



**NOTICE OF A REGULAR MEETING
THE BRENHAM CITY COUNCIL
THURSDAY JANUARY 9, 2014 AT 1:00 P.M.
SECOND FLOOR CITY HALL
COUNCIL CHAMBERS
200 W. VULCAN
BRENHAM, TEXAS**

- 1. Call Meeting to Order**
- 2. Invocation and Pledges to the US and Texas Flags – Mayor Tate**
- 3. 3-a. Service Recognitions**
 - Christopher S. Kokemor – Water Construction – 5 years
 - Gary Marburger – Gas Department – 15 years
 - Dant Lange – Police Department – 20 years
 - Donald Bolenbarr – Electric Department – 25 years
 - Johnny Randermann – Wastewater Department – 25 years
- 3-b. New Employees**
 - Ashley Burns – Police Department
 - Jean Luera – Police Department
 - Heather Sowders – Police Department
- 4. Citizens Comments**

CONSENT AGENDA

5. Statutory Consent Agenda

The Statutory Consent Agenda includes non-controversial and routine items that Council may act on with one single vote. A councilmember may pull any item from the Consent Agenda in order that the Council discuss and act upon it individually as part of the Regular Agenda.

- 5-a. Minutes from the December 5, 2013 and December 19, 2013 Regular City Council Meetings** **Page 1-18**
- 5-b. Discuss and Possibly Act Upon Ordinance No. O-14-001 on Its Second Reading Amending the FY2012-13 Adopted Budget** **Page 19-20**

PUBLIC HEARING

- 6. Public Hearing, Discussion and Receipt of Input Related to the Proposed Creation of Reinvestment Zone Number 37 Requested by PPE, LLC and GSL Constructors Ltd. for Commercial-Industrial Tax Phase-In Incentive on a Certain Tract of Land Containing 4.929 Acres, More or Less, Being Located at 3201 South Blue Bell Road, Brenham, Texas**
Page 21

REGULAR AGENDA

- 7. Discuss and Possibly Act Upon an Ordinance on its First Reading for the Creation of Reinvestment Zone Number 37 Requested by PPE, LLC and GSL Constructors Ltd. for Commercial-Industrial Tax Phase-In Incentive on a Certain Tract of Land Containing 4.929 Acres, More or Less, Being Located at 3201 South Blue Bell Road, Brenham, Texas, with Boundaries Further Described in Exhibit "A" of Said Ordinance, and Designating This Property as Qualifying for Tax Phase-In**
Page 22-48
- 8. Discuss and Possibly Act Upon a Proposal for Architectural Services for the Future Brenham Pet Adoption and Animal Care Facility and Authorize the Mayor to Execute Any Necessary Documentation**
Page 49-56
- 9. Discuss and Possibly Act Upon Resolution No. R-14-001 Providing for the Approval of an Advanced Funding Agreement with TxDOT for the Installation of a Traffic Signal on U.S. Highway 290 Business at Chappell Hill Street**
Page 57-72
- 10. Discuss and Possibly Act Upon an Ordinance on Its First Reading Amending Chapter 24, Taxation, Article II, Hotel Occupancy Tax, of the Code of Ordinances of the City of Brenham**
Page 73-86
- 11. Discuss and Possibly Act Upon Resolution No. R-14-002 Providing for the Approval of the Bylaws of the Brenham-Washington County Hotel Occupancy Tax Board**
Page 87-105
- 12. Discuss and Possibly Act Upon Change Order No. 1 (Reconciliation), and Authorize Final Payment to M&C Fonseca Construction Co. for the 2013 Water System Improvements and Authorize the Mayor to Execute Any Necessary Documentation**
Page 106-117
- 13. Discuss and Possibly Act Upon a Recommendation for an Appointment to the City of Brenham's Airport Advisory Board**
Page 118

Administrative/Elected Officials Reports: Reports from City Officials or City staff regarding items of community interest, including expression of thanks, congratulations or condolences; information regarding holiday schedules; honorary or salutory recognitions of public officials, public employees or other citizens; reminders about upcoming events organized or sponsored by the City; information regarding social, ceremonial, or community events organized or sponsored by a non-City entity that is scheduled to be attended by City officials or employees; and announcements involving imminent threats to the public health and safety of people in the City that have arisen after the posting of the agenda.

14. Administrative/Elected Officials Report

Adjourn

Executive Sessions: The City Council for the City of Brenham reserves the right to convene into executive session at any time during the course of this meeting to discuss any of the matters listed, as authorized by Texas Government Code, Chapter 551, including but not limited to §551.071 – Consultation with Attorney, §551.072 – Real Property, §551.073 – Prospective Gifts, §551.074 - Personnel Matters, §551.076 – Security Devices, §551.086 - Utility Competitive Matters, and §551.087 – Economic Development Negotiations.

CERTIFICATION

I certify that a copy of the January 9, 2014 agenda of items to be considered by the City of Brenham City Council was posted to the City Hall bulletin board at 200 W. Vulcan, Brenham, Texas on January 6, 2014 at *12:37 PM*.

Amanda Klehm

Deputy City Secretary

Disability Access Statement: This meeting is wheelchair accessible. The accessible entrance is located at the Vulcan Street entrance to the City Administration Building. Accessible parking spaces are located adjoining the entrance. Auxiliary aids and services are available upon request (interpreters for the deaf must be requested twenty-four (24) hours before the meeting) by calling (979) 337-7567 for assistance.

I certify that the attached notice and agenda of items to be considered by the City Council was removed by me from the City Hall bulletin board on the _____ day of _____, 2014 at _____ AM PM.

Signature

Title

Brenham City Council Minutes

A regular meeting of the Brenham City Council was held on December 5, 2013 beginning at 1:00 p.m. in the Brenham City Hall, City Council Chambers, at 200 W. Vulcan Street, Brenham, Texas.

Members present:

Mayor Milton Y. Tate, Jr.
Mayor Pro Tem Gloria Nix
Councilmember Andrew Ebel
Councilmember Danny Goss
Councilmember Keith Herring
Councilmember Mary E. Barnes-Tilley
Councilmember Weldon Williams, Jr.

Members absent:

None.

Others present:

City Manager Terry Roberts, Assistant City Manager Kyle Dannhaus, City Attorney Cary Bovey, City Secretary Jeana Bellinger, Deputy City Secretary Amanda Klehm, Chief Financial Officer Carolyn Miller, Stacy Hardy, Kaci Konieczny, Wende Ragonis, Susan Nienstedt, Cyndi Longhofer, Andria Heiges, Fire Chief Ricky Boeker, Deputy Fire Chief Alan Finke, Heath Moehlmann, Greg “Tank” Nienstedt, Development Services Director Julie Fulgham, Public Works Director Dane Rau, Dwayne Lucius, Nancy Stafford, Leslie Kelm, Public Utilities Director Lowell Ogle, Stephen Draehn, Gary Jeter, Kevin Boggus, Kyle Branham, and Grant Lischka

Citizens present:

Page Michel, Clint Kolby, Kyle Kendall, Mark Shafer, Lynwood Kindt, Joseph with Ambassador Higher Cleaning Standards

Media Present:

Arthur Hahn and Caitlin Hahn, Brenham Banner Press; Frank Wagner, KWHI

- 1. Call Meeting to Order**
- 2. Invocation and Pledges to the US and Texas Flags – Councilmember Barnes-Tilley**

3. 3-a. Service Recognitions

- Christopher S. Kokemor – Water Construction – 5 years
 - Christopher was not present.
- Nancy S. Stafford – Public Utilities – 5 years
 - Nancy was present and received her award.
- Fire Chief Ricky Boeker presented the new Fire Captain, Greg “Tank” Nienstedt

4. Citizens Comments

There were no citizen comments.

CONSENT AGENDA

5. Statutory Consent Agenda

- 5-a. Discuss and Possibly Act Upon Ordinance No. O-13-028 on Its Second Reading Amending the Code of Ordinances of the City of Brenham, Chapter 2, Administration, Article VII, Library Advisory Board, to Provide for the Powers, Duties, Organization, Operation, Board Membership and Additional Matters Related to the Library Advisory Board**
- 5-b. Discuss and Possibly Act Upon Ordinance No. O-13-029 on Its Second Reading to Repeal Ordinance No. O-09-019 Relating to a Non-Exclusive Franchise to Impact Disposal Services, LLC to Operate a Roll-Off Container Service for Residents, Businesses, and Industries Inside Brenham City Limits**
- 5-c. Discuss and Possibly Act Upon Ordinance No. O-13-030 on Its Second Reading to Grant a Non-Exclusive Franchise to Legacy Waste Services to Operate a Roll-Off Container Service for Residents, Businesses, and Industries Inside Brenham City Limits**

A motion was made by Councilmember Herring and seconded by Councilmember Barnes-Tilley to approve the Statutory Consent Agenda Item 5-a, 5-b, and 5-c as read.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Gloria Nix	Yes
Councilmember Andrew Ebel	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Mary E. Barnes-Tilley	Yes
Councilmember Weldon Williams	Yes

WORK SESSION

6. Discussion and Update on the Tax Phase-In Compliance Review Committee Report(s) and Recommendation(s)

Project Manager with the Brenham Economic Development Foundation Clint Kolby presented this item. Kolby stated the Tax Phase-In Compliance Review Committee meets every year to review all of the current tax phase-in recipients who were granted the incentive to ensure that value creation and employment & payroll criteria are being met. Kolby explained the Committee consists of Susan Ebel and Catherine Kenjura representing the City of Brenham, Roger Chambers and John Gunn representing Washington County, and Willy Dilworth representing the Washington County Appraisal District with Page Michel and Clint Kolby of the Brenham Economic Development Foundation acting as liaisons for the Committee. Kolby stated this year, the Committee reviewed the following six companies for compliance: Advanced Data Storage, Stanpac, QuestVapco, Blue Bell Creameries, Valmont Industries and Longwood Elastomers. The Committee has verified that all six companies are in compliance with the criteria set forth in the Tax Phase-In Policy.

Councilmember Goss questioned the number of employees with Blue Bell Creameries. Kolby stated locally, they have approximately 870 employees.

REGULAR AGENDA

7. Discuss and Possibly Act Upon Resolution No. R-13-020 Re-Adopting the Guidelines and Criteria for Granting Tax Phase-In as Provided for in the City of Brenham “Policy Statement on Property Tax Phase-In Incentive for Selected Commercial Enterprises”

Project Manager with the Brenham Economic Development Foundation Clint Kolby presented this item. Kolby stated every two years the Tax Phase-In Policy needs to be reviewed and readopted. Kolby explained this incentive has proven to be an effective economic development tool with recruiting new companies to town and helping existing industry grow over the past several years. Kolby stated over 500 new jobs would be created with an approximate \$39 million new value creation. Kolby explained all six companies have met the value creation and employment & payroll criteria for receiving the tax phase-in incentive. Kolby stated the Brenham EDF Board of Directors recommends that the Tax Phase-In Policy be re-adopted with no changes made to it for 2014-15.

A motion was made by Councilmember Barnes-Tilley and seconded by Councilmember Ebel to approve Resolution No. R-13-020 re-adopting the guidelines and criteria for granting Tax Phase-In as provided for in the City of Brenham “Policy Statement on Property Tax Phase-In Incentive for Selected Commercial Enterprises.”

Councilmember Goss questioned if large retail companies were eligible. Kolby stated it is up to Council development, but the primary sector job in product export outside the County are usually the primary recipients.

Councilmember Barnes-Tilley stated all new companies or expansions should look into this opportunity.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Gloria Nix	Yes
Councilmember Andrew Ebel	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Mary E. Barnes-Tilley	Yes
Councilmember Weldon Williams	Yes

8. Discuss and Possibly Act Upon Recommendations for Appointments and/or Re-Appointments to Various City Advisory Boards

City Manager Terry Roberts presented this item. Roberts discussed each Board and the appointments and re-appointments requested. Roberts explained there are five people seeking appointments and 22 incumbents seeking re-appointment. Roberts stated according to the City's policy, the Mayor and City Manager are to review the board appointments and offer a recommendation to the City Council. Roberts' recommendations are shown below:

Airport Advisory Board:

Jerry LeGard
Pat Elliott

Board of Adjustment and Appeals:

MaLisa Hampton
Arlen Thielemann

Brenham Community Development Corporation:

Atwood Kenjura
Darrell Blum
David Cone
Charles Moser

Brenham Housing Authority:

John Harris
Wanda Cooley
Ray Daugbjerg

Hotel Occupancy Tax Board:

Al Patel
Stephanie Wehring
Tiffany Winkles

Library Advisory Board:

Renee Mueller
Deborah Ottsen
Christy Van Dyke

Main Street Board:

Margie Young
Jon Hill
Mark Schneider

Parks Advisory Board:

Kenneth Goessler
Delbert Boeker
Pam Hohlt

Planning and Zoning Commission:

Charlie Pyle
Nancy Low
Deanna Alfred

Councilmember Barnes-Tilley questioned how the City recruits new people for Board appointments. Mayor Tate stated the application and Board information is located on the City's website. City Manager Terry Roberts stated some people apply on their own, while sometimes if Boards have vacancies, they ask for recommendations from current Board members or Staff.

Councilmember Herring questioned if we have a pool of people we chose from to serve on the Boards. City Secretary Jeana Bellinger stated we try to accommodate people's preferences when they request to serve, but sometimes they have to hold onto applications for vacancies if they are not available.

A motion was made by Mayor Pro Tem Nix and seconded by Councilmember Williams to approve the recommendations for appointments and/or re-appointments to various city advisory boards, as presented.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Gloria Nix	Yes
Councilmember Andrew Ebel	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Mary E. Barnes-Tilley	Yes
Councilmember Weldon Williams	Yes

9. Discuss and Possibly Act Upon Ordinance No. O-13-031 on Its Second Reading Establishing New Speed Limits on U.S. Highway 290 from the East City Limit Line to Business U.S. 290 West

City Engineer Grant Lischka presented this item. Lischka laid a new motion, revised Ordinance, and an enlarged map around the Dias for better clarification for Council. Lischka stated TxDOT representative Mark Shafer was present to answer any questions. Lischka stated as previously discussed in work session, TxDOT performed a speed zone study in July 2013 on U.S. Highway 290 within the City Limits. Lischka explained after discussions with Staff, TxDOT proposed the following speed limits:

1. From the east City Limit line to Business U.S. 290 West, TxDOT is proposing a speed limit of 65 MPH in both directions.

Lischka explained Council approved an Ordinance on its first reading that established speed limits of 60 mph. Lischka stated after reviewing State law regarding the establishment of speed zones, the speed study performed by TxDOT does not support a speed limit of 60 mph. Lischka explained in order for the speed limit to be set at 60 mph, the 85th percentile speed must be lower than 65 mph. Lischka stated the TxDOT speed study had an 85th percentile speed of 69 mph. Lischka explained if the Council approves the ordinance with a 60 mph speed limit, then TxDOT will not replace the existing speed limit signs to reflect the new speed limit as set by the Ordinance. Lischka stated the speed studies were taken at several different locations from Mill Creek Road to the East City Limit line.

Mayor Pro Tem Nix questioned if the speed study was taken 7 days a week or 5 days a week. TxDOT representative Mark Shafer stated the speed study is conducted by looking at 125 vehicles or 2 hour time limit in the middle of the week to get a normal flow of traffic pattern. Mayor Tate questioned if they take wrecks and injuries into account when setting the speed limits. Shafer stated they look at the history of the location and accidents, but this location is not above average.

Councilmember Barnes-Tilley asked that it be explained what would happen if Council decreases speed limit further. Lischka stated lowering the speed limit too much can cause more problems because if the speed limit is set lower than average, the differential will be larger, which can lead to running into or onto other vehicles causing problems and accidents. Councilmember Goss questioned that we are setting the speed limit for those that are breaking the law. Lischka explained the higher speed limits on FM 577 are due to the fact that there are fewer areas of conflict or driveways in that area. Lischka stated these are the standard procedures for setting speed limits.

Councilmember Goss questioned if the City could change the speed limit to 60. Lischka explained TxDOT by state law cannot change the signs lower than what is shown in the speed study. Shafer stated to have legally enforceable speed limits, an Ordinance and engineer speed study must be in place; otherwise, a citizen can fight the ticket in court and will win. Citizen Kyle Kendall stated the speed isn't the problem. Kendall stated the flow of traffic and paying attention is the problem. Councilmember Williams stated the Council was basing their decision on what the citizens want.

A motion was made by Councilmember Goss and seconded by Councilmember Williams to approve Ordinance No. O-13-031 in its second reading establishing new speed limits on U.S. Highway 290 from the east City Limit line to Business U.S. 290 West.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Gloria Nix	Yes
Councilmember Andrew Ebel	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Mary E. Barnes-Tilley	Yes
Councilmember Weldon Williams	Yes

10. Discuss and Possibly Act Upon Bid No. 14-003 for the Purchase of Road Base Materials for the Street Department and Authorize the Mayor to Execute any Necessary Documentation

Mayor Tate stated Staff has requested this item be passed.

11. Discuss and Possibly Act Upon Bid No. 14-002 for Janitorial Services for Various City Facilities and Authorize the Mayor to Execute any Necessary Documentation

Public Works Director Dane Rau presented this item. Rau stated on November 19, 2013 the Purchasing Dept. opened bids for janitorial services for several city facilities. Rau explained there were 14 bids sent out with 5 completed bids received for the cleaning on 6 city facilities which include City Hall, Library, Police Station, Fire Station, Central Communications, and the Blue Bell Aquatic Center. Rau explained the low bidder was Ambassador Higher Cleaning Standards from Houston, TX at \$66,036.00. Rau stated for the past two years, Callie Korth has been our janitorial service provider and has done an excellent job. Rau explained Callie opted not to renew her contract for 2013-14, which initiated the bid process. Rau stated Staff has checked numerous references on Ambassador Higher Cleaning Standards and has been very satisfied with what Staff has heard about accountability, honesty, detailed work, professional image and improving on areas of concern throughout the contract. Rau explained overall, this contract will save the City of Brenham significant money from the previous contractor whose low bid was at \$95,935.72 in 2011. Rau stated if passed and approved by Council, this contract will become effective January 15, 2014. Rau stated Joseph with Ambassador Higher Cleaning Standards is present to answer any questions.

A motion was made by Mayor Pro Tem Nix and seconded by Councilmember Ebel to approve Bid No. 14-002 and award contract to Ambassador Higher Cleaning Standards in the amount of \$66,036.00 and authorize the Mayor to execute any necessary documentation.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Gloria Nix	Yes
Councilmember Andrew Ebel	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Mary E. Barnes-Tilley	Yes
Councilmember Weldon Williams	Yes

12. Discuss and Possibly Act Upon a Correction to Bid No. 14-001 for a 53' Aluminum Refuse Trailer and Authorize the Mayor to Execute Any Necessary Documentation

Purchasing Manager Wende Ragonis presented this item. Ragonis stated Staff presented and Council awarded Bid No. 14-001 for a Live Floor Trailer at the November 21, 2013 Council meeting; however there was an error in the awarded bid amount. Ragonis stated Purchasing Services is presenting the Bid to Council to ask that the corrected Bid amount be awarded. Ragonis explained the amount initially presented at the November 21, 2013 Council meeting was \$65,070, which is the bid amount without the shipping charge of \$350. Ragonis explained the bid document requires the vendor to ship the item to the City of Brenham FOB, so the bid amount awarded by Council must include the shipping charge. Ragonis explained the corrected amount is of \$65,420.

A motion was made by Councilmember Barnes-Tilley and seconded by Mayor Pro Tem Nix to approve a correction to Bid No. 14-001 for a 53' aluminum refuse trailer in the amount of \$65,420.00 and authorize the Mayor to execute any necessary documentation.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Gloria Nix	Yes
Councilmember Andrew Ebel	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Mary E. Barnes-Tilley	Yes
Councilmember Weldon Williams	Yes

Council adjourned into Executive Session at 1:42pm.

EXECUTIVE SESSION

13. Section 551.072 – Deliberation Regarding Real Property – Discussion Related to the Possible Acquisition of Property for the Temporary Relocation of the Nancy Carol Roberts Memorial Library

Executive Session adjourned at 2:30pm.

RE-OPEN REGULAR SESSION

14. Administrative/Elected Officials Report

Purchasing Manager Wende Ragonis reported on the following:

- The Lighted Christmas Parade and Christmas Stroll is tomorrow. The rainout line 337-7233 will have updates in the event of cancellation. The final determination on the parade will be made at 11am on Friday. There are 83 entries in the parade, which is headed by Crystal Dahlquist.
- December 23 – January 1 – the Library will be closed for inventory and in-house training.
- The Pet Parade will be held on Saturday, which is headed by Angela Hahn.
- The Ice Skating Rink will be open downtown this week Thursday, Friday and Saturday.
- Council will be riding in the Parade.

City Manager Terry Roberts reported on the following:

- Audit Committee met today at noon and will begin the audit today.
- Police Chief Phelps is out working on a murder case.

Fire Chief Ricky Boeker reported on the following:

- The Fire Department party is Saturday. Happy Hour from 6-7pm and dinner at 7pm.

The meeting was adjourned.

Milton Y. Tate, Jr.
Mayor

Jeana Bellinger, TRMC
City Secretary

Brenham City Council Minutes

A regular meeting of the Brenham City Council was held on December 19, 2013 beginning at 1:00 p.m. in the Brenham City Hall, City Council Chambers, at 200 W. Vulcan Street, Brenham, Texas.

Members present:

Mayor Milton Y. Tate, Jr.
Mayor Pro Tem Gloria Nix
Councilmember Andrew Ebel
Councilmember Danny Goss
Councilmember Keith Herring
Councilmember Mary E. Barnes-Tilley
Councilmember Weldon Williams, Jr.

Members absent:

None.

Others present:

City Manager Terry K. Roberts, Assistant City Manager Kyle Dannhaus, City Attorney Cary Bovey, Deputy City Secretary Amanda Klehm, Chief Financial Officer Carolyn Miller, Stacy Hardy, Wende Ragonis, Kristi Jackson, Cyndi Longhofer, Fire Chief Ricky Boeker, Police Chief Rex Phelps, Todd Jacobs, Amanda Carker, Development Services Director Julie Fulgham, Public Works Director Dane Rau, Leslie Kelm, Public Utilities Director Lowell Ogle, Stephen Draehn, Gary Jeter, and Grant Lischka

Citizens present:

Clint Kolby, Page Michel, Lete Phillips, Susan Cantey, Sally Sengel, Wesley Brinkmeyer, Genny McGinnis

Media Present:

Arthur Hahn and Caitlin Hahn, Brenham Banner Press; Frank Wagner, KWHI

- 1. Call Meeting to Order**
- 2. Invocation and Pledges to the US and Texas Flags – City Manager Terry Roberts**

3. Citizens Comments

Councilmember Barnes-Tilley congratulated the Brenham Cubs football team on their win and advancement to the State football game on Saturday.

CONSENT AGENDA

4. Statutory Consent Agenda

4-a. Minutes from the November 21, 2013 Workshop and Regular City Council Meetings and the December 2, 2013 Joint Meeting Between the Brenham City Council and the Washington County Commissioner’s Court

A motion was made by Councilmember Herring and seconded by Councilmember Ebel to approve the Statutory Consent Agenda Item 4-a. minutes from the November 21, 2013 workshop and regular City Council meetings and the December 2, 2013 joint meeting between the Brenham City Council and the Washington County Commissioner’s Court.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Gloria Nix	Yes
Councilmember Andrew Ebel	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Mary E. Barnes-Tilley	Yes
Councilmember Weldon Williams	Yes

REGULAR AGENDA

5. Discuss and Possibly Act Upon an Ordinance on Its First Reading Amending the FY2012-13 Adopted Budget

Chief Financial Officer Carolyn Miller presented this item. Miller laid a memo and a large print budget spreadsheet around the Dias. Miller stated the proposed Ordinance will be the second and final amendment to the FY2012-13 budget. Miller explained highlights of the amendment include the following revenue increases: General Fund revenues for insurance proceeds, Airport Grant revenues, City HOT taxes for increased collections, Donations Fund revenues for a police department donation received, and Gas and Sanitation Fund revenues. Miller stated revenues are being decreased in the Central Fleet Fund and for Collection Station fees in the Sanitation Fund. Miller stated expenditures are being increased due to unanticipated expenses from the fuel spill at the airport, several land and equipment purchases, gas purchase costs and Sanitation departmental expenses. Miller explained other budget amendment items include transfers between funds, the AMR smart meter project and year-end budget realignment (clean-up).

A motion was made by Councilmember Herring and seconded by Councilmember Ebel to approve an Ordinance on its first reading amending the FY2012-13 Budget.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Gloria Nix	Yes
Councilmember Andrew Ebel	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Mary E. Barnes-Tilley	Yes
Councilmember Weldon Williams	Yes

6. Discuss and Possibly Act Upon Renewal of the Police Protection Agreement Between the City of Brenham and the Brenham Housing Authority and Authorize the Mayor to Execute Any Necessary Documentation

Police Chief Rex Phelps presented this item. Phelps stated the BHA and the City of Brenham have an ongoing agreement regarding police services. Phelps explained the Brenham Police Department provides a liaison police officer for the routine utilization of policing in and around the public housing areas. Phelps stated this proactive approach reduces crime and helps keep the patrol and investigative divisions balanced as it relates to police response to the entire Brenham community. Phelps explained in return the BHA reimburses the city costs related to personnel. Phelps explained this agreement is annual and has no changes from the previous year.

A motion was made by Councilmember Barnes-Tilley and seconded by Mayor Pro Tem Nix to approve the renewal of a Police Protection Agreement between the City of Brenham and the Brenham Housing Authority and authorize the Mayor to execute any necessary documentation.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Gloria Nix	Yes
Councilmember Andrew Ebel	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Mary E. Barnes-Tilley	Yes
Councilmember Weldon Williams	Yes

7. Discuss and Possibly Act Upon a Request from the Animal Shelter Task Force to Determine a Location for the Future Brenham Pet Adoption and Animal Care Facility

Police Chief Rex Phelps presented this item. Phelps stated the Animal Shelter Task Force has discussed with the Mayor and Council two location sites for the Brenham Pet Adoption and Animal Care Facility. Phelps explained it is the opinion of the task force that determining the location will only benefit the fundraising efforts and help move the project forward. Phelps stated the majority of the task force and the Police Department (tasked with the oversight of animal control and shelter services) have recommended the City-owned land next to the Police Department to be the site of the new animal shelter facility.

Councilmember Barnes-Tilley questioned if the location of the animal shelter by the Police Department would prohibit future expansion of the Police Department. Phelps stated he cannot foresee needed expansion, but they have enough land to expand even with the shelter facility on the property. Phelps explained the animal shelter will be between 7600-8200 square feet with the possibility of animal shelter expansion of 1000-1500 square feet.

Councilmember Herring questioned the projected life span of the animal shelter. Phelps stated he was not sure, but he would predict approximately 30 years because he cannot see it needing to be expanded further than that. Assistant City Manager Kyle Dannhaus stated 25-30 years is a close approximation.

A motion was made by Councilmember Ebel and seconded by Councilmember Williams to approve a request from the Animal Shelter Task Force to designate City owned land adjacent to the south side of the Police Department, located in the 1800 block of Longwood, to serve as the future site of the Brenham Pet Adoption and Animal Care Center.

Citizen Susan Cantey read a letter to Council expressing her concerns about the animal shelter being placed by the Police Department instead of at the donated land at Washington County Animal Friends. Cantey stated she emailed Councilmembers at the first of December. Cantey stated citizens enjoy the rural setting, which the donated land from Animal Friends provides unlike the Police Department location. Cantey believes the five donated acres location would bring a country feel to the location. Cantey stated what is good for people is good for pets.

Citizen Sally Blakey-Sengle stated most feel that the Police Department location is the best choice for the animal shelter. Blakey-Sengle stated it is a business and this is a business decision. Blakey-Sengle explained the purpose of the animal shelter is to take in dogs, get them ready, and send them out. Blakey-Sengle stated the location on Highway 290 is to attract Houston and Austin traffic. Blakey-Sengle believes and hopes the animal shelter will be a household name in Harris County and the animal shelter will be known for its adoption center. Blakey-Sengle stated the property in the County is lacking infrastructure, which would cost approximately \$100,000 to develop. Blakey-Sengle stated that \$100,000 could be used to build a sound proof wall at the Police Department location, if necessary. Blakey-Sengle stated the location by the Police Department is convenient for the Police. Blakey-Sengle explained the animal shelter would be dependent on a non-profit and the City of Brenham could be liable if something happens to the Washington County Animal Friends.

Councilmember Barnes-Tilley stated she appreciates the donation and feedback, but she agrees with Citizen Blakey-Sengle that it is an in and out service, not a place to enjoy for pets. Councilmember Barnes-Tilley questioned if there would be a noise issue in the industrial park. Phelps stated manufacturing is noisy; however, he has spoken with several businesses and alleviated most of their concerns. Phelps stated if the wall is extended, you won't be able to see the animals and should help with the noise.

Mayor Pro Tem Nix questioned if the donor has been consulted on their preference on the location of the animal shelter. Phelps stated the donor just wants the animal shelter to be successful.

Councilmember Herring stated he appreciates the offer of the Animal Friends; however, he is not comfortable putting a building in a flood area. Councilmember Barnes-Tilley stated if the donor has a preference on location, then Council should consider their wishes. City Manager Terry Roberts stated the Animal Shelter Task Force wants to nail down the location so they can begin fundraising.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Gloria Nix	Yes
Councilmember Andrew Ebel	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Mary E. Barnes-Tilley	Yes
Councilmember Weldon Williams	Yes

8. Discuss and Possibly Act Upon Bid No. 14-003 for the Purchase of Road Base Materials for the Street Department and Authorize the Mayor to Execute Any Necessary Documentation

Public Works Director Dane Rau presented this item. Rau stated on November 26, 2013 the Purchasing Department opened bids regarding the annual contract for supplying road base material to the City of Brenham. Rau stated there were 17 bids sent out with 5 bids being received. Rau stated that they received 5 competitive bids with the lowest bid submitted by Bernardo Trucking in the amount of \$22.00/ton, which includes delivery to site. Rau explained this price is slightly higher than the 2012-13 contract of \$21.00/ton, but increases have been seen across the board mainly in trucking costs.

A motion was made by Mayor Pro Tem Nix and seconded by Councilmember Barnes-Tilley to approve Bid No. 14-003 and award annual contract to Bernardo Trucking for road base material in the amount of \$22.00/ton for the Street Department and authorize the Mayor to execute any necessary documentation.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Gloria Nix	Yes
Councilmember Andrew Ebel	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Mary E. Barnes-Tilley	Yes
Councilmember Weldon Williams	Yes

9. Discuss and Possibly Act Upon Resolution No. R-13-021 Authorizing the Submission of a Grant Application to the Brazos Valley Council of Governments Under the Solid Waste Grant Program for the Purchase of Fifty 60-Gallon Standalone Recycling Containers and Authorize the Mayor to Execute Any Necessary Documentation

Public Works Director Dane Rau presented this item. Rau stated each year the Brazos Valley Council of Governments Solid Waste Committee provides an opportunity for municipalities, counties, schools, and organizations to apply for grant funds issued by the State of Texas. Rau explained this year the City of Brenham will be applying for a grant for the purchase of (50)-60 gallon standalone recycling containers. Rau stated if the grant is received the City will use the (50)-60 gallon standalone recycling containers in our local attractions such as the Blue Bell Aquatic Center, Hohlt Park, Fireman's Park, Henderson Park, and Jackson St. Park along with other sites that currently do not offer the option to recycle. Rau explained Staff will concentrate on recycling plastic bottles in these venues by utilizing the standalone containers. Rau stated the grant requested will be in the amount of \$6,460.97.

Rau explained grant applications are due on December 20, 2013 with grant scoring taking place in January of 2014. Rau stated the City of Brenham has applied for these grants in the past and most recently in 2011 the City of Brenham received \$7,435.21 for the purchase of (500) 18 gallon recycling bins and (25) 60 gallon standalone bins. Rau explained Bobby Branham will present in January since Rau completed the application.

Councilmember Herring questioned if the grant was only for recycling bins. Rau explained it is only for recycling bins.

Councilmember Barnes-Tilley questioned how many recycling bins would the City need to put one next to every trash can in the parks. Rau explained the City would probably need another fifty containers. Mayor Tate questioned the price per container. Rau stated the containers are approximately \$115.00-\$117.00 each.

A motion was made by Mayor Pro Tem Nix and seconded by Councilmember Ebel to approve Resolution No. R-13-021 authorizing the submission of a Grant Application to the Brazos Valley Council of Governments under the Solid Waste Grant Program for the purchase of fifty 60-gallon standalone recycling containers and authorize the Mayor to execute any necessary documentation.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Gloria Nix	Yes
Councilmember Andrew Ebel	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Mary E. Barnes-Tilley	Yes
Councilmember Weldon Williams	Yes

10. Discuss and Possibly Act Upon Bid No 14-004 for the Purchase of Pickup Trucks for the Water Treatment, Wastewater Treatment, and Police Departments and Authorize the Mayor to Execute Any Necessary Documentation

Purchasing Manager Wende Ragonis presented this item. Ragonis stated Purchasing Services issued Bid No. 14-004 for Pickup Trucks. Ragonis stated five local vendors were mailed a Bid Packet, and the Request for Bid was advertised in print to ensure the opportunity for competitive bidding. Ragonis explained the lowest responsive bidder was Caldwell Country. Ragonis stated Purchasing Services worked with each department requesting the pickup trucks and the Fleet Maintenance department to determine the specifications for each department.

The departments receiving the pickup trucks are:

Water Treatment – quantity one ½ Ton Extended Cab Pick-up, Short Bed, 6 or 8 Cylinders, Gasoline Engine. Staff has selected the V8 as it has minimal impact to gasoline mileage and a better resale value in the long term.

Wastewater Treatment – quantity one ¾ Ton Regular Cab Pickup, Long Bed, 8 Cylinders, Gasoline Engine.

Police (Admin Vehicles) – quantity two ½ ton Crew Cab Pickup, Short Bed, 8 Cylinders, Gasoline Engine.

Ragonis stated these pickup trucks are replacing existing trucks which have reached their useful life. Ragonis explained this purchase was approved in the FY 2013-14 budget and is a planned expenditure.

Councilmember Herring questioned if the truck prices are within budget. Ragonis stated the trucks are a little under budget.

A motion was made by Councilmember Herring and seconded by Councilmember Barnes-Tilley to award Bid No. 14-004 for the purchase of pickup trucks to Caldwell Country in the amount of \$20,545.00 for the Water Treatment Department, \$19,376.00 for the Wastewater Treatment Department, and \$47,150.00 for the Police Department and authorize the Mayor to execute any necessary documentation.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Gloria Nix	Yes
Councilmember Andrew Ebel	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Mary E. Barnes-Tilley	Yes
Councilmember Weldon Williams	Yes

11. Administrative/Elected Officials Report

City Manager Terry Roberts reported on the following:

- Merry Christmas and Happy New Year.
- EDF projects will be coming in January and February.
- Boettcher was notified of Council's decision regarding Library relocation. A report will be coming in January and February.
- Cookies and refreshments for December birthdays will be provided after the meeting.
- The media covered the Kruse Park donation acceptance. The development agreement and signed documents. The City now owns 106.697 acres of Park Land.
- Please keep Burleson County Deputy's family in prayers.
- Council meetings in January are scheduled for January 9th and January 23rd.

Purchasing Manager Wende Ragonis reported on the following:

- Thanked everyone who braved the cold weather and showed support for the Lighted Christmas Parade and Christmas Stroll. There were over 40 floats and it lasted 45 minutes.
- The ice skating rink had approximately 300 skaters.
- The Blue Bell Aquatic Center will be closed to the public on December 24th and 25th as well as January 1st.
- The Library will be closed December 23rd to January 1st for inventory and circulation upgrades.

The meeting was adjourned.

Milton Y. Tate, Jr.
Mayor

Jeana Bellinger, TRMC
City Secretary

ORDINANCE NO. O-14-001

AN ORDINANCE OF THE CITY OF BRENHAM, TEXAS AMENDING THE FY2012-13 ADOPTED BUDGET; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Brenham, Texas has previously approved a budget for the fiscal year ending September 30, 2013, after having filed the same with the City Secretary and after holding public hearings on same, all after due notice as required by statute; and

WHEREAS, due to unforeseen circumstances and/or conditions, the City Council finds it is necessary to amend the FY2012-13 Budget for municipal purposes;

NOW THEREFORE, BE IT ORDAINED by the City Council of the City of Brenham, Texas:

SECTION 1.

That the City Council of the City of Brenham, Texas, does hereby amend the budget for the City of Brenham, Texas for the fiscal year ending September 30, 2013, as shown on Exhibit A.

SECTION II.

This Ordinance shall take effect as provided by State Law and the Charter of the City of Brenham, Texas.

PASSED and APPROVED on its first reading this the ____ day of _____, 2013.

PASSED and APPROVED on its second reading this the ____ day of _____, 2014.

Milton Y. Tate, Jr.
Mayor

ATTEST:

Jeana Bellinger, TRMC
City Secretary

CITY OF BRENHAM
EXHIBIT A
AMENDMENT NUMBER 2
FISCAL YEAR 09-30-13

	General Fund	Airport Capital Improvement	Hwy 290 Fund	Streets & Drainage Fund	Parks Capital Improv Fund	Hotel Occupancy Tax Fund	Equipment Fund	Central Fleet Fund	Donations	Electric Fund	Gas Fund	Water Fund	Sanitation Fund	Wastewater Fund	Utility Capital Improvements	TOTAL
REVENUES (INC) DEC																
Insurance Proceeds for Airport Fuel Spill	(21,709)															(21,709)
HOT Fund Revenues						(105,031)										(105,031)
Airport Hangar & Taxiway Grant Revenue		(22,826)														(22,826)
Fleet Rental Income								98,435	(25,000)							98,435
Police Department Donations											(277,922)					(277,922)
Gas Utility Revenues											(222,213)					(222,213)
Gas Cost Adjustment													(102,111)			(102,111)
Transfer Station Revenues													30,635			30,635
Collection Station Revenues				(1,886,423)												(1,886,423)
Proceeds for 2012 Certificates of Obligation																
TOTAL BUDGETED REVENUES	(21,709)	(22,826)	-	(1,886,423)	-	(105,031)	-	98,435	(25,000)	-	(500,135)	-	(71,476)	-	-	(2,534,165)
EXPENDITURES INC (DEC)																
Airport Fuel Spill Expenses	21,709															21,709
Engineering Evaluation of Saeger Street Alternates	6,180															6,180
Airport Hangar & Taxiway Project Expenses		25,362														25,362
Fleet Equipment Purchases								15,655								15,655
Henderson Park Land Purchase (Riggs St.)					13,738											13,738
Handley Street Land Purchase (JR Enterprises)			20,056													20,056
Gas Purchase Costs											385,812					385,812
Gross Revenue Tax										9,466	35,008					35,008
AMR Meter Project											50,018	700,000		350,000	(1,050,000)	59,484
Transfer Station Departmental Expenses													121,268			121,268
Collection Station Vehicle/Equipment Repairs													3,000			3,000
Recycling Center Land Purchase (Woodson Lumber)													32,000			32,000
Residential Collection Transfer Station Fees													9,000			9,000
Issuance Costs for 2012 Certificates of Obligation				51,489												51,489
TOTAL BUDGETED EXPENDITURES	27,889	25,362	20,056	51,489	13,738	-	-	15,655	-	9,466	470,838	700,000	165,268	350,000	(1,050,000)	799,761
BUDGETED TRANSFERS																
Transfer from General Fund to Donations Fund (Swirl Net Revenue)	12,250								(12,250)							-
Transfer from Streets & Drainage Fund (2011 Limited Tax Note proceeds) to Hwy 290 Fund			(20,062)	20,062												-
Reduce Transfer from General Fund to Equipment Fund	(67,863)						67,863									-
Transfer from General Fund to Parks Capital Improvements Fund	4,430				(4,430)											-
Transfer from Electric Fund to Gas Fund to maintain cash reserve balance									25,000		(25,000)					-
TOTAL BUDGETED TRANSFERS	(51,183)	-	(20,062)	20,062	(4,430)	-	67,863	-	(12,250)	25,000	(25,000)	-	-	-	-	-
CHANGE IN BUDGETED FUND BALANCE (INC) DEC	\$ (45,003)	\$ 2,536	\$ (6)	\$ (1,814,872)	\$ 9,308	\$ (105,031)	\$ 67,863	\$ 114,090	\$ (37,250)	\$ 34,466	\$ (54,297)	\$ 700,000	\$ 93,792	\$ 350,000	\$ (1,050,000)	\$ (1,734,403)



AGENDA ITEM 6

DATE OF MEETING: January 9, 2014		DATE SUBMITTED: December 27, 2013
DEPT. OF ORIGIN: Brenham EDF		SUBMITTED BY: Clint Kolby
MEETING TYPE:	CLASSIFICATION:	ORDINANCE:
<input checked="" type="checkbox"/> REGULAR	<input checked="" type="checkbox"/> PUBLIC HEARING	<input type="checkbox"/> 1 ST READING
<input type="checkbox"/> SPECIAL	<input type="checkbox"/> CONSENT	<input type="checkbox"/> 2 ND READING
<input type="checkbox"/> EXECUTIVE SESSION	<input type="checkbox"/> REGULAR	<input type="checkbox"/> RESOLUTION
	<input type="checkbox"/> WORK SESSION	
AGENDA ITEM DESCRIPTION: Public Hearing, Discussion and Receipt of Input Related to the Proposed Creation of Reinvestment Zone Number 37 Requested by PPE, LLC and GSL Constructors, Ltd. for Commercial-Industrial Tax Phase-In Incentive on a Certain Tract of Land Containing 4.929 Acres, More or Less, Being Located at 3201 South Blue Bell Road, Brenham, Texas		
SUMMARY STATEMENT: Prior to considering the creation of a Reinvestment Zone for implementing a Tax Phase-In incentive for PPE, LLC and GSL Constructors, LTD, the City Council is required to hold a Public Hearing to receive input regarding the proposal.		
STAFF ANALYSIS (For Ordinances or Regular Agenda Items):		
A. PROS:		
B. CONS:		
ALTERNATIVES (In Suggested Order of Staff Preference):		
ATTACHMENTS: None		
FUNDING SOURCE (Where Applicable):		
RECOMMENDED ACTION: Discussion Only		
APPROVALS: Terry K. Roberts		



AGENDA ITEM 7

DATE OF MEETING: January 9, 2014	DATE SUBMITTED: December 27, 2013	
DEPT. OF ORIGIN: Brenham EDF	SUBMITTED BY: Clint Kolby	
MEETING TYPE:	CLASSIFICATION:	ORDINANCE:
<input checked="" type="checkbox"/> REGULAR	<input type="checkbox"/> PUBLIC HEARING	<input checked="" type="checkbox"/> 1 ST READING
<input type="checkbox"/> SPECIAL	<input type="checkbox"/> CONSENT	<input type="checkbox"/> 2 ND READING
<input type="checkbox"/> EXECUTIVE SESSION	<input checked="" type="checkbox"/> REGULAR	<input type="checkbox"/> RESOLUTION
	<input type="checkbox"/> WORK SESSION	
AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon an Ordinance on its First Reading for the Creation of Reinvestment Zone Number 37 Requested by PPE, LLC and GSL Constructors, Ltd. for Commercial-Industrial Tax Phase-In Incentive on a Certain Tract of Land Containing 4.929 Acres, More or Less, Being Located at 3201 South Blue Bell Road, Brenham, Texas, with Boundaries Further Described in Exhibit “A” of Said Ordinance, and Designating This Property as Qualifying for Tax Phase-In		
SUMMARY STATEMENT: The EDF has been working with PPE over the past seven months in their site selection process to expand their operations where they will be manufacturing rubber products for various industries. PPE has chosen approximately 5 acres in the Brenham Business Center off of Hwy 290 and S. Blue Bell Rd. to locate this project. They have also selected GSL Welcome Group (GSL Constructors) to be the developer of this site. GSL will actually own the building and PPE will lease it from them. The use of the Tax Phase-In incentive will help PPE and GSL invest in the necessary equipment and building to help offset the initial costs of locating here. Additionally, Brenham was in strong competition with another community north of Houston and their decision to locate here is contingent upon them receiving the tax phase-in incentive. This project would also provide a substantial positive economic impact to the local Brenham economy.		
STAFF ANALYSIS (For Ordinances or Regular Agenda Items):		
A. PROS: Approve the ordinance creating Reinvestment Zone Number 37 and contribute to the future economic development of the City.		
B. CONS: If the ordinance creating Reinvestment Zone Number 37 is not approved, then PPE may decide to locate in the other community they were considering in north Houston.		
ALTERNATIVES (In Suggested Order of Staff Preference):		

ATTACHMENTS: (1) Ordinance; (2) Exhibit A - Property Survey; and (3) Tax Phase-In Application from Precision Polymer Engineering, Ltd.

FUNDING SOURCE (Where Applicable):

RECOMMENDED ACTION: Approve an Ordinance on its first reading for the creation of Reinvestment Zone Number 37 requested by PPE, LLC and GSL Constructors, Ltd. for Commercial-Industrial Tax Phase-In Incentive on a certain tract of land containing 4.929 acres, more or less, being located at 3201 South Blue Bell Road, Brenham, Texas, with boundaries further described in Exhibit "A" of said Ordinance, and designating this property as qualifying for Tax Phase-In

APPROVALS: Terry K. Roberts

ORDINANCE NO. O-14-XXXX

AN ORDINANCE DESIGNATING LOT 4, RESERVE “B” BEING A REPLAT OF A PORTION OF RESERVE “B,” BRENHAM BUSINESS CENTER, PHASE I, CONTAINING APPROXIMATELY 4.929 ACRES OF LAND OUT OF THE ISAAC LEE SURVEY, ABSTRACT NO. 77, LOCATED IN THE CITY OF BRENHAM, WASHINGTON COUNTY, TEXAS ACCORDING TO THE PLAT THEREOF RECORDED PLAT CABINET FILE NO. [REDACTED], PLAT RECORDS OF WASHINGTON COUNTY, TEXAS, BEING PART OF THE SAME PROPERTY DESCRIBED IN DEED DATED MARCH 8, 1996, EXECUTED BY ARTHUR SCHOMBURG TO BRENHAM COMMUNITY DEVELOPMENT CORPORATION, RECORDED IN VOLUME 817, PAGE 705, OFFICIAL RECORDS OF WASHINGTON COUNTY, TEXAS, BEING PART OF THE SAME PROPERTY DESCRIBED IN DEED DATED FEBRUARY 12, 1998, EXECUTED BY FRITZ W. BECKENDORF, ET AL. TO BRENHAM COMMUNITY DEVELOPMENT CORPORATION, RECORDED IN VOLUME 883, PAGE 417, OFFICIAL RECORDS OF WASHINGTON COUNTY, TEXAS, AS REINVESTMENT ZONE NUMBER THIRTY-SEVEN FOR COMMERCIAL TAX PHASE-IN INCENTIVE AS PROVIDED IN CHAPTER 312, TEXAS TAX CODE; ESTABLISHING THE NUMBER OF YEARS FOR THE ZONE, AUTHORIZING AN AGREEMENT FOR EXEMPTION FROM TAXATION THE INCREASE IN VALUE OF CERTAIN PROPERTY IN ORDER TO ENCOURAGE DEVELOPMENT AND REDEVELOPMENT AND OTHER MATTERS RELATING THERETO; AND FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, the City Council of the City of Brenham, Texas, ("City") desires to encourage supervised improvements by property owners and lessees through tax phase-in procedures within its jurisdiction by the creation of a reinvestment zone as authorized by Chapter 312, Texas Tax Code (the “Act”); and

WHEREAS, on the 9th day of January, 2014, the City Council held a public hearing to receive comments concerning the designation of proposed Reinvestment Zone Number Thirty-Seven. The notice of such hearing was published on January 2, 2014, such date being not later than the seventh day before the date of the public hearing; and

WHEREAS, the City called a public hearing and published notice of such public hearing as required by Section 312.201 of the Act; and has delivered written notice to the presiding

officer of the governing body of each taxing unit within the jurisdiction of the proposed Reinvestment Zone Number Thirty-Seven for Commercial Tax Phase-In; and

WHEREAS, at said public hearing the City presented evidence that such proposed designation would be reasonably likely to contribute to the retention or expansion of primary employment or to attract major investment in the zone that would be a benefit to the property, that the proposed improvements are feasible and practical, that said improvements would be a benefit to the land included in the zone and that would contribute to the economic development of the City; and

WHEREAS, the designation of the proposed reinvestment zone is consistent with the City's policies adopted by Council Resolution No. R-13-020 on the 5th day of December, 2013, and will benefit the land included within the Reinvestment Zone after the expiration of the Agreement; and

WHEREAS, the City at such public hearing invited any interested person or his attorney to appear and contend for or against the creation of the reinvestment zone, the boundaries of the proposed reinvestment zone, whether all or part of the territory which is referred to as City of Brenham Reinvestment Zone Number Thirty-Seven for Commercial Tax Phase-In, should be included in such proposed reinvestment zone, and obtain tax phase-in; and

WHEREAS, at such hearing recommendations were given as to the number of years the reinvestment zone would be designated, the number of years in which an agreement would be available, as well as the percentage of potential tax exemption under the aforesaid tax phase-in guidelines and criteria to be applied to taxable real property which is redeveloped;

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

Section 1. That the facts and recitations contained in the preamble of this Ordinance are hereby found and declared to be true and correct and are incorporated herein for all purposes.

Section 2. That the City, after conducting such hearing and having further studied recommendations, as well as the evidence presented at the public hearing, has made the following findings based on the evidence and testimony presented to it:

- a) That the public hearing on the adoption of the reinvestment zone under the provisions of the Act has been properly called, held and conducted and that notice of such hearing has been published as required by law and has been sent to the respective taxing units within the proposed reinvestment zone; and
- b) That the City has jurisdiction to hold and conduct said public hearing on the creation of the proposed reinvestment zone pursuant to the Act; and

- c) That creation of the proposed reinvestment zone with boundaries described herein will result in improvements made after the passage of this Ordinance and the execution of tax phase-in agreements, that are feasible and practical and will benefit the City, its residents and property owners in the reinvestment zone; and
- d) That the proposed designation will be reasonably likely to contribute to the retention or expansion of primary employment or to attract major investments to the zone that would be a benefit to the property and contribute to economic development of the City.

Section 3. That the City hereby creates Reinvestment Zone Number Thirty-Seven, designated as Lot 4, Reserve “B,” being a Replat of a Portion of Reserve “B,” Brenham Business Center, Phase I, containing approximately 4.929 acres of land out of the Isaac Lee Survey, Abstract No. 77, located in the City of Brenham, Washington County, Texas, according to the plat thereof recorded Plat Cabinet File No. [REDACTED], Plat Records of Washington County, Texas, being part of the same property described in deed dated March 8, 1996, executed by Arthur Schomburg to Brenham Community Development Corporation, recorded in Volume 817, Page 705, Official Records of Washington County, Texas, being part of the same property described in deed dated February 12, 1998, executed by Fritz W. Beckendorf, et al. to Brenham Community Development Corporation, recorded in Volume 883, Page 417, Official Records of Washington County, Texas, said property being located at 3201 South Blue Bell Road, Brenham, Texas, said property being more fully described in Exhibit “A” attached hereto and incorporated herein for all purposes, and such reinvestment zone shall hereafter be identified as Reinvestment Zone Number Thirty-Seven for Commercial Tax Phase-In, City of Brenham, Texas.

Section 4. That the designation of Reinvestment Zone Number Thirty-Seven for Commercial Tax Phase-In, shall expire five (5) years from the date of this Ordinance, unless renewed as provided by the Act, or at an earlier time designated by subsequent ordinance.

Section 5. That written agreements as provided in the Act with owners of eligible property located within the reinvestment zone shall be for a period of up to ten (10) years, and that the eligible property that is subject to the above mentioned exemption from taxation shall be the improvements to the property in conformity with the City's criteria and guidelines, and written agreements shall provide for an exemption from taxation of the total increase in value of the eligible property over its value in the year the agreement is executed. The written agreement will require that all taxes be current at the time of execution of agreement and be kept current to all taxing entities during the term of said agreement.

Section 6. That said designation of Reinvestment Zone Number Thirty-Seven for Commercial Tax Phase-In and the written agreement thereof are in accordance

with the City of Brenham Policy Statement on Property Tax Phase-In Incentive for Selected Commercial Enterprises and will be a benefit to the land which will be included within the Reinvestment Zone and to the City of Brenham after the expiration of the agreement.

Section 7. That if any provision of this Ordinance shall be held to be invalid or unconstitutional, the remainder of such ordinance shall continue in full force and effect the same as if such invalid or unconstitutional provision had never been a part of it.

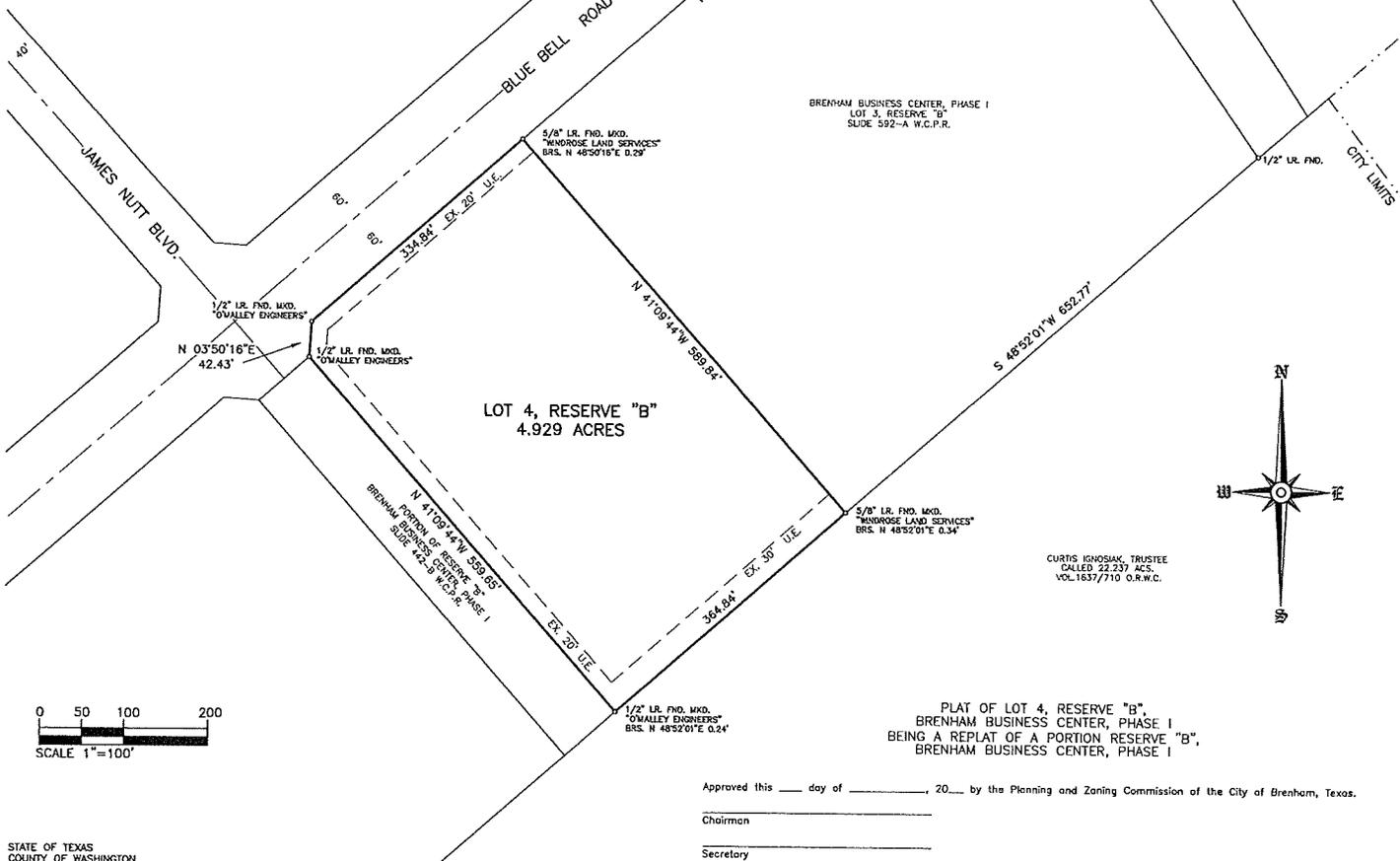
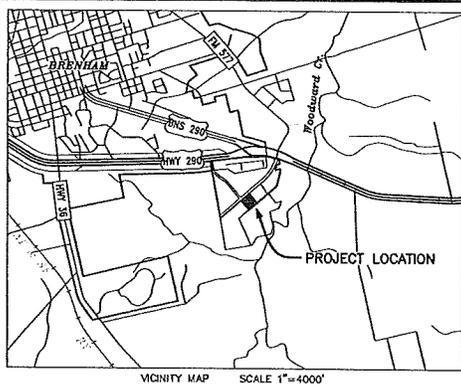
Section 8. That it is hereby officially found and determined that the meeting at which this Ordinance is passed is open to the public as required by law and that public notice of the time, place and purpose of said meeting was given as required.

Milton Y. Tate, Jr.
Mayor

ATTEST:

Jeana Bellinger, TRMC
City Secretary

**CITY OF BRENHAM
WASHINGTON COUNTY, TEXAS**



LOT 4, RESERVE "B"
4.929 ACRES

PLAT OF LOT 4, RESERVE "B",
BRENHAM BUSINESS CENTER, PHASE I
BEING A REPLAT OF A PORTION OF RESERVE "B",
BRENHAM BUSINESS CENTER, PHASE I

Approved this ____ day of _____, 20____ by the Planning and Zoning Commission of the City of Brenham, Texas.

Chairman _____

Secretary _____

I, _____, County Clerk in and for Washington County, hereby certify that the foregoing instrument with its certificate of authentication was filed in my office the ____ day of _____, AD, 20____, at ____ o'clock ____ m., in the Texas.

By: _____, Deputy
Washington County, Texas

General Notes:

1. Bearings are based on bearings of record as recorded in Plat Slide 403-A, of the Washington County Plat Records.
2. The surveyor has not abstracted the property. This survey was performed without the benefit of a current abstract of property or title report and would be subject to any conditions, restrictions or exceptions that a current title opinion might disclose.
3. This survey is valid only if it bears the original seal and signature of the surveyor.
4. The subject property lies within the "Zone X" area determined to be outside the 0.2% annual chance floodplain, according to the Flood Insurance Rate Maps of Washington County, Texas Map No. 48477C0315C, effective August 16, 2011.

STATE OF TEXAS
COUNTY OF WASHINGTON

The Brenham Community Development Corporation, owners of the property subdivided in the foregoing replat of a portion of Reserve "B" of Brenham Business Center, Phase I, platted herein as Lot 4, Reserve B of Brenham Business Center, Phase I to the City of Brenham, Texas, do hereby make subdivision of said property according to the lines, streets, lots, alleys, building lines, and easements thereon shown and designate said subdivision as Lot 4, Reserve B of Brenham Business Center, Phase I to the City of Brenham, Texas, located in Brenham, Washington County, Texas, and we do hereby dedicate to public use, as such the streets, alleys, and easements shown thereon forever, and do hereby waive any claims for damages occasioned by the establishing of grades as approved for the streets and alleys dedicated or occasioned by the alteration of the surface of any portion of streets and alleys to conform to such grades, and do hereby bind ourselves, our heirs, executors, and administrators to warrant and forever defend the title to the land so dedicated.

There is also dedicated for utilities an unobstructed aerial easement five (5) feet wide from a plane twenty (20) feet above the ground upward, located adjacent to all easements shown hereon. Five foot (5') aerial easement being adjacent to streets, boulevards, and reserve boundary lines. We hereby covenant and agree that the area within the boundaries of this subdivision is for business purposes unless otherwise noted.

Witness my hand at Brenham, Washington County, Texas on this the ____ day of _____, 20____.

Terry Roberts, Chairman of the
Brenham Community Development Corporation

Attest: Secretary of the
Brenham Community Development Corporation

STATE OF TEXAS
COUNTY OF WASHINGTON

Before me the undersigned authority, on this day personally appeared Terry Roberts, Chairman of the Brenham Community Development Corporation, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purpose and consideration therein expressed.

Given under my hand and seal of office this ____ day of _____, 20____.

Notary Public in and for the State of Texas

STATE OF TEXAS
COUNTY OF WASHINGTON

I, Robert C. Schmidt, R.P.L.S., do hereby certify that this survey was performed on the ground under my supervision and completed December 12, 2013. It is my professional opinion that this map represents the facts as found.

Robert C. Schmidt
Robert C. Schmidt, RPLS
Texas Registered Professional Land
Surveyor No. 4705



BRENHAM BUSINESS CENTER, PHASE I
PLAT OF LOT 4, RESERVE "B"
BEING A REPLAT OF A PORTION OF RESERVE "B"
4.929 ACRES
OUT OF THE ISAAC LEE SURVEY, A-77
CITY OF BRENHAM,
WASHINGTON COUNTY, TEXAS

O'MALLEY ENGINEERS

203 S. JACKSON ST. BRENHAM, TEXAS
(979) 836-7937 FAX (979) 836-7938
JOB NO. 608.14 LC DWG. NO. 8DRYADJ-RES-8.DWG



MEMO

To: Mayor Tate and City Council
From: Brenham Economic Development Foundation
Date: December 27, 2013
Re: PPE and GSL Constructors Tax Phase-In Application

The Brenham Economic Development Foundation (EDF) respectfully requests your consideration of an application for Tax Phase-In from Precision Polymer Engineering (PPE) and GSL Constructors.

The EDF has been working with PPE over the past seven months in their site selection process to expand their operations where they will be manufacturing rubber products for various industries. PPE has chosen approximately 5 acres in the Brenham Business Center off of Hwy 290 and S. Blue Bell Rd. to locate this project. They have also selected GSL Welcome Group (GSL Constructors) to be the developer of this site. GSL will actually own the building and PPE will lease it from them. The use of the Tax Phase-In incentive will help PPE and GSL invest in the necessary equipment and building to help offset the initial costs of locating here. Additionally, Brenham was in strong competition with another community north of Houston and their decision to locate here is contingent upon them receiving the tax phase-in incentive. This project would also provide a substantial positive economic impact to the local Brenham economy.

JOB CREATION: PPE will create 22 jobs during the first year of operations and they plan on creating a **total of 60 jobs** after 5 years. The 22 new jobs that will be created in the first year are projected to generate \$1,017,750 in additional payroll, which equates to \$46,261 as the average salary.

CAPITAL INVESTMENT: PPE will be investing \$3.7 million in capital for machinery and equipment in the first year and a total of \$8.3 million in capital improvements after five years. GSL Constructors have plans to invest \$3.3 million to construct a 30,000 sq/ft industrial building. The **total capital investment for this project will be \$11.6 million** after 5 years.

NEW TAXES PAID: If located in Brenham, PPE and GSL Constructors will pay a **total of \$87,137 in new taxes in its first year** of operation (\$3,773 in city taxes). The company will receive an abatement of \$61,856 in year-one (\$33,961 from city taxes). At the end of its tax phase-in period, PPE and GSL Constructors will have paid a **total of \$1,143,685 in new taxes** (\$102,389 in city taxes), and will have received a total abatement of \$635,175 (\$348,734 from city taxes). At no point in the tax phase-in process does any company receive abatements on taxes for Blinn College or Brenham ISD.

Attached you will find:

- A) Tax Phase-In application
- B) Brief company history
- C) Economic Impact Analysis
- D) Property survey
- E) Tax Phase-In schedules
- F) Tax Phase-In calculation

As you review the attached documents, if you have any questions, please contact Clint Kolby at the Brenham Economic Development Foundation office at (979)836-8927 or clint@brenhamtexas.com.

TAX PHASE-IN APPLICATION

This application must be filed in conformance with the City of Brenham/Washington County Guidelines and Criteria for Tax Phase-In. The application must be filed prior to the beginning of construction or installation of equipment. Approval of this application is discretionary with the City Council and/or Commissioner's Court. All applications submitted to the City of Brenham must be received 20 days before the publication deadline.

APPLICANT INFORMATION

Company Name	<u>PPE, LLC</u>	
Address of HQ	<u>c/o Precision Polymer Engineering, Ltd.</u>	Annual Sales <u>\$54m (2013)</u>
	<u>Greenbank Rd., Blackburn, England BB1 3EA</u>	Years in Business <u>38 (1975)</u>
Company President	<u>E C P Gillyon</u>	Total Employees <u>276</u>
Authorized Signature		Brenham Address:
Title	<u>Managing Director</u>	<u>3201 S. Blue Bell Rd.</u>
Date	<u>December 23, 2013</u>	<u>Brenham, TX 77833</u>
Contact Person	<u>Stewart Porter -- Operations Director</u>	Telephone <u>0044-1254-295408</u>

Attach a description of the Company including a brief history, corporate structure and business plan and annual statement, if available.

PROJECT INFORMATION

Type of Targeted Enterprise:

Agriculture/ Aquaculture Facility; Manufacturing/Assembly; Distribution; Research

Products and services to be provided: High performance rubber O-rings, technical mouldings and sealing solutions

SITE INFORMATION

Address 3201 S. Blue Bell Rd., Brenham, TX 77833

Legal Description Approximately 4.929 acres, on Lot 4 of Reserve B, Brenham Business Center, Phase I

Attach map showing project location.

New Facilities Expansion of Existing Facilities Modernization/Remodel

ECONOMIC INFORMATION

Construction Estimates

Start Date Feb. 2014 Contract Amount \$3.317 million
 Completion Date Aug. 2014 # Construction Jobs 95

Estimated Appraised Values	Land	Building/Equipment	Personal Property
Value before Tax Phase-In begins	<u>\$76,260</u>	<u>\$7.02 million*</u>	<u>\$190,000</u>
Value after Tax Phase-In expires	<u>\$76,260</u>	<u>\$11.62 million*</u>	<u>\$320,000</u>

*Includes capital investment figures from GSL Constructors to build the manufacturing facility.

PERMANENT EMPLOYMENT INFORMATION

Will this project create or retain a minimum of 10 jobs at an average base salary of \$33,000/year, or higher, including benefits throughout the tax phase-in process? (yes/no) Yes

Estimated number of jobs to be created	Total	Washington County Residents	Out of County Residents
After first year	22	--	--
End of tax phase-in	60	--	--

Estimated number of jobs to be retained	Total	Washington County Residents	Out of County Residents
After first year	N/A	--	--
End of tax phase-in	N/A	--	--

CHECK LIST FOR APPLICATION FOR TAX PHASE-IN

All applicants for tax incentives should provide the following:

	ATTACHED	NOT APPLICABLE
(a) A description of waste and by-products, including any air or water pollution generated by the business.	<u> X </u>	<u> </u>
(b) A drawing showing location of the property, all roadways within 500 feet, current land uses and zoning within 500 feet and a complete metes and bounds description if the property is not platted.	<u> X </u>	<u> </u>
(c) Itemized estimated cost of the real property and improvements proposed.	<u> X </u>	<u> </u>
(d) A description of financing methods and projected time when costs or obligations are to be incurred.	<u> X </u>	<u> </u>
(e) The amount and duration of any tax phase-in requested.	<u> X </u>	<u> </u>
(f) Any other incentives requested.	<u> X </u>	<u> </u>
(g) A description of reason for requesting incentives.	<u> X </u>	<u> </u>
(h) Impact on the project scope and/or location of the project if incentives are not granted.	<u> X </u>	<u> </u>
(i) Description of tax phase-in requested or to be requested from other applicable taxing entities.	<u> X </u>	<u> </u>
(j) Details of job types and number employed in each.	<u> X </u>	<u> </u>
(k) Wages and benefits per job type.	<u> X </u>	<u> </u>
(l) Schedule of job creation/retention during the tax phase-in period.	<u> X </u>	<u> </u>
(m) Estimated number and type of employees to be hired/retained from the local labor force.	<u> X </u>	<u> </u>
(n) Estimated number and type of employees that will be relocated into the local area.	<u> X </u>	<u> </u>
(o) Projected total payroll.	<u> X </u>	<u> </u>
(p) Projected utility volume: electricity, natural gas and water.	<u> X </u>	<u> </u>
(q) Projected Annual Sales tax.	<u> X </u>	<u> </u>
(r) Projected goods and services purchased from local vendors.	<u> X </u>	<u> </u>
(s) Description of utility lines and other infrastructure requirement by the City and by the Project.	<u> X </u>	<u> </u>

ADDITIONAL PROJECT INFORMATION

- (a) PPE expects general waste, including rubber by product, to amount to approx. 1x 4yd³ dumpster per week at full capacity of the facility (2018). Expect to be at 1x 4yd³ per month initially.

Water is used as to aid a finishing process. The water is cleansed via an internal weir plant and 10yd³ would be sent to drain every 2 weeks when at full capacity (2018), expect 10yd³ per month initially. A clay by product from the cleansing weir is collected approx. twice per week at capacity and amounts to approx. 2/10ths yd³. We expect to be at 2x per month initially

Fume from our post curing ovens will be emitted into the atmosphere via extraction ducting. The fume contains small amounts of 'low molecular weight' hydrocarbons, the vast majority of which will be collected in the extraction hood systems. Small amounts of Carbon Dioxide, Water, Nitrogen and Hydrocarbons may be released into the atmosphere.

NB: The facility in the UK is much larger than the proposed Brenham facility & has a greater number of ovens than is proposed for Brenham. Precision Polymer Engineering is not required in the UK to quantify the emissions due to their low levels.

- (b) Please see attachment.

(c) Land	\$135,548.00
Building Cost	\$3,317,857.00
Equipment cost	<u>\$8,300,000.00</u>
Total	<u>\$11,753,405.00</u>

- (d) Capital equipment financing will be directly from Precision Polymer Engineering's business accounts. Costs will be incurred during Quarter's 3 & 4 in 2014
- (e) Tax phase-in is requested for eight years as presented in Table 1B and Table 2 in the tax abatement schedule.
- (f) There are no other incentives requested.
- (g) The incentive will help offset initial costs of constructing a new manufacturing facility in the Brenham Business Center.
- (h) Brenham was in competition with another community in north Houston for this project. If the incentive is not provided, the project in Brenham becomes less feasible over the other community.
- (i) Requesting tax phase-in from the City of Brenham and Washington County.
- (j) Please see attachment.
- (k) Please see attachment.
- (l) Please see attachment.
- (m) The local labor force will take priority. However, PPE expects to hire any skilled labor from within a 1-hour drive-time radius of Brenham.
- (n) No direct relocation of Precision Polymer Engineering employees is envisaged
- (o) \$1,017,750 (first year)

- (p) Electricity – 274,000 kWh per month at full capacity (2018)
Gas – N/A
Water – 5,000 gallons per month at full capacity (2018)
- (q) N/A
- (r) PPE plans to use local vendors to purchase machinery and equipment.
- (s) The City of Brenham will need to install a temporary grinder pump station at this location. This will be for the use of the builder/developer (KDW / GSL)

Precision Polymer Engineering* - Management team and brief history

Paul Gillyon – Managing Director

Paolo Benedetto – Finance Director

Stewart Porter – Operations Director

Gary Rae – Director of Human Resources - Sealing Technologies

John Kerwin – Head of Research & Development

Steve Corfield – Head of Global Sales & Marketing

***Note:** PPE, LLC is a newly organized company created to operate the new facility in Brenham. PPE, LLC is an affiliate of Precision Polymer Engineering Limited, a United Kingdom company which is the principal Unit in the IDEX Sealing Solutions Group

1975

Company founded by Peter Cummings.

1980s

- Moved to larger premises, £1m turnover, 29 employees.
- 30% export to mostly Europe, emphasis on large power generation & marine diesel sector.

1990s

OEM sales operation commenced, first manufactured Perlast material 1991.

2000

- £4m turnover, 50% export to Europe, USA and Asia.
- First prototype orders in Perlast perfluoroelastomer materials to US semiconductor sector.
- Emphasis on material approvals for a wide range of industries. Pharmaceutical grade elastomers introduced.

2001

First development of nano-filled elastomers for semiconductor and other critical-use applications.

2003

- Moved to purpose-built 3,500 sq m (37,600 sq ft) factory with class 10,000 cleanroom facility.
- Further development and introduction of nano-filled elastomers on a commercial scale worldwide.
- Complete range of pharmaceutical/bio-analytical elastomer grades with diverse approvals/conformities.

2005

- Investment in advanced press machines including a 2 metre wide press with "clean-production" capability.
- Extensive outfitting of materials laboratory for research and development as well as production support purposes.
- Opening of sales office in San Jose, California and addition of technical support in the USA.

2006

- Major investment in new presses with sophisticated process mechanisms to optimise quality and methods
- New material approvals in the defence and life science sectors
- Range of innovative, ultra-pure Perlast perfluoroelastomers introduced to the semiconductor and pharmaceutical sectors.

2007

- Expansion of sales operation in EU countries and in the USA, with increased activities across Asia including Japan.
- Endura range of materials launched in the oil and gas sector.
- Launched Detectaseal range of innovative, metal detectable, FDA-compliant material grades for the food and pharmaceutical industries.
- Continued investment in new plant and machinery to achieve increased capacity and technological advances.
- Major enhancements and development of the Materials Characterisation Centre (MCC) with leading edge equipment to progress and support customer projects.

2008

- Acquisition of Aberdeen O-Rings and Seals to expand the Company's presence in the Oil and Gas sector.
- Commencement of build programme to increase the production facility by 80% and a dedicated administration and customer training centre.
- Continued expansion of the material ranges within FKM, FFKM with leading-edge mechanical properties: additional approvals for materials in the pharmaceutical sector.
- Dedicated sales force located in Asia operating from Singapore.

2009

- Completion of expansion programme with extensive new materials laboratory, 80% increase in production floor space and opening of new administrative and customer training centre.
- Launch of further new Kimura material grades including materials beyond perfluoroelastomers.
- Established sales operation in Houston, Texas for US oil and gas sector.

2010

- Acquired by IDEX Corporation. PPE operates as a business within IDEX's Health and Science Technologies segment. Revenues 80% outside UK.
- Established sales office in Tokyo, Japan.
- Applications Engineering & Technical Support team established providing enhanced seal design and consultancy capability.

2011

- Added sales engineers in Houston, Philadelphia and Chicago. Precision Polymer Engineering LLC established in USA.
- Achieved NADCAP accreditation for elastomer seal manufacture for aerospace applications.

2012

- Launched Perlast ICE - exceptional perfluoroelastomers for extreme low temperature applications.

Economic Impact Analysis

Precision Polymer Engineering

PPE

Brenham, Texas

December 2013

Analysis conducted by LCRA Community and Economic
Development for the Brenham Economic Development
Foundation

Background

This analysis projects the economic impact of a new manufacturing facility by Precision Polymer Engineering (PPE) on the City of Brenham. PPE has provided the following business schedule to the Brenham Economic Development Foundation (BEDF):

- (1.) A new, \$3 million dollar facility for manufacturing of rubber components
- (2.) 26 jobs with average annual wages exceeding \$40,000, ramping up to 60 jobs in year 5 of operations
- (3.) \$8.3 million in equipment investment over the first five years of operations

The Brenham Economic Development Foundation requested this Economic Impact Analysis (EIA) to better understand the full impact of this expansion on the City of Brenham and Washington County residents.

Analysis

Overall Impact

Activity	Impact	Total Economic Impact					Total
		Year 1	Year 2	Year 3	Year 4	Year 5	
Land Acquisition	Direct	\$ 113,125	\$ -	\$ -	\$ -	\$ -	\$ 113,125
	Indirect and Induced	\$ 23,851	\$ -	\$ -	\$ -	\$ -	\$ 23,851
	Subtotal	\$ 136,976	\$ -	\$ -	\$ -	\$ -	\$ 136,976
Construction	Direct	\$ 2,477,216	\$ -	\$ -	\$ -	\$ -	\$ 2,477,216
	Indirect and Induced	\$ 1,109,658	\$ -	\$ -	\$ -	\$ -	\$ 1,109,658
	Subtotal	\$ 3,586,874	\$ -	\$ -	\$ -	\$ -	\$ 3,586,874
Equipment Purchases	Direct	\$718,030	\$317,253	\$234,167	\$172,840	\$170,100	\$ 1,612,390
	Indirect and Induced	\$ 243,970	\$ 108,572	\$ 82,778	\$ 63,153	\$ 64,281	\$ 562,754
	Subtotal	\$962,000	\$425,825	\$316,945	\$235,993	\$234,381	\$ 2,175,144
Operations	Direct	\$5,943,642	\$7,563,563	\$10,457,041	\$12,604,317	\$14,495,821	\$ 51,064,384
	Indirect and Induced	\$ 1,567,707	\$ 1,930,795	\$ 2,710,798	\$ 3,320,072	\$ 3,882,139	\$ 13,411,511
	Subtotal	\$7,511,349	\$9,494,358	\$13,167,839	\$15,924,389	\$18,377,960	\$ 64,475,895
Total	Direct	\$ 9,252,013	\$ 7,880,816	\$ 10,691,208	\$ 12,777,157	\$ 14,665,921	\$ 55,267,115
	Indirect and Induced	\$ 2,945,186	\$ 2,039,367	\$ 2,793,576	\$ 3,383,225	\$ 3,946,420	\$ 15,107,774
	Total	\$ 12,197,199	\$ 9,920,183	\$ 13,484,784	\$ 16,160,382	\$ 18,612,341	\$ 70,374,889

Source: IMPLAN, LCRA

Findings

1. Overall, PPE will have a \$70.4 million impact on the City of Brenham and the region over the first five years of operations.
2. In the first year, operations will pump an additional \$7.5 million into the economy. This is in addition to the one-time impact of land acquisition and construction of the facility.

- Equipment will mostly be purchased from outside locations, reducing its local impact. However, transport, installation, and servicing will have a localized impact totaling roughly \$2.18 million over the first five years.

Jobs Impact

Activity	Impact	Job Impact*				
		Year 1	Year 2	Year 3	Year 4	Year 5
Land Acquisition	Direct	1	0	0	0	0
	Indirect and Induced	0	0	0	0	0
	Subtotal	1	0	0	0	0
Construction	Direct	33	0	0	0	0
	Indirect and Induced	11	0	0	0	0
	Subtotal	44	0	0	0	0
Equipment Purchases	Direct	5	2	2	1	1
	Indirect and Induced	2	1	1	1	1
	Subtotal	7	3	2	2	2
Operations	Direct	26	31	43	52	60
	Indirect and Induced	15	18	25	30	35
	Subtotal	41	49	68	82	95

Source: IMPLAN, LCRA

*Total differences due to rounding

Findings

- Every two jobs directly created by PPE supports an additional job within the community.
- Once PPE reaches year 5 employment of 60 jobs, it will indirectly support an additional 35 jobs, supporting 95 jobs within the local community annually.

Wages and Tax Impact

		Wage & Tax Impact					
Activity	Impact	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Land Acquisition	Direct	\$ 11,617	\$ -	\$ -	\$ -	\$ -	\$ 11,617
	Indirect and Induced	\$ 7,449	\$ -	\$ -	\$ -	\$ -	\$ 7,449
	Subtotal	\$ 19,066	\$ -	\$ -	\$ -	\$ -	\$ 19,066
Construction	Direct	\$ 1,112,123	\$ -	\$ -	\$ -	\$ -	\$ 1,112,123
	Indirect and Induced	\$ 399,201	\$ -	\$ -	\$ -	\$ -	\$ 399,201
	Subtotal	\$ 1,511,324	\$ -	\$ -	\$ -	\$ -	\$ 1,511,324
Equipment Purchases	Direct	\$ 265,302	\$ 117,232	\$ 88,730	\$ 67,900	\$ 69,280	\$ 608,444
	Indirect and Induced	\$ 83,607	\$ 36,945	\$ 27,963	\$ 21,398	\$ 21,833	\$ 191,746
	Subtotal	\$ 348,909	\$ 154,177	\$ 116,693	\$ 89,298	\$ 91,113	\$ 800,190
Operations	Direct	\$ 1,222,743	\$ 1,489,746	\$ 2,085,371	\$ 2,573,088	\$ 3,029,277	\$ 10,400,225
	Indirect and Induced	\$ 518,277	\$ 631,451	\$ 883,915	\$ 1,090,641	\$ 1,284,004	\$ 4,408,288
	Subtotal	\$ 1,741,020	\$ 2,121,197	\$ 2,969,286	\$ 3,663,729	\$ 4,313,281	\$ 14,808,513
Total	Direct	\$ 2,611,785	\$ 1,606,978	\$ 2,174,101	\$ 2,640,988	\$ 3,098,557	\$ 12,132,409
	Indirect and Induced	\$ 1,008,534	\$ 668,396	\$ 911,878	\$ 1,112,039	\$ 1,305,837	\$ 5,006,684
	Total	\$ 3,620,319	\$ 2,275,374	\$ 3,085,979	\$ 3,753,027	\$ 4,404,394	\$ 17,139,093
Tax Impact	TX Sales Tax Impact	\$ 108,610	\$ 68,261	\$ 92,579	\$ 112,591	\$ 132,132	\$ 514,173
	Local Sales Tax Impact	\$ 36,203	\$ 22,754	\$ 30,860	\$ 37,530	\$ 44,044	\$ 171,391
	Total Sales Tax Impact	\$ 144,813	\$ 91,015	\$ 123,439	\$ 150,121	\$ 176,176	\$ 685,564

Source: IMPLAN, LCRA

Findings

1. Annually, operations will inject an additional \$1.7 million in wages into the economy in the first year. By year five, operations will directly and indirectly support \$4.4 million in annual wages.
2. These additional wages will translate into \$22,700 - \$44,000 in annual local sales tax revenues. It is important to note this tax impact reflects the impact of wages alone and excludes any additional revenues from company purchases and added property values.
3. Combined with startup costs, overall impact over the first five years of operations should be over \$17.1 million in wages, \$514,000 in State sales tax revenue gains and \$171,000 in local sales tax revenue gains.

Terms and Assumptions

Direct Impacts are the initial, immediate economic activities (jobs and income) generated by a project or development. Direct impacts associated with the project development coincide with its costs for goods and services purchased directly from the community and nearby area businesses.

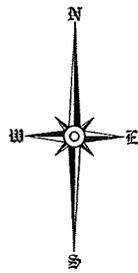
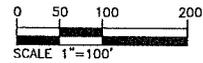
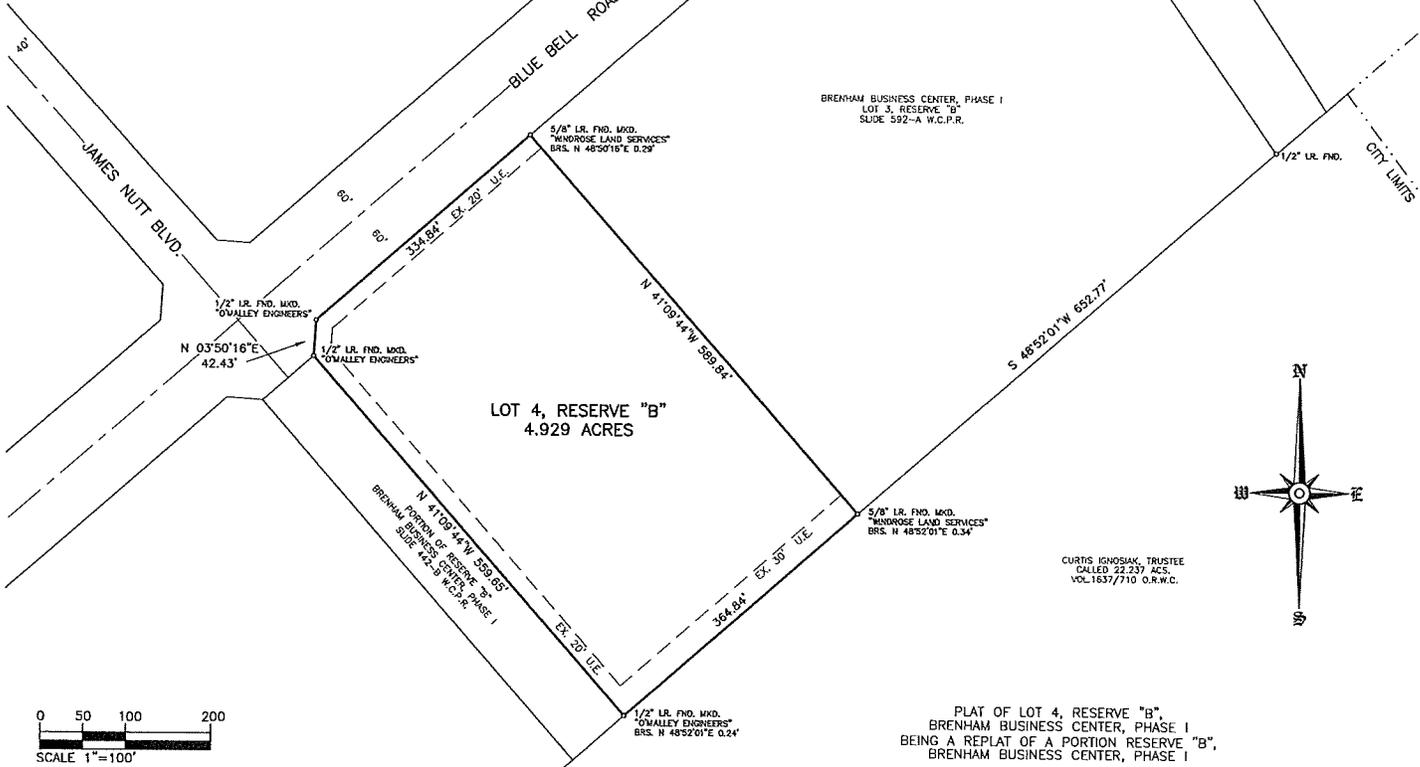
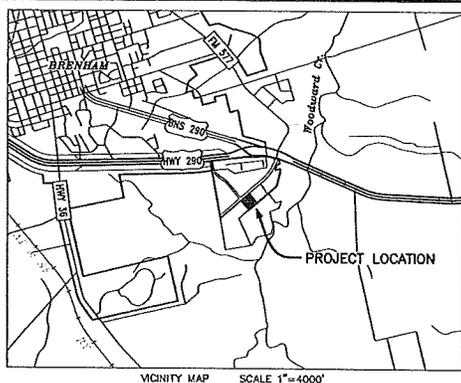
Indirect Impacts are the production, employment and income changes occurring, as a result of the project, in other businesses/industries in the community that supply inputs to the project.

Induced Impacts are the effects of spending by the households in the local economy as the result of direct and indirect effects from an economic activity (i.e. project, event, etc.). The induced effects arise when employees who are working for the project (e.g. new manufacturing plant or the local festival) spend their new income in the community.

About IMPLAN: This analysis was developed by LCRA's Community and Economic Development Department utilizing the IMPLAN econometric model developed by the University of Minnesota. IMPLAN is an input/output model used to estimate economic costs and benefits associated with private and public sector projects and public sector incentives.

The IMPLAN econometric model is used by the Federal Government, state governments (including Texas), and economic development agencies to estimate the effectiveness of investments and incentive policies. The projections derived from IMPLAN are dependent on the reliability of data and assumptions built into individual models.

**CITY OF BRENHAM
WASHINGTON COUNTY, TEXAS**



PLAT OF LOT 4, RESERVE "B",
BRENHAM BUSINESS CENTER, PHASE I
BEING A REPLAT OF A PORTION OF RESERVE "B",
BRENHAM BUSINESS CENTER, PHASE I

Approved this ____ day of _____, 20____ by the Planning and Zoning Commission of the City of Brenham, Texas.

Chairman _____
Secretary _____

I, _____, County Clerk in and for Washington County, hereby certify that the foregoing instrument with its certificate of authentication was filed in my office the ____ day of _____, AD, 20____, at ____ o'clock ____ m., in the Texas.

By: _____, Deputy
Washington County, Texas

- General Notes:
1. Bearings are based on bearings of record as recorded in Plat Slide 403-A, of the Washington County Plat Records.
 2. The surveyor has not abstracted the property. This survey was performed without the benefit of a current abstract of property or title report and would be subject to any conditions, restrictions or exceptions that a current title opinion might disclose.
 3. This survey is valid only if it bears the original seal and signature of the surveyor.
 4. The subject property lies within the "Zone X" area determined to be outside the 0.2% annual chance floodplain, according to the Flood Insurance Rate Maps of Washington County, Texas Map No. 48477C0315C, effective August 16, 2011.

STATE OF TEXAS
COUNTY OF WASHINGTON

The Brenham Community Development Corporation, owners of the property subdivided in the foregoing replat of a portion of Reserve "B" of Brenham Business Center, Phase I, platted herein as Lot 4, Reserve B of Brenham Business Center, Phase I to the City of Brenham, Texas, do hereby make subdivision of said property according to the lines, streets, lots, alleys, building lines, and easements thereon shown and designate said subdivision as Lot 4, Reserve B of Brenham Business Center, Phase I to the City of Brenham, Texas, located in Brenham, Washington County, Texas, and we do hereby dedicate to public use, as such the streets, alleys, and easements shown thereon forever, and do hereby waive any claims for damages occasioned by the establishing of grades as approved for the streets and alleys dedicated or occasioned by the alteration of any portion of streets and alleys to conform to such grades, and do hereby bind ourselves, our heirs, executors, and administrators to warrant and forever defend the title to the land so dedicated.

There is also dedicated for utilities an unobstructed aerial easement five (5) feet wide from a plane twenty (20) feet above the ground upward, located adjacent to all easements shown hereon. Five foot (5') aerial easement being adjacent to streets, boulevards, and reserve boundary lines. We hereby covenant and agree that the area within the boundaries of this subdivision is for business purposes unless otherwise noted.

Witness my hand at Brenham, Washington County, Texas on this the ____ day of _____, 20____.

Terry Roberts, Chairman of the
Brenham Community Development Corporation

Attest: Secretary of the
Brenham Community Development Corporation

STATE OF TEXAS
COUNTY OF WASHINGTON

Before me the undersigned authority, on this day personally appeared Terry Roberts, Chairman of the Brenham Community Development Corporation, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purpose and consideration therein expressed.

Given under my hand and seal of office this ____ day of _____, 20____.

Notary Public in and for the State of Texas

STATE OF TEXAS
COUNTY OF WASHINGTON

I, Robert C. Schmidt, R.P.L.S., do hereby certify, that this survey was performed on the ground under my supervision and completed December 12, 2013. It is my professional opinion that this map represents the facts as found.

Robert C. Schmidt
Robert C. Schmidt, RPLS
Texas Registered Professional Land
Surveyor No. 4705



**BRENHAM BUSINESS CENTER, PHASE I
PLAT OF LOT 4, RESERVE "B"
BEING A REPLAT OF A PORTION OF RESERVE "B"
4.929 ACRES
OUT OF THE ISAAC LEE SURVEY, A-77
CITY OF BRENHAM,
WASHINGTON COUNTY, TEXAS**

**O'MALLEY
ENGINEERS**
203 S. JACKSON ST. BRENHAM, TEXAS
(979) 836-7937 FAX (979) 836-7938
JOB NO. 608.14 LC DWG. NO. 8DRYADJ-RES-8.DWG

Weighted Average Annual Salary for First Year

year	jobs created
1	22
2	7
3	12
4	10
5	9
6	0
7	0
8	0
total	60

job position	annual salary (incl' bonus)	number of employees	total annual salary
Houston site leader	\$192,000	1	\$192,000
Business cell leader	\$60,500	1	\$60,500
moulding/extrusion/mill operator	\$31,000	9	\$279,000
inspection/finishing/bagging operator	\$31,000	6	\$186,000
toolroom/maintenance	\$53,750	1	\$53,750
planning/purchasing/GI/despatch	\$53,750	1	\$53,750
quality/process technician	\$90,750	1	\$90,750
customer service assistant		0	\$0
accounts & admin support	\$34,400	1	\$34,400
business systems support specialist	\$67,600	1	\$67,600
		22	\$1,017,750

weighted average annual salary

\$46,261

Overview of the Tax Phase-In Incentive

Based on Policies in the City of Brenham and Washington County, Texas

Definition:

- Tax Phase-In means the partial, temporary exemption from property taxes, with the purpose of stimulating economic development.
- Only ad valorem property taxes are eligible, and only on certain qualifying property. Brenham Independent School District and Blinn College taxes are to be paid in full at all times.

Guidelines and Criteria:

- In order to be eligible for tax phase-in, the planned improvement must be an authorized facility, such as a(n):
 - *Agriculture/Aquaculture Facility
 - *Distribution Center
 - *Manufacturing Facility
 - *Research Facility
 - *Other Basic Industry [as defined in Glossary-Section XII (o)]
- The project must add new value to the tax roll of eligible property.
- Within the first year and throughout the phase-in period, the applicant must maintain or create a minimum of ten (10) jobs at an average base salary of \$33,000/year, or higher, including any benefits.
- **PLEASE NOTE:** A facility is eligible for tax phase-in if it has applied for the incentive before construction begins, and it meets the complete guidelines and criteria under the Tax Phase-In Policy.
- Tax Phase-In may be granted for new or existing facilities.
- Eligible property for tax phase-in may include the value of buildings, structure, fixed machinery and equipment.

- Property that is not eligible for the tax phase-in incentives include:
 - *land
 - *animals
 - *inventories
 - *supplies
 - *tools
 - *furnishings and other forms of moveable personal property
 - *vehicles
 - *vessels
 - *aircraft
 - *housing or residential property (except for property owners in a Downtown Zone)
 - *hotels/motels
 - *fauna
 - *flora
 - *retail facilities (except for property owners in a Downtown Zone)
 - *deferred maintenance investments
 - *improvements by the generation or transmission of electrical energy not wholly consumer by a new facility or expansion
 - *any improvements including those to produce, store or distribute natural gas or fluids that are integral to the operation of the facility
 - *property owned or used by the State of Texas or its political subdivisions or by any organization owned, operated or directed by a political subdivision of the State of Texas.

Application:

- Any present or potential owner of taxable property in the City of Brenham and/or Washington County may request the creation of a Reinvestment Zone and Tax Phase-In Incentive by filing a written request with the Brenham City Manager and/or Washington County Judge.
- After the receipt of the application, the county will make a decision within 90 days. The decision-making process may involve an economic impact study, plus city council and county commissioner's court meetings.
- If accepted, the business receiving tax phase-in will be required to provide a sworn statement and documents, verifying compliance each year. Failure to provide the required documents shall result in termination of the Tax Phase-In agreement.

For further details and confidential assistance, contact:

ECONOMIC DEVELOPMENT FOUNDATION OF BRENHAM
 314 SOUTH AUSTIN STREET • BRENHAM, TEXAS 77833
 PHONE: [979] 836 8927 FAX: [979] 836 3563
 EMAIL: EDF@BRENHAMTEXAS.COM

EXHIBIT "A"
TAX PHASE-IN INCENTIVE SCHEDULES

Applicants may receive property Tax Phase-In incentive according to the schedules in Tables 1 and 2, depending on their combination of property value creation and job creation/retention.

TABLE 1 (earns 50% of incentive)

1A - Property Improvements by an Existing Local Business

Level	Amount of Valuation of Eligible Improvements as determined by the Tax Appraisal District:		Percent of property tax to be abated each year									
	From	To	1	2	3	4	5	6	7	8	9	10
1	\$ 150,000	\$1,000,000	45	40	30	20	0	0	0	0	0	0
2	\$1,000,001	\$2,500,000	45	45	40	30	20	0	0	0	0	0
3	\$2,500,001	\$4,000,000	45	45	45	40	30	20	0	0	0	0
4	\$4,000,001	\$5,500,000	45	45	45	45	40	30	20	0	0	0
5	More than	\$5,500,000	45	45	45	45	45	40	30	20	0	0

1B - Property Improvements by a New Business

Level	Amount of Valuation of Eligible Improvements as determined by the Tax Appraisal District:		Percent of property tax to be abated each year									
	From	To	1	2	3	4	5	6	7	8	9	10
1	\$ 300,000	\$1,000,000	45	40	30	20	0	0	0	0	0	0
2	\$1,000,001	\$2,500,000	45	45	40	30	20	0	0	0	0	0
3	\$2,500,001	\$4,000,000	45	45	45	40	30	20	0	0	0	0
4	\$4,000,001	\$5,500,000	45	45	45	45	40	30	20	0	0	0
5	More than	\$5,500,000	45	45	45	45	45	40	30	20	0	0

TABLE 2 (earns 50% of incentive)

2 - Jobs Created & Retained - by Existing Businesses or New/Relocating Businesses

Level	The number of new and/or retained full-time employees with an average salary level of \$33,000+/year including benefits averaged during the twelve calendar months prior to the tax assessment date of January 1:		Percent of property tax to be abated each year									
	From	To	1	2	3	4	5	6	7	8	9	10
1	10	19	45	40	30	20	0	0	0	0	0	0
2	20	29	45	45	40	30	20	0	0	0	0	0
3	30	39	45	45	45	40	30	20	0	0	0	0
4	40	49	45	45	45	45	40	30	20	0	0	0
5	50 and more		45	45	45	45	45	40	30	20	0	0

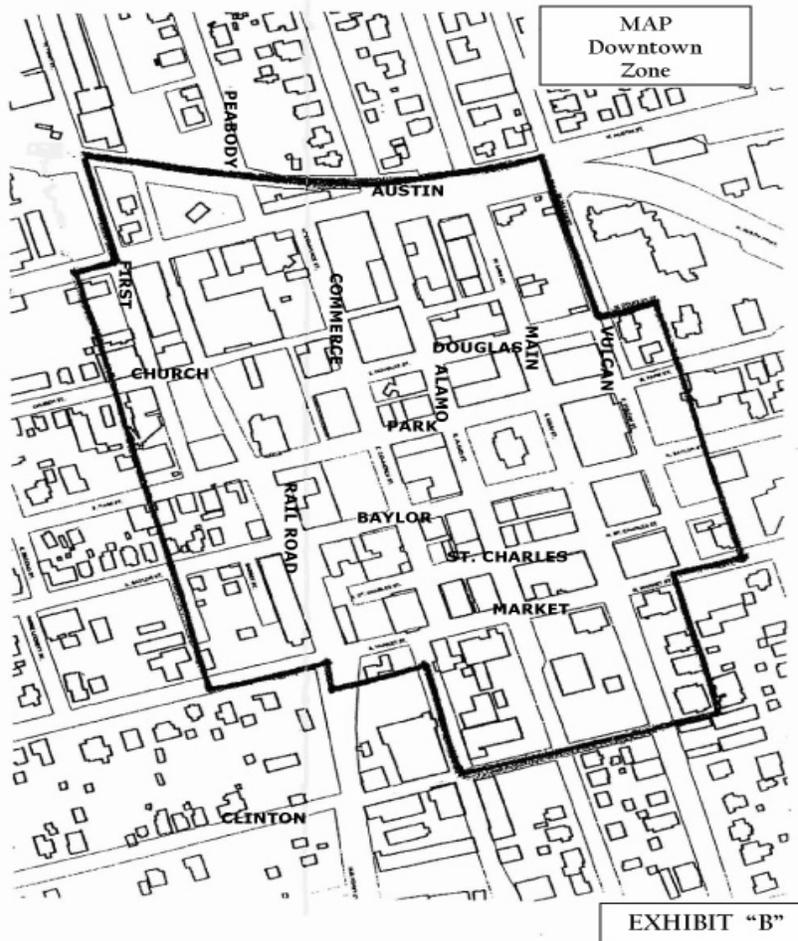
TABLE 3 Downtown Zone

Amount of valuation of
downtown reinvestment
determined by tax appraisal:

Percent of property tax to be abated each year

Valuation	1	2	3	4	5	6	7	8
\$ 50,000 to \$150,000	90	90	90	60	40	20	0	0
\$150,001 to \$250,000	90	90	90	90	60	40	20	0
\$250,001 and beyond	90	90	90	90	90	60	40	20

**EXHIBIT B
MAP OF DOWNTOWN ZONE**



PPE & GSL - Brenham Project - Phase 1*

*This calculation is for both fixed machinery/equipment and the building

Tax Phase-In Incentive Calculation

Estimated property taxes to be abated											
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	
Capital investment	\$6.7 M	\$8.3 M	\$9.5 M	\$10.4 M	\$11.3 M	\$11.3 M	\$11.3 M	\$11.3 M	\$11.3 M	\$11.3 M	\$11.3 M
Job creation	22 jobs	29 jobs	41 jobs	51 jobs	60 jobs	60 jobs	60 jobs	60 jobs	60 jobs	60 jobs	60 jobs
	90%	90%	90%	90%	90%	80%	60%	40%	0%	0%	
<u>Taxing entity</u>											
City of Brenham	\$33,961	\$42,071	\$48,154	\$52,716	\$57,277	\$50,913	\$38,185	\$25,457	\$0	\$0	
Washington County	\$27,895	\$34,556	\$39,552	\$43,299	\$47,046	\$41,819	\$31,364	\$20,910	\$0	\$0	
	\$61,856	\$76,627	\$87,706	\$96,015	\$104,323	\$92,732	\$69,549	\$46,367	\$0	\$0	

Estimated property taxes to be paid											
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	
Capital investment	\$6.7 M	\$8.3 M	\$9.5 M	\$10.4 M	\$11.3 M						
Job creation	22 jobs	29 jobs	41 jobs	51 jobs	60 jobs						
	10%	10%	10%	10%	10%	20%	40%	60%	100%	100%	
<u>Taxing entity</u>											
City of Brenham	\$3,773	\$4,675	\$5,350	\$5,857	\$6,364	\$12,728	\$25,457	\$38,185	\$63,642	\$63,642	
Washington County	\$3,099	\$3,840	\$4,395	\$4,811	\$5,227	\$10,455	\$20,910	\$31,364	\$52,274	\$52,274	
	\$6,872	\$8,515	\$9,745	\$10,668	\$11,591	\$23,183	\$46,367	\$69,549	\$115,916	\$115,916	
<u>Taxing entity</u>											
Brenham ISD	\$76,045	\$94,205	\$107,825	\$118,040	\$128,255	\$128,255	\$128,255	\$128,255	\$128,255	\$128,255	
Blinn College	\$4,020	\$4,980	\$5,700	\$6,240	\$6,780	\$6,780	\$6,780	\$6,780	\$6,780	\$6,780	
	\$80,065	\$99,185	\$113,525	\$124,280	\$135,035	\$135,035	\$135,035	\$135,035	\$135,035	\$135,035	



AGENDA ITEM 8

DATE OF MEETING: January 9, 2014	DATE SUBMITTED: January 2, 2014	
DEPT. OF ORIGIN: Police / Animal Shelter	SUBMITTED BY: Rex Phelps	
MEETING TYPE:	CLASSIFICATION:	ORDINANCE:
<input checked="" type="checkbox"/> REGULAR	<input type="checkbox"/> PUBLIC HEARING	<input type="checkbox"/> 1 ST READING
<input type="checkbox"/> SPECIAL	<input type="checkbox"/> CONSENT	<input type="checkbox"/> 2 ND READING
<input type="checkbox"/> EXECUTIVE SESSION	<input checked="" type="checkbox"/> REGULAR	<input type="checkbox"/> RESOLUTION
	<input type="checkbox"/> WORK SESSION	
AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon a Proposal for Architectural Services for the Future Brenham Pet Adoption and Animal Care Facility and Authorize the Mayor to Execute Any Necessary Documentation		
SUMMARY STATEMENT: It has been determined the existing animal shelter needs to be replaced to meet community and mandated demands. Funding commitments have been made and fundraising efforts have begun. The location has been determined. Therefore, the project's next phase is to consider the attached architectural services proposal. Edwards Associates has assisted the Animal Shelter Task Force from the beginning of this project initiative. They have given numerous presentations, design examples, etc. (at no cost thus far).		
STAFF ANALYSIS (For Ordinances or Regular Agenda Items):		
<p>A. PROS: Consider a proposal from a firm with significant experience designing animal shelter and control facilities. In addition, Edwards Associates has served many other communities <i>in this region of Texas</i> with the design and planning of such facilities. This firm has created a positive customer service relationship with the existing animal shelter task force and has given numerous presentations to our local governing bodies. This firm has not charged for any services thus far. The percentage fee proposed is consistent with the industry standard regarding architectural services per estimated project cost.</p> <p>B. CONS: None Identified</p>		
ALTERNATIVES (In Suggested Order of Staff Preference): Consider other architectural services proposals		
ATTACHMENTS: (1) Proposal from Edwards Associates; (2) Brenham Animal Shelter – Scheme 1 Map; and (3) Brenham Animal Shelter – Scheme 2 Map		
FUNDING SOURCE (Where Applicable): Council Commitment, Major Donor Commitment, Fundraising		

RECOMMENDED ACTION: Approve a proposal for Architectural Services from Edwards Associates for the future Brenham Pet Adoption and Animal Care Facility and authorize the Mayor to execute any necessary documentation.

APPROVALS: Terry K. Roberts

January 2, 2014

Chief Rex Phelps
Chief of Police
1800 Longwood Dr.
Brenham, Texas 77833

Re: Animal Control Facility –Brenham, Texas

Dear Chief Phelps:

Edwards Associates, PLLC is pleased to submit the following proposal for Architectural and Engineering Services to provide Planning, Design, Construction Documents, Bidding/Negotiation, and Construction Administration for a new Animal Control Facility in Brenham, Texas. The new facility will contain approximately 8000 sq. ft. and be located on the site adjacent to the existing Police Station at 1800 Longwood Dr. Scope will include, but not be limited to, a drive-thru covered drop off, a shared lobby/ adoption/ entry space, director's office, group office/training room, men and women's restrooms, life rooms, receiving area, 60 dog Kennels with in/out space, dog quarantine and dog isolation rooms, general cat room, cat quarantine and cat isolation rooms, prep room and recovery rooms, supple room, surgery/lab area, freezer room off lab with door to outside, feed storage room, and an electrical/telephone/computer room along with paving, drives, parking, and screen walls. Additional scope for building and site will be developed in planning meetings with the building committee and user. This proposal will include Structural, and MEP, Engineering services. The Architect will work with the Owner to identify items to be purchased from the Texas Correctional Industries and will provide drawing backgrounds to the TCI for their layouts. The owner will supply Survey information, a Geotechnical report, information on existing utility locations for tie-in and will provide the services of the Civil Engineer as a separate contract with the Owner.

BASIC SERVICES

- A. **Preliminary Design Phase (25% of total fee):** Architect will consult with the Owner to ascertain the requirements of the project and clearly define the project scope and budget, and shall prepare, for approval, a preliminary site plan, building plan, exterior elevations, preliminary finish schedule, and a building section to fix or describe the scope, character, and construction type of the project. Architect will coordinate the site layout along with drainage and grading requirements with the Civil Engineer and will provide Schematic layouts for basic MEP and Structural systems. Architect will meet with the Owner/User for reviews and will make necessary revisions after each meeting and upon approval will provide an estimated Construction Cost based on these Preliminary Drawings.
- B. **Construction Document Phase (50% of total fee):** From the approved Preliminary Design drawings the Architect and his consultants will prepare complete Working Drawings and Specifications, setting forth in detail the requirements for

- implementation of the project. Exterior and interior building materials, material colors, etc. will be coordinated through meetings and reviews with the Owner/User. We will review and up-date the cost estimate with changes as they occur and provide the Owner with this information for review. Architect will have review meetings with the Owner at 50% and 90% and make required minor adjustments and upon 100% completion will submit final documents for City approval and for City Permit. Owner's Civil Engineer will submit his drawings for required permits.
- C. **Final Bidding/Negotiation (5% of total fee):** After the Construction Documents are complete we will assist the Owner in the advertisement of the project and the distribution of Documents. We will provide the Owner with a CD with PDF Drawings and Specifications for use in bidding. During Bidding we will answer Contractor questions, interpret drawings and specifications, and provide supplemental drawings and Addenda as necessary to bid the project. Architect will attend the Bid opening and will assist the Owner in the opening, tabulation and evaluation of the Bids.
- D. **Construction Administration Phase (20% of total fee):** The Architect will assist in the administration of construction by answering questions during construction, preparing supplemental detail drawings, checking shop drawings and samples, and making periodic visits to the site at intervals appropriate to the various stages of construction to observe and to evaluate the progress and quality of work, and to determine, in general, if the construction is proceeding in accordance with the Contract Documents. The Architect will review the Contractor's monthly Application for Payment and will evaluate and prepare Change Proposals and Change Orders as they arise and make recommendations to the City. At the completion of the project the Architect, along with the Owner/User will visit the site and make a Punch List of items requiring the General Contractors attention for Final Completion and will prepare the Certificate of Substantial Completion. When all items on the "Punch List" have been completed and all guarantees, warranties, and O & M manuals have been received in good order, the Architect, with approval of the Owner/User, will issue a letter of Final Completion and authorization for final payment.

COMPENSATION FOR SERVICES

For Basic Architectural and Engineering Services as outlined above Edwards Associates, PLLC shall receive a fee equal to 6% of the total Construction cost (approximately \$86,000.00). This fee includes Structural, and MEP Engineering Services provided by professional engineers licensed in the State of Texas. Landscape Architect or other special consultants are not included in the proposal. Billings will be made monthly on the basis of the portion of the services rendered during the month. Payment not received within thirty (30) days after billing date shall bear interest at 1.5% per month, calculated daily in the unpaid balance.

ADDITIONAL SERVICES

Compensation for Additional Services not specifically included in this agreement, but requested by the Owner or User, or changes in the scope of work, or revisions after approval of the preliminary drawings by Owner will be based on the following rates:

Principal's time at a rate of One Hundred Fifty Dollars (\$150.00) per hour

Associate's time at a rate of One Hundred Dollars (\$100.00) per hour

Clerical staff and technical personnel's time at a rate of Seventy-Five Dollars (\$75.00) per hour

REIMBURSABLE EXPENSES

Reimbursable Expenses are in addition to fees for basic and additional services and will be billed at our direct cost plus fifteen percent (15%). These services include direct expenditures made by the Architect on the Owner's behalf for the following:

- A. Printing, copying and delivery service costs made on behalf of this job after allowance has been used.
- B. Cost of color perspectives, or other special presentation materials requested by Owner at a fee of \$1,200.00 to \$1,600.00 each, depending on size and content.
- C. Cost of State Architectural Barriers Plan Review. Inspection after completion is arranged by Owner.
- D. As-Built drawings upon completion of the project, other than the marked-up set provided by the General Contractor.
- E. Cost of other Consultants, if requested.
- F. Cost of out-of-town trips requested by the Owner, other than project trips to Brenham during the course of the project.

OWNERS RESPONSIBILITIES

The Owner will provide, without charge, program information, data, reports, records, maps and other items available which would be helpful to the Architect in carrying out the work of the Contract. The Owner will select the building site, and provide a site survey and topo showing grades at a 50' minimum grid, the location of all existing site paving and street tie-ins, all existing utilities with flow line depths, and any easements that might affect the project. The Owner and necessary staff will be available for planning meetings, project reviews, and to answer questions in a timely manner throughout the course of the project. Owner will provide and bear the cost for all testing services during construction, if he should desire such test. The Owner will also be responsible for the purchase of Pens, Cages, Fencing, Telephone Systems, Computer Cabling and Security System.

Chief Phelps
January 2, 2014
Page 4

If the project is abandoned or Architect's services terminated, payment shall be made on the portion of services rendered by the Architect and his consultants at the time of termination not to exceed the percentage amount for the phase he is in. All phases which are complete shall be paid in full. Notification of termination or abandonment must be received by the Architect in writing.

If the terms of this proposal are acceptable to you, it can serve as an agreement between us for professional services until an AIA Standard Owner and Architect Agreement can be drawn up. I can begin work immediately upon receipt of a signed contract and would anticipate being able to go out for bids in around 18 to 22 weeks. I look forward to your favorable acceptance of this proposal and to the opportunity to work with you to make this project a successful effort for everyone involved. Please give me a call after your review and we can go over the proposal if necessary.

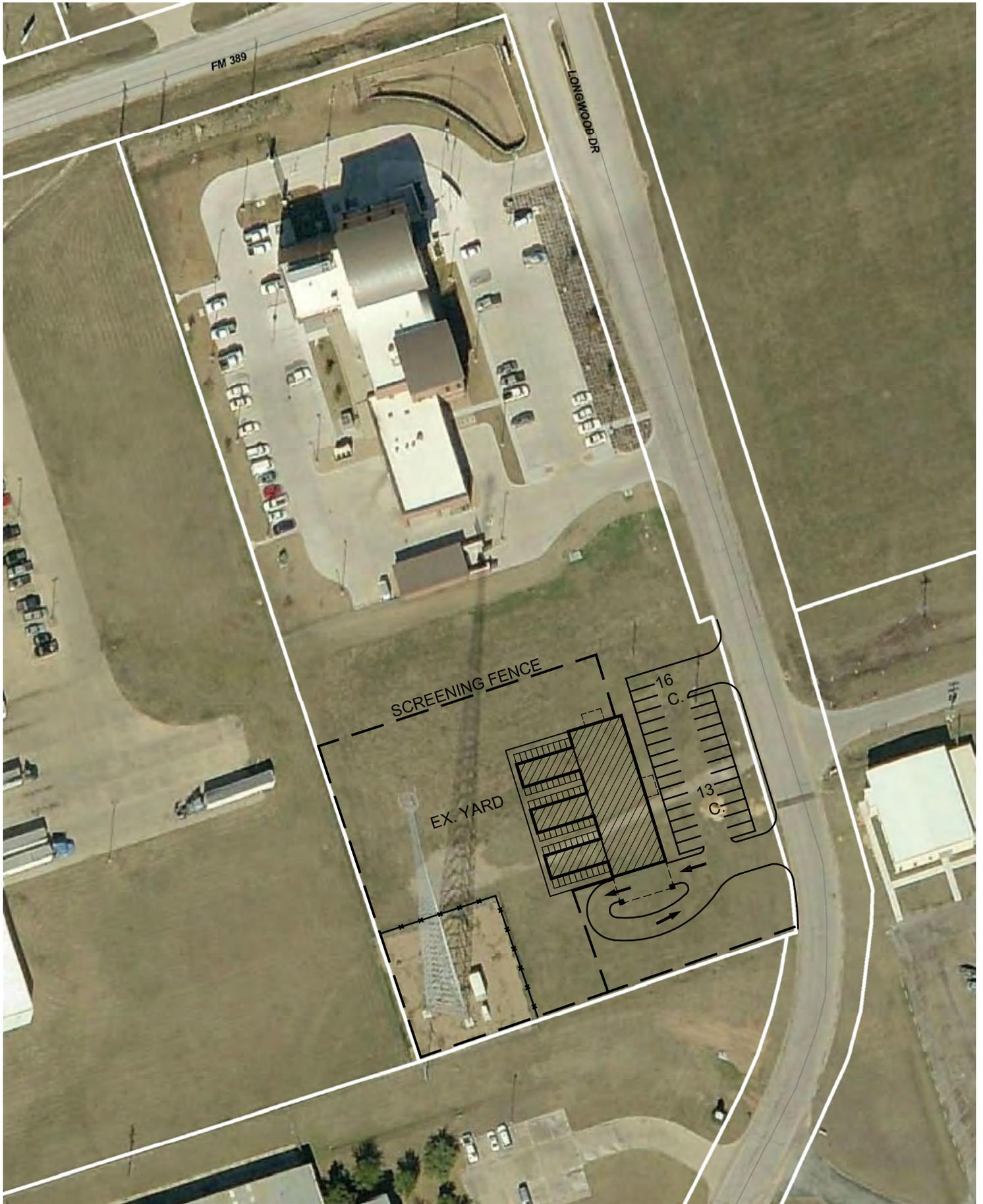
Sincerely,

EDWARDS ASSOCIATES

A handwritten signature in cursive script that reads "Richard W. Edwards". The signature is written in dark ink on a light-colored background.

Richard W. Edwards

Richard W. Edwards is licensed to practice Architecture in the State of Texas, license #5141, governed by the Texas Board of Architectural Examiners, PO Box 12337, Austin, Texas 78701-2337, Tel.: 512-305-9000.



EDWARDS
associates

ARCHITECTS, PLANNERS AIA

4544 POST OAK PLACE DRIVE • SUITE 260 • HOUSTON, TEXAS 77027-2897
(713) 621-1890 • FAX (713) 621-1898

BRENHAM ANIMAL SHELTER SCHEME 1

SHEET NO

55 DATE
01-02-2014



EDWARDS
associates

ARCHITECTS, PLANNERS AIA

4544 POST OAK PLACE DRIVE • SUITE 260 • HOUSTON, TEXAS 77027-2897
(713) 621-1890 • FAX (713) 621-1898

BREHAM ANIMAL SHELTER SCHEME 2

SHEET NO

56 DATE
01-02-2014



AGENDA ITEM 9

DATE OF MEETING: January 9, 2014	DATE SUBMITTED: January 6, 2014	
DEPT. OF ORIGIN: Administration	SUBMITTED BY: Grant Lischka	
MEETING TYPE:	CLASSIFICATION:	ORDINANCE:
<input checked="" type="checkbox"/> REGULAR	<input type="checkbox"/> PUBLIC HEARING	<input type="checkbox"/> 1 ST READING
<input type="checkbox"/> SPECIAL	<input type="checkbox"/> CONSENT	<input type="checkbox"/> 2 ND READING
<input type="checkbox"/> EXECUTIVE SESSION	<input checked="" type="checkbox"/> REGULAR	<input checked="" type="checkbox"/> RESOLUTION
	<input type="checkbox"/> WORK SESSION	
AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon Resolution No. R-14-001 Providing for the Approval of an Advanced Funding Agreement with TxDOT for the Installation of a Traffic Signal on U.S. Highway 290 Business at Chappell Hill Street		
SUMMARY STATEMENT: Staff has received the Advanced Funding Agreement (AFA) from TxDOT for the construction of the signal light at the intersection of Chappell Hill Street and South Market Street. The executed AFA will allow the City to submit final plans to TxDOT for the signal construction and proceed with the project.		
STAFF ANALYSIS (For Ordinances or Regular Agenda Items):		
A. PROS:		
B. CONS:		
ALTERNATIVES (In Suggested Order of Staff Preference): None		
ATTACHMENTS: (1) Resolution No. R-14-001; and (2) Advanced Funding Agreement from TxDOT		
FUNDING SOURCE (Where Applicable): Project has been funded		
RECOMMENDED ACTION: Approve Resolution No. R-14-001 providing for the approval of an Advanced Funding Agreement with TxDOT for the installation of a traffic signal on U.S. Highway 290 Business at Chappell Hill Street.		
APPROVALS: Terry K. Roberts		

RESOLUTION NO. R-14-001

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BRENHAM, TEXAS PROVIDING FOR THE APPROVAL OF AN ADVANCED FUNDING AGREEMENT BETWEEN THE CITY AND THE STATE OF TEXAS, ACTING BY AND THROUGH THE TEXAS DEPARTMENT OF TRANSPORTATION, FOR THE INSTALLATION OF A TRAFFIC SIGNAL ON U.S. HIGHWAY 290 BUSINESS AT CHAPPELL HILL STREET

WHEREAS, Chapter 311 of the Transportation Code gives the City exclusive dominion, control and jurisdiction over and under the public streets within its corporate limits and authorizes the City to enter into agreements with the State to fix responsibilities for maintenance, control, supervision and regulation of State highways within and through its corporate limits; and

WHEREAS, the Texas Transportation Code, Sections 201.103 and 222.052 establish that the State shall design, construct and operate a system of highways in cooperation with local governments; and

WHEREAS, the Texas Transportation Commission passed Minute Order Number 113675, authorizing the State to undertake and complete a highway improvement generally described as the installation of a traffic signal on U.S. Highway 290 Business at Chappell Hill Street in Brenham, Texas;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BRENHAM, TEXAS;

That an Advanced Funding Agreement between the City of Brenham and the State of Texas for the installation of a traffic signal on U.S Highway 290 Business at Chappell Hill Street in Brenham, Texas is hereby approved and that the Mayor is authorized to execute said agreement and any other necessary documentation on behalf of the City of Brenham and to transmit the same to the State of Texas for appropriate action.

PASSED AND APPROVED on this the ____ day of _____, 2014.

Milton Y. Tate, Jr., Mayor

ATTEST:

Jeana Bellinger, TRMC, City Secretary

CSJ # 0114-10-095
District # (17) Bryan
Code Chart 64 #05600
Project: BS 290 Traffic Signal
Federal Highway Administration
CFDA # 20.205
Not Research and Development

STATE OF TEXAS §
COUNTY OF TRAVIS §

**ADVANCE FUNDING AGREEMENT
For AN
ON-SYSTEM
LOCAL GOVERNMENT TRAFFIC SIGNAL INSTALLATION**

THIS AGREEMENT is made by and between the State of Texas, acting by and through the Texas Department of Transportation called the "State", and the City of Brenham, acting by and through its duly authorized officials, called the "Local Government."

WITNESSETH

WHEREAS, federal law establishes federally funded programs for transportation improvements to implement its public purposes; and

WHEREAS, the Texas Transportation Code, Sections 201.103 and 222.052 establish that the State shall design, construct and operate a system of highways in cooperation with local governments; and

WHEREAS, federal and state laws require local governments to meet certain contract standards relating to the management and administration of State and federal funds; and

WHEREAS, the Texas Transportation Commission passed Minute Order Number 113675, authorizing the State to undertake and complete a highway improvement generally described as the installation of a traffic signal on BS 290 at Chappell Hill Street in Brenham called the "Project"; and,

WHEREAS, the Governing Body of the Local Government has approved entering into this agreement by resolution or ordinance dated _____, 20__, which is attached to and made a part of this agreement as Attachment "A" for the improvement covered by this agreement. A map showing the Project location appears in Attachment "B," which is attached to and made a part of this agreement.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements of the parties, to be by them respectively kept and performed as set forth in this agreement, it is agreed as follows:

AGREEMENT

1. Period of the Agreement

This agreement becomes effective when signed by the last party whose signing makes the agreement fully executed. This agreement shall remain in effect until the Project is completed or unless terminated as provided below.

2. Scope of Work

The complete design, construction and construction management of the installation of a traffic signal on BS 290 at Chappell Hill Street in Brenham as shown on Attachment "B".

3. Local Project Sources and Uses of Funds

- A. The total estimated cost of the Project is shown in the Project Budget – Attachment "C", which is attached to and made a part of this agreement. The expected cash contributions from the Federal or State government, the Local Governments, or other parties is shown in Attachment "C". The State will pay for only those project costs that have been approved by the Texas Transportation Commission. The State and the Federal Government will not reimburse the Local Government for any work performed before the federal spending authority is formally obligated to the Project by the Federal Highway Administration. After federal funds have been obligated, the State will send to the Local Government a copy of the formal documentation showing the obligation of funds including federal award information. The Local Government is responsible for 100% of the cost of any work performed under its direction or control before the federal spending authority is formally obligated.
- B. If the Local Government will perform any work under this contract for which reimbursement will be provided by or through the State, the Local Government must complete training before federal spending authority is obligated. Training is complete when at least one individual who is working actively and directly on the Project successfully completes and receives a certificate for the course entitled *Local Government Project Procedures Qualification for the Texas Department of Transportation*. The Local Government shall provide the certificate of qualification to the State. The individual who receives the training certificate may be an employee of the Local Government or an employee of a firm that has been contracted by the Local Government to perform oversight of the Project. The State in its discretion may deny reimbursement if the Local Government has not designated a qualified individual to oversee the Project.
- C. This Project cost estimate shows how necessary resources for completing the Project will be provided by major cost categories. These categories may include but are not limited to: (1) costs of real property; (2) costs of utility work; (3) costs of environmental assessment and remediation; (4) cost of preliminary engineering and design; (5) cost of construction and construction management; and (6) any other local project costs.
- D. The State will be responsible for securing the Federal and State share of the funding required for the development and construction of the local Project. If the Local Government is due funds for expenses incurred, these funds will be reimbursed to the Local Government on a cost basis.
- E. The Local Government will be responsible for all non-federal or non-state participation costs associated with the Project, including any overruns in excess of the approved local

project budget unless otherwise provided for in this agreement or approved otherwise in an amendment to this agreement.

- F. Prior to the performance of any engineering review work by the State, the Local Government will pay to the State the amount specified in Attachment C. At a minimum, this amount shall equal the Local Government's funding share for the estimated cost of preliminary engineering for the Project. At least sixty (60) days prior to the date set for receipt of the construction bids, the Local Government shall remit its remaining financial share for the State's estimated construction oversight and construction cost.
- G. In the event that the State determines that additional funding by the Local Government is required at any time during the Project, the State will notify the Local Government in writing. The Local Government shall make payment to the State within thirty (30) days from receipt of the State's written notification.
- H. Whenever funds are paid by the Local Government to the State under this agreement, the Local Government shall remit a check or warrant made payable to the "Texas Department of Transportation Trust Fund." The check or warrant shall be deposited by the State in an escrow account to be managed by the State. Funds in the escrow account may only be applied to the State Project.
- I. Upon completion of the Project, the State will perform an audit of the Project costs. Any funds due by the Local Government, the State, or the Federal government will be promptly paid by the owing party. If, after final Project accounting, excess funds remain in the escrow account, those funds may be applied by the State to the Local Government's contractual obligations to the State under another advance funding agreement with approval by appropriate personnel of the Local Government.
- J. The State will not pay interest on any funds provided by the Local Government.
- K. If a waiver has been granted, the State will not charge the Local Government for the indirect costs the State incurs on the local Project, unless this agreement is terminated at the request of the Local Government prior to completion of the Project.
- L. If the Project has been approved for a "fixed price" or an "incremental payment" non-standard funding or payment arrangement under 43 TAC §15.52, the budget in Attachment C will clearly state the amount of the fixed price or the incremental payment schedule.
- M. If the Local government is an Economically Disadvantaged County and if the State has approved adjustments to the standard financing arrangement, this agreement reflects those adjustments.
- N. The state auditor may conduct an audit or investigation of any entity receiving funds from the State directly under this contract or indirectly through a subcontract under this contract. Acceptance of funds directly under this contract or indirectly through a subcontract under this contract acts as acceptance of the authority of the state auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. An entity that is the subject of an audit or investigation must provide the state auditor with access to any information the state auditor considers relevant to the investigation or audit.
- O. Payment under this contract beyond the end of the current fiscal biennium is subject to availability of appropriated funds. If funds are not appropriated, this contract shall be terminated immediately with no liability to either party.

- P. The Local Government is authorized to submit requests for reimbursement by submitting the original of an itemized invoice in a form and containing all items required by the State no more frequently than monthly, and no later than ninety (90) days after costs are incurred. If the Local Government submits invoices more than ninety (90) days after the costs are incurred, and if federal funding is reduced as a result, the State shall have no responsibility to reimburse the Local Government for those costs.
- Q. The State will not execute the contract for the construction of the Project until the required funding has been made available by the Local Government in accordance with this agreement.

4. Termination of this Agreement

This agreement shall remain in effect until the project is completed and accepted by all parties, unless:

- A. The agreement is terminated in writing with the mutual consent of the parties;
- B. The agreement is terminated by one party because of a breach, in which case any cost incurred because of the breach shall be paid by the breaching party;
- C. The Local Government elects not to provide funding after the completion of preliminary engineering, specifications, and estimates (PS&E) and the Project does not proceed because of insufficient funds, in which case the Local Government agrees to reimburse the State for its reasonable actual costs incurred during the Project; or
- D. The Project is inactive for thirty-six (36) months or longer and no expenditures have been charged against federal funds, in which case the State may in its discretion terminate this agreement.

5. Amendments

Amendments to this agreement due to changes in the character of the work, terms of the agreement, or responsibilities of the parties relating to the Project may be enacted through a mutually agreed upon, written amendment.

6. Remedies

This agreement shall not be considered as specifying the exclusive remedy for any agreement default, but all remedies existing at law and in equity may be availed of by either party to this agreement and shall be cumulative.

7. Utilities

The Local Government shall be responsible for the adjustment, removal, or relocation of utility facilities in accordance with applicable State laws, regulations, rules, policies, and procedures, including any cost to the State of a delay resulting from the Local Government's failure to ensure that utility facilities are adjusted, removed, or relocated before the scheduled beginning of construction. The Local Government will not be reimbursed with federal or state funds for the cost of required utility work. The Local Government must obtain advance approval for any variance from established procedures. Before a construction contract is let, the Local Government shall provide, at the State's request, a certification stating that the Local Government has completed the adjustment of all utilities that must be adjusted before construction is completed.

8. Environmental Assessment and Mitigation

Development of a transportation project must comply with the National Environmental Policy Act and the National Historic Preservation Act of 1966, which require environmental clearance of federal-aid projects.

- A. The Local Government is responsible for the identification and assessment of any environmental problems associated with the development of a local project governed by this agreement.
- B. The Local Government is responsible for the cost of any environmental problem's mitigation and remediation.
- C. The Local Government is responsible for providing any public meetings or public hearings required for development of the environmental assessment. Public hearings will not be held prior to the approval of project schematic.
- D. The Local Government is responsible for the preparation of the NEPA documents required for the environmental clearance of this Project.
- E. Before the advertisement for bids, the Local Government shall provide to the State written documentation from the appropriate regulatory agency or agencies that all environmental clearances have been obtained.

9. Compliance with Texas Accessibility Standards and ADA

All parties to this agreement shall ensure that the plans for and the construction of all projects subject to this agreement are in compliance with the Texas Accessibility Standards (TAS) issued by the Texas Department of Licensing and Regulation, under the Architectural Barriers Act, Article 9102, Texas Civil Statutes. The TAS establishes minimum accessibility requirements to be consistent with minimum accessibility requirements of the Americans with Disabilities Act (P.L. 101-336) (ADA).

10. Architectural and Engineering Services

The Local Government has responsibility for the performance of architectural and engineering services. The engineering plans shall be developed in accordance with the applicable *State's Standard Specifications for Construction and Maintenance of Highways, Streets and Bridges* and the special specifications and special provisions related to it. For projects on the state highway system, the design shall, at a minimum conform to applicable State manuals. For projects not on the state highway system, the design shall, at a minimum, conform to applicable *American Association of State Highway and Transportation Officials* design standards. In procuring professional services, the parties to this agreement must comply with federal requirements cited in 23 CFR Part 172 if the project is federally funded and with Texas Government Code 2254, Subchapter A, in all cases. Professional contracts for federally funded projects must conform to federal requirements, specifically including the provision for participation by Disadvantaged Business Enterprises (DBEs), ADA, and environmental matters.

11. Construction Responsibilities

- A. The Local Government shall advertise for construction bids, issue bid proposals, receive and tabulate the bids, and award and administer the contract for construction of the Project. Administration of the contract includes the responsibility for construction engineering and for issuance of any change orders, supplemental agreements,

amendments, or additional work orders that may become necessary subsequent to the award of the construction contract. In order to ensure federal funding eligibility, projects must be authorized by the State prior to advertising for construction.

- B. The Local Government will use its approved contract letting and award procedures to let and award the construction contract.
- C. Prior to their execution, the Local Government will be given the opportunity to review contract change orders that will result in an increase in cost to the Local Government.
- D. Upon completion of the Project, the party constructing the Project will issue and sign a "Notification of Completion" acknowledging the Project's construction completion.
- E. For federally funded contracts, the parties to this agreement will comply with federal construction requirements cited in 23 CFR Part 635 and with requirements cited in 23 CFR Part 633, and shall include the latest version of Form "FHWA-1273" in the contract bidding documents. If force account work will be performed, a finding of cost effectiveness shall be made in compliance with 23 CFR 635, Subpart B.

12. Project Maintenance

The Local Government shall be responsible for maintenance of locally owned roads after completion of the work and the State shall be responsible for maintenance of state highway system after completion of the work if the work was on the state highway system, unless otherwise provided for in existing maintenance agreements with the Local Government.

13. Right of Way and Real Property

The State is responsible for the provision and acquisition of any needed right of way or real property.

14. Notices

All notices to either party shall be delivered personally or sent by certified or U.S. mail, postage prepaid, addressed to that party at the following address:

Local Government:	State:
City Engineer	Director of Contract Services Office
City of Brenham	Texas Department of Transportation
200 W. Vulcan Street	125 E. 11 th Street
Brenham, Texas 77833	Austin, Texas 78701

All notices shall be deemed given on the date delivered in person or deposited in the mail, unless otherwise provided by this agreement. Either party may change the above address by sending written notice of the change to the other party. Either party may request in writing that notices shall be delivered personally or by certified U.S. mail, and that request shall be carried out by the other party.

15. Legal Construction

If one or more of the provisions contained in this agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions and this agreement shall be construed as if it did not contain the invalid, illegal, or unenforceable provision.

16. Responsibilities of the Parties

The State and the Local Government agree that neither party is an agent, servant, or employee of the other party and each party agrees it is responsible for its individual acts and deeds as well as the acts and deeds of its contractors, employees, representatives, and agents.

17. Ownership of Documents

Upon completion or termination of this agreement, all documents prepared by the State shall remain the property of the State. All data prepared under this agreement shall be made available to the State without restriction or limitation on their further use. All documents produced or approved or otherwise created by the Local Government shall be transmitted to the State in the form of photocopy reproduction on a monthly basis as required by the State. The originals shall remain the property of the Local Government. At the request of the State, the Local Government shall submit any information required by the State in the format directed by the State.

18. Compliance with Laws

The parties shall comply with all federal, state, and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals in any manner affecting the performance of this agreement. When required, the Local Government shall furnish the State with satisfactory proof of this compliance.

19. Sole Agreement

This agreement constitutes the sole and only agreement between the parties and supersedes any prior understandings or written or oral agreements respecting the agreement's subject matter.

20. Cost Principles

In order to be reimbursed with federal funds, the parties shall comply with the Cost Principles established in OMB Circular A-87 that specify that all reimbursed costs are allowable, reasonable, and allocable to the Project.

21. Procurement and Property Management Standards

The parties shall adhere to the procurement standards established in Title 49 CFR §18.36 and with the property management standard established in Title 49 CFR §18.32.

22. Inspection of Books and Records

The parties to this agreement shall maintain all books, documents, papers, accounting records, and other documentation relating to costs incurred under this agreement and shall make such materials available to the State, the Local Government, and, if federally funded, the Federal Highway Administration (FHWA), and the U.S. Office of the Inspector General, or

their duly authorized representatives for review and inspection at its office during the contract period and for four (4) years from the date of completion of work defined under this contract or until any impending litigation, or claims are resolved. Additionally, the State, the Local Government, and the FHWA and their duly authorized representatives shall have access to all the governmental records that are directly applicable to this agreement for the purpose of making audits, examinations, excerpts, and transcriptions.

23. Civil Rights Compliance

The Local Government shall comply with the regulations of the United States Department of Transportation as they relate to non-discrimination (49 CFR Part 21 and 23 CFR Part 200), and Executive Order 11246 titled "Equal Employment Opportunity," as amended by Executive Order 11375 and supplemented in the Department of Labor Regulations (41 CFR Part 60).

24. Disadvantaged Business Enterprise (DBE) Program Requirements

- A.** The parties shall comply with the Disadvantaged Business Enterprise Program requirements established in 49 CFR Part 26.
- B.** The Local Government shall adopt, in its totality, the State's federally approved DBE program.
- C.** The Local Government shall set an appropriate DBE goal consistent with the State's DBE guidelines and in consideration of the local market, project size, and nature of the goods or services to be acquired. The Local Government shall have final decision-making authority regarding the DBE goal and shall be responsible for documenting its actions.
- D.** The Local Government shall follow all other parts of the State's DBE program referenced in TxDOT Form 2395, Memorandum of Understanding Regarding the Adoption of the Texas Department of Transportation's Federally-Approved Disadvantaged Business Enterprise by Entity, and attachments found at web address http://ftp.dot.state.tx.us/pub/txdot-info/bop/dbe/mou/mou_attachments.pdf.
- E.** The Local Government shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any U.S. Department of Transportation (DOT)-assisted contract or in the administration of its DBE program or the requirements of 49 CFR Part 26. The Local Government shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure non-discrimination in award and administration of DOT-assisted contracts. The State's DBE program, as required by 49 CFR Part 26 and as approved by DOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the Local Government of its failure to carry out its approved program, the State may impose sanctions as provided for under 49 CFR Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).
- F.** Each contract the Local Government signs with a contractor (and each subcontract the prime contractor signs with a sub-contractor) must include the following assurance: *The contractor, sub-recipient, or sub-contractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material*

breach of this agreement, which may result in the termination of this agreement or such other remedy as the recipient deems appropriate.

25. Debarment Certifications

The parties are prohibited from making any award at any tier to any party that is debarred or suspended or otherwise excluded from or ineligible for participation in Federal Assistance Programs under Executive Order 12549, "Debarment and Suspension." By executing this agreement, the Local Government certifies that it is not currently debarred, suspended, or otherwise excluded from or ineligible for participation in Federal Programs under Executive Order 12549 and further certifies that it will not do business with any party that is currently debarred, suspended, or otherwise excluded from or ineligible for participation in Federal Assistance Programs under Executive Order 12549. The parties to this contract shall require any party to a subcontract or purchase order awarded under this contract to certify its eligibility to receive federal funds and, when requested by the State, to furnish a copy of the certification.

26. Lobbying Certification

In executing this agreement, each signatory certifies to the best of that signatory's knowledge and belief, that:

- A.** No federal appropriated funds have been paid or will be paid by or on behalf of the parties to any person for influencing or attempting to influence an officer or employee of any federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
- B.** If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with federal contracts, grants, loans, or cooperative agreements, the signatory for the Local Government shall complete and submit the Federal Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- C.** The parties shall require that the language of this certification shall be included in the award documents for all sub-awards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and all sub-recipients shall certify and disclose accordingly. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Title 31 U.S.C. §1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

27. Insurance

If this agreement authorizes the Local Government or its contractor to perform any work on State right of way, before beginning work the entity performing the work shall provide the State with a fully executed copy of the State's Form 1560 Certificate of Insurance verifying the existence of coverage in the amounts and types specified on the Certificate of Insurance for all

persons and entities working on State right of way. This coverage shall be maintained until all work on the State right of way is complete. If coverage is not maintained, all work on State right of way shall cease immediately, and the State may recover damages and all costs of completing the work.

28. Federal Funding Accountability and Transparency Act Requirements

- A. Any recipient of funds under this agreement agrees to comply with the Federal Funding Accountability and Transparency Act (FFATA) and implementing regulations at 2 CFR Part 170, including Appendix A. This agreement is subject to the following award terms: <http://www.gpo.gov/fdsys/pkg/FR-2010-09-14/pdf/2010-22705.pdf> and <http://www.gpo.gov/fdsys/pkg/FR-2010-09-14/pdf/2010-22706.pdf>.
- B. The Local Government agrees that it shall:
1. Obtain and provide to the State a Central Contracting Registry (CCR) number (Federal Acquisition Regulation, Part 4, Sub-part 4.1100) if this award provides more than \$25,000 in Federal funding. The CCR number may be obtained by visiting the CCR website whose address is: <https://www.sam.gov/portal/public/SAM/>;
 2. Obtain and provide to the State a Data Universal Numbering System (DUNS) number, a unique nine-character number that allows Federal government to track the distribution of federal money. The DUNS may be requested free of charge for all businesses and entities required to do so by visiting the Dun & Bradstreet (D&B) on-line registration website <http://fedgov.dnb.com/webform>; and
 3. Report the total compensation and names of its top five (5) executives to the State if:
 - i. More than 80% of annual gross revenues are from the Federal government, and those revenues are greater than \$25,000,000; and
 - ii. The compensation information is not already available through reporting to the U.S. Securities and Exchange Commission.

29. Single Audit Report

- A. The parties shall comply with the requirements of the Single Audit Act of 1984, P.L. 98-502, ensuring that the single audit report includes the coverage stipulated in OMB Circular A-133.
- B. If threshold expenditures of \$500,000 or more are met during the Local Government's fiscal year, the Local Government must submit a Single Audit Report and Management Letter (if applicable) to TxDOT's Audit Office, 125 E. 11th Street, Austin, TX 78701 or contact TxDOT's Audit Office at <http://www.txdot.gov/inside-txdot/office/audit/contact.html>.
- C. If expenditures are less than \$500,000 during the Local Government's fiscal year, the Local Government must submit a statement to TxDOT's Audit Office as follows: "We did not meet the \$500,000 expenditure threshold and therefore, are not required to have a single audit performed for FY _____."
- D. For each year the project remains open for federal funding expenditures, the Local Government will be responsible for filing a report or statement as described above. The required annual filing shall extend throughout the life of the agreement, unless otherwise amended or the project has been formally closed out and no charges have been incurred within the current fiscal year.

CSJ # 0114-10-095
District # (17) Bryan
Code Chart 64 #05600
Project: BS 290 Traffic Signal
Federal Highway Administration
CFDA # 20.205
Not Research and Development

30. Signatory Warranty

Each signatory warrants that the signatory has necessary authority to execute this agreement on behalf of the entity represented.

THIS AGREEMENT IS EXECUTED by the State and the Local Government in duplicate.

THE LOCAL GOVERNMENT

Signature

Typed or Printed Name

Title

Date

THE STATE OF TEXAS

Janice Mullenix
Director of Contract Services
Texas Department of Transportation

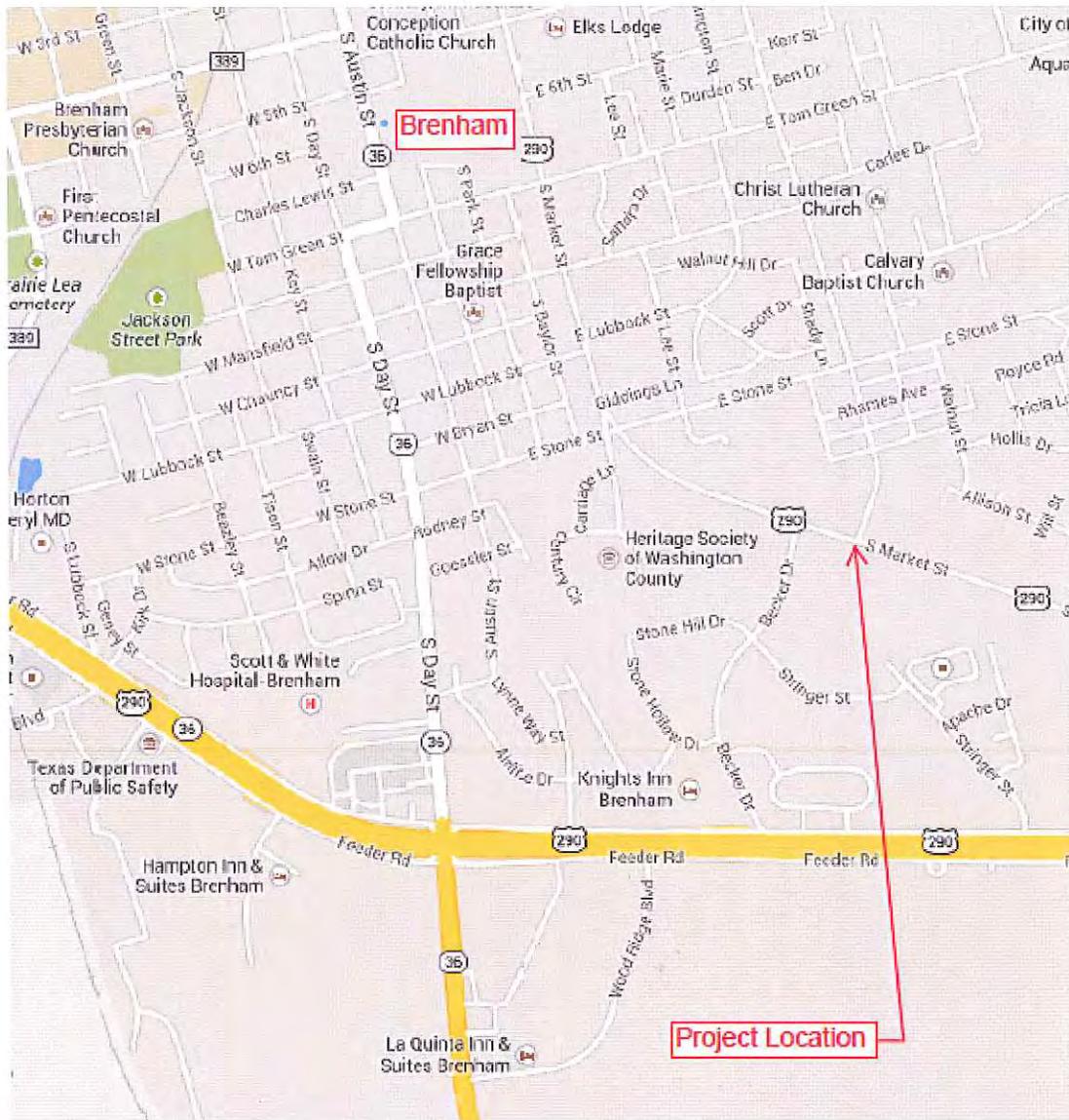
Date

CSJ # 0114-10-095
District # (17) Bryan
Code Chart 64 #05600
Project: BS 290 Traffic Signal
Federal Highway Administration
CFDA # 20.205
Not Research and Development

ATTACHMENT A
RESOLUTION OR ORDINANCE

CSJ # 0114-10-095
District # (17) Bryan
Code Chart 64 #05600
Project: BS 290 Traffic Signal
Federal Highway Administration
CFDA # 20.205
Not Research and Development

ATTACHMENT B LOCATION MAP SHOWING PROJECT



CSJ # 0114-10-095
 District # (17) Bryan
 Code Chart 64 #05600
 Project: BS 290 Traffic Signal
 Federal Highway Administration
 CFDA # 20.205
 Not Research and Development

ATTACHMENT C PROJECT BUDGET

The Local Government will be responsible for 100% of the project costs, including any overruns.

Description	Total Estimated Cost	Federal Participation		State Participation		Local Participation	
		%	Cost	%	Cost	%	Cost
Engineering (by Local Government)	\$25,000	0%	\$0	0%	\$0	100%	\$25,000
Construction (by Local Government)	\$250,000	0%	\$0	0%	\$0	100%	\$250,000
Utilities (by Local Government)	\$5,000	0%	\$0	0%	\$0	100%	\$5,000
Environmental Assessment/Mitigation (by Local Government)	\$5,000	0%	\$0	0%	\$0	100%	\$5,000
Subtotal	\$285,000	\$0		\$0		\$285,000	
Engineering Direct State Costs (2.00% of Construction)	\$5,000	0%	\$0	100%	\$5,000	0%	\$0
Construction Direct State Costs (2.00% of Construction)	\$5,000	0%	\$0	100%	\$5,000	0%	\$0
Utilities Direct State Costs	\$1,000	0%	\$0	100%	\$1,000	0%	\$0
Environmental Assessment/Mitigation Direct State Costs	\$1,000	0%	\$0	100%	\$1,000	0%	\$0
Indirect State Costs (2.00% of Construction)	\$5,000	0%	\$0	100%	\$5,000	0%	\$0
TOTAL	\$302,000	0%	\$0	5.6%	\$17,000	94.4%	\$285,000

Initial payment by the Local Government to the State: \$0

Payment by the Local Government to the State before construction: \$0

Estimated total payment by the Local Government to the State: \$0

This is an estimate. The final amount of Local Government participation will be based on actual costs.



AGENDA ITEM 10

DATE OF MEETING: January 9, 2014	DATE SUBMITTED: January 3, 2014	
DEPT. OF ORIGIN: Administration	SUBMITTED BY: Jeana Bellinger	
MEETING TYPE:	CLASSIFICATION:	ORDINANCE:
<input checked="" type="checkbox"/> REGULAR	<input type="checkbox"/> PUBLIC HEARING	<input checked="" type="checkbox"/> 1 ST READING
<input type="checkbox"/> SPECIAL	<input type="checkbox"/> CONSENT	<input type="checkbox"/> 2 ND READING
<input type="checkbox"/> EXECUTIVE SESSION	<input checked="" type="checkbox"/> REGULAR	<input type="checkbox"/> RESOLUTION
	<input type="checkbox"/> WORK SESSION	
AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon an Ordinance on Its First Reading Amending Chapter 24, Taxation, Article II, Hotel Occupancy Tax, of the Code of Ordinances of the City of Brenham		
SUMMARY STATEMENT: In February 2013 the Chairman of the HOT Board, Jean Shoup (Antique Rose Emporium), appointed a special committee to review the hotel occupancy tax ordinance and collection procedures to ensure the City was in compliance with current state laws. The Committee members included: Al Patel (Holiday Inn Express) and James Lopez (The Brenham House).		
<p>I met with the Committee members on several occasions to review the tax collection laws and the city's collection procedures. I also had several conversations with the City Attorney, Cary Bovey. After several meetings and lots of discussion the Committee presented the final recommended changes to the HOT Board at their November 20, 2013 meeting for their final review and approval. The HOT board approved the revised ordinance and requested that I present the new ordinance to the City Council for adoption.</p> <p>Many of the changes are simply to reflect what is outlined in Chapter 351 of the Tax Code; however there are a few revisions that will affect how my office collects the tax and our application of penalties and interest on late payments. A brief outline of the changes are listed below:</p> <ul style="list-style-type: none"> ➤ <u>Section 24-21, Definitions:</u> Amended for better clarity and/or to mirror state law. ➤ <u>Section 24-23, Collection:</u> Added stronger language related to the collection provisions to coincide with state law by allowing past due collection remedies such as audits, assessing attorney's fees and charging late payment penalties. ➤ <u>Section 24-24, Reports:</u> Amended when tax payments are due when how to handle when a due date falls on a city-observed holiday or week-end. ➤ <u>Section 24-25, Rules and regulations:</u> Amended for better clarity and/or to mirror state law. 		

- Section 24-26, Violations; penalties: Increased misdemeanor fine amount, as allowed by law. Added language to allow for a minimum late fee of five dollars (\$5.00). Amended penalty language to allow for the collection of ten percent (10%) interest and a twenty-five dollar (\$25.00) administrative fee on all late payments received after the thirty-first (31st) day.
- Section 24-27 Collection procedures on Purchase of Hotel: New section added to mirror state law.

The significant changes to the ordinance are in Sections 24-24 and 24-26. I requested the Committee review these provisions carefully in order to address some of the issues my office deals with on a monthly basis when collecting hotel occupancy tax. Some of those issues were due dates falling on city-observed holidays or weekends and calculating/assessing late fees and penalties for small hoteliers.

Once the new ordinance is approved by the Council, my office will notify all of the hoteliers, in writing, of the new payment guidelines and penalty procedures.

STAFF ANALYSIS (For Ordinances or Regular Agenda Items):

A. PROS:

B. CONS:

ALTERNATIVES (In Suggested Order of Staff Preference): N/A

ATTACHMENTS: (1) Redlined version of Chapter 24 showing all revisions being made to the Article; and (2) Clean copy of the ordinance

FUNDING SOURCE (Where Applicable): N/A

RECOMMENDED ACTION: Approve an Ordinance on its first reading amending Chapter 24, Taxation, Article II, Hotel Occupancy Tax, of the Code of Ordinances of the City of Brenham

APPROVALS: Terry K. Roberts

Chapter 24

TAXATION

ARTICLE II.

HOTEL OCCUPANCY TAX*

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Sec. 24-21. Definitions.

The following words, terms and phrases are, for the purpose of this article, except where the context clearly indicates a different meaning, defined as follows:

City shall mean the City of Brenham, Texas.

City Secretary shall mean the City Secretary of the City of Brenham, Texas.

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Consideration shall mean the cost of the room, sleeping space, bed or other facility in a hotel, and shall not include the cost of any food served or personal services rendered to the occupant of such room not related to the cleaning and readying of such room, sleeping space, bed or other facility for occupancy.

Hotel shall mean any building or buildings, trailer or facility, in which the public may, for consideration, obtain sleeping accommodations. The term shall include hotels, motels, tourist homes, tourist houses, tourist courts, lodging houses, inns, rooming houses, bed and breakfast facilities, or other buildings where rooms are furnished for consideration, but hotel shall not be defined so as to include: 1) hospitals, sanitariums or nursing homes; 2) a dormitory or other housing facility owned or leased and operated by an institution of higher education or a private or independent institution of higher education as those terms are defined by Section 61.003, Texas Education Code, used by the institution for the purpose of providing sleeping accommodations for persons engaged in an educational program or activity at the institution; or 3) an oilfield portable unit, as defined by Section 152.001, Texas Tax Code.

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Monthly shall mean the regular succeeding calendar months of each calendar year beginning with the month of January and ending with the month of December.

Occupancy shall mean the use or possession, or the right to the use or possession, of any room or rooms, sleeping space, bed or other facility in a hotel for any purpose.

Occupant shall mean anyone who, for a consideration, uses, possesses, or has a right to use or possess any room or rooms, sleeping space, bed or other facility in a hotel under any lease, concession, permit, right of access, license, contract or agreement.

Permanent Resident shall mean any occupant who has or shall have the right to occupancy of any room or rooms or sleeping space or other facility in a hotel for at least thirty (30) consecutive days, so long as there is no interruption of payment for the period.

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- Deleted: during the calendar year or preceding year
- Deleted: Person
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Hotelier shall mean any individual, company, corporation, association or other entity owning, operating, managing or controlling any hotel.

Sec. 24-22. Levy of tax; exceptions.

(a) There is hereby levied a tax upon the cost of occupancy of any room or space furnished by any hotel, within the city limits of the City of Brenham or within the City of Brenham extraterritorial jurisdiction where such occupancy is at the rate of two dollars (\$2.00) or more per day, and such tax shall be equal to seven percent (7%) of the consideration paid by the occupant of such room to such hotel.

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(b) No tax shall be imposed hereunder upon a *Permanent Resident*.

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Sec. 24-23. Collection.

(a) Every *Hotelier* shall collect the tax imposed in Section 24-22 hereof for the City of Brenham.

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(b) The City of Brenham may bring suit against a Hotelier who is required to collect the tax imposed by this Article and who has failed to file a tax report or pay the tax when due, to collect the tax not paid or to enjoin the Hotelier from operating a hotel in the City of Brenham until the tax is paid or the report is filed, as provided by the court's order. In addition to the amount of any tax owed under this Article, the hotelier is liable to the City for:

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(1) the City's reasonable attorney's fees;

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(2) the costs of an audit conducted under Subsection (c)(1), as determined by the City using a reasonable rate, but only if:

- Deleted: owning, operating, managing or controlling any hotel/motel

(A) the tax has been delinquent for at least two (2) complete City fiscal quarters at the time the audit is conducted; and

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(B) the City has not received a disbursement from the State Comptroller as provided by Section 156.2513, Texas Tax Code, related to the Hotelier's concurrent state tax delinquency described by Section 351.008, Texas Tax Code;

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(3) a penalty equal to fifteen percent (15%) of the total amount of the tax owed if the tax has been delinquent for at least one (1) complete City fiscal quarter; and

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(4) interest under Section 351.0042, Texas Tax Code.

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(c) If a Hotelier required to file a tax report under this Article does not file the report as required by the City, the City may determine the amount of tax due under this Article by:

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(1) conducting an audit of each hotel in relation to which the Hotelier did not file the report as required by the City; or

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(2) using the tax report filed for the appropriate reporting period under Section 156.151, Texas Tax Code, in relation to that hotel.

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(d) If the Hotelier did not file a tax report under Section 156.151, Texas Tax Code, for that reporting period in relation to that hotel, the City may estimate the amount of tax due by using the tax reports in relation to that hotel filed during the previous calendar year under this Article or Section 156.151, Texas Tax Code. An estimate made under this subsection is prima facie evidence of the amount of tax due for that period in relation to that hotel.

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(e) The authority to conduct an audit under this Section is in addition to any other audit authority provided by statute, charter, or ordinance. The City may directly perform an audit authorized by this Section or contract with another person to perform the audit on an hourly rate or fixed-fee basis. The City shall provide at least thirty (30) days' written notice to a Hotelier who is required to collect the tax imposed by this Article with respect to a hotel before conducting an audit of the hotel under this section.

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(f) The remedies provided by this Section are in addition to other available remedies.

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Sec. 24-24. Reports.

Every Hotelier required hereby to collect the tax imposed by this Article shall file a report with the City Secretary showing the consideration paid for all room occupancies in the preceding month, the amount of tax collected on the City's behalf for such occupancies, and any other information as the City Secretary may reasonably require.

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The taxes collected by a Hotelier and payable to the City pursuant to this Article must be received in full by the City Secretary's office no later than the last day of the month following the calendar month in which the taxes were collected. If the last day of the month falls on a Saturday, Sunday, or Holiday, designated by the City, said tax payment must be received by the City Secretary's office no later than the close of business on the next regular business day.

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Such Hoteliers shall pay to the City the tax due on such occupancies at the time of filing such report. Each Hotelier shall also furnish to the City Secretary a copy of the quarterly tax report filed with the State Comptroller in connection with the State of Texas Hotel Occupancy Tax, such report shall be furnished on or before the date the report is required to be filed with the State Comptroller.

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Sec. 24-25. Rules and regulations.

The City Secretary shall have the power to make such rules and regulations as are necessary to effectively collect the tax levied herein, and shall upon reasonable notice have access to books and records of each Hotelier necessary to enable the City Secretary to determine the correctness of any report filed as required by this Article and the amount of taxes due under the provisions of this Article.

If, as a result of an audit conducted under this Article, the City obtains documents or other information showing a failure to collect or pay when due both the tax imposed by this Article and the tax imposed by Chapter 156, Texas Tax Code, the City Secretary shall notify and submit the relevant information to the State Comptroller's Office.

Sec. 24-26. Violations; penalties.

(a) If any Hotelier required by the provisions of this Article to collect the tax imposed herein, to make reports as required herein, and to pay to the City Secretary the tax imposed herein shall fail to collect such tax, shall fail to file such report, or shall fail to pay such tax, or if such person shall file a false report, such person shall be deemed guilty of a misdemeanor and upon conviction shall be punished by a fine not to exceed five hundred dollars (\$500.00).

(b) If any Hotelier shall fail to file a report as required by this Article, or shall fail to pay to the City at the City Secretary's Office the tax as imposed by this Article, when said report or payment is due, said person shall pay to the City as an administrative penalty the greater amount of: (1) five percent (5%) of the total tax due; or (2) five dollars (\$5.00).

An additional administrative penalty of the greater amount of (1) five percent (5%) of such delinquent tax; or (2) five dollars (\$5.00), shall be paid to the City if the tax is paid more than thirty (30) days after the original due date. Any person who fails to pay the tax due as required by this Article is liable to the City for interest on the unpaid amount at the greater of: (1) the rate provided by the Texas Tax Code Section 111.060(b); or (2) the rate imposed by the City on January 1, 2013, said rate being ten percent (10%) per annum. Interest on delinquent taxes due to the City as required by this Article accrues from the first day after the date due until the tax is paid. In addition to all taxes, penalties, and interest payable to the City, a twenty-five dollar (\$25.00) administrative fee shall be imposed for taxes that remain delinquent more than thirty (30) days after the original due date.

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Sec. 24-27, Collection Procedures on Purchase of Hotel.

- (a) If a Hotelier who is liable for the payment of a tax under this Article is the owner of a hotel and sells the hotel, the successor to the seller or the seller's assignee shall withhold an amount of the purchase price sufficient to pay the amount due until the seller provides a receipt from the City Secretary showing that the amount has been paid or a certificate showing that no tax is due.
- (b) The purchaser of a hotel who fails to withhold an amount of the purchase price as required by this Section is liable for the amount required to be withheld to the extent of the value of the purchase price.
- (c) The purchaser of a hotel may request that the City Secretary issue a certificate stating that no tax is due or issue a statement of the amount required to be paid before a certificate may be issued. The City Secretary shall issue the certificate or statement not later than the sixtieth (60th) day after the date that the person receives the request.
- (d) If the City Secretary fails to issue the certificate or statement within the period provided by Subsection (c), the purchaser is released from the obligation to withhold the purchase price or pay the amount due.

Secs. 24-28--24-29. RESERVED.

Deleted: (a) Beginning with the City's fiscal year beginning October 1, 2013, and in accordance with the requirements and procedures and requirements provided for herein, the City shall, on an annual basis, pay to a hotelier who is required to collect and pay over to the City the tax authorized by this Article ___ percent (___%) of the total amount collected and paid to the City during the applicable City fiscal year (October 1 – September 30). This annual payment to a qualified hotelier shall constitute reimbursement to the hotelier for the costs incurred in collecting the tax for the City.¶

¶ (b) To be qualified to receive the reimbursement payment from the City as provided for herein, a hotelier must timely submit all reports and payments to the City required by this Article in a timely manner. In the event a hotelier submits one (1) or more reports or payments to the City after a due date established by this Article, the hotelier shall not be eligible to receive a reimbursement payment for the fiscal year during which the hotelier failed to submit all reports and payments to the City in a timely manner.¶

¶ (c) The City shall calculate and make the reimbursement payments to the qualified hoteliers no later than the ninetieth (90th) day after the end of the City's fiscal year. The City's decision regarding the timeliness of reports and payments to the City shall be final and solely within the City's determination.¶

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ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF BRENHAM, TEXAS AMENDING CHAPTER 24, TAXATION, ARTICLE II, HOTEL OCCUPANCY TAX, OF THE CODE OF ORDINANCES OF THE CITY OF BRENHAM, TEXAS PROVIDING FOR THE COLLECTION OF HOTEL OCCUPANCY TAXES AND ADDITIONAL MATTERS RELATED TO THE COLLECTION OF HOTEL OCCUPANCY TAXES; PROVIDING FOR A SAVINGS CLAUSE; PROVIDING FOR A SEVERABILITY CLAUSE; PROVIDING FOR A REPEALER CLAUSE; PROVIDING FOR AN EFFECTIVE DATE; AND PROVIDING FOR PROPER NOTICE AND MEETINGS

WHEREAS, the City of Brenham (“City”) is a Texas home-rule municipality; and

WHEREAS, pursuant to Texas Local Government Code, Section 51.001, the City has the authority to adopt ordinances and regulations that are for good government, peace and order of the City; and

WHEREAS, as a home-rule municipality, Texas Local Government Code, Section 51.072 confirms that the City has the full power of local self-government; and

WHEREAS, Chapter 351 of the Texas Tax Code allows for the imposition and collection of hotel occupancy taxes by municipalities; and

WHEREAS, the City Council desires to amend Chapter 24, Taxation, of the Code of Ordinances of the City of Brenham in order to conform Chapter 24 with state laws related to hotel occupancy tax collection and procedures, and to provide for other beneficial changes;

NOW, THEREFORE, be it ordained by the City Council of the City of Brenham, Texas that:

SECTION 1.

The findings set forth above are incorporated into the body of this Ordinance as if fully set forth herein.

SECTION 2.

The Code of Ordinances of the City of Brenham, Texas, Chapter 24, TAXATION, Article II, HOTEL OCCUPANCY TAX, is hereby amended to read as follows:

**ARTICLE II
HOTEL OCCUPANCY TAX**

Sec. 24-21. Definitions.

The following words, terms and phrases are, for the purpose of this article, except where the context clearly indicates a different meaning, defined as follows:

City shall mean the City of Brenham, Texas.

City Secretary shall mean the City Secretary of the City of Brenham, Texas.

Consideration shall mean the cost of the room, sleeping space, bed or other facility in a hotel and shall not include the cost of any food served or personal services rendered to the occupant of such room not related to the cleaning and readying of such room, sleeping space, bed or other facility for occupancy.

Hotel shall mean any building or buildings, trailer or facility, in which the public may, for consideration, obtain sleeping accommodations. The term shall include hotels, motels, tourist homes, tourist houses, tourist courts, lodging houses, inns, rooming houses, bed and breakfast facilities, or other buildings where rooms are furnished for consideration, but hotel shall not be defined so as to include: 1) hospitals, sanitariums or nursing homes; 2) a dormitory or other housing facility owned or leased and operated by an institution of higher education or a private or independent institution of higher education as those terms are defined by Section 61.003, Texas Education Code, used by the institution for the purpose of providing sleeping accommodations for persons engaged in an educational program or activity at the institution; or 3) an oilfield portable unit, as defined by Section 152.001, Texas Tax Code.

Monthly shall mean the regular succeeding calendar months of each calendar year beginning with the month of January and ending with the month of December.

Occupancy shall mean the use or possession, or the right to the use or possession, of any room or rooms, sleeping space, bed or other facility in a hotel for any purpose.

Occupant shall mean anyone who, for a consideration, uses, possesses, or has a right to use or possess any room or rooms, sleeping space, bed or other facility in a hotel under any lease, concession, permit, right of access, license, contract or agreement.

Permanent Resident shall mean any occupant who has or shall have the right to occupancy of any room or rooms or sleeping space or other facility in a hotel for at least thirty (30) consecutive days, so long as there is no interruption of payment for the period.

Hotelier shall mean any individual, company, corporation, association or other entity owning, operating, managing or controlling any hotel.

Sec. 24-22. Levy of tax; exceptions.

- (a) There is hereby levied a tax upon the cost of occupancy of any room or space furnished by any hotel within the city limits of the City of Brenham or within the City of Brenham extraterritorial jurisdiction where such occupancy is at the rate of two dollars (\$2.00) or more per day, and such tax shall be equal to seven percent (7%) of the consideration paid by the occupant of such room to such hotel.
- (b) No tax shall be imposed hereunder upon a Permanent Resident.

Sec. 24-23. Collection.

- (a) Every Hotelier shall collect the tax imposed in Section 24-22 hereof for the City of Brenham.
- (b) The City of Brenham may bring suit against a Hotelier who is required to collect the tax imposed by this Article and who has failed to file a tax report or pay the tax when due, to collect the tax not paid or to enjoin the Hotelier from operating a hotel in the City of Brenham until the tax is paid or the report is filed, as provided by the court's order. In addition to the amount of any tax owed under this Article, the hotelier is liable to the City for:
 - (1) the City's reasonable attorney's fees;
 - (2) the costs of an audit conducted under Subsection (c)(1), as determined by the City using a reasonable rate, but only if:
 - (A) the tax has been delinquent for at least two (2) complete City fiscal quarters at the time the audit is conducted; and
 - (B) the City has not received a disbursement from the State Comptroller as provided by Section 156.2513, Texas Tax Code, related to the Hotelier's concurrent state tax delinquency described by Section 351.008, Texas Tax Code;
 - (3) a penalty equal to fifteen percent (15%) of the total amount of the tax owed if the tax has been delinquent for at least one (1) complete City fiscal quarter; and
 - (4) interest under Section 351.0042, Texas Tax Code.
- (c) If a Hotelier required to file a tax report under this Article does not file the report as required by the City, the City may determine the amount of tax due under this Article by:
 - (1) conducting an audit of each hotel in relation to which the Hotelier did not file the report as required by the City; or
 - (2) using the tax report filed for the appropriate reporting period under Section 156.151, Texas Tax Code, in relation to that hotel.

- (d) If the Hotelier did not file a tax report under Section 156.151, Texas Tax Code, for that reporting period in relation to that hotel, the City may estimate the amount of tax due by using the tax reports in relation to that hotel filed during the previous calendar year under this Article or Section 156.151, Texas Tax Code. An estimate made under this subsection is prima facie evidence of the amount of tax due for that period in relation to that hotel.
- (e) The authority to conduct an audit under this Section is in addition to any other audit authority provided by statute, charter, or ordinance. The City may directly perform an audit authorized by this Section or contract with another person to perform the audit on an hourly rate or fixed-fee basis. The City shall provide at least thirty (30) days' written notice to a Hotelier who is required to collect the tax imposed by this Article with respect to a hotel before conducting an audit of the hotel under this section.
- (f) The remedies provided by this Section are in addition to other available remedies.

Sec. 24-24. Reports.

Every Hotelier required hereby to collect the tax imposed by this Article shall file a report with the City Secretary showing the consideration paid for all room occupancies in the preceding month, the amount of tax collected on the City's behalf for such occupancies, and any other information as the City Secretary may reasonably require.

The taxes collected by a Hotelier and payable to the City pursuant to this Article must be received in full by the City Secretary's office no later than the last day of the month following the calendar month in which the taxes were collected. If the last day of the month falls on a Saturday, Sunday, or Holiday, designated by the City, said tax payment must be received by the City Secretary's office no later than the close of business on the next regular business day.

Such Hoteliers shall pay to the City the tax due on such occupancies at the time of filing such report. Each Hotelier shall also furnish to the City Secretary a copy of the quarterly tax report filed with the State Comptroller in connection with the State of Texas Hotel Occupancy Tax, such report shall be furnished on or before the date the report is required to be filed with the State Comptroller.

Sec. 24-25. Rules and regulations.

The City Secretary shall have the power to make such rules and regulations as are necessary to effectively collect the tax levied herein, and shall upon reasonable notice have access to books and records of each Hotelier necessary to enable the City Secretary to determine the correctness of any report filed as required by this Article and the amount of taxes due under the provisions of this Article.

If, as a result of an audit conducted under this Article, the City obtains documents or other information showing a failure to collect or pay when due both the tax imposed by this Article and the tax imposed by Chapter 156, Texas Tax Code, the City Secretary shall notify and submit the relevant information to the State Comptroller's Office.

Sec. 24-26. Violations; penalties.

- (a) If any Hotelier required by the provisions of this Article to collect the tax imposed herein, to make reports as required herein, and to pay to the City Secretary the tax imposed herein shall fail to collect such tax, shall fail to file such report, or shall fail to pay such tax, or if such person shall file a false report, such person shall be deemed guilty of a misdemeanor and upon conviction shall be punished by a fine not to exceed five hundred dollars (\$500.00).
- (b) If any Hotelier shall fail to file a report as required by this Article or shall fail to pay to the City at the City Secretary's Office the tax as imposed by this Article when said report or payment is due, said person shall pay to the City as an administrative penalty the greater amount of: (1) five percent (5%) of the total tax due; or (2) five dollars (\$5.00).

An additional administrative penalty of the greater amount of (1) five percent (5%) of such delinquent tax; or (2) five dollars (\$5.00), shall be paid to the City if the tax is paid more than thirty (30) days after the original due date. Any person who fails to pay the tax due as required by this Article is liable to the City for interest on the unpaid amount at the greater of: (1) the rate provided by the Texas Tax Code Section 111.060(b); or (2) the rate imposed by the City on January 1, 2013, said rate being ten percent (10%) per annum. Interest on delinquent taxes due to the City as required by this Article accrues from the first day after the date due until the tax is paid. In addition to all taxes, penalties, and interest payable to the City, a twenty-five dollar (\$25.00) administrative fee shall be imposed for taxes that remain delinquent more than thirty (30) days after the original due date.

Sec. 24-27. Collection Procedures on Purchase of Hotel.

- (a) If a Hotelier who is liable for the payment of a tax under this Article is the owner of a hotel and sells the hotel, the successor to the seller or the seller's assignee shall withhold an amount of the purchase price sufficient to pay the amount due until the seller provides a receipt from the City Secretary showing that the amount has been paid or a certificate showing that no tax is due.
- (b) The purchaser of a hotel who fails to withhold an amount of the purchase price as required by this Section is liable for the amount required to be withheld to the extent of the value of the purchase price.

- (c) The purchaser of a hotel may request that the City Secretary issue a certificate stating that no tax is due or issue a statement of the amount required to be paid before a certificate may be issued. The City Secretary shall issue the certificate or statement not later than the sixtieth (60th) day after the date that the person receives the request.
- (d) If the City Secretary fails to issue the certificate or statement within the period provided by Subsection (c), the purchaser is released from the obligation to withhold the purchase price or pay the amount due.

Secs. 24-28--24-29. RESERVED.

SECTION 3.
SAVINGS CLAUSE

All provisions of any ordinance, resolution or other action of the City in conflict with this Ordinance are hereby repealed to the extent they are in conflict. Any remaining portions of said ordinances, resolutions or other actions shall remain in full force and effect.

SECTION 4.
SEVERABILITY

Should any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. The City Council hereby declares that it would have passed this Ordinance, and each section, subsection, sentences and clauses and phrases remaining should any provision be declared unconstitutional or invalid.

SECTION 5.
REPEALER

Any other ordinance or parts of ordinances in conflict with this Ordinance are hereby expressly repealed.

SECTION 6.
EFFECTIVE DATE

This Ordinance shall become effective upon adoption and publication as required by law.

SECTION 7.
PROPER NOTICE AND MEETINGS

It is hereby officially found and determined that the meetings at which this Ordinance was passed were open to the public as required and that public notice of the time, place and purpose of said meetings were given as required by the Open Meetings Act, Chapter 551 of the Texas Government Code.

PASSED AND APPROVED on its first reading this the ____ day of _____, 2014.

PASSED AND APPROVED on its second reading this the ____ day of _____, 2014.

Milton Y. Tate, Jr.
Mayor

ATTEST:

Jeana Bellinger, TRMC
City Secretary



AGENDA ITEM 11

DATE OF MEETING: January 9, 2014	DATE SUBMITTED: January 3, 2014	
DEPT. OF ORIGIN: Administration	SUBMITTED BY: Jeana Bellinger	
MEETING TYPE:	CLASSIFICATION:	ORDINANCE:
<input checked="" type="checkbox"/> REGULAR	<input type="checkbox"/> PUBLIC HEARING	<input type="checkbox"/> 1 ST READING
<input type="checkbox"/> SPECIAL	<input type="checkbox"/> CONSENT	<input type="checkbox"/> 2 ND READING
<input type="checkbox"/> EXECUTIVE SESSION	<input checked="" type="checkbox"/> REGULAR	<input checked="" type="checkbox"/> RESOLUTION
	<input type="checkbox"/> WORK SESSION	
AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon Resolution No. R-14-002 Providing for the Approval of the Bylaws of the Brenham-Washington County Hotel Occupancy Tax Board		
SUMMARY STATEMENT: In February 2013 the Chairman of the HOT Board, Jean Shoup (Antique Rose Emporium), appointed a special committee to review the 2010 HOT Board bylaws. The Committee members included: Bob Cottle (Pleasant Hill Winery) and Keith Hankins (Ant Street Inn). I met with the Committee members on several occasions to review the bylaws and I also had several conversations about the bylaws with the City Attorney, Cary Bovey. After several meetings and lots of discussion the Committee presented the final recommended changes to the HOT Board at their November 20, 2013 meeting for their final review and approval. The HOT board approved the revised bylaws and requested that I present them to the City Council and Commissioners Court for adoption. County Commissioner Kirk Hanath is the County liaison for the HOT Board, he attends all of the meetings and has reviewed the changes being recommended. I will coordinate with him on getting the updated bylaws on an upcoming Commissioners Court agenda for their approval.		
STAFF ANALYSIS (For Ordinances or Regular Agenda Items):		
A. PROS:		
B. CONS:		
ALTERNATIVES (In Suggested Order of Staff Preference): N/A		
ATTACHMENTS: (1) Resolution No. R-14-002; (2) Redlined version of the 2010 bylaws; and (3) Clean copy of the bylaws		
FUNDING SOURCE (Where Applicable): N/A		

RECOMMENDED ACTION: Approve Resolution No. R-14-002 providing for the approval of the bylaws of the Brenham-Washington County Hotel Occupancy Tax Board.

APPROVALS: Terry K. Roberts

RESOLUTION NO. R-14-002

A RESOLUTION PROVIDING FOR THE APPROVAL OF THE BYLAWS FOR THE BRENHAM-WASHINGTON COUNTY HOTEL OCCUPANCY TAX BOARD OF THE CITY OF BRENHAM AND WASHINGTON COUNTY, TEXAS.

WHEREAS on May 18, 2010 the City of Brenham and Washington County entered into an Interlocal Agreement to jointly fund tourism promotion activities with hotel occupancy tax funds;

WHEREAS, the City and County agreed to jointly create a Brenham-Washington County Hotel Occupancy Tax Board to administer the program and develop a budget;

WHEREAS the Brenham-Washington County Hotel Occupancy Tax Board serves the City Council of the City of Brenham, and the Commissioner’s Court of Washington County;

WHEREAS the City Council of the City of Brenham and the Commissioner’s Court of Washington County desire to adopt formal By-Laws for the Brenham-Washington County Hotel Occupancy Tax Board;

WHEREAS, the By-laws formally adopted on July 8, 2010 are hereby repealed; and

WHEREAS the Brenham-Washington County Hotel Occupancy Tax Board has approved the attached By-Laws;

THEREFORE, be it Resolved by the City Council of the City of Brenham, Texas that the attached By-Laws of the Brenham-Washington County Hotel Occupancy Tax Board, attached hereto as Exhibit “A” and incorporated herein by reference, are hereby adopted effective immediately upon approval by the Brenham City Council and the Washington County Commissioner’s Court.

PASSED AND APPROVED on this the _____ day of January, 2014.

Milton Y. Tate, Jr.
Mayor

ATTEST:

Jeana Bellinger, TRMC
City Secretary

**BY-LAWS OF
THE BRENHAM- WASHINGTON COUNTY
HOTEL OCCUPANCY TAX BOARD**

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AND WASHINGTON COUNTY, TEXAS

**ARTICLE I
NAME OF ORGANIZATION**

Section 1:

The name of this organization shall be the Brenham-Washington County Hotel Occupancy Tax Board hereinafter referred to as “this Board” of the City of Brenham, Texas and Washington County, Texas.

Section 2:

This Board will implement its objectives and purposes in the City of Brenham, Texas and the County of Washington, Texas.

Section 3:

The street address of the office of this Board shall be the same as for the City of Brenham, Texas, or at such location as may be designated by the City Council of the City of Brenham, Texas, in agreement with Washington County Commissioners Court.

**ARTICLE II
AUTHORITY**

The creation of this Board is authorized by City of Brenham, Texas and Washington County Commissioners Court, and is a necessary and helpful advisory board to both the City Council of the City of Brenham, Texas and the Commissioners Court of Washington County, Texas. All recommendations of the Board regarding policies, procedures, and/or funding allocations of hotel occupancy tax funds shall be presented to the City Council and County Commissioners for final approval.

**ARTICLE III
PURPOSE AND RESPONSIBILITY**

The purpose and responsibility of this Board shall include, but not be limited to, the following:

- A. To assist the City of Brenham and Washington County in the appropriate allocations of the hotel occupancy tax funds collected within the city limit of Brenham, Texas and within Washington County, Texas, for the promotion of tourism as authorized by the Texas Tax Code, Chapters 351 and 352, in the manner as each Chapter may be respectively applicable to the City or County.

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- B. To receive and review applications from organizations requesting funding from the hotel occupancy taxes collected by the City and County.
- C. To recommend the allocations of hotel occupancy tax funds to the City Council of Brenham, Texas and to the County Commissioners of Washington County, Texas through the submission of a proposed annual budget, no later than July 1st each year, providing for a twelve (12) month fiscal period from October 1 through September 30.
- D. To review the actual expenditures of funds from the hotel occupancy tax to be certain that the funds are being used to promote tourism as authorized by state law.

ARTICLE IV
MEMBERSHIP

Section 1:

The membership requirements for this Board are as follows:

- A. Members must be residents of Washington County, Texas for at least one (1) year prior to their appointment.
- B. Members must be qualified voters of Washington County, Texas.
- C. Members must not be in arrears in the payment of any taxes or other liability due to the City of Brenham or Washington County.

Section 2:

This Board shall consist of nine (9) members. As near as practical, five (5) members of this Board should be representatives of the hotel/motel, bed and breakfast, and/or tourism industry, in Washington County, Texas.

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Section 3:

Seven (7) Board members shall be appointed by the City Council of the City of Brenham and two (2) members shall be appointed by the Washington County Commissioners Court. Elected officials, city staff, county staff, members of this Board or interested citizens may recommend individuals to the City Council and the Commissioners Court for consideration.

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Deleted: Each member of the Board serves at the pleasure of the governing body that appointed the member to the Board.

Section 4:

Each member of the Board shall serve at the pleasure of the governing body that appointed said member to the Board.

Section 5:

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The term of membership for members appointed by the City Council of the City of Brenham shall be staggered three (3) year terms. The member shall be able to succeed himself/herself, subject to reappointment by the City Council. Members appointed by the City Council shall have no term limits.

The term of membership for members appointed by the Washington County Commissioners Court shall be staggered two (2) year terms. The member shall be able to succeed himself/herself, subject to reappointment by the Commissioners Court. Members appointed by the Commissioners Court shall be limited to three (3) full consecutive terms.

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The terms of office for members and officers of this Board will be on a calendar year basis.

Section 6:

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A Board member who is unable to attend regular meetings or participate in Board business shall be expected to tender his/her resignation. Resignation from this Board shall be by letter to the Board Chairperson, Mayor, and County Judge. Vacancies resulting from resignation or any other cause will be filled by the City Council of the City of Brenham or the Washington County Commissioners Court, depending on whether the Board position was a City of Brenham appointment or a Washington County appointment. A person appointed to fill a vacancy on the Board shall serve for the remaining unexpired term of the position to which the person is appointed.

Section 7:

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A Board member who misses fifty percent (50%) of the scheduled meetings in a one (1) year period shall not be eligible for reappointment to the Board.

Deleted: A Board member who is unable to participate in Board business shall be expected to tender his/her resignation.¶

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Section 8:

In the event of an unexpected medical or personal emergency an interim member may be appointed by the governing bodies. The interim member shall have all the rights and responsibilities of the incumbent member while serving in the incumbent member's position.

Section 9:

Deleted: meetings will be counseled by the Chairperson and is subject to removal by vote of the City Council or Commissioners Court. ¶

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A Board member may cast only a single vote on any issue. Proxy votes are prohibited. Alternate and ex-officio members shall not vote.

Deleted: A Board member who misses fifty percent (50%) of the scheduled meetings in a one (1) year period shall not be eligible for reappointment.¶

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Section 10:

All board members shall be required to attend training on the Texas Open Meetings Act, the Texas Public Information Act, and any state statues pertaining to the Board. Such training must be held within ninety (90) days of the member’s appointment to the Board.

If a member has completed Texas Open Meetings training within the last five (5) years and can provide the Chairman documentation of the training, the member shall be exempt from this training requirement.

ARTICLE V
OFFICERS

- A. ~~A Chairperson and Vice Chairperson~~ shall be elected annually by the members of this Board.
- B. ~~The Chairperson shall preside at all meetings of the Board and shall perform such duties as may be assigned by the Board, the City Council, and the Commissioners Court. The Chairperson shall have the power to appoint subcommittees, as he/she deems necessary to achieve the objectives of the Board.~~
- C. ~~In the absence of the Chairperson from a meeting of the Board, the Vice Chairperson shall serve as the presiding officer during the meeting. If both the Chairperson and Vice Chairperson are absent from a meeting of the Board, the remaining Board members present at the meeting shall elect a member of the Board to serve as the temporary presiding officer during the meeting.~~
- D. ~~Resignation of the Chairperson or Vice Chairperson from this Board shall be by letter to all other Board members. If the Chairperson or Vice Chairperson resigns from their officer position but continues to serve on the Board, the members shall elect a new Chairperson or Vice Chairperson as soon as practicable. If the Chairperson or Vice Chairperson resigns from their officer position and does not continue serving on the Board, their member position will be considered vacant and will be filled as outlined in Section IV.4 of these By-Laws.~~

ARTICLE VI
SPECIAL SUBCOMMITTEES

Section 1:

~~Special~~ subcommittees may be created for special purposes.

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The terms of office of the members and officers of this Board will be on the calendar year.¶

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Professional staff members of the City of Brenham or Washington County assigned to work with this Board shall be non-voting ex-officio members of this Board.¶

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Deleted: and shall serve at the pleasure of the City Council of the City of Brenham and the Commissioners Court of Washington County. Resignation of the Chairperson from the Chairperson position shall be by letter to all other Board members. If the Chairperson resigns from the Chairperson position but continues to serve on this Board, the members of this Board shall elect a new Chairperson as soon as practicable

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Deleted: the Mayor of the City of Brenham, and the County Judge of Washington County. An unexpired term will be filled by vote of the City Council of the City of Brenham or the Commissioners Court of Washington County, depending on whether the Board position was a City of Brenham appointment or a Washington County appointment.

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<#>The Chairperson of this Board shall preside at all meetings of this Board and shall perform such duties as may be assigned by this Board or by the City Council and the Commissioners Court. The Chairperson shall have the power to appoint subcommittees, as he/she deems necessary to achieve the objectives of this Board.¶

<#>In the absence of the Chairperson, Board members present shall elect a temporary presiding officer to serve as Chairperson during the meeting. ¶

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<#>¶
C. The City Manager of the City of Brenham shall designate staff to record proceedings of the meeting and to prepare official minutes of the Board meeting. The designated City staff person is responsible for providing written copies of the Board meeting minutes and any other necessary documents to the City Council and County Commissioners Court.¶

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Section 2:

Special subcommittee Chairpersons and members shall be appointed by the Chairperson of this Board.

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Section 3:

Special subcommittees will automatically dissolve upon completion of their work and submission of their report and recommendation to the Board.

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ARTICLE VII
MEETINGS AND COMMUNICATION

Section 1:

This Board shall meet at least quarterly or as needed, upon the direction of the Chairperson, or upon request of a majority of the members of this Board.

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Section 2:

An agenda of issues to be considered at each meeting shall be posted on the external bulletin board at the City Hall and on the bulletin board of the County Court House at least seventy-two (72) hours prior to the meeting time. All meetings of this Board will be held in compliance with the provisions of the Texas Open Meetings Act and shall be open to the public, except as may otherwise be allowed by law.

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Section 3:

Emergency meetings to address urgent matters may be called provided: each member is notified of the meeting by telephone or by personal contact; notice of meeting is posted at least two (2) hours prior to the meeting time; and said meeting is held in compliance with all of the provisions of the Texas Open Meetings Act.

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¶ Written notice of the meeting and minutes of the last meeting will be mailed or otherwise delivered to each member of this Board, the County Judge and the City Manager by the designated City staff person. ¶

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Section 4:

All meetings of this Board shall be open to the public. The Board may meet in closed session during a meeting as authorized by the Texas Open Meetings Act.

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ATRICLE VIII
STAFF

Section 1:

The City Manager of the City of Brenham shall designate a Staff Liaison to prepare agendas and post meetings, record proceedings of and to prepare official minutes of the Board meeting.

Section 2:

The City of Brenham's Finance Department will prepare budget projections, track expenses and disburse funds related to Hotel Occupancy Tax funds collected within the city limits of the City of Brenham and report that information to the Hotel Occupancy Tax Board quarterly.

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Deleted: The City of Brenham will provide staff to record and distribute minutes, prepare agendas and post meetings.

Section 3:

The Washington County Treasurer's office will track receipt of Hotel Occupancy Tax funds collected outside of municipalities authorized to collect Hotel Occupancy Taxes within the confines of Washington County, and outside of the City of Brenham and report that information to the Hotel Occupancy Tax Board quarterly.

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Section 4:

Professional staff members of the City of Brenham or Washington County assigned to work with this Board shall be non-voting ex-officio members of this Board.

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ARTICLE IX
QUORUM

The authority vested in the Board shall be exercised only at a meeting of a quorum of its members. Five (5) members of this Board present shall constitute a quorum. Any action taken by this Board shall be by simple majority vote of members present at a properly posted meeting.

ARTICLE X
RULES FOR PROCEDURE / STATUTORY REQUIREMENTS

Section 1:

Robert's Rules of Order shall govern on all matters of parliamentary procedures.

Section 2:

This Board shall be subject to any rules, regulations, acts or mandates placed on the City of Brenham or Washington County Commissioners Court by local, state or federal governments.

ARTICLE XI
AMENDMENTS TO BY-LAWS

These By-laws may be amended by approval of the City of Brenham City Council and the Washington County Commissioners Court. This Board may make recommendations for amendments to the by-laws by written request to the City of Brenham City Council and the Washington County Commissioners Court.

ARTICLE XII
CONFLICTS

Section 1:

Members of this Board shall not use their position on this Board for a purpose that is or gives the appearance of being a conflict of interest. In the event that a Member becomes aware of a conflict of interest, or potential conflict of interest, with regard to any particular item being considered by the Board, they shall immediately notify the Chairman and shall abstain from the consideration of and voting on the item. A “conflict of interest” is generally defined as a situation in which a Board member’s personal interests might be served or financial benefits gained as a result of, or relating to, a decision of the Board.

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Deleted: bring the same to the attention of the presiding officer of the meeting and shall abstain from the consideration of and voting on the item, unless the Board determines that no conflict of interest exists

Section 2:

In the event that a Board member is also a member, officer or organizer of a group, entity or event requesting hotel occupancy tax funds, said Board member shall abstain from the consideration of and voting on any item that pertains to said group, entity, or event.

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Deleted: will recuse himself/herself from any recommendation or vote as it pertains to their group or event.

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CERTIFICATION

These by-laws of the Brenham-Washington County Hotel Occupancy Tax Board are hereby duly adopted by the City of Brenham, Texas, City Council on this _____ day of _____, 20_____

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Milton Y. Tate, Jr., Mayor
City of Brenham, Texas

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ATTEST:

Jeana Bellinger, TRMC, City Secretary
City of Brenham, Texas

Deleted: City Secretary¶

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These by-laws of the Brenham-Washington County Hotel Occupancy Tax Board are hereby duly adopted by the Washington County Commissioners Court on this _____ day of _____, 20_____

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John Brieden, County Judge
Washington County, Texas

Deleted: Dorothy Morgan

ATTEST:

Beth Rothermel, County Clerk
Washington County, Texas

**BY-LAWS OF
THE BRENHAM- WASHINGTON COUNTY
HOTEL OCCUPANCY TAX BOARD**

**ARTICLE I
NAME OF ORGANIZATION**

Section 1:

The name of this organization shall be the Brenham-Washington County Hotel Occupancy Tax Board hereinafter referred to as “this Board” of the City of Brenham, Texas and Washington County, Texas.

Section 2:

This Board will implement its objectives and purposes in the City of Brenham, Texas and the County of Washington, Texas.

Section 3:

The street address of the office of this Board shall be the same as for the City of Brenham, Texas, or at such location as may be designated by the City Council of the City of Brenham, Texas, in agreement with Washington County Commissioners Court.

**ARTICLE II
AUTHORITY**

The creation of this Board is authorized by City of Brenham, Texas and Washington County Commissioners Court, and is a necessary and helpful advisory board to both the City Council of the City of Brenham, Texas and the Commissioners Court of Washington County, Texas. All recommendations of the Board regarding policies, procedures, and/or funding allocations of hotel occupancy tax funds shall be presented to the City Council and County Commissioners for final approval.

**ARTICLE III
PURPOSE AND RESPONSIBILITY**

The purpose and responsibility of this Board shall include, but not be limited to, the following:

- A. To assist the City of Brenham and Washington County in the appropriate allocations of the hotel occupancy tax funds collected within the city limit of Brenham, Texas and within Washington County, Texas, for the promotion of tourism as authorized by the Texas Tax Code, Chapters 351 and 352, in the manner as each Chapter may be respectively applicable to the City or County.

- B. To receive and review applications from organizations requesting funding from the hotel occupancy taxes collected by the City and County.
- C. To recommend the allocations of hotel occupancy tax funds to the City Council of Brenham, Texas and to the County Commissioners of Washington County, Texas through the submission of a proposed annual budget, no later than July 1st each year, providing for a twelve (12) month fiscal period from October 1 through September 30.
- D. To review the actual expenditures of funds from the hotel occupancy tax to be certain that the funds are being used to promote tourism as authorized by state law.

ARTICLE IV **MEMBERSHIP**

Section 1:

The membership requirements for this Board are as follows:

- A. Members must be residents of Washington County, Texas for at least one (1) year prior to their appointment.
- B. Members must be qualified voters of Washington County, Texas.
- C. Members must not be in arrears in the payment of any taxes or other liability due to the City of Brenham or Washington County.

Section 2:

This Board shall consist of nine (9) members. As near as practical, five (5) members of this Board should be representatives of the hotel/motel, bed and breakfast, and/or tourism industry in Washington County, Texas.

Section 3:

Seven (7) Board members shall be appointed by the City Council of the City of Brenham and two (2) members shall be appointed by the Washington County Commissioners Court. Elected officials, city staff, county staff, members of this Board or interested citizens may recommend individuals to the City Council and the Commissioners Court for consideration.

Section 4:

Each member of the Board shall serve at the pleasure of the governing body that appointed said member to the Board.

Section 5:

The term of membership for members appointed by the City Council of the City of Brenham shall be staggered three (3) year terms. The member shall be able to succeed himself/herself, subject to reappointment by the City Council. Members appointed by the City Council shall have no term limits.

The term of membership for members appointed by the Washington County Commissioners Court shall be staggered two (2) year terms. The member shall be able to succeed himself/herself, subject to reappointment by the Commissioners Court. Members appointed by the Commissioners Court shall be limited to three (3) full consecutive terms.

The terms of office for members and officers of this Board will be on a calendar year basis.

Section 6:

A Board member who is unable to attend regular meetings or participate in Board business shall be expected to tender his/her resignation. Resignation from this Board shall be by letter to the Board Chairperson, Mayor, and County Judge. Vacancies resulting from resignation or any other cause will be filled by the City Council of the City of Brenham or the Washington County Commissioners Court, depending on whether the Board position was a City of Brenham appointment or a Washington County appointment. A person appointed to fill a vacancy on the Board shall serve for the remaining unexpired term of the position to which the person is appointed.

Section 7:

A Board member who misses fifty percent (50%) of the scheduled meetings in a one (1) year period shall not be eligible for reappointment to the Board.

Section 8:

In the event of an unexpected medical or personal emergency an interim member may be appointed by the governing bodies. The interim member shall have all the rights and responsibilities of the incumbent member while serving in the incumbent member's position.

Section 9:

A Board member may cast only a single vote on any issue. Proxy votes are prohibited. Alternate and ex-officio members shall not vote.

Section 10:

All board members shall be required to attend training on the Texas Open Meetings Act, the Texas Public Information Act, and any state statues pertaining to the Board. Such training must be held within ninety (90) days of the member’s appointment to the Board.

If a member has completed Texas Open Meetings training within the last five (5) years and can provide the Chairman documentation of the training, the member shall be exempt from this training requirement.

ARTICLE V
OFFICERS

- A. A Chairperson and Vice Chairperson shall be elected annually by the members of this Board.
- B. The Chairperson shall preside at all meetings of the Board and shall perform such duties as may be assigned by the Board, the City Council, and the Commissioners Court. The Chairperson shall have the power to appoint subcommittees, as he/she deems necessary to achieve the objectives of the Board.
- C. In the absence of the Chairperson from a meeting of the Board, the Vice Chairperson shall serve as the presiding officer during the meeting. If both the Chairperson and Vice Chairperson are absent from a meeting of the Board, the remaining Board members present at the meeting shall elect a member of the Board to serve as the temporary presiding officer during the meeting.
- D. Resignation of the Chairperson or Vice Chairperson from this Board shall be by letter to all other Board members. If the Chairperson or Vice Chairperson resigns from their officer position but continues to serve on the Board, the members shall elect a new Chairperson or Vice Chairperson as soon as practicable, If the Chairperson or Vice Chairperson resigns from their officer position and does not continue serving on the Board, their member position will be considered vacant and will be filled as outlined in Section IV.4 of these By-Laws.,

ARTICLE VI
SPECIAL SUBCOMMITTEES

Section 1:

Special subcommittees may be created for special purposes.

Section 2:

Special subcommittee Chairpersons and members shall be appointed by the Chairperson of this Board.

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Special subcommittees will automatically dissolve upon completion of their work and submission of their report and recommendation to the Board.

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Section 1:

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Section 1:

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QUORUM

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ARTICLE X
RULES FOR PROCEDURE / STATUTORY REQUIREMENTS

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Section 2:

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ARTICLE XII
CONFLICTS

Section 1:

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Section 2:

In the event that a Board member is also a member, officer or organizer of a group, entity or event requesting hotel occupancy tax funds, said Board member shall abstain from the consideration of and voting on any item that pertains to said group, entity, or event.

CERTIFICATION

These by-laws of the Brenham-Washington County Hotel Occupancy Tax Board are hereby duly adopted by the City of Brenham, Texas, City Council on this _____ day of _____, 20____.

Milton Y. Tate, Jr., Mayor
City of Brenham, Texas

ATTEST:

Jeana Bellinger, TRMC, City Secretary
City of Brenham, Texas

These by-laws of the Brenham-Washington County Hotel Occupancy Tax Board are hereby duly adopted by the Washington County Commissioners Court on this _____ day of _____, 20____.

John Brieden, County Judge
Washington County, Texas

ATTEST:

Beth Rothermel, County Clerk
Washington County, Texas



AGENDA ITEM 12

DATE OF MEETING: January 9, 2014	DATE SUBMITTED: January 2, 2014	
DEPT. OF ORIGIN: Public Utilities	SUBMITTED BY: Lowell Ogle	
MEETING TYPE:	CLASSIFICATION:	ORDINANCE:
<input checked="" type="checkbox"/> REGULAR	<input type="checkbox"/> PUBLIC HEARING	<input type="checkbox"/> 1ST READING
<input type="checkbox"/> SPECIAL	<input type="checkbox"/> CONSENT	<input type="checkbox"/> 2ND READING
<input type="checkbox"/> EXECUTIVE SESSION	<input checked="" type="checkbox"/> REGULAR	<input type="checkbox"/> RESOLUTION
	<input type="checkbox"/> WORK SESSION	
AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon Change Order No. 1 (Reconciliation), and Authorize Final Payment to M&C Fonseca Construction Co. for the 2013 Water System Improvements and Authorize the Mayor to Execute Any Necessary Documentation.		
SUMMARY STATEMENT: M&C Fonseca Construction Co. has completed the installation of 2,560 feet of 6” PVC, 225 feet of 6” polyethylene, and 410 feet of 8” water lines along Allison and Walnut streets to replace existing AC water lines. The project consisted of several connections to existing water lines of various sizes, fire hydrant installation, service connections, asphalt pavement repair, and related appurtenances to replace the existing lines. During the project, we identified a few items that needed to be added. These items included an additional fire hydrant, some additional footage and tie-ins at Ryan and Market, some added valves, along with some miscellaneous small items. These changes are included in the reconciliation Change Order No. 1. The Reconciliation Change Order is in the amount of \$17,396.00. This amount is included in the final payment of \$85,853.50. M&C has completed the work satisfactorily and we recommend approval of the reconciliation Change Order and Final Payment. The project will be within budgeted funds.		
STAFF ANALYSIS (For Ordinances or Regular Agenda Items):		
A. PROS:		
B. CONS:		
ALTERNATIVES (In Suggested Order of Staff Preference):		

ATTACHMENTS: (1) Application for Payment No. 4 (Final); (2) Change Order No.1 (Reconciliation); (3) Certificate of Substantial Completion; and (4) Consent of Surety to Final Payment.

FUNDING SOURCE (Where Applicable).

RECOMMENDED ACTION: Approve Change Order No. 1 and approve final payment to M&C Construction Co. in the amount of \$85,853.50 for the 2013 Water System Improvements and authorize the Mayor to execute any necessary documentation

APPROVALS: Terry K. Roberts

CHANGE ORDER NO. 1 - Reconciliation of Final Quantities
CITY OF BRENHAM
2013 WATER DISTRIBUTION SYSTEM IMPROVEMENTS
OE JOB NO.: 1006.079-WH
November 18, 2013

REASON: Reconciliation of Final Quantities.

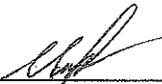
Item No.	Description	Contract Quantity	Final Quantity	Quantity Increase/Decrease	Unit Price	Amount Increase	Amount Decrease
1	Furnish and install 8" Class 150 AWWA C-900 PVC water line by open cut, with trace wire	410 LF	453	43	\$ 24.00	\$ 1,032.00	-
2	Furnish and install 6" Class 160 SDR 11 DIPS PE 3608 HDPE water line in 12" Class 160 SDR 11 IPS PE 3608 HDPE casing by bore, with trace wire	225 LF	225	0	\$ 235.00	-	-
3	Furnish and install 6" Class 150 AWWA C-900 PVC water line by open cut, with trace wire	2,560 LF	2,585	25	\$ 22.00	\$ 550.00	-
4	Furnish and install 2" Class 160 SDR 11 DIPS PE 3608 HDPE water line by open cut, with trace wire	185 LF	185	0	\$ 12.00	-	-
5	Furnish and install 8" gate valve and valve box	1 EA	3	2	\$ 2,000.00	\$ 4,000.00	-
6	Furnish and install 6" gate valve and valve box	5 EA	7	2	\$ 1,800.00	\$ 3,600.00	-
7	Furnish and install 8" x 8" tapping sleeve and valve	2 EA	1	(1)	\$ 3,200.00	-	\$ (3,200.00)
8	Furnish and install 6" x 6" tapping sleeve and valve	5 EA	4	(1)	\$ 3,000.00	-	\$ (3,000.00)
9	Remove existing fire hydrant and deliver to City	2 EA	3	1	\$ 1,100.00	\$ 1,100.00	-
10	Furnish and install fire hydrant unit	2 EA	3	1	\$ 3,950.00	\$ 3,950.00	-
11	Furnish all labor and materials and make 2" service connection	1 EA	1	0	\$ 1,200.00	-	-
12	Furnish all labor and materials and make 1" service connection	51 EA	51	0	\$ 600.00	-	-
13	Furnish and install 2" SDR 9 CTS Polyethylene service line	20 LF	20	0	\$ 12.00	-	-
14	Furnish and install 1" SDR 9 CTS Polyethylene service line	1,410 LF	1,410	0	\$ 9.00	-	-
15	Furnish all labor and materials and tie new 2" Poly service line into existing meter	1 EA	1	0	\$ 1,100.00	-	-
16	Furnish all labor and materials and tie new 1" Poly service line into existing meter	55 EA	57	2	\$ 450.00	\$ 900.00	-
17	Furnish and install ductile iron fittings	1.2 TON	1.2	0	\$ 4,200.00	-	-
18	Furnish all labor and materials and obliterate existing valve box	5 EA	10	5	\$ 300.00	\$ 1,500.00	-
19	Furnish all labor and materials to plug and abandon existing water lines in place	1 LS	1	0	\$ 3,800.00	-	-
20	Perform trench safety per Technical Specification Section 31 50 00, 5-10' depth	50 LF	50	0	\$ 5.00	-	-

Item No.	Description	Contract Quantity	Final Quantity	Quantity Increase/Decrease	Unit Price	Amount Increase	Amount Decrease
21	Furnish all materials and perform traffic control in accordance with the Texas MUTCD	1 LS	1	0	\$ 7,000.00	-	-
22	Furnish all labor and materials to perform asphalt pavement repair in City right-of-way	3,150 LF	3,182	32	\$ 14.50	\$ 464.00	-
23	Furnish all labor and materials to perform concrete pavement repair	10 LF	10	0	\$ 60.00	-	-
24	Perform seeding in all areas disturbed by construction	1 LS	1	0	\$ 8,600.00	-	-
SUPPLEMENTAL BID ITEMS							
S2	Furnish all labor and materials and make 8" wet connection to exiting 8" water line	0 EA	2	2	\$ 2,200.00	\$ 4,400.00	-
S3	Furnish all labor and materials and make 6" wet connection to existing 6" water line	0 EA	1	1	\$ 2,100.00	\$ 2,100.00	-
SUBTOTAL FOR AMOUNT INCREASE						\$23,596.00	
SUBTOTAL FOR AMOUNT DECREASE							\$ (6,200.00)
NET CONTRACT INCREASE							\$ 17,396.00

ADJUSTED CONTRACT AMOUNT (FINAL)

ORIGINAL CONTRACT AMOUNT	\$ 306,800.00
PLUS CHANGE ORDER NO. 1 - RECONCILIATION (NET CONTRACT INCREASE)	\$ 17,396.00
REVISED CONTRACT AMOUNT	\$ 324,196.00

REQUESTED BY:


M&C FONSECA CONSTRUCTION COMPANY

11-25-13

DATE

RECOMMENDED BY:


O'MALLEY ENGINEERS, L.L.P.

12-2-2013

DATE

APPROVED BY:

CITY OF BRENHAM

DATE

APPLICATION FOR PAYMENT NO. 4 & FINAL

TO OWNER: City of Brenham, 200 W. Vulcan, Brenham, Texas 77833

FROM CONTRACTOR: M&C Fonseca Construction Company, 1901 Prairie Creek Rd, Granite Shoals, Texas 78654

PROJECT: 2013 Water Distribution System Improvements

OE JOB NO. 1006.079-WH

CONTRACT AWARDED: May 16, 2013

PERIOD FROM: October 1, 2013

CONST. TIME ALLOTTED: 70 Calendar Days

NOTICE TO PROCEED: July 1, 2013

PERIOD TO: October 22, 2013

TIME USED: 114

Item No.	Description	Contract Quantity	Completed Quantity			Unit Price	Total Value of Work Completed
			Previous Period	Current Period	Total		
1	Furnish and install 8" Class 150 AWWA C-900 PVC water line by open cut, with trace wire	410 LF	410	43	453	\$ 24.00	\$ 10,872.00
2	Furnish and install 6" Class 160 SDR 11 DIPS PE 3608 HDPE water line in 12" Class 160 SDR 11 IPS PE 3608 HDPE casing by bore, with trace wire	225 LF	225	0	225	\$ 235.00	\$ 52,875.00
3	Furnish and install 6" Class 150 AWWA C-900 PVC water line by open cut, with trace wire	2,560 LF	2,560	25	2,585	\$ 22.00	\$ 56,870.00
4	Furnish and install 2" Class 160 SDR 11 DIPS PE 3608 HDPE water line by open cut, with trace wire	185 LF	185	0	185	\$ 12.00	\$ 2,220.00
5	Furnish and install 8" gate valve and valve box	1 EA	1	2	3	\$ 2,000.00	\$ 6,000.00
6	Furnish and install 6" gate valve and valve box	5 EA	5	2	7	\$ 1,800.00	\$ 12,600.00
7	Furnish and install 8" x 8" tapping sleeve and valve	2 EA	2	(1)	1	\$ 3,200.00	\$ 3,200.00
8	Furnish and install 6" x 6" tapping sleeve and valve	5 EA	5	(1)	4	\$ 3,000.00	\$ 12,000.00
9	Remove existing fire hydrant and deliver to City	2 EA	2	1	3	\$ 1,100.00	\$ 3,300.00
10	Furnish and install fire hydrant unit	2 EA	2	1	3	\$ 3,950.00	\$ 11,850.00
11	Furnish all labor and materials and make 2" service connection	1 EA	1	0	1	\$ 1,200.00	\$ 1,200.00
12	Furnish all labor and materials and make 1" service connection	51 EA	51	0	51	\$ 600.00	\$ 30,600.00
13	Furnish and install 2" SDR 9 CTS Polyethylene service line	20 LF	20	0	20	\$ 12.00	\$ 240.00
14	Furnish and install 1" SDR 9 CTS Polyethylene service line	1,410 LF	1,410	0	1,410	\$ 9.00	\$ 12,690.00
15	Furnish all labor and materials and tie new 2" Poly service line into existing meter	1 EA	1	0	1	\$ 1,100.00	\$ 1,100.00
16	Furnish all labor and materials and tie new 1" Poly service line into existing meter	55 EA	55	2	57	\$ 450.00	\$ 25,650.00
17	Furnish and install ductile iron fittings	1.2 TON	1.2	0.0	1.2	\$ 4,200.00	\$ 5,040.00
18	Furnish all labor and materials and obliterate existing valve box	5 EA	5	5	10	\$ 300.00	\$ 3,000.00
19	Furnish all labor and materials to plug and abandon existing water lines in place	1 LS	1	0	1	\$ 3,800.00	\$ 3,800.00
20	Perform trench safety per Technical Specification Section 31 50 00, 5-10' depth	50 LF	50	0	50	\$ 5.00	\$ 250.00

Item No.	Description	Contract Quantity	Completed Quantity			Unit Price	Total Value of Work Completed
			Previous Period	Current Period	Total		
21	Furnish all materials and perform traffic control in accordance with the Texas MUTCD	1 LS	100%	0%	100%	\$ 7,000.00	\$ 7,000.00
22	Furnish all labor and materials to perform asphalt pavement repair in City right-of-way	3,150 LF	0	3,182	3,182	\$ 14.50	\$ 46,139.00
23	Furnish all labor and materials to perform concrete pavement repair	10 LF	0	10	10	\$ 60.00	\$ 600.00
24	Perform seeding in all areas disturbed by construction	1 LS	1	0	1	\$ 8,600.00	\$ 8,600.00
SUPPLEMENTAL BID ITEMS							
S2	Furnish all labor and materials and make 8" wet connection to existing 8" water line	1 EA	1	1	2	\$ 2,200.00	\$ 4,400.00
S3	Furnish all labor and materials and make 6" wet connection to existing 6" water line	1 EA	1	0	1	\$ 2,100.00	\$ 2,100.00

Original Contract: \$ 306,800.00
Plus Additions: \$ 17,396.00
Less Deductions: \$ -
Adjusted Contract: \$ 324,196.00

Value of Work Performed to Date \$ 324,196.00
Plus Materials Stored at Close of Period \$ -
Net Amt Earned to Date \$ 324,196.00
Less 0% Retainage \$ -
Subtotal \$ 324,196.00
Less Previous Pay Applications \$ 238,342.50
Amount Due this Application \$ 85,853.50

AFFIDAVIT & CERTIFICATION OF PAY APPLICATION BY CONTRACTOR

STATE OF TEXAS
COUNTY OF BURNET

WHEREAS, the undersigned, MATIAS FONSECA, who being duly sworn, on oath, says that he is the legal representative of M&C Fonseca Construction Co., Inc., has been employed by City of Brenham to furnish labor and materials for the installation of 2013 Water Distribution System Improvements in Brenham, Texas.

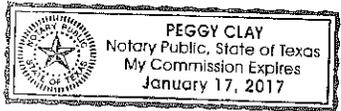
The undersigned Contractor certifies that: (1) all previous progress payments received from Owner on account of Work done under the Contract have been applied on account to discharge Contractor's legitimate obligations incurred in connection with Work covered by prior Applications for Payment; (2) title of all Work, materials and equipment incorporated in said Work or otherwise listed in or covered by this Application for Payment will pass to Owner at time of payment free and clear of all Liens, security interests and encumbrances (except such as are covered by a Bond acceptable to Owner indemnifying Owner against any such Liens, security interest or encumbrances); and (3) all Work covered by this Application for Payment is in accordance with the Contract Documents and is not defective.

BY: [Signature] DATE: 11.25.13
M&C FONSECA CONSTRUCTION CO., INC.

PRINTED NAME: MATIAS FONSECA TITLE: PRESIDENT

SWORN TO AND SUBSCRIBED BEFORE ME THIS 25 DAY OF NOVEMBER, 2013

[Signature]
NOTARY PUBLIC IN AND FOR
THE STATE OF TEXAS.



RECOMMENDED BY: [Signature] DATE: 12.2.2013
OMALLEY ENGINEERS, L.L.P.

APPROVED BY: _____ DATE: _____
CITY OF BRENHAM

CERTIFICATE OF SUBSTANTIAL COMPLETION

DATE OF ISSUANCE November 18, 2013

OWNER City of Brenham

CONTRACTOR M&C Fonseca Construction Company

Contract: N/A

Project: 2013 Water Distribution System Improvements

OWNER's Contract No. N/A

ENGINEER's Project-No. 1006.079-WH

This Certificate of Substantial Completion applies to all Work under the Contract Documents or to the following specified parts thereof:

To CITY OF BRENHAM
OWNER

And To M&C FONSECA CONSTRUCTION COMPANY
CONTRACTOR

The Work to which this Certificate applies has been inspected by authorized representatives of OWNER, CONTRACTOR and ENGINEER, and that Work is hereby declared to be substantially complete in accordance with the Contract Documents on

OCTOBER 22, 2013
DATE OF SUBSTANTIAL COMPLETION

A tentative list of items to be completed or corrected is attached hereto. This list may not be all-inclusive, and the failure to include an item in it does not alter the responsibility of CONTRACTOR to complete all the Work in accordance with the Contract Documents. The items in the tentative list shall be completed or corrected by CONTRACTOR within N/A days of the above date of Substantial Completion.

The responsibilities between OWNER and CONTRACTOR for security, operation, safety, maintenance, heat, utilities, insurance and warranties and guarantees shall be as follows:

OWNER: As of the date of substantial completion, the OWNER shall assume responsibility for security, operation, safety, maintenance, and utilities associated with the portion of the project certified as substantially complete. Within 15 days from the date of substantial completion the OWNER shall become responsible for insurance associated with the portion of the project certified as substantially complete.

CONTRACTOR: The CONTRACTOR shall be responsible for providing warranties and guarantees in accordance with the CONTRACT DOCUMENTS.

The following documents are attached to and made a part of this Certificate:

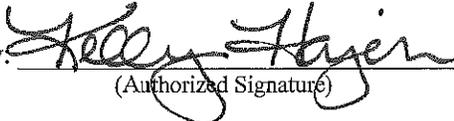
N/A

This certificate does not constitute an acceptance of Work not in accordance with the Contract Documents nor is it a release of CONTRACTOR's obligation to complete the Work in accordance with the Contract Documents.

Executed by ENGINEER on 12.2.2013
Date

O'Malley Engineers, L.L.P.

ENGINEER

By: 
(Authorized Signature)

CONTRACTOR accepts this Certificate of Substantial Completion on 11.25.13
Date

M&C Fonseca Construction Company

CONTRACTOR

By: 
(Authorized Signature)

OWNER accepts this Certificate of Substantial Completion on _____
Date

City of Brenham

OWNER

By: _____
(Authorized Signature)

CONSENT OF
SURETY COMPANY
TO FINAL PAYMENT

<input type="checkbox"/>	Owner
<input type="checkbox"/>	Architect
<input checked="" type="checkbox"/>	Contractor
<input type="checkbox"/>	Surety
<input type="checkbox"/>	Other

BOND NUMBER: PB10549400035

Project: (Name & Address)
2013 Water Distribution System Improvements
Brenham, TX
TO: (Owner)
City of Brenham, Texas

Architects Project No: Job No. 1006.079 WH
Contract For: Water Distribution System
Contract Date: May 16th, 2013

Sub-Contractor :

IN ACCORDANCE WITH THE PROVISIONS OF THE CONTRACT BETWEEN THE Owner AND THE Contractor IS INDICATED ABOVE, PHILADELPHIA INDEMNITY INSURANCE COMPANY, AS SURETY COMPANY,

ON BOND OF: M & C Fonseca Construction Co., Inc.

,Contractor ,

HEREBY APPROVES OF THE FINAL PAYMENT TO THE CONTRACTOR, AND AGREES THAT FINAL PAYMENT TO THE CONTRACTOR SHALL NOT RELIEVE THE SURETY COMPANY OF ANY OF ITS OBLIGATIONS TO:

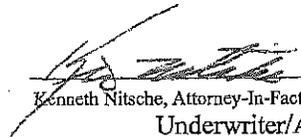
City of Brenham, Texas

,Owner ,

AS SET FORTH IN THE SAID SURETY COMPANY'S BOND.

IN WITNESS WHEREOF, THE SURETY COMPANY HAS HEREUNTO SET ITS HAND THIS DAY 12th OF December 2013.

PHILADELPHIA INDEMNITY INSURANCE COMPANY
SURETY COMPANY


Kenneth Nitsche, Attorney-In-Fact
Underwriter/Agent, Attorney in fact

PHILADELPHIA INDEMNITY INSURANCE COMPANY
231 St. Asaph's Rd., Suite 100
Bala Cynwyd, PA 19004-0950

Power of Attorney

KNOW ALL PERSONS BY THESE PRESENTS: that PHILADELPHIA INDEMNITY INSURANCE COMPANY (the Company), a corporation organized and existing under the laws of the Commonwealth of Pennsylvania, does hereby constitute and appoint: R. J. Nitsche; Craig Parker; Kenneth Nitsche; Nina Smith; Gary Nitsche; Robert Nitsche and David Ferguson of Nitsche & Ferguson Insurance Agency, Inc. dba Insurance Network of Texas.

its true and lawful Attorney(s) in fact with full authority to execute on its behalf bonds, undertakings, recognizances and other contracts of indemnity and writings obligatory in the nature thereof, issued in the course of its business and to bind the Company thereby, in an amount not to exceed \$7,500,000.00:

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of PHILADELPHIA INDEMNITY INSURANCE COMPANY at a meeting duly called the 1st day of July, 2011.

RESOLVED: That the Board of Directors hereby authorizes the President or any Vice President of the Company to: (1) Appoint Attorney(s) in Fact and authorize the Attorney(s) in Fact to execute on behalf of the Company bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof and to attach the seal of the Company thereto; and (2) to remove, at any time, any such Attorney-in-Fact and revoke the authority given. And, be it

FURTHER RESOLVED: That the signatures of such officers and the seal of the Company may be affixed to any such Power of Attorney or certificate relating thereto by facsimile, and any such Power of Attorney so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the Company in the future with the respect to any bond or undertaking to which it is attached.

IN TESTIMONY WHEREOF, PHILADELPHIA INDEMNITY INSURANCE COMPANY HAS CAUSED THIS INSTRUMENT TO BE SIGNED AND ITS CORPORATE SEAL TO BE AFFIXED BY ITS AUTHORIZED OFFICE THIS 15TH DAY OF NOVEMBER 2012.



(Seal)

Sean Sweeney

President

Sean S. Sweeney, President
Philadelphia Indemnity Insurance Company

On this 15th day of November 2012, before me came the individual who executed the preceding instrument, to me personally known, and being by me duly sworn said that he is the therein described and authorized officer of the PHILADELPHIA INDEMNITY INSURANCE COMPANY; that the seal affixed to said instrument is the Corporate seal of said Company; that the said Corporate Seal and his signature were duly affixed.



(Notary Seal)

Notary Public:

Danielle Porath

residing at:

Bala Cynwyd, PA

My commission expires:

March 22, 2016

I, Craig P. Keller, Executive Vice President, Chief Financial Officer and Secretary of PHILADELPHIA INDEMNITY INSURANCE COMPANY, do hereby certify that the foregoing resolution of the Board of Directors and this Power of Attorney issued pursuant thereto are true and correct and are still in full force and effect. I do further certify that Sean S. Sweeney, who executed the Power of Attorney as President, was on the date of execution of the attached Power of Attorney the duly elected President of PHILADELPHIA INDEMNITY INSURANCE COMPANY,

In Testimony Whereof I have subscribed my name and affixed the facsimile seal of each Company this 12th day of December 20 13 .



Craig P. Keller
Craig P. Keller, Executive Vice President, Chief Financial Officer & Secretary
PHILADELPHIA INDEMNITY INSURANCE COMPANY

IMPORTANT NOTICE

To obtain information or make a complaint: You may call the Surety's toll free telephone number for information or to make a complaint at:

1-877-438-7459

You may also write Philadelphia Indemnity Insurance Company at:

**One Bala Plaza, Suite 100
Bala Cynwyd, PA 19004
Attention: Senior Vice President and
Director of Surety**

You may contact the Texas Department of Insurance to obtain information on companies, coverage, rights or complaints at:

1-800-252-3439

You may write the Texas Department of Insurance at:

**P.O. Box 149104
Austin, TX 78714-9104
Fax# 512-475-1771
Web: <http://www.tdi.state.tx.us>
Email: ConsumerProtection@tdi.state.tx.us**

PREMIUM OR CLAIM DISPUTES: Should you have a dispute concerning your premium or about a claim, you should contact the Surety first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

ATTACH THIS NOTICE TO YOUR BOND: This notice is for information only and does not become a part or condition of the attached document.

ADVISO IMPORTANTE

Para obtener informacion o para someter una queja: Usted puede llamar al numero de telefono gratis de para informacion o para someter una queja al:

1-877-438-7459

Usted tambien puede escribir a Philadelphia Indemnity Insurance Company:

**One Bala Plaza, Suite 100
Bala Cynwyd, PA 19004
Attention: Senior Vice President and
Director of Surety**

Puede comunicarse con el Departamento de Seguros de Texas para obtener informacion acerca de companias, coberturas, derechos o quejas al:

1-800-252-3439

Puede escribir al Departamento de Seguros de Texas:

**P.O. Box 149104
Austin, TX 78714-9104
Fax# 512-475-1771
Web: <http://www.tdi.state.tx.us>
Email: ConsumerProtection@tdi.state.tx.us**

DISPUTAS SOBRE PRIMAS O RECLAMOS: Si tiene una disputa concerniente a su prima o a un reclamo, debe comunicarse con el Surety primero. Si no se resuelve la disputa, puede entonces comunicarse con el departamento (TDI).

UNA ESTE AVISO A SU FIANZA DE GARANTIA: Este aviso es solo para proposito de informacion y no se convierte en parte o condicion del documento adjunto.



AGENDA ITEM 13

DATE OF MEETING: January 9, 2014	DATE SUBMITTED: January 3, 2014	
DEPT. OF ORIGIN: Administration	SUBMITTED BY: Terry Roberts	
MEETING TYPE:	CLASSIFICATION:	ORDINANCE:
<input checked="" type="checkbox"/> REGULAR	<input type="checkbox"/> PUBLIC HEARING	<input type="checkbox"/> 1 ST READING
<input type="checkbox"/> SPECIAL	<input type="checkbox"/> CONSENT	<input type="checkbox"/> 2 ND READING
<input type="checkbox"/> EXECUTIVE SESSION	<input checked="" type="checkbox"/> REGULAR	<input type="checkbox"/> RESOLUTION
	<input type="checkbox"/> WORK SESSION	
AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon a Recommendation for an Appointment to the City of Brenham’s Airport Advisory Board		
SUMMARY STATEMENT: At the December 5 th council meeting, staff had not received any Requests for Appointments from citizens interested in serving on the Airport Advisory Board. Since that meeting, the City Secretary’s office has received two (2) requests. After careful review of the requests received, it is the recommendation of the Mayor and City Manager that Dr. Michele Bright be appointed to serve on the Board.		
STAFF ANALYSIS (For Ordinances or Regular Agenda Items):		
A. PROS:		
B. CONS:		
ALTERNATIVES (In Suggested Order of Staff Preference): N/A		
ATTACHMENTS: None		
FUNDING SOURCE (Where Applicable): N/A		
RECOMMENDED ACTION: Approve the appointment of Dr. Michele Bright to the City of Brenham’s Airport Advisory Board		
APPROVALS: Mayor Milton Y. Tate, Jr.		