature): _____
Printed Name: _____
Title: _____ Date: _____

By (signature): _____
Printed Name: _____
Title: _____ Date: _____

(TAR-2101)

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15/15

ORDINANCE NO. 2017-16

AN ORDINANCE OF THE CITY OF HUNTSVILLE, TEXAS, AMENDING THE 2016-2017 ANNUAL BUDGET AND CAPITAL IMPROVEMENTS PROJECTS (CIP) BUDGETS, ORDINANCE NO. 2016-40 TO AMEND ADOPTED EXPENDITURES OF THE BUDGET; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, the 2016-2017 Annual Budget and CIP Budgets were adopted by Ordinance 2016-40 on September 20, 2016;

WHEREAS, various unforeseen circumstances affecting the City have presented themselves during the course of the fiscal year;

WHEREAS, the City Council considered the circumstances independently, deliberating appropriately on the associated revenues and expenditures and the overall impact on the general financial status of the City;

WHEREAS, pursuant to the laws of the State of Texas and the City Charter of the City of Huntsville, Texas, the City Council has determined that it will be beneficial and advantageous to the citizens of the City of Huntsville to amend the annual budget for fiscal year 2016 – 2017 as set forth herein; and

WHEREAS, this ordinance combines the independent Council actions into one budget amendment document;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HUNTSVILLE, TEXAS, that:

Section 1. The findings set forth above are incorporated into the body of this ordinance.

Section 2. The annual budget for fiscal year 2016 – 2017 is hereby amended to include the expenditures in Exhibit "A" attached hereto and made a part of this ordinance as if set out verbatim herein.

Section 3. All ordinances of the City in conflict with the provisions of this ordinance are hereby repealed, and all other ordinances of the City not in conflict with the provisions of this ordinance shall remain in full force and effect.

Section 4. Should any section, portion, sentence, clause or phrase of this ordinance be declared unconstitutional or invalid for any reason, it shall not invalidate or impair the force or effect of any other section or portion of this ordinance.

Section 5. The necessity for amending the budget for the fiscal year 2016 – 2017, as required by the laws of the State of Texas, requires that this ordinance shall take effect immediately from and after its passage, as the law in such cases provides.

Section 6. This ordinance shall take effect immediately after its passage.

PASSED AND APPROVED on this the 3rd day of January 2017.

THE CITY OF HUNTSVILLE, TEXAS

Andy Brauning, Mayor

ATTEST:

APPROVED AS TO FORM:

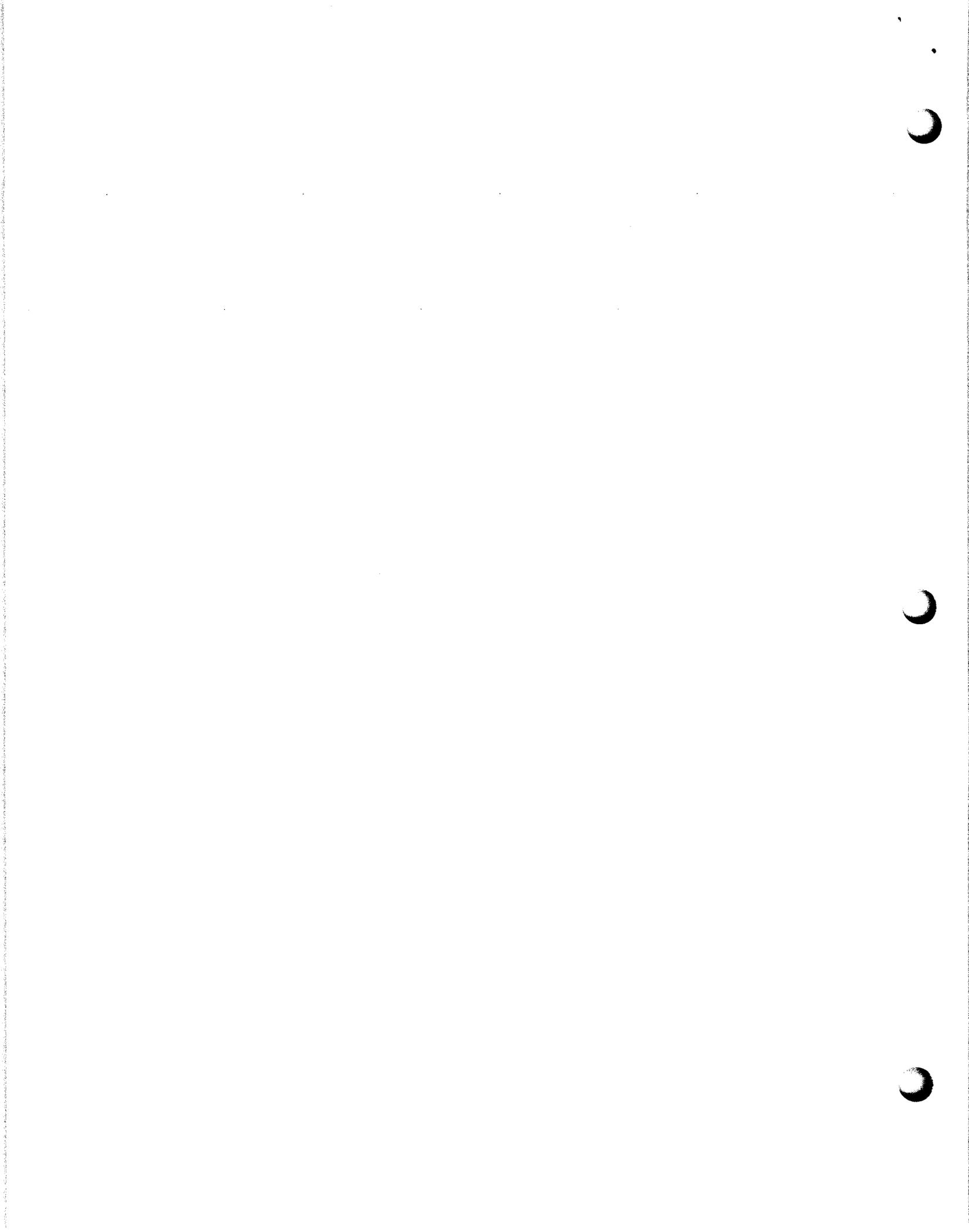
Lee Woodward, City Secretary

Leonard Schneider, City Attorney

**Budget Amendments FY 16-17
January 3, 2017**

**Exhibit
A**

Increase:	Purchased Services/Contracts in the Tourism Division	\$ 15,000
	monies to come from Fund Balance of the H/M Tax Tourism Fund (no "Decrease" to any budgeted account)	
Increase:	Purchased Services/Contracts in the Main Street Division	\$ 10,000
	monies to come from Unallocated Reserve of the General Fund (no "Decreases" to any budgeted account)	
Explanation:	<p>Renovations and remodeling costs to make the new office workable are expected to cost around \$25,000. The budget amendments are requesting use of \$15,000 of the Hotel Occupancy Tax Fund's Fund Balance and \$10,000 of General Fund's Unallocated Reserve. If these budget amendments are approved the Hotel Occupancy Tax Fund will still have an estimated \$1,400,000 Fund Balance at 9/30/17 after this use and General Fund's Unallocated Reserve 9/30/17 balance is estimated to be \$7,290,000 which is \$1,590,000 above the required \$5,700,000 amount.</p>	





CITY COUNCIL AGENDA

12/20/2016

Agenda Item: 4c

Item/Subject: Consider authorizing the City Manager to award the purchase of Street Milling/Overlay and Street Reconstruction services, second reading.

Initiating Department/Presenter: Public Works

Presenter: Carol Reed, Director of Public Works

Recommended Motion: Move to authorize the City Manager to award the purchase of Street Milling/Overlay and Street Reconstruction services from AAA Asphalt Paving Company in the amount of \$856,338.69.

Strategic Initiative: Goal #4 - Infrastructure - Ensure the quality of the City utilities, transportation and physical structures so that the City's core services can be provided in an effective and efficient manner.

Discussion: As part of the City Council's 2014 Strategic Plan, the City awarded a comprehensive street assessment study to Infrastructure Management Services (IMS). The City's primary goal was to determine the conditions of and rank City streets based on data gathered by IMS. Subsequently the City received a street condition assessment and IMS offered a 5-year maintenance plan for improvement in the overall street condition for Huntsville.

Based on the findings, the City conducted a formal sealed solicitation for street milling with overlay (see complete list below) and the City gained a price per square yard for future unnamed streets, should this become necessary during FY 16-17. The formal solicitation also included a street reconstruction for Johnson Road. Street milling is a process in which the asphalt layer is removed and then reapplied. Street reconstruction occurs when the asphalt with base is recycled in place, stabilized, and new asphalt is applied. Seventeen potential vendors were contacted; the solicitation was also placed on Electronic State Business Daily, Public Purchase, City of Huntsville Web Site, and in the Huntsville Item. There were five responses received.

The recommended vendor, AAA Asphalt, recently completed several street milling with overlay projects for the City. AAA Asphalt completed the projects on time, within budget, and with no negative comments concerning workmanship. AAA Asphalt worked well with citizens and staff to avoid inconvenience and delays for residents of the affected streets. The City staff is prepared to notify citizens and business in the project areas as the project proceeds. Should AAA Asphalt be awarded, barring weather delays, the City is ready to begin the Johnson Road and milling/overlay projects in January 2017.

The street milling portion of this bid will be \$618,473.25 and the street reconstruction amount is \$237,865.44, for a total award of \$856,338.69. Due to the dollar amount of this recommendation, two readings are required per the City Council *Rules of Procedure*.

Previous Council Action: March 3, 2015 agenda item 5b approved the IMS Study and June 21, 2016 agenda item 4e approved various street milling and paving. First reading of this item on December 20, 2016.

Financial Implications:

Item is budgeted: 101-323-53051 In the amount of original budget \$1,447,817 amended to \$1,154,817 (reduced \$143,000 for Paid Parking revenue shortfall & \$150,000 moved for additional parking spaces costs)

Approvals: City Attorney Director of Finance City Manager

Associated Information:

- Bid tabulation below

Description		IMS Condition Rating	Unit of Measure	Knife River		AAA Asphalt		CCC Blacktop		Forde Construction		Larry Young Paving	
				Per Square Yard	Total	Per Square Yard	Total	Per Square Yard	Total	Per Square Yard	Total	Per Square Yard	Total
<p style="text-align: center;">11/3/2016 2:00 PM Central Standard Time</p>													
<p style="text-align: center;"></p>													
<p style="text-align: center;">Bid No. 17- 01 Street Milling with Overlay and Street Reconstruction Bid Tabulation</p>													
<p>Task / Item#1</p>													
Avenue R- 19th to N. End		Very Good to Marginal	4,863	\$ 22.05	\$ 107,229.15	\$ 13.95	\$ 67,838.85	NO BID		\$ 14.00	\$ 68,082.00	\$ 15.65	\$ 76,105.95
Avenue P - 22nd to 25th		Fair	5,009	\$ 22.05	\$ 110,448.45	\$ 13.95	\$ 69,875.55	NO BID		\$ 15.00	\$ 75,135.00	\$ 15.65	\$ 78,390.85
Avenue P (WCI.P) - 10th to 7th		Marginal	3,840	\$ 22.05	\$ 84,672.00	\$ 13.95	\$ 53,568.00	NO BID		\$ 17.00	\$ 65,280.00	\$ 15.65	\$ 60,096.00
Avenue I - 7th to 9th		Good	2,623	\$ 22.05	\$ 57,837.15	\$ 13.95	\$ 36,590.85	NO BID		\$ 17.00	\$ 44,591.00	\$ 15.65	\$ 41,049.95
Avenue J - 11th to Bearkat		Good to Fair	7,110	\$ 22.05	\$ 156,775.50	\$ 13.95	\$ 99,184.50	NO BID		\$ 16.00	\$ 113,760.00	\$ 15.65	\$ 111,271.50
Avenue O - 11th to 10th		Good	1,487	\$ 22.05	\$ 32,788.35	\$ 13.95	\$ 20,743.65	NO BID		\$ 19.00	\$ 28,253.00	\$ 15.65	\$ 23,271.55
Camellia Circle - Camellia to End		Marginal	756	\$ 22.05	\$ 16,669.80	\$ 13.95	\$ 10,546.20	NO BID		\$ 31.00	\$ 23,436.00	\$ 15.65	\$ 11,831.40
Camellia Ct. - Camellia to End		Very Poor	868	\$ 22.05	\$ 19,139.40	\$ 13.95	\$ 12,108.60	NO BID		\$ 29.00	\$ 25,172.00	\$ 15.65	\$ 13,584.20
El Toro Dr. - Sam Houston to End		Marginal	2,355	\$ 22.05	\$ 51,927.75	\$ 13.95	\$ 32,852.25	NO BID		\$ 17.00	\$ 40,035.00	\$ 15.65	\$ 36,855.75
W. Hill Park Circle - SH 30 to End		Fair	2,902	\$ 22.05	\$ 63,989.10	\$ 13.95	\$ 40,482.90	NO BID		\$ 18.00	\$ 52,236.00	\$ 15.65	\$ 45,416.30
Holly Springs Dr - Pine Shadows to N. End		Marginal	2,605	\$ 22.05	\$ 57,440.25	\$ 13.95	\$ 36,339.75	NO BID		\$ 18.00	\$ 46,890.00	\$ 15.65	\$ 40,768.25
Research Dr. - Medical Ctr Pkwy to Memorial Hospital Dr.		Marginal to Poor	2,568	\$ 22.05	\$ 56,624.40	\$ 13.95	\$ 35,823.60	NO BID		\$ 19.00	\$ 48,792.00	\$ 15.65	\$ 40,189.20
Memorial Hospital Dr. - Robinson Creek Pkwy to Medical Center Pkwy		Good to Marginal	2,259	\$ 22.05	\$ 49,810.95	\$ 13.95	\$ 31,513.05	NO BID		\$ 18.00	\$ 40,662.00	\$ 15.65	\$ 35,353.35
Medical Center PKWY - Research to Memorial Hospital Dr.		Marginal	2,781	\$ 22.05	\$ 61,321.05	\$ 13.95	\$ 38,794.95	NO BID		\$ 17.00	\$ 47,277.00	\$ 15.65	\$ 43,522.65
13th Street - Ave O to Ave Q		Fair	2,309	\$ 22.05	\$ 50,913.45	\$ 13.95	\$ 32,210.55	NO BID		\$ 18.00	\$ 41,562.00	\$ 15.65	\$ 36,135.85
Total Item #1			44,335		\$ 977,586.75		\$ 618,473.25				\$ 761,163.00		\$ 693,842.75
Additional UnNamed St.			PER SY	\$ 22.05		\$ 16.00		NO BID		\$ 18.00		\$ 15.65	
Mobilization Fee per St					No Bid		\$ 3,500.00	NO BID		No Bid		\$	750.00
Bid for all Streets			Linear Feet		YES		NO	NO BID		YES			NO
Task / Item #2													
Johnson Road		Marginal to Poor	6,648	\$ 64.60	\$ 429,460.80	\$ 37.88	\$ 251,826.24	\$ 40.85	\$ 271,570.80	No Bid		\$ 39.00	\$ 259,272.00
Alternate HMAAC			6,648	\$ 66.15	\$ 439,765.20	\$ 35.78	\$ 237,865.44	\$ 42.00	\$ 279,216.00	No Bid			No Bid
Total Item #1 & Alt. Item #2					\$ 1,417,351.95		\$ 856,338.69		\$ 279,216.00		\$ 761,163.00		\$ 983,114.75

*NOTICE: Bid award is contingent upon vendor meeting bid requirements and formal authorization by City officials