Notice is hereby given that the Port Aransas City Council will conduct a Meeting on Thursday, May 16, 2019 beginning at 5:00 pm at the regular meeting place in Council Chamber at City Hall, 710 W. Avenue A, Port Aransas, Texas, and notice of meeting giving time, place, date and subject was posted as described in V.T.C.A., Government Code §551.041 for the purpose of considering the following agenda items:

1. **CALL TO ORDER & PLEDGE OF ALLEGIANCE**

2. **OPENING PRAYER**

3. **PROCLAMATION:** Anglers on Wheels Day - May 18, 2019

4. **MAY 4, 2019 ELECTION:**
   
   A. *RESOLUTION* – Order of Canvassing the Returns and Declaring the Results of the Saturday, May 4, 2019, General Election for the Elected Offices of Council Members Place 1, 3 and 5; Providing Other Matters Relating to the 2019 City of Port Aransas General Election.

   B. Administer Oath of Office – Council Members Place 1, 3 and 5 by Justice of the Peace Duncan Neblett.

   C. Presentation of Certificate of Election to the newly-elected officers by Mayor Bujan.

   D. Deliberate and take action to elect a Mayor Pro-Tem pursuant to Home Rule Charter, Article III “The City Council”, Section 5(b) for a one-year term ending May 2020.

5. **PUBLIC HEARING:** The Port Aransas City Council will conduct a Public Hearing on the following:

   - **Zoning Change request #ZCR-19-0952** - Applicant proposes to change from a Residential 2 (R-2) Zone to a Commercial 2 (C-2) Zone. Applicant: John Ash. Property Location: 716 S Gulf.

6. **CITIZEN COMMENTS AND REPORTS:** At this time, comments will be taken from the audience on any subject matter on the agenda. To address the City Council, please sign the ‘Speaker’s Card located on the table just inside the Council Chamber and deliver to the City Secretary before the meeting begins. Please
limit comments to three (3) minutes. In accordance with the Open Meetings Act, Council may not discuss or take action on any item that has not been posted on the Agenda.

7. **CONSENT AGENDA:** (All consent agenda items are considered routine by City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council Member requests an item be removed and considered separately.)

E. **ORDINANCE VC 19-0404** – 3rd and Final Reading of an Ordinance Finding That The Street Closing And Vacation Request #VC-19-0404 Of The Irregular Portion Of Tarpon Street Adjacent To Lot 16, Block 1; Lots 1-10, Block 2 And Lots 15-20, Block 3 Of The J.W. Ellis Tract, And Within The City Of Port Aransas, Has Been Replaced By A Dedicated Portion Of Lot 1, Block 2 William R Ellis Subdivision And Is No Longer Necessary For Public Use As A Thoroughfare; Providing For The Vacation, Abandonment And Closure Of The Street; And Releasing Any And All Public Rights, Title And Interest.

8. **ITEMS FOR CONSIDERATION:** Discuss, take action or pass on any of the following:

F. **ORDINANCE** – 1st Reading of an Ordinance Amending the Code of Ordinances Chapter 23, “Traffic and Motor Vehicles”, by Inserting a new Article IX. “Motor-Assisted Scooters” by adding a Definition and Prohibitions, Rules, Regulations, Violations and Penalty; Providing for The Validity of Said Ordinance; Repealing All Prior Ordinances in Conflict Herewith; and Providing for An Effective Date.

G. **ORDINANCE** - 1st Reading of an Ordinance Approving Zoning Change Request ZCR-19-0952 Applicant proposes to change from a Residential 2 (R-2) Zone to a Commercial (C-2) Zone. Applicant: John Ash. Property Location: 716 Gulf St. Providing for the Validity of Said Ordinance; Repealing all Prior Ordinances in Conflict Herewith; and Providing for an Effective Date.

H. Presentation, general discussion and possible action on the Hotel Convention Center Project Private Letter Ruling (PLR) Development Agreement, Land Leases and Chapter 380 Development Agreement for future submittal to the State Comptroller.

I. Presentation, general discussion and possible action authorizing an amendment to the Port Aransas Boatmen Association Lease Agreement to include boat slips 809 to 812 at the Municipal Harbor and setting a new yearly rate.

J. **RESOLUTION** – Finding that after reasonable Notice and Hearing, That AEP Texas Inc’s existing electric rates and charges within the City Should Remain in Effect; Requiring Notice of this Resolution to the Company and Legal Counsel.

K. **RESOLUTION** – Authorizing the purchase of three (3) 2019 624L John Deere Wheel Loaders for the Public Works Department in the amount of $189,961.00 each from Doggett through Buyboard Cooperative for a total amount of $569,883.00; Funding from the Beach Fund 150 Capital Outlay Account 62340 and Hurricane Harvey
Account #999; Authorizing Future Budget Amendment from FY 2018-2019; And Authorizing the City Manager to sign all documents associated with said purchase.

L. **RESOLUTION** – Authorizing the purchase of one (1) 2019 672G John Deere Motor Grader for the Public Works Department in the total amount of $275,812.00 from Doggett through Buyboard Cooperative; Funding from FY 2018-19 Budget Beach Fund 150 Capital Outlay Account 62340 and Hurricane Harvey Account #999; Authorizing Future Budget Amendment from FY 2018-2019; And Authorizing the City Manager to sign all documents associated with said purchase.

M. **RESOLUTION** - Authorizing the purchase of one (1) 2019 310SL John Deere Backhoe for the Public Works Department in the total amount of $96,696.00 from Doggett through Buyboard Cooperative; Funding from the Streets Fund Capital Outlay Account and Hurricane Harvey Account #999; Authorizing Future Budget Amendment from FY 2018-2019; And Authorizing the City Manager to sign all documents associated with said purchase.

N. **RESOLUTION** - Authorizing the purchase of one (1) 2020 2000 Gallon Freightliner Aluminum Water Truck for the Public Works Department in the total amount of $131,787.00 from Freightliner through HGAC; Funding from the Beach Fund 150 Capital Outlay Account 62350 and Hurricane Harvey Account #999; And Authorizing the City Manager to sign all documents associated with said purchase.

O. **RESOLUTION** - Authorizing the purchase of three (3) 2019 Ford Trucks for the Gas Department from Caldwell Country Ford through Buyboard Cooperative in the total amount of $111,285.60; Funding from the Hurricane Harvey Account #999; Authorizing Future Budget Amendment from FY 2018-2019; And Authorizing the City Manager to sign all documents associated with said purchase.

P. **RESOLUTION** - Approving Professional Services – Task Order Agreement with Urban Engineering; Approving Task Order #3 for an amount not to exceed $11,000.00 for repairing the damaged portion of Tarpon Street; Setting Term, Conditions, Fees, Responsibilities and Services of Owner and Engineer; and Authorizing the City Manager to sign said agreement.

Q. **RESOLUTION** - Approving Professional Services – Task Order Agreement with Urban Engineering; Approving Task Order #4 in an amount not to exceed $63,759.00 for the repairs the sidewalk and bulkhead at the North end of Robert’s Point Park; Setting Term, Conditions, Fees, Responsibilities and Services of Owner and Engineer; and Authorizing the City Manager to sign said agreement.

R. **RESOLUTION** - Approving Professional Services – Task Order Agreement with Urban Engineering; Approving Task Order #21 amendment two of Task Order #2 in an amount not to exceed $50,000.00 for surveying and environmental permitting for the Charlie’s Pasture Fishing Pier Shoreline Bulkhead Reconstruction; Setting Term,
Conditions, Fees, Responsibilities and Services of Owner and Engineer; and Authorizing the City Manager to sign said agreement.

S. **RESOLUTION** - Approving Professional Services – Task Order Agreement with Urban Engineering; Approving Task Order #22 for an amount not to exceed $13,792.00 for repairing the hurricane related damages to the Station Street Parking Lot; Setting Term, Conditions, Fees, Responsibilities and Services of Owner and Engineer; and Authorizing the City Manager to sign said agreement.

T. **RESOLUTION** - Approving Professional Services – Task Order Agreement with Urban Engineering; Approving Task Order #23 Amendment 1 of Task Order #14 in an amount not to exceed $9,000.00 for Port Street Asphalt Damages; Setting Term, Conditions, Fees, Responsibilities and Services of Owner and Engineer; and Authorizing the City Manager to sign said agreement.

U. **RESOLUTION** - Approving Professional Services – Task Order Agreement with Urban Engineering; Approving Task Order #24 Amendment 1 of Task Order #15 in an amount not to exceed $13,675.00 for design for repairs for Cotter Street Damages; Setting Term, Conditions, Fees, Responsibilities and Services of Owner and Engineer; and Authorizing the City Manager to sign said agreement.

V. **PRESENTATION/GENERAL DISCUSSION** – Broaddus will provide an update on Hurricane Harvey Recovery.

W. **RESOLUTION** – Setting Date for Summer Goals Workshop; and Approving Fiscal Year 2019-2020 Budget Calendar.

9. **STAFF REPORTS:** Pursuant to Home Rule Charter and Code of Ordinances - presentation, general discussion and approval of the following reports:

X. Legislative Update – The City Manager will provide an update on the 86th Legislative Session – City related Bills.

Y. Monthly/Quarterly Reports –
   i. Accounting/Finance - Darla Honea, Finance Director
   ii. Police – Scott Burroughs, Police Chief

10. **CITY COUNCIL COMMENTS AND ITEMS FOR FUTURE CONSIDERATION** - Expressions of thanks, congratulations or condolences; information regarding holiday schedules; honorary recognition of city officials, employees or other citizens; reminders about upcoming events sponsored by the City or other entity that are scheduled to be attended by a city official or city employee.

11. **ADJOURNMENT**
CERTIFICATION

I certify that the above notice of meeting was posted on the bulletin board at City Hall, 710 W. Avenue A, Port Aransas, Texas on Friday, May 13, 2019 at 5:00 pm and on the City’s website at www.cityofportaransas.org. I further certify that the following News Media were properly notified on this meeting as stated above: South Jetty, Island Moon and Corpus Christi Caller Times.

Francisca Nixon, City Secretary

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 __________, 2019.

By: ____________________________  Title: ____________________________

NOTICE

This facility is wheelchair accessible and accessible parking spaces are available. Request for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the city secretary at (361) 749-4111, via facsimile at (361) 749-4101 or email at citysecretary@cityofportaransas.org for further information. Braille is not available.

The City Council may go into a Closed Executive Session pursuant to Texas Government Code §§551.071, 551.072, 551.074, 551.076, 551.087 and §418.183(f) of the Texas Disaster Act. Refer to list below and incorporated herein. A Closed Executive Session may be held, under these exceptions, at any time during the meeting that a need arises for the City Council to seek advice from the City Attorney as to the posted subject matter of this City Council meeting.
### TEXAS GOVERNMENT CODE EXCEPTIONS

<table>
<thead>
<tr>
<th>EXCEPTION</th>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>551.071</td>
<td>Consultations with Attorney</td>
</tr>
<tr>
<td>551.072</td>
<td>Deliberations about Real Property</td>
</tr>
<tr>
<td>551.074</td>
<td>Personnel Matters</td>
</tr>
<tr>
<td>551.076</td>
<td>Deliberations Regarding Security Devices or Security Audits</td>
</tr>
<tr>
<td>551.087</td>
<td>Deliberation Regarding Economic Development Negotiations</td>
</tr>
<tr>
<td>418.183(f)</td>
<td>At any time during a state of disaster. A governmental body subject to Chapter 551 is not required to conduct an open meeting to deliberate information to which this section applies. Notwithstanding Section 551.103(a), the governmental body must make a tape recording of the proceedings of a closed meeting to deliberate the information.</td>
</tr>
</tbody>
</table>
PROCLAMATION

WHEREAS, in 1994 Barbara Blair and Ralph Kessler founded, The Door In the Wall, Inc., to share resources with families that deal with disability on a day-to-day basis; and

WHEREAS, The Door In the Wall offers adapted sports and social events to improve the quality of life for people with disabilities and encourage them to try new experiences; and

WHEREAS, this all-volunteer organization has hosted the Anglers on Wheels Fishing Tournament in the City of Port Aransas for twenty-two years for people with disabilities, their friends and family members; and

WHEREAS, The Island Queen II provides wheelchair accessibility for those participating in this free two-day sport fishing event to create life-long pleasant memories; and

WHEREAS, the inclusion of people with disabilities in activities that were considered beyond their reach, enables them and their able-bodied peers to live together with new respect and understanding.

NOW, THEREFORE: I, Charles Bujan, Mayor of Port Aransas, do hereby proclaim May 18, 2019, as

ANGLERS ON WHEELS DAY

in the City of Port Aransas and encourage all of our citizens to reaffirm our determination to include people with disabilities in our daily activities.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City to be affixed on this 16th day of May, 2019.

CITY OF PORT ARANSAS, TEXAS

__________________________________________
Charles Bujan, Mayor

ATTEST:

__________________________________________
Francisca Nixon, City Secretary
AGENDA ITEM: 4-A

Deliberate and take action on a Resolution and Order of Canvassing the Returns and Declaring the Results of the Saturday, May 4, 2019 General Election for the Elected Offices of Council Members Place 1, 3 and 5; Providing Other Matters Relating to the 2019 City of Port Aransas General Election.

Considerar y tomar medidas sobre la Resolución y orden para hacer el escrutinio de los votos y declarar los resultados de las Elecciones Generales a realizarse el sábado 4 de mayo de 2019 en la Ciudad de Port Aransas, Texas, para el cargo de Concejal para los Lugares 1, 3 y 5; y para estipular otros asuntos relacionados con dichas Elecciones Generales.

SUBMITTED BY: Administration/City Secretary

APPROVED FOR AGENDA: City Manager David Parsons

COMMENTARY: The canvass is the official tabulation of the election results. In a city election there is only one canvass, made by the city council [EC §67.002], and the local canvass is also the final canvass. For purposes of canvassing a city election, only two members of the city council are needed to constitute a quorum [EC §67.004(a)]. In May elections the canvass can be made as early as the 3rd day after election if there are no unprocessed provisional ballots and no unreturned out-of-country ballot. At the time of preparation of this agenda item, Staff believes this will not occur.

The city council as the canvassing authority for city elections, prepares a tabulation stating for each candidate the total number of votes received. This process is the same as for the unofficial tabulation made on election night; except, the tabulation may be entered directly into the city election register.

ATTACHMENTS: Resolution 2019-43

STAFF RECOMMENDATION: Motion to adopt Resolution and Order of Canvassing and Declaring the Results of the Saturday, May 4, 2019 General Election for the Elected Offices of Council Member Place 1, 3 and 5.

COUNCIL ACTION REQUESTED: Port Aransas City Council adopt the Saturday, May 4, 2019 General Election Resolution and Canvassing of Returns for Council Members Place 1, 3 and 5.
RESOLUTION NO. 2019- R43

A RESOLUTION AND ORDER OF CANVASSING THE RETURNS AND DECLARING THE RESULTS OF THE SATURDAY, MAY 4, 2019 CITY OF PORT ARANSAS, TEXAS GENERAL ELECTION FOR THE ELECTED OFFICES COUNCIL MEMBERS PLACE 1, 3, AND 5; PROVIDING OTHER MATTERS RELATING TO SAID GENERAL ELECTION.

WHEREAS, in accordance with the general laws and Constitution of the State of Texas, and the Charter of the City, Resolution 2019-R01 was adopted at January 17, 2019 City Council Meeting which established procedures for said Saturday, May 4, 2019 Election; and

WHEREAS, the General Election is to be held for the purpose of electing Council Members at-large for Place 1, 3 and 5 of the City; and

WHEREAS, Applications for a Place on the Ballot were received from Wendy Walker Moore for Place 1, Elizabeth C. “Beth” Owens for Place 3, and Charles Crawford for Place 5; and

WHEREAS, at the March 21, 2019 City Council Meeting the City Secretary certified that no proposition will appear on the ballot at the election, no person has made a declaration of write-in candidacy, and all of the candidates identified are unopposed; and

WHEREAS, the City Council declared that all candidates are unopposed in the May 4, 2019 general city election and are hereby elected to their respective office and authorized the cancellation of said election with adoption of Resolution No 2019-R30; and

WHEREAS, the 2010 U.S. Census Bureau estimates the City of Port Aransas’ population to be 3,480 with the City’s current voter registration list containing 3,091 Registered Voters.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORT ARANSAS, TEXAS:

Section 1. That the City Council finds that the above stated premises are true and correct, that each person elected has qualified for their respective office in the manner provided by the Texas Constitution and laws of the State of Texas.

Section 2. That the following unopposed candidates are hereby declared elected to office and shall be issued a Certificate of Election on the date of Canvas:

City Council Place 1 – Wendy Walker Moore
Section 3. The City Secretary is directed to transmit the election results in electronic form to the Secretary of State on or before June 3, 2019 and to record said Election Results in the City’s Election Register as required by law.

Section 4. The Port Aransas City Council hereby finds, determines, and hereby declares that the meeting at which this Resolution is adopted was open to the Public, that the public notice of time, place, and the subject matter of the public business to be considered was posted as required by law, including this Resolution.

PASSED and APPROVED by the Port Aransas City Council, County of Nueces, State of Texas, on this 16th day of MAY, 2019.

CITY OF PORT ARANSAS, TEXAS

________________________________________
Charles R. Bujan, Mayor

ATTEST:

________________________________________
Francisca Nixon, City Secretary
AGENDA ITEM: 4-B

Administer Oath of Office – Council Members Place 1, 3 and 5 by Justice of the Peace Duncan Neblett.

_Admitre el juro de la Oficina – Lugar 1, 3 y 5 del los miembros del Consejo por la justicia de la pas Duncan Neblett._

**SUBMITTED BY:** Administration/City Secretary

**APPROVED FOR AGENDA:** City Manager David Parsons

**COMMENTARY:** Oath of elected and appointed officers and constitutional statement. Article XVI, 1, Texas Constitution, prescribes written statement that all officers must sign and take the official oath of office before they enter upon the duties of their offices. The statement and oath are required of all elected and appointed city officers, both in general law cities and in home rule cites.
AGENDA ITEM: 4-C

Presentation of Certificate of Election to the newly-elected officers.

*Presentacion del certificado de eleccion a los oficiales recien elegido*

SUBMITTED BY: Administration/City Secretary

APPROVED FOR AGENDA: City Manager David Parsons

COMMENTARY:  After a canvass is completed, the mayor issues a certificate of election to each candidate who is elected at the election [EC §67.016]. No official notification of the outcome of the election is given to losing candidates. The issuance of a certificate of election is a purely ministerial act and a person who is lawfully elected to the office may qualify and take office without having received a certificate. The secretary of state has prescribed the form of the certificate and the city secretary will supply the forms for the mayor’s use in complying with the requirement.

Mayor Bujan will provide Certificate of Election to all elected officials. The Council Members are officially seated in their position on the dais.
AGENDA ITEM: 4-D

Deliberate and take action to elect a Mayor Pro-Tem pursuant to Home Rule Charter, Article III “The City Council”, Section 5(b) for a one year term ending May 2019.

Deliberar y tomar acción para elegir a un alcalde Pro-Tem en virtud del inicio regla carta, artículo III "el Ayuntamiento", sección 5 (b) para un término de un año terminando mayo de 2019.

SUBMITTED BY: Administration/City Secretary

APPROVED FOR AGENDA: City Manager David Parsons

COMMENTARY: The Home Rule Charter dictates that the Mayor Pro Tem is a councilman who is elected by the city council at the first regular city council meeting following each regular city election. The mayor pro tem shall act as mayor during the disability or absence of the mayor and in this capacity shall have the rights conferred upon the mayor.

If both the mayor and mayor pro tem are absent from any meeting of the city council, those city councilmen present at such meeting shall elect one (1) of their number to act for such meeting as mayor.
PUBLIC HEARING
Port Aransas City Council

NOTICE is hereby given in accordance with Texas Local Government Code 212 and Port Aransas, City Code Section 25 that the City Council will hold a Public Hearing on Thursday, May 16, 2019 at 5:00 p.m., Port Aransas City Hall Council Chambers, 710 W Avenue A, Port Aransas, Nueces County, Texas, to consider the following items: Zoning Change request #ZCR-19-0952. Applicant proposes to change from a Residential 2 (R-2) Zone to a Commercial 2 (C-2) Zone. Applicant: John Ash. Property Location: 716 S Gulf.

The City encourages citizens to participate and make their views known at this Public Hearing. For further information on this request(s) please contact the Planning & Projects Department at (361) 749-4111. This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the City Secretary’s office at (361) 749-4111 or FAX (361) 749-4723 or e-mail fnixon@cityofportaransas.org for further information. Braille is not available.

POSTED this the 26th Day of April, 2019 on the bulletin board at Port Aransas City Hall, 710 W Avenue A, Port Aransas, Texas and on the webpage www.cityofportaransas.org. TIME: 2pm PUBLISHED in The South Jetty in the Thursday May 2, 2019 Edition, in accordance with the Port Aransas Zoning Ordinance.

CITY OF PORT ARANSAS, TEXAS

Nicole Boyer, Planning Assistant
AGENDA ITEM: 7-E

Discuss and take action on the 3rd and Final Reading of an Ordinance Finding That The Street Closing And Vacation Request #VC 19-0404 Of The Irregular Portion Of Tarpon Street Adjacent To Lot 16, Block 1; Lots 1-10, Block 2 And Lots 15-20, Block 3 Of The J.W. Ellis Tract, And Within The City Of Port Aransas, Has Been Replaced By A Dedicated Portion Of Lot 1, Block 2 William R Ellis Subdivision And Is No Longer Necessary For Public Use As A Thoroughfare; Providing For The Vacation, Abandonment And Closure Of The Street; And Releasing Any And All Public Rights, Title And Interest.

SUBMITTED BY: Planning Department, Director of Development Rick Adams

APPROVED FOR AGENDA: City Manager David Parsons

COMMENTARY: Applicant requests a portion of street right-of-way be vacated as depicted in attached exhibit and “re-routed” as presented in FPLT 19-0403. Planning and Zoning Commission has reviewed and recommends approval.

PUBLIC HEARING DATE: February 26, 2019; 5:00pm, March 21, 2019; 5:00pm

PUBLICATION: South Jetty, February 7, 2019, March 7, 2019 editions

ATTACHMENTS: Ordinance
Visual Aid
Application for Zoning Change
Utility Responses

NO CHANGES HAVE BEEN MADE TO THE CONTENT OF THIS ORDINANCE

STAFF RECOMMENDATION: Motion to Approve 2nd Reading of an Ordinance for Street Closing Request VC 19-0404 subject to approval of FPLT 19-0403 and plat being filed.

COUNCIL ACTION REQUESTED: Port Aransas City Council 2nd Reading of an Ordinance Finding That The Street Closing And Vacation Request #VC 19-0404 Of The Irregular Portion Of Tarpon Street Adjacent To Lot 16, Block 1; Lots 1-10, Block 2 And Lots 15-20, Block 3 Of The J.W. Ellis Tract, And Within The City Of Port Aransas, Has Been Replaced By A Dedicated Portion Of Lot 1, Block 2 William R Ellis Subdivision And Is No Longer Necessary For Public Use As A Thoroughfare; Providing For The Vacation, Abandonment And Closure Of The Street; And Releasing Any And All Public Rights, Title And Interest.
ORDINANCE NO. 2019-06

AN ORDINANCE OF THE CITY OF PORT ARANSAS, FINDING THAT THE STREET CLOSING AND VACATION REQUEST #VC-19-0404 OF THE IRREGULAR PORTION OF TARPON STREET ADJACENT TO LOT 16, BLOCK 1; LOTS 1-10, BLOCK 2 AND LOTS 15-20, BLOCK 3 OF THE J.W. ELLIS TRACT, AND WITHIN THE CITY OF PORT ARANSAS, HAS BEEN REPLACED BY A DEDICATED PORTION OF LOT 1, BLOCK 2 WILLIAM R ELLIS SUBDIVISION AND IS NO LONGER NECESSARY FOR PUBLIC USE AS A THOROUGHFARE; PROVIDING FOR THE VACATION, ABANDONMENT AND CLOSURE OF THE STREET; AND RELEASING ANY AND ALL PUBLIC RIGHTS, TITLE AND INTEREST.

WHEREAS, pursuant to chapter 311 of the Texas Transportation Code, municipalities such as Port Aransas have exclusive control over the highways, streets and easements of the municipality; and

WHEREAS, pursuant to Chapter 311 of the Texas Transportation Code, the City of Port Aransas has the authority to vacate, abandon, and close streets and easements within the city; and

WHEREAS, within the City of Port Aransas there is a portion of Tarpon Street adjacent to: lot 16, block 1; lots 1-10 block 2 and lots 15-20, block 3 of the J.W. Ellis tract, hereafter referred to as the “Northern irregular portion of Tarpon Street”; and

WHEREAS, in an Application received on January 28, 2019, Katherine Porter successor trustee of the William R Ellis Trust has requested that the Northern irregular portion of Tarpon Street be closed; and

WHEREAS, the Planning & Zoning Commission addressed this request at their February 26, 2019 Meeting and a Public Hearing was scheduled for February 26, 2019 before the Planning and Zoning Commission; and

WHEREAS, the City Council has determined that the Northern irregular portion of Tarpon Street is being replaced by a dedicated reroute of said street by platting action FPLT 19-0403, and as such is not necessary as a public thoroughfare and no longer serves a public benefit; and

WHEREAS, the City Council finds that vacating the Northern irregular portion of Tarpon Street would have no adverse effect on adjacent properties; and

WHEREAS, the City Council has determined that it is in the best interest of the City to vacate, abandon, and close the Northern irregular portion of Tarpon Street.
NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORT ARANSAS, NUECES COUNTY, TEXAS:

Section 1. Finding of Fact: That the foregoing recitals are incorporated into this Ordinance by reference as findings of fact as if set forth herein at length.

Section 2. Street Closure: The City Council hereby vacates, abandons, and closes portion of Tarpon Street adjacent to: lot 16, block 1; lots 1-10 block 2 and lots 15-20, block 3 of the J.W. Ellis tract, additionally referred to as the “Northern irregular portion of Tarpon Street”, which is more particularly described in drawing attached hereto as Exhibit B.

Section 3. Abandonment of Rights: The City Council hereby abandons any and all public rights, title and interest, if any, to that portion of Tarpon Street adjacent to: lot 16, block 1; lots 1-10 block 2 and lots 15-20, block 3 of the J.W. Ellis tract, additionally referred to as the “Northern irregular portion of Tarpon Street”.

Section 4. Land Records: The City Secretary is hereby authorized and instructed to file a signed and sealed copy of this Ordinance in and among the records of the City, and in the land records of Nueces County.

Section 5. Severability: If any word, article, phrase paragraph, sentence, clause or provision of this Ordinance shall be adjudged by a court of competent jurisdiction to be invalid, the invalidity shall not affect other provisions of applications of this Ordinance which can be given effect without the invalid provision, and to this end the provisions of this Ordinance are declared to be severable.

Section 6. Effective Date: This ordinance shall take effect immediately from and after its passage after third reading and publication as may be required by government law.

Section 7. Proper Notice & Open Meeting: It is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public as required and that public notice of the time, place and purpose of said meeting was given as required by the Open Meeting Act, Chapter 551 of the Texas Government Code.

PASSED, ORDAINED, APPROVED and ADOPTED by the Port Aransas City Council, County of Nueces, State of Texas, on this 16th day of MAY, 2019.

CITY OF PORT ARANSAS, TEXAS

______________________________________________
Charles R. Bujan, Mayor
ATTEST:

Francisca Nixon, City Secretary

First Reading: March 21, 2019
Second Reading: April 18, 2019
Third Reading: May 16, 2019
Exhibit B
Sketch to Accompany

A portion of Tarpon Street as shown on a map made for J.M. Ellis, recorded in Volume 5, Page 23, Miscellaneous Map Records of Nueces County, Texas.
Exhibit B
Sketch to Accompany

A portion of Torpen Street as shown on a map made for J.M. Ellis, recorded in Volume 5, Page 23, Miscellaneous Map Records of Nueces County, Texas.

Submitted: 2/1/19
Scale: 1"=40'
DOS NO: 37416.89.02
SHEET: 1 of 1
DRAWN BY: XG

URBAN ENGINEERING
419-822-7000 www.urbanengineering.com

[Exhibit B Diagram with annotations and measurements]
AGENDA ITEM: 8-F

Discuss and take action on the 1st Reading of an Ordinance Amending the Code of Ordinances Chapter 23, “Traffic and Motor Vehicles”, by Inserting a new Article IX. “Motor-Assisted Scooters” by adding Definition, Prohibitions, Rules, Regulations, Violations and Penalty; Providing for The Validity Of Said Ordinance; Repealing All Prior Ordinances In Conflict Herewith; and Providing For An Effective Date.

SUBMITTED BY: Planning and Development Director Rick Adams

APPROVED FOR AGENDA: City Manager David Parsons

COMMENTARY: Motor assisted scooters are currently regulated by Texas Transportation Code Chapter 551 which states in part: A motor-assisted scooter may be operated only on a street or highway for which the posted speed limit is 35 miles per hour or less; A county or municipality may prohibit the operation of a motor-assisted scooter on a street, highway, or sidewalk; A person may operate a motor-assisted scooter on a path set aside for the exclusive operation of bicycles or on a sidewalk similarly arranged.

There have been many lessons learned recently with regards to the rapid proliferation of Commercial motor assisted scooters on public sidewalks, public paths, public trails, within the boundaries of a public park, upon a public beach, public streets, public right of way, or highways. City Council directed staff to develop rules and regulations of motor assisted scooters necessary for their safe operation and the general welfare of the citizens and visitors of Port Aransas.

ATTACHMENTS: Draft Ordinance
Staff recommendations

STAFF RECOMMENDATION: Motion to approve at first reading one of 3 options for an ordinance that provides for the regulation of the use and operation of motor assisted scooters where option 1) generally allows for private use but prohibits commercial rental; option 2) generally allows private use and commercial rental; option 3) generally prohibits motor assisted scooters altogether. All options restrict use to public streets and roads with speeds 35mph or less, no sidewalks (unless specifically designated a bike path) and adds 16-year-old age restriction and helmet requirement until age 18.

COUNCIL ACTION REQUESTED: Port Aransas City Council discuss and approve one of three options presented by staff.
ORDINANCE NO 2019-22

AN ORDINANCE AMENDING THE CODE OF ORDINANCES CHAPTER 23, “TRAFFIC AND MOTOR VEHICLES”, BY INSERTING A NEW ARTICLE IX. “MOTOR-ASSISTED SCOOTERS” BY ADDING DEFINITION, PROHIBITIONS, RULES, REGULATIONS, VIOLATIONS AND PENALTY; PROVIDING FOR THE VALIDITY OF SAID ORDINANCE; REPEALING ALL PRIOR ORDINANCES IN CONFLICT HEREWITH; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Port Aransas (“City Council”) seeks to establish regulations for the use and operation of motor-assisted scooters, as defined in this ordinance and by Chapter 551 of Texas Transportation Code; and

WHEREAS, pursuant to Chapter 551.352 of the Texas Transportation Code, the City has the authority to regulate the operation of a motor-assisted scooter on a street, highway, or sidewalk if the governing body of the county or municipality determines that the prohibition is necessary in the interest of safety; and

WHEREAS, pursuant to Texas Local Government Code Section 51.00 l, the City has general authority to adopt an ordinance or police regulation that is for the good government, peace or order of the City and is necessary or proper for carrying out a power granted by law to the City; and

WHEREAS, the City Council has strong reason to believe that left unchecked, the commercial proliferation of motor assisted scooters presents a safety issue for the public; and

WHEREAS, the City Council finds that the amendments imposed by this Ordinance are characterized as reasonable, necessary, and proper for the good government of the City.

NOW, THEREFORE, BE IT ORDAINED by the Port Aransas City Council:

1. FINDINGS OF FACT
The foregoing recitals are incorporated into this Ordinance by reference as findings of fact as if expressly set forth herein.

2. ENACTMENT
Chapter 23 of the City of Port Aransas Code of Ordinances is hereby amended to include the addition of Article IX: Motor Assisted Scooters, Section 23-315—23- ___ to read in accordance with Attachment A, which is attached hereto and incorporated into this Ordinance for all intents and purposes. Any underlined text shall be inserted into the Code and any struck-through text shall be deleted from the Code, as stated on Attachment A.

3. READING.
As provided by Article III, Section 13 and Article III, Section 12.b. of the Charter of the City of Port Aransas, this ordinance or the caption of it shall be read at three city council meetings with at least one week elapsing between each reading.
4. REPEALER
All ordinances, resolutions, or parts thereof, that are in conflict or inconsistent with any provision of this Ordinance are hereby repealed to the extent of such conflict, and the provisions of this Ordinance shall be and remain controlling as to the matters regulated, herein.

5. SEVERABILITY
Should any of the clauses, sentences, paragraphs, sections or parts of this Ordinance be deemed invalid, unconstitutional, or unenforceable by a court of law or administrative agency with jurisdiction over the matter, such action shall not be construed to affect any other valid portion of this Ordinance.

6. CODIFICATION
The City Secretary is hereby directed to record and publish the attached rules, regulations and policies in the City's Code of Ordinances as authorized by Section 52.001 of the Texas Local Government Code.

7. EFFECTIVE DATE
This Ordinance shall become effective immediately upon adoption and publication as required by law.

8. PROPER NOTICE & MEETING
It is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public, and that public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act, Texas Government Code, Chapter 551. Notice was also provided as required by Chapter 52 of the Texas Local Government Code.

PASSED and APPROVED by the Port Aransas City Council, County of Nueces, State of Texas, on this day of 2019.

CITY OF PORT ARANSAS, TEXAS

Charles R. Bujan, Mayor

ATTEST:
Francisca Nixon, City Secretary
Chapter 23: TRAFFIC AND MOTOR VEHICLES

Article IX: Motor Assisted Scooters

23-315: Title:
This division shall be commonly cited as the "motor-assisted scooter ordinance".

23-316: Purpose:
These rules are established to regulate the use of motor-assisted scooters on all property within the incorporated municipal boundaries (i.e. city limits). These rules are intended to ensure public safety. Failure to abide by these rules shall result in penalty as defined in this ordinance.

23-317: Definitions:

For the purposes of this chapter, the following terms or words will have the following definitions, unless the context clearly indicates that a different meaning is intended:

Motor-assisted scooter.
 Means
 a. a self-propelled device with at least two wheels in contact with the ground during operation;
b. a braking system capable of stopping the device under typical operating conditions;
c. a gas motor not exceeding 40 cubic centimeters;
d. an electric motor whose power output does not exceed 2000 watts;
e. a deck designed to allow a person to stand or sit while operating the device;
f. and the ability to be propelled by human power alone;
g. or as defined now or in the future by Chapter 551 of Texas Transportation Code.

A motorized wheelchair, scooter or any other motorized mobility device, as defined by Section 542.009 of the Texas Transportation Code to be used by the disabled is not a motor-assisted scooter as defined or regulated in this division.

Helmet.
Any protective headgear which meets the standards of the American National Standards Institute (ANSI Z90.4 Bicycle Helmet Standard) or any similarly approved head protection for use in bicycling.

23-318: Motor-assisted Scooter Use and Operation:
A. Commercial Rental of motor-assisted scooters for use on any public street, sidewalk, Right-Of-Way (ROW) or any other public area is prohibited in the city limits of Port Aransas. Commercial rental for the purpose of this section means an agreed to temporary use of a motor-assisted scooter in exchange for compensation or any other form of consideration.

B. Privately owned, non-commercial motor-assisted scooters may be operated in the municipal boundaries of Port Aransas (i.e. city limits) provided that:
   1. The operator of the motor-assisted scooter is 16 years of age or older.
   2. A parent or guardian shall not allow a child in their care, who is under the age of 16 years old, to operate a motor assisted scooter.
   3. The motor-assisted scooters is only operated on private property; public street, alley or roadway for which the posted speed limit is 35 miles per hour or less; or on a public path specifically set aside as a bicycle path. The vehicle may cross a road or street at an intersection where the road or street has a posted speed limit of more than thirty-five (35) miles per hour only if the operator walks the vehicle across the street while observing all applicable pedestrian laws.
   4. The motor-assisted scooter is not operated on a sidewalk unless that sidewalk has been specifically designated as a bicycle path and is of sufficient width to allow simultaneous counter movement of pedestrian traffic.
   5. Operators under the age of 18 wear a properly fitted and fastened helmet.
   6. Operators of a motor-assisted scooter traveling at a speed slower than the normal and reasonable flow of motor vehicle traffic shall ride as near to the right side of the right through lane as is safe, except as may be appropriate while preparing to make or while making turning movements, or while overtaking and passing another vehicle or pedestrian proceeding in the same direction.
   7. Every motor-assisted scooter when in use at any time from half hour after sunset to a half hour before sunrise must be equipped with a lamp on the front that emits a white light visible at a distance of at least five hundred (500) feet to the front and with a red reflector visible from the rear.
   8. At all times, operators of motor-assisted scooters shall yield the right-of-way to pedestrians and human-powered devices and shall give an audible signal before overtaking and passing a pedestrian or human-powered device.
   9. No motorized foot scooter shall be operated with any passenger or other person in addition to the operator.
   10. Any person operating a motorized scooter shall obey the instructions of official traffic control signals, signs, and other control devices applicable to vehicles, unless otherwise directed by a police officer.

23-319: Impoundment:

A. The City may impound any motor-assisted scooter found unattended on any public property, public sidewalk, public street or highway within the City. "Impoundment" or "impound" as used in this chapter means removal of a motor-assisted scooter to a temporary storage location of the city.

B. All motor-assisted scooters impounded under this section shall be subject to an impound fee set by City Council sufficient to offset the city's costs of enforcement and storage for each such motor-assisted scooter.
23-320: Criminal Offenses:

A. The Office of the Chief of Police shall enforce and administer this Ordinance and includes police officers and code compliance officers.
B. A person commits an offense if the person violates or attempts to violate a provision of this Article.
C. Violations of the Texas Transportation Code Chapter 551, Subchapter B and Subchapter F as they relate to the operation of motor-assisted scooters will be strictly enforced.
D. A culpable mental state is not required for the commission of an offense under this article. A separate offense is committed each day in which an offense occurs.
E. Prosecution for an offense under this article does not prevent the use of other enforcement remedies or procedures applicable to the person charged with the conduct or involved in the offense.
F. Any person who violates any of the provisions of this Ordinance shall be guilty of a Class C misdemeanor and upon adjudication or conviction thereof shall be fined in an amount not to exceed $500 for each offense.

23-321: Severability:

If any section or provision of the ordinance codified in this chapter is declared invalid for any reason whatsoever, same shall not affect the validity or constitutionality of any other part or portion of this chapter.

23-322—23-330-Reserved

ALTERNATE 2—Allows Commercial rental similar to Golf Carts

23-315: Title:

This division shall be commonly cited as the "motor-assisted scooter ordinance".

23-316: Purpose:

These rules are established to regulate the use of motor-assisted scooters on all property within the incorporated municipal boundaries (i.e. city limits). These rules are intended to ensure public safety. Failure to abide by these rules shall result in penalty as defined in this ordinance.

23-317: Definitions:

For the purposes of this chapter, the following terms or words will have the following definitions, unless the context clearly indicates that a different meaning is intended:

Motor-assisted scooter.

Means
a. a self-propelled device with at least two wheels in contact with the ground during operation;
b. a braking system capable of stopping the device under typical operating conditions;
c. a gas motor not exceeding 40 cubic centimeters;
d. an electric motor whose power output does not exceed 2000 watts;
e. a deck designed to allow a person to stand or sit while operating the device;
f. and the ability to be propelled by human power alone;
g. or as defined now or in the future by Chapter 551 of Texas Transportation Code.
A motorized wheelchair, scooter or any other motorized mobility device, as defined by Section 542.009 of the Texas Transportation Code to be used by the disabled is not a motor-assisted scooter as defined or regulated in this division.

**Helmet.**
Any protective headgear which meets the standards of the American National Standards Institute (ANSI Z90.4 Bicycle Helmet Standard) or any similarly approved head protection for use in bicycling.

**23-318: Motor-assisted Scooter Use and Operation:**

A. Motor-assisted scooters are permitted in the municipal boundaries (i.e. city limits) of Port Aransas provided that:

1. The operator of the motor-assisted scooter is 16 years of age or older.
2. A parent or guardian shall not allow a child in their care, who is under the age of 16 years old, to operate a motor assisted scooter.
3. The motor-assisted scooters is only operated on private property; public street, alley or roadway for which the posted speed limit is 35 miles per hour or less; or on a public path specifically set aside as a bicycle path. The vehicle may cross a road or street at an intersection where the road or street has a posted speed limit of more than thirty-five (35) miles per hour only if the operator walks the vehicle across the street while observing all applicable pedestrian laws.
4. The motor-assisted scooter is not operated on a sidewalk unless that sidewalk has been specifically designated as a bicycle path and is of sufficient width to allow simultaneous counter movement of pedestrian traffic.
5. Operators under the age of 18 wear a properly fitted and fastened helmet.
6. Operators of a motor-assisted scooter traveling at a speed slower than the normal and reasonable flow of motor vehicle traffic shall ride as near to the right side of the right through lane as is safe, except as may be appropriate while preparing to make or while making turning movements, or while overtaking and passing another vehicle or pedestrian proceeding in the same direction.
7. Every motor-assisted scooter when in use at any time from half hour after sunset to a half hour before sunrise must be equipped with a lamp on the front that emits a white light visible at a distance of at least five hundred (500) feet to the front and with a red reflector visible from the rear.
8. Operators of a motor-assisted scooter shall yield the right-of-way to pedestrians and human-powered devices and shall give an audible signal before overtaking and passing a pedestrian or human-powered device.
9. No motor-assisted foot scooter be operated with any passenger or other person in addition to the operator.
10. Any person operating a motorized scooter shall obey the instructions of official traffic control signals, signs, and other control devices applicable to vehicles, unless otherwise directed by a police officer.

B. Commercial Rental of motor-assisted scooters for use on private property; public street or roadway for which the posted speed limit is 35 miles per hour or less; or on a public path specifically set aside as a bicycle path is allowed provided that all operation and commercial activities are conducted in accordance with Chapter 12; Licenses and Business Regulations and all other provisions contained herein.

C. No commercial activity related to motor-assisted scooters may be conducted on any public street, Right-Of-Way (ROW) or on any other public area.

D. Any individual or company

23-319: Impoundment:

A. The City may impound any motor-assisted scooter found unattended on any public property, public sidewalk, public street or highway within the City. "Impoundment" or "impound" as used in this chapter means removal of a motor-assisted scooter to a temporary storage location of the city.

B. All motor-assisted scooters impounded under this section shall be subject to an impound fee set by City Council sufficient to offset the city's costs of enforcement and storage for each such motor-assisted scooter.

23-320: Criminal Offenses:

A. The Office of the Chief of Police shall enforce and administer this Ordinance and includes police officers and code compliance officers.

B. A person commits an offense if the person violates or attempts to violate a provision of this article.

C. Violations of the Texas Transportation Code Chapter 551, Subchapter B and Subchapter F as they relate to the operation of motor-assisted scooters will be strictly enforced.

D. A culpable mental state is not required for the commission of an offense under this article. A separate offense is committed each day in which an offense occurs.

E. Prosecution for an offense under this article does not prevent the use of other enforcement remedies or procedures applicable to the person charged with the conduct or involved in the offense.

F. Any person who violates any of the provisions of this Ordinance shall be guilty of a Class C misdemeanor and upon adjudication or conviction thereof shall be fined in an amount not to exceed $500 for each offense.
23-321: Severability:

If any section or provision of the ordinance codified in this chapter is declared invalid for any reason whatsoever, same shall not affect the validity or constitutionality of any other part or portion of this chapter.

23-322—23-330-Reserved

ALTERNATE 3 – Complete Prohibition

Sec. 23-315. - Motor Assisted Scooters

(a) It shall be unlawful for any person to operate a motor assisted scooter on any public street, alley or roadway or any other public area within the incorporated municipal boundaries (i.e. city limits) of Port Aransas. For the purposes of this Section 23-315, the term "motor assisted scooter" shall have the meaning assigned by Texas Transportation Code § 551.351.

(b) Finding and intent. The City Council finds that a prohibition of the operation of motor assisted scooters on all sidewalks, streets, and highways within the City is necessary in the interest of safety.

23-316: Criminal Offenses:

A. The Office of the Chief of Police shall enforce and administer this Ordinance and includes police officers and code compliance officers.
B. A person commits an offense if the person violates or attempts to violate a provision of this Article.
C. Violations of the Texas Transportation Code Chapter 551, Subchapter B and Subchapter F as they relate to the operation of motor-assisted scooters will be strictly enforced.
D. A culpable mental state is not required for the commission of an offense under this article. A separate offense is committed each day in which an offense occurs.
E. Prosecution for an offense under this article does not prevent the use of other enforcement remedies or procedures applicable to the person charged with the conduct or involved in the offense.

Any person who violates any of the provisions of this Ordinance shall be guilty of a Class C misdemeanor and upon adjudication or conviction thereof shall be fined in an amount not to exceed $500 for each offense. Upon conviction of any violation of this Article IX, a person shall be subject to penalties as provided by Section 1-15; General penalty for violations of Code; continuing violations of this Code.

23-317: Severability:

If any section or provision of the ordinance codified in this chapter is declared invalid for any reason whatsoever, same shall not affect the validity or constitutionality of any other part or portion of this chapter.

23-318—23-336-Reserved
AGENDA ITEM: 8-G

Discuss and take action on the 1st Reading of an Ordinance Approving Zoning Change Request ZCR-19-0952 Applicant proposes to change from a Residential 2 (R-2) Zone to a Commercial (C-2) Zone. Applicant: John Ash. Property Location: 716 Gulf St. Providing for the Validity of Said Ordinance; Repealing all Prior Ordinances in Conflict Herewith; and Providing for an Effective Date.

SUBMITTED BY: Planning Department, Director of Development Rick Adams

APPROVED FOR AGENDA: City Manager David Parsons

COMMENTARY: Applicant requests to extend the Commercial 2 (C-2) zoning to their lot currently zoned Residential 2 (R-2). C-2 zoning allows for many commercial activities, while R-2 zoning is limited to residential use only (but does allow short term rentals). The subject property currently abuts the C-2 district but is not encompassed by it. Planning and Zoning Commission has reviewed and recommend denying ZCR 19-092

PUBLIC HEARING DATE: April 30, 2019; 5:00pm, May 18, 2019; 5:00pm

PUBLICATION: South Jetty, February 8, 2019, May 2, 2019 editions

ATTACHMENTS: Draft Ordinance
Application for Zoning Change
Letter to Applicant regarding Planning and Zoning recommendation
City Council Public Hearing Notice
Depiction of Notification Area (200’)
Property Owners notified
Map showing Property Owners response (83.6% oppose the change)
Property Owner responses

STAFF RECOMMENDATION: Motion to Deny 1st reading of Ordinance for Zoning Change Request 19-0952.

COUNCIL ACTION REQUESTED: Port Aransas City Council deny Zoning Change Request ZCR-19-0952 located at 716 Gulf St. from a Residential 2 (R-2) Zone to a Commercial (C-2) Zone requested by John Ash.
ORDINANCE NO. 2019-

AN ORDINANCE OF THE PORT ARANSAS CITY COUNCIL APPROVING ZONING CHANGE REQUEST ZCR 19-0952 CHANGING PROPERTY LOCATED AT 716 GULF ST FROM A RESIDENTIAL 2 (R-2) ZONE TO A COMMERCIAL 2 (C-2) ZONE AS REQUESTED BY JOHN ASH; PROVIDING FOR THE VALIDITY OF SAID ORDINANCE; REPEALING ALL PRIOR ORDINANCES IN CONFLICT HEREWITH; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, an application was received by the Development Services Department in City Hall, Port Aransas, Texas described as Zoning Change Request # ZCR 19-0952 to rezone the property hereinafter described; and

WHEREAS, on April 9, 2019 said “Notice of Public Hearing” was mailed to affected property owners within 200’ of subject property; and

WHEREAS, on April 11, 2019 the City caused to be published a “Notice of Public Hearing” in the South Jetty, official newspaper of the City notifying area residents and the public in general to participate and make their views known regarding this request at the Planning & Zoning Commission meeting on April 30, 2019; and

WHEREAS, on April 30, 2019 the Planning & Zoning Commission did meet and after hearing and considering the application, said Commission voted unanimously (5-0, 2 absent) to recommend that City Council deny Zoning Change Request ZCR 19-0952, for 716 Gulf St, currently a vacant tract; and

WHEREAS, on May 2, 2019 the City caused to be published a “Notice of Public Hearing” in the South Jetty, official newspaper of the City notifying area residents and the public in general to participate and make their views known regarding this request at the City Council meeting on May 16, 2019.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PORT ARANSAS, NUECES COUNTY, STATE OF TEXAS:

SECTION 1. RECEIVE REPORT FROM THE COMMISSION that the Planning & Zoning Commission after hearing and considering application ZCR 19-0952 voted unanimously (5-0 with 2 absent) to recommend the City Council deny rezone request for 716 Gulf St.

SECTION 2. ACTION/AMENDMENT that the Port Aransas City Council accepts the recommendation from the Planning & Zoning Commission and takes action to approve zoning change request ZCR 19-0952
SECTION 3. SEVERABILITY It is the intention of the City Council of the City of Port Aransas that if any phrase, sentence, section, or paragraph of this ordinance shall be declared unconstitutional or otherwise invalid by final judgment of a court of competent jurisdiction such unconstitutionality or invalidity shall not affect any of the remainder of this ordinance since the same would have been enacted by the City Council without the incorporation of the unconstitutional or invalid phrase, sentence, section or paragraph.

SECTION 4. READING As provided by Article III, Section 12 and Article III, Section 12(b) of the Charter of the City of Port Aransas, this ordinance or the caption of it shall be read at three city council meetings with at least one-week elapsing between each reading.

SECTION 5. EFFECTIVE DATE As provided by Article III, Section 12(b) and (c) and by Article XII, Section 2 of the Charter of the City of Port Aransas, this ordinance shall be effective upon adoption after third and final reading.

PASSED, ORDAINED, APPROVED and ADOPTED by the Port Aransas City Council, County of Nueces, State of Texas, on this day of __2019__.

CITY OF PORT ARANSAS, TEXAS

________________________________________
Charles R. Bujan, Mayor

ATTEST:

________________________________________
Francisca Nixon, City Secretary

First Reading:
Second Reading:
Third Reading:
APPLICATION FOR ZONING CHANGE REQUEST

Date of Application: 3-13-19
City Fee: $350.00

City Fee Paid: [ ]

Name of Applicant: [Name]

Address: [Address]

Phone #: [Phone Number]
Fax #: [Fax Number]

Legal Description of applicant's property: Lot(s):___
Block: ___

Subdivision/Addition: [Subdivision]

Zoning Change From: Residential To: Commercial

Applicant signature: [Signature]

(Office Use Only)

Letters sent to property owners within 200' of requested change:

P&Z Hearing Notice Publication (All notices shall be posted 15 days PRIOR to meeting) e-mail Notice:
Publicized: [Publicized]
Public Hearing Date & Time:

Council Hearing: Publicized: [Publicized]
Public Hearing Date & Time:

Letters Sent to Applicant
Notice of placement on Planning & Zoning Agenda
Date:

Notice of Planning & Zoning action and placement on City Council Agenda
Notice of City Council action
1st reading of Ordinance
2nd reading of Ordinance
3rd reading of Ordinance

Planning & Zoning Commission Action
Date:
Approved [ ]
Disapproved [ ]
Tabled [ ]

City Council Action
1st reading of Ordinance:
2nd reading of Ordinance:
3rd reading of Ordinance:
City of Port Aransas

May 2, 2019

Attn: John Ash
PO Box 154186
Waco, TX 76715

RE: Zoning Change Request (ZCR 19-0952) for 716 Gulf St

Dear Mr. Ash,

This is to inform you that your request for a zoning change on the above mentioned property was considered by the Planning and Zoning Commission on Tuesday, April 30, 2019 at 5:00pm in the Council Chambers, 710 W Avenue A, Port Aransas, Texas. The Planning and Zoning Commission recommended denial of the request. City Council will consider the request at their May 16, 2019 meeting at 5:00pm.

Sincerely,

Nicole Boyer
Nicole Boyer
City of Port Aransas
PUBLIC HEARING

Port Aransas City Council

NOTICE is hereby given in accordance with Texas Local Government Code 212 and Port Aransas, City Code Section 25 that the City Council will hold a Public Hearing on Thursday, May 16, 2019 at 5:00 p.m., Port Aransas City Hall Council Chambers, 710 W Avenue A, Port Aransas, Nueces County, Texas, to consider the following items: Zoning Change request #ZCR-19-0952. Applicant proposes to change from a Residential 2 (R-2) Zone to a Commercial 2 (C-2) Zone. Applicant: John Ash. Property Location: 716 S Gulf.

The City encourages citizens to participate and make their views known at this Public Hearing. For further information on this request(s) please contact the Planning & Projects Department at (361) 749-4111. This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the City Secretary’s office at (361) 749-4111 or FAX (361) 749-4723 or e-mail fnixon@cityofportaransas.org for further information. Braille is not available.

POSTED this the 26th Day of April, 2019 on the bulletin board at Port Aransas City Hall, 710 W Avenue A, Port Aransas, Texas and on the webpage www.cityofportaransas.org. TIME: 2pm PUBLISHED in The South Jetty in the Thursday May 2, 2019 Edition, in accordance with the Port Aransas Zoning Ordinance.

CITY OF PORT ARANSAS, TEXAS

Nicole Boyer, Planning Assistant
Sandra Clark, Trustee
PO Box 696
Port Aransas, TX 78373

Robert E Clark III Testamentary
Sandra Clark, Trustee
PO Box 720
Port Aransas, TX 78373

George Henry Johnson III
9707 Lantana Dr
San Antonio, TX 78217-4518

Tom & Sharon
Abrahamson
PO Box 1390
Port Aransas, TX 78373

Dwayne Thomas Pfeil
1216 Uplands Dr
Argyle, TX 76226-1473

Charles & Patricia
Mencio
17906 N Rim Dr
Leander, TX 78641-7308

Juan Angel Real Estate Investments
PO Box 1893
Port Aransas, TX 78373-1893

Linda & Michael Mullenix
2651 Warfield St Suite A
Fort Worth, TX 76106-7572

Edward Fitzpatrick
122 Edinburg
San Antonio, TX 78210

David King
605 Errol Drive
Briarcliff, TX 78669

Charles & Mimi Rhea
101 Oak Hollow Ln
Buda, TX 78610-3158

Kevin Scott & Shenna
Schneider
PO Box 1242
Port Aransas, TX 78373-

Shenna Schneider
PO Box 1242
Port Aransas, TX 78373

Janice & George Haney
1521 Oak Shore Dr
Tool, TX 75143-1581

Mary McGinnis Goodwin
PO Box 958
Port Aransas, TX 78373

Erin Anglin
3400 Ashington Ln
Plano, TX 75023-3929

Pelagic Magic LLC
613 Sandollar Cir
Port Aransas, TX 78373

Ms Law-Tay Inc
422 W Ave G
Port Aransas, TX 78373
Street area = 109,255 s.f.  
Subject property 6,313 s.f.  
Prop in play 84,993  
Against 37,005  
43.5%  

plus 30,753  
total against = 67,758  = 79.7%
CITY OF PORT ARANSAS
PLANNING AND ZONING COMMISSION
710 W. AVENUE A
PORT ARANSAS, TEXAS 78373-4128
361-749-4111
www.cityofportaransas.org

PUBLIC HEARING NOTICE

April 9th, 2019

The City of Port Aransas Planning and Zoning Commission will consider the following change of zoning application #ZRC-19-0952

Applicant: John Ash
Current Zoning Status: R-2 (Residential 2)
Requested Zoning Change: C-2 (Commercial 2)

Property Location: 716 Gulf St.

Legal description of properties being considered: Please see attached map

Planning and Zoning Public Hearing Date: April 30th, 2019, at 5:00 p.m., in Council Chambers at City Hall, 710 West Avenue A, Port Aransas, Nueces County, Texas.

As an interested property owner, you are invited to attend the public hearings and express your views with respect to this matter. Additional materials may be available for review upon request from the Development Services Department located at City Hall. Also, the City Council will consider the application and the first reading of an ordinance at its May 16th, 2019 meeting. The City Council will receive a copy of any and all comments received by the Planning and Zoning Commission. If you are unable to attend, please mail your comments to Nicole Boyer at the City of Port Aransas, Development Services Department before 5:00 p.m. on the day immediately preceding the date advertised for City Council's third and final reading of the proposed zoning change ordinance, tentatively scheduled for July 18th, 2019. This date of the third reading of the proposed ordinance is subject to change to a later date (not sooner). Please monitor the city's webpage for any changes.

If written protest is filed by owners of twenty (20) percent or more of the total area of land covered by the proposed change, an amendment or change shall not become effective except by favorable vote of at least three-fourths (3/4) of all members of the City Council.

In Favor: ______________________________
In Opposition: We are steadfastly opposed to this proposed change because it would allow commercial property into the heart of our residential neighborhood. (see additional page)
Also, I am requesting to receive a list of the other interested property owners - people within 200 feet of the subject property - and their contact information, as well as a map of the other interested properties.

(Give reasons for your views, use additional pages if necessary)

Signature: __________________________ Date: April 17, 2019
Print Name: Janice Haney and George Haney
Owner of Property (Address):

Please contact us at City Hall (361)749-4111 if you have any questions.
Thank you,
Nicole Boyer

Nicole Boyer, Planning Assistant, City of Port Aransas

Janice & George Haney
1521 Oak Shore Dr
Tool, TX 75143-1581

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Planning and Zoning Change Request Response (continued)

These are not just Lot Numbers on a Plat Map:

My father and I purchased our property (716 Tropic Lane) over 35 years ago. My mother and father enjoyed the property; My husband and I enjoyed the property; And now, my son and his friends enjoy the property.

The same is true for many of the properties in the affected area;

The Anglins purchased their property (710 Tropic Lane) before we did. They enjoyed the property; Their children and grandchildren enjoyed the property; And now, their granddaughter continues to enjoy the property.

Across the street, George Johnson, Sr. and his wife purchased their property (717 Tropic Lane) about the same time we did. Their family enjoyed the property and now his son, George, Jr. continues to enjoy the property.

Across the back fence, Roger and Mary Goodwin also purchased their property (713 Sixth Street) about that time. They raised their sons in their home and Mary served as a respected educational professional in the Port Aransas community for years.

Across the street and on the corner, Mr. and Mrs. Harper purchased their property (724 Gulf Street/Tropic Lane) years ago. Their family enjoyed the property for years and now their grandson is building a new home there.

These are just a few of the family histories from our neighborhood. As you can see, this is not an emerging sector of Port Aransas which needs commercial growth as a stimulus.

The change from R-2 zoning to C-2 opens the door to a variety of potential uses which are neither acceptable nor desirable for a long-standing family neighborhood. Among the most disturbing potential uses are hotel or motel, bar, nightclub, music venue, microbrewery, gasoline station, marine or automotive service and engine repair, dry stack boat storage, and veterinary hospital or kennel. (As the Commission and City Council may recall, one of the adjacent properties once housed more than 40 cats. The smell and the associated rodent and insect infestations were part of the reason the previous improvements were ordered demolished.)

And finally, assuming the information I have is correct and there has not been a zoning change request from R-2 to C-2 granted in recent history, I personally think it would set a very bad precedent for the first one to be granted for this property.

Ask yourselves: If the residential property next door to you... across the street from you... around the corner from you were to seek a zoning change to commercial, what would your response be?

As previously stated, we are steadfastly opposed to the requested zoning change.
CITY OF PORT ARANSAS
PLANNING AND ZONING COMMISSION
710 W. AVENUE A
PORT ARANSAS, TEXAS 78373-4128
361-749-4111
www.cityofportaransas.org

PUBLIC HEARING NOTICE

April 9th, 2019

The City of Port Aransas Planning and Zoning Commission will consider the following change of zoning application #ZRC-19-0952

Applicant: John Ash
Current Zoning Status: R-2 (Residential 2)
Requested Zoning Change: C-2 (Commercial 2)

Property Location: 716 Gulf St.

Legal description of properties being considered: Please see attached map

Planning and Zoning Public Hearing Date: April 30th, 2019, at 5:00 p.m., in Council Chambers at City Hall, 710 West Avenue A, Port Aransas, Nueces County, Texas.

As an interested property owner, you are invited to attend the public hearings and express your views with respect to this matter. Additional materials may be available for review upon request from the Development Services Department located at City Hall. Also, the City Council will consider the application and the first reading of an ordinance at its May 16th, 2019 meeting. The City Council will receive a copy of any and all comments received by the Planning and Zoning Commission. If you are unable to attend, please mail your comments to Nicole Boyer at the City of Port Aransas, Development Services Department before 5:00 p.m. on the day immediately preceding the date advertised for City Council's third and final reading of the proposed zoning change ordinance, tentatively scheduled for July 18th, 2019. This date of the third reading of the proposed ordinance is subject to change to a later date (not sooner). Please monitor the city's webpage for any changes.

If written protest is filed by owners of twenty (20) percent or more of the total area of land covered by the proposed change, an amendment or change shall not become effective except by favorable vote of at least three-fourths (3/4) of all members of the City Council.

In Favor:  
In Opposition:  

(Give reasons for your views, use additional pages if necessary)

Signature: 
Print Name: George Henry Johnson III
Owner of Property (Address): 717 Frasco Lane

Date: 4/29/19

Please contact us at City Hall (361)749-4111 if you have any questions.

Thank you,

Nicole Boyer, Planning Assistant, City of Port Aransas

George Henry Johnson III
9707 Lantana Dr
San Antonio, TX 78217-4518
CITY OF PORT ARANSAS
PLANNING AND ZONING COMMISSION
710 W. AVENUE A
PORT ARANSAS, TEXAS 78373-4128
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PUBLIC HEARING NOTICE

April 9th, 2019

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In Favor: X

In Opposition: Building new house soon and will be a problem for neighborhood. We don't need commercial in our street. Very bad.

Signature: Juan Angel Date: 4/28/2019
Print Name: Juan Angel
Owner of Property (Address): PO BOX 1893 Port Aransas, TX 78373

Please contact us at City Hall (361)749-4111 if you have any questions.

Thank you,

Nicole Boyer, Planning Assistant, City of Port Aransas

Juan Angel

#7
PUBLIC HEARING NOTICE

April 9th, 2019

The City of Port Aransas Planning and Zoning Commission will consider the following change of zoning application #ZRC-19-0952

Applicant: John Ash
Current Zoning Status: R-2 (Residential 2)
Requested Zoning Change: C-2 (Commercial 2)

Property Location: 716 Gulf St.

Legal description of properties being considered: Please see attached map

Planning and Zoning Public Hearing Date: April 30th, 2019, at 5:00 p.m., in Council Chambers at City Hall, 710 West Avenue A, Port Aransas, Nueces County, Texas.

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In Favor:

Signature: __________________________ Date: 4-23-19
Linda Mullenix
Print Name: Linda Mullenix & Michael G. Mullenix
Owner of Property (Address): 727 S. Gulf St. Port. Aransas, TX 78373

In Opposition:

Signature: __________________________ Date: 4-23-19
Linda Mullenix
Print Name: Linda Mullenix & Michael G. Mullenix
Owner of Property (Address): 727 S. Gulf St. Port. Aransas, TX 78373

(Give reasons for your views, use additional pages if necessary)

Please contact us at City Hall (361)749-4111 if you have any questions.

Thank you,

Nicole Boyer, Planning Assistant, City of Port Aransas

Linda & Michael Mullenix
2651 Warfield St Suite A
Fort Worth, TX 76106-7572
April 9th, 2019

The City of Port Aransas Planning and Zoning Commission will consider the following change of zoning application #ZRC-19-0052

Applicant: John Ash
Current Zoning Status: R-2 (Residential 2)
Requested Zoning Change: C-2 (Commercial 2)

Property Location: 716 Gulf St.

Legal description of properties being considered: Please see attached map

Planning and Zoning Public Hearing Date: April 30th, 2019, at 6:00 p.m., in Council Chambers at City Hall, 710 West Avenue A, Port Aransas, Nueces County, Texas.

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In Favor:

In Opposition: X

The property we own was purchased with the understanding that we would live in a neighborhood, and not in a commercial area. We prefer the quiet of a residential area.

(Give reasons for your views, use additional pages if necessary)

Signature: ___________________________ Date: 4/22/2019
Print Name: Charles & Patricia Mencio
Owner of Property (Address): 17906 N Rim Dr, Leander, TX 78641

Please contact us at City Hall (361)749-4111 if you have any questions.
Thank you,

Nicole Boyer
Nicole Boyer, Planning Assistant, City of Port Aransas

Charles & Patricia Mencio
17906 N Rim Dr
Leander, TX 78641-7308

45
April 9th, 2019

The City of Port Aransas Planning and Zoning Commission will consider the following change of zoning application #ZRC-19-0952

Applicant: John Ash
Current Zoning Status: R-2 (Residential 2)
Requested Zoning Change: C-2 (Commercial 2)

Property Location: 716 Gulf St.

Legal description of properties being considered: Please see attached map

Planning and Zoning Public Hearing Date: April 30th, 2019, at 5:00 p.m., in Council Chambers at City Hall, 710 West Avenue A, Port Aransas, Nueces County, Texas.

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If written protest is filed by owners of twenty (20) percent or more of the total area of land covered by the proposed change, an amendment or change shall not become effective except by favorable vote of at least three-fourths (3/4) of all members of the City Council.

In Favor: 

In Opposition: 

There already exists a golf cart shop that backs up to my house and I don't want another one in front of my house. My neighborhood is becoming trashy with dumpsters and part a-a-robin and golf carts leave it residential.

(Give reasons for your views; use additional pages if necessary)

Signature: Erin Anglin
Print Name: Erin Anglin
Owner of Property (Address): 710 Tropic Lane

Date: April 15, 2019

Please contact us at City Hall (361)749-4111 if you have any questions.

Thank you,

Nicole Boyer
Nicole Boyer, Planning Assistant, City of Port Aransas
PUBLIC HEARING NOTICE

April 9th, 2019

The City of Port Aransas Planning and Zoning Commission will consider the following change of zoning application:

#ZRC-19-0952

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In Favor: 

In Opposition: X

Keep all property residential within commercial

Property only one Commercial

(Give reasons for your views, use additional pages if necessary)

Signature: 
Print Name: 
Owner of Property (Address): 713 Sixth St.

Date: 4/17/2019

Please contact us at City Hall (361)749-4111 if you have any questions.

Thank you,

Nicole Boyer
Planning Assistant, City of Port Aransas

Mary McGinnis Goodwin
PO Box 958
Port Aransas, TX 78373
April 9th, 2019

The City of Port Aransas Planning and Zoning Commission will consider the following change of zoning application #ZRC-19-0952

Applicant: John Ash
Current Zoning Status: R-2 (Residential 2)
Requested Zoning Change: C-2 (Commercial 2)

Property Location: 716 Gulf St.

Legal description of properties being considered: Please see attached map

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In Favor: □
In Opposition: □

These lots are in a quiet residential area that doesn’t even allow short term rentals. This change would affect our community in a very negative way and would set precedence allowing others to follow.

(Give reasons for your views, use additional pages if necessary)

Signature: David King
Print Name: Date: 4-17-2019
Owner of Property (Address): 508 Avenue H, Port Aransas, TX

Please contact us at City Hall (361)749-4111 if you have any questions.

Thank you,

Nicole Boyer
Planning Assistant, City of Port Aransas

David King
605 Errol Drive
Briarcliff, TX 78669
April 9th, 2019

The City of Port Aransas Planning and Zoning Commission will consider the following change of zoning application #ZRC-19-0952

Applicant: John Ash
Current Zoning Status: R-2 (Residential 2)
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Property Location: 716 Gulf St.

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In Favor: X
In Opposition: ____________________________

I just completed construction of new home away from businesses for a reason. There is commercial property along the street already and I don't want to see it creeping back into the neighborhood. Who knows what might occupy it.

(Give reasons for your views, use additional pages if necessary)

Signature: ____________________________ Date: 4/18/19
Print Name: Tom Abrahamson
Owner of Property (Address): 508 Ave H

Please contact us at City Hall (361)749-4111 if you have any questions.

Thank you,

Nicole Boyer
Planning Assistant, City of Port Aransas

Tom & Sharon Abrahamson
PO Box 1390
Port Aransas, TX 78373
April 9th, 2019

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Applicant: John Ash
Current Zoning Status: R-2 (Residential 2)
Requested Zoning Change: C-2 (Commercial 2)

Property Location: 716 Gulf St.

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In Favor:
In Opposition: keep

[Handwritten note: This needs to stay a neighborhood. The Town is losing out on its neighbors. Please consider new zoning.]

(The Town is losing out on its neighbors. Please consider new zoning. [Handwritten note: My family etc.]

[Handwritten note: Need to keep a neighborhood.]

[Handwritten note: Keep]}

Signature: Charles & Mimi Rhea
Print Name: Charles & Mimi Rhea
Owner of Property (Address): 101 Oak Hollow Ln, Buda, TX 78610

Please contact us at City Hall (361)749-4111 if you have any questions.

Thank you,

Nicole Boyer, Planning Assistant, City of Port Aransas

Charles & Mimi Rhea
101 Oak Hollow Ln
Buda, TX 78610-3158
April 9th, 2019

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In Favor: X  
In Opposition: These lots are Residential Lots and need to stay that way, we don’t need commercial business with our kids play!!!  
(Give reasons for your views, use additional pages if necessary)

Signature: __________________________ Date: 4/14/19
Print Name: Dwayne Preil
Owner of Property (Address): 2424 Gulf St.

Please contact us at City Hall (361)749-4111 if you have any questions.

Thank you,

Nicole Boyer
Nicole Boyer, Planning Assistant, City of Port Aransas
AGENDA ITEM: 8-H

Presentation, general discussion and possible action on the Hotel Convention Center Project Private Letter Ruling (PLR) Development Agreement, Land Leases and Chapter 380 Development Agreement for future submittal to the State Comptroller.

SUBMITTED BY: Chamber President Jeff Hentz

APPROVED FOR AGENDA: City Manager David Parsons

COMMENTARY: Staff has provided the required documents for review for the future submittal to the State Comptroller for the Hotel Conference Center awarded to Cinnamon Shores at the January 17, 2019 City Council meeting. Staff will present a final draft of these documents for approval at the June 20, 2019 City Council meeting.

ATTACHMENTS: 2019 Development Agreement
Conference Center Lease Agreement
Hotel Convention Center 380 Agreement
Hotel Lease Agreement

STAFF RECOMMENDATION: Review and recommendation from City Council.

COUNCIL ACTION REQUESTED: Port Aransas City Council review and take any action as needed.
DEVELOPMENT AGREEMENT

FOR A HOTEL AND CONFERENCE CENTER

BETWEEN

THE CITY OF PORT ARANSAS,
a political subdivision of the State of Texas,

AND

THE INN, SPA & CONFERENCE CENTER, [LP],
a Texas [limited partnership]
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EXHIBIT B – Forms of Lease Agreements
EXHIBIT C – Private Letter Ruling Request
EXHIBIT D – Chapter 380 Agreement
EXHIBIT E – Preliminary Scope of Work for Infrastructure Improvements
EXHIBIT F – Design Precedents
EXHIBIT G – Preliminary Scope of Work for Project
EXHIBIT H – Preliminary Site Plan for Improvements
EXHIBIT I – Preliminary Budget
EXHIBIT J – Certifications Regarding Employment of Undocumented Aliens
DEVELOPMENT AGREEMENT
FOR A HOTEL CONFERENCE CENTER

This Development Agreement for a Hotel Conference Center (this "Agreement") is entered into as of [ ], 2019 ("Effective Date"), by and between the City of Port Aransas, a municipal corporation of the State of Texas and a home-rule city located in Nueces County, Texas (the "City") and The Inn, Spa & Conference Center, [LP], a Texas limited partnership (the "Developer"). The City and the Developer are sometimes referred to herein collectively as the "Parties" or singularly as a "Party."

BACKGROUND:

1. Pursuant to a Request for Proposals issued on August 2, 2018, the City solicited proposals for the development and construction of a hotel conference center, and the City selected the proposal submitted by Developer dated August 8, 2018 (the "Proposal");

2. The Developer is the owner of that certain real property of approximately [ ] acres of land located in the City of Port Aransas, Nueces County, Texas, as more particularly described in Exhibit A attached hereto (the "Land");

3. Upon Closing (as defined herein), the Developer plans to facilitate upon the Land the development, construction, furnishing, and equipping of the Hotel, Spa, Parking Facility, and other non-conference center facilities (the "Hotel Project"), the Conference Center (together with the Hotel Project, the "Project") and accompanying Infrastructure Improvements, as more fully defined and described herein (collectively, the "Improvements");

4. In order to induce the Developer to construct the Improvements, the City and the Developer plan to enter into a Chapter 380 Agreement (as defined herein) concurrently with this Agreement, to provide certain economic development Grants (as defined herein) to the Developer to assist in the development of the Improvements;

5. Upon Substantial Completion of the Project, the Developer desires to convey the Land and the Improvements to the City for a price to be paid by the City of [$.1.00]. Concurrently with the transfer of title to the Land and Improvements from the Developer to the City, the City desires to lease to the Developer (i) the Hotel, all non-conference center facilities, and the land underlying it, pursuant to the Hotel Lease Agreement between the City and the Developer dated [ ], 20[ ] (the "Hotel Lease"), and (ii) the Conference Center and the land underlying it, pursuant to the Conference Center Lease Agreement between the City and the Developer dated [ ], 20[ ] (the "Conference Center Lease," and with the Hotel Lease, the "Leases");

6. According to the Conference Center Lease, the Developer plans to operate the Conference Center as a public conference, meeting and exhibit center to attract conventions, tourists and other visitors and for the benefit of the City and the general public;

7. The City and the Developer find and determine this Agreement to constitute "an agreement" for purposes of Section 351.102(g) of the Texas Tax Code, as amended by Texas House Bill 2445, 85th Leg. (2017) (effective June 15, 2017); and
8. The City and the Developer now desire to enter into this Agreement to set forth the definitive terms and conditions governing the development of the Improvements, conveyance of the Land and the Improvements, leasing of the Land and the Improvements, and operation of the Hotel Project and Conference Center.

ACCORDINGLY, in consideration of the mutual promises and agreements herein contained and for other good, valuable and binding consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto, intending to be legally bound, hereby agree as follows:

ARTICLE I
DEFINITIONS AND RULES OF CONSTRUCTION

1.1 Definitions of Words and Terms.

"Affiliate" means any entity that controls, is controlled by, or is under common control with the Developer and exists to make a profit.

"Architect" means the design professional with experience in designing hotel conference centers to be hired by the Developer to design the Project as set forth in the Proposal.

"Chapter 380 Agreement" means that Chapter 380 Agreement to be entered into between the City and the Developer concurrently with this Agreement, in which the City will provide to the Developer certain economic development Grants pursuant to Chapter 380 of the Texas Local Government Code, including rebates of eligible state and local mixed beverage tax, sales and use taxes, and local hotel occupancy taxes.

"City" means the home-rule City of Port Aransas, Nueces County, Texas, a political subdivision of the State.

"Closing" means the execution of [ ], commencing at 10:00am Central Daylight Time or such other time as the Parties may mutually agree upon.

"Closing Date" means [ ], 2019, the day on which the Closing will occur or such other date as the Parties may mutually agree upon.

"Conditions Precedent" means the conditions to be completed as set forth in Section 2.2 before the Closing.

"Conference Center" has the meaning given in Section 4.2(b).

"Conference Center Lease" has the meaning given in the background section of this Agreement.

"Contractor" means a contractor to be chosen by the Developer that will be primarily responsible for constructing the Improvements.

"Developer" means The Inn, Spa & Conference Center, [LP], a Texas [limited partnership].

Commented [A1]: What is intended here and section 2.1?
"Event of Default" has the meaning given in Section 9.1.

"Force Majeure" has the meaning given Section 11.11.

"Franchisor" has the meaning given in Section 2.2(c).

"Grants" has the meaning given in Section 2.4.

"Hotel" has the meaning given in Section 4.2(a).

"Hotel Lease" has the meaning given in the background section of this Agreement.

"Hotel Project" means, collectively, the Hotel, Spa, Parking Facility, and other non-conference center facilities.

"Improvement Costs" has the meaning given in Section 6.1.

"Improvements" has the meaning given in the background section of this Agreement.

"Infrastructure Improvements" has the meaning given in Section 3.1.

"Land" means the real property generally described in Exhibit A.

"Leases" means the Hotel Lease and the Conference Center Lease.

"Parking Facility" has the meaning given in Section 4.2(d).

"Project" means, collectively, the Hotel, Conference Center, Spa, Parking Facility, and other ancillary facilities.

"Spa" has the meaning given in Section 4.2(c).

"State" means the state of Texas.

"Substantial Completion of the Infrastructure Improvements" means the completion of the Infrastructure Improvements to the extent that the Infrastructure Improvements are ready to service the Project.

"Substantial Completion of the Project" means the completion of the Project to the extent that a certificate of occupancy for the structures and other governmental approvals necessary for the Project to be open to the public have been received.

1.2 Rules of Construction. For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following rules of construction apply in construing the provisions of this Agreement:

(a) All references in this Agreement to exhibits, articles, paragraphs, subparagraphs, sections, subsections and other subdivisions refer to the exhibits, articles, paragraphs, subparagraphs, sections, subsections and other subdivisions of this Agreement
unless expressly provided otherwise. Titles appearing at the beginning of any subdivisions are for convenience only and do not constitute any part of such subdivisions and will be disregarded in construing the language contained in such subdivisions. The words "this Agreement", "herein", "hereof", "hereby", "hereunder" and words of similar import refer to this Agreement as a whole and not to any particular subdivision unless expressly so limited. The phrases "this paragraph" and "this subparagraph" and similar phrases refer only to the paragraphs or subparagraphs hereof in which such phrases occur. The word "or" is not exclusive, and the word "including" (in its various forms) means "including without limitation." Pronouns in masculine, feminine and neuter genders will be construed to include any other gender, and words in the singular form will be construed to include the plural and vice versa, unless the context clearly otherwise requires. References to any constitutional, statutory or regulatory provision means such provision as it exists on the Effective Date and any future amendments thereto or successor provisions thereof.

(b) Unless the context clearly otherwise requires or unless otherwise expressly provided herein, the terms defined in this Agreement which refer to a particular agreement, instrument or document also refer to and include all renewals, extensions, supplements, modifications, amendments and restatements of such agreement, instrument or document, provided that paragraph will be construed to authorize any such renewal, extension, supplement, modification, amendment or restatement.

(c) If any term or provision of this Agreement is found by a court of competent jurisdiction to be invalid, illegal or otherwise unenforceable, the same shall not affect the other terms or provisions hereof or the whole of this Agreement, but such term or provision shall be deemed modified to the extent necessary in the court's opinion to render such term or provision enforceable, and the rights and obligations of the parties shall be construed and enforced accordingly, preserving to the fullest permissible extent the intent and agreements of the parties herein set forth.

(d) This Agreement shall be deemed drafted equally by all Parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any Party shall not apply.

ARTICLE II
CONDITIONS PRECEDENT

2.1 Closing. The Closing shall commence at 10:00am Central Daylight Time on the Closing Date or such other time as the Parties may agree at the offices of Winstead PC, Austin, Texas. Both Parties shall execute [ ]. Notwithstanding anything to the contrary set forth herein, the Developer shall have no obligation to proceed with the Closing unless and until each of the Conditions Precedent have either been satisfied or waived in writing by the Developer.

2.2 Conditions Precedent. The Closing shall be conditioned upon the successful completion to the satisfaction of the Parties of the following ("Conditions Precedent").
(a) Receipt of a favorable Private Letter Ruling. The City, with assistance from the Developer, shall submit a private letter ruling request to the Texas Comptroller of Public Accounts, substantially in the form attached as Exhibit C, and shall receive a favorable private letter ruling by December 31, 2019.

(b) Private Financing Commitment. The Developer shall acquire private financing for the development of the improvements. The Developer shall seek to secure a firm financing commitment from a private lender on or before December 31, 2019, in accordance with Article VI hereof.

(c) Franchise Agreement. The Developer shall enter into a Franchise Agreement with Marriott, another hotel flagship, or an individual hotel selected by the Developer and acceptable to the City in its reasonable discretion (the “Franchisee”), for the operation of the Hotel on or before December 31, 2019; and

(d) Due Diligence. All due diligence matters shall be received or completed to the reasonable satisfaction of both Parties, including, but not limited to, the title and survey as set forth in Section 2.3, the property conditions, environmental matters, corporate structure, and good standing.

2.3 Due Diligence.

(a) Commencing on the Effective Date of this Agreement and continuing until the Closing, the Parties and their agents shall have reasonable access to the Land at all reasonable times, upon notice to the Developer, for the purpose of inspecting the Land. The Parties shall cooperate in supplying historical and operational information, including notices, permits, or other written communications pertaining to the environmental or physical condition of the Land.

(b) The Developer shall deliver to the City before Closing:

(i) a commitment for title insurance; and

(ii) a survey of the Land by a licensed surveyor.

(c) The Parties shall also conduct or acquire any studies or assessments on the Land deemed to be necessary by the Parties, including, but not limited to, an environmental site assessment Phase 1, geotechnical studies, and wetlands reports.
2.4 **Chapter 380 Agreement.** Concurrently with the execution of this Agreement, the City and the Developer shall enter into a Chapter 380 Agreement, attached hereto as Exhibit D, in which the City will provide to the Developer certain economic development grants pursuant to Chapter 380 of the Texas Local Government Code, including, but not limited to, rebates of eligible state and local mixed beverage tax, sales and use taxes, and local hotel occupancy taxes ("Grants"). These Grants will be used for the public purpose of promoting economic development and diversity, increasing employment, reducing unemployment and underemployment, expanding commerce, and stimulating business and commercial activity in the City, Nueces County, and the State.

**ARTICLE III**

**DEVELOPMENT OF INFRASTRUCTURE IMPROVEMENTS**

3.1 **General.** Within [ ] days following the Closing Date, the Developer will commence construction on infrastructure improvements for servicing the Project, including, but not limited to, roads, water lines, sewer lines, storm drainage improvements, walkways and other improvements to the Land, as more fully described in Section 3.2 (the "Infrastructure Improvements").

3.2 **Scope of Work.** The Developer shall construct the Infrastructure Improvements according to the terms and scope set forth in the Proposal and in Exhibit E. The Developer shall also use commercially reasonable efforts to achieve utilization of the development processes set forth below.

(a) **Commencement of Construction.** Promptly upon Closing, the Developer shall obtain the necessary construction permits and commence construction of the Infrastructure Improvements; provided, however, in no event shall the Developer be required to commence construction until Closing shall have occurred.

(b) **Expedited Permitting.** The City will work in good faith and use its reasonable efforts to expedite the permitting for the Infrastructure Improvements.

(c) **Completion of Infrastructure Improvements.** The Developer shall seek to complete any governmental inspections and obtain approvals of the Infrastructure Improvements to be ready to service the Project on or before [ ] months following the Closing Date, or as soon thereafter as reasonably practicable, subject, however, to Force Majeure and other customary permitted delays. The City shall work in good faith with the Developer and exercise its customary practices in granting approvals necessary to achieve Substantial Completion of the Infrastructure Improvements.

**ARTICLE IV**

**DEVELOPMENT OF THE PROJECT**

4.1 **General.** Upon Closing and concurrently with the commencement of the Infrastructure Improvements, the Developer shall commence construction of the Project.
according to the Developer’s design standards set forth in the Proposal (the “Design Standards”), and aligned with design precedents as set forth in Exhibit G.

4.2 Scope of Work. The Project will consist of the Hotel, Conference Center, Spa, Parking Facility, and other non-conference center facilities. The preliminary scope of work for the Project is attached as Exhibit G.

(a) Hotel. The hotel will be constructed and operated in accordance with (i) an “upper upscale” standard, as defined by Smith Travel Research, or if Smith Travel Research no longer publishes such standard, a nationally recognized organization that does publish the same or comparable standard and (ii) the requirements of the Franchise Agreement. The hotel shall consist of a minimum of 175 rooms, as well as a rooftop entertainment space, full service restaurant and bar, lobby lounge, and a business center (collectively, the “Hotel”). In addition, the Developer intends to build up to 60,000 square feet of retail and live/work units. The Hotel shall carry the Marriott’s brand or another hotel brand that is upper upscale.

(b) Conference Center. The conference center will be a modern and technologically-advanced space of a minimum of 22,000 square feet of banquet, meeting room and exhibition space, which includes a fully divisible grand ballroom, a junior ballroom, smaller breakout rooms, secondary meeting rooms, and boardroom-type spaces. Public restrooms and pre-function space will be conveniently located near the meeting rooms. The design and finish out of the conference center shall be consistent with the design and finish out of the Hotel, which shall be constructed according to the Developer’s standards and consistent with requirements imposed by agreements with the Franchisor (collectively, the “Conference Center”).

(c) Spa. The Developer also intends to build a spa facility to support the Hotel and Conference Center (the “Spa”).

(d) Parking Facility. A two-story parking garage consisting of not less than 300 parking spaces shall be constructed near the Hotel and Conference Center to meet the required number of parking for the Project (the “Parking Facility”).

(e) Other Facilities. The Developer reserves the right to develop and construct other facilities to support the Project, as mentioned in the Proposal, such as restaurants, live/work spaces, and retail space.

4.3 Construction of the Project. The Developer shall use commercially reasonable efforts to achieve utilization of the development processes set forth below.

(a) Contractor. The Developer shall select a Contractor to construct the Project. The Contractor shall be a qualified general contractor experienced in the construction of projects similar in scope to the Project.

(b) Design Professionals. The Developer will select the design professionals, including Architects and designers with experience in designing and planning of similar
hotel and conference centers and experience in land planning related thereto, who shall have the primary responsibility for the design of the Project, as set forth in the Proposal.

(c) **Plans and Specifications.** The plans and specifications for the Project ("Plans") shall be prepared by the Architect, and shall not be materially inconsistent from terms set forth in the Proposal.

(d) **Site Plan for Land and Project.** The Developer will cause the Architect to prepare a site plan of the Land and will diligently pursue approval by the Developer. A preliminary site plan and floor plans are attached as Exhibit H.

(e) **Expedited Permitting.** The City will use its reasonable efforts to expedite the permitting for the Project.

(f) **Commencement of Construction.** The Developer shall obtain the necessary construction permits and cause the Contractor to commence construction of the Project; provided, however, in no event shall the Developer be required to commence construction until Closing shall have occurred.

(g) **Material Changes.** The City shall have the right to approve of any material changes of scope of the Project, not to be unreasonably withheld.

(h) **Completion of Project.** The Developer shall require the Contractor to complete the Project and obtain a certificate of occupancy for the structures, obtain final acceptance for the infrastructure and any other governmental approvals necessary for the Project to open to the public on or before [ ] months following commencement of construction, or as soon thereafter as reasonably practicable; subject, however, to Force Majeure and other customary permitted delays. The City shall exercise good faith and its customary practices in issuing the certificate of occupancy and other approvals necessary to achieve Substantial Completion of the Project. The City shall waive all thoroughfare impact fees that may arise in relation to the development of the Project.

ARTICLE V
CONVEYANCE OF LAND AND IMPROVEMENTS

5.1 **Conveyance.** Upon the Substantial Completion of the Project, the Developer shall convey to the City good and indefeasible title to the Land and all of the Improvements built thereon, free and clear of all monetary liens and encumbrances and subject only to the standard printed exceptions and such other exceptions contained in an owner's policy of title insurance as approved by the City, for the sum of $[1,000].

5.2 **Concurrent Leases.** Concurrently with the conveyance of the Land and the Improvements to the City, the City will lease to the Developer (i) the Hotel, all non-conference center facilities, and the land underlying it, pursuant to the Hotel Lease, and (ii) the Conference Center and the land underlying it, pursuant to the Conference Center Lease. The Leases will have a term of [forty (40) years], at a lease rate of $1.00 per year plus payment of all operating expenses. The Developer, at its sole cost and expense, maintain the Improvements in good working condition. The Developer shall retain all income derived from the use of the Improvements. Under
the Conference Center Lease, the Developer will be obligated to operate the Conference Center as a public conference, meeting and exhibit center for holding conventions, meetings, exhibits and other events to attract conventions, tourists and other visitors and for the benefit of the City and the general public.

5.3 **Purchase Option.** The Leases shall include an option in favor of the Developer or its Affiliate to purchase the Land and the Improvements after the Effective Date of the Leases, for (i) the sum of $10,000, or (ii) if the Developer receives confirmation from the Comptroller that construction supplies relating to construction of the Improvements are exempt from sales tax, then the difference between the fair market value of the Land and the Improvements (as determined by a qualified appraisal selected by the Developer at the time of purchase) less $[ ].

**ARTICLE VI**
**FINANCING**

6.1 **Cost of Improvements.** Based upon the scope of the Improvements, it is anticipated by the Parties that the total costs actually incurred in the design and construction of the Improvements ("Improvement Costs"), will equal approximately $55,516,425 (the "Improvement Cost Preliminary Budget"), as set forth in the preliminary budget attached as Exhibit I. It is the intention of the Parties hereto that the Improvement Costs shall include all hard and soft costs incurred in planning, engineering, constructing and developing the Improvements. Hard costs shall mean all costs for labor and materials for the Improvements arising under all construction contracts related to the Improvements. Soft costs include pre-construction phase fees and expenses, and all third party architectural, engineering, surveying, testing and governmental fees or costs related to the planning, engineering, constructing and developing of the Improvements.

6.2 **Sources of Funding.** The Developer intends to finance the Improvement Costs with a combination of debt and equity. All Improvement Costs not funded by the Developer's equity contribution will be funded with the proceeds of (i) a private loan (the "Loan") issued by a lender selected by the Developer (the "Lender") or (ii) revenue bonds issued by the Developer.

6.3 **Security and Sources of Repayment.** The Loan shall be secured by (i) all revenues generated from the operation of the Project, (ii) economic Grants pursuant to the Chapter 380 Agreement or other rebates or refunds that the Developer may seek, (iii) a leasehold deed of trust securing the Developer's leasehold interest in the Land and the Improvements under the Leases, and (iv) such other security as may be reasonably required by the Lender. The City shall agree to subordinate its interests in and to the Land and the Project to the interests of the Lender under the Loan.

**ARTICLE VII**
**OPERATION OF THE PROJECT**

7.1 **Operation.** The Developer, or its assigns, shall operate the Conference Center as a public conference, meeting and exhibit center and hotel for holding conferences, conventions, meetings, exhibits and other events to attract conferences, conventions, tourists and other visitors for the benefit of the City and the general public.
7.2 Franchise. The Developer will have entered into a Franchise Agreement with the Franchisor for the operation of the Hotel. The Hotel will be operated according to the standards of the Developer and the Franchisor.

7.3 Condominium Ownership. The Developer reserves the right to establish a condominium regime for the separate leasehold ownership of the various components of the Project. The condominium regime will likely include appropriate common elements necessary to serve the Conference Center and the different components of the Hotel.

7.4 Assignment and Subleasing. Once the Developer has a leasehold interest in the Land and the Improvements, the Developer reserves the right to assign or sublet all or a portion of its interests in the Leases without the prior written consent of Lessor so long as the assignee or sublessee assumes in writing all of Lessee's obligations, or the Lessor relieves Lessee of its obligations in writing, either before or after the commencement of a condominium regime. Upon any such assignment or sublease, Lessee will be released from all further liability under such Lease occurring as of the effective date of such assignment or sublease.

7.5 Books and Records. The City shall have access to the Developer's books and records for the purpose of granting eligible tax exemptions for the Developer.

ARTICLE VIII
REPRESENTATIONS AND WARRANTIES

8.1 Representations and Warranties of Developer. The Developer hereby represents and warrants to the City the following as of the Effective Date:

(a) As of the execution date of this Agreement, the Developer is a Texas [limited partnership] duly organized and validly existing under the laws of the State of Texas and is duly qualified to transact business under the laws of the State and has the power and authority to carry on its business as presently conducted and as contemplated to be conducted on the Land by this Agreement and to enter into and perform its obligations under this Agreement, and the execution, delivery and performance by the Developer of this Agreement has been duly authorized by all necessary corporate action.

(b) The execution, delivery and performance of this Agreement by the Developer will not violate any law or the Developer's organizational documents.

(c) (i) The Developer is not a person and/or entity with whom the United States ("US") persons or entities are restricted from doing business under US law, executive power, or regulation promulgated thereunder by any regulatory body; (ii) no person or entity named on any US list of specially designated nationals or blocked persons has any direct interest in the Developer such that the direct investment in the Developer is prohibited by any US law; (iii) the Developer is not in violation of any US money laundering law; and (iv) none of the Developer's funds have been derived from unlawful activity such that the direct investment in the Developer is prohibited by US law. The foregoing are ongoing covenants of the Developer. The Developer shall immediately advise the City of any change in the status or accuracy of such representations, and upon
request the Developer shall recertify such representations and certify in writing the identity of all entities and individuals owning or controlling the Developer.

(d) The Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other Affiliates, if any, do not boycott Israel and, to the extent this Agreement is a contract for goods or services, will not boycott Israel during the term of this Agreement. The foregoing verification is made solely to comply with Section 2270.002, Texas Government Code, as amended, and to the extent such section does not contravene applicable federal law. As used in the foregoing verification, “boycott Israel” means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israel-controlled territory, but does not include an action made for ordinary business purposes.

(e) The Developer represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other Affiliates is a company or partnership identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, as amended, and posted on any of the following pages of such officer’s Internet website:

https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf,
https://comptroller.texas.gov/purchasing/docs/iran-list.pdf, or
https://comptroller.texas.gov/purchasing/docs/irfo-list.pdf.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, as amended, and to the extent such Section does not contravene applicable federal law and excludes the Developer and each of its parent company, wholly- or majority-owned subsidiaries, and other Affiliates, if any, that the US government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization.

(f) The Developer hereby represents that a completed Certificate of Interested Parties Form 1295 (“Form 1295”) generated by the Texas Ethics Commission’s (the “TEC”) electronic filing application in accordance with the provisions of Section 2252.908, Texas Govt. Code and the rules promulgated by the TEC, was previously submitted to the City by the Developer in connection with this Agreement. The City hereby agrees to acknowledge such form with the TEC through its electronic filing application within 30 days of the effective date hereof. The Developer and the City understand and agree that, with the exception of information identifying the City and the contract identification number, neither the City nor its consultants are responsible for the information contained in any Form 1295 and neither the City nor its consultants have verified such information. The City and the Developer also agree that the transactions contemplated by this Agreement and the respective obligations of the City and the Developer hereunder, shall not be modified, released, or excused by the failure of the Developer to properly complete a Form 1295, except as set forth in the following sentence. The submission of any Form 1295 by the Developer that does not provide a sufficient basis for the City to enter into this Agreement in accordance with Section 2252.908(d), Texas Govt. Code, shall result in the
automatic dismissal and removal of the Developer from its duties and rights hereunder and the Developer shall not be considered a Party to this Agreement.

8.2 **Representations and Warranties of the City.** The City hereby represents and warrants to the Developer the following as of the Effective Date:

(a) The City is an instrumentality of the State having full power and authority to execute and deliver this Agreement, to perform its obligations hereunder, and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement by the City, the performance by the City of its obligations hereunder, and the consummation of the transactions provided for hereby have been duly and validly authorized by all necessary action on the part of the City. This Agreement constitutes the valid and binding agreement of the City, enforceable against the City in accordance with its terms, subject to applicable sovereign immunity laws, bankruptcy, insolvency and other similar laws affecting the enforceability of creditors' rights generally, general equitable principles and the discretion of courts in granting equitable remedies.

(b) The execution, delivery and performance of this Agreement, the consummation of the transactions contemplated hereby and the fulfillment of and compliance with the terms and conditions hereunder do not and will not (as the case may be), with the passing of time or the giving notice or both, violate or conflict with, constitute a breach or default under, result in the loss of any benefit under, or permit the acceleration of any obligation under, (i) any term or provision of the charter documents of the City, (ii) any judgment, decree or order of any governmental entity to which the City is a party or by which the City or any of its properties is bound, or (iii) any law applicable to the City unless, in each case, such violation, conflict, breach, default, loss of benefit or accelerated obligation would not, either individually or in the aggregate, have a material adverse impact on the ability of the City to consummate the transactions contemplated hereby.

**ARTICLE IX**

**DEFAULTS; REMEDIES; TERMINATION**

9.1 **Defaults.** A Party shall be in default if either of the following events ("Event of Default") shall occur:

(a) The failure on the part of the Party to pay an amount when due and owing under this Agreement and the continuation of such failure for thirty (30) days after notice has been provided in accordance with this Agreement;

(b) Any other material breach of any covenant or provision of this Agreement and such breach has not been cured within thirty (30) days from and after the date of written notice of such breach is given; provided, however, such Event of Default shall not exist if the defaulting Party shall have commenced to remove or cure such breach and shall be proceeding with reasonable diligence to completely remove or cure such breach.

9.2 **Remedies.** Upon the occurrence and during the continuance of an Event of Default, the non-defaulting Party or Parties shall have all remedies available to them at law or in equity.
Notwithstanding anything herein to the contrary, the monetary remedies against any Party or Parties shall be limited to actual damages (but not consequential or punitive damages) suffered by a non-defaulting Party or Parties resulting from an Event of Default.

9.3 Termination Right in Favor of City. Notwithstanding anything herein to the contrary, the City shall have the right to terminate this Agreement and all other agreements contemplated pursuant to this Agreement to which the City is a party, if the Developer fails to timely convey to the City the Land and the Improvements; in which case after notice and opportunity to cure as provided in Section 9.1(b) of this Agreement. Notwithstanding any provision contained in this Agreement to the contrary, in the event the City unilaterally terminates the Agreement for any reason, other than as set forth in this Section 9.3, the City will be liable to reimburse to the Developer all Improvement Costs that were incurred pre-construction. The termination right of this Section 9.3 shall terminate and be of no further force or effect upon the completion of the Closing.

9.4 Termination Right in Favor of Developer. In the event any one of the Conditions Precedent does not occur on or before December 31, 2019, and the Developer notifies the City in writing of its decision not to move forward with the transaction contemplated by this Agreement prior to the Closing, then the Developer shall have the option, in its sole discretion, to terminate this Agreement and all other agreements described in this Agreement to which it is a party, without the payment of a fee or penalty. For the avoidance of doubt, the termination right contained in this Section 9.4 shall terminate and be of no further force or effect upon the successful completion of the Closing.

ARTICLE X
INDEMNITY

10.1 Indemnity by Developer. The Developer assumes liability for, and shall indemnify, protect, save and keep harmless the City and their respective officers, directors, shareholders, members, managers, partners, contractors, employees and agents (such an “Indemnities”), from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs and expenses, including, without limitation, legal fees and expenses (collectively, “Claims”) imposed on, incurred by or asserted against any Indemnitee, to the extent that such Claims arise out of:

(a) The Developer’s failure to perform its obligations under, or any breach of any representation or warranty by the Developer under, this Agreement;

(b) any injury to or the death of any person or damage to any property occurring on the Land after the Effective Date and prior to Substantial Completion of that portion of the work on which the injury or death occurred or otherwise arising out of the work of the Developer and its subcontractors, and their respective employees, consultants, design professionals, independent contractors, and subcontractors employed or retained for the performance of any design or construction services or for the supply of materials (collectively referred to herein as the “Developer Responsible Parties”);
(c) the negligent or wrongful acts or omissions of the Developer and any other Developer Responsible Parties;

(d) the use, ownership, possession, or condition of the Land (including, without limitation, latent or other defects, whether or not discoverable by the Developer) prior to Substantial Completion of the Project or with regard to latent defects after Substantial Completion of the Project; and

(e) the violation by the Developer of any term, condition or covenant of this Agreement or of any contract, agreement, or restriction arising out of this transaction.

For the avoidance of doubt, with respect to any Event of Default by the Developer, the intention of the parties is that, as between the City and the Developer, the City’s remedies against the Developer as a result of such Event of Default shall be the remedies set forth in Section 9.2 and not a claim for indemnity under this Section 10.1 (except to the extent that there are third-party Claims arising out of such Event of Default by the Developer, in which case the City is entitled to a claim for indemnity under this Section 10.1).

ARTICLE XI
GENERAL PROVISIONS

11.1 Further Agreements. The Parties hereto agree to use their good faith efforts to complete and execute, as soon as practicable following the date hereof, all agreements or other documents necessary, appropriate or desirable to carry out the transactions contemplated hereby specifically including the agreements described on the attached Exhibits.

11.2 Notices. Any notices or other communications required or desired to be given to the other Parties hereto shall be given in writing and delivered by a reputable independent courier service providing proof of delivery, a reputable overnight courier, or if mailed certified first class mail to the following addresses:

To City: City of Port Aransas
711 West Avenue
Port Aransas, Texas 78373 [Address]
Attention: David Parsons, City Manager

With copy to: Brown & Hofmeister, L.L.P.
740 E. Campbell Road, Suite 800
Richardson, Texas 75081
Attention: Jeffrey Moore

To Developer: The Inn, Spa & Conference Center, [LP]
8099 State Highway 361 [Address]
Port Aransas, Texas 78373
Attention: Jeff Lamkin

With copy to: Winstead PC
11.3 **Governing Law; Venue.** This Agreement shall be interpreted and the rights of the Parties hereto determined in accordance with the laws of the State without regard to the conflicts of laws principles thereto, and venue shall be in the District Court in Nueces County, Texas.

11.4 **Compliance with Laws.** The Parties hereto shall comply in all material respects with all applicable laws in connection with the development and construction of the Improvements.

11.5 **Assignment.** Except as may otherwise be provided under this Section 11.5, this Agreement may not be assigned without the City’s prior written consent (such consent not to be unreasonably withheld, conditioned or delayed). Notwithstanding the foregoing, the Developer may assign its rights and obligations under this Agreement without the prior written consent of the City to Affiliates or subsidiaries of the Developer, so long as such Affiliate or subsidiary continues to be wholly-owned, directly or indirectly, by the Developer, or one of its constituent parties. In the event the City consents to an assignment of this Agreement by the Developer, no further assignment shall be made without the express consent in writing of the City, unless such assignment may otherwise be made without such consent pursuant to the terms of this Agreement. Except as otherwise set forth herein, an assignment by the Developer of its interest in this Agreement shall not relieve the Developer from its obligations under this Agreement unless approved by the City.

11.6 **Entire Agreement.** Except as otherwise expressly provided herein, this Agreement (including the Exhibits) and the other agreements and documents referenced herein constitute the full and entire understanding and agreement of the Parties with regard to the subject matter hereof and thereof, and supersede any prior or contemporaneous agreement or understanding among the Parties.

11.7 **Amendment.** Except as expressly set forth herein, this Agreement may not be amended or terminated without the written consent of the Parties.

11.8 **Waiver.** No term or condition of this Agreement shall be deemed to have been waived, nor has there been any estopped to enforce any provision of this Agreement, except by written instrument of the Party charged with such waiver or estoppel.

11.9 **Third-Party Beneficiaries.** The Parties intend that this Agreement shall not benefit or create any right or cause of action in or on behalf of any third-party beneficiary, or any individual other than the Parties and their permitted assigns.

11.10 **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one and the same instrument.

11.11 **Force Majeure.** The time frames contained in this Agreement shall be extended for any delays caused by Force Majeure. For the purposes of this Agreement, the term “Force Majeure” shall mean any unforeseeable causes beyond the control of the Party seeking the
extension, including, but not limited to, casualty, damage, strikes or lockouts, acts of God, war, terrorism, riots, governmental restrictions, other than those imposed under the then existing ordinances of the City (unless the City fails to comply with the timing requirements therein or enacts or adopts new ordinances, rules, or moratoriums not in effect on the date of this Agreement that causes any delays), failure or inability to secure materials or labor, reason of priority or similar regulations or order of any governmental or regulatory body other than the City (other than orders by the City pursuant to new ordinances, moratoriums, or rules enacted or adopted after the effective date of this Agreement that causes any delays), enemy action, civil disturbance, fire or unavoidable casualties.

11.12 Delays or Omissions. Except as otherwise provided herein to the contrary, no delay or omission to exercise any right, power or remedy accruing to a Party upon any breach or default of the other Party under this Agreement shall impair any such right, power or remedy of such Party nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or any similar breach or default thereafter occurring; nor shall any waiver of any single breach or default be deemed a waiver of any breach of default theretofore or thereafter occurring. All remedies under this Agreement, by law or otherwise afforded to the Parties shall be cumulative and not alternative.

11.13 No Joint Venture. Nothing contained in this Agreement or any other agreement between the Developer and the City is intended by the parties to create a partnership or joint venture between the Developer on the one hand, and the City on the other hand and any implication to the contrary is hereby expressly disavowed. It is understood and agreed that this Agreement does not create a joint enterprise, nor does it appoint either Party as an agent of the other for any purpose whatsoever. Neither Party shall in any way assume any of the liability of the other for acts of the other or obligations of the other. Each Party shall be responsible for any and all suits, demands, costs or actions proximately resulting from its own individual acts or omissions.

11.14 Confidentiality. The Developer has advised the City that the information to be included in the documents referenced herein may contain confidential commercial information relating to the Developer, or their businesses and affairs that are protected from public disclosure under applicable law, and that premature disclosure thereof will have a material adverse business and financial impact on the Developer. Accordingly, the City agrees that it will follow all procedures established by applicable law, including the Texas Public Information Act, that give the Developer the right to contest the public disclosure of confidential commercial and business information relating to the Developer and their respective Affiliates.

11.15 Personal Data. In the course of verifying compliance by the Developer with the requirements of this Agreement, the City and the City’s employees, agents, consultants and contractors assigned to perform any portion of the review and inspection may obtain certain information relating to identified or identifiable individuals “Personal Data”. The City acknowledges that it will have no right, title or interest in any Personal Data obtained by it as a result of this Agreement, and will not use Personal Data for any purpose other than verification of compliance by the Developer with the requirements of this Agreement. The City will take all appropriate legal, organizational, and technical measures to ensure the confidentiality of Personal Data, and protect Personal Data against unauthorized disclosure or access, and against all other unlawful forms of processing, keeping in mind the nature of such data.
11.16 Developer's Acknowledgement of City Compliance with Tex. Govt. Code. The Developer has executed a certification in the form attached hereto as Exhibit J and acknowledges that the City is required to comply with Chapter 2264 of the Texas Government Code, enacted by House Bill 1196 (80th Texas Legislature), which relates to restrictions on the use of certain public subsidies. In the event that the Developer, or any branch, division, or department of the Developer, is convicted of a violation under 8 U.S.C. Section 1324a(f) (relating to federal criminal penalties and injunctions for a pattern or practice of employing unauthorized aliens), subject to any appellate rights that may lawfully be available to and exercised by the Developer, the Developer must repay to the City the public subsidy provided by this Agreement, if any, within one hundred twenty (120) calendar days following receipt of written demand from the City, plus simple interest at a rate of one percent (1%) per annum.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]
IN WITNESS WHEREOF, this Agreement has been executed by the undersigned as of the date first written above.

THE INN, SPA & CONFERENCE CENTER, LP,
a Texas limited partnership

By: ______________________________
Name: ____________________________
Title: _____________________________

CITY OF PORT ARANSAS, TEXAS,
a Texas home-rule municipality

By: ______________________________
Name: ____________________________
Title: _____________________________
    David Parsons, City Manager

ATTEST:

Francisca Nixon, City Secretary

Development Agreement – Signature Page
EXHIBIT A
DESCRIPTION OF LAND

[Foreword]
EXHIBIT C
PRIVATE LETTER RULING REQUEST
EXHIBIT E
PRELIMINARY SCOPE OF WORK FOR INFRASTRUCTURE IMPROVEMENTS
EXHIBIT F
DESIGN PRECEDENTS

[Attached.]
GRADE A PRECEDENTS
These precedents are very appropriate for CS with minor modifications.

Page 2

GRADE B PRECEDENTS
These precedents are appropriate for CS with modifications.

Page 10

GRADE C PRECEDENTS
Aspects of the design are appropriate for CS.

Page 14
GRADE A PRECEDENTS
GRADE A PRECEDENTS
VERY APPROPRIATE FOR CS (WITH MINOR MODIFICATIONS)

BOHEMIAN HOTEL, CELEBRATION, FL
GRADE A PRECEDENTS
VERY APPROPRIATE FOR CS (WITH MINOR MODIFICATIONS)

BOHEMIAN HOTEL, CELEBRATION, FL
GRADE A PRECEDENTS
VERY APPROPRIATE FOR CS (WITH MINOR MODIFICATIONS)

WATERCOLOR INN, WATERCOLOR, FL
GRADE A PRECEDENTS
VERY APPROPRIATE FOR CS (WITH MINOR MODIFICATIONS)

WATERCOLOR INN, WATERCOLOR, FL
GRADE A PRECEDENTS
VERY APPROPRIATE FOR CS (WITH MINOR MODIFICATIONS)

THE PEARL HOTEL, ROSEMARY
BEACH, FL
GRADE A PRECEDENTS
VERY APPROPRIATE FOR CS (WITH MINOR MODIFICATIONS)

THE PEARL HOTEL, ROSEMARY
BEACH, FL
GRADE A PRECEDENTS
VERY APPROPRIATE FOR CS (WITH MINOR MODIFICATIONS)

THE PEARL HOTEL, ROSEMARY BEACH, FL
GRADE B PRECEDENTS
GRADE B PRECEDENTS
APPROPRIATE FOR CS WITH MODIFICATIONS

HOTEL DEL CORONADO, SAN DIEGO,
CA
GRADE B PRECEDENTS
APPROPRIATE FOR CS WITH MODIFICATIONS

DISNEY GR AND FLORIDIAN,
ORLANDO, FL
GRADE B PRECEDENTS
APPROPRIATE FOR CS WITH MODIFICATIONS

INN AT BAY HARBOR, BAY HARBOR, MI
GRADED PRECEDENTS
ASPECTS OF THE DESIGN ARE APPROPRIATE FOR CS

THE HENDERSON, DESTIN, FL
GRADE C PRECEDENTS
ASPECTS OF THE DESIGN ARE APPROPRIATE FOR CS

GRAND HOTEL, MACKINAC ISLAND, MI
GRADE C PRECEDENTS

ASPECTS OF THE DESIGN ARE APPROPRIATE
FOR CS

DISNEY BEACH & YACHT CLUB,
ORLANDO, FL
GRADE C PRECEDENTS
ASPECTS OF THE DESIGN ARE APPROPRIATE FOR CS

GRAND SANDESTIN, SANDESTIN, FL
EXHIBIT G
PRELIMINARY SCOPE OF WORK FOR PROJECT
# EXHIBIT I
## PRELIMINARY BUDGET

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Development Agreement = Exhibit I
EXHIBIT J
CERTIFICATIONS REGARDING EMPLOYMENT OF UNDOCUMENTED ALIENS

THE INN, SPA & CONFERENCE CENTER, [LP], a Texas [limited partnership] (the "Partnership") hereby certifies that Partnership, and the branches, divisions, and departments of the Partnership, do not and will not knowingly employ an Undocumented Worker. For purposes of this certification "Undocumented Worker" means an individual who, at the time of employment, is not: (A) lawfully admitted for permanent residence to the United States or (B) authorized under law to be employed in that manner in the United States.

In the event that during the term of an agreement for a Public Subsidy from the City of Port Aransas, the Partnership or any branch, division, or department of the Partnership, is convicted of a violation under 8 U.S.C. Section 1324a(f) (relating to federal criminal penalties and injunctions for a pattern or practice of employing unauthorized aliens), subject to any appellate rights that may lawfully be available to and exercised by the Partnership, the Partnership must repay, within one hundred twenty (120) calendar days following receipt of written demand from the City of Port Aransas, the aggregate amount of any Public Subsidy received by the Partnership from the City of Port Aransas, if any, plus Simple Interest at a rate of one percent (1%) per annum.

For the purposes of this Certification, "Public Subsidy" means a public program or public benefit or assistance of any type that is designed to stimulate the economic development of a corporation, industry, or sector of the state’s economy or to create or retain jobs in this state. The term includes grants, loans, loan guarantees, benefits relating to an enterprise or empowerment zone, fee waivers, land price subsidies, infrastructure development and improvements designed to principally benefit a single business or defined group of businesses, matching funds, tax refunds, tax rebates, or tax abatements. "Simple Interest" is defined as a rate of interest applied only to an original amount of a grant payment made to the Partnership by the City. This rate of interest can be applied each year or prorated as to partial years, but will only apply to the amount of subsidies received hereunder and is not applied to interest calculated. For example, if a subsidy payment received by the Partnership is $10,000, and it is required to be paid back with one percent (1%) interest five years later, the total amount would be $10,000 + [5 x ($10,000 x 0.01)], which is $10,500. As provided by Chapter 2264 of the Government Code, this repayment obligation shall not apply to convictions of any affiliate of the Partnership, any franchisee of the Partnership, or any person or entity with whom the Partnership contracts.

PARTNERSHIP:

By: ____________________________
Name: __________________________
Its: ____________________________
CONFERENCE CENTER LEASE AGREEMENT

between

THE CITY OF PORT ARANSAS, TEXAS,
a municipal corporation of the State of Texas
as Lessor

and

THE INN, SPA & CONFERENCE CENTER, [LP],
a Texas [limited partnership]
as Lessee

Dated as of [ ], 20[ ]
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---

LEASE AGREEMENT
CONFERENCE CENTER LEASE AGREEMENT

This CONFERENCE CENTER LEASE AGREEMENT (this "Lease") is made and entered into as of _____ [ ], 2019 (the "Effective Date"), by and among the CITY OF PORT ARANSAS, Texas, a municipal corporation of the State of Texas and a home-rule city located in Nueces County, Texas ("Lessor" or "City") and THE INN, SPA & CONFERENCE CENTER, [LP], a Texas limited partnership ("Lessee"). Lessor and Lessee sometimes are referred to herein collectively as the "Parties" or singularly as a "Party".

BACKGROUND:

1. Upon real property of approximately [ ] acres owned by Lessee in the City of Port Aransas, Nueces County, Texas, described in Exhibit A (the "Conference Center Land"); Lessee has constructed a conference center of approximately 22,000 square feet, including the integration of a fully divisible grand ballroom, a junior ball room, smaller breakout rooms, secondary meeting rooms, and boardroom-type spaces, and other infrastructure improvements to support the conference center (collectively, the "Conference Center").

2. Pursuant to a Development Agreement between Lessor and Lessee dated as of [April] [March] [ ], 2019, Lessee will convey the Conference Center Land and the Conference Center (the "Conference Center Premises") to Lessor. Concurrently, Lessor will lease to Lessee, and Lessee will lease from Lessor, the Conference Center Premises, subject to and upon the terms and conditions set forth herein.

3. Lessee may, at its option, purchase the Conference Center Land and Conference Center from Lessor after the Effective Date.

4. Lessee plans to operate the Conference Center as a public conference, meeting and exhibit center to attract conventions, tourists and other visitors and for the benefit of the City and the general public.

5. Pursuant to the Hotel Lease Agreement between Lessor and Lessee dated as of the date hereof, Lessor is also leasing to Lessee the Hotel Land, the Hotel (as defined in the Hotel Lease Agreement), and any other non-conference center facilities, such as a parking facility, a spa, restaurants, live/work spaces, and retail space, with a purchase option for Lessee.

ACCORDINGLY, in consideration of the mutual promises and agreements herein contained and for other good, valuable and binding consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor hereby leases unto Lessee, for the term and upon the conditions hereinafter stated, the Conference Center Premises, UNDER AND SUBJECT, however to the Permitted Exceptions (as hereinafter defined).

ARTICLE 1
DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.1 Definitions of Words and Terms. In addition to terms defined elsewhere in this Lease, the following terms, for the purposes of this Lease, shall have the meanings set forth below:

CONFERENCE CENTER LEASE AGREEMENT - Page 1

112
“Commencement Date” shall have the meaning set forth in Section 2.1.

“Conference Center” shall have the meaning ascribed to such term in the background section of this Lease.

“Conference Center Land” shall have the meaning ascribed to such term in the background section of this Lease.

“Conference Center Premises” shall have the meaning ascribed to such term in the background section of this Lease.

“Damages” shall have the meaning set forth in Section 8.1.

“Declaration” shall have the meaning ascribed to such term in Section 2.5(e).

“Development Agreement” means that certain Development Agreement dated __________, 2019, by and among the City of Port Aransas, Texas and the Inn, Spa & Conference Center, [LP], relating to the development of, among other facilities, the Conference Center.

“Effective Date” shall have the meaning ascribed to such term in the first paragraph of this Lease.

“Environmental Law” means applicable federal, state, and local laws relating to protection of the public health, welfare, and the environment, including, without limitation, those laws relating to the storage, handling and use of chemicals and other hazardous materials, those relating to the generation, processing, treatment, storage, transport, disposal, or other management of waste materials of any kind, and those relating to the protection of environmentally sensitive areas.

“Event of Default” shall have the meaning ascribed to such term in Section 9.1.

“Force Majeure” means any causes beyond a Party’s control and without such Party’s negligence, including, but not limited to, acts of God, acts of the public enemy, acts of the Federal Government, acts of the other Party, fires, floods, epidemics, quarantine restrictions, strikes, lockouts, riots, war, acts of terrorism, labor strikes, freight embargoes, casualty, governmental restrictions, failure or inability to secure materials or labor, reason of priority or similar regulations or order of any governmental or regulatory body, civil disturbance, and unusually severe weather or unforeseen environmental or archaeological conditions requiring investigation/mitigation by federal, state or local laws.

“Hazardous Materials” shall have the meaning ascribed to said term in Section 4.9.

“Indemnitee” and “Indemnities” shall have the meaning ascribed to those terms in Section 8.1.

“Permitted Exceptions” means those certain liens, encumbrances, easements, restrictions and other matters of record more specifically set forth in Exhibit B attached hereto and incorporated herein by reference.
“Person” means any association, individual, corporation, governmental entity, partnership, joint venture, business association, estate or any other organization or entity.

“Purchase Option” shall have the meaning ascribed to such term in Section 7.1(a).

“Release” or “Released” shall have the meaning ascribed to such terms in Section 4.9(a).

“Rent Commencement Date” shall have the meaning ascribed to such term in Section 2.2.

“Rentals” shall have the meaning ascribed thereto in Section 2.2.

“Response Action” shall have the meaning ascribed to such term in Section 4.9(b)(iii).

“State” means the State of Texas.

“Taxes” shall have the meaning ascribed to such term in Section 4.2.

“Term” shall have the meaning ascribed thereto in Section 2.1.

“Units” shall have the meaning ascribed to such term in Section 2.5(c).

Section 1.2 Rules of Construction. For all purposes of this Lease, except as otherwise expressly provided or unless the context otherwise requires, the following rules of construction apply in construing the provisions of this Lease:

(a) All references in this Lease to exhibits, articles, paragraphs, subparagraphs, sections, subsections and other subdivisions refer to the exhibits, articles, paragraphs, subparagraphs, sections, subsections and other subdivisions of this Lease unless expressly provided otherwise. Titles appearing at the beginning of any subdivisions are for convenience only and do not constitute any part of such subdivisions and will be disregarded in construing the language contained in such subdivisions. The words "this Lease", "herein", "hereof", "hereby", "hereunder" and words of similar import refer to this Lease as a whole and not to any particular subdivision unless expressly so limited. The phrases "this paragraph" and "this subparagraph" and similar phrases refer only to the paragraphs or subparagraphs hereof in which such phrases occur. The word "or" is not exclusive, and the word "including" (in its various forms) means "including without limitation." Pronouns in masculine, feminine and neuter genders will be construed to include any other gender, and words in the singular form will be construed to include the plural and vice versa, unless the context clearly otherwise requires. References to any constitutional, statutory or regulatory provision means such provision as it exists on the Effective Date and any future amendments thereto or successor provisions thereof.

(b) Unless the context clearly otherwise requires or unless otherwise expressly provided herein, the terms defined in this Lease which refer to a particular agreement, instrument or document also refer to and include all renewals, extensions, supplements, modifications, amendments and restatements of such agreement, instrument or document; provided that paragraph will be construed to authorize any such renewal, extension, supplement, modification, amendment or restatement.
(c) This Lease has been reviewed and revised by legal counsel for both Lessee and Lessor, and no presumption or rule that ambiguities will be construed against the drafting party will apply to the interpretation or enforcement of this Lease.

(d) The relationship between Lessor and Lessee at all times will remain solely that of Lessor and tenant and will not be deemed a partnership or a joint venture.

(e) Time is of the essence for each provision of this Lease for which time is an element.

(f) If any term or provision of this Lease is found by a court of competent jurisdiction to be invalid, illegal or otherwise unenforceable, the same shall not affect the other terms or provisions hereof or the whole of this Lease, but such term or provision shall be deemed modified to the extent necessary in the court's opinion to render such term or provision enforceable, and the rights and obligations of the parties shall be construed and enforced accordingly, preserving to the fullest permissible extent the intent and agreements of the parties herein set forth.

ARTICLE 2
LEASE OF CONFERENCE CENTER PREMISES

Section 2.1 Leasing Clause. Upon and subject to the terms and provisions contained herein, Lessor does hereby lease, demise and let unto Lessee, and Lessee does hereby take and lease from Lessor, the Conference Center Premises, to have and to hold the Conference Center Premises, together with all the rights, privileges, easements and appurtenances belonging to or in any way pertaining to the Conference Center Premises, for the term and subject to the provisions hereinafter provided.

Section 2.2 Term. The term of this Lease shall commence on the date upon which Lessee obtains a building permit from the applicable governmental authorities relating to the construction of the Conference Center (the "Commencement Date") and shall continue for [(forty (40)] ninety-nine (99) years thereafter, unless earlier terminated in accordance with the terms hereof (the "Term"), provided, however, that the provisions of Sections 5.3 and Article VIII hereof shall survive any termination of this Lease. On or about the Commencement Date, Lessor and Lessee shall execute a Memorandum of Commencement Date in the form of Exhibit D attached hereto confirming the Commencement Date. Lessee shall have the right to enter the Conference Center Premises at any time prior to the Commencement Date as may be necessary to prepare for Lessee's intended use and development of the Conference Center Premises. Lessee's obligations under this Lease (including, without limitation, Lessee's obligation to maintain insurance, indemnify Lessor, and pay any taxes or other expenses) will not accrue prior to the Commencement Date.

Section 2.3 Rent. During the Term of this Lease, Lessee shall pay to Lessor a rental (the "Rentals") payable without demand, commencing on the date the Conference Center opens for events (the "Rent Commencement Date"). Rentals shall be paid annually in advance, due each year on or before the anniversary of the Rent Commencement Date. The annual amount of Rentals shall be $1.00. Lessor acknowledges and agrees that Lessor is bound by the 380 Agreement to
make economic development Grants (as defined in the Development Agreement) to Lessee in accordance with the terms thereof.

Section 2.4 Permitted Uses. Throughout the Term, Lessee shall use the Conference Center Premises for the primary purposes of operating the Conference Center as a public conference, meeting and exhibit center to attract conventions, tourists and other visitors and for the benefit of the City and the general public.

Section 2.5 Compliance with Environmental and Other Laws. Lessee shall, throughout the Term, and at no expense to Lessor, promptly comply or cause compliance with all laws, ordinances, orders, rules, regulations and requirements of duly constituted public authorities, which may be applicable from time to time to the Conference Center Premises and the ownership, use, operation, repair and alteration of the Conference Center. With regard to Lessor, Lessee accepts the Conference Center Premises in its condition on the date of the commencement of the Term, and assumes all risks, if any, resulting from any present or future, latent or patent defects therein or from the failure of the Conference Center Premises to comply with all legal requirements, reserving, however, any and all rights of Lessee with respect to parties other than Lessor.

Section 2.6 Title.

(a) During the Term, Lessor shall not mortgage or encumber the Conference Center Premises, without Lessee’s prior written approval, which may be withheld by Lessee in its sole and absolute discretion.

(b) From time to time during the Term, Lessor shall grant, or join in the granting of, such utility easements, ingress and egress easements and similar easements on the Conference Center Premises as Lessee may reasonably request in connection with its use of the Conference Center Premises. Any such easements granted by Lessor at Lessee’s request shall be additional “Permitted Exceptions” for all purposes under this Lease.

(c) Lessor acknowledges that Lessee may enter into a condominium declaration (the “Declaration”) for purposes of dividing different Improvements situated on the Conference Center Premises into separate parcels of real property. Lessor agrees to cooperate with Lessee in any manner that is reasonably necessary to create the condominium regime and file the Declaration of record. In addition, Lessor hereby agrees to subordinate its interest in this Lease to the provisions of the Declaration and the rights of the owners of the separate parcels thereunder in accordance with the provisions of Section 82.056 of the Texas Uniform Condominium Act and will execute any and all documents evidencing such subordination and agreements as may be reasonably requested by Lessee or owners of the separate parcels.

Section 2.7 Improvements and Alterations. Any alterations and additions to the Conference Center Premises after the initial construction of the Conference Center that Lessee may deem necessary during the Term may be made by Lessee, at Lessee’s sole cost and expense, without Lessor’s consent. Any Improvements constructed on the Conference Center Premises during the term of this Lease will be the property of Lessor and will remain the property of Lessor after the termination or expiration of this Lease.

Commented (3M1): If Purchase Option is not exercised, the Inn and Spa can take all improvements with them??
Section 2.8  Operational Rights: Revenue.

(a) Other than as set forth in this section, Lessee shall receive all revenues generated from and associated with the Convention Center for the duration of the Lease.

(b) Subject to the terms and provisions of this Lease, Lessee shall manage and operate the Conference Center Premises in accordance with Section 2.4. Without limiting the generality of the foregoing during the Term of this Lease, (i) Lessee shall have the sole right to grant and enter into licenses, rights, subleases, management agreements, operating agreements and any and all other agreements of any nature relating to the Conference Center Premises or the name thereof on such terms as Lessee deems appropriate for use of the Conference Center Premises for the purposes described in Section 2.4, and (ii) Lessee shall own all revenues of any source generated by or from the Conference Center Premises or the operation or management or the name thereof.

(c) Lessee shall have exclusive authority, control and rights in selecting the name of the Conference Center Premises (or portions thereof), provided, however, Lessee shall not name any portion of the Conference Center Premises any name that is offensive to the general public. Lessor shall have no right to name all or any portion of the Leased Premises.

(d) Subject to the terms and provisions of this Lease, Lessee shall have full and exclusive control of any and all advertising signage displayed in, on, upon or around the Conference Center Premises; provided, however, in no event shall any signage that is offensive to the general public be permitted in, on, upon or around the Conference Center Premises. All signage shall comply with all applicable governmental rules and regulations.

ARTICLE 3  REPRESENTATIONS AND WARRANTIES

Section 3.1  Representations and Warranties by Lessor. Lessor makes the following representations and warranties as the basis for the undertakings on its part herein contained:

(a) Lessor is the record owner of the Conference Center Premises and the Conference Center, and Lessor has all power and authority necessary to enter this Lease.

(b) Lessor has taken all action and has complied with all provisions of law with respect to the execution, delivery, and performance of this Lease and the due authorization of the consummation of the transactions contemplated hereby, and this Lease has been duly executed and delivered by, and constitutes the valid and legally binding obligation of, Lessor, enforceable against Lessor in accordance with their respective terms.

(c) Neither the execution and delivery of this Lease, nor the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Lease, violate any law or regulation, or any judicial order, judgment, decree, or injunction, conflict with or result in a breach of any of the terms, conditions or provisions of any restriction, ordinance or any agreement or instrument to which Lessor is now a party or by which it is bound, or constitute a default under any of the foregoing, or result in the creation or imposition
of any lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of Lessor under the terms of any instrument or agreement.

(d) As of the execution date of this Lease, there is no pending or threatened condemnation action pertaining to the Conference Center Premises.

(e) As of the execution date of this Lease, Lessor has not executed any lease covering the Conference Center Premises that has not been terminated or the term of which has not expired.

Section 3.2 Representations and Warranties by Lessee. Lessee makes the following representations and warranties as the basis for the undertakings on its part herein contained:

(a) Lessee is a [limited partnership] organized under the laws of Texas and qualified to do business in the State, is in good standing in the State, has power to execute and enter into this Lease and by proper corporate action has been duly authorized to execute and deliver such Lease.

(b) This Lease has been duly executed and delivered by duly authorized officers of Lessee, and constitutes valid and binding obligations of Lessee, enforceable against Lessee in accordance with its terms.

(c) No approvals or consents, other than those that have been or will in normal course be obtained, are necessary in order for Lessee to execute and deliver this Lease.

(d) Lessee is not a person and/or entity with whom the United States ("U.S.") persons or entities are restricted from doing business under U.S. law, executive order, or regulation promulgated thereunder by any regulatory body; (ii) no person or entity named on any U.S. list of specially designated nationals or blocked persons has any direct interest in Lessee such that the direct investment in Lessee is prohibited by any U.S. law; (iii) Lessee is not in violation of any U.S. money laundering law; and (iv) none of Lessee's funds have been derived from unlawful activity such that the direct investment in Lessee is prohibited by U.S. law. The foregoing are ongoing covenants of Lessee. Lessee shall immediately advise Lessor of any change in the status or accuracy of such representations, and upon request Lessee shall recertify such representations and certify in writing the identity of all entities and individuals owning or controlling Lessee.

(e) No Boycott of Israel. Lessee hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this Lease is a contract for goods or services, will not boycott Israel during the term of this Lease. The foregoing verification is made solely to comply with Section 2270.002, Texas Government Code, as amended, and to the extent such section does not contravene applicable federal law. As used in the foregoing verification, (i) "boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes, and (ii) "affiliate" means an entity that controls, is controlled by, or is under common control with Lessee and exists to make a profit.
(f) **No Business with Sanctioned Jurisdictions.** Lessee represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company or partnership identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.152 or Section 2270.0201, Texas Government Code, as amended, and posted on any of the following pages of such officer's Internet website:

https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf,
https://comptroller.texas.gov/purchasing/docs/iran-list.pdf, or
https://comptroller.texas.gov/purchasing/docs/flo-list.pdf.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, as amended, and to the extent such Section does not contravene applicable federal law and excludes Lessee and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. Lessee understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with Lessee and exists to make a profit.

**ARTICLE 4 ADDITIONAL COVENANTS OF LESSOR AND LESSEE**

Section 4.1 **Maintenance of the Conference Center Premises.** Lessee shall, at its sole cost and expense, keep and maintain the Conference Center Premises, including the interior and exterior, structural and non-structural portions of the Conference Center, in good repair and in compliance with all applicable laws, regulations, orders and other governmental requirements applicable to the Conference Center Premises from time to time.

Section 4.2 **Taxes and Other Charges.** Lessee shall pay prior to delinquency, in addition to the payment of Rentals, each and every lawful cost, expense and obligation of every kind and nature, foreseen or unforeseen, by reason of Lessee’s estate or interest in the Conference Center Premises or by reason of or in any manner connected with or arising out of Lessee’s operation, maintenance, alteration, repair, rebuilding, use or occupancy of the Conference Center, or any part thereof. Lessee shall pay and discharge, prior to the delinquency thereof, all lawful assessments, ad valorem taxes, sales taxes, business and occupation taxes, occupation license taxes, water charges, or sewage disposal charges, and all other governmental taxes, impositions, and charges of every kind and nature, ordinary or extraordinary, general or special, foreseen or unforeseen, whether similar or dissimilar to any of the foregoing, and all applicable interest and penalties, if any, which at any time during the Term becomes due and payable by Lessee because of its rights or obligations under this Lease and which is lawfully levied, assessed or imposed on Lessee, the Conference Center Premises under or by virtue of any present or future law, statute, ordinance, regulation or other requirement of any governmental authority, whether federal, state, county, city, municipal, school or otherwise (collectively, “Taxes”), imposed on the Conference Center Premises and Lessee’s use and occupancy of the Conference Center Premises or against personal property, furniture or fixtures placed or situated in or on the Conference Center Premises during the Term. Lessee, upon written notice to Lessor, may contest in good faith any Taxes (other than water charges or sewage disposal charges), and in such event may permit such Taxes (other than water charges or sewage disposal charges) to remain unsatisfied during the period of such contest.

CONFEREENCE CENTER LEASE AGREEMENT – Page 8
and any appeal; provided, however, that prior to the commencement of such contest Lessee shall demonstrate to Lessor either (a) that Lessee will have sufficient funds to pay such assessment if the contest is unsuccessful or (b) that Lessee has deposited into a separate escrow account funds equal to the contested amount, together with the anticipated interest and penalties, if any, that would be incurred in the event of an unfavorable disposition. Lessee also shall pay or cause to be paid all lawful charges for gas, water, sewer, electricity, light, heat, power, telephone, and other utilities and services used, rendered or supplied to, upon or in connection with the Conference Center. Lessee shall furnish to Lessor promptly upon request proof of the payment or timely contest of any Taxes or any utility charge which is payable by Lessee, or evidence of the deposit of such funds into a reserve account, all as set forth above. Notwithstanding anything to the contrary contained in this Section 4.2, Lessor and Lessee acknowledge and agree that certain additional real property taxes and assessments levied by the City of Fort Worth against the Conference Center will be reimbursed by Lessor each year pursuant to the economic development Grants (as defined in the 380 Agreement) payable to Lessee (or its Affiliates) under Section 2.2 of the Development Agreement at the terms specified in said 380 Agreement.

Section 4.3 Liens and Encumbrances. Lessee covenants and agrees that it will not create or suffer to be created any lien, encumbrance or charge upon the Conference Center Premises or Lessee’s interest in this Lease, except for mortgages permitted under Section 6.4 and any other encumbrance expressly permitted under this Lease or the Development Agreement or which is necessary in order for Lessee to exercise its rights or perform its obligations under this Lease or any of the other agreements contemplated by the Development Agreement. Lessee shall satisfy or cause to be discharged, or will make adequate provision to satisfy and discharge, within sixty (60) days after the same occurs, all claims and demands for labor, materials, supplies or other items which, if not satisfied, might by law become a lien upon the Conference Center Premises or any part thereof. If any such lien is filed or asserted against Lessee or the Conference Center Premises by reason of work, labor, services or materials supplied or claimed to have been supplied on or to Lessee or the Conference Center Premises at the request or with the permission of Lessee or of anyone claiming under it, Lessee shall, within sixty (60) days after it receives notice of the filing thereof or the assertion thereof against the Conference Center Premises, cause the same to be discharged of record, or effectively prevent the enforcement or foreclosure thereof, by contest, payment, deposit, bond, order of court or otherwise. If such a mechanic’s lien or materialman’s lien or other lien is recorded against the Conference Center Premises, Lessee must either cause it to be removed or, if Lessee in good faith wishes to contest the lien, Lessee will indemnify Lessor and hold it harmless from all liability for damages occasioned by the lien or the lien contest and will, in the event of a judgment of foreclosure on the lien, cause the lien to be discharged and removed before the judgment is executed. Notwithstanding anything to the contrary set forth herein, the terms of this Section 4.3 relating to deadlines for discharging or contesting liens and claims for labor, materials, supplies and other matters shall not apply during the initial construction of the Conference Center, but Lessee hereby agrees to indemnify Lessor for, from and against any damages that Lessor may actually suffer or any liability imposed upon Lessor arising under Section 2253.027 of the Texas Government Code as a result of Lessee’s failure to bond around any liens.

Section 4.4 Warranty of Peaceful Possession. Lessor covenants and warrants Lessee may peaceably and quietly have, hold, occupy, use and enjoy, and shall have the full and exclusive use and enjoyment of the Conference Center Premises during the Term subject to the terms and
conditions of this Lease. Lessor warrants and agrees to forever defend Lessees leasehold estate in the Conference Center Premises against the claims of any and all parties whosoever lawfully claiming or to claim the same or any part thereof by, through or under Lessor, but not otherwise. Nonetheless, Leseec covenant and agrees to allow the Lessor to use the Conference Center Premises for four (4) events per year. Lessor will notify management of the Conference Center Premises within sixty (60) days of the Lessor's planned use and scheduled event, and will be flexible in scheduling Lessor's use of Conference Center Premises in the event management has previously booked the space. The Lessor also agrees that the Lessor may be charged for any food and beverage component during these events as required by law and/or code.

Section 4.5 Surrender of Possession. Upon the termination of this Lease (unless terminated as a result of Lessees purchase of the Conference Center Premises pursuant to Section 7.1 or Section 7.2 hereof), Lessee shall surrender the Conference Center Premises (including all improvements thereon) to Lessor in a condition which would have been in compliance with the maintenance requirements of Section 4.4 of the Lease had the Lease not terminated. reasonable wear and tear, and damage by casualty or condemnation, excepted.

Section 4.6 Condition of Conference Center Premises. Lessee acknowledges that, except as set forth in this Lease, neither Lessor nor any agent of Lessor has made any representation or warranty to Lessee with respect to the suitability or fitness of the Conference Center Premises other than Lessee's intended use or for any other purposes. By taking possession of the Conference Center Premises, Lessee (a) acknowledges that it has inspected the Conference Center Premises; (b) establishes conclusively that the Conference Center Premises are at such time in satisfactory condition; and (c) accepts the Conference Center Premises in its condition as of the date of such possession or use “AS IS” and subject to all faults and infirmities. Nothing contained in this Section 4.6 shall affect the commencement of the Term or the obligation of Lessee to pay the Rentals as provided in Section 2.3. Lessee represents and warrants to Lessor as follows: (i) Lessee does not intend to, and will not, use the Conference Center Premises for any purpose other than that set forth in Section 2.4; and (ii) Lessee has undertaken and has reasonably and diligently completed all appropriate investigations regarding the suitability of the Conference Center Premises for Lessee's intended use. Lessee acknowledges and agrees that Lessor has no obligation with respect to such completion of the Conference Center except as expressly set forth herein or in the Development Agreement.

Section 4.7 Signage. Lessee may display any sign or other visible media on the Conference Center Premises, so long as such sign or other visible media comports with all applicable governmental rules and regulations.

Section 4.8 Hazardous Materials.

(a) For purposes of this Lease, the following terms shall have the following meanings: (i) “Hazardous Materials” shall mean (i) any petroleum or petroleum products, radioactive materials, asbestos in any form that is or could become friable, urea formaldehyde foam insulation, transformers, or other equipment that contain dielectric fluid containing polychlorinated biphenyls; and radon gas; (ii) any chemicals or substances now or hereafter defined as or included in the definition of “hazardous materials”, “hazardous wastes”, “hazardous materials”, “extremely hazardous wastes”, “restricted hazardous wastes”, “toxic substances”,

Commented [2044]: Does the City get to use the Conference Center for any City events?
How many times a year?
(b) Lessee covenants and agrees with Lessor as follows: (1) the construction and installation of all improvements and the use and operation of the Conference Center Premises shall at all times be in material compliance with applicable Environmental Law; (2) Lessee will obtain prior to the opening of the Conference Center all environmental permits, licenses, and approvals that are necessary or required by applicable Environmental Law to conduct its business and operations on the Conference Center Premises, and Lessee shall at all times comply with such environmental permits, licenses, and approvals; (3) neither Lessee nor any Person claiming by, through, or under Lessee shall bring onto, use, store, generate, treat, process, dispose of, recycle, incinerate or transport any Hazardous Materials in, on, or under the Conference Center Premises except in compliance with applicable Environmental Law and in a reasonable and prudent manner so as to prevent the Release or threat of Release of any Hazardous Material on, onto or from the Conference Center Premises; (4) Lessee shall regularly inspect the Conference Center Premises to monitor and ensure that the Conference Center Premises are at all times in material compliance with applicable Environmental Law; (5) Lessee shall use reasonable efforts to protect the Conference Center Premises against intentional or negligent acts or omissions of third parties which might result, directly or indirectly, in the Release of Hazardous Materials on the Conference Center Premises in violation of applicable Environmental Law, and (6) if Lessee has actual knowledge that any Hazardous Materials are Released in, on, or under the Conference Center Premises during the Term of this Lease:

(i) Lessee shall immediately notify all applicable governmental agencies having competent jurisdiction of the occurrence of the Release of Hazardous Materials in accordance with the requirements of applicable Environmental Law;

(ii) Lessee shall immediately notify Lessor of the occurrence of the Release of the Hazardous Materials and shall immediately furnish or make available to Lessor such information, documents, and other communications as Lessor shall reasonably request;

(iii) Lessee shall promptly and timely commence or cause to be commenced appropriate actions required by applicable Environmental Law to clean up the Hazardous Materials that have been Released on the Conference Center Premises (collectively referred to as “Response Action”) and shall conduct and perform all appropriate Response Action in accordance with applicable Environmental Law; and
(iv) Lessee, at its sole cost, shall contract for or perform all Response Action in Lessee’s own name or cause the violator to do so in the violator’s name.

(e) Lessee hereby covenants and agrees that it shall be responsible for, and waives, releases, and forever discharges the Indemnitees from, and agrees to indemnify, defend, and hold the Indemnitees harmless from and against, all expenses, costs (including reasonable attorneys’ fees and court costs), losses, damages, penalties, fines, and other expenditures of any nature arising from or in connection with any claims, demands, liens, investigations, notices of violation, governmental directives, causes of action or any other administrative or legal proceedings of any nature which result from, relate to, or arise out of (1) the breach of any covenant or agreement of Lessee in this Section 4.8, (2) the presence or alleged presence of Hazardous Materials in, on, or under the Conference Center Premises in violation of any Environmental Law which arose during the Term of this Lease, or (3) the violation of any applicable Environmental Law with respect to the Conference Center Premises during the Term of this Lease; so long as, in each instance, the presence of the Hazardous Material or the violation of any Environmental Law was not caused directly or indirectly by Lessor or an Indemnitee. This release and indemnity specifically includes (a) all costs of “removal” and/or “remedial action” and all other costs of “response” as those terms are defined and used in applicable Environmental Law, and (b) all other costs and expenses of any nature incurred by, assessed against, imposed upon, or charged to the Indemnitees relating to compliance with or enforcement of applicable Environmental Law. If any Indemnitee incurs costs or expenses described in this indemnity, Lessee shall reimburse the Indemnitee for those reasonable costs or expenses within thirty (30) days of the date of receipt by Lessee of notice from the Indemnitee, including copies of invoices or other verification, that the costs or expenses have been incurred. The foregoing release and indemnity shall survive the expiration or termination of this Lease.

(d) If (i) there exists any uncorrected violation by Lessee of an Environmental Law or any condition, caused directly or indirectly by Lessee, which requires a cleanup, removal or other remedial action by Lessee under any Environmental Law, and such cleanup, removal or other remedial action is not initiated within the time period required by Environmental Law or (ii) Lessor reasonably determines that (A) such uncorrected violation or condition poses an imminent threat to the safety or well-being of any other users of the Conference Center Premises, the citizens of the City of Port Aransas or the Nueces County, or other persons, or (B) the Conference Center Premises is likely to be further damaged or contaminated or other land or in the vicinity of the Conference Center Premises is likely to be damaged or contaminated by virtue of the continued failure to correct such violation or condition; and such cleanup, removal or other remedial action is not initiated within ninety (90) days from the date of written notice from Lessor to Lessee, and diligently pursued to completion, the same shall, at the election of Lessor, constitute an Event of Default as described in Section 9.1(b) hereof; and provided, further, that Lessor will not consider any failure to initiate such cleanup, removal or other remedial action within the aforesaid ninety (90) day period an Event of Default if such cleanup, removal or other remedial action is of such a nature that it cannot readily be initiated within the ninety (90) days and so long as Lessee commences in good faith to cure such uncorrected violation or condition and diligently pursues the cure continuously thereafter.
Section 4.9 Notification of Events of Default. Lessee covenants and agrees that it will promptly notify Lessor of the occurrence of an Event of Default, or of the occurrence of any event that with notice or lapse of time might become an Event of Default, under Section 9.1(b), (c), or (e) hereof, after Lessee has notice of same, specifying the details of such event or Event of Default and the action that Lessee proposes to take with respect thereto.

ARTICLE 5 INSURANCE

Section 5.1 Lessee's Insurance. Lessee agrees to obtain and maintain commercial general liability insurance at all times during the Term.

Section 5.2 Release and Waiver. LESSEE HEREBY RELEASES, AND SHALL CAUSE ITS INSURERS, CONTRACTORS, THEIR SUBCONTRACTORS, AND EACH OF THEIR RESPECTIVE INSURERS TO RELEASE, THE INDEMNITEES (AS DEFINED IN ARTICLE VIII) FROM ANY AND ALL CLAIMS OR CAUSES OF ACTION WHATSOEVER THAT LESSEE, ITS INSURERS, ITS CONTRACTORS, THEIR SUBCONTRACTORS, AND/OR ANY OF THEIR RESPECTIVE INSURERS MIGHT OTHERWISE POSSESS RESULTING IN OR FROM OR IN ANY WAY CONNECTED WITH ANY LOSS COVERED OR WHICH SHOULD HAVE BEEN COVERED BY INSURANCE, INCLUDING THE DEDUCTIBLE PORTION THEREOF, MAINTAINED AND/OR REQUIRED TO BE MAINTAINED BY LESSEE AND/OR ITS CONTRACTORS OR THEIR SUBCONTRACTORS PURSUANT TO THIS LEASE. EVEN IF SUCH CLAIMS OR CAUSES OF ACTION ARE CAUSED IN WHOLE OR IN PART BY THE NEGLIGENCE OF ANY INDEMNITEE. THE FOREGOING WAIVER, HOWEVER, WILL NOT APPLY TO ANY CLAIMS OR CAUSES OF ACTION WHICH ARE CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF ANY INDEMNITEE.

Section 5.3 Survival; Right to Enforce. The provisions of Section 5.3 shall survive the termination of this Lease. In the event that Lessee shall fail to maintain full insurance coverage required by this Lease and such failure continues for thirty (30) days after Lessee's receipt of written notice from Lessor, Lessor may (but shall be under no obligation to) take out the required policies of insurance, pay the required premiums or otherwise comply with the covenants set forth in this Article V. All amounts advanced by Lessor in payment of the required premiums for such insurance or otherwise to comply with the covenants set forth in this Article V shall be payable by Lessee to Lessor within fifteen (15) days after demand therefor.

ARTICLE 6 ASSIGNMENTS; LEASEHOLD MORTGAGES

Section 6.1 Assignment and Subleasing. Upon the Effective Date, Lessee may assign or sublet all or a portion of its interest in this Lease or any of its rights or obligations hereunder relating to the Conference Center without the prior written consent of Lessor so long as the assignee or sublessee assumes in writing all of Lessee's obligations, or the Lessor relieves Lessee of its obligations in writing. Upon any such assignment or sublease, Lessee will be released from all further liability under this Lease occurring as of the effective date of such assignment or sublease.
Section 6.2 Sublease of Other Improvements; Conveyance of Units. At all times during the Term, Lessee shall have the right to sublease, license or develop portions of the Conference Center Premises for other Conference Center-related purposes (including, without limitation, the operation of coffee shops, retail, and other private spaces within the Conference Center), the costs of which are paid for solely by Lessee. All revenues generated by any such Conference Center-related purposes shall belong to Lessee.

Section 6.3 Nondisturbance Agreement. Upon the written request of Lessee, Lessor will enter into a Nondisturbance Agreement (herein so called) with any sublessee, leasehold mortgagee or subleasehold mortgagee. Such Nondisturbance Agreement shall include such reasonable provisions as requested by a sublessee, leasehold mortgagee or subleasehold mortgagee, subject to the reasonable approval of Lessor, but in any event shall (a) reaffirm Lessor's ownership of the Conference Center Premises, (b) confirm (if true) that this Lease is in full force and effect without default by Lessee (or, if a default exists, specifying the default and the remedy required by Lessor), (c) and, in the case of sublessee, provide, in substance, that, so long as the sublessee complies with all of the terms of its sublease or other applicable agreement, Lessor, in the exercise of any of its rights or remedies under this Lease, shall not deprive the sublessee of possession, or the right of possession, of the subleased property during the term of the sublease, deprive the sublessee of any other rights under the sublease or other applicable agreement or join the sublessee as a party in any action or proceeding to enforce or terminate this Lease or obtain possession of the property leased in the sublease or other applicable agreement which would entitle Lessor to dispossess the sublessee thereunder or otherwise terminate the sublessee's rights thereunder.

Section 6.4 Leasehold Mortgages. Without the requirement of any consent of Lessor, Lessee shall have the right to place a lien on Lessee's entire interest under this Lease, the leasehold estate in the Conference Center Premises arising hereunder and the improvements constructed thereon secured by a leasehold mortgage, and collaterally assign this Lease and any subleases with respect to the improvements to the leasehold mortgagee in connection with such leasehold mortgage. The execution and delivery of any such leasehold mortgage and the foreclosure of such leasehold mortgage or a transfer in lieu of foreclosure shall not be deemed to constitute a transfer or assignment of this Lease, nor shall the holder of any such leasehold mortgage be deemed (prior to a foreclosure judgment or transfer in lieu thereof) an assignee or transferee of this Lease so as to require such holder to assume the performance of any of the terms, covenants or conditions on the part of Lessee to be performed hereunder. Notwithstanding the foregoing, no leasehold mortgagee shall acquire, by virtue of a leasehold mortgage, any greater right in the Conference Center Premises or any improvements thereon than Lessee then had under this Lease.

ARTICLE 7
OPTION TO PURCHASE

Section 7.1 Lessee's Option to Purchase.

(a) Grant of Option. Lessor hereby grants to Lessee the sole and exclusive option (the "Purchase Option") to purchase all of Lessor's right, title and interest in and to the Conference Center Premises and all personal property used in connection with the operation of the Conference Center Premises, pursuant to the terms of this Section 7.1. The Purchase Option
commences on the tenth (10th) anniversary of the opening of the Conference Center and during the Term of this Lease.

(b) On the date of this Lease, Lessee delivered to Lessor an amount equal to One Hundred and No/100 Dollars ($100.00) as consideration for the granting of the Purchase Option.

(c) Lessee shall deliver written notice to Lessor of Lessee’s intention to exercise the Purchase Option (the “Option Notice”) at any time after the Effective Date (the “Option Date”).

(d) Lessor represents and warrants to Lessee on and as of the date of this Lease and on and as of the Closing Date that to Lessor’s current, actual knowledge, without obligation for further investigation: (a) Lessor has on the date of this Lease and Lessor will have on the Closing Date and, if Lessee exercises the Purchase Option, Lessor will convey to Lessee good and indefeasible fee simple title to the Conference Center Premises, subject only to the Permitted Exceptions; and (b) there are no contracts or other obligations outstanding for the sale, exchange or transfer of the Conference Center Premises or any portion thereof.

(e) If Lessee exercises the Purchase Option, the purchase price (the “Purchase Price”) for the Conference Center Premises shall be either (i) the sum of $10.00 or (ii) if Lessee receives confirmation from the Comptroller that construction supplies relating to construction of the Conference Center are exempt from sales tax, then the sum of the fair market values of the Conference Center Land and the Conference Center (as determined by a qualified appraisal selected by Lessee at the time of purchase) less $[ ]

The closing of the Purchase Option, Lessee’s delivery of the Purchase Price to Lessor, and Lessor’s conveyance of the Conference Center Premises to Lessee (the “Closing”) shall occur on a date designated by Lessee (by at least ten (10) days’ advance written notice to Lessor) (the “Closing Date”), but if the Closing Date has not yet occurred on the final day of the Term, the Term shall be deemed extended until the Closing Date without Lessee having to pay any additional Rentals hereunder. Lessor and Lessee shall conduct an escrow-style closing through a title company as selected by Lessee (the “Title Company”) so that it will not be necessary for any party to physically attend the Closing. At the Closing, Lessor shall deliver to Lessee: (a) a special warranty deed or deeds, properly executed by Lessor and witnessed and notarized for recording, conveying fee simple title to the Conference Center Premises insurable by the Title Company, free and clear of all liens, restrictions, encumbrances, easements, tenancies, contracts and other matters, except for the Permitted Exceptions; (b) a bill of sale, conveying title to any and all personal property owned by Lessor and used in connection with the Conference Center Premises; (c) an owner’s title affidavit and indemnity to the extent allowed by law in form and substance satisfactory to the Title Company, which affidavit shall be sufficient to permit Lessee to obtain title insurance without standard exception for liens of laborers, mechanics or materialmen, or parties in possession; and (d) such other instruments and documents as are customary for real property closings in Nueces County, Texas. At the Closing, the costs for closing, insuring title, and recording shall be paid by Lessee. Lessor and Lessee shall each pay its own attorneys’ fees.

(f) In addition to the acts recited in this Section 7.1 to be performed by Lessor and Lessee, Lessor and Lessee agree to perform or cause to be performed at the Closing or after
the Closing any and all such further acts as may be reasonably necessary to consummate the transactions contemplated by this Section 7.1.

Section 7.2 Termination of Lease. In the event that the Conference Center Premises are to be acquired by Lessee pursuant to Lessee’s exercise of the Purchase Option, Lessor and Lessee shall terminate this Lease and file a memorandum of termination in the Deed Records of Nueces County.

ARTICLE 8
INDEMNITY

Section 8.1 Indemnity. Lessee shall indemnify, protect, defend, and hold harmless Lessor, Lessor’s officers, directors, affiliates, employees, agents, and council members (collectively, the “Indemnitee” or “Indemnitees”) for, from, and against any and all damages, losses, liabilities (joint or several), payments, obligations, penalties, claims, litigation, demands, defenses, judgments, suits, proceedings, costs, disbursements or expenses (including, without limitation, fees, disbursements and reasonable expenses of attorneys, accountants, and other professional advisors and of expert witnesses and costs of investigation and preparation) of any kind or nature whatsoever (collectively, the “Damages”), directly or indirectly resulting from,
relating to or arising out of:

(a) the maintenance, operation, use, or occupancy of the Conference Center, including, without limitation, any Damages with respect to contracts or attributable to bodily injury, sickness, disease or death, to personal injury, or to injury or destruction of property, including loss of use resulting therefrom; provided, however, that the foregoing indemnity shall only apply during Lessee’s leasehold of the Conference Center;

(b) the formation, organization and operation of Lessee, or any subsidiaries of Lessee;

(c) any material breach of or inaccuracy in any representation or warranty made or given by Lessee or any of its agents, officers, or employees contained in this Lease; or

(d) any material breach or non-performance, partial or total, by Lessee of any covenant or agreement of Lessee contained in this Lease.

Section 8.2 Indemnification Procedures. In case any claim shall be brought or, to the knowledge of any Indemnitee, threatened against any Indemnitee in respect of which indemnity may be sought against Lessee, such Indemnitee shall promptly notify Lessee in writing; provided, however, that any failure so to notify shall not relieve Lessee of its obligations under Section 8.1 unless (i) such failure to notify precludes Lessee’s investigation and defense of such claims as a matter of law, and (ii) Lessee does not otherwise have knowledge, either actual or constructive, of such claim. Lessee shall have the right (and obligation, subject to the terms below) to assume the investigation and defense of all claims, including the employment of counsel and the payment of all expenses. Each Indemnitee shall have the right to employ separate counsel in any such action and participate in the investigation and defense thereof, but the fees and expenses of such counsel shall be paid by such Indemnitee unless (i) the employment of such counsel has been specifically authorized by Lessee, in writing; (ii) Lessee has failed after receipt of notice of such claim to
assume the defense and to employ counsel, or (iii) the named parties to any such action (including any impleaded parties) include both an Indemnitee and Lessee, and the Indemnitee, after consultation with its counsel, reasonably believes that there may be one or more legal defenses available to it which are different from or additional to those available to Lessee (in which case, if such Indemnitee notifies Lessee in writing that it elects to employ separate counsel at Lessee's expense, Lessee shall not have the right to assume the defense of the action on behalf of such Indemnitee; provided, however, that Lessee shall not, in connection with any one action or separate but substantially similar or related actions in the same jurisdiction arising out of the same general allegation or circumstances, be liable for the reasonable fees and expenses of more than one separate firm of attorneys for the Indemnitees, which firm shall be designated in writing by the Indemnitees). Each Indemnitee shall cooperate with Lessee in the defense of any action or claim. Lessee shall not be liable for any settlement of any action or claim without Lessee's consent, but if any such action or claim is settled with the consent of Lessee or there be final judgment or agreement for the plaintiff in any such action or with respect to any such claim, Lessee shall indemnify and hold harmless the Indemnitees from and against any Damages by reason of such settlement or judgment as provided in this Article VIII.

Section 8.3 Negligence of Indemnitee. THIS INDEMNIFICATION REMAINS IN FULL FORCE AND EFFECT EVEN IF ANY CLAIM DIRECTLY OR INDIRECTLY RESULTS FROM, ARISES OUT OF, OR RELATES TO OR IS ASSERTED TO HAVE RESULTED FROM, ARISEN OUT OF, OR RELATED TO THE SOLE NEGLIGENCE OR CONCURRENT NEGLIGENCE OF AN INDEMNITEE. THE ONLY CIRCUMSTANCES UNDER WHICH THIS INDEMNITY SHALL NOT APPLY SHALL BE IN CONNECTION WITH LIABILITIES ATTRIBUTABLE TO THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF AN INDEMNITEE.

Section 8.4 Survival; Right to Enforce. The provisions of this Article VIII shall survive the termination of this Lease. In the event of failure by Lessee to observe the covenants, conditions and agreements contained in this Article VIII, any Indemnitee may take any action at law or in equity to collect amounts then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of Lessee under this Article VIII. The obligations of Lessee under this Article VIII shall not be affected by any assignment or other transfer by Lessor of its rights, titles or interests under this Lease and will continue to inure to the benefit of the Indemnitees after any such transfer. The provisions of this Article VIII shall be cumulative with and in addition to any other agreement by Lessee to indemnify any Indemnitee.

ARTICLE 9
DEFAULT

Section 9.1 Events of Default. The occurrence of any of the following shall constitute an “Event of Default” by Lessee hereunder:

(a) The failure of Lessee to pay when due any installment of Rentals pursuant to Section 2.3 hereof, provided such failure continues for more than fifteen (15) days after Lessee receives written notice from Lessor that such installment is due.
(b) The material breach by Lessee of any other covenant, condition, or agreement required to be performed or observed hereunder, if such breach has not been cured within thirty (30) days of delivery of notice of such breach to Lessee by Lessor, unless such breach, by its nature, cannot be cured within such thirty (30) day period, in which case so long as Lessee is diligently proceeding to cure such breach and is making reasonable progress in effectuating a cure, it shall not be deemed to be an Event of Default.

Section 9.2 Remedies of Lessor on Default.

(a) If any Event of Default shall have occurred, Lessor may, as its sole and exclusive remedies, elect to institute such action against Lessee as may appear necessary or desirable to collect such Rentals and any other amounts then due under this Lease, or to enforce performance and observance of such covenant, condition or obligation of Lessee hereunder, or to recover damages for Lessee’s non-payment, non-performance or non-observance of the same. In no event, however, will the occurrence of an Event of Default entitle Lessor to terminate this Lease or terminate Lessee’s possession of the Conference Center Premises. Lessor shall use its best efforts to mitigate its damages after the occurrence of an Event of Default.

(b) Lessee shall pay all of Lessor’s reasonable fees and expenses, including reasonable attorneys’ fees, in enforcing any covenant to be observed by Lessee or pursuing any remedy upon an Event of Default.

Section 9.3 No Remedy Exclusive. No remedy herein conferred upon Lessor is intended to be exclusive of any other available remedy or remedies, and each such remedy shall be cumulative and shall be in addition to every other remedy given under this Lease except as otherwise stated in this Lease to the contrary.

Section 9.4 No Additional Waiver Implied By One Waiver; Consents to Waiver. The waiver of either party of any breach by the other party of any covenant, condition or obligation under this Lease shall not operate as a waiver of any subsequent breach of the same or a waiver of any breach of any other covenant, condition or obligation under this Lease. nor shall any forbearance by the non-defaulting party not breaching to seek a remedy for any breach by the other party be a waiver by such non-defaulting party not breaching any of its rights and remedies with respect to such breach or any subsequent breach of the same or with respect to any other breach.

Section 9.5 Delay not a Waiver. No delay or omission by Lessor of the exercise of any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or any acquiescence therein, and every power or remedy given by this Lease to Lessor may be exercised from time to time and as often as may be deemed expedient. Lessor may waive any Event of Default which in its opinion has been remedied before the entry of final judgment or decree in any suit, action or proceeding instituted by it under the provisions of this Lease or before the completion of the enforcement of any other remedies under this Lease. No such waiver shall extend to or affect any other existing or subsequent Event of Default or impair any rights or remedies consequent thereon.

Section 9.6 Default by Lessee. Lessor will be in default under this Lease if Lessor fails to perform any of its obligations hereunder and such failure continues for a period of thirty (30)
Section 9.7  Injunctive/Ancillary/Emergency Relief. Any party may seek injunctive relief or other form of ancillary relief at any time from any court of competent jurisdiction in Nueces County, Texas.

ARTICLE 10
MISCELLANEOUS

Section 10.1  Amendments, Changes and Modification. No amendment, change, addition to or waiver of any of the provisions of this Lease shall be binding upon the parties hereto unless in writing signed by Lessee and Lessor.

Section 10.2  Applicable Law. The Lease shall be governed exclusively by the provisions hereof and by the applicable laws of the State.

Section 10.3  Notices and Demands. Any notices or other communications required or desired to be given to the other party hereto shall be given in writing and delivered by courier, overnight delivery service, facsimile transaction or through the U.S. postal service, postage prepaid and by certified mail, return receipt requested, at the following addresses:

To Lessor:  
City of Port Aransas 
710 West Avenue A 
Port Aransas, Texas 78373 [Address] 
Attention: City Manager

With a copy to:  
Brown & Hofmeister, L.L.P. 
740 E. Campbell Road, Suite 800 
Richardson, Texas 75081 
Attention: Jeffrey Moore

To Lessee:  
The Inn, Spa & Conference Center, [LP] 
[Address] 
Attention: Jeff Lamkin

With a copy to:  
Winstead PC 
401 Congress Ave., Suite 2100 
Austin, TX 78701 
Attention: David Dawson

Section 10.4  Successors and Assigns. The terms and provisions of this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.
Section 10.5 Multiple Counterparts. This Lease may be executed in multiple counterparts, each of which shall be an original but all of which together shall constitute but one and the same instrument.

Section 10.6 Recordation. Lessor and Lessee shall not record this Lease, but both parties agree, on request of the other, to execute a memorandum of lease in the form attached herein as Exhibit C, which memorandum of lease may be recorded by the requesting party.

Section 10.7 Estoppel Agreements. Within twenty (20) days after receipt of written request from the other party, Lessor and Lessee shall execute and deliver to each other (and to such other Person as the requesting party may designate) an estoppel certificate or agreement certifying that this Lease is unmodified and is in full force and effect (or if there have been modifications, stating that this Lease is in full force and effect as modified), stating that the requesting party is not in default (or stating the nature of any alleged default) and further stating any matters reasonably requested by the other party. Notwithstanding anything to the contrary set forth in this Section 10.7, neither Lessor nor Lessee will be required to execute such an estoppel certificate more often than two (2) times in any twelve (12)-month period.

Section 10.8 Unavoidable Default and Delays. After the date of execution of this Lease, the time within which any Party to this Lease shall be required to perform any act under this Lease shall be extended by a period of time equal to the number of days during which performance of such act is delayed by Force Majeure. The provisions of this Section 10.8 shall not operate to excuse either Party from prompt payment of the Rentals or any other payments required by the terms of this Lease. If a date falls on a Saturday, Sunday or Holiday, the date of performance shall be the next business day.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]
IN TESTIMONY WHEREOF, Lessor has caused its name to be subscribed below and attested by its City Secretary, pursuant to a resolution duly adopted by its City Council; and Lessee has caused its corporate name to be subscribed by its duly authorized officer pursuant to a resolution duly adopted by its board of directors, as of the year and day first above written.

LESSOR:

CITY OF PORT ARANSAS, TEXAS

By: ____________________________
    David Parsons, City Manager

ATTEST:

Francisca Nixon, City Secretary

LESSEE:

THE INN, SPA & CONFERENCE CENTER, [LP],
a Texas [limited partnership]

By: ____________________________
    Name:
    Title:
EXHIBIT A

DESCRIPTION OF THE LAND COMPRISING THE CONFERENCE CENTER PREMISES
EXHIBIT B
PERMITTED EXCEPTIONS

CONFERENCE CENTER LEASE AGREEMENT - EXHIBIT B
EXHIBIT C

MEMORANDUM OF LEASE

This Memorandum of Lease (herein the "Memorandum") is executed by and between the CITY OF PORT ARANSAS, TEXAS, a Texas home-rule municipality ("Lessor") and THE INN, SPA & CONFERENCE CENTER, [LP], a Texas [limited partnership] ("Lessee").

RECITALS:

A. The parties hereto have made and entered into that certain Lease Agreement (as described hereinbelow).

B. The parties desire to record a Memorandum of Lease to provide notice to third parties of the Lease.

AGREEMENTS:

NOW, THEREFORE, Lessor and Lessee do hereby make and enter into this Memorandum for the purposes described above:

6. Description of Conference Center Premises. Lessor and Lessee have made and entered into that certain Conference Center Lease Agreement (as same may be hereafter renewed or amended, the "Lease") dated effective as of __________, 201__, covering the Conference Center Premises described hereinbelow, providing for the lease by Lessee from Lessor of such Conference Center Premises upon the terms and conditions set forth in such Lease. The Lease applies to all of that certain tract or parcel of land situated in the City of Port Aransas, Nueces County, Texas, which land is more particularly described in Exhibit A attached hereto, incorporated herein by this reference, and made a part hereto for all purposes (the "Conference Center Premises").

7. Term of Lease. The Term of the Lease commences on the date Lessee obtains a building permit from the applicable governmental authorities relating to the construction of the Conference Center and continues for [(forty) (40) ninety-nine-(99) years] thereafter. Lessor and Lessee will execute a Memorandum of Commencement Date confirming the actual Commencement Date and the expiration date of the Term.

8. Option to Purchase. Lessee has the option to purchase the Conference Center Premises commencing on the tenth (10th) anniversary of the opening of the Conference Center located thereon, and expiring upon a notice sent to Lessee, as described in Article VII of the Lease. Lessee's option to purchase is subject to the terms and conditions more particularly described in Article VII of the Lease.

9. Lease Amendments. The Lease may not be orally amended.

10. General. Nothing contained in this Memorandum shall be deemed or construed to amend, modify, change, alter, amplify, interrupt or supersede any of the terms or provisions of the
Lease. In the event of a conflict between the terms of the Lease and the terms of this Memorandum, the terms of the Lease shall prevail and be controlling. This Memorandum may be executed in multiple counterparts, and each counterpart shall be deemed an original hereof. Accordingly, this Memorandum shall become binding, notwithstanding the execution of separate originals hereof, one by each of the parties hereto. Capitalized terms used but not defined in this Memorandum will have the definitions ascribed to such terms in the Lease.

[Signatures appear on the following page]
IN WITNESS WHEREOF, the parties hereto have executed this Memorandum on the dates set forth in the acknowledgments attached hereto, but to be effective as to the ___ day of ________, 201[ ]

LENSOR:

CITY OF PORT ARANSAS,
a Texas home-rule municipality

By:
Name: David Parsons
Title: City Manager

LESSEE:

THE INN, SPA & CONFERENCE CENTER, [LP], a Texas limited partnership

By:
Name: ____________________________
Title: ____________________________
STATE OF TEXAS
COUNTY OF NUECES

This instrument was acknowledged before me on the day of 20 , by David Parsons, the City Manager of the City of Port Aransas, Texas, a Texas home-rule municipality, on behalf of said city.

[ SEAL ]

Notary Public, State of Texas

STATE OF TEXAS
COUNTY OF

This instrument was acknowledged before me on the day of 20 , by the Conference Center, LP, on behalf of said limited partnership.

[ SEAL ]

Notary Public, State of Texas
EXHIBIT A

Conference Center Premises
EXHIBIT D

MEMORANDUM OF COMMENCEMENT DATE

This MEMORANDUM OF COMMENCEMENT DATE ("Memorandum") is entered into on __________, 20[ ] , between the CITY OF PORT ARANSAS, TEXAS ("Lessor"), and THE INN, SPA & CONFERENCE CENTER, [LP], a Texas limited partnership ("Lessee").

RECITALS

Lessor and Lessee entered into that certain Conference Center Lease Agreement dated __________, 20[ ] (the "Lease"). relating to the land described on Exhibit A attached hereto. The Lease is evidenced by that certain Memorandum of Lease recorded in Volume ______, Page ______ of the Real Property Records of Nueces County, Texas. All terms used but not defined herein have the meanings set forth in the Lease.

Lessor and Lessee wish to confirm certain matters relating to the Lease.

AGREEMENT

Commencement Date. Lessor and Lessee certify that the Commencement Date under the Lease is __________, 20____, and the Lease Term is scheduled to expire on __________, 2_____.

Entire Agreement; No Amendment. The Lease constitutes the entire agreement between Lessor and Lessee. The Lease has not been amended and is in full force and effect. This Memorandum supplements but does not amend the Lease. This Memorandum may be recorded by either Lessor or Lessee in the Real Property Records of Nueces County, Texas.

EXECUTED as of the date set forth above.

LESSOR: CITY OF PORT ARANSAS, TEXAS

By: ____________________________
Name: David
Title: City Manager

LESSEE: THE INN, SPA & CONFERENCE CENTER, [LP]

By: ____________________________
Name: __________________________
Title: __________________________
STATE OF TEXAS

COUNTY OF NUECES

This instrument was acknowledged before me on the ___ day of ___ , 20__, by _________________, the City Manager of the CITY OF PORT ARANSAS, TEXAS, a Texas home-rule municipality, on behalf of said city.

[SEAL]

My Commission Expires: ____________________________

(Printed Name of Notary Public)

STATE OF TEXAS

COUNTY OF _________

This instrument was acknowledged before me on the ___ day of ___ , 20__, by _________________, the _________________ of INN, SPA & CONFERENCE CENTER, [LP], on behalf of said [limited partnership].

[SEAL]

My Commission Expires: ____________________________

(Printed Name of Notary Public)
EXHIBIT A
Conference Center Premises
HOTEL LEASE AGREEMENT

between

THE CITY OF PORT ARANSAS, TEXAS,
a municipal corporation of the State of Texas
as Lessor

and

THE INN, SPA & CONFERENCE CENTER, [L.P.],
a Texas [limited partnership]
as Lessee

Dated as of \_\_\_\_\_, 20\_\_}
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HOTEL LEASE AGREEMENT

This HOTEL LEASE AGREEMENT (this "Lesse") is made and entered into as of [ -- ], 20[ -- ] (the "Effective Date"), by and between the CITY OF PORT ARANSAS, TEXAS, a municipal corporation of the State of Texas and a home-rule city located in Nueces County, Texas ("Lessor" or "City"), and THE INN, SPA & CONFERENCE CENTER, [LP], a Texas [limited partnership] ("Lesse"). Lessor and Lessee sometimes are referred to herein collectively as the "Parties" or singularly as a "Party."

BACKGROUND:

1. Upon real property of approximately [ -- ] acres owned by Lessee in the City of Port Aransas, Nueces County, Texas, described in Exhibit A (the "Hotel Land"), Lessee has constructed a hotel consisting of approximately 175 rooms, as well as a rooftop entertainment space, full service restaurant, lobby lounge, a business center, and other infrastructure improvements to support the hotel (collectively, the "Hotel").

2. Pursuant to a Development Agreement between Lessor and Lessee dated as of [ -- ], 2019, Lessee will convey the Hotel Land, the Hotel, and any other non-conference center facilities (the "Hotel Premises") to Lessor. Concurrently, Lessor will lease to Lessee, and Lessee will lease from Lessor, the Hotel Premises, subject to and upon the terms and conditions set forth herein.

3. Lessee may, at its option, purchase the Hotel Land, the Hotel, and all other non-conference center facilities from Lessor after the Effective Date.

4. Lessee may also, at its option, construct other improvements on the Hotel Premises which complement the use of the Hotel, including, without limitation, a parking facility, a spa, restaurants, live/work spaces, and retail space (the "Improvements").

5. Pursuant to the Conference Center Lease Agreement between Lessor and Lessee dated as of the date hereof, Lessor is also leasing to Lessee the Conference Center Land and the Conference Center (as defined in the Conference Center Lease Agreement) with a purchase option for Lessee.

ACCORDINGLY, in consideration of the mutual promises and agreements herein contained and for other good, valuable and binding consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor hereby leases unto Lessee, for the term and upon the conditions hereinafter stated, the Hotel Premises, UNDER AND SUBJECT, however, to the Permitted Exceptions (as hereinafter defined).

ARTICLE I
DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.1 Definitions of Words and Terms. In addition to terms defined elsewhere in this Lease, the following terms, for the purposes of this Lease, shall have the meanings set forth below:

"Commencement Date" shall have the meaning set forth in Section 2.1.

"Damages" shall have the meaning set forth in Section 8.1.

"Declaration" shall have the meaning ascribed to such term in Section 2.5(c).

"Development Agreement" means that certain Development Agreement dated
"Effective Date" shall have the meaning ascribed to such term in the first paragraph of this Lease.

"Environmental Law" means applicable federal, state, and local laws relating to protection of the public health, welfare, and the environment, including, without limitation, those laws relating to the storage, handling and use of chemicals and other hazardous materials, those relating to the generation, processing, treatment, storage, transport, disposal, or other management of waste materials of any kind, and those relating to the protection of environmentally sensitive areas.

"Event of Default" shall have the meaning ascribed to such term in Section 9.1.

"Force Majeure" means any causes beyond a Party's control and without such Party's negligence, including, but not limited to, acts of God, acts of the public enemy, acts of the Federal Government, acts of the other Party, fires, floods, epidemics, quarantine restrictions, strikes, lockouts, riots, war, acts of terrorism, labor strikes, freight embargoes, casualty, governmental restrictions, failure or inability to secure materials or labor, reason of priority or similar regulations or order of any governmental or regulatory body, civil disturbance, and unusually severe weather or unforeseen environmental or archaeological conditions requiring investigation/mitigation by federal, state or local laws.

"Hazardous Materials" shall have the meaning ascribed to said term in Section 4.9.

"Hotel" shall have the meaning ascribed to such term in the background section of this Lease.

"Hotel Land" shall have the meaning ascribed to such term in the background section of this Lease.

"Hotel Premises" shall have the meaning ascribed to such term in the background section of this Lease.

"Improvements" means the spa, live/work spaces, retail space, parking facility, and accompanying infrastructure improvements that may be constructed upon the Hotel Premises by Lessee from time to time.

"Indemnify" and "Indemnity" shall have the meaning ascribed to those terms in Section 8.1.

"Permitted Exceptions" means those certain liens, encumbrances, easements, restrictions and other matters of record more specifically set forth in Exhibit B attached hereto and incorporated herein by reference.

"Person" means any association, individual, corporation, governmental entity, partnership, joint venture, business association, estate or any other organization or entity.

"Purchase Option" shall have the meaning ascribed to such term in Section 7.1(a).

"Release" or "Released" shall have the meaning ascribed to such terms in Section 4.9(a).

"Rent Commencement Date" shall have the meaning ascribed to such term in Section 2.2.

"Rentals" shall have the meaning ascribed thereto in Section 2.2.

"Response Action" shall have the meaning ascribed to such term in Section 4.9(b)(ii).

"State" means the State of Texas.
“Taxes” shall have the meaning ascribed to such term in Section 4.2.

“Term” shall have the meaning ascribed thereto in Section 2.1.

“Units” shall have the meaning ascribed to such term in Section 2.5(c).

Section 1.2 Rules of Construction. For all purposes of this Lease, except as otherwise expressly provided or unless the context otherwise requires, the following rules of construction apply in construing the provisions of this Lease:

(a) All references in this Lease to exhibits, articles, paragraphs, subparagraphs, sections, subsections and other subdivisions refer to the exhibits, articles, paragraphs, subparagraphs, sections, subsections and other subdivisions of this Lease unless expressly provided otherwise. Titles appearing at the beginning of any subdivisions are for convenience only and do not constitute any part of such subdivisions and will be disregarded in construing the language contained in such subdivisions. The words "this Lease", "herein", "hereof", "hereby", "hereunder" and words of similar import refer to this Lease as a whole and not to any particular subdivision unless expressly so limited. The phrases "this paragraph" and "this subparagraph" and similar phrases refer only to the paragraphs or subparagraphs hereof in which such phrases occur. The word "or" is not exclusive, and the word "including" (in its various forms) means "including without limitation." Pronouns in masculine, feminine and neuter genders will be construed to include any other gender, and words in the singular form will be construed to include the plural and vice versa, unless the context clearly otherwise requires. References to any constitutional, statutory or regulatory provision means such provision as it exists on the Effective Date and any future amendments thereto or successor provisions thereof.

(b) Unless the context clearly otherwise requires or unless otherwise expressly provided herein, the terms defined in this Lease which refer to a particular agreement, instrument or document also refer to and include all renewals, extensions, supplements, modifications, amendments and restatements of such agreement, instrument or document, provided that paragraph will be construed to authorize any such renewal, extension, supplement, modification, amendment or restatement.

(c) This Lease has been reviewed and revised by legal counsel for both Lessee and Lessor, and no presumption or rule that ambiguities will be construed against the drafting party will apply to the interpretation or enforcement of this Lease.

(d) The relationship between Lessor and Lessee at all times will remain solely that of Lessor and tenant and will not be deemed a partnership or a joint venture.

(e) Time is of the essence for each provision of this Lease for which time is an element.

(f) If any term or provision of this Lease is found by a court of competent jurisdiction to be invalid, illegal or otherwise unenforceable, the same shall not affect the other terms or provisions hereof or the whole of this Lease, but such term or provision shall be deemed modified to the extent necessary in the court's opinion to render such term or provision enforceable, and the rights and obligations of the parties shall be construed and enforced accordingly, preserving to the fullest permissible extent the intent and agreements of the parties herein set forth.

ARTICLE 2
LEASE OF HOTEL PREMISES

HOTEL LEASE AGREEMENT - Page 3
Section 2.1 Leasing Clause. Upon and subject to the terms and provisions contained herein, Lessor does hereby lease, demise and let unto Lessee, and Lessee does hereby take and lease from Lessor, the Hotel Premises, to have and to hold the Hotel Premises, together with all the rights, privileges, easements and appurtenances belonging to or in any way pertaining to the Hotel Premises, for the term and subject to the provisions hereinafter provided.

Section 2.2 Term. The term of this Lease shall commence on the date upon which Lessee obtains a building permit from the applicable governmental authorities relating to the construction of the Hotel (the “Commencement Date”) and shall continue for forty-nine (49) years thereafter, unless earlier terminated in accordance with the terms hereof (the “Term”), provided, however, that the provisions of Sections 5.3 and Article VIII hereof shall survive any termination of this Lease. On or about the Commencement Date, Lessor and Lessee shall execute a Memorandum of Commencement Date in the form of Exhibit D attached hereto confirming the Commencement Date. Lessee shall have the right to enter the Hotel Premises at any time prior to the Commencement Date as may be necessary to prepare for Lessee’s intended use and development of the Hotel Premises. Lessee’s obligations under this Lease (including, without limitation, Lessee’s obligation to maintain insurance, indemnify Lessor, and pay any taxes or other expenses) will not accrue prior to the Commencement Date.

Section 2.3 Rent. During the Term of this Lease, Lessee shall pay to Lessor a rental (the “Rentals”) payable without demand, commencing on the date the Hotel opens for business (the “Rent Commencement Date”). Rentals shall be paid annually in advance, due each year on or before the anniversary of the Rent Commencement Date. The annual amount of Rentals shall be $1.00. Lessor acknowledges and agrees that Lessor is bound by the 380 Agreement to make economic development Grants (as defined in the Development Agreement) to Lessee in accordance with the terms thereof.

Section 2.4 Permitted Uses. Throughout the Term, Lessee shall use the Hotel Premises for the primary purposes of operating the Hotel, and may also use the Hotel Premises for purposes related and incidental thereto (including, without limitation, the development and operation of a conference center, restaurants, bars, gift shops, coffee shops, meeting facilities, catering services, fitness and spa facilities and other supporting facilities commensurate with a full-service hotel).

Section 2.5 Compliance with Environmental and Other Laws. Lessee shall, throughout the Term, and at no expense to Lessor, promptly comply or cause compliance with all laws, ordinances, orders, rules, regulations and requirements of duly constituted public authorities, which may be applicable from time to time to the Hotel Premises and the ownership, use, operation, repair and alteration of Improvements. With regard to Lessor, Lessee accepts the Hotel Premises in its condition on the date of the commencement of the Term, and assumes all risks, if any, resulting from any present or future, latent or patent defects therein or from the failure of the Hotel Premises to comply with all legal requirements, reserving, however, any and all rights of Lessee with respect to parties other than Lessor.

Section 2.6 Title.

(a) During the Term, Lessor shall not mortgage or encumber the Hotel Premises, without Lessee’s prior written approval, which may be withheld by Lessee in its sole and absolute discretion.

(b) From time to time during the Term, Lessor shall grant, or join in the granting of, such utility easements, ingress and egress easements and similar easements on the Hotel Premises as Lessee may reasonably request in connection with its use of the Hotel Premises. Any such easements granted by Lessor at Lessee’s request shall be additional “Permitted Exceptions” for all purposes under this Lease.

(c) Lessor acknowledges that Lessee may enter into a condominium declaration (the “Declaration”) for purposes of dividing different Improvements situated on the Hotel Premises into separate

HOTEL LEASE AGREEMENT - Page 4
Section 2.7 Improvements and Alterations. Any alterations and additions to the Hotel Premises after the initial construction of the Hotel that Lessee may deem necessary during the Term may be made by Lessee, at Lessee's sole cost and expense, without Lessor's consent. Any Improvements constructed on the Hotel Premises during the term of this Lease will be the property of Lessee and will remain the property of Lessee after the termination or expiration of this Lease.

Section 2.8 Operational Rights; Revenue.

(a) Other than as set forth in this section, Lessee shall receive all revenues generated from and associated with the Hotel and Improvements for the duration of the Lease.

(b) Subject to the terms and provisions of this Lease, Lessee shall manage and operate the Hotel Premises in accordance with Section 2.4. Without limiting the generality of the foregoing during the Term of this Lease, (i) Lessee shall have the sole right to grant and enter into licenses, rights, subleases, management agreements, operating agreements and any and all other agreements of any nature relating to the Hotel Premises or the name thereof on such terms as Lessee deems appropriate for use of the Hotel Premises for the purposes described in Section 2.4, and (ii) Lessee shall own all revenues of any source generated by or from the Hotel Premises or the operation or management or the name thereof.

(c) Lessee and the Franchisor (as defined in the Development Agreement) shall have exclusive authority, control and rights in selecting the name of the Hotel and the Improvements; provided, however, Lessee shall not name any portion of the Hotel Premises any name that is offensive to the general public. Lessee shall have no right to name all or any portion of the Hotel Premises.

(d) Subject to the terms and provisions of this Lease, Lessee shall have full and exclusive control of any and all advertising signage displayed in, on, upon or around the Hotel Premises, provided, however, in no event shall any signage that is offensive to the general public be permitted in, on, upon or around the Hotel Premises. All signage shall comply with all applicable government rules and regulations.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES

Section 3.1 Representations and Warranties by Lessor. Lessor makes the following representations and warranties as the basis for the undertakings on its part herein contained.

(a) Lessor is the record owner of the Hotel Premises and the Hotel, and Lessor has all power and authority necessary to enter this Lease.

(b) Lessor has taken all action and has complied with all provisions of law with respect to the execution, delivery and performance of this Lease and the due authorization of the consummation of the transactions contemplated hereby, and this Lease has been duly executed and delivered by, and constitutes the valid and legally binding obligation of, Lessor, enforceable against Lessor in accordance with their respective terms.
(c) Neither the execution and delivery of this Lease, nor the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Lease, violate any law or regulation, or any judicial order, judgment, decree, or injunction, conflict with or results in a breach of any of the terms, conditions or provisions of any restriction, ordinance or any agreement or instrument to which Lessor is now a party or by which it is bound, or constitute a default under any of the foregoing, or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of Lessor under the terms of any instrument or agreement.

(d) As of the execution date of this Lease, there is no pending or threatened condemnation action pertaining to the Hotel Premises.

(e) As of the execution date of this Lease, Lessor has not executed any lease covering the Hotel Premises that has not been terminated or the term of which has not expired.

Section 3.2 Representations and Warranties by Lessee. Lessee makes the following representations and warranties as the basis for the undertakings on its part herein contained:

(a) Lessee is a [limited partnership] organized under the laws of Texas and qualified to do business in the State, is in good standing in the State, has power to execute and enter into this Lease and by proper corporate action has been duly authorized to execute and deliver such Lease.

(b) This Lease has been duly executed and delivered by duly authorized officers of Lessee, and constitutes valid and binding obligations of Lessee, enforceable against Lessee in accordance with its terms.

(c) No approvals or consents, other than those that have been or will in normal course be obtained, are necessary in order for Lessee to execute and deliver this Lease.

(d) Lessee is not a person and/or entity with whom the United States ("U.S.") persons or entities are restricted from doing business under U.S. law, executive power, or regulation promulgated thereunder by any regulatory body; (ii) no person or entity named on any U.S. list of specially designated nationals or blocked persons has any direct interest in Lessee such that the direct investment in Lessee is prohibited by any U.S. law; (iii) Lessee is not in violation of any U.S. money laundering law; and (iv) none of Lessee’s funds have been derived from unlawful activity such that the direct investment in Lessee is prohibited by U.S. law. The foregoing are ongoing covenants of Lessee. Lessee shall immediately advise Lessor of any change in the status or accuracy of such representations, and upon request Lessee shall recertify such representations and certify in writing the identity of all entities and individuals owning or controlling Lessee.

(e) No Boycott of Israel. Lessee hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this Lease is a contract for goods or services, will not boycott Israel during the term of this Lease. The foregoing verification is made solely to comply with Section 2270.002, Texas Government Code, as amended, and to the extent such section does not contravene applicable federal law. As used in the foregoing verification, (i) "boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes, and (ii) "affiliate" means an entity that controls, is controlled by, or is under common control with Lessee and exists to make a profit.

(f) No Business with Sanctioned Jurisdictions. Lessee represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company or partnership
ARTICLE 4
ADDITIONAL COVENANTS OF LESSOR AND LESSEE

Section 4.1 Maintenance of the Hotel Premises. Lessee shall, at its sole cost and expense, keep and maintain the Hotel Premises, including the interior and exterior, structural and non-structural portions of the Hotel, in good repair and in compliance with all applicable laws, regulations, orders and other governmental requirements applicable to the Hotel Premises from time to time.

Section 4.2 Taxes and Other Charges. Lessee shall pay prior to delinquency, in addition to the payment of Rentals, each and every lawful cost, expense and obligation of every kind and nature, foreseen or unforeseen, by reason of Lessee’s estate or interest in the Hotel Premises and the Improvements or by reason of or in any manner connected with or arising out of Lessee’s operation, maintenance, alteration, repair, rebuilding, use or occupancy of the Improvements, or any part thereof. Lessee shall pay and discharge, prior to the delinquency thereof, all lawful assessments, ad valorem taxes, sales taxes, business and occupation taxes, occupation license taxes, water charges, or sewage disposal charges; and all other governmental taxes, impositions, and charges of every kind and nature, ordinary or extraordinary, general or special, foreseen or unforeseen, whether similar or dissimilar to any of the foregoing, and all applicable interest and penalties, if any, which at any time during the Term becomes due and payable by Lessee because of its rights or obligations under this Lease and which is lawfully levied, assessed or imposed on Lessee, the Hotel Premises or the Improvements under or by virtue of any present or future law, statute, ordinance, regulation or other requirement of any governmental authority, whether federal, state, county, city, municipal, school or otherwise (collectively, “Taxes”), imposed on the Hotel Premises and the Improvements and Lessee’s use and occupancy of the Hotel Premises and the Improvements or against personal property, furniture or fixtures placed or situated in or on the Hotel Premises during the Term. Lessee, upon written notice to Lessor, may contest in good faith any Taxes (other than water charges or sewage disposal charges), and in such event may permit such Taxes (other than water charges or sewage disposal charges) to remain unsatisfied during the period of such contest and any appeal; provided, however, that prior to the commencement of such contest Lessor shall demonstrate to Lessor either (a) that Lessee has deposited into a separate escrow account funds equal to the contested amount, together with the anticipated interest and penalties, if any, that would be incurred in the event of an unfavorable disposition. Lessee also shall pay or cause to be paid all lawful charges for gas, water, sewer, electricity, light, heat, power, telephone, and other utilities and services used, rendered or supplied to, upon or in connection with the Hotel or the Improvements. Lessee shall furnish to Lessor promptly upon request proof of the payment of timely contest of any Taxes or any utility charge which is payable by Lessee, or evidence of the deposit of such funds into a reserve account, all as set forth above. Notwithstanding anything to the contrary contained
in this Section 4.2. Lessor and Lessee acknowledge and agree that certain ad valorem real property taxes and assessments levied by the City of Port Aransas against the Hotel and certain other portions of the Improvements will be reimbursed by Lessor each year pursuant to the economic development Grants (as defined in the 380 Agreement) payable to Lessee (or its Affiliate) under Section 2.2 of the Development Agreement for the term specified in said 380 Agreement.

Section 4.3 Liens and Encumbrances. Lessee covenants and agrees that it will not create or suffer to be created any lien, encumbrance or charge upon the Hotel Premises or Lessee's interest in this Lease, except for mortgages permitted under Section 6.4, the Declaration, and any other encumbrance expressly permitted under this Lease or the Development Agreement or which is necessary in order for Lessee to exercise its rights or perform its obligations under this Lease or any of the other agreements contemplated by the Development Agreement. Lessee shall satisfy or cause to be discharged, or will make adequate provision to satisfy and discharge, within sixty (60) days after the same occurs, all claims and demands for labor, materials, supplies or other items which, if not satisfied, might by law become a lien upon the Hotel Premises or any part thereof. If any such lien is filed or asserted against Lessee or the Hotel Premises by reason of work, labor, services or materials supplied or claimed to have been supplied on or to Lessee or the Hotel Premises at the request or with the permission of Lessee or of anyone claiming under it, Lessee shall, within sixty (60) days after it receives notice of the filing thereof or the assertion thereof against the Hotel Premises, cause the same to be discharged of record, or effectively prevent the enforcement or foreclosure thereof, by contest, payment, deposit, bond, order of court or other legal process. Such a mechanic's lien or materialman's lien or other lien is recorded against the Hotel Premises. Lessor will either cause it to be removed or, if Lessee in good faith wishes to contest the lien, Lessor and Indemnify Lessor and hold it harmless from all liability for damages occasioned by the lien or the lien contest and will, in the event of a judgment of foreclosure on the lien, cause the lien to be discharged and removed before the judgment is executed. Notwithstanding anything to the contrary set forth herein, the terms of this Section 4.3 relating to deadlines for discharging or contesting liens and claims for labor, materials, supplies and other matters shall not apply during the initial construction of the Improvements, but Lessee hereby agrees to indemnify Lessor for, from and against any damages that Lessor may actually suffer or any liability imposed upon Lessor arising under Section 2253.027 of the Texas Government Code as a result of Lessee's failure to bond around any liens.

Section 4.4 Warranty of Peaceful Possession. Lessor covenants and warrants Lessee may peaceably and quietly have, hold, occupy, use and enjoy, and shall have the full and exclusive use and enjoyment of the Hotel Premises during the term subject to the terms and conditions of this Lease. Lessor warranties and agrees to forever defend Lessee's leasehold estate in the Hotel Premises against the claims of any and all parties whatsoever lawfully claiming or to claim the same or any part thereof by, through or under Lessor, but not otherwise. Nevertheless, Lessee covenants and agrees to allow the Lessor to use the Hotel Premises for four (4) events per year, Lessor will notify management of the Hotel Premises within sixty (60) days of the Lessor's planned use and scheduled event, and will be flexible in scheduling Lessor's use of Hotel Premises in the event management has previously booked the space. The Lessor also states that the Lessee may be charged for any food and beverage component during these events as required by law and/or code.

Section 4.5 Surrender of Possession. Upon the termination of this Lease (unless terminated as a result of Lessee's purchase of the Hotel Premises pursuant to Section 7.1 or Section 7.2 hereof), Lessee shall surrender the Hotel Premises (including all improvements thereon) to Lessor in a condition which would have been in compliance with the maintenance requirements of Section 4.1 of this Lease had the Lease not terminated, reasonable wear and tear, and damage by casualty or condemnation, excepted.

Section 4.6 Operation. This Lease does not contain an impose on Lessee any requirement to operate the Improvements in accordance with any standard or to continuously operate the Improvements.
Section 4.7 Condition of Hotel Premises. Lessee acknowledges that, except as set forth in this Lease, neither Lessor nor any agent of Lessor has made any representation or warranty to Lessee with respect to the suitability or fitness of the Hotel Premises either for Lessee's intended use or for any other purposes. By taking possession of the Hotel Premises, Lessee (a) acknowledges that it has inspected the Hotel Premises; (b) establishes conclusively that the Hotel Premises are at such time in satisfactory condition; and (c) accepts the Hotel Premises in its condition as of the date of such possession or use "AS IS" and subject to all faults and infirmities. Nothing contained in this Section 4.7 shall affect the commencement of the Term or the obligation of Lessee to pay the Rentals as provided in Section 2.3. Lessee represents and warrants to Lessor as follows: (i) Lessee does not intend to, and will not, use the Hotel Premises for any purpose other than that set forth in Section 2.4; and (ii) Lessee has undertaken and has reasonably and diligently completed all appropriate investigations regarding the suitability of the Hotel Premises for Lessee's intended use. Lessee acknowledges and agrees that Lessor has no obligation with respect to such completion of the Hotel except as expressly set forth herein or in the Development Agreement.

Section 4.8 Signage. Lessee may display any signage or other visible media on the Hotel Premises, so long as such signage or other visible media complies with all applicable governmental rules and regulations.

Section 4.9 Hazardous Materials.

(a) For purposes of this Lease, the following terms shall have the following meanings: (1) "Hazardous Materials" shall mean (i) any petroleum or petroleum products, radioactive materials, asbestos in any form that is or could become friable, urea formaldehyde foam insulation, transformers, or other equipment that contain dielectric fluid containing polychlorinated biphenyls, and radon gas, (ii) any chemicals or substances now or hereafter defined as or included in the definition of "hazardous materials", "hazardous wastes", "hazardous materials", "extremely hazardous wastes", "restricted hazardous wastes", "toxic substances", "toxic pollutants", "contaminants" or "pollutants", or words of similar import, under any applicable Environmental Law; and (iii) any other chemical, material, or substance, exposure to which is now or hereafter prohibited, limited, or regulated, by any applicable Environmental Law or governmental authority; and (2) "Release" or "Released" means disposed, discharged, injected, spilled, leaked, leached, migrated, dumped, emitted, escaped, emptied, seeped, or placed in, on, or under any land, water, or air, or otherwise entered into the environment, and as otherwise more broadly defined in applicable Environmental Law.

(b) Lessee covenants and agrees with Lessor as follows: (1) the construction and installation of all improvements and the use and operation of the Hotel Premises shall at all times be in material compliance with applicable Environmental Law; (2) Lessee will obtain prior to the opening of the Hotel all environmental permits, licenses, and approvals that are necessary or required by applicable Environmental Law to conduct its business and operations on the Hotel Premises, and Lessee shall at all times comply with such environmental permits, licenses, and approvals; (3) neither Lessee nor any Person claiming by, through, or under Lessee shall bring onto, use, store, generate, treat, process, dispose of, recycle, incinerate or transport any Hazardous Materials in, on, or under the Hotel Premises except in compliance with applicable Environmental Law and in a reasonable and prudent manner so as to prevent the Release or threat of Release of any Hazardous Material on, onto or from the Hotel Premises; (4) Lessee shall regularly inspect the Hotel Premises to monitor and ensure that the Hotel Premises are at all times in material compliance with applicable Environmental Law; (5) Lessee shall use reasonable efforts to protect the Hotel Premises against intentional or negligent acts or omissions of third parties which might result, directly or indirectly, in the Release of Hazardous Materials on the Hotel Premises in violation of applicable Environmental Law; and (6) if Lessee has actual knowledge that any Hazardous Materials are Released in, on, or under the Hotel Premises during the Term of this Lease:
(i) Lessee shall immediately notify all applicable governmental agencies having competent jurisdiction of the occurrence of the Release of Hazardous Materials in accordance with the requirements of applicable Environmental Law;

(ii) Lessee shall immediately notify Lessor of the occurrence of the Release of the Hazardous Materials and shall immediately furnish or make available to Lessor such information, documents, and other communications as Lessor shall reasonably request;

(iii) Lessee shall promptly and timely commence or cause to be commenced appropriate actions required by applicable Environmental Law to clean up the Hazardous Materials that have been Released on the Hotel Premises (collectively referred to as “Response Action”) and shall conduct and perform all appropriate Response Action in accordance with applicable Environmental Law; and

(iv) Lessee, at its sole cost, shall contract for or perform all Response Action in Lessee’s own name or cause the violator to do so in the violator’s name.

(c) Lessee hereby covenants and agrees that it shall be responsible for, and waives, releases, and forever discharges the Indemnitees from, and agrees to indemnify, defend, and hold the Indemnitees harmless from and against, all expenses, costs (including reasonable attorneys’ fees and court costs), losses, damages, penalties, fines, and other expenditures of any nature arising from or in connection with any claims, demands, liens, investigations, notices of violation, governmental directives, causes of action or any other administrative or legal proceedings of any nature which result from, relate to, or arise out of (1) the breach of any covenant or agreement of Lessee in this Section 4.9, (2) the presence or alleged presence of Hazardous Materials in, on, or under the Hotel Premises in violation of any Environmental Law which arose during the Term of this Lease, or (3) the violation of any applicable Environmental Law with respect to the Hotel Premises during the Term of this Lease; so long as, in each instance, the presence of the Hazardous Material or the violation of any Environmental Law was not caused directly or indirectly by Lessor or an Indemnitee. This release and indemnity specifically includes (a) all costs of “removal” and/or “remedial action” and all other costs of “response” as those terms are defined and used in applicable Environmental Law, and (b) all other costs and expenses of any nature incurred by, assessed against, imposed upon, or charged to the Indemnitees relating to compliance with or enforcement of applicable Environmental Law. If any Indemnitee incurs costs or expenses described in this indemnity, Lessee shall reimburse the Indemnitee for those reasonable costs or expenses within thirty (30) days of the date of receipt by Lessee of notice from the Indemnitee, including copies of invoices or other verification, that the costs or expenses have been incurred. The foregoing release and indemnity shall survive the expiration or termination of this Lease.

(d) If (i) there exists any uncorrected violation by Lessee of an Environmental Law or any condition, caused directly or indirectly by Lessee, which requires a cleanup, removal or other remedial action by Lessee under any Environmental Law, and such cleanup, removal or other remedial action is not initiated within the time period required by Environmental Law or (ii) Lessor reasonably determines that (A) such uncorrected violation or condition poses an imminent threat to the safety or well-being of any other users of the Hotel Premises, the citizens of the City of Port Aransas or the Nueces County, or other persons, or (B) the Hotel Premises is likely to be further damaged or contaminated or other land or in the vicinity of the Hotel Premises is likely to be damaged or contaminated by virtue of the continued failure to correct such violation or condition, and such cleanup, removal or other remedial action is not initiated within ninety (90) days from the date of written notice from Lessor to Lessee, and diligently pursued to completion, the same shall, at the election of Lessor, constitute an Event of Default as described in Section 9.1(b) hereof, and provided, further, that Lessor will not consider any failure to initiate such cleanup, removal or other remedial action within the aforesaid ninety (90) day period an Event of Default if such cleanup, removal or other remedial action is of such a nature that it cannot readily be initiated within the
ninety (90) days and so long as Lessee commences in good faith to cure such uncorrected violation or condition and diligently pursues the cure continuously thereafter.

Section 4.10 Notification of Events of Default. Lessee covenants and agrees that it will promptly notify Lessor of the occurrence of an Event of Default, or of the occurrence of any event that with notice or lapse of time might become an Event of Default, under Section 9.1(b) or (c) hereof, after Lessee has notice of same, specifying the details of such event or Event of Default and the action that Lessee proposes to take with respect thereto.

ARTICLE 5
INSURANCE

Section 5.1 Lessee’s Insurance. Lessee agrees to obtain and maintain commercial general liability insurance at all times during the Term, consistent with the insurance program maintained by Franchisor (as defined in the Development Agreement) in connection with the Franchisor’s portfolio of hotels.

Section 5.2 Release and Waiver. LESSEE HEREBY RELEASES, AND SHALL CAUSE ITS INSURERS, CONTRACTORS, THEIR SUBCONTRACTORS, AND EACH OF THEIR RESPECTIVE INSURERS TO RELEASE, THE INDEMNITEES (AS DEFINED IN ARTICLE VIII) FROM ANY AND ALL CLAIMS OR CAUSES OF ACTION WHATSOEVER THAT LESSEE, ITS INSURERS, ITS CONTRACTORS, THEIR SUBCONTRACTORS, AND/OR ANY OF THEIR RESPECTIVE INSURERS MIGHT OTHERWISE POSSESS RESULTING IN OR FROM OR IN ANY WAY CONNECTED WITH ANY LOSS COVERED OR WHICH SHOULD HAVE BEEN COVERED BY INSURANCE, INCLUDING THE DEDUCTIBLE PORTION THEREOF, MAINTAINED AND/OR REQUIRED TO BE MAINTAINED BY LESSEE AND/OR ITS CONTRACTORS OR THEIR SUBCONTRACTORS PURSUANT TO THIS LEASE, EVEN IF SUCH CLAIMS OR CAUSES OF ACTION ARE CAUSED IN WHOLE OR IN PART BY THE NEGLIGENCE OF ANY INDEMNITEE. THE FOREGOING WAIVER, HOWEVER, WILL NOT APPLY TO ANY CLAIMS OR CAUSES OF ACTION WHICH ARE CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF ANY INDEMNITEE.

Section 5.3 Survival; Right to Enforce. The provisions of Section 5.3 shall survive the termination of this Lease. In the event that Lessee shall fail to maintain full insurance coverage required by this Lease and such failure continues for thirty (30) days after Lessee’s receipt of written notice from Lessor, Lessor may (but shall be under no obligation to) take out the required policies of insurance, pay the required premiums or otherwise comply with the covenants set forth in this Article V. All amounts advanced by Lessor in payment of the required premiums for such insurance or otherwise to comply with the covenants set forth in this Article V shall be payable by Lessee to Lessor within fifteen (15) days after demand therefor.

ARTICLE 6
ASSIGNMENTS; LEASEHOLD MORTGAGES

Section 6.1 Assignment and Subleasing. Upon the Effective Date, Lessee may assign or sublet all or a portion of its interest in this Lease or any of its rights or obligations hereunder relating to the Hotel without the prior written consent of Lessor so long as the assignee or sublessee assumes in writing all of Lessee’s obligations, or the Lessor relieves Lessee of its obligations in writing. Upon any such assignment or sublease, Lessee will be released from all further liability under this Lease occurring as of the effective date of such assignment or sublease.

Commented [JMS]: Do we want to allow them to assign?
Section 6.2 Sublease of Other Improvements; Conveyance of Units. At all times during the Term, Lessee shall have the right to sublease, license or develop portions of the Hotel Premises for other Hotel-related purposes (including, without limitation, the operation of restaurants, bars, gift shops and coffee shops), the costs of which are paid solely by Lessee. All revenues generated by any such Hotel-related purposes shall belong to Lessee.

Section 6.3 Nondisturbance Agreement. Upon the written request of Lessee, Lessor will enter into a Nondisturbance Agreement (herein so called) with any sublessee, leasehold mortgagee or subleasehold mortgagee. Such Nondisturbance Agreement shall include such reasonable provisions as requested by a sublessee, leasehold mortgagee or subleasehold mortgagee, subject to the reasonable approval of Lessor, but in any event shall: (a) reaffirm Lessor's ownership of the Hotel Premises, (b) confirm (if true) that this Lease is in full force and effect without default by Lessee (or, if a default exists, specifying the default and the remedy required by Lessor), (c) and, in the case of sublessee, provide, in substance, that, so long as the sublessee complies with all of the terms of its sublease or other applicable agreement, Lessor, in the exercise of any of its rights or remedies under this Lease, shall not deprive the sublessee of possession, or the right of possession, of the leased property during the term of the sublease, deprive the sublessee of any other rights under the sublease or other applicable agreement or join the sublessee as a party in any action or proceeding to enforce or terminate this Lease or obtain possession of the property leased in the sublease or other applicable agreement which would entitle Lessor to dispossess the sublessee thereunder or otherwise terminate the sublessee's rights thereunder.

Section 6.4 Leasehold Mortgages. Without the requirement of any consent of Lessor, Lessee shall have the right to place a lien on Lessee's entire interest under this Lease, the leasehold estate in the Hotel Premises arising hereunder and the improvements constructed thereon secured by a leasehold mortgage, and collaterally assign the Lease and any subleases with respect to the improvements to the leasehold mortgagee in connection with such leasehold mortgage. The execution and delivery of any such leasehold mortgage and the foreclosure of such leasehold mortgage or a transfer in lieu of foreclosure shall not be deemed to constitute a transfer or assignment of this Lease, nor shall the holder of any such leasehold mortgage be deemed (prior to a foreclosure judgment or transfer in lieu thereof) an assignee or transference of this Lease so as to require such holder to assume the performance of any of the terms, covenants or conditions on the part of Lessee to be performed hereunder. Notwithstanding the foregoing, no leasehold mortgagee shall acquire, by virtue of a leasehold mortgage, any greater right in the Hotel Premises or any improvements thereon than Lessee then had under this Lease.

ARTICLE 7
OPTION TO PURCHASE

Section 7.1 Lessee's Option to Purchase.

(a) Grant of Option. Lessor hereby grants to Lessee the sole and exclusive option (the "Purchase Option") to purchase all of Lessor's right, title and interest in and to the Hotel Premises and all personal property used in connection with the operation of the Hotel Premises, pursuant to the terms of this Section 7.1. The Purchase Option commences on the thirty (30th) anniversary of the opening of the Hotel and during the Term of this Lease.

(b) On the date of this Lease, Lessee delivered to Lessor an amount equal to One Hundred and No/100 Dollars ($100.00) as consideration for the granting of the Purchase Option.

(c) Lessee shall deliver written notice to Lessor of Lessee's intention to exercise the Purchase Option (the "Option Notice") at any time after the Effective Date (the "Option Date").

[Handwritten notes: Does this mean they get the property in 10 years? Commented [JME]: Is this the correct purchase price? Jure.
(d) Lessor represents and warrants to Lessee on and as of the date of this Lease and on and as of the Closing Date that to Lessor's current, actual knowledge, without obligation for further investigation: (a) Lessor has on the date of this Lease and Lessor will have on the Closing Date and, if Lessee exercises the Purchase Option, Lessor will convey to Lessee good and indefeasible fee simple title to the Hotel Premises, subject only to the Permitted Exceptions; and (b) there are no contracts or other obligations outstanding for the sale, exchange or transfer of the Hotel Premises or any portion thereof.

(e) If Lessee exercises the Purchase Option, the purchase price (the "Purchase Price") for the Hotel Premises shall be either (i) the sum of $10,000 or (ii) if Lessee receives confirmation from the Comptroller that construction supplies relating to construction of the Hotel and Improvements are exempt from sales tax, then the sum of the fair market values of the Hotel Land, Hotel, and Improvements (as determined by a qualified appraisal selected by Lessee at the time of purchase) less $[ ] (the closing of the Purchase Option, Lessor's delivery of the Purchase Price to Lessor, and Lessor's conveyance of the Hotel Premises to Lessee (the "Closing") shall occur on a date designated by Lessee (by at least ten (10) days' advance written notice to Lessor) (the "Closing Date"), but if the Closing Date has not yet occurred on the final day of the Term, the Term shall be deemed extended until the Closing Date without Lessee having to pay any additional Rentals hereunder. Lessor and Lessee shall conduct an escrow-style closing through a title company as selected by Lessee (the "Title Company") so that it will not be necessary for any party to physically attend the Closing. At the Closing, Lessor shall deliver to Lessee: (a) a special warranty deed or deeds, properly executed by Lessor and witnessed and notarized for recording, conveying fee simple title to the Hotel Premises insurable by the Title Company, free and clear of all liens, restrictions, encumbrances, easements, tenancies, contracts and other matters except for the Permitted Exceptions; (b) a bill of sale conveying title to any and all personal property owned by Lessor and used in connection with the Hotel Premises; (c) an owner's title affidavit and indemnity in the extent allowed by law in form and substance satisfactory to the Title Company, which affidavit shall be sufficient to permit Lessee to obtain title insurance without standard exception for liens of laborers, mechanics or materialmen, or parties in possession; and (d) such other instruments and documents as are customary for real property closings in Nueces County, Texas. At the Closing, the costs for closing, insuring title, and recording shall be paid by Lessee. Lessor and Lessee shall each pay its own attorneys' fees.

(f) In addition to the acts recited in this Section 7.1 to be performed by Lessor and Lessee, Lessor and Lessee agree to perform or cause to be performed at the Closing or after the Closing any and all such further acts as may be reasonably necessary to consummate the transactions contemplated by this Section 7.1.

Section 7.2 Termination of Lease. In the event that the Hotel Premises are to be acquired by Lessee pursuant to Lessee's exercise of the Purchase Option, Lessor and Lessee shall terminate this Lease and file a memorandum of termination in the Deed Records of Nueces County.

ARTICLE 8
INDEMNITY

Section 8.1 Indemnity. Lessee shall indemnify, protect, defend, and hold harmless Lessor, Lessor's officers, directors, affiliates, employees, agents, and council members (collectively, the "Indemnitees" or "Indemnitees") for, from, and against any and all damages, losses, liabilities (joint or several), payments, obligations, penalties, claims, litigation, demands, defenses, judgments, suits, proceedings, costs, disbursements or expenses (including, without limitation, fees, disbursements and reasonable expenses of attorneys, accountants, and other professional advisors and of expert witnesses and...
costs of investigation and preparation) of any kind or nature whatsoever (collectively, the “Damages”),
directly or indirectly resulting from, relating to or arising out of:

(a) the maintenance, operation, use, or occupancy of the Hotel, or the business of Lessee, and
the other Improvements, including, without limitation, any Damages with respect to contracts or attributable
to bodily injury, sickness, disease or death, to personal injury, or to injury or destruction of property,
including loss of use resulting therefrom, provided, however, that the foregoing indemnity shall only apply
during Lessee’s leasehold of the Hotel;

(b) the formation, organization and operation of Lessee, or any subsidiaries of Lessee;

(c) any material breach of or inaccuracy in any representation or warranty made or given by
Lessee or any of its agents, officers, or employees contained in this Lease; or

(d) any material breach or non-performance, partial or total, by Lessee of any covenant or
agreement of Lessee contained in this Lease.

Section 8.2 Indemnification Procedures. In case any claim shall be brought or, to the
knowledge of any Indemnitee, threatened against any Indemnitee in respect of which indemnity may be
sought against Lessee, such Indemnitee shall promptly notify Lessee in writing; provided, however, that
any failure so to notify shall not relieve Lessee of its obligations under Section 8.4 unless (i) such failure to
notify precludes Lessee’s investigation and defense of such claims as a matter of law, and (ii) Lessee does
not otherwise have knowledge, either actual or constructive, of such claim. Lessee shall have the right (and
obligation, subject to the terms below) to assume the investigation and defense of all claims, including the
employment of counsel and the payment of all expenses. Each Indemnitee shall have the right to employ
separate counsel in any such action and participate in the investigation and defense thereof, but the fees and
expenses of such counsel shall be paid by such Indemnitee unless (i) the employment of such counsel has
been specifically authorized by Lessee in writing, (ii) Lessee has failed after receipt of notice of such claim
to assume the defense and to employ counsel, or (iii) the named parties to any such action (including any
impeaded parties) include both an Indemnitee and Lessee, and the Indemnitee, after consultation with its
counsel, reasonably believes that there may be one or more legal defenses available to it which are different
from or additional to those available to Lessee (in which case, if such Indemnitee notifies Lessee in writing
that it elects to employ separate counsel at Lessee’s expense. Lessee shall not have the right to assume
the defense of the action on behalf of such Indemnitee; provided, however, that Lessee shall not, in connection
with any one action or separate but substantially similar or related actions in the same jurisdiction arising
out of the same general allegation or circumstances, be liable for the reasonable fees and expenses of more
than one separate firm of attorneys for the Indemnitee, which firm shall be designated in writing by the
Indemnitees). Each Indemnitee shall cooperate with Lessee in the defense of any action or claim. Lessee
shall not be liable for any settlement of any action or claim without Lessee’s consent, but if any such action
or claim is settled with the consent of Lessee or there be final judgment or agreement for the plaintiff in
any such action or with respect to any such claim, Lessee shall indemnify and hold harmless the Indemnitees
from and against any Damages by reason of such settlement or judgment as provided in this Article VIII.

Section 8.3 Negligence of Indemnitee. THIS INDEMNIFICATION REMAINS IN FULL
FORCE AND EFFECT EVEN IF ANY CLAIM DIRECTLY OR INDIRECTLY RESULTS FROM,
ARISES OUT OF, OR RELATES TO OR IS ASSERTED TO HAVE RESULTED FROM, ARISEN
OUT OF, OR RELATED TO THE SOLE NEGLIGENCE OR CONCURRENT NEGLIGENCE OF
AN INDEMNITEE. THE ONLY CIRCUMSTANCES UNDER WHICH THIS INDEMNITY
SHALL NOT APPLY SHALL BE IN CONNECTION WITH LIABILITIES ATTRIBUTABLE TO
THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF AN INDEMNITEE.
Section 8.4 Survival, Right to Enforce. The provisions of this Article VIII shall survive the termination of this Lease. In the event of failure by Lessee to observe the covenants, conditions and agreements contained in this Article VIII, any Indemnitee may take any action at law or in equity to collect amounts then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of Lessee under this Article VIII. The obligations of Lessee under this Article VIII shall not be affected by any assignment or other transfer by Lessor of its rights, titles or interests under this Lease and will continue to inure to the benefit of the Indemnitees after any such transfer. The provisions of this Article VIII shall be cumulative with and in addition to any other agreement by Lessee to indemnify any Indemnitee.

ARTICLE 9
DEFAULT

Section 9.1 Events of Default. The occurrence of any of the following shall constitute an “Event of Default” by Lessee hereunder:

(a) The failure of Lessee to pay when due any installment of Rentals pursuant to Section 2.3 hereof, provided such failure continues for more than fifteen (15) days after Lessee receives written notice from Lessor that such installment is due.

(b) The material breach by Lessee of any other covenant, condition, or agreement required to be performed or observed by Lessee, if such breach has not been cured within thirty (30) days of delivery of notice of such breach to Lessee by Lessor, unless such breach, by its nature, cannot be cured within such thirty (30) day period, in which case so long as Lessee is diligently proceeding to cure such breach and is making reasonable progress in effectuating a cure, it shall not be deemed to be an Event of Default.

Section 9.2 Remedies of Lessor on Default.

(a) If any Event of Default shall have occurred, Lessor may, as its sole and exclusive remedies, elect to institute such action against Lessee as may appear necessary or desirable to collect such Rentals and any other amounts then due under this Lease, or to enforce performance and observance of such covenant, condition or obligation of Lessee hereunder, or to recover damages for Lessee’s non-payment, non-performance or non-observance of the same. In no event, however, will the occurrence of an Event of Default entitle Lessor to terminate this Lease or terminate Lessee’s possession of the Hotel Premises. Lessor shall use its best efforts to mitigate its damages after the occurrence of an Event of Default.

(b) Lessee shall pay all of Lessor’s reasonable fees and expenses, including reasonable attorneys’ fees, in enforcing any covenant to be observed by Lessee or pursuing any remedy upon an Event of Default.

Section 9.3 No Remedy Exclusive. No remedy herein conferred upon Lessor is intended to be exclusive of any other available remedy or remedies, and each such remedy shall be cumulative and shall be in addition to every other remedy given under this Lease except as otherwise stated in this Lease to the contrary.

Section 9.4 No Additional Waiver Implied By One Waiver; Consents to Waiver. The waiver of either party of any breach by the other party of any covenant, condition or obligation under this Lease shall not operate as a waiver of any subsequent breach of the same or a waiver of any breach of any other covenant, condition or obligation under this Lease, nor shall any forbearance by the non-defaulting party not breaches the same or with respect to any other breach.
Section 9.5  Delay not a Waiver. No delay or omission by Lessor of the exercise of any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or any acquiescence therein, and every power or remedy given by this Lease to Lessor may be exercised from time to time and as often as may be deemed expedient. Lessor may waive any Event of Default which in its opinion has been remedied before the entry of final judgment or decree in any suit, action or proceeding instituted by it under the provisions of this Lease or before the completion of the enforcement of any other remedies under this Lease. No such waiver shall extend to or affect any other existing or subsequent Event of Default or impair any rights or remedies consequent thereon.

Section 9.6  Default by Lessor. Lessor will be in default under this Lease if Lessor fails to perform any of its obligations hereunder and such failure continues for a period of thirty (30) days after Lessee delivers written notice of such failure to Lessor. Lessee must also deliver written notice of such failure to the holder(s) of any indebtedness or other obligations secured by any mortgage or deed of trust affecting Lessor’s interest in the Hotel Premises, of which Lessee has received notice. If such failure cannot reasonably be cured within the 30-day period, Lessor will not be in default hereunder as long as Lessor or such holder(s) commences the remedying of such failure within the 30-day period and diligently prosecutes the same to completion.

Section 9.7  Injunctive/Ancillary/Emergency Relief. Any party may seek injunctive relief or other form of ancillary relief at any time from any court of competent jurisdiction in Nueces County, Texas.

ARTICLE 10
MISCELLANEOUS

Section 10.1  Amendments, Changes and Modification. No amendment, change, addition to or waiver of any of the provisions of this Lease shall be binding upon the parties hereto unless in writing signed by Lessee and Lessor.

Section 10.2  Applicable Law. The Lease shall be governed exclusively by the provisions hereof and by the applicable laws of the State.

Section 10.3  Notices and Demands. Any notices or other communications required or desired to be given to the other party hereto shall be given in writing and delivered by courier, overnight delivery service, facsimile transmission or through the U.S. postal service, postage prepaid and by certified mail, return receipt requested, at the following addresses:

To Lessor:  
City of Port Aransas  
710 West Avenue A [Address]  
Port Aransas, Texas 78373  
Attention: City Manager

With a copy to:  
Brown & Hofmeister, L.L.P.  
740 E. Campbell Road, Suite 800  
Richmond, Texas 75081  
Attention: Jeffrey Moore

To Lessee:  
The Inn, Spa & Conference Center, [LP]  
[Address]  
Attention: Jeff Lamkin
Section 10.4 Successors and Assigns. The terms and provisions of this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

Section 10.5 Multiple Counterparts. This Lease may be executed in multiple counterparts, each of which shall be an original but all of which together shall constitute but one and the same instrument.

Section 10.6 Recitation. Lessor and Lessee shall not record this Lease, but both parties agree, on request of the other, to execute a memorandum of lease in the form attached hereto as Exhibit C, which memorandum of lease may be recorded by the requesting party.

Section 10.7 Estoppel Agreements. Within twenty (20) days after receipt of written request from the other party, Lessor and Lessee shall execute and deliver to each other (and to such other Person as the requesting party may designate) an estoppel certificate or agreement certifying that this Lease is unmodified and is in full force and effect (or if there have been modifications, stating that this Lease is in full force and effect as modified), stating that the requesting party is not in default (or stating the nature of any alleged default) and further stating any matters reasonably requested by the other party. Notwithstanding anything to the contrary set forth in this Section 10.7, neither Lessor nor Lessee will be required to execute such an estoppel certificate more often than two (2) times in any twelve (12)-month period.

Section 10.8 Unavoidable Default and Delays. After the date of execution of this Lease, the time within which any Party to this Lease shall be required to perform any act under this Lease shall be extended by a period of time equal to the number of days during which performance of such act is delayed by Force Majeure. The provisions of this Section 10.8 shall not operate to excuse either Party from prompt payment of the Rentals or any other payments required by the terms of this Lease. If a date falls on a Saturday, Sunday or Holiday, the date of performance shall be the next business day.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]
IN TESTIMONY WHEREOF, Lessor has caused its name to be subscribed below and attested by its City Secretary, pursuant to a resolution duly adopted by its City Council; and Lessee has caused its corporate name to be subscribed by its duly authorized officer pursuant to a resolution duly adopted by its board of directors, as of the year and day first above written.

Approved as to form:

______________________________
Michael G. Merris, City Attorney

ATTEST:

______________________________
Francisca Nixon, City Secretary

LESSOR:

CITY OF PORT ARANSAS, TEXAS

By: ____________________________
    David Parsons, City Manager

LESSEE:

THE INN, SPA & CONFERENCE CENTER,
[LP],
a Texas [limited partnership]

By: ____________________________
    Name: ________________________
    Title: ________________________
EXHIBIT A

DESCRIPTION OF THE LAND COMPRISING THE HOTEL PREMISES
EXHIBIT B

PERMITTED EXCEPTIONS
EXHIBIT C

MEMORANDUM OF LEASE

This Memorandum of Lease (herein the “Memorandum”) is executed by and between the CITY OF PORT ARANSAS, TEXAS, a Texas home-rule municipality (“Lessor”) and THE INN, SPA & CONFERENCE CENTER, [LP], a Texas limited partnership (“Lessee”).

RECITALS:

A. The parties hereto have made and entered into that certain Lease Agreement (as described hereinbelow).

B. The parties desire to record a Memorandum of Lease to provide notice to third parties of the Lease.

AGREEMENTS:

NOW, THEREFORE, Lessor and Lessee do hereby make and enter into this Memorandum for the purposes described above:

1. Description of Hotel Premises. Lessor and Lessee have made and entered into that certain Hotel Lease Agreement (as same may be hereafter renewed or amended, the “Lease”) dated effective as of [date], covering the Hotel Premises described hereinbelow, providing for the lease by Lessee from Lessor of such Hotel Premises upon the terms and conditions set forth in such Lease. The Lease applies to all of that certain tract or parcel of land situated in the City of Port Aransas, Nueces County, Texas, which land is more particularly described in Exhibit A attached hereto, incorporated herein by this reference, and made a part hereof for all purposes (the “Hotel Premises”).

2. Term of Lease. The Term of the Lease commences on the date Lessee obtains a building permit from the applicable governmental authorities relating to the construction of the Hotel and continues for forty [40] years [ninety-nine (99) years] thereafter. Lessor and Lessee will execute a Memorandum of Commencement Date confirming the actual Commencement Date and the expiration date of the Term.

3. Option to Purchase. Lessee has the option to purchase the Hotel Premises at any time after the Effective Date as defined in the Lease. Lessee’s option to purchase is subject to the terms and conditions more particularly described in Article VII of the Lease.

4. Lease Amendments. The Lease may not be orally amended.

5. General. Nothing contained in this Memorandum shall be deemed or construed to amend, modify, change, alter, amplify, interrupt or supersede any of the terms or provisions of the Lease. In the event of a conflict between the terms of the Lease and the terms of this Memorandum, the terms of the Lease shall prevail and be controlling. This Memorandum may be executed in multiple counterparts, and each counterpart shall be deemed an original hereof. Accordingly, this Memorandum shall become binding, notwithstanding the execution of separate originals hereof, one by each of the parties hereto. Capitalized terms used but not defined in this Memorandum will have the definitions ascribed to such terms in the Lease.

[Signatures appear on the following page]
IN WITNESS WHEREOF, the parties hereto have executed this Memorandum on the dates set forth in the acknowledgments attached hereto, but to be effective as to the ___ day of ___________, 20[ ]:

LESSOR:

CITY OF PORT ARANSAS,
a Texas home-rule municipality

By: ________________________________
Name:   David Parsons
Title: City Manager

LESSEE:

THE INN, SPA & CONFERENCE CENTER,
[LP],
a Texas [limited partnership]

By: ________________________________
Name: ________________________________
Title: ________________________________
STATE OF TEXAS

COUNTY OF NUECES

This instrument was acknowledged before me on the ______ day of __________, 20__, by [Name], the City Manager of the CITY OF PORT ARANSAS, TEXAS, a Texas home-rule municipality, on behalf of said city.

[SEAL]

Notary Public, State of Texas

STATE OF TEXAS

COUNTY OF ______

This instrument was acknowledged before me on the ______ day of ________, 20__, by [Name], the ______ of THE INN, SPA & CONFERENCE CENTER, [LP], on behalf of said [limited partnership].

[SEAL]

Notary Public, State of Texas
EXHIBIT A

Hotel Premises
EXHIBIT D
MEMORANDUM OF COMMENCEMENT DATE

This MEMORANDUM OF COMMENCEMENT DATE ("Memorandum") is entered into on , 20 , between the CITY OF PORT ARANSAS, TEXAS ("Lessor"), and THE INN, SPA & CONFERENCE CENTER, [LP], a Texas [limited partnership] ("Lessee").

RECATALS
A. Lessor and Lessee entered into that certain Hotel Lease Agreement dated , 20 (the "Lease"), relating to the land described on Exhibit A attached hereto. The Lease is evidenced by that certain Memorandum of Lease recorded in Volume , Page of the Real Property Records of Nueces County, Texas. All terms used but not defined herein have the meanings set forth in the Lease.

B. Lessor and Lessee wish to confirm certain matters relating to the Lease.

AGREEMENT

1. Commencement Date. Lessor and Lessee certify that the Commencement Date under the Lease is , 20 , and the Lease Term is scheduled to expire on , 2 .

2. Entire Agreement, No Amendment. The Lease constitutes the entire agreement between Lessor and Lessee. The Lease has not been amended and is in full force and effect. This Memorandum supplements but does not amend the Lease. This Memorandum may be recorded by either Lessor or Lessee in the Real Property Records of Nueces County, Texas.

EXECUTED as of the date set forth above.

LESSOR:

CITY OF PORT ARANSAS, TEXAS

By: ____________________________
Name: ____________________________
Title: ____________________________

LESSEE:

THE INN, SPA & CONFERENCE CENTER, [LP]

By: ____________________________
Name: ____________________________
Title: ____________________________
STATE OF TEXAS §
COUNTY OF NUECES §

This instrument was acknowledged before me on the ______ day of ________, 20[ ] by David Parsons———, the City Manager of the CITY OF PORT ARANSAS, TEXAS, a Texas home-rule municipality, on behalf of said city.

[ SEAL ]
Notary Public, State of Texas
My Commission Expires:___________
(Printed Name of Notary Public)

STATE OF TEXAS §
COUNTY OF ____ §

This instrument was acknowledged before me on the ______ day of ________, 20[ ], by CENTER,[LP], on behalf of said [limited partnership].

[ SEAL ]
Notary Public, State of Texas
My Commission Expires:___________
(Printed Name of Notary Public)
EXHIBIT A

Hotel Premises
CHAPTER 380 ECONOMIC DEVELOPMENT AGREEMENT

This Agreement (the "Agreement") is entered into as of the ___ day of ___ , 2019, to be effective as of the___ day of ___ , 2019 (the "Effective Date"), by and between the CITY OF PORT ARANSAS, a Texas home rule municipality (the "City"), and THE INN, SPA & CONFERENCE CENTER, [LP], a Texas [limited partnership] (the "Developer").

BACKGROUND:

1. The Developer is the owner of that certain real property of approximately ___ acres of land located in the City of Port Aransas, Nueces County, Texas, as more particularly described in Exhibit A attached hereto (the "Land");

2. Upon the execution of this Agreement and the Development Agreement between the City and the Developer dated as of this date (the "Development Agreement"), the Developer plans to develop and construct upon the Land a hotel containing approximately 175 guest rooms, as well as a rooftop entertainment space, full service restaurant, lobby lounge, and a business center (collectively, the "Hotel");

3. The Developer also plans to construct and develop other facilities to support the Hotel and Conference Center, such as a spa facility, live/work spaces, retail businesses, parking garage, and accompanying infrastructure improvements (such businesses, facilities, and revenue-generating activities together with the Hotel, the "Hotel Project"), and also develop a conference center as part of the Hotel that will contain approximately 22,000 square feet of meeting and conference space (the "Conference Center", and together with the Hotel Project, the "Improvements");

4. Upon Substantial Completion of the Project (as defined in the Development Agreement), the Developer desires to convey the Land and the Improvements to the City for a price to be paid by the City of $[___]. Concurrently with the transfer of title to the Land and the Improvements from the Developer to the City, the City desires to lease to the Developer (i) the Hotel Project and the land underlying it, pursuant to the Hotel Lease Agreement between the City and the Developer dated [___], 20[___] (the "Hotel Lease"), and (ii) the Conference Center and the land underlying it, pursuant to the Conference Center Lease Agreement between the City and the Developer dated [___], 20[___] (the "Conference Center Lease");

5. The Developer has requested that the City authorize and provide certain economic development grants as provided herein; and

6. Pursuant to Chapter 380 of the Texas Local Government Code and for the public purpose of promoting economic development and diversity, increasing employment, reducing unemployment and underemployment, expanding commerce, and stimulating business and
commercial activity in the State of Texas, Nueces County, and the City, the City desires to offer
certain economic development grants to the Developer as more particularly described in this
Agreement.

7. The City has the authority under Chapter 380 of the Texas Local Government Code
to make loans or grants of public funds for the purposes of promoting local economic development
and stimulating business and commercial activity within the City of Port Aransas, Texas.

8. The City finds and determines that a grant of funds to Developer will serve the
public purpose of promoting local economic development and enhancing business and commercial
activity within the City of Port Aransas, Texas.

9. The City has concluded and hereby finds that this Agreement clearly promotes
economic development within the City of Port Aransas, Texas, and meets the requisites under
Chapter 380 of the Texas Local Government Code and further, is in the best interests of the City
and Developer.

10. The City has concluded and hereby finds that this Agreement clearly promotes
economic development in the City of Port Aransas, Texas, and, as such, meets the requirements of
 Article III, Section 52-a of the Texas Constitution by assisting in the development and
diversification of the economy of the state, by eliminating unemployment or underemployment in
the state, and by the development or expansion of commerce within the State of Texas.

NOW, THEREFORE, for and ACCORDINGLY, in consideration of the mutual
promises and agreements herein contained and for other good, valuable and binding consideration,
the receipt and sufficiency of which are hereby acknowledged, the City and the Developer agree
as follows:

1. **Subject of this Agreement.** The Developer will construct and operate the Hotel
Project and the Conference Center pursuant to the terms of the Development Agreement, as further
described in the submittals filed with the City in order to obtain such permits as may be required
under applicable City ordinances, and generally in accordance with the Site Plan attached hereto
as Exhibit B (the “Site Plan”), as such Site Plan may be modified during the approval process with
the City.

2. **Economic Development Grants.** Subject to the terms and conditions of this
Agreement and the Development Agreement, and specifically the satisfaction of the conditions for
qualifying in Section 3 below, the City will provide economic development grants (each a “Grant”)
to the Developer as follows:

a. **City Hotel Occupancy Tax.** On a quarterly calendar basis, the
reimbursement of an amount equal to one hundred percent (100%) of the hotel occupancy
tax (“HOT”) lawfully assessed and actually collected and received by the City pursuant to
Chapter 351 of the Texas Tax Code that is derived from or attributable to the Hotel for a
period of ten (10) years commencing on the first day of the first month following the month in which a certificate of occupancy is issued for the Hotel (the “HOT Grant”).

b. **City Sales Tax.** On a quarterly calendar basis, and in accordance with the timing prescribed in Section 5 hereof, one hundred percent (100%) of the amount of revenue from a municipal sales tax, at the rate of one percent (1.0%), lawfully assessed and actually received by the City pursuant to Texas Tax Code Sections 321.101(a) and 321.103 that is derived from or attributable to sales transacted in the geographic area within, adjacent to, or near the Hotel that is approved by the Texas State Comptroller as meeting the requirements of Section 351.102(b) of the Tax Code (the “Approved Tax Zone”), whether by the Developer or another person or entity, for a period of ten (10) years commencing on the first day of the first month following the month in which a certificate of occupancy is issued for the Hotel (the “Merchandise Tax Grant”). The municipal sales tax subject to this Agreement does not include the Type B economic development sales tax, authorized by Chapter 315 of the Texas Local Government Code, at the current rate of one-half of one-percent (0.50%).

c. **City Hotel Beverage Sales and Gross Receipts Tax.** On a quarterly calendar basis, or within ten (10) days of receipt by the City, whichever is later, one hundred percent (100%) of the amount of the revenue collected by the State of Texas and actually paid to and received by the City from permits in the City as described in Section 183.051(b) of the Texas Tax Code from the mixed beverage sales taxes and mixed beverages gross receipts taxes lawfully assessed and collected by the State of Texas pursuant to Subchapters B and B-1 of Chapter 183 of the Texas Tax Code that are derived from or attributable to mixed beverage sales transacted in the Approved Tax Zone, whether by the Developer or another person or entity, for a period of ten (10) years commencing on the first day of the first month following the month in which a certificate of occupancy is issued for the Hotel (the “Beverage Tax Grant”).

d. **State Hotel Occupancy Tax.** Subject to the receipt of a favorable Private Letter Ruling (as described below), on a quarterly basis, or within sixty (60) days of receipt by the City, whichever is later, one hundred percent (100%) of the amount of revenue from the HOT lawfully assessed and collected by the State of Texas pursuant to Chapter 156 of the Texas Tax Code and actually refunded to the City by operation of Sections 351.102 and 151.429(h) of the Texas Tax Code, and that is derived from or attributable to the Hotel, for a period of ten (10) years, commencing on the first day of the first month following the month in which a certificate of occupancy is issued for the Hotel.

e. **State Sales Tax.** Subject to the receipt of a favorable Private Letter Ruling (as described below), on a quarterly basis, or within sixty (60) days of receipt by the City, whichever is later, one hundred percent (100%) of the amount of revenue from a sales tax lawfully assessed and collected by the State of Texas pursuant to Chapter 151 of the Texas Tax Code that is derived from or attributable to sales transacted in the Approved Tax Zone, whether by the Developer or another person or entity, for merchandise physically located in the Approved Tax Zone, and actually refunded to the City by operation of Sections 351.102 and 151.429(h) of the Texas Tax Code, for a period of ten (10) years, commencing.
on the first day of the first month following the month in which a certificate of occupancy is issued for the Hotel.

Offset of Ad Valorem Tax. For a period of twenty (20) years, commencing on the first day of the first month following the month in which a certificate of occupancy is issued for the Hotel, and to the extent that the amount of real property improvements and business personal property ad valorem taxes assessed against the Hotel and actually received by the City are less than the amounts set forth on Exhibit E, the City shall be entitled to offset such difference in any particular year by reducing the payments made pursuant to this Agreement. City shall have the right to decide in its sole discretion which of the Grants shall be reduced in any such year.

"Private Letter Ruling" will mean a private letter ruling from the Texas Comptroller of Public Accounts on which the City and/or the Developer may rely regarding, among other things: (1) whether the City and the Hotel Project meet the necessary requirements pursuant to Sections 351.102 and 151.429(h) of the Texas Tax Code and Section 2303.5055 of the Texas Government Code in order for the City to receive certain tax refunds; and (2) whether sales tax exemptions are available for some or all of the services and materials to be purchased for construction of the Hotel Project, (including the Conference Center).

3. Term of this Agreement. The term of this Agreement will commence on the Effective Date and will continue until the date that each Grant has been fully disbursed in accordance with the terms of this Agreement, unless earlier terminated under Section 6(d) hereof (the "Term").


The parties agree that the dollar amount of sales tax receipts eligible for the Merchandise Tax Grant payable to the Developer will be derived from the sale within the Approved Tax Zone of all eligible items subject to sales and use tax (collectively the "Taxable Items"), and the sales and use tax information furnished by the Developer and the Texas Comptroller or any successor agency charged with collecting such information and preparing such reports. In order to obtain the Merchandise Tax Grants, the Developer must provide the City with a Sales Tax Certificate ("Sales Tax Certificate") in the form attached hereto as Exhibit C for each applicable calendar quarter, or portion thereof, during the term of this Agreement. The Sales Tax Certificate will at a minimum contain, include, or be accompanied by the following:

a. A schedule detailing the amount of sales and use tax collected by the Developer or its permitted assignees or its Affiliates, lessees, sublicensees, or licensees and/or any other party conducting business at the Hotel Project (collectively, the "the Developer Parties") and paid to the Texas Comptroller for the previous calendar quarter;

b. A copy of all sales and use tax returns and reports, sales and use tax prepayment returns, direct payment permits and reports, including amended sales and use tax returns or reports, filed by the Developer Parties with the Texas Comptroller for the
previous calendar quarter period showing the sales and use tax collected and paid to the Texas Comptroller for the Hotel Project;

c. A copy of all direct payment and self-assessment returns, including amended returns, filed by the Developer Parties with the Texas Comptroller for the previous calendar quarter period showing the sales and use tax collected in the Approved Tax Zone;

d. Information concerning any refund or credit received by the Developer Parties from the Texas Comptroller of sales and use tax paid or collected in the Approved Tax Zone which has been reported by any one or more of the Developer Parties in a Sales Tax Certificate for a previous calendar quarter and for which an installment of one or more Merchandise Tax Grants has been paid by the City; and

e. A schedule detailing the total sale of Taxable Items in the Approved Tax Zone for the previous calendar quarter.

The City will pay the Developer installments of the applicable Merchandise Tax Grants from the sales tax receipts received for each quarter of the calendar year within sixty (60) days of receipt of the Sales Tax Certificate and accompanying information required above.

In the event the City pays any portion of a Merchandise Tax Grant to the Developer for a particular period based upon a statement or information provided by the Developer to the City that the State Comptroller had indicated is incorrect and which, if corrected, would have resulted in the Developer not being entitled to a portion of such Merchandise Tax Grant related to the applicable period for which the statement or information was provided, then the Developer will refund to the City the portion of such Merchandise Tax Grant which the Developer received based upon such inaccurate statement or information within thirty (30) days after receipt of written demand by the City. The City will have the right to either (i) credit such portion of the previously-paid Merchandise Tax Grant against the next forthcoming Merchandise Tax Grant to be paid by the City to the Developer, or (ii) require repayment of the amounts in excess of what was due.

In the event that the City pays any portion of a Merchandise Tax Grant to the Developer for a particular period based upon a statement or information provided by the Developer to the City that is incorrect and which, if corrected, would have resulted in the Developer being entitled to additional funds for such Merchandise Tax Grant related to the applicable period for which the statement or information was provided, then upon verification by the City of such inaccurate information, the City will pay to the Developer the portion of such Merchandise Tax Grant which the Developer would have received, but did not receive, based upon such inaccurate statement or information. The City will pay the additional portion due to the Developer with the next forthcoming Merchandise Tax Grant to be paid to the Developer.

5. Confidentiality. The Developer Parties will sign and submit to the City and the Texas Comptroller, the Waiver of Sales Tax Confidentiality form attached hereto as Exhibit D. The Developer and the City acknowledge that the information regarding sales taxes generated within the Approved Tax Zone is commercial or financial information which is proprietary and
confidential, the disclosure of which could cause competitive harm to the Developer Parties. To the extent permitted by law and in conformity with the Texas Public Information Act (the “PIA”), the City will maintain the confidentiality of the information contained in the Sales Tax Certificates or similar reporting forms filed by the Developer Parties with the Texas Comptroller regarding the sales tax revenue generated in the Approved Tax Zone (collectively, the “Sales Information”), but will be permitted to disclose the Sales Information to such employees and consultants of the City as the City, in its reasonable discretion, deems appropriate in order to process and pay the Merchandise Tax Grant.

If the City receives any PIA requests for public information or court orders to release any of the Sales Information, then prior to responding to the same, the City will, as soon as practically possible after receipt of any such request or court order, provide the Developer with prior written notice by email or overnight mail to the Developer contacts listed in Section 9(g) below.

6. **Default.**

   a. Each of the following will constitute an “Event of Default” under this Agreement:

      (i) the City’s failure to pay any portion of the Grants owing to the Developer in accordance with this Agreement;

      (ii) the Developer’s failure to pay any real or personal property ad valorem taxes or other material fees or charges owed by the Developer to the City prior to delinquency (provided, however, the Developer retains the right to timely and properly protest and contest any such taxes or fees, and so long as the Developer is timely and properly contesting or contesting the same, it will not constitute an Event of Default);

      (iii) an attempted assignment of this Agreement by the Developer in violation of the terms set forth in Section 8 hereof; or

      (iv) a material breach of any representation or covenant made in this Agreement by the Developer or the City.

   b. **Notice and Cure Periods.** In the event of the occurrence of an Event of Default described under Section 6(a)(i)–(iii), the non-defaulting party must provide written notice in accordance with Section 9(g) hereof to the defaulting party of such default, and the defaulting party will have thirty (30) days thereafter (as may be extended by Force Majeure) to cure said default.

In the event of the occurrence of an Event of Default described under Section 6(a)(iv), the non-defaulting party must provide written notice in accordance with Section 9(g) hereof to the defaulting party of such default, and the defaulting party will have thirty (30) days thereafter (as may be extended by Force Majeure) to cure said default; provided, however, if the defaulting party is diligently pursuing the cure of such default, but such default is not
reasonably curable within thirty (30) days, then the defaulting party will have such additional amount of time as is reasonably necessary to cure such default.

c. Remedies. Upon the occurrence and during the continuance of an Event of Default, the non-defaulting party shall have all remedies available to it at law or in equity, except as may be specifically limited in this Section 6.

Without terminating this Agreement, the Developer and the City have the right hereunder to enforce specific performance or bring an action to collect amounts owing upon an Event of Default. Either party will further have the right to seek a judicial declaration of the total amount of Grants owed. No action will lie for damages by either party (beyond the foregoing amounts owed by the City upon an Event of Default by the City), including punitive damages, and no special or consequential damages will be recovered by either party.

TO THE EXTENT ALREADY WAIVED PERMITTED BY APPLICABLE LAW, INCLUDING CHAPTER 271 OF THE TEXAS LOCAL GOVERNMENT CODE, AS AMENDED, THE CITY VOLUNTARILY WAIVES ITS RIGHT TO ASSERT SOVEREIGN OR GOVERNMENTAL IMMUNITY FROM SUIT OR LIABILITY IN RESPONSE TO AN ACTION BY THE DEVELOPER SEEKING ONLY THE REMEDIES SPECIFIED IN THIS AGREEMENT. THE CITY DOES NOT OTHERWISE WAIVE IMMUNITIES EXISTING UNDER APPLICABLE LAWS, AND IT IS EXPRESSLY UNDERSTOOD THAT THE WAIVER HEREIN GRANTED IS A LIMITED AND NOT A GENERAL WAIVER, AND THAT ITS EFFECT IS LIMITED TO SPECIFIC CLAIMS UNDER THIS AGREEMENT.

d. Termination. This Agreement will terminate upon the occurrence of any one of the following:

(i) the execution by both parties of a written agreement terminating this Agreement;

(ii) the expiration of the term of this Agreement;

(iii) at the option of the non-defaulting party, upon the occurrence and continuation of an Event of Default (subject to the notice and cure provisions of Section 6(b) above).

e. Attorney’s fees may be awarded by a court of competent jurisdiction in any legal proceeding to enforce this Agreement, in which case the attorney’s fees will be paid by the party so ordered to pay.

7. Force Majeure. For purposes of this Agreement, the term “Force Majeure” will mean and include (a) labor disputes, strikes, lockouts, action of labor unions; (b) inability after exercising reasonable efforts to procure, or general shortage of, labor, equipment, facilities, materials, or supplies in the ordinary course of business on the open market; (c) fire, earthquake, floods, explosion, act of God, severe and adverse weather conditions; (d) war, invasion, riots,
insurrections, civil commotion, mob violence, sabotage, act of the public enemy, terrorist acts; (e) condemnation, requisition, moratorium, unusual delay in transportation, unforeseeable acts, or failures to act by the City or any other governmental entity or their respective agents or employees, unforeseeable governmental restrictions, regulations, or controls; or (f) other causes beyond the reasonable control of the Developer after the exercise of due diligence. Force Majeure will not mean nor include delays caused by the Developer’s lack of, or inability to obtain, funding.

8. Assignment. Except as may otherwise be provided under this Section 8, this Agreement may not be assigned without the City’s prior written consent (such consent not to be unreasonably withheld, conditioned or delayed). Any purported assignment in violation of this Agreement is void. Notwithstanding the foregoing, the Developer may assign its rights and obligations under this Agreement without the prior written consent of the City to affiliates or subsidiaries of the Developer, so long as such affiliate or subsidiary continues to be wholly-owned, directly or indirectly, by the Developer or one of its constituent parties. In the event the City consents to an assignment of this Agreement by the Developer, no further assignment shall be made without the express consent in writing of the City, unless such assignment may otherwise be made without such consent pursuant to the terms of this Agreement. Except as otherwise set forth herein, an assignment by the Developer of its interest in this Agreement shall not relieve the Developer from its obligations under this Agreement unless approved by the City.

Notwithstanding anything to the contrary set forth in this Agreement, to the extent the Lessee under the Hotel Lease and Conference Center Lease (the “Leases”) is entitled to assign its rights and obligations under the Leases to any party, the Developer may likewise assign its rights and obligations under this Agreement to such assignee under the Leases without the further consent of the City, it being the intent of the parties hereto that the rights and obligations of the Developer under this Agreement follow the rights and obligations of the Lessee under the Leases, and run with the Land, the Hotel Land, and the Conference Center Land, as the case may be (as defined in the Leases).


a. It is acknowledged and agreed by the parties that the terms hereof are not intended to and will not be deemed to create a partnership or joint venture among the parties. It is further understood and agreed by the parties that the Developer and the City, in satisfying the conditions of this Agreement, have acted independently, and assume no responsibility or liability to third parties in connection with these actions.

b. This Agreement contains the entire understanding of the parties with respect to the matters contained herein and may not be modified or terminated except in accordance with the provisions hereof or by the mutual written agreement of the parties hereto.

c. This Agreement will be construed in accordance with the laws of the State of Texas and will be performable in Nueces County, Texas.

d. This Agreement will be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.
e. The individuals executing this Agreement on behalf of the respective parties below represent to each other and to others (i) that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so and on behalf of the party for which his or her signature appears, (ii) that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the party for whom the individual is signing this Agreement, and (iii) that each individual affixing his or her signature hereto is authorized to do so and such authorization is valid and effective on the date hereof. This Agreement was approved by the City Council of the City at its meeting on ____________, 2019.

f. This Agreement is executed by the parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.

g. Any notice and/or statement required and permitted to be delivered will be deemed delivered by depositing same in the United States mail, certified with return receipt requested, postage prepaid, addressed to the appropriate party at the following addresses:

<table>
<thead>
<tr>
<th>If to the City:</th>
<th>City of Port Aransas, Texas 710 West Avenue A Port Aransas, Texas 78373 [Address] Attention: City Manager</th>
</tr>
</thead>
<tbody>
<tr>
<td>With required copy to:</td>
<td>Brown &amp; Hofmeister, L.L.P. 740 E. Campbell Road, Suite 800 Richardson, Texas 75081 Attention: Jeffrey Moore</td>
</tr>
<tr>
<td>If to the Developer:</td>
<td>The Inn, Spa &amp; Conference Center, [LP] [Address] Attention: Jeff Lamkin</td>
</tr>
<tr>
<td>With required copy to:</td>
<td>Winstead PC 401 Congress Ave., Suite 2100 Austin, Texas 78724 Attention: David Dawson</td>
</tr>
</tbody>
</table>

Each party may change the address to which notice may be sent to that party by giving notice of such change to the other parties in accordance with the provisions of this Agreement.

h. This Agreement may be executed in any number of identical counterparts, each of which will be deemed an original for all purposes.

i. In case any one or more of the provisions contained in this Agreement will for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity,
illegality, or unenforceability will not affect any other provision hereof, and this Agreement will be construed as if such invalid, illegal, or unenforceable provision had never been contained herein. If any subsequent federal or state legislation or any decision of a court of competent jurisdiction declares or renders this Agreement or any part hereof invalid or illegal, the parties agree to terminate (or if feasible, modify) this Agreement and to negotiate in good faith a remedy that preserves the intent of the parties hereunder as much as reasonably possible.

j. Each signatory represents this Agreement has been read by the party for which this Agreement is executed and that such party has had an opportunity to confer with its counsel.

k. Time is of the essence in this Agreement.

l. The recitals to this Agreement are incorporated herein for all purposes. The following exhibits are attached to this Agreement and incorporated by reference herein for all purposes:

   Exhibit A — Land
   Exhibit B — Site Plan
   Exhibit C — Form of Sales Tax Certificate
   Exhibit D — Waiver of Sales Tax Confidentiality
   Exhibit E — Projected Ad Valorem Taxes

m. The parties agree this Agreement has been drafted jointly by the parties and their legal representatives.

n. This Agreement shall confer no vested rights on the Hotel Project, or any portion thereof, unless specifically enumerated herein. In addition, nothing contained in this Agreement will constitute a "permit" as defined in Chapter 245, Texas Local Government Code. THE DEVELOPER WAIVES ANY STATUTORY CLAIM THAT THIS AGREEMENT ESTABLISHES VESTED RIGHTS UNDER CHAPTER 245 OF THE TEXAS LOCAL GOVERNMENT CODE. THIS SECTION WILL SURVIVE THE TERMINATION OF THIS AGREEMENT.

o. It is expressly understood that this Agreement will be binding upon and benefit the parties hereto only upon execution by both parties.

   At a time designated this Agreement as a revenue sharing agreement, thereby entitling the City to request from the State Comptroller the City's sales and use tax and Type B sales and use tax information, authorized by Chapter 505 of the Texas Local Government Code, pursuant to the authority contained in section 321.3022 of the Texas Tax Code, as amended,
Pursuant to Section 2270.002, Texas Government Code, the Developer hereby represents that neither the Developer, nor any wholly-owned subsidiary, majority-owned subsidiary, parent company or affiliate of the Developer "boycotts Israel", and subject to or as otherwise required by applicable federal law, including without limitation 50 U.S.C. Section 4607, agrees it will not boycott Israel during the term of this Agreement. As used in the immediately preceding sentence, "boycott Israel" shall have the meaning given such term in Section 2270.001, Texas Government Code.

The Developer hereby represents that a completed Certificate of Interested Parties Form 1295 ("Form 1295") generated by the Texas Ethics Commission’s (the "TEC") electronic filing application in accordance with the provisions of Section 2252.908, Texas Government Code and the rules promulgated by the TEC, was previously submitted to the City by the Developer in connection with this Agreement. The City hereby agrees to acknowledge such form with the TEC through its electronic filing application within 30 days of the effective date hereof. The Developer and the City understand and agree that, with the exception of information identifying the City and the contract identification number, neither the City nor its consultants are responsible for the information contained in any Form 1295 and neither the City not its consultants have verified such information. The City and the Developer also agree that the transactions contemplated by this Agreement and the respective obligations of the City and the Developer hereunder, shall not be modified, released, or excused by the failure of the Developer to properly complete a Form 1295, except as set forth in the following sentence. The submission of any Form 1295 by the Developer that does not provide a sufficient basis for the City to enter into this Agreement in accordance with Section 2252.908(d), Texas Government Code, shall result in the automatic dismissal and removal of the Developer from its duties and rights hereunder and the Developer shall not be considered a party to this Agreement.

The Developer represents that, to the extent this Agreement constitutes a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, solely for purposes of compliance with Chapter 2252 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, neither the Developer nor any wholly-owned subsidiary, majority-owned subsidiary, parent company or affiliate of the Developer is a company or partnership listed by the Comptroller under Sections 2270.0201 or 2252.153 of the Texas Government Code.
IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective on the Effective Date as described herein.

CITY:

CITY OF PORT ARANSAS, TEXAS, a Texas home rule municipality

By: ____________________________
    ____________________________
    Name: David Parsons
    Title: City Manager

THE DEVELOPER:

THE INN, SPA & CONFERENCE CENTER, [LP], a Texas [limited partnership]

By: ____________________________
    ____________________________
    Name: ____________________________
    Title: ____________________________

STATE OF TEXAS

COUNTY OF NUECES

This instrument was acknowledged before me on the _____ day of ____________, 2019, by David Parsons, City Manager of the City of Port Aransas, Texas, a Texas home rule municipality, on behalf of said municipality:

______________________________
Notary Public, State of Texas

STATE OF TEXAS

COUNTY OF ____________

This instrument was acknowledged before me on the _____ day of ____________, 2019, by [LP], a Texas [limited partnership], on its behalf:

______________________________
Notary Public, State of ____________
Exhibit A
Land — Metes and Bounds Description
Exhibit C
Form of Sales Tax Certificate
Exhibit D
Waiver of Sales Tax Confidentiality

I authorize the Texas Comptroller of Public Accounts to release sales tax information pertaining to the taxpayer indicated below to the City of Port Aransas. I understand that this waiver applies only to our retail store located in ____________.

Please print or type the following information as shown on your Texas Sales and Use Tax permit:

Name of Taxpayer Listed on Texas Sales Tax Permit:

Name under Which Taxpayer is Doing Business (d/b/a or Outlet Name):

Taxpayer Mailing Address:

Physical Location of business Permitted for Sales Tax in Port Aransas, Texas

Texas Taxpayer Number: ______________________________
Tax Outlet Number: ______________________________
(As Shown on Texas Sales Tax Permit)

Authorized Signature

Print Name of Authorized Signature

Position of Authorized Signature

Phone of Authorized Signature

The authorized signature must be the owner, officer, director, partner, or agent authorized to sign its Texas Sales Tax Return. If you have any questions concerning this waiver of confidentiality, please contact the Texas Comptroller of Public Accounts (512) 531-5441.

CHAPTER 380 AGREEMENT – EXHIBIT D
Exhibit E
Projected Ad Valorem Taxes
AGENDA ITEM: 8-1

Presentation, general discussion and possible action authorizing an amendment to the Port Aransas Boatmen Association Lease Agreement to include boat slips 809 to 812 at the Municipal Harbor and setting a new yearly rate.

SUBMITTED BY: City Manager

APPROVED FOR AGENDA: City Manager David Parsons

COMMENTARY: The City Council approved the Boatmen Lease Agreement at the November 2018 Regular City Council Meeting for 27 slips on docks #8 and #9. The Port Aransas Boatmen Association is requesting an amendment to this agreement to include slips 809-812. Staff requests to add to the agreement to allow the Boatmen’s Association to request additional slips only during the months of May and October of every year of the lease agreement.

ATTACHMENTS: 2018 Port Aransas Boatmen Association Lease Agreement

STAFF RECOMMENDATION: Motion to approve the amendment of the 2018 Port Aransas Boatmen Association Lease Agreement

COUNCIL ACTION REQUESTED: Port Aransas City Council review and authorize an amendment to the Port Aransas Boatmen Association Lease Agreement to include boat slips 809 to 812 at the Municipal Harbor and setting a new yearly rate.
LEASE
CITY OF PORT ARANSAS AND
PORT ARANSAS BOATMEN, INC.

THE STATE OF TEXAS
COUNTY OF NUECES

The parties to this sublease are Port Aransas Boatmen, Inc., a Texas Corporation, hereinafter called "Lessor," and the City of Port Aransas, Nueces County, Texas, a Texas Home Rule Municipal Corporation, hereinafter called "Lessor." The parties agree as follows:

Section 1. Sublease and Revocation of Prior Leases and Subleases:

A. Lessor does hereby lease to Lessee the following described property: Dock 8: slips 1, 2, 3, 4, 5, 6, 7, 8, 14, 15, 16, 18, and 26, and Dock 9: slips 907, 908A, 908B, 909, 912, 913A, 913B, and 914, together with all rights, privileges and appurtenances belonging, or in any way pertaining to, the said premises, together with the other improvements situated upon said demised premises, which property is hereinafter called the "leased premises"; on the terms and conditions hereinafter provided.

B. The parties do hereby revoke, cancel and annul forever all previous lease and sublease agreements between them and do hereby enter into this new agreement.

C. This agreement is in fact a sublease and Lessee hereby accepts this Lease subject to all of the terms and conditions of the underlying lease between the City of Port Aransas and Port Aransas Boatman, Inc., under which Lessor holds the leased premises as the Lessee. Lessee shall do no act or thing which would constitute a violation by Lessor of its obligations under such
underlying lease and further agrees to abide by any and all provisions set out in said underlying lease as if they were set out in full herein and made a part hereof. Nevertheless, this agreement is herein referred to as a lease, the parties as Lessor and Lessee, and the subject property as leased premises.

Section 2. Term:

A. The initial term of this Lease shall commence on January 1, 2019 and shall end on December 31, 2023 unless terminated earlier in accordance with the terms and provisions of this sublease. Lessee shall have the option to extend this Lease upon the same terms and conditions as set forth herein for an additional period of five (5) years commencing on the first day following the date of expiration of the initial term of this Lease. In the event Lessee desires to exercise the option, it shall deliver written notice of its election to exercise the option to Lessor at the address hereinafter stated, no less than thirty (30) and no more than ninety (90) days prior to the expiration of this Lease.

B. This lease shall automatically terminate upon the occurrence of any of the following:
   (1) Expiration of the underlying lease between the City of Port Aransas and the Port Aransas Boatman, Inc. covering the lease premises.
   (2) Lessee cancels lease in writing to the Lessor (30) days prior to cancellation date.

Section 3. Use of the Property:

A. Lessee shall use and occupy the leased premises for the docking of boats and related vessels of its members and for loading bait, ice, tackle, fish, supplies, provisions, passengers, and crew incident to the operation of a fishing boat for charter. Lessee shall also have the non-exclusive use of the parking areas adjacent to the leased premises. At Lessee's expense, the operation of fishing
boats for charter shall comply with all governmental laws, ordinances and regulations applicable to the use of the leased premises and with all governmental orders and directives for the correction, prevention and abatement of nuisances in or upon or connected with the leased premises.

B. Lessee is a Texas Non-profit Corporation, many of the members of which own vessels docked in the leased premises. If there is an excess of boat slips in the leased premises over and above the number of such slips needed to satisfy the docking needs of such members, then, under the following conditions, Lessee may rent slips to the general public:

(1) There must be no slip available in the City-owned docks of the appropriate size to accommodate the vessel;

(2) Prior to renting the slip, Lessee must contact Lessor and receive verbal assurance and confirmation that no such slip is available in the City-owned docks; and

(3) The price charged for rental shall be no less than the then prevailing rental being charged by Lessor for a similar slip in Lessor's docks.

If lessee wishes to expand the number of slips in this lease, a majority vote by city council shall be required. Notwithstanding anything hereinabove to the contrary, during a regatta, fishing tournament or other special event which causes a short term overload of Lessor's ability to accommodate transient guests, Lessor agrees to contact Lessee, or its agent, to ascertain whether or not Lessee's slips are full, and if they are not, those slips designated by Lessee may be rented to the public, for not more than, seven (7) days for any one event, by Lessor on behalf of Lessee at the same price charged by Lessor under similar circumstances and Lessor shall retain forty percent (40%) of such rentals collected as a commission and remit the remainder to Lessee.
C. Lessee shall not do anything or permit anything to be done on the leased premises, in any way tending to create a nuisance, tending to disturb any occupants or tenant-guests of neighboring property, or tending to injure the reputation of Lessor. Lessee shall not allow oversized boats (in accordance with Harbor master rules) to utilize leased boat slips. Furthermore, Lessee shall comply with all governmental health and police requirements and regulations respecting the leased premises and the use thereof and any rules imposed upon Lessor.

D. Lessee shall not make any alterations, additions or improvements to the leased property without the prior written consent of Lessor, except that Lessee may, without the prior written consent of Lessor, at its own cost and expense, and in a good and workmanlike manner, make minor alterations, additions or improvements, so long as they do not alter the basic character of the improvements, and so long as they comply with all applicable governmental laws, ordinances, regulations and other requirements. At the expiration or termination of this Lease, Lessee shall, if Lessor so elects, remove all alterations, additions, and improvements erected by Lessee and restore the premises to their original condition, otherwise such improvements shall be delivered up to Lessor with the premises. All such removals and restorations shall be accomplished in a good and workmanlike manner so as not to damage the primary structure or structural qualities of the improvements situated on the leased premises.

E. Lessee shall not permit the leased premises to be used for any purpose which would render the insurance thereon void or the insurance risk more hazardous or which will cause a cancellation of, or increase in, existing rates for fire, liability, property or other insurance policies insuring the leased premises or any improvements on the leased premises, or insuring Lessor for any liability in connection with ownership of the leased premises.
Section 4. Rent:

A. Annual rent to be paid to Lessor for the term of this Lease shall be the sum of Forty One Thousand Five Hundred and Eight Dollars ($41,508.00), which shall be due and payable to Lessor in advance in four (4) equal, annual installments of Ten Thousand Three Hundred and Seventy Seven Dollars ($10,377.00) each, commencing on or before the first (1st) day of each annual quarter, and continuing on the same day of each and every year thereafter, until the expiration of the initial term of this Lease, at such time and place in Nueces County, Texas, as may be designated by Lessor. (note: 2019 annual rent is discounted to $19,431.49 due to Hurricane Harvey prorated Boatman’s rent from the 2017/2018 lease).

B. In the event Lessee exercises the option to extend the term of this Lease, the rent which Lessee shall pay during and for the extended term shall be increased in proportion to the increase in (i) most current United States Department of Labor, Bureau of Labor Statistics, Consumer Price Index for all Urban Consumers (CPI-U) Houston, Texas - All Items (the "index") for the month of December of the last calendar year of the immediately preceding term over and above (ii) the corresponding index figure for the first full calendar month of the initial term. If such index should be discontinued, such calculation shall be made by use of another reputable index selected by Lessor. If the base period for the index (most current) hereinafter modified, the base period used in making the foregoing calculation shall be appropriately adjusted by Lessor to reflect such modification.

C. The rent for the extended term shall be due and payable to Lessor in four (4) equal, annual installments commencing on the first day of the extended term and continuing
thereafter on the same day of each and every year thereafter, until expiration of the extended term.

Section 5. Standards of Operation: Lessee covenants and agrees to at all times operate, furnish, service, and maintain the leased premises in a first-class manner, in keeping with the standards prevailing from time to time at other first-class operations similar to that of Lessee upon the leased premises. In order to maintain a high standard of operation, all personnel employed by Lessee in connection with the operation of the leased premises shall maintain strict standards of sanitation, cleanliness and demeanor, and Lessee shall immediately investigate any complaints which Lessor receives concerning breaches of this standard by Lessee's personnel.

Section 6. Operating Equipment and Maintenance of Leased Premises:

A. Lessor shall furnish Lessee upon the leased premises, all of the concrete docks, decking, plumbing and electrical service and fixtures, pipe and wiring situated on Dock Number 8, and fixed floating docks. Any additional items required by, Lessee in order to operate the demised premises in a first-class manner shall be furnished by the Lessee at its own cost and expense. Lessor shall be responsible for keeping the premises at mean low tide to a water depth within a boat slip to accommodate a boat of authorized size and length. Lessee should notify Lessor when adequate depth does not exist, at which time, Lessor shall take action to remedy the situation.

B. Except as may be expressly provided otherwise in this Lease, Lessor shall keep and maintain the premises including all concrete docks, equipment, fixtures, and other property owned by the Lessor, plumbing and electrical wiring and pipe, and related
apparatuses and appurtenances located on the leased premises, in good condition and repair. Lessor shall further maintain in good condition and repair the grounds around the leased premises, including the mowing of the grass, and the care of shrubs and general landscaping that the Lessor has authorized to be planted or created.

C. Lessor shall, at its own cost and expense, provided the replacement or repair is not necessitated by Lessee's negligence or breach of this agreement: pay all reasonable bills for repair and/or replacement of concrete docks, plumbing and electrical systems; and repair damages to the premises caused by acts of God. Lessee is obligated to make repairs resulting from damage caused by fire or other casualty that it has been determined has been caused by Lessee and/or its tenants.

D. Upon the expiration or termination of this Lease, Lessee shall return all property owned by Lessor in as good condition as it was in when Lessee took possession of it, ordinary wear and tear and other casualty by act of God excepted. Lessee may remove all of its personal property located upon the leased premises and any such property not removed shall be deemed abandoned and become the property of Lessor.

Section 7. Taxes:

Any operating taxes and charges arising out of the operation of Lessee's business upon the leased premises shall be promptly paid by Lessee prior to delinquency. Lessee shall submit to Lessor proof of payment of any and all such taxes or charges due and payable to any agency of federal, state, and municipal government, in connection with Lessee's operation upon the leased premises, including sales, use, privilege, employment security, business, payroll and all similar governmental taxes or charges. Proof of payment shall consist of a copy of the required tax form signed by Lessee, and a copy of all...
cancelled checks by which such payments are made. Lessee, upon request by Lessor, shall submit to Lessor copies of all required statutory reports no later than five (5) days after the same are required to be filed, together with copies of all cancelled checks as soon as the same are received from Lessee's bank.

Section 8. Restriction of Liens:

Lessee covenants and agrees that all personal property of Lessee on or hereafter located upon the leased premises shall be free from any liens, encumbrances, or adverse claims. Lessee covenants and agrees that it shall not allow any such liens to hereafter attach to any personal property located upon the leased premises.

Section 9. Utilities: Lessor agrees to make available, at its own expense, water, electricity, and any other utilities necessary for Lessee's operation upon the leased premises. Lessee agrees to pay for utility use fees on the same schedule as all other marina users.

Section 10. Insurance:

A. Lessee shall maintain and keep in full force and effect comprehensive general liability insurance against claims from personal injury, death or property damage occurring in or about the leased premises. Every individual vessel under this lease shall have general property damage liability in the amount of $100,000 each accident and bodily injury liability in the amount of $100,000 each person/$300,000 each accident. Lessee shall maintain all workmen's compensation insurance in amounts required by applicable statutes and regulations and such other insurance as is customary in that type of business operated by its individual members upon leased premises. Lessor shall be named as an additional insured in all of Lessee's liability insurance policies covering the leased premises and Lessee's operations and activities thereon, and shall
be furnished with certificates of such insurance showing that said policies cannot be terminated without the giving of ten (10) days' prior written notice to Lessor.

B. Lessee shall hold Lessor harmless and indemnify Lessor against any and all claims from personal injury, death or property damage resulting from Lessee's use of the premises.

Section 11. Fire, Storm and Other Casualty: In case of fire that it has been determined has been caused by Lessee, all required repairs will be made at the expense of Lessee. In case of fire not caused by Lessee, storm or other casualty affecting the leased premises, Lessee shall give immediate notice to Lessor, who shall, thereupon cause the damage to be repaired in the usual and customary manner of Lessor. In the event the leased premises remain tenantable after such fire, storm or other casualty, rent shall continue in full force and effect. However, in the event said premises are untenantable, as determined by Lessor, this lease shall continue in full force and effect, but rent shall abate until the premises are tenantable. If one hundred twenty (120) days after the damaging event, the leased premises are not tenantable or the repairs have not been completed, then either party hereto may terminate this lease upon fifteen (15) days written notice to the other party.

Section 12. Quiet Enjoyment: Lessee shall have the quiet and peaceful use and enjoyment of the leased premises, so long as Lessee performs all covenants, agreements, and conditions of this Lease.

Section 13. Landlord-Tenant Relationship: Nothing in this Lease shall be deemed to create a partnership, joint venture or agency between the parties hereto, the relationship being strictly that
of Lessor and Lessee.

Section 14. Signs and Advertising: Lessee shall carry on only such advertising on the leased premises as shall be approved by Lessor. Lessee shall not place, construct, or erect or cause to be placed, constructed or erected any signs of any nature whatsoever upon the leased premises without the prior written consent of Lessor. All signs must be in strict compliance with any applicable governmental rule or regulation. Lessee shall provide for the maintenance and upkeep of all its signs. Lessee shall have the right to use any and all sign or signs which are now upon the leased premises.

Section 15. Attorney's Fees: In the event either party hereto finds it necessary to employ legal counsel to institute legal action against the other to enforce any of the terms, covenants or conditions hereof, or interpret the same, the prevailing party in such action shall be paid all reasonable attorney's fees by the other party, and in the event any judgment is secured by such prevailing party, all such attorney's fees shall be included in any such judgment.

Section 16. Notices: Any notices to or demands upon either party hereto by the other, pursuant to this Lease, shall be in writing and shall be delivered in person or forwarded by registered or certified United States Mail, postage prepaid, addressed as follows:

To Lessor at: 710 W. Avenue A
Port Aransas, Texas 78373-4128

To Lessee at: P.O. Box 271
Port Aransas, Texas 78373
or elsewhere as either party hereto may from time to time designate by writing delivered or
forwarded to the other as indicated above. No such notice or demand shall be deemed to have been
duly given or made unless given or made in such manner.

Section 17. Default:

A. If default be made in the payment of the rent or any installment thereof, or in the
payment of any other sum required to be paid by Lessee hereunder, or any other agreement
between Lessor and Lessee, and such default shall continue for five (5) days after written notice
thereof to Lessee, or, if default shall be made in the performance of any of the covenants and
conditions which Lessee is required to observe and perform hereunder and such default shall
continue for fifteen (15) days after written notice thereof to Lessee, or if the interest of Lessee in
this Lease shall be levied on under execution or other legal process, or if any petition shall be filed
by or against Lessee to declare Lessee bankrupt or to delay, reduce or modify Lessee's debts or
obligations, or if any petition shall be filed or other action taken to reorganize or modify Lessee's
debts or obligations, or if any petition shall be filed or other action taken to reorganize or modify
Lessee's capital structure, or if Lessee be declared insolvent according to law, or if any assignment
of Lessee's property shall be made for the benefit of creditors, or if a receiver or trustee is
appointed for Lessee or its property, or if Lessee shall abandon or vacate the leased premises, then.
Lessor may treat the occurrence of any one or more of the foregoing events as a breach of this
Lease and thereupon at its option may, with notice to Lessee, in addition to all other rights and
remedies provided at law or in equity, terminate this Lease, re-enter the premises with or without
process of law and take possession of the same and of all equipment and fixtures therein, and expel
and remove Lessee and all other parties occupying the premises, using such force as may be
reasonably necessary to do so, without being liable to any prosecution for such re-entry or for the use of such force. No such termination or other remedy shall prejudice Lessor's rights and remedies against Lessee for unpaid past due rent. Lessor shall, upon execution hereof, have a lien as security for the rent and any other sums owed by Lessee to Lessor upon all goods, wares, chattels, implements, fixtures, tools, and other personal property of Lessee which are now or hereafter located upon the leased premises.

B. If default shall be made in the performance of any of the agreements, covenants or conditions which Lessor is required to observe and perform hereunder and such default shall continue for fifteen (15) days after written notice thereof to Lessor, then Lessee may treat such occurrence as a breach of this Lease and thereupon at its option may, with notice to Lessor, in additional all other rights and remedies provided at law or in equity, terminate this Lease, or Lessee may make any repairs or perform the necessary maintenance and Lessor shall reimburse Lessee for the cost.

Section 18. Assignment and Subletting: Lessee shall not assign its rights under this Lease or sublet the leased premises or any part thereof without the prior written consent of Lessor. Any such assignment or subletting without such consent shall be of no force or effect and shall be deemed a breach of this Lease. However, Lessor recognizes Lessee's right to rent the boat slips on the leased premises to its Members and to others in accordance with this Lease.

Section 19. Condition of Premises: Lessee's taking possession of the premises shall be conclusive evidence that the premises are in good order and satisfactory condition.
Section 20. Holding Over: Should Lessee, or any of its successors in interest, hold over the leased premises, or any part thereof, after the expiration of this Lease, unless otherwise agreed in writing, such holding over shall constitute and be construed as tenancy from month to month only at a monthly rental equal to the pro rata share of the rent paid on an annual basis.

Section 21. Indemnification:

A. Lessee shall indemnify and hold Lessor harmless from and against all claims, demands, causes of action, costs, attorney's fees, liabilities of any nature whatsoever arising out of this agreement, Lessee's use, operation, or occupancy of the leased premises and immediate vicinity (including conditions arising therefrom), whether such use, operation, or occupancy is authorized or not, or from any act or omission of Lessee, or its officers, agents, employees, guests, customers, or invitees.

B. Lessee, shall be liable to Lessor for any damage to Lessor's property caused by Lessee, or its officers, agents, or employees. Lessor does not and shall not in any way be responsible or liable for any of the financial obligations which may be incurred or created by Lessee, or its officers, agents or employees. Lessee further agrees to indemnify and hold Lessor harmless from any and all indebtedness resulting from the execution of this Lease.

Section 22. Access: Lessor and its agents shall have the right to enter the premises at all reasonable times for the purpose of examining or inspecting the same.

Section 23. Contractual Liens:
A. In addition to the statutory landlord's lien, for the purpose of securing the payment of all rentals' and other sums of money becoming due hereunder from Lessee to Lessor, Lessee grants to Lessor a security interest in and to and upon all goods, wares, equipment, fixtures, furniture, and other personal property of Lessee situated on the leased premises. Such property shall not be removed from the leased premises without the consent of Lessor, until this Lease has been fully performed by Lessee. Upon the occurrence of an event of default by Lessee, Lessor may, in addition to any other remedies provided herein by law, enter upon the leased premises and take possession of any and all goods, wares, equipment, fixtures, furniture, and other personal property of Lessee situated on the premises without liability for trespass or conversation, and sell the same with or without notice at public or private sale, with or without having such property at the sale, at which. Lessor or its assigns may purchase, and apply the proceeds thereof, less any and all expenses connected with the taking of possession and sale of the property, as a credit against any sums due by Lessee to Lessor. Any surplus shall be paid to Lessee or to such other parties entitled thereto, and Lessee agrees to pay any deficiency owed to Lessor forthwith. Lessor's contractual lien shall be subordinate to any financing lien given any bank or other lender.

B. Nothing herein shall give Lessor a lien on any boat or equipment owned by the individual member of the Port Aransas Boatmen, Inc.

Section 24. Non-Discrimination: Lessee shall be responsible for the fair and just treatment of all of its employees. Lessee warrants that it is and will continue to be an equal opportunity employer and hereby covenants that no employee or customer shall be discriminated against because of race, creed,
color or national origin. Violation of this provision shall be cause for immediate termination of this Lease by Lessor.

Section 25. Inspection: Lessor's personnel shall have the right to enter upon the leased premises at all times, for purposes of any inspection, repair, fire or police action, and the enforcement of this Lease.

Section 26. Miscellaneous:

A. All rights and remedies of Lessor under this Lease shall be cumulative and none shall exclude any other rights or remedies permitted by law.

B. Provisions hereof shall apply without regard to the number or gender of words or expressions used herein.

C. Each of the provisions of this Lease shall extend to and shall, as the case may require, bind or inure to the benefit not only of Lessor and of Lessee, but also their respective heirs, legal representatives, successors, and assigns, provided this clause shall not permit any assignment contrary to the assignment and subletting provisions of this Lease.

D. This Lease contains all the agreements of the parties hereto and no prior agreement or understanding pertaining to any matter shall be effective for any purpose. No provision of this Lease may be amended or added to except by agreement in writing, signed by the parties hereto or their respective successors in interest.
E. Time is of the essence with respect to the performance of every provision of this Lease in which time or performance is a factor.

SIGNED EFFECTIVE the __ day of __________, 2019.

LESSOR:

CITY OF PORT ARANSAS, TEXAS

By: ____________________________
    David Parsons, City Manager

ATTEST:

Francisco Nixon
    Port Aransas, City Secretary

LESSEE:

PORT ARANSAS BOATMEN'S ASSOCIATION, INC.

By: ____________________________
    ____________________________, President

ATTEST:

____________________________
    ____________________________, Secretary
AGENDA ITEM: 8-J

Discuss and take action on a Resolution Finding that after reasonable Notice and Hearing, That AEP Texas Inc’s existing electric rates and charges within the City Should Remain in Effect; Requiring Notice of this Resolution to the Company and Legal Counsel.

APPROVED FOR AGENDA: City Manager David Parsons

COMMENTARY: Action is required by the City as a regulatory authority which has retained original jurisdiction to review and act on AEP Texas’ requested change in base rates. The City’s exercise of its regulatory authority is governed by the Public Utility Regulatory Act, commonly referred to as “PURA.” PURA requires that a municipal regulatory authority must take action on AEP Texas’ rate request within 35 days after the case is filed.

Once action is taken, PURA authorizes AEP Texas to appeal that action to the Public Utility Commission of Texas (PUC), which has the authority to make the final decision on the rate change request. AEP Texas is filing the same rate change request with all other cities in its Texas service area that have the same regulatory authority as your City. Similar actions by these other cities would also be appealed by AEP Texas, and ultimately the Commission would exercise its statutory authority to set uniform system wide rates throughout AEP Texas’ service area.

ATTACHMENTS: Resolution 2019-45

STAFF RECOMMENDATION: Motion to approve AEP Texas Inc’s existing electric rates and charges within the City Should Remain in Effect.

COUNCIL ACTION REQUESTED: Port Aransas City Council approve a Resolution Finding that after reasonable Notice and Hearing, That AEP Texas Inc’s existing electric rates and charges within the City Should Remain in Effect; Requiring Notice of this Resolution to the Company and Legal Counsel.
RESOLUTION NO 2019-R45

A RESOLUTION OF THE CITY OF PORT ARANSAS, TEXAS FINDING, AFTER REASONABLE NOTICE AND HEARING, THAT AEP TEXAS INC’s EXISTING ELECTRIC RATES AND CHARGES WITHIN THE CITY SHOULD REMAIN IN EFFECT.

WHEREAS, pursuant to §33.001 of the Public Utility Regulatory Act, the City of Port Aransas has exclusive, original jurisdiction over the electric rates, operations, and services provided within city limits by AEP Texas Inc. (AEP Texas or the Company).

WHEREAS, on May 1, 2019, AEP Texas filed with the City of Port Aransas a Petition and Statement of Intent seeking an overall net increase of 4.2% related to its distribution revenues and a decrease of 0.7% related to its transmission revenues.

WHEREAS, the Company proposed an effective date of June 5, 2019.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORT ARANSAS, TEXAS:

SECTION 1. It is hereby found and determined that said meeting at which this Resolution was passed was open to the public, as required by Texas law, and that advance public notice of the time, place, and purpose of said meeting was given.

SECTION 2. AEP Texas’ request for approval of its base rates increase is denied. The existing rates and charges of AEP Texas are hereby found to be just and reasonable rates and the City adopts such existing rates to continue to be observed and to be in force within the City hereafter.

SECTION 3. The base rates set forth in this Resolution may be changed and amended by either the City or the Company only as provided by law.

SECTION 4. This Resolution shall be served on AEP Texas by U.S. Mail to the Company’s authorized representative, Jennifer J. Frederick, 400 West 15th Street, Suite 1520, Austin, Texas 78701.

SECTION 5. Nothing contained in this Resolution shall be construed now or hereafter in limiting or modifying, in any manner, the right and power of the City under law to regulate the base rates and charges of AEP Texas.

PASSED and APPROVED by the Port Aransas City Council, County of Nueces, State of Texas, on this 16th day of MAY, 2019.
CITY OF PORT ARANSAS, TEXAS

Charles R. Bujan, Mayor

ATTEST:

Francisca Nixon, City Secretary
VIII. IMPACT OF PROPOSED RATE CHANGE ON VARIOUS CLASSES

A. Retail Base Rates

The impact of AEP Texas’ proposed combined rates for Retail Delivery Service differs for customers in the current Central and North Divisions, as shown by customer class in following table:

<table>
<thead>
<tr>
<th>Billing Unit</th>
<th>RESIDENTIAL</th>
<th>Proposed Charges by Division</th>
<th>Proposed Consolidated</th>
<th>Current Charges vs Proposed Charges Consolidated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Charge per account</td>
<td>$ 3.19</td>
<td>$ 2.94</td>
<td>$ 1.60</td>
<td>$ 1.26</td>
</tr>
<tr>
<td>Metering Charge per meter</td>
<td>$ 3.55</td>
<td>$ 5.24</td>
<td>$ 4.14</td>
<td>$ 5.52</td>
</tr>
<tr>
<td>Transmission System Charge per kWh</td>
<td>$ 0.01115</td>
<td>$ 0.012992</td>
<td>$ 0.012615</td>
<td>$ 0.014777</td>
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<tr>
<td>Distribution System Charge per kWh</td>
<td>$ 0.016073</td>
<td>$ 0.022861</td>
<td>$ 0.022586</td>
<td>$ 0.025532</td>
</tr>
</tbody>
</table>

| SECONDARY SERVICE <= 10kW | Customer Charge per account | $ 3.20 | $ 4.25 | $ 1.60 | $ 1.28 | $ 1.54 | $ (1.66) | $ (2.71) |
| Metering Charge per meter | $ 3.68 | $ 7.50 | $ 5.56 | $ 7.22 | $ 5.88 | $ 2.20 | $ (1.62) |
| Transmission System Charge per kWh | $ 0.006599 | $ 0.008435 | $ 0.007179 | $ 0.009080 | $ 0.007601 | $ 0.001002 | $ (0.000834) |
| Distribution System Charge per kWh | $ 0.021285 | $ 0.042533 | $ 0.022101 | $ 0.032562 | $ 0.024218 | $ 0.002933 | $ (0.018315) |

| SECONDARY SERVICE > THAN 10kW - NCP | Customer Charge per account | $ 3.26 | $ 4.25 | $ 1.61 | $ 1.29 | $ 1.54 | $ (1.72) | $ (2.71) |
| Metering Charge per meter | $ 15.81 | $ 18.68 | $ 15.27 | $ 21.07 | $ 16.38 | $ 0.57 | $ (2.30) |
| Transmission System Charge per NCP kWh | $ 3.305590 | $ .209856 | $ 3.113000 | $ 3.051000 | $ 3.10 | $ (0.204) | $ (0.108) |
| Distribution System Charge per Billed kWh | $ 3.773440 | $ 3.89589 | $ 5.270000 | $ 5.470000 | $ 5.330 | $ 1.557 | $ 1.440 |

| SECONDARY SERVICE > THAN 10kW - 4CP | Customer Charge per account | $ 26.52 | $ 26.00 | $ 1.61 | $ 1.29 | $ 1.54 | $ (24.98) | $ (24.46) |
| Metering Charge per meter | $ 15.81 | $ 35.00 | $ 15.27 | $ 21.07 | $ 16.38 | $ 0.57 | $ (18.62) |
| Transmission System Charge per 4CP kWh | $ 5.675 | $ 4.985 | $ 4.389 | $ 4.921 | $ 4.568 | $ (1.089) | $ (0.417) |
| Distribution System Charge per Billed kW | $ 3.773 | $ 3.890 | $ 5.270 | $ 5.470 | $ 5.330 | $ 1.557 | $ 1.440 |

| PRIMARY SERVICE BILLS - NCP | Customer Charge per account | $ 3.80 | $ 4.25 | $ 1.82 | $ 1.49 | $ 1.61 | $ (2.19) | $ (2.64) |
| Metering Charge per meter | $ 154.62 | $ 151.75 | $ 167.12 | $ 176.54 | $ 162.81 | $ 8.19 | $ 11.06 |
The most significant driver of these rate changes is not the proposed consolidation of divisional rates, but instead the change in class revenue requirements. As explained by AEP Texas witness Jennifer Jackson, class allocation factors and billing determinants have changed substantially since AEP Texas’ last rate case in 2006, leading to changes in class revenue requirements.

If approved and implemented through the Company’s proposed consolidated rates for Retail Delivery Service, the impact on a residential customer in the Company’s Central Division using 1,000 kilowatt-hours (kWh) per month would be an increase of approximately $4.75 or 9.8% per month. A customer with a retail plan that charges 12.5 cents per kWh would see their rate go to 12.97 cents per kWh, or a 3.8% increase in their total bill. The impact on a residential customer in the Company’s North Division using 1,000 kWh per month would be a decrease of approximately $5.01 or -10.6% per month. A customer with a retail plan that charges 12.5 cents per kWh would see their rate decrease to 12.0 cents per kWh, or a 4.0% decrease in their total bill. These impacts include the impact of the proposed ITR Rider.
AGENDA ITEM: 8-K

Discuss and take action on a Resolution Authorizing the purchase of three (3) 2019 624L John Deere Wheel Loaders for the Public Works Department in the amount of $189,961.00 each from Doggett through Buyboard Cooperative for a total amount of $569,883.00; Funding from the Sanitation Fund 255 Capital Outlay Account 68310 and Hurricane Harvey Account #999; Authorizing Future Budget Amendment from FY 2018-2019; And Authorizing the City Manager to sign all documents associated with said purchase.

SUBMITTED BY: Public Works Director Doug Turner

APPROVED FOR AGENDA: City Manager David Parsons

COMMENTARY: Staff is requesting the purchase of three (3) 2019 Wheel Loaders for the Public Works Department from Buyboard. This will replace unit’s 244, 307 and 383 that was damaged by Hurricane Harvey. Funds in amount of $481,893.00 was recently received from insurance and will be utilized from Hurricane Harvey Accounts 999-41307 for $134,804, and 999-41383 for $205,816 & 999-41244 $141,273. The balance of $50,798 will be needed from Sanitation Fund account 255-68310 and a budget amendment will be needed for that amount. Funds may be needed in amendment to the beach fund account 150-62340 for $43,661.00. Consequently, funds in the total amount of $576,782.00 will be needed for this purchase to include previously incurred costs of $899.00 and additional costs of $6,000.00 needed for registration, identification stickers and undercoating.

The City participates in various local purchasing cooperatives created in accordance with Section 791.001 of the Texas Government Code to comply with state bidding requirements, and to identify qualified vendors of commodities, goods, and services.

STAFF RECOMMENDATION: Motion to approve funding in the amount $569,883.00 for the purchase of three (3) Wheel Loaders for the Public Works Department from Doggett and budget amendment.

COUNCIL ACTION REQUESTED: Port Aransas City Council approve Resolution Authorizing the purchase of three (3) 2019 624L John Deere Wheel Loaders for the Public Works Department from Doggett for a total amount of $569,883.00 and Authorizing Future Budget Amendment from FY 2018-2019.
RESOLUTION NO 2019-R46

A RESOLUTION OF THE PORT ARANSAS CITY COUNCIL AUTHORIZING THE PURCHASE OF THREE (3) 2019 624L JOHN DEERE WHEEL LOADERS FOR THE PUBLIC WORKS DEPARTMENT IN THE AMOUNT OF $189,961.00 EACH FROM DOGGETT THROUGH BUYBOARD COOPERATIVE FOR A TOTAL AMOUNT OF $569,883.00; FUNDING FROM THE SANITATION FUND 255 CAPITAL OUTLAY ACCOUNT 68310 AND HURRICANE HARVEY ACCOUNT #999; AUTHORIZING FUTURE BUDGET AMENDMENT FROM FY 2018-2019; AND AUTHORIZING THE CITY MANAGER TO SIGN ALL DOCUMENTS ASSOCIATED WITH SAID PURCHASE.

WHEREAS, the Public Works Department requests authorization to expend funds for a three (3) 2019 624L John Deere Wheel Loaders for a total cost of $569,883.00 from Doggett; and

WHEREAS, the Finance Director has verified that funds are available for this capital expenditure in Fiscal Year 2018-19 Budget for said item(s); and

WHEREAS, the City participates in various local government purchasing cooperatives created in accordance with Section 791.001 of the Texas Government Code to comply with state bidding requirements, and to identify qualified vendors of commodities, goods, and services. The Cooperative to be used for this purchase is administered by BuyBoard.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORT ARANSAS, NUECES COUNTY, TEXAS:

Section 1. That the Port Aransas City Council authorizes expending funds in the amount of $569,883.00 for the purchase of three (3) 2019 624L John Deere Wheel Loaders to replace units 244, 307, 383 damaged by Hurricane Harvey.

Section 2. The City Council authorizes the city manager to act as the executive officer and authorized representative of the city in all matters pertaining to said contract agreement for purchase of said equipment.

Section 3. It is hereby officially found and determined that the meeting at which this resolution 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.

PASSED and APPROVED by the Port Aransas City Council, County of Nueces, State of Texas, on this 16th day of MAY, 2019.
CITY OF PORT ARANSAS, TEXAS

Charles R. Bujan, Mayor

ATTEST:

Francisca Nixon, City Secretary
SALES QUOTATION

Salesperson: Drew Schuelke
Cell: 361-212-1280
E-mail: drew.schuelke@doggett.com

Customer: City Of Port Aransas

Manufacturer: Deere
Model: 624L

Contact: 
Phone: 
Fax: PO#

Date: 04/25/19

Year: 2019

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<th>Quantity</th>
<th>Code</th>
<th>Description</th>
<th>Retail Price</th>
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<tr>
<td>1</td>
<td></td>
<td>624L Wheel Loader</td>
<td>$277,012</td>
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<tr>
<td></td>
<td></td>
<td>Build Codes Attached</td>
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<td></td>
<td></td>
<td>Buyboard Discount 37%</td>
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<td></td>
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<td>Freight from factory and delivery to Port Aransas</td>
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<td>PDI - Check in from the factory</td>
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<td>84 Month 7500Hr full machine warranty</td>
<td>$13,443</td>
</tr>
</tbody>
</table>

Buy Board Contract Number 515-16

TRADE #1

TRADE #2
YEAR: MAKE: MODEL: DESCRIPTION: SERIAL: HOURS:

WARRANTY
<table>
<thead>
<tr>
<th>TYPE</th>
<th>MONTHS</th>
<th>HOURS</th>
</tr>
</thead>
<tbody>
<tr>
<td>FULL</td>
<td>84</td>
<td>7500</td>
</tr>
</tbody>
</table>

Rentals Interest $0
Down Payment $0
TRADE IN + PAYOFF (if applicable) $0

TOTAL Without Tax
Applicable Tax/Insurance $0

Total

Financing Options:

Retail Note

1000 HPY Lease

<table>
<thead>
<tr>
<th>Annual Retail Rate</th>
<th>Term</th>
<th>Monthly Note</th>
<th>Monthly Lease Pmt</th>
<th>Residual</th>
</tr>
</thead>
<tbody>
<tr>
<td>12</td>
<td>24</td>
<td>36</td>
<td>48</td>
<td>60</td>
</tr>
</tbody>
</table>

215
# Equipment Details

**Dealership:** Drew Schuelke  
**DOGGETT HEAVY MACHINERY**  
134 N Padre Island Drive  
Corpus Christi, TX 78406  
Phone: 3612890727

---

**Date April 25, 2019**

All amounts are displayed in USD

## 624L WHEEL LOADER

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Qty</th>
<th>List Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>7590DW</td>
<td>624L WHEEL LOADER</td>
<td>1</td>
<td>$222,482.00</td>
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### Options

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Qty</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>2605</td>
<td>English Decals and Manuals</td>
<td>1</td>
<td>No Added Cost</td>
</tr>
<tr>
<td>1010</td>
<td>Standard Wheel Loader</td>
<td>1</td>
<td>No Added Cost</td>
</tr>
</tbody>
</table>
| 0924 | John Deere PowerTech Engine  
John Deere PowerTech PVS 6.8L meets EPA FT4 and EU Stage IV  
Emissions (192 Net Peak hp)  
Turbocharged  
Wet Sleeve Cylinder Liners  
Automatic Glow Plugs  
Programmable Auto-Idle and Auto-Shutdown  
Selected Idle Adjustment from 900-1250 RPM  
Starter Protection  
4 Valves/Cylinder  
Cooled Exhaust Gas Recirculation  
Automatic Derating for Exceeded System Temperatures  
Electronically Controlled HPCR Fuel Delivery System, B20 Biodiesel  
Compatible  
Electrical Fuel Priming System  
Serpentine Drive Belt with Automatic Tensioner  
Under Hood Dual Element Air Cleaner with Restriction Indicator  
Under Hood Exhaust Filter and Catalysts with Curved Exhaust Stack  
Automatic Exhaust Filter Regeneration  
Dual-Stage Fuel Filter and Water Separator  
500 Hour Vertical Spin-on Oil Filter  
Cartridge Type Oil Crankcase Filter  
Automatic Engine Cool-down Timer  
Remote Start Battery Terminals | 1   | $23,451.00    |
<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Quantity</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>1520</td>
<td>Automatic Reversing Hydraulic Fan&lt;br&gt;Hydraulically driven fan with proportional fan speed control based on cooling demands to save fuel and reduce noise. Automatic Reversing fan to purge debris and dust on cooling system inlet screens and coolers periodically to reduce cleaning. Reversing intervals can be set in the monitor.</td>
<td>1</td>
<td>$1,650.00</td>
</tr>
<tr>
<td>1430</td>
<td>Engine Air Intake System with Centrifugal Precleaner</td>
<td>1</td>
<td>$667.00</td>
</tr>
<tr>
<td>1310</td>
<td>Flat Black Curved Stack</td>
<td>1</td>
<td>No Added Cost</td>
</tr>
<tr>
<td>1610</td>
<td>Standard Fuel Filter with Water Separator and Standard Fuel Fill</td>
<td>1</td>
<td>No Added Cost</td>
</tr>
<tr>
<td>1210</td>
<td>100 amp Alternator&lt;br&gt;For use with code 2708 8 Amp/12 V Power Converter.</td>
<td>1</td>
<td>No Added Cost</td>
</tr>
<tr>
<td></td>
<td><strong>Not Available with Premium Cab code 1910</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2708</td>
<td>8 Amp Converter&lt;br&gt;Not Available with Premium Cab code 1910</td>
<td>1</td>
<td>No Added Cost</td>
</tr>
<tr>
<td>7120</td>
<td>Halogen Work and Drive Lights&lt;br&gt;LED Front Turn/Marker &amp; Rear Turn/Brake Lights</td>
<td>1</td>
<td>No Added Cost</td>
</tr>
<tr>
<td>1110</td>
<td>5-Speed Powershift Transmission</td>
<td>1</td>
<td>($3,900.00)</td>
</tr>
<tr>
<td>3046</td>
<td>Front Hydraulically Locking Differential and Rear Conventional Differential Axles</td>
<td>1</td>
<td>No Added Cost</td>
</tr>
<tr>
<td>3110</td>
<td>Automatic Differential Lock&lt;br&gt;Allows operator to switch on Automatic Diff Lock providing continual differential lock in all conditions, minimizing tire spin. Requires code 9410 Transmission and Bottom Guards.</td>
<td>1</td>
<td>$1,429.00</td>
</tr>
<tr>
<td>2010</td>
<td>Standard Z-BAR&lt;br&gt;Parallel Lift Linkage</td>
<td>1</td>
<td>No Added Cost</td>
</tr>
<tr>
<td>2360</td>
<td>Joystick Controls&lt;br&gt;Provides a single lever (joystick) control for the boom and the bucket. Optional 3rd and 4th functions are controlled with proportional thumb rollers integrated in the joystick handle. Includes FNR switch integrated into the joystick control lever.</td>
<td>1</td>
<td>No Added Cost</td>
</tr>
<tr>
<td>2402</td>
<td>Two Function Hydraulics&lt;br&gt;Controls Boom and Bucket only.</td>
<td>1</td>
<td>No Added Cost</td>
</tr>
<tr>
<td></td>
<td><strong>Not for use with code 2060 Tool Carrier Linkage.</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1970</td>
<td>Hydraul Hydraulic Fluid</td>
<td>1</td>
<td>No Added Cost</td>
</tr>
<tr>
<td>2510</td>
<td>Ride Control&lt;br&gt;Code 9410 Transmission and Bottom Guards are recommended in applications where underside is vulnerable.</td>
<td>1</td>
<td>$4,015.00</td>
</tr>
</tbody>
</table>
### Standard Cab
The following options are only available on the standard cab:
- 1210 100 amp Alternator
- 1934 5 inch (127mm) Display Monitor
- 2220 Deluxe Seat
- 2708 8 amp Voltage Converter
- 8250 No Rear Camera or Radar Object Detection System
- 8310 Standard Exterior Mirrors OR 8320 Heated Exterior Mirrors
- 8360 Standard radio OR 8380 No radio

Allows lowest cost configuration.

The following options are NOT available in the standard cab configuration:
- 8370 Premium Radio
- 8350 Remote Powered and Heated Exterior Mirrors

### Options 8450
- Cab with Air A/C Charge

### Options 2220
- Deluxe Seat, Cloth with Air Suspension
  - Fabric Covered Seat with Back Rest Extension includes Lumbar Adjustment and Air Suspension with Full Damping Capability.

Not Available with Premium Cab code 1910

### Options 1940
- 7 inch Monitor

### Options 8310
- Standard Exterior Mirrors
  - Not Available with Premium Cab code 1910

### Options 8360
- Standard Radio
  - AM/FM/Weather Band (WB) Radio with Remote AUX Port
  - Requires Standard Cab

### Options 8240
- Rear Camera
  - $1,085.00

### Options 8275
- Strobe Beacon with Left Beacon Bracket
  - Strobe beacon on hinged bracket mounted to the rear left side of the cab exterior.
  - $275.00

### Options 5610
- Left Side Steps Only

### Options 2120
- Steering Wheel Only

### Options 2890
- No Payload Scale without Cycle Counter
  - Z-Bar and High Lift Linkage models will be shipped payload scale ready.
  - A payload scale whole good field kit may be added at a later time to install the L2180 Payload Scale.

Tool Carrier models are not configured for Loadrite application and will not be shipped Loadrite ready.
179C  JDLink Ultimate 5 Year Subscription  1  No Added Cost
Includes JDLink hardware: integrated cab wiring harness, antenna, modular telematics gateway (MTG), and now includes all Ultimate Connectivity features - Wireless Data Transfer (WDT) enabling automatic data transfer from TimberMatic and Waratah H16 Measuring Systems to TimberManager and MyJohnDeere, supporting TimberOffice 5 Software. Additionally, Ultimate now includes Limited Internet features supporting optional ForestSight Solutions such as advance mapping systems and Remote Display Access (RDA) features supported by TeamViewer applications. JDLink utilizes cellular and satellite technology infrastructure that is outside the control of John Deere. Charges to that infrastructure may require customers to purchase compatible JDLink hardware to restore functionality. Includes 5 year subscription. Annual subscription renewal required after 5 years for continued functionality. JDLink customer account must be created to access JDLink Ultimate data. Go to www.StellarSupport.com to renew or update JDLink subscriptions. Use of this service, and all rights and obligations of John Deere and the Customer (as identified in the applicable agreement), are governed by the terms and conditions outlined in the applicable Services and Software agreements available at www.JohnDeere.com/Agreements. If these terms and conditions are not agreeable do not proceed and do not use the service.

5530  Standard Front Fenders  1  No Added Cost
Includes standard width front fenders, left side steps, as well as both left and right side platforms.

Fender width is narrower than tire by design to be less susceptible to damage if tire brushes against objects from the side.

4933  No Brand Preference  1  $11,900.00

8567  Factory Pin-on Bucket Ready  1  No Added Cost
Required when ordering factory installed pin-on buckets - NOT coupler style hook-on buckets or field installed buckets.

8921  3.5 Cu. Yd. Bucket (Pin-on only)  1  $7,738.00
All 3.5 cu yd buckets are 106" (2692 mm) wide Enhanced Production buckets with weld-on Skid Shoes and integrated spill guard. Requires Linkage code 2010 or 2020 or 2026 and code 8567 for Factory Pin-on Bucket.

8860  Bolt-on Cutting Edge  1  $1,003.00
For use with 106 inch wide and light material buckets.

5840  No Fork Frame  1  No Added Cost

5940  No Tines  1  No Added Cost
Required when ordering code 5840 No Fork Frame

8220  Rear Hitch and Counterweight  1  No Added Cost

Optional Items:

9115  Powered Cab Fresh Air Pre-Cleaner  1  $945.00
Extends cab air filter change intervals.

9708  20.5-25 L2 16PR BIAS NO BRAND PREFERRED WITH 3 PC RIMS  1  No Added Cost

9210  Electrical Corrosion Prevention Package  1  $1,425.00
Preventive corrosion treatment for use in corrosive environments. Preventive corrosion treatment includes dielectric grease for electrical connections and polyurethane-based sealant on exposed terminals.
<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Qty</th>
<th>Each</th>
<th>Extended</th>
</tr>
</thead>
<tbody>
<tr>
<td>9410</td>
<td>Transmission and Bottom Guards</td>
<td>1</td>
<td>$1,337.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Recommended in applications where underside is</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>vulnerable.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Includes transmission side guards, bottom guards, and</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>loader mast side covers.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9520</td>
<td>License Plate Bracket</td>
<td>1</td>
<td>$177.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Includes light for night time illumination.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9525</td>
<td>Slow Moving Vehicle (SMV) Emblem</td>
<td>1</td>
<td>$157.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Configuration Total:</strong></td>
<td></td>
<td><strong>$277,012.00</strong></td>
<td></td>
</tr>
</tbody>
</table>

**Summary**

**Equipment Totals (includes "Other Charges")**

<table>
<thead>
<tr>
<th>Item</th>
<th>Qty</th>
<th>Each</th>
<th>Extended</th>
</tr>
</thead>
<tbody>
<tr>
<td>624L WHEEL LOADER</td>
<td>1</td>
<td>$277,012.00</td>
<td>$277,012.00</td>
</tr>
<tr>
<td><strong>Total Equipment Group Price:</strong></td>
<td></td>
<td></td>
<td><strong>$277,012.00</strong></td>
</tr>
</tbody>
</table>

**Additional Charges**

- **Freight:** +/- $0.00
- **Setup & Delivery:** +/- $0.00
- **Discounts:** +/- $0.00
- **Trade In Allowance:** +/- $0.00
- **Extended Warranty:** +/- $0.00
- **Taxes:** +/- $0.00
- **Total Additional Charges:** $0.00

**Total Delivered Price:**

<table>
<thead>
<tr>
<th>Item</th>
<th>Qty</th>
<th>Each</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td><strong>$277,012.00</strong></td>
</tr>
</tbody>
</table>

Manufacturer's Suggested List Price shown. Retail prices may vary by dealer. Unless stated otherwise, taxes, freight, setup, delivery and other dealer specific charges not included in the pricing. Options noted with 'Net Item Charge' will have additional costs. Pricing and specifications subject to change without notice. Special program pricing may be available on certain models. Ask dealer for details. Prices shown are in U.S. dollars and valid only in the U.S.
AGENDA ITEM: **8-L**

Discuss and take action on a Resolution Authorizing the purchase of one (1) 2019 672G John Deere Motor Grader for the Public Works Department in the total amount of $275,812.00 from Doggett through Buyboard Cooperative; Funding from FY 2018-19 Budget Beach Fund 150 Capital Outlay Account 62340 and Hurricane Harvey Account #999; Authorizing Future Budget Amendment from FY 2018-2019; And Authorizing the City Manager to sign all documents associated with said purchase.

**SUBMITTED BY:** Public Works Director Doug Turner

**APPROVED FOR AGENDA:** City Manager David Parsons

**COMMENTARY:** Staff is requesting the purchase of one (1) 2019 672G John Deere Motor Grader for the Public Works Department in the total amount of $275,812.00 from Doggett through Buyboard Cooperative. This will replace unit 306 that was damaged by Hurricane Harvey. Funds in the amount of $135,400.00 received from insurance will be paid out of account 999-50206.306. Additional funding of $57,310 will be needed from Beach Fund account 150-62340 which has already been budgeted for replacement and no amendment is needed. Additional costs of approximately $2,000 will be needed for registration, identification stickers and undercoating. Consequently, funds in the total amount of $277,812.00 will be needed for this purchase.

The City participates in various local purchasing cooperatives created in accordance with Section 791.001 of the Texas Government Code to comply with state bidding requirements, and to identify qualified vendors of commodities, goods, and services.

**ATTACHMENTS:** Resolution 2019-47

Buyboard Quote from Doggett

**STAFF RECOMMENDATION:** Motion to approve funding in the amount $275,812.00 for the purchase of one (1) 2019 672G John Deere Motor Grader for the Public Works Department from Doggett.

**STAFF RECOMMENDATION:** Port Aransas City Council approve Resolution Authorizing the purchase of one (1) 2019 672G John Deere Motor Grader for the Public Works Department from Doggett for a total amount of $275,812.00 and Authorizing Future Budget Amendment from FY 2018-2019.
RESOLUTION NO 2019-R47

A RESOLUTION OF THE PORT ARANSAS CITY COUNCIL AUTHORIZING THE PURCHASE OF ONE (1) 2019 672G JOHN DEERE MOTOR GRADER FOR THE PUBLIC WORKS DEPARTMENT IN THE TOTAL AMOUNT OF $275,812.00 FROM DOGGETT THROUGH BUYBOARD COOPERATIVE; FUNDING FROM FY 2018-19 BUDGET BEACH FUND 150 CAPITAL OUTLAY ACCOUNT 62340 AND HURRICANE HARVEY ACCOUNT #999; AUTHORIZING FUTURE BUDGET AMENDMENT FROM FY 2018-2019; AND AUTHORIZING THE CITY MANAGER TO SIGN ALL DOCUMENTS ASSOCIATED WITH SAID PURCHASE.

WHEREAS, the Public Works Department requests authorization to expend funds for a one (1) 2019 672G John Deere Motor Grader for a total cost of $275,812.00 from Doggett; and

WHEREAS, the Finance Director has verified that funds are available for this capital expenditure in Fiscal Year 2018-19 Budget for said item(s); and

WHEREAS, the City participates in various local government purchasing cooperatives created in accordance with Section 791.001 of the Texas Government Code to comply with state bidding requirements, and to identify qualified vendors of commodities, goods, and services. The Cooperative to be used for this purchase is administered by BuyBoard.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORT ARANSAS, NUECES COUNTY, TEXAS:

Section 1. That the Port Aransas City Council authorizes expending funds in the amount of $275,812.00 for the purchase of one (1) 2019 672G John Deere Motor Grader to replace unit 306 damaged by Hurricane Harvey.

Section 2. The City Council authorizes the city manager to act as the executive officer and authorized representative of the city in all matters pertaining to said contract agreement for purchase of said equipment.

Section 3. It is hereby officially found and determined that the meeting at which this resolution 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.

PASSED and APPROVED by the Port Aransas City Council, County of Nueces, State of Texas, on this 16th day of MAY, 2019.
CITY OF PORT ARANSAS, TEXAS

Charles R. Bujan, Mayor

ATTEST:

Francisca Nixon, City Secretary
## Sales Quotation

**Customer:** City Of Port Aransas  
**Manufacturer:** Deere  
**Model:** 672G  
**Stock #:**  
**Serial #:** 00000  
**Expires:**  
**Year:** 2019  
**Hours:** 0

<table>
<thead>
<tr>
<th>Quantity</th>
<th>Code</th>
<th>Description</th>
<th>Retail Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td>672G Grader</td>
<td>$430,967</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Build Codes Attached</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Buyboard Discount 42%</td>
<td>$181,006</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Freight from factory and delivery to Port Aransas</td>
<td>$8,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>PDI- Check in from the factory</td>
<td>$2,500</td>
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<tr>
<td></td>
<td></td>
<td>84 Month 7500Hr full machine warranty</td>
<td>$15,351</td>
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**Machine Sale Price:** $275,812

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<tbody>
<tr>
<td>TRADE #2</td>
<td>YEAR: MAKE: MODEL: DESCRIPTION: SERIAL: HOURS:</td>
<td>Rental Interest: $0</td>
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<tr>
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<td></td>
<td>Down Payment: $0</td>
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<tr>
<td></td>
<td></td>
<td>TRADE IN + PAYOFF (if applicable): $0</td>
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**WARRANTY**:  
<table>
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<tr>
<th>TYPE</th>
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<th>HOURS</th>
<th>SUB TOTAL: $275,812</th>
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<tbody>
<tr>
<td>FULL</td>
<td>84</td>
<td>7500</td>
<td>DOCUMENT FEES: 0</td>
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**Preventive Maintenance**:  
**PM**:  
<table>
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<tr>
<th>MONTHS</th>
<th>HOURS</th>
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</thead>
</table>

**Financing Options:**  
**Retail Note**  
**1000 HPY Lease**  
**HPY Lease**  
<table>
<thead>
<tr>
<th>Annual Retail Rate</th>
<th>Term</th>
<th>Monthly Note</th>
<th>Monthly Lease Pmt</th>
<th>Residual</th>
<th>Monthly Lease Pmt</th>
<th>Residual</th>
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</thead>
<tbody>
<tr>
<td>12</td>
<td>24</td>
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<td>36</td>
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<tr>
<td>60</td>
<td>72</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Total**  
**Applicable Tax/Insurance:** $0
# Equipment Details

**Dealership:** Drew Schuelke  
**DOGGETT HEAVY MACHINERY**  
134 N Padre Island Drive  
Corpus Christi, TX 78406  
Phone: 3612890727

Date April 25, 2019

---

All amounts are displayed in USD

## 672G MOTOR GRADER with 6WD

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Qty</th>
<th>List Price</th>
</tr>
</thead>
</table>
| 8450T | 672G MOTOR GRADER with 6WD  
Keep in mind that the following John Deere motor graders 770, 772, 870 & 872 offer optimized performance for high speed snow plowing applications. |     | $337,110.00     |

### Options

**Required Items:**

- **1140**  
  John Deere PowerTech PSS 9.0L meets EPA FT4 Emissions  
  255 Net Peak hp  
  For use only in areas where EPA Final Tier 4 is required.  
  Requires engine exhaust code 1830 or 1840.

- **Automatic Exhaust Filter Regeneration**
- **Automatic Hydraulic Reversing Fan**
- **Series Turbo Chargers**
- **Cooled Exhaust Gas Recirculation**
- **4 Valves / Cylinder**
- **Wet Sleeve Cylinder Liners**
- **ECO Mode**
- **Auto-Idle and Programmable Auto-Shutdown**
- **Automatic Starter Overload Protection**
- **Electronically Controlled HPCR Fuel Delivery System, B20 Biodiesel Compatible**
- **Electric Fuel Priming System**
- **10-Micron Primary Fuel Filter/Water Separator, 500 hour**
- **2-Micron Final Fuel Filter, 500 hour**
- **Inline Fuel Strainer**
- **Spin-on Oil Filter, 500 hour**
- **Oil crankcase filter, Lifetime**
- **Auto-Tensioned Serpentine Belt**
- **Under Hood Dual Element Air Cleaner with Restriction Indicator**
- **Engine Intake Rotary Ejector Precleaner**

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Qty</th>
<th>List Price</th>
</tr>
</thead>
</table>
| 1830  | Engine Exhaust W/ Flat Black Stack (FT4 or Stage V only)  
Requires engine code 1140. | 1   | No Added Cost |
| 1420  | Severe Duty Fuel & Water Filtration System  
For use where fuel quality is questionable and/or additional water separation is required. Filter base contains fuel heater. | 1   | $519.00     |

---

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Quantity</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1320</td>
<td>No Quick Service Group</td>
<td>1</td>
<td>No Added Cost</td>
</tr>
<tr>
<td>1010</td>
<td>Standard Antler Rack Hydraulic Controls</td>
<td>1</td>
<td>No Added Cost</td>
</tr>
<tr>
<td>5020</td>
<td>Low Cab w/ Fixed Lower Front and Side Windows</td>
<td>1</td>
<td>No Added Cost</td>
</tr>
<tr>
<td>8810</td>
<td>Rear Camera&lt;br&gt;Rear view camera with a dedicated monitor.</td>
<td>1</td>
<td>$2,501.00</td>
</tr>
<tr>
<td>8210</td>
<td>Exterior Mounted Rearview Mirrors</td>
<td>1</td>
<td>No Added Cost</td>
</tr>
<tr>
<td>8410</td>
<td>AM/FM Radio with Aux and Weather Band (WB)</td>
<td>1</td>
<td>$966.00</td>
</tr>
<tr>
<td>8310</td>
<td>Lower Front Intermittent Wiper &amp; Washer</td>
<td>1</td>
<td>$658.00</td>
</tr>
<tr>
<td>6010</td>
<td>Powered Cab Air Precleaner&lt;br&gt;Powered Cab Precleaner pre-filters outside air to significantly extend cab filter life.</td>
<td>1</td>
<td>$909.00</td>
</tr>
<tr>
<td>6120</td>
<td>Standard Fabric Air Suspension Seat with Armrests and Headrest&lt;br&gt;For use with cab codes 5020, 5025, 5030 &amp; 5035</td>
<td>1</td>
<td>$441.00</td>
</tr>
<tr>
<td>8730</td>
<td>No Sound Absorption Package&lt;br&gt;Requires engine code 1140.</td>
<td>1</td>
<td>No Added Cost</td>
</tr>
<tr>
<td>6510</td>
<td>Base Hydraulics - 4 Function Controls&lt;br&gt;Requires configuration code 1010.&lt;br&gt;Base Functions: Rear Steer, Circle Side shift, Wheel Lean &amp; RH Blade Lift w/ Float.</td>
<td>1</td>
<td>No Added Cost</td>
</tr>
<tr>
<td>6610</td>
<td>Base Hydraulics- 4 Function Controls&lt;br&gt;Requires code 1010.&lt;br&gt;Base Functions: LH Blade Lift w/ Float, Blade Side shift, Circle Rotate, Blade Tilt.</td>
<td>1</td>
<td>No Added Cost</td>
</tr>
<tr>
<td>8510</td>
<td>Air Conditioner Refrigerant Charged</td>
<td>1</td>
<td>No Added Cost</td>
</tr>
<tr>
<td>5815</td>
<td>Hydraul&lt;br&gt;Broad ambient operating temperatures.&lt;br&gt;Operating range:&lt;br&gt;-25°C to 50°C&lt;br&gt;-13°F to 122°F</td>
<td>1</td>
<td>No Added Cost</td>
</tr>
<tr>
<td>1610</td>
<td>Hydraulic Pump Disconnect&lt;br&gt;Required with engine code 1140.&lt;br&gt;Required for Russia.</td>
<td>1</td>
<td>$185.00</td>
</tr>
<tr>
<td>Code</td>
<td>Description</td>
<td>Quantity</td>
<td>Added Cost</td>
</tr>
<tr>
<td>------</td>
<td>-----------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>----------</td>
<td>------------</td>
</tr>
<tr>
<td>170C</td>
<td>JDLink Ultimate - 5 Year Subscription &lt;br&gt;Includes JDLink hardware: integrated cab wiring harness, antenna, modular telematics gateway (MTG), and now includes all Ultimate Connectivity features Wireless Data Transfer (WDT) enabling automatic data transfer from TimberMatic and Waratah H16 Measuring Systems to TimberManager and MyJohnDeere, supporting TimberOffice 5 Software. Additionally, Ultimate now includes Limited Internet features supporting optional ForestSight Solutions such as advance mapping systems and Remote Display Access (RDA) features supported by TeamViewer applications. JDLink utilizes cellular and satellite technology infrastructure that is outside the control of John Deere. Changes to that infrastructure may require customers to purchase compatible JDLink hardware to restore functionality. Includes 5 year subscription. Annual subscription renewal required after 5 years for continued functionality. JDLink customer account must be created to access JDLink Ultimate data. Go to <a href="http://www.StellarSupport.com">www.StellarSupport.com</a> to renew or update JDLink subscriptions. Use of this service, and all rights and obligations of John Deere and the Customer (as identified in the applicable agreement), are governed by the terms and conditions outlined in the applicable Services and Software agreements available at <a href="http://www.JohnDeere.com/Agreements">www.JohnDeere.com/Agreements</a>. If these terms and conditions are not agreeable do not proceed and do not use the service.</td>
<td>1</td>
<td>No Added Cost</td>
</tr>
<tr>
<td>2810</td>
<td>Single Input Gearbox without Slip Clutch</td>
<td>1</td>
<td>No Added Cost</td>
</tr>
<tr>
<td>2070</td>
<td>14 Ft. x 27 In. x 1 In. (4.27M x 686mm x 25mm) w/ 8 In. x 3/4 In. (203 x 19mm) Cutting Edge &amp; 1/2 in. (16mm) Hardware Requires engine code 1120 or 1140.</td>
<td>1</td>
<td>$1,963.00</td>
</tr>
<tr>
<td>1920</td>
<td>No Blade Impact Absorption System</td>
<td>1</td>
<td>No Added Cost</td>
</tr>
<tr>
<td>7160</td>
<td>Deluxe Grading Lights (18 Halogen Lights) &lt;br&gt;Includes light code 7130 Grading Lights plus (8) additional work lights (4 - corner cab, 2 - front cab, and 2 - right-side cab roof).</td>
<td>1</td>
<td>$1,702.00</td>
</tr>
<tr>
<td>8110</td>
<td>24-to-12 Volt Converter (15 amps peak / 10 amps continuous)</td>
<td>1</td>
<td>No Added Cost</td>
</tr>
<tr>
<td>1240</td>
<td>Dual 100 Amp Alternators (200 Amp total) &lt;br&gt;Requires engine code 1140.</td>
<td>1</td>
<td>$938.00</td>
</tr>
<tr>
<td>6710</td>
<td>Front Push Block 2,950 lbs.</td>
<td>1</td>
<td>$4,117.00</td>
</tr>
<tr>
<td>6830</td>
<td>Rear Hitch and Pin &lt;br&gt;Not for use with Rear Ripper/Scarifier.</td>
<td>1</td>
<td>$502.00</td>
</tr>
<tr>
<td>5520</td>
<td>Manual Shift Transmission (no Autoshift)</td>
<td>1</td>
<td>No Added Cost</td>
</tr>
<tr>
<td>5710</td>
<td>Transmission Solenoid Valve Guard &lt;br&gt;Required with engine code 1140. &lt;br&gt;Recommended for snow plowing applications</td>
<td>1</td>
<td>$209.00</td>
</tr>
<tr>
<td>4516</td>
<td>Firestone SGG</td>
<td>1</td>
<td>$21,893.00</td>
</tr>
<tr>
<td>7820</td>
<td>No Front Fenders</td>
<td>1</td>
<td>No Added Cost</td>
</tr>
<tr>
<td>2605</td>
<td>English Manual W/ English Labels &amp; Decals</td>
<td>1</td>
<td>No Added Cost</td>
</tr>
<tr>
<td>2575</td>
<td>No Grade Control Base Kit Installed</td>
<td>1</td>
<td>No Added Cost</td>
</tr>
<tr>
<td>2775</td>
<td>No Topcon 3D GPS Grade Control System installed</td>
<td>1</td>
<td>No Added Cost</td>
</tr>
</tbody>
</table>

**Optional Items:**
9465  Right Hand Moldboard Extension, 2 foot in length
By selecting this option, the 2 foot extension is automatically sized (height, thickness and hardware size) to match the moldboard.
Requires moldboard code 2060, 2070, 2080 or 2081.
Not available with 9460 (left hand moldboard extension) on the same machine.

9275  License Plate Bracket and Light

9298  Beacon with Flip Down Cab Beacon Bracket (RH)
Includes beacon and bracket.
Order codes 9298 and 9299 for dual beacons.

9280  Slow Moving Vehicle (SMV) Sign

Configuration Total:

$430,967.01

Summary

Equipment Totals (includes "Other Charges")

<table>
<thead>
<tr>
<th>Qty</th>
<th>Each</th>
<th>Extended</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$430,967.01</td>
<td>$430,967.01</td>
</tr>
</tbody>
</table>

Total Equipment Group Price:

$430,967.01

Additional Charges

Freight: +/- $0.00
Setup & Delivery: +/- $0.00
Discounts: +/- $0.00
Trade In Allowance: +/- $0.00
Extended Warranty: +/- $0.00
Taxes: +/- $0.00
Total Additional Charges: $0.00

Total Delivered Price:

1  $430,967.01

Manufacturer's Suggested List Price shown. Retail prices may vary by dealer. Unless stated otherwise, taxes, freight, setup, delivery and other dealer specific charges not included in the pricing. Options noted with 'Net Item Charge' will have additional costs. Pricing and specifications subject to change without notice. Special program pricing may be available on certain models. Ask dealer for details. Prices shown are in U.S. dollars and valid only in the U.S.
AGENDA ITEM: 8-M

Discuss and take action on a Resolution Authorizing the purchase of one (1) 2019 310SL John Deere Backhoe for the Public Works Department in the total amount of $96,696.00 from Doggett through Buyboard Cooperative; Funding from the General Fund 050 Capital Outlay Account 62340 and Hurricane Harvey Account #999; Authorizing Future Budget Amendment from FY 2018-2019; And Authorizing the City Manager to sign all documents associated with said purchase.

SUBMITTED BY: Public Works Director Doug Turner

APPROVED FOR AGENDA: City Manager David Parsons

COMMENTARY: Staff is requesting the purchase of one (1) 2019 310SL John Deere Backhoe for the Public Works Department in the total amount of $96,696.00 from Doggett through Buyboard Cooperative. This will replace unit 312 that was damaged by Hurricane Harvey. Funds in amount of $41,681.00 was recently received from insurance which will be paid out of account 999-50208.312. Additional funding $57,310 will be needed from General Fund account 050-62340 and a budget amendment will be needed for that amount for this purchase. Additional costs of approximately $2,000 will be needed for registration, identification stickers and undercoating. Consequently, funds in the total amount of $98,991.00 will be needed for this purchase.

The City participates in various local purchasing cooperatives created in accordance with Section 791.001 of the Texas Government Code to comply with state bidding requirements, and to identify qualified vendors of commodities, goods, and services.

ATTACHMENTS: Resolution 2019-48
Buyboard Quote form Doggett

STAFF RECOMMENDATION: Motion to approve funding in the amount $96,696.00 for the purchase of one (1) 2019 672G John Deere Motor Grader for the Public Works Department from Doggett.

STAFF RECOMMENDATION: Port Aransas City Council approve Resolution Authorizing the purchase of one (1) 2019 310SL John Deere Backhoe for the Public Works Department from Doggett for a total amount of $96,696.00 and Authorizing Future Budget Amendment from FY 2018-2019.
RESOLUTION NO 2019-R48

A RESOLUTION OF THE PORT ARANSAS CITY COUNCIL AUTHORIZING THE PURCHASE OF ONE (1) 2019 310SL JOHN DEERE BACKHOE FOR THE PUBLIC WORKS DEPARTMENT IN THE TOTAL AMOUNT OF $96,696.00 FROM DOGGETT THROUGH BUYBOARD COOPERATIVE; FUNDING FROM THE STREETS FUND CAPITAL OUTLAY ACCOUNT AND HURRICANE HARVEY ACCOUNT #999; AUTHORIZING FUTURE BUDGET AMENDMENT FROM FY 2018-2019; AND AUTHORIZING THE CITY MANAGER TO SIGN ALL DOCUMENTS ASSOCIATED WITH SAID PURCHASE.

WHEREAS, the Public Works Department requests authorization to expend funds for one (1) 2019 310SL John Deere Backhoe for a total cost of $96,696.00 from Doggett; and

WHEREAS, this is an unfunded expenditure with funding in the amount of ____ from Hurricane Account #999; and

WHEREAS, the City participates in various local government purchasing cooperatives created in accordance with Section 791.001 of the Texas Government Code to comply with state bidding requirements, and to identify qualified vendors of commodities, goods, and services. The Cooperative to be used for this purchase is administered by BuyBoard.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORT ARANSAS, NUECES COUNTY, TEXAS:

Section 1. That the Port Aransas City Council authorizes expending funds in the amount of $275,812.00 for the purchase of one (1) 2019 672G John Deere Motor Grader to replace unit 306 damaged by Hurricane Harvey.

Section 2. That the Port Aransas City Council acknowledges that said purchase was not included in FY 2018-2019 Budget and approves said budget amendment. Funds will be from Hurricane Harvey Fund Account #999.

Section 3. The City Council authorizes the city manager to act as the executive officer and authorized representative of the city in all matters pertaining to said contract agreement for purchase of said equipment.

Section 4. It is hereby officially found and determined that the meeting at which this resolution 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.

PASSED and APPROVED by the Port Aransas City Council, County of Nueces, State of Texas, on this 16th day of MAY, 2019.
CITY OF PORT ARANSAS, TEXAS

Charles R. Bujan, Mayor

ATTEST:

Francisca Nixon, City Secretary
# Sales Quotation

**Customer:** City Of Port Aransas  
**Manufacturer:** Deere  
**Model:** 310SL  
**Year:** 2019  
**Hours:** 0  

<table>
<thead>
<tr>
<th>Quantity</th>
<th>Code</th>
<th>Description</th>
<th>Retail Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td>310SL Backhoe Build Codes Attached</td>
<td>$159,066</td>
</tr>
</tbody>
</table>

- **Buyboard Discount 46%**  
- **Freight from factory and delivery to Port Aransas**  
- **PDI - Check in from the factory**  
- **60 Month 5000Hrs full machine warranty**  

- **Buy Board Contract Number 515-16**

**WARRANTY**

<table>
<thead>
<tr>
<th>Type</th>
<th>Months</th>
<th>Hours</th>
<th>Document Fees</th>
<th>Sub Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full</td>
<td>60</td>
<td>5000</td>
<td></td>
<td>$96,696</td>
</tr>
</tbody>
</table>

**TRADE #1**

- **YEAR:** 
- **MAKE:** 
- **MODEL:** 
- **DESCRIPTION:** 
- **Serial:** 
- **Hours:**

**TRADE #2**

- **YEAR:** 
- **MAKE:** 
- **MODEL:** 
- **DESCRIPTION:** 
- **Serial:** 
- **Hours:**

**Financing Options:**

<table>
<thead>
<tr>
<th>Retail Note</th>
<th>1000 HPY Lease</th>
<th>HPY Lease</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Retail Rate</td>
<td>Term</td>
<td>Monthly Note</td>
</tr>
<tr>
<td>12</td>
<td></td>
<td></td>
</tr>
<tr>
<td>24</td>
<td></td>
<td></td>
</tr>
<tr>
<td>36</td>
<td></td>
<td></td>
</tr>
<tr>
<td>48</td>
<td></td>
<td></td>
</tr>
<tr>
<td>60</td>
<td></td>
<td></td>
</tr>
<tr>
<td>72</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Machine Sale Price:** $96,696

- **Rental Interest:** $0
- **Down Payment:** $0
- **TRADE IN + PAYOFF (if applicable):** $0

**TOTAL Without Tax:**

- **Applicable Tax/Insurance:** $0

**Total**
# Equipment Details

**Dealership:** Drew Schuelke  
**DOGGETT HEAVY MACHINERY**  
134 N Padre Island Drive  
Corpus Christi, TX 78406  
Phone: 3612890727

Date April 25, 2019

All amounts are displayed in USD

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Qty</th>
<th>List Price</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>310SL BACKHOE LOADER</strong></td>
<td></td>
<td><strong>$115,807.00</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Options</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>170C</td>
<td>JLLink Ultimate Cellular - 5 Years</td>
<td>1</td>
<td>No Added Cost</td>
</tr>
</tbody>
</table>
|      | Includes JLLink hardware: integrated cab wiring harness, antenna, 4G LTE modular telematics gateway (MTG), Wi-Fi data transfer, Blue Tooth capability and JLLink Ultimate activation.  
JLLink utilizes cellular and satellite technology infrastructure that is outside the control of John Deere. Changes to that infrastructure may require customers to purchase compatible JLLink hardware to restore functionality.  
Includes 5 year subscription. Annual subscription renewal required after 5 years for continued functionality. JLLink customer account must be created to access JLLink Ultimate data. Go to www.StellarSupport.com to renew or update JLLink subscriptions. Use of this service, and all rights and obligations of John Deere and the Customer (as identified in the applicable agreement), are governed by the terms and conditions outlined in the applicable Services and Software agreements available at www.JohnDeere.com/Agreements. If these terms and conditions are not agreeable do not proceed and do not use the service. |   |              |
| 2401 | English Decals with English Operator and Safety Manuals | 1   | No Added Cost |
|      | English decals installed and English operator's manual.  
Requires engine code 1065. |   |              |
| 3065 | Mechanical Front Wheel Drive (MFWD) with Limited Slip Differential 5F/3R Powershift Transmission.  
Includes torque converter with electrically actuated twist grip TCL in 1st through 5th gears. | 1   | No Added Cost |
| 4464 | Galaxy 19.5L - 24 in. 12 PR Rear & 12.5/80-18 10PR Front  
Requires axle code 3065 or 3095.  
Rear tire chains require wheel spacers. | 1   | No Added Cost |
<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Qty</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>2035</td>
<td>Cab&lt;br&gt;Isolation mounted Modular design ROPS/FOPS Level 2 (meets ISO 3449 &amp; ISO 3471 / SAE J1040) Molded roof.&lt;br&gt;Tinted safety glass.&lt;br&gt;Deluxe interior trim.&lt;br&gt;Headliner.&lt;br&gt;Molded floor mats.&lt;br&gt;Less radio (Cab includes power connector for radio and threaded bosses for mounting brackets - see radio kit installation instructions).&lt;br&gt;Air Conditioning 26,000 BTU.&lt;br&gt;CFC free R134a refrigerant.&lt;br&gt;Heater/defrosters/pressurizer, 40,000 BTU, 3 speed.&lt;br&gt;Mechanical Suspension Deluxe, Cloth, Swivel Seat with Lumbar Adjustment and Arm Rests, Fully Adjustable.&lt;br&gt;3 in Seat Belt.&lt;br&gt;Tilt Steering Wheel.&lt;br&gt;Interior Rearview Mirror&lt;br&gt;Front 2-speed wiper with windshield washer and rear 1-speed wiper.&lt;br&gt;(2) front driving/working halogen lights - 32,500 Candlepower Each&lt;br&gt;(2) rear working halogen lights - 32,500 Candlepower Each&lt;br&gt;(6) additional work roof lights adds 2 front, 2 rear and 1 on each side of roof&lt;br&gt;(4) turn signal/flashign/rear stop/tail lights - 2 front and rear&lt;br&gt;(2) rear reflector</td>
<td>1</td>
<td>$12,889.00</td>
</tr>
<tr>
<td>8635</td>
<td>Single Battery With Disconnect and Jump Post&lt;br&gt;Recommended for use in ambient temperatures ABOVE 32 degrees F (0 degrees C).</td>
<td>1</td>
<td>$250.00</td>
</tr>
<tr>
<td>6020</td>
<td>Extendible Dipperstick&lt;br&gt;Extended stabilizer legs.</td>
<td>1</td>
<td>$8,141.00</td>
</tr>
<tr>
<td>6210</td>
<td>No Auxiliary</td>
<td>1</td>
<td>No Added Cost</td>
</tr>
<tr>
<td>5285</td>
<td>Pilot Controls, Two Lever, with Pattern Selection&lt;br&gt;Horn button integrated into pilot control levers.</td>
<td>1</td>
<td>$2,594.00</td>
</tr>
<tr>
<td>5400</td>
<td>Less Coupler</td>
<td>1</td>
<td>No Added Cost</td>
</tr>
<tr>
<td>5656</td>
<td>24&quot; (610 mm) Wide, Heavy-Duty, 7.5 Cu. Ft. (0.21 Cu. M.) Capacity Bucket&lt;br&gt;Bucket includes TK Teeth.</td>
<td>1</td>
<td>$1,333.00</td>
</tr>
<tr>
<td>7025</td>
<td>Two-Function Loader Hydraulics, Single Lever&lt;br&gt;Single lever loader control with electric clutch disconnect and momentary MFWD.</td>
<td>1</td>
<td>No Added Cost</td>
</tr>
<tr>
<td>7645</td>
<td>1.3 Cu. Yd. (1.0 Cu. M.) 92 in. (2.34 m) Wide Heavy Duty Long Lip Bucket with Bolt on Cutting Edge and Skid Plates</td>
<td>1</td>
<td>$3,332.00</td>
</tr>
<tr>
<td>8475</td>
<td>1000 Lb. (454 kg) Front Counterweight</td>
<td>1</td>
<td>$1,337.00</td>
</tr>
</tbody>
</table>
John Deere PowerTech Plus 4.5L (276 Cu. In.) Engine Meets Final Tier 4 and Stage IV Emissions
For use only in areas where EPA Final Tier 4/EU Stage IV is required.

- Turbocharged.
- Wet Sleeve Cylinder Liners.
- 4 Valves / Cylinder.
- Electronically Controlled HPCR Fuel Delivery System, B20 Biodiesel Compatible.
- Cooled Exhaust Gas Recirculation.
- Serpentine Belt with Automatic Belt Tensioner.
- Enclosed Safety Fan Guard.
- Vertical Spin-On Engine Oil Filter.
- Spin-On Fuel Filter with Water Separator.
- Dual Safety Element Dry-Type Air Cleaner with Evacuator Valve.
- Underhood Catalysts with Vertical Curved Exhaust Stack.
- Passive flow-through Exhaust Aftertreatment system with Grid Heater.
- Electronically controlled, variable-speed cooling fan.

Optional Items:

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Qty</th>
<th>Each</th>
<th>Extended</th>
</tr>
</thead>
<tbody>
<tr>
<td>9917</td>
<td>Radio, Bosch Basic Package AM/FM/Weather Radio</td>
<td>1</td>
<td>$850.00</td>
<td>$850.00</td>
</tr>
<tr>
<td>9905</td>
<td>Strobe Light with Magnetic Mount Light</td>
<td>1</td>
<td>$572.00</td>
<td>$572.00</td>
</tr>
<tr>
<td></td>
<td>Light is shipped loose in the cab.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9140</td>
<td>Heavy-Duty Backhoe Bucket Cylinder</td>
<td>1</td>
<td>$266.00</td>
<td>$266.00</td>
</tr>
<tr>
<td></td>
<td>Increases backhoe bucket breakout force by 27%.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9110</td>
<td>Ride Control</td>
<td>1</td>
<td>$1,935.00</td>
<td>$1,935.00</td>
</tr>
</tbody>
</table>

Configuration Total: $159,066.00

Summary

Equipment Totals (includes "Other Charges")

<table>
<thead>
<tr>
<th>Description</th>
<th>Qty</th>
<th>Each</th>
<th>Extended</th>
</tr>
</thead>
<tbody>
<tr>
<td>310SL BACKHOE LOADER</td>
<td>1</td>
<td>$159,066.00</td>
<td>$159,066.00</td>
</tr>
</tbody>
</table>

Total Equipment Group Price: $159,066.00

Additional Charges

<table>
<thead>
<tr>
<th>Description</th>
<th>Qty</th>
<th>Each</th>
</tr>
</thead>
<tbody>
<tr>
<td>Freight:</td>
<td>+/-</td>
<td>$0.00</td>
</tr>
<tr>
<td>Setup &amp; Delivery:</td>
<td>+/-</td>
<td>$0.00</td>
</tr>
<tr>
<td>Discounts:</td>
<td>+/-</td>
<td>$0.00</td>
</tr>
<tr>
<td>Trade In Allowance:</td>
<td>+/-</td>
<td>$0.00</td>
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<tr>
<td>Extended Warranty:</td>
<td>+/-</td>
<td>$0.00</td>
</tr>
<tr>
<td>Taxes:</td>
<td>+/-</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

Total Additional Charges: $0.00

Total Delivered Price: $159,066.00

Manufacturer's Suggested List Price shown. Retail prices may vary by dealer. Unless stated otherwise, taxes, freight, setup, delivery and other dealer specific charges not included in the pricing. Options noted with 'Net Item Charge' will have additional costs. Pricing and specifications subject to change without notice. Special program pricing may be available on certain models. Ask dealer for details. Prices shown are in U.S. dollars and valid only in the U.S.
AGENDA ITEM: 8-N

Discuss and take action on a Resolution Authorizing the purchase of one (1) 2020 2000 Gallon Freightliner Aluminum Water Truck for the Public Works Department in the total amount of $131,787.00 from Freightliner through HGAC; Funding from the Beach Fund 150 Capital Outlay Account 62350 and Hurricane Harvey Account #999; And Authorizing the City Manager to sign all documents associated with said purchase.

SUBMITTED BY: Public Works Director Doug Turner

APPROVED FOR AGENDA: City Manager David Parsons

COMMENTARY: Staff is requesting the purchase of one (1) 2020 2000 Gallon Freightliner Aluminum Water Truck for the Public Works Department in the total amount of $131,787.00 from Freightliner through HGAC. This will replace unit 214 that was damaged by Hurricane Harvey. Funds in amount of $46,758.00 was recently received from insurance. The water truck and the original budgeted estimate was for a cost of $105,000. The cost of the truck is now $131,787 thru HGAC contract. The truck will be paid for from the beach fund 150-62350 for $85,029.00 and Fund 999-50206.241 for $46,758.00.

The City participates in various local purchasing cooperatives created in accordance with Section 791.001 of the Texas Government Code to comply with state bidding requirements, and to identify qualified vendors of commodities, goods, and services.

ATTACHMENTS: Resolution 2019-49
HGAC Quote from Freightliner

STAFF RECOMMENDATION: Motion to approve funding in the amount $131,787.00 for the purchase of one (1) 2020 2000 Gallon Freightliner Aluminum Water Truck for the Public Works Department.

STAFF RECOMMENDATION: Port Aransas City Council approve Resolution Authorizing the purchase of one (1) 2020 2000 Gallon Freightliner Aluminum Water Truck for the Public Works Department in the total amount of $131,787.00 from Freightliner through HGAC; Funding from the Beach Fund 150 Capital Outlay Account 62350 and Hurricane Harvey Account #999; And Authorizing the City Manager to sign all documents associated with said purchase.
RESOLUTION NO 2019-R49

A RESOLUTION OF THE PORT ARANSAS CITY COUNCIL AUTHORIZING THE PURCHASE OF ONE (1) 2020 2000 GALLON FREIGHTLINER ALUMINUM WATER TRUCK FOR THE PUBLIC WORKS DEPARTMENT IN THE TOTAL AMOUNT OF $131,787.00 FROM FREIGHTLINER THROUGH HGAC; FUNDING FROM THE BEACH FUND 150 CAPITAL OUTLAY ACCOUNT 62350 AND HURRICANE HARVEY ACCOUNT #999; AND AUTHORIZING THE CITY MANAGER TO SIGN ALL DOCUMENTS ASSOCIATED WITH SAID PURCHASE.

WHEREAS, the Public Works Department requests authorization to expend funds for one (1) 2020 2000 Gallon Freightliner Aluminum Water Truck for the Public Works Department in the total amount of $131,787.00 from Freightliner; and

WHEREAS, this is an unfunded expenditure with funding in the amount of ____ from Hurricane Account #999; and

WHEREAS, the City participates in various local government purchasing cooperatives created in accordance with Section 791.001 of the Texas Government Code to comply with state bidding requirements, and to identify qualified vendors of commodities, goods, and services. The Cooperative to be used for this purchase is administered by HGAC.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORT ARANSAS, NUECES COUNTY, TEXAS:

Section 1. That the Port Aransas City Council authorizes expending funds in the amount of $131,787.00 for the purchase of one (1) 2020 2000 Gallon Freightliner Aluminum Water Truck to replace unit 214 damaged by Hurricane Harvey.

Section 2. That the Port Aransas City Council acknowledges that said purchase was not included in FY 2018-2019 Budget and approves said budget amendment. Funds will be from Hurricane Harvey Fund Account #999.

Section 3. The City Council authorizes the city manager to act as the executive officer and authorized representative of the city in all matters pertaining to said contract agreement for purchase of said equipment.

Section 4. It is hereby officially found and determined that the meeting at which this resolution 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.

PASSED and APPROVED by the Port Aransas City Council, County of Nueces, State of Texas, on this 16th day of MAY, 2019.
CITY OF PORT ARANSAS, TEXAS

Charles R. Bujan, Mayor

ATTEST:

Francisca Nixon, City Secretary
NEW COMMERCIAL VEHICLE SALES ORDER

Corpus Christi Freightliner - Western Star
8801 IH 37
Phone: (361) 694-8400 / (800) 418-4406
For Equipment primarily for business or commercial purposes
& not for personal, family, household or agricultural purposes

Date
Each Total
2020 FREIGHTLINER M2-106 2000GL WTR TRK WHITE 0

"Multiple Trades listed on Attachment B"

Lienholder: 131,787.00

TOTAL

City State Zip
PORT ARANSAS TX 78373

Email Address:

MARK R STECK
Salesperson
The undersigned purchaser hereby offers to purchase from Corp Christ Freightliner Inc, seller, the products herein described, at the price and with the other terms and conditions as set forth in the Retail Sales Order.

Quantity Year Make Model Type Color Odometer Reading Serial Number
1 2020 FREIGHTLINER M2-106 2000GL WTR TRK WHITE 0

CASH SALE PRICE

"Multiple Vehicle Purchases listed on Attachment A"

PRICE PER TRUCK $131,787.00

TOTAL $131,787.00

Miscellaneous and Optional Equipment to be added:

<table>
<thead>
<tr>
<th>Description</th>
<th>Price</th>
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<tr>
<td>2000 GALLON ALUMINUM WATER TRUCK BUILT TO REQUESTED SPECS BY J&amp;B Pavelka</td>
<td>-</td>
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<tr>
<td>SEE ATTACHED CUSTOM SPECS</td>
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<tr>
<td>WATER TANK COST $57,118.00 INCLUDED IN COST</td>
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<tr>
<td>ALL REQUESTED WARRANTIES INCLUDED</td>
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<tr>
<td>HGAC WORK SHEET AVAILABLE AT TIME OF PURCHASE ORDER.</td>
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<td>2019 CALENDAR YEAR PRODUCTION</td>
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<td>Warranty:</td>
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<td>TOWING 1 YR</td>
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<td>CUMMINS HD1 6YR 150K MILES EXT WTY ALLISON 7 YR EXT WTY UNLTD MILES</td>
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<td>ATD 6 YR 150 K MILE EXT WTY</td>
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<td>TOTAL WARRANTY COST $4929.00 INCLUDED IN COST</td>
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Contract Fee: $-

Total Miscellaneous and Optional Equipment $-

TRADE INFORMATION

"Multiple Trades listed on Attachment B"

(A) TOTAL SALE PRICE WITH F.E.T (if applicable) $131,787.00

(B) TOTAL EQUITY $-

TRADE INFORMATION

"Multiple Trades listed on Attachment B"

Year Make Model VIN Mileage Allowance Lienholder Phone Contact Name Payoff Approximate Trade Equity

MISCELLANEOUS

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<td><strong>DOCUMENTATION FEE</strong></td>
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<tr>
<td>D.O.T. INSPECTION OR STATE INSPECTION</td>
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<tr>
<td>OTHER</td>
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<tr>
<td>(C) TOTAL MISCELLANEOUS</td>
<td>-</td>
<td>-</td>
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</table>

METHOD OF PAYMENT

Cash with Order $-

Cash Due on Delivery Lienholder: 131,787.00

Balance Due Houston Freightliner Inc Payment is due at time of delivery $131,787.00

*A DOCUMENTARY FEE IS NOT AN OFFICIAL FEE. A DOCUMENTARY FEE IS NOT REQUIRED BY LAW, BUT MAY BE CHARGED TO BUYERS FOR HANDLING DOCUMENTS RELATING TO THE SALE. A DOCUMENTARY FEE MAY NOT EXCEED A REASONABLE AMOUNT AGREED TO BY THE PARTIES. THIS NOTICE IS REQUIRED BY LAW. CHAPTER 353 OF THE TEXAS FINANCE CODE APPLIES IF THIS SALE IS TO BE A RETAIL INSTALLMENT TRANSACTION. UN CARGO DOCUMENTAL NO ES UN CARGO OFICIAL. LA LEY NO EXIGE QUE SE IMPONGA UN CARGO DOCUMENTAL. PERO ESTE PODRÍA COBRARSE A LOS COMPRADORES POR EL MANEJO DE LA DOCUMENTACIÓN EN RELACIÓN CON LA VENTA. UN CARGO DOCUMENTAL NO PUEDE EXCEDER UNA CANTIDAD RAZONABLE ACORDADA POR LAS PARTES. ESTA NOTIFICACIÓN SE EXÍGE POR LEY. CAPÍTULO 353 DEL CÓDIGO FINANCIER DE TEXAS, SE APlica SI LA VENTA SE REALIZA EN PAGOS.

DISCLAIMER OF WARRANTIES

THE ONLY WARRANTIES ON THE VEHICLE SOLD HEREBY ARE THOSE MADE BY THE MANUFACTURER. SELLER EXPRESSLY DISCLAIMS ALL WARRANTIES, EITHER EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR PURPOSE. SELLER NEITHER ASSUMES NOR AUTHORIZES ANY OTHER PERSON TO ASSUME FOR IT ANY LIABILITY IN CONNECTION WITH THE SALE OF SAID PRODUCTS. BUYER WILL BEAR THE ENTIRE EXPENSE OF REPAIRING OR CORRECTING ANY DEFECTS THAT PRESENTLY EXIST OR THAT MAY OCCUR IN THE VEHICLE, UNLESS THE SAME ARE SPECIFICALLY COVERED BY A WRITTEN MANUFACTURER’S WARRANTY OR BY A SERVICE CONTRACT WITH SELLER COVERING THE DESCRIBED VEHICLE OR ITS COMPONENT PARTS WHICH IS DELIVERED TO BUYER IN CONJUNCTION WITH OR WITHIN 90 DAYS FOLLOWING THE TIME OF THE SALE.

**The Dealer’s inventory tax charge is intended to reimburse the dealer for ad valorem taxes on its motor vehicle inventory. The charge, which is paid by the dealer to the county tax assessor-collector, is not a tax imposed on a consumer by the government, and is not required to be charged by the dealer to the consumer.**

Purchaser agrees that this Order includes all of the terms and conditions on both the face and reverse side hereof, that this Order cancels and supercedes any prior agreement and as of the date hereof comprises the complete and exclusive statement of the terms of the agreement relating to the subject matters covered hereof, and that THIS ORDER SHALL NOT BECOME BINDING UNTIL ACCEPTED BY THE DEALER OR HIS/HER AUTHORIZED REPRESENTATIVE. Purchaser by execution of this order acknowledges that he/she has read its terms and conditions, accepted the same and received a true copy of this order.

This order is a contract and includes the additional provisions set forth on the reverse side hereof, each of which is incorporated herein by reference.

CORPUS CHRISTI FREIGHTLINER INC
("Seller")

By: REPRESENTATIVE’S SIGNATURE
DATE: 4/30/2019

CITY OF PORT ARANSAS
("Purchaser")

By: PURCHASER’S SIGNATURE
DATE: 4/30/2019
ADDITIONAL PURCHASE AGREEMENT TERMS AND CONDITIONS

1. Parties: In this order the term “Manufacturer” means the entity that manufactured the new truck (hereinafter “Truck”), whether a truck, chassis or equipment and whether one or more of either). Purchaser agrees that Seller is not the manufacturer and is not the agent of Manufacturer. Purchaser and Seller agree that they are the sole parties to this Order and that reference to the Manufacturer herein is for the purpose of explaining generally certain contractual relationships existing between Purchaser, Seller and Manufacturer.

2. Technical Changes and Required Equipment: Purchaser acknowledges that the Manufacturer has reserved the right to change the design, materials and specifications of the Truck at any time without notice or obligation to make such changes to the ordered Trucks or trucks previously purchased by Seller. Purchaser also acknowledges that Seller shall have no obligation to make such changes, but Seller reserves the right to make design or material changes after receipt of this order which, in Manufacturer’s or Seller’s opinion, are necessary to improve the truck(s). Purchaser agrees that a Truck delivered with such changes will satisfy Seller’s obligations under this order. This order shall be deemed to include, whether or not specified, all equipment and accessories required by the National Highway Traffic Safety Act or other applicable regulations. Purchaser agrees that any equipment or accessory not specified which is required to meet any applicable regulatory or safety requirements will be added and the additional cost therefore shall be paid by Purchaser, unless this order is canceled at the time and in the manner set out in paragraph 6 (“CANCELLATION”) below.

3. TRADE INS: If a used truck (“Trade-in”) has been traded in as a part of the consideration for a Truck ordered hereunder and is not to be delivered to Seller until delivery of the Truck, Seller may reappraise the Trade-in at the time of delivery and the reappraised value shall determine the allowance made for the Trade-in. If the reappraised value is lower than the original trade value/expense shown on the first page of this order Purchaser may cancel this order provided that such right is exercised prior to delivery of Truck to Purchaser and surrender of Trade-in to by Purchaser to Seller. Purchaser agrees to deliver to Seller good title to any Trade-in at the time of delivery of Trade-in to Seller and to warrant that Purchaser is the sole owner of the Trade-in, free and clear of all liens and encumbrances of every nature, except as may be expressly noted herein.

4. Terms of Payment: Unless otherwise agreed, payment in full to Seller shall be due on delivery of the Truck to Purchaser. Late payments shall bear interest at 18% per year or the maximum allowed by law, whichever is less. If acceptance of delivery is delayed, payment shall be due when Seller is prepared to deliver.

5. Sales and other Taxes: The prices do not include sales, use, federal excise, property, or any other taxes. Purchaser agrees that it is solely responsible to and will pay to the proper taxing authorities for the purchase prices of the Truck made the basis of this Order, all sales, use, federal excise, property, or any other taxes applicable to the acquisition, use, ownership of the Truck or, in lieu of an applicable tax, provide Seller with a tax exemption certificate satisfactory to Seller.

6. Cancellation: Purchaser may cancel this order only in accordance with the provisions of this paragraph or paragraphs 2 or 4 above. Purchaser must give written notice of cancellation to Seller at or before a date that Seller remains able to cancel its order from Manufacturer pursuant to Manufacturer’s guidelines. Once the time for Seller to cancel this order from Manufacturer has expired this order shall be non-cancelable and if Purchaser fails to accept delivery of or to pay for the Truck for any reason Purchaser shall be obligated to pay to Seller the purchase price of the trucks and all cost, expense, loss, damage, including attorneys’ fees, that Seller may reasonably suffer and incur by reason of Purchaser’s failure to accept delivery of and pay for the Truck.

7. Delivery: All delivery dates are approximate and are based upon information from Purchaser. Seller shall not be liable for delays in delivery, manufacturing or other causes beyond Seller’s control. Unless otherwise agreed in writing, all Trucks shall be delivered at Seller’s dealership location and deliveries at other locations will be made via carriers and routes designated by Manufacturer with freight charges to be included in the purchase price. Seller shall not be liable for failure to deliver or delay in delivering the Truck covered by this Order where such failure or delay is due, in whole or in part, to any cause beyond the control or without the fault or negligence of Seller.

8. Title and Security: Until payment in full for the Truck has been received by Seller, Seller shall reserve title and remain owner of the Truck or, at Seller’s election, Purchaser shall grant Seller a purchase money security interest in the Truck as security for payment. In the event of such election by Seller, Purchaser shall execute a security agreement and financing statement and all other instruments required to perfect and protect such security interest in favor of Seller. In the event that Purchaser fails to execute any such document, Purchaser hereby appoints Seller as its agent and attorney-in-fact, coupled with an interest, to execute same for Purchaser. If Purchaser defaults in payment or becomes subject to receivership or bankruptcy proceedings, makes an assignment for benefit of creditors or sells, transfers or leases the Truck, Seller may treat all amounts due hereunder immediately due and payable and may repossess the Truck.

9. DISCLAIMER OF WARRANTIES: MANUFACTURER OR OTHER SUPPLIER WRITTEN WARRANTIES CONSTITUTE THE ONLY WARRANTIES ON THE TRUCK DESCRIBED ON THE FACE HEREOF, EXRESSED OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. SELLER NEITHER ASSUMES NOR AUTHORIZES ANY OTHER PERSON TO ASSUME FOR IT, ANY WARRANTY OR OTHER LIABILITY IN CONNECTION WITH THE SALE OF THE TRUCK. THE SELLER IS NOT A PARTY TO ANY WARRANTY CONTRACT AND NO SELLER WARRANTY IS A PART OF THE SALE OR BARGAIN BETWEEN THE PURCHASER AND SELLER.

10. REPAIR SERVICES: Purchaser acknowledges that any repair or make ready services Seller performs on the Truck(s) shall not create any warranty of any nature whatsoever, express or implied, including without limitation any warranty of merchantability and fitness for purpose, with respect to the Truck.

11. General Provisions: a) Purchaser may not transfer or assign its rights hereunder; b) No waiver or change to this order is shall be binding unless in writing signed by Seller; c) To the extent not referenced or contrary to a provision herein, d) the TBCC governs this order; e) This order (including by reference the Manufacturer and applicable supplier warranties) constitutes the entire agreement between Seller and Purchaser and no understanding or obligation not written herein is binding on Seller or Purchaser.

Purchaser acknowledges and agrees to all the above terms and conditions:  

Purchaser's Authorized Signature
Bill To: Corpus Christi Freightliner  
Corpus Christi Freightliner  
8001 IH 37  
Corpus Christi, TX  78409

INSTRUCTIONS: Port Aransas Quote  
100-104" CA  AF6'6"  
Order Status: Pending  
Due Date:

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<td>BERKLEY PUMP 13-15GAL</td>
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<td>Labor</td>
<td>FOLLOWING IS AN ESTIMATE ON ALUMINUM WATER TANK RIG UP</td>
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Total Qty Ordered: 52 0 52

Percent Unfilled: 100

Exempt 0 % Tax:

20% Restocking Fee on all special order parts. No returns on electrical components. Thank you for your continued business.
A proposal for
CITY OF PORT ARANSAS

Prepared by
CORPUS CHRISTI FTL & WST
Mark Steck

Apr 30, 2019

Freightliner M2 106

Components shown may not reflect all spec'd options and are not to scale
## SPECIFICATION PROPOSAL

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<thead>
<tr>
<th>Data Code</th>
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<td>TRUCK CONFIGURATION</td>
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<td>DIRT/SAND/ROCK COMMODITY</td>
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<td>MAXIMUM 8% EXPECTED GRADE</td>
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<td>Description</td>
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<td>GODWIN MANUFACTURING COMPANY</td>
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<td>AF7-99D</td>
<td>EXPECTED BODY/PAYLOAD CG HEIGHT ABOVE FRAME &quot;XX&quot; INCHES : 32.0 in</td>
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**Engine**

| 101-21U  | CUM B6.7 250 HP @ 2400 RPM, 2600 GOV, 660 LB/FT @ 1600 RPM                |

**Electronic Parameters**

| 79A-075  | 75 MPH ROAD SPEED LIMIT                                                   |
| 79B-000  | CRUISE CONTROL SPEED LIMIT SAME AS ROAD SPEED LIMIT                       |
| 79M-001  | PTO MODE BRAKE OVERRIDE - SERVICE BRAKE APPLIED                           |
| 79P-002  | PTO RPM WITH CRUISE SET SWITCH - 700 RPM                                 |
| 79Q-003  | PTO RPM WITH CRUISE RESUME SWITCH - 800 RPM                               |
| 79S-001  | PTO MODE CANCEL VEHICLE SPEED - 5 MPH                                     |
| 79U-007  | PTO GOVERNOR RAMP RATE - 250 RPM PER SECOND                               |
| 80G-002  | PTO MINIMUM RPM - 700                                                     |
| 80J-002  | REGEN INHIBIT SPEED THRESHOLD - 5 MPH                                     |

**Engine Equipment**

<p>| 99C-017  | 2016-2019 ONBOARD DIAGNOSTICS/2010 EPA/CARB/FINAL GHG17 CONFIGURATION     |
| 99D-010  | NO 2008 CARB EMISSION CERTIFICATION                                       |
| 13E-001  | STANDARD OIL PAN                                                          |
| 105-001  | ENGINE MOUNTED OIL CHECK AND FILL                                        |
| 133-004  | ONE PIECE VALVE COVER                                                    |
| 014-1B5  | SIDE OF HOOD AIR INTAKE WITH DONALDSON HIGH CAPACITY AIR CLEANER WITH SAFETY ELEMENT, FIREWALL MOUNTED |
| 124-1D7  | DR 12V 160 AMP 28-SI QUADRAMOUNT PAD ALTERNATOR WITH REMOTE BATTERY VOLT SENSE |
| 292-205  | (2) DTNA GENUINE, FLOODED STARTING, MIN 1900CCA, 350RC, THREADED STUD BATTERIES |
| 290-017  | BATTERY BOX FRAME MOUNTED                                                 |
| 281-001  | STANDARD BATTERY JUMPERS                                                  |
| 282-001  | SINGLE BATTERY BOX FRAME MOUNTED LH SIDE UNDER CAB                       |
| 291-017  | WIRE GROUND RETURN FOR BATTERY CABLES WITH ADDITIONAL FRAME GROUND RETURN |
| 289-001  | NON-POLISHED BATTERY BOX COVER                                            |</p>
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<tr>
<td>87P-998</td>
<td>NO CAB AUXILIARY POWER WIRING</td>
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<td>293-058</td>
<td>POSITIVE LOAD DISCONNECT WITH CAB MOUNTED CONTROL SWITCH MOUNTED OUTBOARD DRIVER SEAT</td>
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<tr>
<td>107-032</td>
<td>CUMMINS TURBOCHARGED 18.7 CFM AIR COMPRESSOR WITH INTERNAL SAFETY VALVE</td>
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<tr>
<td>108-002</td>
<td>STANDARD MECHANICAL AIR COMPRESSOR GOVERNOR</td>
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<tr>
<td>131-013</td>
<td>AIR COMPRESSOR DISCHARGE LINE</td>
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<td>152-041</td>
<td>ELECTRONIC ENGINE INTEGRAL SHUTDOWN PROTECTION SYSTEM</td>
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<tr>
<td>128-1AR</td>
<td>CUMMINS EXHAUST BRAKE INTEGRAL WITH VARIABLE GEOMETRY TURBO WITH ON/OFF DASH SWITCH, ACTIVATES STOP LAMPS</td>
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<tr>
<td>016-1C3</td>
<td>RH OUTBOARD UNDER STEP MOUNTED HORIZONTAL AFTERTREATMENT SYSTEM ASSEMBLY WITH RH HORIZONTAL TAILPIPE</td>
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<tr>
<td>28F-002</td>
<td>ENGINE AFTERTREATMENT DEVICE, AUTOMATIC OVER THE ROAD REGENERATION AND DASH MOUNTED REGENERATION REQUEST SWITCH</td>
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<tr>
<td>239-001</td>
<td>STANDARD EXHAUST SYSTEM LENGTH</td>
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<td>237-052</td>
<td>RH STANDARD HORIZONTAL TAILPIPE</td>
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<tr>
<td>23U-001</td>
<td>6 GALLON DIESEL EXHAUST FLUID TANK</td>
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<td>30N-003</td>
<td>100 PERCENT DIESEL EXHAUST FLUID FILL</td>
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<td>43X-002</td>
<td>LH MEDIUM DUTY STANDARD DIESEL EXHAUST FLUID TANK LOCATION</td>
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<td>23Y-001</td>
<td>STANDARD DIESEL EXHAUST FLUID PUMP MOUNTING</td>
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<td>STANDARD DIESEL EXHAUST FLUID TANK CAP</td>
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<td>237-058</td>
<td>AIR POWERED ON/OFF ENGINE FAN CLUTCH</td>
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<tr>
<td>276-001</td>
<td>AUTOMATIC FAN CONTROL WITHOUT DASH SWITCH, NON ENGINE MOUNTED</td>
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<tr>
<td>110-003</td>
<td>CUMMINS SPIN ON FUEL FILTER</td>
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<td>118-001</td>
<td>FULL FLOW OIL FILTER</td>
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<td>266-100</td>
<td>700 SQUARE INCH ALUMINUM RADIATOR</td>
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<td>103-039</td>
<td>ANTIFREEZE TO -34F, OAT (NITRITE AND SILICATE FREE) EXTENDED LIFE COOLANT</td>
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<td>171-007</td>
<td>GATES BLUE STRIPE COOLANT HOSES OR EQUIVALENT</td>
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<td>172-001</td>
<td>CONSTANT TENSION HOSE CLAMPS FOR COOLANT HOSES</td>
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<td>270-016</td>
<td>RADIATOR DRAIN VALVE</td>
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<td>168-002</td>
<td>LOWER RADIATOR GUARD</td>
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<td>134-001</td>
<td>ALUMINUM FLYWHEEL HOUSING</td>
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<td>132-004</td>
<td>ELECTRIC GRID AIR INTAKE WARMER</td>
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<td>155-057</td>
<td>DELCO 12V 29MT STARTER WITH INTEGRATED MAGNETIC SWITCH</td>
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**Transmission**

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<tr>
<td>342-1MN</td>
<td>ALLISON 2500 RDS AUTOMATIC TRANSMISSION WITH PTO PROVISION</td>
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**Transmission Equipment**

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<tr>
<td>343-301</td>
<td>ALLISON VOCATIONAL PACKAGE 354 - AVAILABLE ON 1000/2000 PRODUCT FAMILIES WITH VOCATIONAL MODELS RDS, EVS, HS, MH, PTS AND SPS</td>
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<tr>
<td>84B-012</td>
<td>ALLISON VOCATIONAL RATING FOR ON/OFF HIGHWAY APPLICATIONS AVAILABLE WITH ALL PRODUCT FAMILIES</td>
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<tr>
<td>84C-007</td>
<td>PRIMARY MODE GEARS, 6 FORWARD GEARS WITH MANUAL SELECTION FOR 3, 2 AND 1, AVAILABLE FOR 1000/2000 PRODUCT FAMILIES ONLY</td>
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<tr>
<td>84E-000</td>
<td>PRIMARY SHIFT SCHEDULE RECOMMENDED BY DTNA AND ALLISON, THIS DEFINED BY ENGINE AND VOCATIONAL USAGE</td>
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<tr>
<td>84F-000</td>
<td>SECONDARY SHIFT SCHEDULE RECOMMENDED BY DTNA AND ALLISON, THIS DEFINED BY ENGINE AND VOCATIONAL USAGE</td>
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<td>84G-000</td>
<td>PRIMARY SHIFT SPEED RECOMMENDED BY DTNA AND ALLISON, THIS DEFINED BY ENGINE AND VOCATIONAL USAGE</td>
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<td>84H-000</td>
<td>SECONDARY SHIFT SPEED RECOMMENDED BY DTNA AND ALLISON, THIS DEFINED BY ENGINE AND VOCATIONAL USAGE</td>
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<tr>
<td>84J-000</td>
<td>ENGINE BRAKE RANGE PRESELECT RECOMMENDED BY DTNA AND ALLISON, THIS DEFINED BY ENGINE AND VOCATIONAL USAGE</td>
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<tr>
<td>84K-000</td>
<td>ENGINE BRAKE RANGE ALTERNATE PRESELECT RECOMMENDED BY DTNA AND ALLISON, THIS DEFINED BY ENGINE AND VOCATIONAL USAGE</td>
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<td>84N-200</td>
<td>FUEL SENSE 2.0 DISABLED - MAXIMUM PERFORMANCE - TABLE BASED</td>
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<td>84U-000</td>
<td>DRIVER SWITCH INPUT - DEFAULT - NO SWITCHES</td>
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<tr>
<td>353-023</td>
<td>VEHICLE INTERFACE WIRING CONNECTOR WITHOUT BLUNT CUTS, AT END OF FRAME</td>
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<tr>
<td>34C-001</td>
<td>ELECTRONIC TRANSMISSION CUSTOMER ACCESS CONNECTOR FIREWALL MOUNTED</td>
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Application Version 10.1.202
Data Version PRL-20M.001
PORT A WTR TRUCK

04/30/2019 5:18 PM
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<th>Data Code</th>
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<tr>
<td>362-1BV</td>
<td>CUSTOMER INSTALLED CHELSEA 270 SERIES PTO</td>
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<td>363-001</td>
<td>PTO MOUNTING, LH SIDE OF MAIN TRANSMISSION</td>
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<tr>
<td>341-018</td>
<td>MAGNETIC PLUGS, ENGINE DRAIN, TRANSMISSION DRAIN, AXLE(S) FILL AND DRAIN</td>
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<td>345-072</td>
<td>DASH MOUNTED T-HANDLE CABLE SHIFT CONTROL WITHOUT PARK BRAKE POSITION</td>
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<tr>
<td>97G-006</td>
<td>TRANSMISSION PROGNOSTICS - DISABLED (N/A) 2013, FOR USE IN 1000/2000 ONLY</td>
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<tr>
<td>370-015</td>
<td>WATER TO OIL TRANSMISSION COOLER, IN Radiator End Tank</td>
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<tr>
<td>346-001</td>
<td>TRANSMISSION OIL CHECK AND FILL</td>
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<tr>
<td>35T-001</td>
<td>SYNTHETIC TRANSMISSION FLUID (TES-295 COMPLIANT)</td>
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**Front Axle and Equipment**

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<tbody>
<tr>
<td>400-1A5</td>
<td>DETROIT DA-F-10.0-3 10,000# FF1 71.5 KPI/3.74 DROP SINGLE FRONT AXLE</td>
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<tr>
<td>402-021</td>
<td>MERITOR 15X5 Q+ CAST SPIDER CAM FRONT BRAKES, DOUBLE ANCHOR, FABRICATED SHOES</td>
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<tr>
<td>403-002</td>
<td>NON-ASBESTOS FRONT BRAKE LINING</td>
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<tr>
<td>419-023</td>
<td>CONMET CAST IRON FRONT BRAKE DRUMS</td>
</tr>
<tr>
<td>409-006</td>
<td>FRONT OIL SEALS</td>
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<tr>
<td>408-001</td>
<td>VENTED FRONT HUB CAPS WITH WINDOW, CENTER AND SIDE PLUGS - OIL</td>
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<tr>
<td>416-022</td>
<td>STANDARD SPINDLE NUTS FOR ALL AXLES</td>
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<tr>
<td>405-002</td>
<td>MERITOR AUTOMATIC FRONT SLACK ADJUSTERS</td>
</tr>
<tr>
<td>536-050</td>
<td>TRW THP-60 POWER STEERING</td>
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<tr>
<td>539-003</td>
<td>POWER STEERING PUMP</td>
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<tr>
<td>534-015</td>
<td>2 QUART SEE THROUGH POWER STEERING RESERVOIR</td>
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<tr>
<td>40T-002</td>
<td>SYNTHETIC 75W-90 FRONT AXLE LUBE</td>
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**Front Suspension**

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<tr>
<td>620-1F0</td>
<td>12,000# DUAL TAPERLEAF FRONT SUSPENSION</td>
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<td>619-005</td>
<td>MAINTENANCE FREE RUBBER BUSHINGS - FRONT SUSPENSION</td>
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<tr>
<td>62H-013</td>
<td>FRONT SUSPENSION WITH SHACKLES AND MOUNTING BOLT HEADS INBOARD</td>
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<tr>
<td>410-001</td>
<td>FRONT SHOCK ABSORBERS</td>
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<tr>
<td>420-051</td>
<td>RS-23-160 23,000# R-SERIES SINGLE REAR AXLE</td>
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<td>421-614</td>
<td>6.14 REAR AXLE RATIO</td>
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<td>424-001</td>
<td>IRON REAR AXLE CARRIER WITH STANDARD AXLE HOUSING</td>
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<td>386-073</td>
<td>MXL 17T MERITOR EXTENDED LUBE MAIN DRIVELINE WITH HALF ROUND YOKES</td>
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<td>452-001</td>
<td>DRIVER CONTROLLED TRACTION DIFFERENTIAL - SINGLE REAR AXLE</td>
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<tr>
<td>878-018</td>
<td>(1) DRIVER CONTROLLED DIFFERENTIAL LOCK REAR VALVE FOR SINGLE DRIVE AXLE</td>
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<td>87B-004</td>
<td>BLINKING LAMP WITH EACH MODE SWITCH, DIFFERENTIAL UNLOCK WITH IGNITION OFF,</td>
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<td>423-033</td>
<td>MERITOR 16.5X7 Q+ CAST SPIDER HEAVY DUTY CAM REAR BRAKES, DOUBLE ANCHOR,</td>
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<td>433-002</td>
<td>NON-ASBESTOS REAR BRAKE LINING</td>
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<td>434-011</td>
<td>BRAKE CAMS AND CHAMBERS ON FORWARD SIDE OF DRIVE AXLE(S)</td>
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<td>451-023</td>
<td>CONMET CAST IRON REAR BRAKE DRUMS</td>
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<td>440-006</td>
<td>REAR OIL SEALS</td>
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<tr>
<td>426-100</td>
<td>WABCO TRISTOP D LONGSTROKE 1-DRIVE AXLE SPRING PARKING CHAMBERS</td>
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<td>428-002</td>
<td>MERITOR AUTOMATIC REAR SLACK ADJUSTERS</td>
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<td>41T-003</td>
<td>ROADRANGER SYNTHETIC FE 75W-90 REAR AXLE LUBE</td>
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<td>622-003</td>
<td>23,000# FLAT LEAF SPRING REAR SUSPENSION WITH HELPER AND RADIUS ROD</td>
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<td>034-001</td>
<td>ROUGH SERVICE PACKAGE FOR FREIGHTLINER 20/23,000# SUSPENSIONS</td>
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<td>621-001</td>
<td>SPRING SUSPENSION - NO AXLE SPACERS</td>
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<td>431-001</td>
<td>STANDARD AXLE SEATS IN AXLE CLAMP GROUP</td>
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<td>623-001</td>
<td>HEAVY DUTY FORE/AFT CONTROL RODS</td>
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<td>AIR BRAKE PACKAGE</td>
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<td>490-100</td>
<td>WABCO 4S/4M ABS</td>
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<td>871-001</td>
<td>REINFORCED NYLON, FABRIC BRAID AND WIRE BRAID CHASSIS AIR LINES</td>
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<tr>
<td>904-001</td>
<td>FIBER BRAID PARKING BRAKE HOSE</td>
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<td>412-001</td>
<td>STANDARD BRAKE SYSTEM VALVES</td>
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<td>46D-002</td>
<td>STANDARD AIR SYSTEM PRESSURE PROTECTION SYSTEM</td>
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<td>413-002</td>
<td>STD U.S. FRONT BRAKE VALVE</td>
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<tr>
<td>432-003</td>
<td>RELAY VALVE WITH 5-8 PSI CRACK PRESSURE, NO REAR PROPORTIONING VALVE</td>
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<td>480-088</td>
<td>WABCO SYSTEM SAVER HP WITH INTEGRAL AIR GOVERNOR AND HEATER</td>
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<td>479-012</td>
<td>AIR DRYER MOUNTED UNDER HOOD</td>
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<td>ALUMINUM AIR BRAKE RESERVOIRS</td>
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<td>477-001</td>
<td>PULL CABLE ON WET TANK, PETCOCK DRAIN VALVES ON ALL OTHER AIR TANKS</td>
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**Trailer Connections**

- 335-004 UPGRADED CHASSIS MULTIPLEXING UNIT
- 32A-002 UPGRADED BULKHEAD MULTIPLEXING UNIT

**Wheelbase & Frame**

- 545-430 4300MM (169 INCH) WHEELBASE
- 546-094 9/32X3-7/16X10-1/16 INCH STEEL FRAME (7.14MMX255.6/0.281X10.06 INCH) 80KSI
- 552-043 1975MM (78 INCH) REAR FRAME OVERHANG
- 55W-007 FRAME OVERHANG RANGE: 71 INCH TO 80 INCH
- AC8-99D CALC'D BACK OF CAB TO REAR SUSP C/L (CA) : 103.75 in
- AE8-99D CALCULATED EFFECTIVE BACK OF CAB TO REAR SUSPENSION C/L (CA) : 100.75 in
- AE4-99D CALC'D FRAME LENGTH - OVERALL : 286.08 in
- FSS-0LH CALCULATED FRAME SPACE LH SIDE : 63.52 in
- FSS-0RH CALCULATED FRAME SPACE RH SIDE : 174.08 in
- AM6-99D CALC'D SPACE AVAILABLE FOR DECKPLATE : 103.45 in
- 553-001 SQUARE END OF FRAME
- 550-001 FRONT CLOSING CROSSMEMBER
- 559-001 STANDARD WEIGHT ENGINE CROSSMEMBER
- 561-001 STANDARD CROSSMEMBER BACK OF TRANSMISSION
- 562-001 STANDARD MIDSHIP #1 CROSSMEMBER(S)
- 572-001 STANDARD REARMOST CROSSMEMBER
- 565-002 HEAVY DUTY SUSPENSION CROSSMEMBER 30
<table>
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<td>556-1AP</td>
<td>THREE-PIECE 14 INCH PAINTED STEEL BUMPER WITH COLLAPSIBLE ENDS</td>
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<td>558-001</td>
<td>FRONT TOW HOOKS - FRAME MOUNTED</td>
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<td>574-001</td>
<td>BUMPER MOUNTING FOR SINGLE LICENSE PLATE</td>
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<td>FENDER AND FRONT OF HOOD MOUNTED FRONT MUDFLAPS</td>
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<td>551-007</td>
<td>GRADE 8 THREADED HEX HEADED FRAME FASTENERS</td>
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<td><strong>Fuel Tanks</strong></td>
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<td>50 GALLON/189 LITER RECTANGULAR ALUMINUM FUEL TANK - LH</td>
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<td>RECTANGULAR FUEL TANK(S)</td>
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<td>PLAIN ALUMINUM/PAINTED STEEL FUEL/HYDRAULIC TANK(S) WITH PAINTED BANDS</td>
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<td>FUEL TANK(S) FORWARD</td>
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<td>664-001</td>
<td>PLAIN STEP FINISH</td>
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<td>FUEL TANK CAP(S)</td>
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<td>122-1J2</td>
<td>DETROIT FUEL/WATER SEPARATOR WITH WATER IN FUEL SENSOR AND HAND PRIMER</td>
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<td>EQUIFLO INBOARD FUEL SYSTEM</td>
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<td>NO NATURAL GAS VEHICLE FUEL TANK VENT LINE/STACK</td>
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<td>HIGH TEMPERATURE REINFORCED NYLON FUEL LINE</td>
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<td>221-008</td>
<td>FUEL COOLER MOUNTED LEFT HAND IN RAIL</td>
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<td><strong>Tires</strong></td>
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<td>HANKOOK AL11 11R22.5 14 PLY RADIAL FRONT TIRES</td>
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<td>094-2C6</td>
<td>HANKOOK DL11 11R22.5 14 PLY RADIAL REAR TIRES</td>
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<td><strong>Hubs</strong></td>
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<td>418-058</td>
<td>CONMET PRESET PLUS PREMIUM ALUMINUM FRONT HUBS</td>
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<td>CONMET PRESET PLUS PREMIUM ALUMINUM REAR HUBS</td>
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<td><strong>Wheels</strong></td>
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<td>502-659</td>
<td>ACCURIDE 42644 ACCU-LITE 22.5X8.25 10-HUB PILOT 5.79 INSET ALUMINUM DISC FRONT WHEELS</td>
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<td>Data Code</td>
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<td>505-659</td>
<td>ACCURIDE 42644 ACCU-LITE 22.5X8.25 10-HP ALUMINUM DISC REAR WHEELS</td>
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<td>496-011</td>
<td>FRONT WHEEL MOUNTING NUTS</td>
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<td>497-011</td>
<td>REAR WHEEL MOUNTING NUTS</td>
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<td><strong>Cab Exterior</strong></td>
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<td>829-071</td>
<td>106 INCH BBC FLAT ROOF ALUMINUM CONVENTIONAL CAB</td>
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<tr>
<td>650-008</td>
<td>AIR CAB MOUNTING</td>
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<td>648-002</td>
<td>NONREMOVABLE BUGSCREEN MOUNTED BEHIND GRILLE</td>
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<td>754-008</td>
<td>2-1/2 INCH FENDER EXTENSIONS</td>
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<td>678-067</td>
<td>SAFETY YELLOW LH AND RH INTERIOR GRAB HANDLES AND LH AND RH EXTERIOR NON-SLIP GRAB HANDLES</td>
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<td>646-023</td>
<td>HOOD MOUNTED CHROMED PLASTIC GRILLE</td>
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<td>65X-003</td>
<td>CHROME HOOD MOUNTED AIR INTAKE GRILLE</td>
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<td>644-004</td>
<td>FIBERGLASS HOOD</td>
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<td>690-016</td>
<td>CAB FLOOR, TOE BOARD AND FIREWALL HEAT SHIELD</td>
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<td>727-1AF</td>
<td>SINGLE 14 INCH ROUND HADLEY AIR HORN UNDER LH DECK</td>
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<td>726-001</td>
<td>SINGLE ELECTRIC HORN</td>
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<td>SINGLE HORN SHIELD</td>
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<td>DOOR LOCKS AND IGNITION SWITCH KEYED THE SAME</td>
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<td>REAR LICENSE PLATE MOUNT END OF FRAME</td>
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<td>312-038</td>
<td>INTEGRAL HEADLIGHT/MARKER ASSEMBLY WITH CHROME BEZEL</td>
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<td>(5) AMBER MARKER LIGHTS</td>
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<td>INTEGRAL STOP/TAIL/BACKUP LIGHTS</td>
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<td>744-1BH</td>
<td>DUAL WEST COAST MOLDED-IN COLOR MIRRORS</td>
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<td>DOOR MOUNTED MIRRORS</td>
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<td>796-001</td>
<td>102 INCH EQUIPMENT WIDTH</td>
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<td>743-1AP</td>
<td>LH AND RH 8 INCH MOLDED-IN COLOR CONVEX MIRRORS MOUNTED UNDER PRIMARY MIRRORS</td>
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<td>STANDARD SIDE/REAR REFLECTORS</td>
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<td>677-016</td>
<td>DUAL LEVEL CAB ENTRY STEPS ON BOTH SIDES</td>
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<td>275-061</td>
<td>ELECTRIC HORN WARNING SYSTEM FOR PARK BRAKE NOT SET WITH DOOR OPEN AND ALL IGNITION KEY POSITIONS</td>
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<td>768-043</td>
<td>63X14 INCH TINTED REAR WINDOW</td>
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<td>661-003</td>
<td>TINTED DOOR GLASS LH AND RH WITH TINTED NON-OPERATING WING WINDOWS</td>
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<td>654-003</td>
<td>MANUAL DOOR WINDOW REGULATORS</td>
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<td>663-013</td>
<td>TINTED WINDSHIELD</td>
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<td>659-019</td>
<td>2 GALLON WINDSHIELD WASHER RESERVOIR WITHOUT FLUID LEVEL INDICATOR, FRAME MOUNTED</td>
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**Cab Interior**

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<td>707-1AK</td>
<td>OPAL GRAY VINYL INTERIOR</td>
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<td>706-026</td>
<td>MOLDED PLASTIC DOOR PANEL WITHOUT VINYL INSERT WITH ALUMINUM KICKPLATE LOWER DOOR</td>
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<td>708-026</td>
<td>MOLDED PLASTIC DOOR PANEL WITHOUT VINYL INSERT WITH ALUMINUM KICKPLATE LOWER DOOR</td>
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<td>772-006</td>
<td>BLACK MATS WITH SINGLE INSULATION</td>
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<td>785-004</td>
<td>DASH MOUNTED ASH TRAY(S) WITHOUT LIGHTER</td>
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<td>691-008</td>
<td>FORWARD ROOF MOUNTED CONSOLE WITH UPPER STORAGE COMPARTMENTS WITHOUT NETTING</td>
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<td>694-010</td>
<td>IN DASH STORAGE BIN</td>
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<td>742-007</td>
<td>(2) CUP HOLDERS LH AND RH DASH</td>
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<td>680-006</td>
<td>GRAY/CHARCOAL FLAT DASH</td>
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<td>720-002</td>
<td>2-1/2 LB. FIRE EXTINGUISHER</td>
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<td>700-002</td>
<td>HEATER, DEFROSTER AND AIR CONDITIONER</td>
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<td>701-001</td>
<td>STANDARD HVAC DUCTING</td>
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<td>703-005</td>
<td>MAIN HVAC CONTROLS WITH RECIRCULATION SWITCH</td>
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<td>170-045</td>
<td>STANDARD HEATER PLUMBING WITH BALL SHUTOFF VALVES AT SUPPLY LINES ONLY</td>
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<td>130-041</td>
<td>VALEO HEAVY DUTY A/C REFRIGERANT COMPRESSOR</td>
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<td>702-002</td>
<td>BINARY CONTROL, R-134A</td>
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<td>739-034</td>
<td>PREMIUM INSULATION</td>
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<td>285-013</td>
<td>SOLID-STATE CIRCUIT PROTECTION AND FUSES</td>
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<td>12V NEGATIVE GROUND ELECTRICAL SYSTEM</td>
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<td>324-014</td>
<td>DOME LIGHT WITH 3-WAY SWITCH ACTIVATED BY LH AND RH DOORS</td>
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<td>655-001</td>
<td>CAB DOOR LATCHES WITH MANUAL DOOR LOCKS</td>
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<td>284-023</td>
<td>(1) 12 VOLT POWER SUPPLY IN DASH</td>
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<td>TRIANGULAR REFLECTORS WITHOUT FLARES</td>
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<td>756-1J3</td>
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<td>760-1J3</td>
<td>BASIC HIGH BACK AIR SUSPENSION PASSENGER SEAT WITH MECHANICAL LUMBAR AND INTEGRATED CUSHION EXTENSION</td>
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<td>711-004</td>
<td>LH AND RH INTEGRAL DOOR PANEL ARMRESTS</td>
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<td>758-036</td>
<td>VINYL WITH VINYL INSERT DRIVER SEAT</td>
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<td>761-036</td>
<td>VINYL WITH VINYL INSERT PASSENGER SEAT</td>
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<td>763-101</td>
<td>BLACK SEAT BELTS</td>
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<td>FIXED STEERING COLUMN</td>
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<td>540-015</td>
<td>4-SPOKE 18 INCH (450MM) STEERING WHEEL</td>
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<td>765-002</td>
<td>DRIVER AND PASSENGER INTERIOR SUN VISORS</td>
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**Instruments & Controls**

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<td>GRAY DRIVER INSTRUMENT PANEL</td>
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<td>GRAY CENTER INSTRUMENT PANEL</td>
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<td>870-001</td>
<td>BLACK GAUGE BEZELS</td>
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<td>486-001</td>
<td>LOW AIR PRESSURE INDICATOR LIGHT AND AUDIBLE ALARM</td>
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<td>840-002</td>
<td>2 INCH PRIMARY AND SECONDARY AIR PRESSURE GAUGES</td>
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<td>198-002</td>
<td>INTAKE MOUNTED AIR RESTRICTION INDICATOR WITH GRADUATIONS</td>
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<td>721-001</td>
<td>97 DB BACKUP ALARM</td>
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<td>ELECTRONIC CRUISE CONTROL WITH SWITCHES IN LH SWITCH PANEL</td>
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<td>156-007</td>
<td>KEY OPERATED IGNITION SWITCH AND INTEGRAL START POSITION; 4 POSITION OFF/RUN/START/ACCESSORY</td>
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<td>811-042</td>
<td>ICU3S, 132X48 DISPLAY WITH DIAGNOSTICS, 28 LED WARNING LAMPS AND DATA LINKED</td>
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<td>160-038</td>
<td>HEAVY DUTY ONBOARD DIAGNOSTICS INTERFACE CONNECTOR LOCATED BELOW LH DASH</td>
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<td>2 INCH ELECTRIC FUEL GAUGE</td>
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<td>148-003</td>
<td>PROGRAMMABLE RPM CONTROL - ELECTRONIC ENGINE</td>
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<td>856-001</td>
<td>ELECTRICAL ENGINE COOLANT TEMPERATURE GAUGE</td>
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<td>2 INCH TRANSMISSION OIL TEMPERATURE GAUGE</td>
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<td>830-017</td>
<td>ENGINE AND TRIP HOUR METERS INTEGRAL WITHIN DRIVER DISPLAY</td>
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<td>372-051</td>
<td>CUSTOMER FURNISHED AND INSTALLED PTO CONTROLS</td>
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<td>852-002</td>
<td>ELECTRIC ENGINE OIL PRESSURE GAUGE</td>
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<tr>
<td>746-115</td>
<td>AM/FM/WEB WORLD TUNER RADIO WITH BLUETOOTH AND USB AND AUXILIARY INPUTS,</td>
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<td>747-001</td>
<td>DASH MOUNTED RADIO</td>
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<td>750-002</td>
<td>(2) RADIO SPEAKERS IN CAB</td>
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<td>753-001</td>
<td>AM/FM ANTENNA MOUNTED ON FORWARD LH ROOF</td>
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<td>810-027</td>
<td>ELECTRONIC MPH SPEEDOMETER WITH SECONDARY KPH SCALE, WITHOUT ODOMETER</td>
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<td>817-001</td>
<td>STANDARD VEHICLE SPEED SENSOR</td>
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<td>812-001</td>
<td>ELECTRONIC 3000 RPM TACHOMETER</td>
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<td>162-011</td>
<td>IDLE LIMITER, ELECTRONIC ENGINE</td>
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<td>329-010</td>
<td>TWO ON/OFF ROCKER SWITCHES IN THE DASH WITH INDICATOR LIGHTS AND WIRE ROUTED</td>
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<td>TO CHASSIS AT BACK OF CAB, label opt</td>
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<td>81Y-001</td>
<td>PRE-TRIP LAMP INSPECTION, ALL OUTPUTS FLASH, WITH SMART SWITCH</td>
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<td>836-015</td>
<td>DIGITAL VOLTAGE DISPLAY INTEGRAL WITH DRIVER DISPLAY</td>
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<td>660-008</td>
<td>SINGLE ELECTRIC WINDSHIELD WIPER MOTOR WITH DELAY</td>
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<td>304-001</td>
<td>MARKER LIGHT Switch INTEGRATED WITH HEADLIGHT SWITCH</td>
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<td>882-009</td>
<td>ONE VALVE PARKING BRAKE SYSTEM WITH WARNING INDICATOR</td>
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<td>299-013</td>
<td>SELF CANCELING TURN SIGNAL SWITCH WITH DIMMER, WASHER/WIPER AND HAZARD IN</td>
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<tr>
<td></td>
<td>HANDLE</td>
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<td>298-039</td>
<td>INTEGRAL ELECTRONIC TURN SIGNAL FLASHER WITH HAZARD LAMPS OVERRIDING STOP LAMPS</td>
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**Design**

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<td>PAINT: ONE SOLID COLOR</td>
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<td>Description</td>
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<td>980-5F6</td>
<td>CAB COLOR A: L0006EB WHITE ELITE BC</td>
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<td>986-020</td>
<td>BLACK, HIGH SOLIDS POLYURETHANE CHASSIS PAINT</td>
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<td>964-627</td>
<td>BUMPER PAINT: FP24812 ARGENT SILVER DUPONT FLEX</td>
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<td>963-003</td>
<td>STANDARD E COAT/UNDERCOATING</td>
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**Certification / Compliance**

- 996-001 U.S. FMVSS CERTIFICATION, EXCEPT SALES CABS AND GLIDER KITS

**Raw Performance Data**

- AE4-99D CALC'D FRAME LENGTH - OVERALL: 286.08 in
- AE8-99D CALCULATED EFFECTIVE BACK OF CAB TO REAR SUSPENSION C/L (CA): 100.75 in
- AM6-99D CALC'D SPACE AVAILABLE FOR DECKPLATE: 103.45 in

**TOTAL VEHICLE SUMMARY**

**Weight Summary**

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<tr>
<th>Weight</th>
<th>Weight</th>
<th>Total</th>
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<tbody>
<tr>
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<td>Front</td>
<td>Rear</td>
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<tr>
<td>Factory Weight</td>
<td>5731 lbs</td>
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<tr>
<td>Total Weight</td>
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<td>3861 lbs</td>
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**Extended Warranty**

- WAI-45H CUM 2017 B6.7: HD1 MD DTY 6 YEARS / 150,000 MILES / 241,500 KM EXTENDED WARRANTY. FEX APPLIES
- WAX-142 CUM 2017 B6.7: AT3 MD DTY 6 YEARS / 150,000 MILES / 241,500 KM AFTERTREATMENT. FEX APPLIES
- WBB-284 TC4: MD MODERATE 5 YEARS/150,000 MILES / 241,500 KM EXTENDED TRUCK COVERAGE. FEX APPLIES
- WAK-257 ALLISON 2500 RDS SERIES TRANSMISSION EXTEND WARRANTY, 7 YEARS/UNLIMITED MILES FEX
- WAG-010 TOWING: 1 YEAR/UNLIMITED MILES/KM EXTENDED TOWING COVERAGE $550 CAP FEX APPLIES
(+ Weights shown are estimates only.
If weight is critical, contact Customer Application Engineering.
VEHICLE SPECIFICATIONS SUMMARY - DIMENSIONS

Model ....................................................................................................................................................................................... M2106
Wheelbase (545) ........................................................................................................................................................................ 4300MM (169 INCH) WHEELBASE
Rear Frame Overhang (552) .................................................................................................................................................. 1975MM (78 INCH) REAR FRAME OVERHANG
Fifth Wheel (578) ........................................................................................................................................................................ NO FIFTH WHEEL
  Mounting Location (577) ........................................................................................................................................................ NO FIFTH WHEEL LOCATION
  Maximum Forward Position (in) ................................................................................................................................. 0
  Maximum Rearward Position (in) ........................................................................................................................................ 0
  Amount of Slide Travel (in) ................................................................................................................................................ 0
  Slide Increment (in) ............................................................................................................................................................ 0
  Desired Slide Position (in) ............................................................................................................................................ 0.0
Cab Size (829) .............................................................................................................................................................. 106 INCH BBC FLAT ROOF ALUMINUM CONVENTIONAL CAB
Sleeper (682) ............................................................................................................................................................ NO SLEEPER BOX/SLEEPERCAB
Exhaust System (016) .................................................................................................................................................. RH OUTBOARD UNDER STEP MOUNTED HORIZONTAL AFTERTREATMENT SYSTEM ASSEMBLY WITH RH HORIZONTAL TAILPIPE

TABLE SUMMARY - DIMENSIONS
<table>
<thead>
<tr>
<th>Dimensions</th>
<th>Inches</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bumper to Back of Cab (BBC)</td>
<td>106.3</td>
</tr>
<tr>
<td>Bumper to Centerline of Front Axle (BA)</td>
<td>40.7</td>
</tr>
<tr>
<td>Min. Cab to Body Clearance (CB)</td>
<td>3.0</td>
</tr>
<tr>
<td>Back of Cab to Centerline of Rear Axle(s) (CA)</td>
<td>103.7</td>
</tr>
<tr>
<td>Effective Back of Cab to Centerline of Rear Axle(s) (Effective CA)</td>
<td>100.7</td>
</tr>
<tr>
<td>Back of Cab Protrusions (Exhaust/Intake) (CP)</td>
<td>3.0</td>
</tr>
<tr>
<td>Back of Cab Protrusions (Side Extenders/Trim Tab) (CP)</td>
<td>0.0</td>
</tr>
<tr>
<td>Back of Cab Protrusions (CNG Tank)</td>
<td>0.0</td>
</tr>
<tr>
<td>Back of Cab Clearance (CL)</td>
<td>3.0</td>
</tr>
<tr>
<td>Back of Cab to End of Frame</td>
<td>181.5</td>
</tr>
<tr>
<td>Cab Height (CH)</td>
<td>63.2</td>
</tr>
<tr>
<td>Wheelbase (WB)</td>
<td>169.3</td>
</tr>
<tr>
<td>Frame Overhang (OH)</td>
<td>78.0</td>
</tr>
<tr>
<td>Overall Length (OAL)</td>
<td>287.8</td>
</tr>
<tr>
<td>Rear Axle Spacing</td>
<td>0.0</td>
</tr>
<tr>
<td>Unladen Frame Height at Centerline of Rear Axle</td>
<td>40.7</td>
</tr>
</tbody>
</table>

Performance calculations are estimates only. If performance calculations are critical, please contact Customer Application Engineering.
AGENDA ITEM: 8-O

Discuss and take action on a Resolution Authorizing the purchase of three (3) 2019 Ford Trucks for the Gas Department from Caldwell Country Ford through Buyboard Cooperative in the total amount of $111,285.60; Funding from the Hurricane Harvey Account #999; Authorizing Future Budget Amendment from FY 2018-2019; And Authorizing the City Manager to sign all documents associated with said purchase.

SUBMITTED BY: Public Works Director Doug Turner

APPROVED FOR AGENDA: City Manager David Parsons

COMMENTARY: Staff is requesting the purchase of three (3) replacement vehicles from Caldwell Country Ford under the BuyBoard contract for the Gas Department that were damaged due to Hurricane Harvey. Vehicle and total cost is below:

<table>
<thead>
<tr>
<th>Vehicle Type</th>
<th>Original Vehicle Cost</th>
<th>Amount Received from Insurance</th>
<th>Unit # being replaced</th>
</tr>
</thead>
<tbody>
<tr>
<td>¾ Ton Crew Cab</td>
<td>$39,422.80</td>
<td>$14,988.00</td>
<td>276</td>
</tr>
<tr>
<td>¾ Ton Extended Cab</td>
<td>$38,242.80</td>
<td>$19,470.00</td>
<td>336</td>
</tr>
<tr>
<td>½ Ton Crew Cab</td>
<td>$33,620.00</td>
<td>$20,252.00</td>
<td>327</td>
</tr>
<tr>
<td>TOTAL:</td>
<td>$111,285.60</td>
<td>$54,710.00</td>
<td></td>
</tr>
</tbody>
</table>

$54,710.00 will be expended from the insurance proceeds in Fund 999 and a budget amendment of $59,000 will be needed form the Gas Fund. This amount will cover the insurance shortfalls plus should leave monies available for undercoating and stickers.

ATTACHMENTS: Resolution 2019-50
Buyboard Quote from Caldwell Country Ford

STAFF RECOMMENDATION: Motion to approve funding in the amount of $111,285.60 for the purchase of three (3) 2019 Ford Truck for the Gas Department from Caldwell Country Ford.

STAFF RECOMMENDATION: Port Aransas City Council approve Resolution Authorizing the purchase of three (3) 2019 Ford Trucks for the Gas Department from Caldwell Country Ford through Buyboard Cooperative in the total amount of $111,285.60 and Authorizing Future Budget Amendment from FY 2018-2019.
RESOLUTION NO 2019-R50

A RESOLUTION OF THE PORT ARANSAS CITY COUNCIL AUTHORIZING THE PURCHASE OF THREE (3) 2019 FORD TRUCKS FOR THE GAS DEPARTMENT FROM CALDWELL COUNTRY FORD THROUGH BUYBOARD COOPERATIVE IN THE TOTAL AMOUNT OF $111,285.60; FUNDING FROM THE HURRICANE HARVEY ACCOUNT #999; AUTHORIZING FUTURE BUDGET AMENDMENT FROM FY 2018-2019; AND AUTHORIZING THE CITY MANAGER TO SIGN ALL DOCUMENTS ASSOCIATED WITH SAID PURCHASE.

WHEREAS, the Gas Department requests authorization to expend funds for three (3) 2019 Ford Trucks for a total cost of $111,285.60 from Caldwell Country Ford; and

WHEREAS, this is an unfunded expenditure with funding from Hurricane Account #999; and

WHEREAS, the City participates in various local government purchasing cooperatives created in accordance with Section 791.001 of the Texas Government Code to comply with state bidding requirements, and to identify qualified vendors of commodities, goods, and services. The Cooperative to be used for this purchase is administered by BuyBoard.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORT ARANSAS, NUECES COUNTY, TEXAS:

Section 1. That the Port Aransas City Council authorizes expending funds in the amount of $111,285.60 for the purchase of three (3) 2019 Ford Trucks for the Gas Department to replace units 276, 327, and 336 damaged by Hurricane Harvey.

Section 2. That the Port Aransas City Council acknowledges that said purchase was not included in FY 2018-2019 Budget and approves said budget amendment in the amount of $59,000.00. Funds will be from Hurricane Harvey Fund Account #999.

Section 3. The City Council authorizes the city manager to act as the executive officer and authorized representative of the city in all matters pertaining to said contract agreement for purchase of said equipment.

Section 4. It is hereby officially found and determined that the meeting at which this resolution 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.

PASSED and APPROVED by the Port Aransas City Council, County of Nueces, State of Texas, on this 16th day of MAY, 2019.
CITY OF PORT ARANSAS, TEXAS

Charles R. Bujan, Mayor

ATTEST:

Francisca Nixon, City Secretary
# Caldwell Country Ford

800 HWY. 21 E. CALDWELL, TEXAS 77836
TARRANT COUNTY CO-OP 2019-041

**CITY OF PORT ARANSAS**

**MITCHELL ORTIZ**

361-749-6330/mitch@cityofportaransas.org

**FORD 3/4 TON**

**3C**

**A. Base Price:** $26,745.00

**B. Published Options [Itemize each below]**

<table>
<thead>
<tr>
<th>Code</th>
<th>Options</th>
<th>Bid Price</th>
<th>Code</th>
<th>Options</th>
<th>Bid Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>W2B</td>
<td>2019 CREW CAB 3/4 TON SRW 4X4</td>
<td>$2,706.00</td>
<td>18B</td>
<td>RUNNING BOARDS</td>
<td>$422.00</td>
</tr>
<tr>
<td></td>
<td>6.2L V8 GAS; 6-SPD AUTO</td>
<td>INCL</td>
<td>41P</td>
<td>SKIP PLATES</td>
<td>$95.00</td>
</tr>
<tr>
<td></td>
<td>VINYL 40/20/40 SEAT</td>
<td>INCL</td>
<td>512</td>
<td>SPARE TIRE</td>
<td>$280.00</td>
</tr>
<tr>
<td></td>
<td>AC &amp; HEAT; AM/FM RADIO</td>
<td>INCL</td>
<td>52B</td>
<td>TRAILER BRAKE CONTROLLER</td>
<td>$256.00</td>
</tr>
<tr>
<td></td>
<td>RUBBER FLOOR</td>
<td>INCL</td>
<td>592</td>
<td>LED ROOF CLEARANCE LGTS</td>
<td>$90.00</td>
</tr>
<tr>
<td>66D</td>
<td>BED DELETE 56&quot;CA</td>
<td>$569.00</td>
<td>66S</td>
<td>UPGRTT SWITCHES</td>
<td>$156.00</td>
</tr>
<tr>
<td></td>
<td>DAYTIME RUNNING LIGHTS</td>
<td>INCL</td>
<td>76C</td>
<td>BACKUP ALARM</td>
<td>$133.00</td>
</tr>
<tr>
<td></td>
<td>REAR VIEW CAMERA</td>
<td>INCL</td>
<td>872</td>
<td>REAR CAMERA PRE PACKAGE</td>
<td>$394.00</td>
</tr>
<tr>
<td></td>
<td>TRAILER TOW PACKAGE</td>
<td>INCL</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>90L</td>
<td>POWER WINDOWS &amp; LOCKS</td>
<td>$1,068.00</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>KEYLESS ENTRY</td>
<td>INCL</td>
<td></td>
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</tr>
</tbody>
</table>

**Total of B. Published Options:** $5,031.00

**C. Unpublished Options [Itemize each below, not to exceed 25%]**

<table>
<thead>
<tr>
<th>Options</th>
<th>Bid Price</th>
<th>Options</th>
<th>Bid Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>WHITE</td>
<td></td>
<td>COLOR</td>
<td></td>
</tr>
<tr>
<td>ESTIMATED 90-120 DAYS TO KNPHEIDE</td>
<td></td>
<td>DELIVERY</td>
<td></td>
</tr>
</tbody>
</table>

**Total of C. Unpublished Options:** $0.0%

**D. Registration, Inspection, Paperwork, Postage cost, Courthouse time, & Runner time:**

$100.00

**E. KNPHEIDE TRUCK EQUIPMENT MH4066:**

$7,546.80

**F. Manufacturer Destination/Delivery:**

$-

**G. Floor Plan Interest (for in-stock and/or equipped vehicles):**

$-

**H. Lot Insurance (for in-stock and/or equipped vehicles):**

$-

**I. Contract Price Adjustment:**

$-

**J. Additional Delivery Charge:** 0 miles

$-

**K. Subtotal:** $39,422.80

**L. Quantity Ordered:** 1 x K = $39,422.80

**M. Trade in:**

$-

**N. TOTAL PURCHASE PRICE:**

$39,422.80
Replaced Unit 408

caldwell country ford
dba rockdale country ford
Tarrant County Co-op 2019-041

End User: CITY OF PORT ARANSAS
Contact: MITCHELL ORTIZ Phone/Fax: 254-773-8824 / 254-773-8808
Phone/email: 361-749-6330/mitch@cityofportaransas.org Date: Tuesday, April 23, 2019
Product Description: FORD 1/2 TON PICKUP email: aaron@caldwellcountry.com

A. Bid Series: 2C A. Base Price: $24,480.00

B. Published Options [Itemize each below]

<table>
<thead>
<tr>
<th>Code</th>
<th>Options</th>
<th>Bid Price</th>
<th>Code</th>
<th>Options</th>
<th>Bid Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>W1E</td>
<td>2019 CREW CAB 4X4</td>
<td>$4,325.00</td>
<td>413</td>
<td>SKID PLATES</td>
<td>$152.00</td>
</tr>
<tr>
<td></td>
<td>6.5FT BED (LONG)</td>
<td>INCL</td>
<td>53C</td>
<td>MAX TRAILER TOW PACKAGE</td>
<td>$755.00</td>
</tr>
<tr>
<td>WG</td>
<td>40-CONSOLE-40 CLOTH</td>
<td>$280.00</td>
<td></td>
<td>REQUIRES 994 OPTION</td>
<td></td>
</tr>
<tr>
<td></td>
<td>RUBBER FLOOR</td>
<td>INCL</td>
<td></td>
<td>TRAILER BRAKE CONTROLLER</td>
<td>INCL</td>
</tr>
<tr>
<td></td>
<td>994 3.5L ECOBOOST V6 GAS</td>
<td>$570.00</td>
<td>627</td>
<td>HD PAYLOAD PACKAGE</td>
<td>$1,610.00</td>
</tr>
<tr>
<td></td>
<td>10-SPD AUTOMATIC</td>
<td>INCL</td>
<td></td>
<td>3.73 E-LOCKING REAR AXLE</td>
<td>INCL</td>
</tr>
<tr>
<td></td>
<td>A/C &amp; HEAT; AM/FM RADIO</td>
<td>INCL</td>
<td></td>
<td>LT275/65R18C</td>
<td>INCL</td>
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<tr>
<td></td>
<td>REAR VIEW CAMERA</td>
<td>INCL</td>
<td></td>
<td>18&quot; SILVER HD ALUM. WHEELS</td>
<td>INCL</td>
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<tr>
<td>85A</td>
<td>POWER WINDOWS &amp; LOCKS</td>
<td>$1,111.00</td>
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<td>36GAL EXT. RANGE FUEL TANK</td>
<td>INCL</td>
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<tr>
<td></td>
<td>KEYLESS ENTRY</td>
<td>INCL</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18B</td>
<td>RUNNING BOARDS</td>
<td>$237.00</td>
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Total of B. Published Options: $9,040.00

C. Unpublished Options [Itemize each below, not to exceed 25%] 0.0%

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<th>Bid Price</th>
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</thead>
<tbody>
<tr>
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<td></td>
</tr>
<tr>
<td>ESTIMATED 90-120 DAYS</td>
<td></td>
<td>DELIVERY</td>
<td></td>
</tr>
</tbody>
</table>

Total of C. Unpublished Options: $

D. Registration, Inspection, Paperwork, Postage cost, Courthouse time, & Runner time: $100.00

E. Manufacturer Destination/Delivery:

F. Floor Plan Interest (for in-stock and/or equipped vehicles):

G. Lot Insurance (for in-stock and/or equipped vehicles):

H. Contract Price Adjustment: $

I. Additional Delivery Charge: 0 miles $

K. Subtotal: $33,620.00

L. Quantity Ordered 1 x K = $33,620.00

M. Trade in: $

N. $

O. TOTAL PURCHASE PRICE: $33,620.00
### B. Published Options [Itemize each below]

<table>
<thead>
<tr>
<th>Code</th>
<th>Options</th>
<th>Bid Price</th>
<th>Code</th>
<th>Options</th>
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<tbody>
<tr>
<td>X2B</td>
<td>2019 EXT. CAB 3/4 TON SRW 4X4</td>
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<td>BED DELETE 56&quot;CA</td>
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<td>66S</td>
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<td>POWER WINDOWS &amp; LOCKS</td>
<td>$1,068.00</td>
<td></td>
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<tr>
<td></td>
<td>KEYLESS ENTRY</td>
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</table>

Total of B. Published Options: $3,851.00

### C. Unpublished Options [Itemize each below, not to exceed 25%]

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<tr>
<th>Options</th>
<th>Bid Price</th>
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<th>Bid Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>WHITE</td>
<td></td>
<td>COLOR</td>
<td></td>
</tr>
<tr>
<td>ESTIMATED 90-120 DAYS TO KNAPEIDE</td>
<td></td>
<td>DELIVERY</td>
<td></td>
</tr>
</tbody>
</table>

Total of C. Unpublished Options: $-

### D. Registration, Inspection, Paperwork, Postage cost, Courthouse time, & Runner time:

- $100.00

### E. KNAPEIDE TRUCK EQUIPMENT MH4066:

- $7,546.80

### F. Manufacturer Destination/Delivery:

- 

### G. Floor Plan Interest (for in-stock and/or equipped vehicles):

- $-

### H. Lot Insurance (for in-stock and/or equipped vehicles):

- $-

### I. Contract Price Adjustment:

- $-

### J. Additional Delivery Charge: 0 miles

- $-

### K. Subtotal:

- $38,242.80

### L. Quantity Ordered 1 x K =

- $38,242.80

### M. Trade in:

- 

### N. TOTAL PURCHASE PRICE:

- $38,242.80
AGENDA ITEM: 8-P

Discuss and take action on a Resolution Approving Professional Services – Task Order Agreement with Urban Engineering; Approving Task Order #3 in an amount not to exceed $11,000.00 for removing and repairing the damaged portion of Tarpon Street; Setting Term, Conditions, Fees, Responsibilities and Services of Owner and Engineer; and Authorizing the City Manager to sign said agreement.

SUBMITTED BY: Broaddus and Associates

APPROVED FOR AGENDA: City Manager David Parsons

COMMENTARY: This project will consist of the repairs to Tarpon Street sinkhole. All work associated will be in accordance with the FEMA Damage, Dimension, and Description sheet. Broaddus & Architects have provided Task Order #3 from Urban Engineering for this project for a total amount not to exceed $11,000.00 and find no exception to the Task Order.

ATTACHMENTS: Resolution 2019-51
Broaddus Recommendation Letter
Urban Engineering Task Order #3 contract agreement

STAFF RECOMMENDATION: Motion to approve Task Order #3 Agreement with Urban Engineering for the Tarpon Street Repairs.

COUNCIL ACTION REQUESTED: Port Aransas City Council approve a Resolution for Professional Services – Task Order Agreement with Urban Engineering; Approving Task Order #3 in an amount not to exceed $11,000.00 for removing and repairing the damaged portion of Tarpon Street; Setting Term, Conditions, Fees, Responsibilities and Services of Owner and Engineer; and Authorizing the City Manager to sign said agreement.
RESOLUTION NO 2019-R51

A RESOLUTION OF THE PORT ARANSAS CITY COUNCIL APPROVING PROFESSIONAL SERVICES – TASK ORDER AGREEMENT WITH URBAN ENGINEERING; APPROVING TASK ORDER #3 IN AN AMOUNT NOT TO EXCEED $11,000.00 FOR REMOVING AND REPAIRING THE DAMAGED PORTION OF TARPON STREET; SETTING TERM, CONDITIONS, FEES, RESPONSIBILITIES AND SERVICES OF OWNER AND ENGINEER; AND AUTHORIZING THE CITY MANAGER TO SIGN SAID AGREEMENT.

WHEREAS, the City of Port Aransas entered into a Professional Services Agreement with Urban Engineering for architectural and engineering services; and

WHEREAS, the City desires to approve Task Order #3 and has determined that it is advisable and necessary to approve funding for removing and repairing the damaged portion of Tarpon Street.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORT ARANSAS, NUECES COUNTY, TEXAS:

Section 1. That the City Council approves task order agreement #3 with Urban Engineering in the amount of $11,000.00 for removing and repairing the damaged portion of Tarpon Street noted in Contract Agreement attached hereto as Exhibit A.

Section 2. The total amount approved for Task Order #3 hurricane related repairs to Urban Engineering is $11,000.00.

Section 3. The City Council hereby authorizes the City Manager to sign contract documents relative to this contract.

Section 4. It is hereby officially found and determined that the meeting at which this resolution 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.

PASSED and APPROVED by the Port Aransas City Council, County of Nueces, State of Texas, on this 16th day of MAY, 2019.
April 9, 2019

City of Port Aransas
David Parsons
710 W Ave A
Port Aransas, TX 78373

RE: Recommendation Letter for Urban Engineering, Task Order #3 Tarpon Street Damage
FEMA 35881

Dear Mr. Parsons:

Broaddus & Associates has reviewed the Urban Engineering Task Order #3 for Tarpon Street Damage will consist of removing and repairing the damage portion of Tarpon Street Damage. We take no exception of the Task Order.

If you have any questions or concerns, please feel free to give me a call.

Sincerely,

Michael T. Dorris Jr.
Senior Project Manager

David Parsons
City Manager
In accordance with Paragraph 1.01 of the Agreement Between Owner and Engineer for Professional Services – Task Order Edition, dated May 16, 2018 ("Agreement"), Owner and Engineer agree as follows:

1. Background Data
   a. Effective Date of Task Order: October 18, 2018
   b. Owner: The City of Port Aransas
   c. Engineer: Urban Engineering
   d. Specific Project (title): Hurricane Harvey Tarpon Street Damage
   e. Specific Project (description): This project will consist of removing and repairing the damaged portion of Tarpon Street in accordance with FEMA’s Damage, Dimension, and Description. Damage #12470; Sinkhole. GPS Latitude/Longitude: (27.83948, -97.06009). Damage #12478; Sinkhole. GPS Latitude/Longitude: (27.83855, -97.06074)
   f. Estimated Construction Cost: $10,920.00

2. Services of Engineer
   A. The specific services to be provided or furnished by Engineer under this Task Order are:

   A1.01 Preliminary Design Phase

   A. As Basic Services, Engineer shall:

   1. Prepare Preliminary Design Phase documents consisting of final design criteria, preliminary drawings, outline specifications, and written descriptions of the Specific Project.

   2. Visit the Site as needed to prepare the Preliminary Design Phase documents.
3. Advise Owner if additional reports, data, information, or services of the types described in Exhibit B are necessary and assist Owner in obtaining such reports, data, information, or services.

A1.02 Final Design Phase

A. As Basic Services, Engineer shall:

1. Prepare final Drawings and Specifications indicating the scope, extent, and character of the Work to be performed and furnished by Contractor.

2. Visit the Site as needed to assist in preparing the final Drawings and Specifications.

3. Provide technical criteria, written descriptions, and design data for Owner’s use in filing applications for permits from or approvals of governmental authorities having jurisdiction to review or approve the final design; assist Owner in consultations with such authorities; and revise the Drawings and Specifications in response to directives from such authorities, as appropriate.

4. Advise Owner of any recommended adjustments to the opinion of probable Construction Cost.

5. Prepare or assemble draft bidding-related documents (or requests for proposals or other construction procurement documents), based on the specific bidding or procurement-related instructions and forms, text, or content received from Owner.

A1.03 Bidding or Negotiating Phase

A. As Basic Services, Engineer shall:

1. Assist Owner in advertising for and obtaining bids or proposals for the Work, assist Owner in issuing assembled design, contract, and bidding-related documents (or requests for proposals or other construction procurement documents) to prospective contractors, and, where applicable, maintain a record of prospective contractors to which documents have been issued, attend pre-bid conferences, if any, and receive and process contractor deposits or charges for the issued documents.

2. Prepare and issue Addenda as appropriate to clarify, correct, or change the issued documents.

3. Provide information or assistance needed by Owner in the course of any review of proposals or negotiations with prospective contractors.

4. Consult with Owner as to the qualifications of prospective contractors.

5. Consult with Owner as to the qualifications of Subcontractors, suppliers, and other individuals and entities proposed by prospective contractors, for those portions of the Work as to which review of qualifications is required by the issued documents.
6. Attend the bid opening, prepare bid tabulation sheets to meet Owner’s schedule, and assist Owner in evaluating bids or proposals, assembling final contracts for the Work for execution by Owner and Contractor, and in issuing notices of award of such contracts.

7. If Owner engages in negotiations with bidders or proposers, assist Owner with respect to technical and engineering issues that arise during the negotiations.

A1.04 Construction Phase

A. As Basic Services, Engineer shall:

1. General Administration of Construction Contract: Consult with Owner and act as Owner’s representative as provided in the Construction Contract.

2. Pre-Construction Conference: Participate in a pre-construction conference prior to commencement of Work at the Site.

3. Schedules: Receive, review, and determine the acceptability of any and all schedules that Contractor is required to submit to Engineer, including the Progress Schedule, Schedule of Submittals, and Schedule of Values.

4. Baselines and Benchmarks: As appropriate, establish baselines and benchmarks for locating the Work which an Engineer’s judgment is necessary to enable Contractor to proceed.

5. Visits to Site and Observation of Construction: In connection with observations of Contractor’s Work while it is in progress:

   a. Make visits to the Site at intervals appropriate to the various stages of construction, as Engineer deems necessary, to observe as an experienced and qualified design professional the progress of Contractor’s executed Work. Such visits and observations by Engineer, are not intended to be exhaustive or to extend to every aspect of the Work, but rather are to be limited to spot checking, selective sampling, and similar methods of general observation of the Work based on Engineer’s exercise of professional judgment. Based on information obtained during such visits and observations, Engineer will determine in general if the Work is proceeding in accordance with the Construction Contract Documents, and Engineer shall keep Owner informed of the progress of the Work.

6. Defective Work: Reject Work if, on the basis of Engineer’s observations, Engineer believes that such Work is defective under the terms and standards set forth in the Construction Contract Documents. Provide recommendations to Owner regarding whether Contractor should correct such Work or remove and replace such Work, or whether Owner should consider accepting such Work as provided in the Construction Contract Documents.

7. Compatibility with Design Concept: If Engineer has express knowledge that a specific part of the Work that is not defective under the terms and standards set forth in the Construction Contract Documents is nonetheless not compatible with the design concept
of the completed Project as a functioning whole, then inform Owner of such incompatibility, and provide recommendations for addressing such Work.

8. **Clarifications and Interpretations:** Accept from Contractor and Owner submittal of all matters in question concerning the requirements of the Construction Contract Documents (sometimes referred to as requests for information or interpretation—RFIs), or relating to the acceptability of the Work under the Construction Contract Documents. With reasonable promptness, render a written clarification, interpretation, or decision on the issue submitted, or initiate an amendment or supplement to the Construction Contract Documents.

9. **Field Orders:** Subject to any limitations in the Construction Contract Documents, Engineer may prepare and issue Field Orders requiring minor changes in the Work.

10. **Change Orders and Work Change Directives:** Recommend Change Orders and Work Change Directives to Owner, as appropriate, and prepare Change Orders and Work Change Directives as required.

11. **Differing Site Conditions:** Respond to any notice from Contractor of differing site conditions, including conditions relating to underground facilities such as utilities, and hazardous environmental conditions. Promptly conduct reviews, obtain information, and prepare findings, conclusions, and recommendations for Owner’s use, subject to the limitations and responsibilities under the Agreement and the Construction Contract.

12. **Applications for Payment:** Based on Engineer’s observations as an experienced and qualified design professional and on review of Applications for Payment and accompanying supporting documentation:

   a. Determine the amounts that Engineer recommends Contractor be paid. Recommend reductions in payment (set-offs) based on the provisions for set-offs stated in the Construction Contract. Such recommendations of payment will be in writing and will constitute Engineer’s representation to Owner, based on such observations and review, that, to the best of Engineer’s knowledge, information and belief, Contractor’s Work has progressed to the point indicated, the Work is generally in accordance with the Construction Contract Documents (subject to an evaluation of the Work as a functioning whole prior to or upon Substantial Completion, to the results of any subsequent tests called for in the Construction Contract Documents, and to any other qualifications stated in the recommendation), and the conditions precedent to Contractor’s being entitled to such payment appear to have been fulfilled in so far as it is Engineer’s responsibility to observe the Work. In the case of unit price work, Engineer’s recommendations of payment will include final determinations of quantities and classifications of the Work (subject to any subsequent adjustments allowed by the Construction Contract Documents).

   b. By recommending payment, Engineer shall not thereby be deemed to have represented that observations made by Engineer to check the quality or quantity of Contractor’s Work as it is performed and furnished have been exhaustive, extended to every aspect of Contractor’s Work in progress, or involved detailed inspections of the Work beyond the responsibilities specifically assigned to Engineer in the
Agreement or this Task Order. Neither Engineer’s review of Contractor’s Work for the purposes of recommending payments nor Engineer’s recommendation of any payment including final payment will impose on Engineer responsibility to supervise, direct, or control the Work, or for the means, methods, techniques, sequences, or procedures of construction or safety precautions or programs incident thereto, or Contractor’s compliance with Laws and Regulations applicable to Contractor’s furnishing and performing the Work. It will also not impose responsibility on Engineer to make any examination to ascertain how or for what purposes Contractor has used the money paid to Contractor by Owner; to determine that title to any portion of the Work, including materials or equipment, has passed to Owner free and clear of any liens, claims, security interests, or encumbrances; or that there may not be other matters at issue between Owner and Contractor that might affect the amount that should be paid.

13. **Contractor’s Completion Documents**: Receive from Contractor, review, and transmit to Owner maintenance and operating instructions, schedules, guarantees, bonds, certificates or other evidence of insurance required by the Construction Contract Documents, certificates of inspection, tests and approvals, and Shop Drawings, Samples, and other data approved. Receive from Contractor, review, and transmit to Owner the annotated record documents which are to be assembled by Contractor in accordance with the Construction Contract Documents to obtain final payment. The extent of Engineer’s review of record documents shall be to check that Contractor has submitted all pages.

14. **Substantial Completion**: Promptly after notice from Contractor that Contractor considers the entire Work ready for its intended use, in company with Owner and Contractor, visit the Site to review the Work and determine the status of completion. Engineer shall assist Owner regarding any remaining engineering or technical matters affecting Owner’s use or occupancy of the Work following Substantial Completion.

Additional Services

B. Additional Services that may be authorized or necessary under this Task Order are as follows:

Engineer will provide survey control for construction on an hourly basis as required to complete the project.

Owner's Responsibilities

Owner shall have those responsibilities set forth in Article 2 of the Agreement.
3. Payments to Engineer

A. Owner shall pay Engineer for services rendered under this Task Order as follows:

<table>
<thead>
<tr>
<th>Schedule*</th>
<th>Description of Service</th>
<th>Amount</th>
<th>Basis of Compensation**</th>
</tr>
</thead>
<tbody>
<tr>
<td>30</td>
<td>a. Preliminary Phase</td>
<td>$2,000.00</td>
<td>C2.01.B.2: Standard Hourly Rates</td>
</tr>
<tr>
<td>60</td>
<td>b. Final Design</td>
<td>$6,000.00</td>
<td>C2.01.B.2: Standard Hourly Rates</td>
</tr>
<tr>
<td>90</td>
<td>c. Bidding or Negotiating Phase</td>
<td>$500.00</td>
<td>C2.01.B.2: Standard Hourly Rates</td>
</tr>
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<td>150</td>
<td>d. Construction Phase</td>
<td>$1,500.00</td>
<td>C2.01.B.2: Standard Hourly Rates</td>
</tr>
<tr>
<td></td>
<td>TOTAL COMPENSATION (lines 1.a-d)</td>
<td>$10,000.00</td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Additional Services</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>a. Surveying hourly allowance</td>
<td>$1,000.00</td>
<td>C2.01.B.2: Standard Hourly Rates</td>
</tr>
<tr>
<td></td>
<td>TOTAL ADDITIONAL SERVICES (Lines 2.a)</td>
<td>$1,000.00</td>
<td></td>
</tr>
</tbody>
</table>

*Days from First Authorization

**Basis of Compensation from Exhibit C, Article 2, of the “Agreement”.

4. Terms and Conditions

Execution of this Task Order by Owner and Engineer shall make it subject to the terms and conditions of the Agreement (as modified above), which Agreement is incorporated by this reference. Engineer is authorized to begin performance upon its receipt of a copy of this Task Order signed by Owner.

The Effective Date of this Task Order is October 18, 2018.

ENGINEER: 

By: ____________________________

Print Name: James L. Urban

Title: Authorized Representative

OWNER’S REPRESENTATIVE:

By: ____________________________

Print Name: Michael T. Dorris
OWNER: 
By: ____________________________
Print Name: David Parsons
Title: City Manager

CITY SECRETARY: 
By: ________________
Print Name: Francisca Nixon
## AGENDA ITEM: 8-Q

Discuss and take action on a Resolution Approving Professional Services – Task Order Agreement with Urban Engineering; Approving Task Order #4 in an amount not to exceed $63,759.00 for the repairs to the sidewalk and bulkhead at the North end of Roberts Point Park; Setting Term, Conditions, Fees, Responsibilities and Services of Owner and Engineer; and Authorizing the City Manager to sign said agreement.

**SUBMITTED BY:** Broaddus and Associates

**APPROVED FOR AGENDA:** City Manager David Parsons

**COMMENTARY:** This project will consist of the repairs to Roberts Point Park bulkhead and sidewalk damages. All work associated will be in accordance with the FEMA Damage, Dimension, and Description sheet. Broaddus & Architects have provided Task Order #3 from Urban Engineering for this project for a total amount not to exceed $63,759.00 and find no exception to the Task Order.

**ATTACHMENTS:**
- Resolution 2019-52
- Broaddus Recommendation Letter
- Urban Engineering Task Order #4 contract agreement

**STAFF RECOMMENDATION:** Motion to approve Task Order #4 Agreement with Urban Engineering for the sidewalk and bulkhead repairs in Roberts Point Park.

**COUNCIL ACTION REQUESTED:** Port Aransas City Council approve a Resolution for Professional Services – Task Order Agreement with Urban Engineering; Approving Task Order #4 in an amount not to exceed $63,759.00 for the repairs the sidewalk and bulkhead at the North end of Roberts Point Park; Setting Term, Conditions, Fees, Responsibilities and Services of Owner and Engineer; and Authorizing the City Manager to sign said agreement.
RESOLUTION NO 2019-R52

A RESOLUTION OF THE PORT ARANSAS CITY COUNCIL APPROVING PROFESSIONAL SERVICES – TASK ORDER AGREEMENT WITH URBAN ENGINEERING; APPROVING TASK ORDER #4 IN AN AMOUNT NOT TO EXCEED $63,759.00 FOR THE REPAIRS TO THE SIDEWALK AND BULKHEAD AT THE NORTH END OF ROBERTS POINT PARK; SETTING TERM, CONDITIONS, FEES, RESPONSIBILITIES AND SERVICES OF OWNER AND ENGINEER; AND AUTHORIZING THE CITY MANAGER TO SIGN SAID AGREEMENT.

WHEREAS, the City of Port Aransas entered into a Professional Services Agreement with Urban Engineering for architectural and engineering services; and

WHEREAS, the City desires to approve Task Order #4 and has determined that it is advisable and necessary to approve funding for repairs to the sidewalk and bulkhead hurricane damages in Roberts Point Park.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORT ARANSAS, NUECES COUNTY, TEXAS:

Section 1. That the City Council approves task order agreement #4 with Urban Engineering in the amount of $63,759.00 for repairs to the sidewalk and bulkhead at the North end of Roberts Point Park noted in Contract Agreement attached hereto as Exhibit A.

Section 2. The total amount approved for Task Order #4 hurricane related repairs to Urban Engineering is $63,759.00.

Section 3. The City Council hereby authorizes the City Manager to sign contract documents relative to this contract.

Section 4. It is hereby officially found and determined that the meeting at which this resolution 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.

PASSED and APPROVED by the Port Aransas City Council, County of Nueces, State of Texas, on this 16th day of MAY, 2019.
CITY OF PORT ARANSAS, TEXAS

Charles R. Bujan, Mayor

ATTEST:

Francisca Nixon, City Secretary
In accordance with Paragraph 1.01 of the Agreement Between Owner and Engineer for Professional Services – Task Order Edition, dated May 16, 2018 ("Agreement"), Owner and Engineer agree as follows:

1. Background Data
   a. Effective Date of Task Order: October 18, 2018
   b. Owner: The City of Port Aransas
   c. Engineer: Urban Engineering
   d. Specific Project (title): Hurricane Harvey Robert’s Point Park Bulkhead and Sidewalk Damages
   e. Specific Project (description): This project will consist of repairs to the sidewalk and bulkhead at the North end of Robert’s Point Park, between the Ferry Landings and the Fishing Pier. All work associated will be in accordance with the FEMA Damage, Dimension, and Description sheet. Damage # 12472; Robert’s Point Park Bulkhead. Start GPS (27.84096, -97.06407). End GPS (27.83970, -97.06831).
   f. Estimated Construction Cost: $492,885.00

2. Services of Engineer
   A. The specific services to be provided or furnished by Engineer under this Task Order are:

   A1.01 Preliminary Design Phase
   A. As Basic Services, Engineer shall:
   1. Prepare Preliminary Design Phase documents consisting of final design criteria, preliminary drawings, outline specifications, and written descriptions of the Specific Project.
2. Visit the Site as needed to prepare the Preliminary Design Phase documents.

3. Advise Owner if additional reports, data, information, or services of the types described in Exhibit B are necessary and assist Owner in obtaining such reports, data, information, or services.

A1.02 Final Design Phase

A. As Basic Services, Engineer shall:

1. Prepare final Drawings and Specifications indicating the scope, extent, and character of the Work to be performed and furnished by Contractor.

2. Visit the Site as needed to assist in preparing the final Drawings and Specifications.

3. Provide technical criteria, written descriptions, and design data for Owner’s use in filing applications for permits from or approvals of governmental authorities having jurisdiction to review or approve the final design; assist Owner in consultations with such authorities; and revise the Drawings and Specifications in response to directives from such authorities, as appropriate.

4. Advise Owner of any recommended adjustments to the opinion of probable Construction Cost.

5. Prepare or assemble draft bidding-related documents (or requests for proposals or other construction procurement documents), based on the specific bidding or procurement-related instructions and forms, text, or content received from Owner.

A1.03 Bidding or Negotiating Phase

A. As Basic Services, Engineer shall:

1. Assist Owner in advertising for and obtaining bids or proposals for the Work, assist Owner in issuing assembled design, contract, and bidding-related documents (or requests for proposals or other construction procurement documents) to prospective contractors, and, where applicable, maintain a record of prospective contractors to which documents have been issued, attend pre-bid conferences, if any, and receive and process contractor deposits or charges for the issued documents.

2. Prepare and issue Addenda as appropriate to clarify, correct, or change the issued documents.

3. Provide information or assistance needed by Owner in the course of any review of proposals or negotiations with prospective contractors.

4. Consult with Owner as to the qualifications of prospective contractors.
5. Consult with Owner as to the qualifications of Subcontractors, suppliers, and other individuals and entities proposed by prospective contractors, for those portions of the Work as to which review of qualifications is required by the issued documents.

6. Attend the bid opening, prepare bid tabulation sheets to meet Owner’s schedule, and assist Owner in evaluating bids or proposals, assembling final contracts for the Work for execution by Owner and Contractor, and in issuing notices of award of such contracts.

7. If Owner engages in negotiations with bidders or proposers, assist Owner with respect to technical and engineering issues that arise during the negotiations.

A1.04 Construction Phase

A. As Basic Services, Engineer shall:

1. General Administration of Construction Contract: Consult with Owner and act as Owner’s representative as provided in the Construction Contract.

2. Pre-Construction Conference: Participate in a pre-construction conference prior to commencement of Work at the Site.

3. Schedules: Receive, review, and determine the acceptability of any and all schedules that Contractor is required to submit to Engineer, including the Progress Schedule, Schedule of Submittals, and Schedule of Values.

4. Baselines and Benchmarks: As appropriate, establish baselines and benchmarks for locating the Work which an Engineer’s judgment is necessary to enable Contractor to proceed.

5. Visits to Site and Observation of Construction: In connection with observations of Contractor’s Work while it is in progress:

   a. Make visits to the Site at intervals appropriate to the various stages of construction, as Engineer deems necessary, to observe as an experienced and qualified design professional the progress of Contractor’s executed Work. Such visits and observations by Engineer, are not intended to be exhaustive or to extend to every aspect of the Work, but rather are to be limited to spot checking, selective sampling, and similar methods of general observation of the Work based on Engineer’s exercise of professional judgment. Based on information obtained during such visits and observations, Engineer will determine in general if the Work is proceeding in accordance with the Construction Contract Documents, and Engineer shall keep Owner informed of the progress of the Work.

6. Defective Work: Reject Work if, on the basis of Engineer’s observations, Engineer believes that such Work is defective under the terms and standards set forth in the Construction Contract Documents. Provide recommendations to Owner regarding whether Contractor should correct such Work or remove and replace such Work, or whether Owner should consider accepting such Work as provided in the Construction Contract Documents.
7. **Compatibility with Design Concept:** If Engineer has express knowledge that a specific part of the Work that is not defective under the terms and standards set forth in the Construction Contract Documents is nonetheless not compatible with the design concept of the completed Project as a functioning whole, then inform Owner of such incompatibility, and provide recommendations for addressing such Work.

8. **Clarifications and Interpretations:** Accept from Contractor and Owner submittal of all matters in question concerning the requirements of the Construction Contract Documents (sometimes referred to as requests for information or interpretation—RFIs), or relating to the acceptability of the Work under the Construction Contract Documents. With reasonable promptness, render a written clarification, interpretation, or decision on the issue submitted, or initiate an amendment or supplement to the Construction Contract Documents.

9. **Field Orders:** Subject to any limitations in the Construction Contract Documents, Engineer may prepare and issue Field Orders requiring minor changes in the Work.

10. **Change Orders and Work Change Directives:** Recommend Change Orders and Work Change Directives to Owner, as appropriate, and prepare Change Orders and Work Change Directives as required.

11. **Differing Site Conditions:** Respond to any notice from Contractor of differing site conditions, including conditions relating to underground facilities such as utilities, and hazardous environmental conditions. Promptly conduct reviews, obtain information, and prepare findings, conclusions, and recommendations for Owner’s use, subject to the limitations and responsibilities under the Agreement and the Construction Contract.

12. **Applications for Payment:** Based on Engineer’s observations as an experienced and qualified design professional and on review of Applications for Payment and accompanying supporting documentation:

   a. Determine the amounts that Engineer recommends Contractor be paid. Recommend reductions in payment (set-offs) based on the provisions for set-offs stated in the Construction Contract. Such recommendations of payment will be in writing and will constitute Engineer’s representation to Owner, based on such observations and review, that, to the best of Engineer’s knowledge, information and belief, Contractor’s Work has progressed to the point indicated, the Work is generally in accordance with the Construction Contract Documents (subject to an evaluation of the Work as a functioning whole prior to or upon Substantial Completion, to the results of any subsequent tests called for in the Construction Contract Documents, and to any other qualifications stated in the recommendation), and the conditions precedent to Contractor’s being entitled to such payment appear to have been fulfilled in so far as it is Engineer’s responsibility to observe the Work. In the case of unit price work, Engineer’s recommendations of payment will include final determinations of quantities and classifications of the Work (subject to any subsequent adjustments allowed by the Construction Contract Documents).

   b. By recommending payment, Engineer shall not thereby be deemed to have represented that observations made by Engineer to check the quality or quantity of
Contractor’s Work as it is performed and furnished have been exhaustive, extended to every aspect of Contractor’s Work in progress, or involved detailed inspections of the Work beyond the responsibilities specifically assigned to Engineer in the Agreement or this Task Order. Neither Engineer’s review of Contractor’s Work for the purposes of recommending payments nor Engineer’s recommendation of any payment including final payment will impose on Engineer responsibility to supervise, direct, or control the Work, or for the means, methods, techniques, sequences, or procedures of construction or safety precautions or programs incident thereto, or Contractor’s compliance with Laws and Regulations applicable to Contractor’s furnishing and performing the Work. It will also not impose responsibility on Engineer to make any examination to ascertain how or for what purposes Contractor has used the money paid to Contractor by Owner; to determine that title to any portion of the Work, including materials or equipment, has passed to Owner free and clear of any liens, claims, security interests, or encumbrances; or that there may not be other matters at issue between Owner and Contractor that might affect the amount that should be paid.

13. Contractor’s Completion Documents: Receive from Contractor, review, and transmit to Owner maintenance and operating instructions, schedules, guarantees, bonds, certificates or other evidence of insurance required by the Construction Contract Documents, certificates of inspection, tests and approvals, and Shop Drawings, Samples, and other data approved. Receive from Contractor, review, and transmit to Owner the annotated record documents which are to be assembled by Contractor in accordance with the Construction Contract Documents to obtain final payment. The extent of Engineer’s review of record documents shall be to check that Contractor has submitted all pages.

14. Substantial Completion: Promptly after notice from Contractor that Contractor considers the entire Work ready for its intended use, in company with Owner and Contractor, visit the Site to review the Work and determine the status of completion. Engineer shall assist Owner regarding any remaining engineering or technical matters affecting Owner’s use or occupancy of the Work following Substantial Completion.

Additional Services

B. Additional Services that may be authorized or necessary under this Task Order are as follows:

Engineer will provide survey control for construction on an hourly basis as required to complete the project.

Owner’s Responsibilities

Owner shall have those responsibilities set forth in Article 2 of the Agreement.
3. Payments to Engineer

A. Owner shall pay Engineer for services rendered under this Task Order as follows:

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<th>Schedule*</th>
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<th>Basis of Compensation**</th>
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<tr>
<td>1.</td>
<td>Basic Services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>60</td>
<td>a. Preliminary Phase</td>
<td>$11,752.00</td>
<td>C2.01.B.3: Fixed Fee (Based on FEMA fee Curve)</td>
</tr>
<tr>
<td>180</td>
<td>b. Final Design</td>
<td>$35,255.00</td>
<td>C2.01.B.3: Fixed Fee (Based on FEMA fee Curve)</td>
</tr>
<tr>
<td>210</td>
<td>c. Bidding or Negotiating Phase</td>
<td>$2,938.00</td>
<td>C2.01.B.3: Fixed Fee (Based on FEMA fee Curve)</td>
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<tr>
<td>420</td>
<td>d. Construction Phase</td>
<td>$8,814.00</td>
<td>C2.01.B.3: Fixed Fee (Based on FEMA fee Curve)</td>
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<tr>
<td></td>
<td>TOTAL COMPENSATION (lines 1.a-d)</td>
<td>$58,759.00</td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Additional Services</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>a. Surveying hourly allowance</td>
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<td>C2.01.B.2: Standard Hourly Rates</td>
</tr>
<tr>
<td></td>
<td>TOTAL ADDITIONAL SERVICES (Lines 2.a)</td>
<td>5,000.00</td>
<td></td>
</tr>
</tbody>
</table>

*Days from First Authorization  
**Basis of Compensation from Exhibit C, Article 2, of the “Agreement”.

4. Terms and Conditions

Execution of this Task Order by Owner and Engineer shall make it subject to the terms and conditions of the Agreement (as modified above), which Agreement is incorporated by this reference. Engineer is authorized to begin performance upon its receipt of a copy of this Task Order signed by Owner.

The Effective Date of this Task Order is October 18, 2018.

ENGINEER: 
By: [Signature]  
Print Name: James L. Urban  
Title: Authorized Representative

OWNER’S REPRESENTATIVE: 
By: [Signature]  
Print Name: Michael T. Dorris

Print Name: Jim Urban  
Title: Authorized Representative
OWNER:

By: ___________________________  CITY SECRETARY:

By: ___________________________

Print Name: David Parsons  Print Name: Francisca Nixon

Title: City Manager
April 9, 2019

City of Port Aransas
David Parsons
710 W Ave A
Port Aransas, TX 78373

RE: Recommendation Letter for Urban Engineering, Task Order #4 Roberts Point Park Bulkhead and sidewalk on the North End of the Park between the Ferry and the Pier.

Dear Mr. Parsons:

Broaddus & Associates has reviewed the Urban Engineering Task Order #4 for Roberts Point Bulkhead and sidewalk repair. We take no exception of the Task Order.

If you have any questions or concerns, please feel free to give me a call.

Sincerely,

Michael T. Dorris Jr.
Senior Project Manager

David Parsons
City Manager
AGENDA ITEM: 8-R

Discuss and take action on a Resolution Approving Professional Services – Task Order Agreement with Urban Engineering; Approving Task Order #21 an 2nd amendment of Task Order #2 in an amount of $50,000.00 for the Charlie’s Pasture Fishing Pier Shoreline Bulkhead Reconstruction; Setting Term, Conditions, Fees, Responsibilities and Services of Owner and Engineer; and Authorizing the City Manager to sign said agreement.

SUBMITTED BY: Broaddus and Associates

APPROVED FOR AGENDA: City Manager David Parsons

COMMENTARY: This Task Order will be the 2nd amendment of Task Order #2 Charlies Pasture Bulkhead Reconstruction project approved June 21, 2018. This project will consist of the replacing and mitigation of the sidewalk and bulkhead at Charlies Pasture. All work associated will be in accordance with the FEMA Damage, Dimension, and Description sheet. Broaddus & Architects have provided Task Order #21 from Urban Engineering for this project for a total amount not to exceed $50,000.00 and find no exception to the Task Order.

ATTACHMENTS: Broaddus Recommendation Letter
Urban Engineering Task Order #21 contract agreement
Draft Resolution 2019-53

STAFF RECOMMENDATION: Motion to approve Task Order #21 Agreement 2nd amendment of Task Order #2 with Urban Engineering for the Charlie’s Pasture Fishing Pier Reconstruction.

COUNCIL ACTION REQUESTED: Port Aransas City Council approve a Resolution for Professional Services – Task Order Agreement with Urban Engineering; Approving Task Order #21 an 2nd amendment of Task Order #2 in an amount of $50,000.00 for surveying and environmental permitting for the Charlie’s Pasture Fishing Pier Shoreline Bulkhead Reconstruction; Setting Term, Conditions, Fees, Responsibilities and Services of Owner and Engineer; and Authorizing the City Manager to sign said agreement.
RESOLUTION NO 2019-R53

A RESOLUTION OF THE PORT ARANSAS CITY COUNCIL APPROVING PROFESSIONAL SERVICES – TASK ORDER AGREEMENT WITH URBAN ENGINEERING; APPROVING TASK ORDER #21 AN 2ND AMENDMENT OF TASK ORDER #2 IN AN AMOUNT OF $50,000.00 FOR SURVEYING AND ENVIRONMENTAL PERMITTING FOR THE CHARLIE’S PASTURE FISHING PIER SHORELINE BULKHEAD RECONSTRUCTION; SETTING TERM, CONDITIONS, FEES, RESPONSIBILITIES AND SERVICES OF OWNER AND ENGINEER; AND AUTHORIZING THE CITY MANAGER TO SIGN SAID AGREEMENT.

WHEREAS, the City of Port Aransas entered into a Professional Services Agreement with Urban Engineering for Task Order #2 on June 21, 2018 for engineering for the reconstruction of the Charlie’s Pasture sidewalk and bulkhead; and

WHEREAS, the City now desires to approve Task Order #21 the 2nd amendment of Task Order #2, and has determined that it is advisable and necessary to approve funding for architectural and engineering for the reconstruction of the Charlie’s Pasture Shoreline Bulkhead hurricane recovery project.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORT ARANSAS, NUECES COUNTY, TEXAS:

Section 1. That the City Council approves the 2nd amendment of task order agreement #2 with Urban Engineering in the amount of $50,000.00 for replacing and mitigation damages to the sidewalks and bulkhead in Charlie’s Pasture as noted in Contract Agreement attached hereto as Exhibit A.

Section 2. The total amount approved for Task Order #21 hurricane related repairs to Urban Engineering is $50,000.00.

Section 3. The City Council hereby authorizes the City Manager to sign contract documents relative to this contract.

Section 4. It is hereby officially found and determined that the meeting at which this resolution 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.

PASSED and APPROVED by the Port Aransas City Council, County of Nueces, State of Texas, on this 18th day of APRIL, 2019.
In accordance with Paragraph 1.01 of the Agreement Between Owner and Engineer for Professional Services – Task Order Edition, dated May 16, 2018 ("Agreement"), Owner and Engineer agree as follows:

1. Background Data
   a. Effective Date of Task Order: April 4, 2019
   b. Owner: The City of Port Aransas
   c. Engineer: Urban Engineering
   d. Specific Project (title): Charlie’s Pasture Shoreline Bulkhead Project #46842
   e. Specific Project (description): This project will consist of replacing and mitigating damages to the sidewalk and bulkhead in Charlie’s Pasture. All work associated will be in accordance with the FEMA Damage, Dimension, and Description sheet. Damage #15129; Charlie’s Pasture Shoreline Bulkhead. Start GPS (27.83486, -97.08824). End GPS (27.83858, -97.07637).
   f. Estimated Construction Cost: $2,167,900.00

2. Services of Engineer
   A. The specific services to be provided or furnished by Engineer under this Task Order are:

   A1.01 Preliminary Design Phase
   A. As Basic Services, Engineer shall:

      1. Prepare Preliminary Design Phase documents consisting of final design criteria, preliminary drawings, outline specifications, and written descriptions of the Specific Project.

      2. Visit the Site as needed to prepare the Preliminary Design Phase documents.
3. Advise Owner or Owner’s Representative if additional reports, data, information, or services of the types described in Exhibit B are necessary and assist Owner, or owner’s representative in obtaining such reports, data, information, or services.

A1.02 Final Design Phase

A. As Basic Services, Engineer shall:

1. Prepare final Drawings and Specifications indicating the scope, extent, and character of the Work to be performed and furnished by Contractor.

2. Visit the Site as needed to assist in preparing the final Drawings and Specifications.

3. Provide technical criteria, written descriptions, and design data for Owner’s or representative’s use in filing applications for permits from or approvals of governmental authorities having jurisdiction to review or approve the final design; assist Owner, or owner’s representative in consultations with such authorities; and revise the Drawings and Specifications in response to directives from such authorities, as appropriate.

4. Advise Owner, or owner’s representative of any recommended adjustments to the opinion of probable Construction Cost.

5. Prepare or assemble draft bidding-related documents (or requests for proposals or other construction procurement documents), based on the specific bidding or procurement-related instructions and forms, text, or content received from Owner or owner’s representative.

A1.03 Bidding or Negotiating Phase

A. As Basic Services, Engineer shall:

1. Assist Owner, or owner’s representative in advertising for and obtaining bids or proposals for the Work, assist Owner, or owner’s representative in issuing assembled design, contract, and bidding-related documents (or requests for proposals or other construction procurement documents) to prospective contractors, and, where applicable, maintain a record of prospective contractors to which documents have been issued, attend pre-bid conferences, if any, and receive and process contractor deposits or charges for the issued documents.

2. Prepare and issue Addenda as appropriate to clarify, correct, or change the issued documents.

3. Provide information or assistance needed by Owner in the course of any review of proposals or negotiations with prospective contractors.

4. Consult with Owner, or owner’s representative as to the qualifications of prospective contractors.
5. Consult with Owner, or owner’s representative as to the qualifications of Subcontractors, suppliers, and other individuals and entities proposed by prospective contractors, for those portions of the Work as to which review of qualifications is required by the issued documents.

6. Attend the bid opening, prepare bid tabulation sheets to meet Owner’s or representative’s schedule, and assist Owner or owner’s representative in evaluating bids or proposals, assembling final contracts for the Work for execution by Owner and Contractor, and in issuing notices of award of such contracts.

7. If Owner, or owner’s representative, engages in negotiations with bidders or proposers, assist Owner with respect to technical and engineering issues that arise during the negotiations.

A1.04 Construction Phase

A. As Basic Services, Engineer shall:

1. General Administration of Construction Contract: Consult with Owner and act as Owner’s representative as provided in the Construction Contract.

2. Pre-Construction Conference: Participate in a pre-construction conference prior to commencement of Work at the Site.

3. Schedules: Receive, review, and determine the acceptability of any and all schedules that Contractor is required to submit to Engineer, including the Progress Schedule, Schedule of Submittals, and Schedule of Values.

4. Baselines and Benchmarks: As appropriate, establish baselines and benchmarks for locating the Work which an Engineer’s judgment is necessary to enable Contractor to proceed.

5. Visits to Site and Observation of Construction: In connection with observations of Contractor’s Work while it is in progress:

   a. Make visits to the Site at intervals appropriate to the various stages of construction, as Engineer deems necessary, to observe as an experienced and qualified design professional the progress of Contractor’s executed Work. Such visits and observations by Engineer, are not intended to be exhaustive or to extend to every aspect of the Work, but rather are to be limited to spot checking, selective sampling, and similar methods of general observation of the Work based on Engineer’s exercise of professional judgment. Based on information obtained during such visits and observations, Engineer will determine in general if the Work is proceeding in accordance with the Construction Contract Documents, and Engineer shall keep Owner informed of the progress of the Work.

6. Defective Work: Reject Work if, on the basis of Engineer’s observations, Engineer believes that such Work is defective under the terms and standards set forth in the Construction Contract Documents. Provide recommendations to Owner regarding
whether Contractor should correct such Work or remove and replace such Work, or whether Owner should consider accepting such Work as provided in the Construction Contract Documents.

7. **Compatibility with Design Concept:** If Engineer has express knowledge that a specific part of the Work that is not defective under the terms and standards set forth in the Construction Contract Documents is nonetheless not compatible with the design concept of the completed Project as a functioning whole, then inform Owner, or owner’s representative, of such incompatibility, and provide recommendations for addressing such Work.

8. **Clarifications and Interpretations:** Accept from Contractor and Owner submittal of all matters in question concerning the requirements of the Construction Contract Documents (sometimes referred to as requests for information or interpretation—RFIs), or relating to the acceptability of the Work under the Construction Contract Documents. With reasonable promptness, render a written clarification, interpretation, or decision on the issue submitted, or initiate an amendment or supplement to the Construction Contract Documents.

9. **Field Orders:** Subject to any limitations in the Construction Contract Documents, Engineer may prepare and issue Field Orders requiring minor changes in the Work.

10. **Change Orders and Work Change Directives:** Recommend Change Orders and Work Change Directives to Owner, or owner’s representative, as appropriate, and prepare Change Orders and Work Change Directives as required.

11. **Differing Site Conditions:** Respond to any notice from Contractor of differing site conditions, including conditions relating to underground facilities such as utilities, and hazardous environmental conditions. Promptly conduct reviews, obtain information, and prepare findings, conclusions, and recommendations for Owner’s use, subject to the limitations and responsibilities under the Agreement and the Construction Contract.

12. **Applications for Payment:** Based on Engineer’s observations as an experienced and qualified design professional and on review of Applications for Payment and accompanying supporting documentation:

   a. Determine the amounts that Engineer recommends Contractor be paid. Recommend reductions in payment (set-offs) based on the provisions for set-offs stated in the Construction Contract. Such recommendations of payment will be in writing and will constitute Engineer’s representation to Owner, based on such observations and review, that, to the best of Engineer’s knowledge, information and belief, Contractor’s Work has progressed to the point indicated, the Work is generally in accordance with the Construction Contract Documents (subject to an evaluation of the Work as a functioning whole prior to or upon Substantial Completion, to the results of any subsequent tests called for in the Construction Contract Documents, and to any other qualifications stated in the recommendation), and the conditions precedent to Contractor’s being entitled to such payment appear to have been fulfilled in so far as it is Engineer’s responsibility to observe the Work. In the case of unit price work, Engineer’s recommendations
of payment will include final determinations of quantities and classifications of the Work (subject to any subsequent adjustments allowed by the Construction Contract Documents).

b. By recommending payment, Engineer shall not thereby be deemed to have represented that observations made by Engineer to check the quality or quantity of Contractor’s Work as it is performed and furnished have been exhaustive, extended to every aspect of Contractor’s Work in progress, or involved detailed inspections of the Work beyond the responsibilities specifically assigned to Engineer in the Agreement or this Task Order. Neither Engineer’s review of Contractor’s Work for the purposes of recommending payments nor Engineer’s recommendation of any payment including final payment will impose on Engineer responsibility to supervise, direct, or control the Work, or for the means, methods, techniques, sequences, or procedures of construction or safety precautions or programs incident thereto, or Contractor’s compliance with Laws and Regulations applicable to Contractor’s furnishing and performing the Work. It will also not impose responsibility on Engineer to make any examination to ascertain how or for what purposes Contractor has used the money paid to Contractor by Owner; to determine that title to any portion of the Work, including materials or equipment, has passed to Owner free and clear of any liens, claims, security interests, or encumbrances; or that there may not be other matters at issue between Owner and Contractor that might affect the amount that should be paid.

13. **Contractor’s Completion Documents**: Receive from Contractor, review, and transmit to Owner maintenance and operating instructions, schedules, guarantees, bonds, certificates or other evidence of insurance required by the Construction Contract Documents, certificates of inspection, tests and approvals, and Shop Drawings, Samples, and other data approved. Receive from Contractor, review, and transmit to Owner the annotated record documents which are to be assembled by Contractor in accordance with the Construction Contract Documents to obtain final payment. The extent of Engineer’s review of record documents shall be to check that Contractor has submitted all pages.

14. **Substantial Completion**: Promptly after notice from Contractor that Contractor considers the entire Work ready for its intended use, in company with Owner and Contractor, visit the Site to review the Work and determine the status of completion. Engineer shall assist Owner regarding any remaining engineering or technical matters affecting Owner’s use or occupancy of the Work following Substantial Completion.

**Additional Services**

B. **Additional Services that may be authorized or necessary under this Task Order are as follows:**

Engineer will provide survey control for construction on an hourly basis as required to complete the project.

**Owner’s Responsibilities**
Owner shall have those responsibilities set forth in Article 2 of the Agreement.

3. Payments to Engineer and Schedule

A. Owner shall pay Engineer for services rendered under this Task Order as follows:

<table>
<thead>
<tr>
<th>Description of Service</th>
<th>Amount</th>
<th>Schedule*</th>
<th>Basis of Compensation**</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Basic Services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Preliminary Phase</td>
<td>SEE TASK ORDER 5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>b. Final Design</td>
<td>SEE TASK ORDER 5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>c. Bidding or Negotiating Phase</td>
<td>SEE TASK ORDER 5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>d. Construction Phase</td>
<td>SEE TASK ORDER 5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL COMPENSATION (lines 1.a-d)</td>
<td>SEE TASK ORDER 5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Additional Services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Surveying Hourly Allowance</td>
<td>$25,645.00</td>
<td>60</td>
<td>C2.01.B.2: Standard Hourly Rates</td>
</tr>
<tr>
<td>b. Environmental Permitting Hourly Allowance</td>
<td>$24,355.00</td>
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<td>C2.01.B.2: Standard Hourly Rates</td>
</tr>
<tr>
<td>TOTAL ADDITIONAL SERVICES (Lines 2.a)</td>
<td>$50,000.00</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Days from First Authorization
**Basis of Compensation from Exhibit C, Article 2, of the “Agreement”.
4. Terms and Conditions

Execution of this Task Order by Owner and Engineer shall make it subject to the terms and conditions of the Agreement (as modified above), which Agreement is incorporated by this reference. Engineer is authorized to begin performance upon its receipt of a copy of this Task Order signed by Owner.

The Effective Date of this Task Order is April 4, 2019.

ENGINEER: 
By: ___________________________ By: ___________________________
Print Name: James L. Urban Print Name: Michael T. Dorris
Title: Authorized Representative

OWNER: 
By: ___________________________ By: ___________________________
Print Name: David Parsons Print Name: Francisca Nixon
Title: City Manager
April 9, 2019

City of Port Aransas
David Parsons
710W Ave A
Port Aransas, TX 78373

RE: Recommendation Letter for Urban Engineering, Task Order #21 Amendment # 2 of Task Order # 2 Project Charlie’s Pasture Shoreline Bulkhead
FEMA Ref # 46842

Dear Mr. Parsons:

Broaddus & Associates has reviewed the Urban Engineering Task Order #21 Amendment # 2 of Task Order # 2 to provide engineering design consisting of the reconstruction of the Charlie’s Pasture shoreline bulkhead in accordance with the FEMA Damage, Dimension, and Description sheet #15129. We take no exception of the Task Order.

If you have any questions or concerns, please feel free to give me a call.

Michael T. Dorris Jr.
Senior Project Manager

David Parsons
City Manager
## AGENDA ITEM: 8-S

Discuss and take action on a Resolution Approving Professional Services – Task Order Agreement with Urban Engineering; Approving Task Order #22 for an amount not to exceed $13,792.00 for repairing the hurricane related damages to the Station Street Parking Lot; Setting Term, Conditions, Fees, Responsibilities and Services of Owner and Engineer; and Authorizing the City Manager to sign said agreement.

**SUBMITTED BY:** Broaddus and Associates

**APPROVED FOR AGENDA:** City Manager David Parsons

**COMMENTARY:** This project will consist of the design for the repairs to Station Street Parking lot. Repairs will include all damages sustained during hurricane Harvey. All work associated will be in accordance with the FEMA Damage, Dimension, and Description sheet. Broaddus & Architects have provided Task Order #22 from Urban Engineering for this project for a total amount not to exceed $13,792.00 and find no exception to the Task Order.

**ATTACHMENTS:**
- Resolution 2019-54
- Broaddus Recommendation Letter
- Urban Engineering Task Order #22 contract agreement

**STAFF RECOMMENDATION:** Motion to approve Task Order #22 Agreement with Urban Engineering to repair the hurricane related damages to the Station Street Parking Lot.

**COUNCIL ACTION REQUESTED:** Port Aransas City Council approve a Resolution for Professional Services – Task Order Agreement with Urban Engineering; Approving Task Order #22 for an amount not to exceed $13,792.00 for repairing the hurricane related damages to the Station Street Parking Lot; Setting Term, Conditions, Fees, Responsibilities and Services of Owner and Engineer; and Authorizing the City Manager to sign said agreement.
RESOLUTION NO 2019-R54

A RESOLUTION OF THE PORT ARANSAS CITY COUNCIL APPROVING PROFESSIONAL SERVICES – TASK ORDER AGREEMENT WITH URBAN ENGINEERING; APPROVING TASK ORDER #22 FOR AN AMOUNT NOT TO EXCEED $13,792.00 FOR REPAIRING THE HURRICANE RELATED DAMAGES TO THE STATION STREET PARKING LOT; SETTING TERM, CONDITIONS, FEES, RESPONSIBILITIES AND SERVICES OF OWNER AND ENGINEER; AND AUTHORIZING THE CITY MANAGER TO SIGN SAID AGREEMENT.

WHEREAS, the City of Port Aransas entered into a Professional Services Agreement with Urban Engineering for architectural and engineering services; and

WHEREAS, the City desires to approve Task Order #22 and has determined that it is advisable and necessary to approve funding for repairs to Station Street Parking lot sustained during hurricane Harvey.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORT ARANSAS, NUECES COUNTY, TEXAS:

Section 1. That the City Council approves task order agreement #22 with Urban Engineering in the amount of $13,792.00 for repairs to the sidewalk and bulkhead at the North end of Roberts Point Park noted in Contract Agreement attached hereto as Exhibit A.

Section 2. The total amount approved for Task Order #22 hurricane related repairs to Urban Engineering is $13,792.00.

Section 3. The City Council hereby authorizes the City Manager to sign contract documents relative to this contract.

Section 4. It is hereby officially found and determined that the meeting at which this resolution 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.

PASSED and APPROVED by the Port Aransas City Council, County of Nueces, State of Texas, on this 16th day of MAY, 2019.
CITY OF PORT ARANSAS, TEXAS

Charles R. Bujan, Mayor

ATTEST:

Francisca Nixon, City Secretary
In accordance with Paragraph 1.01 of the Agreement Between Owner and Engineer for Professional Services – Task Order Edition, dated May 16, 2018 ("Agreement"), Owner and Engineer agree as follows:

1. Background Data
   a. Effective Date of Task Order: April 4, 2019
   b. Owner: The City of Port Aransas
   c. Engineer: Urban Engineering
   d. Specific Project (title): Hurricane Harvey Station Street Parking Lot Damage
   e. Specific Project (description): The project will consist of the design for the repairs to Station Street Parking lot. Repairs will include all damages sustained during hurricane Harvey, in accordance with Damage, Description, and Dimension #121587. Lat/Long (27.84153, -97.05845).
   f. Estimated Construction Cost: $74,519.00

2. Services of Engineer
   A. The specific services to be provided or furnished by Engineer under this Task Order are:
      A1.01 Preliminary Design Phase
         A. As Basic Services, Engineer shall:
            1. Prepare Preliminary Design Phase documents consisting of final design criteria, preliminary drawings, outline specifications, and written descriptions of the Specific Project.
            2. Visit the Site as needed to prepare the Preliminary Design Phase documents.
            3. Advise Owner, or owner’s representative, if additional reports, data, information, or services of the types described in Exhibit B are necessary and assist Owner, or owner’s representative, in obtaining such reports, data, information, or services.
A1.02 Final Design Phase

A. As Basic Services, Engineer shall:

1. Prepare final Drawings and Specifications indicating the scope, extent, and character of the Work to be performed and furnished by Contractor.

2. Visit the Site as needed to assist in preparing the final Drawings and Specifications.

3. Provide technical criteria, written descriptions, and design data for Owner’s or representative’s use in filing applications for permits from or approvals of governmental authorities having jurisdiction to review or approve the final design; assist Owner, or owner’s representative, in consultations with such authorities; and revise the Drawings and Specifications in response to directives from such authorities, as appropriate.

4. Advise Owner, or owner’s representative, of any recommended adjustments to the opinion of probable Construction Cost.

5. Prepare or assemble draft bidding-related documents (or requests for proposals or other construction procurement documents), based on the specific bidding or procurement-related instructions and forms, text, or content received from Owner, or owner’s representative.

A1.03 Bidding or Negotiating Phase

A. As Basic Services, Engineer shall:

1. Assist Owner, or owner’s representative, in advertising for and obtaining bids or proposals for the Work, assist Owner, or owner’s representative, in issuing assembled design, contract, and bidding-related documents (or requests for proposals or other construction procurement documents) to prospective contractors, and, where applicable, maintain a record of prospective contractors to which documents have been issued, attend pre-bid conferences, if any, and receive and process contractor deposits or charges for the issued documents.

2. Prepare and issue Addenda as appropriate to clarify, correct, or change the issued documents.

3. Provide information or assistance needed by Owner, or owner’s representative, in the course of any review of proposals or negotiations with prospective contractors.

4. Consult with Owner, or owner’s representative, as to the qualifications of prospective contractors.

5. Consult with Owner, or owner’s representative, as to the qualifications of Subcontractors, suppliers, and other individuals and entities proposed by prospective contractors, for those portions of the Work as to which review of qualifications is required by the issued documents.
6. Attend the bid opening, prepare bid tabulation sheets to meet Owner’s, or owner’s representative’s, schedule, and assist Owner, or owner’s representative, in evaluating bids or proposals, assembling final contracts for the Work for execution by Owner and Contractor, and in issuing notices of award of such contracts.

7. If Owner engages in negotiations with bidders or proposers, assist Owner, or owner’s representative, with respect to technical and engineering issues that arise during the negotiations.

A1.04 Construction Phase

A. As Basic Services, Engineer shall:

1. General Administration of Construction Contract: Consult with Owner, or owner’s representative, and act as Owner’s representative as provided in the Construction Contract. The extent and limitations of the duties, responsibilities, and authority of Engineer shall be as assigned in EJCDC® C-700, Standard General Conditions of the Construction Contract (2013 Edition), prepared by the Engineers Joint Contract Documents Committee, or other construction general conditions specified in the Agreement. If Owner, or Owner and Contractor, modify the duties, responsibilities, and authority of Engineer in the Construction Contract, or modify other terms of the Construction Contract having a direct bearing on Engineer, then Owner, or owner’s representative, shall compensate Engineer for any related increases in the cost to provide Construction Phase services. Engineer shall not be required to furnish or perform services contrary to Engineer’s responsibilities as a licensed professional. All of Owner’s, or owner’s representative’s, instructions to Contractor will be issued through Engineer, which shall have authority to act on behalf of Owner in dealings with Contractor to the extent provided in this Agreement and the Construction Contract except as otherwise provided in writing.

2. Pre-Construction Conference: Participate in a pre-construction conference prior to commencement of Work at the Site.

3. Schedules: Receive, review, and determine the acceptability of any and all schedules that Contractor is required to submit to Engineer, including the Progress Schedule, Schedule of Submittals, and Schedule of Values.

4. Baselines and Benchmarks: As appropriate, establish baselines and benchmarks for locating the Work which in Engineer’s judgment are necessary to enable Contractor to proceed.

5. Visits to Site and Observation of Construction: In connection with observations of Contractor’s Work while it is in progress:

a. Make visits to the Site at intervals appropriate to the various stages of construction, as Engineer deems necessary, to observe as an experienced and qualified design professional the progress of Contractor’s executed Work. Such visits and observations by Engineer, and the Resident Project Representative, if any, are not intended to be exhaustive or to extend to every aspect of the Work or to involve
detailed inspections of the Work beyond the responsibilities specifically assigned to Engineer in the Agreement, this Task Order, and the Construction Contract Documents, but rather are to be limited to spot checking, selective sampling, and similar methods of general observation of the Work based on Engineer’s exercise of professional judgment, as assisted by the Resident Project Representative, if any. Based on information obtained during such visits and observations, Engineer will determine in general if the Work is proceeding in accordance with the Construction Contract Documents, and Engineer shall keep Owner, and owner’s representative, informed of the progress of the Work.

6. Defective Work: Reject Work if, on the basis of Engineer’s observations, Engineer believes that such Work is defective under the terms and standards set forth in the Construction Contract Documents. Provide recommendations to Owner, or owner’s representative, regarding whether Contractor should correct such Work or remove and replace such Work, or whether Owner should consider accepting such Work as provided in the Construction Contract Documents.

7. Compatibility with Design Concept: If Engineer has express knowledge that a specific part of the Work that is not defective under the terms and standards set forth in the Construction Contract Documents is nonetheless not compatible with the design concept of the completed Project as a functioning whole, then inform Owner, or owner’s representative, of such incompatibility, and provide recommendations for addressing such Work.

8. Clarifications and Interpretations: Accept from Contractor and Owner submittal of all matters in question concerning the requirements of the Construction Contract Documents (sometimes referred to as requests for information or interpretation—RFIs), or relating to the acceptability of the Work under the Construction Contract Documents. With reasonable promptness, render a written clarification, interpretation, or decision on the issue submitted, or initiate an amendment or supplement to the Construction Contract Documents.

9. Field Orders: Subject to any limitations in the Construction Contract Documents, Engineer may prepare and issue Field Orders requiring minor changes in the Work.

10. Change Orders and Work Change Directives: Recommend Change Orders and Work Change Directives to Owner, or owner’s representative, as appropriate, and prepare Change Orders and Work Change Directives as required.

11. Differing Site Conditions: Respond to any notice from Contractor of differing site conditions, including conditions relating to underground facilities such as utilities, and hazardous environmental conditions. Promptly conduct reviews, obtain information, and prepare findings, conclusions, and recommendations for Owner’s use, subject to the limitations and responsibilities under the Agreement and the Construction Contract.

12. Applications for Payment: Based on Engineer’s observations as an experienced and qualified design professional and on review of Applications for Payment and accompanying supporting documentation:
a. Determine the amounts that Engineer recommends Contractor be paid. Recommend reductions in payment (set-offs) based on the provisions for set-offs stated in the Construction Contract. Such recommendations of payment will be in writing and will constitute Engineer’s representation to Owner, based on such observations and review, that, to the best of Engineer’s knowledge, information and belief, Contractor’s Work has progressed to the point indicated, the Work is generally in accordance with the Construction Contract Documents (subject to an evaluation of the Work as a functioning whole prior to or upon Substantial Completion, to the results of any subsequent tests called for in the Construction Contract Documents, and to any other qualifications stated in the recommendation), and the conditions precedent to Contractor’s being entitled to such payment appear to have been fulfilled in so far as it is Engineer’s responsibility to observe the Work. In the case of unit price work, Engineer’s recommendations of payment will include final determinations of quantities and classifications of the Work (subject to any subsequent adjustments allowed by the Construction Contract Documents).

b. By recommending payment, Engineer shall not thereby be deemed to have represented that observations made by Engineer to check the quality or quantity of Contractor’s Work as it is performed and furnished have been exhaustive, extended to every aspect of Contractor’s Work in progress, or involved detailed inspections of the Work beyond the responsibilities specifically assigned to Engineer in the Agreement or this Task Order. Neither Engineer’s review of Contractor’s Work for the purposes of recommending payments nor Engineer’s recommendation of any payment including final payment will impose on Engineer responsibility to supervise, direct, or control the Work, or for the means, methods, techniques, sequences, or procedures of construction or safety precautions or programs incident thereto, or Contractor’s compliance with Laws and Regulations applicable to Contractor’s furnishing and performing the Work. It will also not impose responsibility on Engineer to make any examination to ascertain how or for what purposes Contractor has used the money paid to Contractor by Owner; to determine that title to any portion of the Work, including materials or equipment, has passed to Owner free and clear of any liens, claims, security interests, or encumbrances; or that there may not be other matters at issue between Owner and Contractor that might affect the amount that should be paid.

13. Contractor’s Completion Documents: Receive from Contractor, review, and transmit to Owner, or owner’s representative, maintenance and operating instructions, schedules, guarantees, bonds, certificates or other evidence of insurance required by the Construction Contract Documents, certificates of inspection, tests and approvals, and Shop Drawings, Samples, and other data approved as provided under Paragraph A1.05.A.17. Receive from Contractor, review, and transmit to Owner, or owner’s representative, the annotated record documents which are to be assembled by Contractor in accordance with the Construction Contract Documents to obtain final payment. The extent of Engineer’s review of record documents shall be to check that Contractor has submitted all pages.
14. **Substantial Completion:** Promptly after notice from Contractor that Contractor considers the entire Work ready for its intended use, in company with Owner and Contractor, visit the Site to review the Work and determine the status of completion. Follow the procedures in the Construction Contract regarding the preliminary certificate of Substantial Completion, punch list of items to be completed, Owner’s objections, notice to Contractor, and issuance of a final certificate of Substantial Completion. Assist Owner, or owner’s representative, regarding any remaining engineering or technical matters affecting Owner’s use or occupancy of the Work following Substantial Completion.

15. **Final Notice of Acceptability of the Work:** Conduct a final visit to the specific Project to determine if the Work is complete and acceptable so that Engineer may recommend, in writing, final payment to Contractor. Accompanying the recommendation for final payment, Engineer shall also provide a notice to Owner, or owner’s representative, and Contractor in the form attached hereto as Exhibit E (“Notice of Acceptability of Work”) (also available as a construction form, EJCDC® C-626 (2013)) that the Work is acceptable (subject to the provisions of the Notice and Paragraph A1.05.A.21.b) to the best of Engineer’s knowledge, information, and belief, and based on the extent of the services provided by Engineer under the Agreement and this Task Order.

**Additional Services**

A. Additional Services that may be authorized or necessary under this Task Order are as follows:

1. Engineer will provide survey control for construction on an hourly basis as required to complete the project.

2. Construction Staking during the construction process.

**Owner’s Responsibilities**

Owner shall have those responsibilities set forth in Article 2 of the Agreement.
### 3. Payments to Engineer

A. Owner shall pay Engineer for services rendered under this Task Order as follows:

<table>
<thead>
<tr>
<th>Description of Service</th>
<th>Amount</th>
<th>Schedule*</th>
<th>Basis of Compensation**</th>
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</thead>
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<tr>
<td>1. Basic Services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Preliminary Phase (15%)</td>
<td>$1,619.00</td>
<td>30</td>
<td>C2.01.B.2: Standard Hourly Rates</td>
</tr>
<tr>
<td>b. Final Design (60%)</td>
<td>$6,475.00</td>
<td>90</td>
<td>C2.01.B.2: Standard Hourly Rates</td>
</tr>
<tr>
<td>c. Bidding and Negotiating Phase (5%)</td>
<td>$540.00</td>
<td>120</td>
<td>C2.01.B.2: Standard Hourly Rates</td>
</tr>
<tr>
<td>d. Construction Phase (20%)</td>
<td>$2,158.00</td>
<td>300</td>
<td>C2.01.B.2: Standard Hourly Rates</td>
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<td>TOTAL COMPENSATION (lines 1.a-d)</td>
<td>$10,792.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Additional Services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Surveying hourly allowance not to exceed (Preliminary and Design Phase)</td>
<td>$1,000.00</td>
<td>30</td>
<td>C2.01.B.2: Standard Hourly Rates</td>
</tr>
<tr>
<td>b. Construction Staking</td>
<td>$2,000.00</td>
<td>130</td>
<td>C2.01.B.2: Standard Hourly Rates</td>
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<tr>
<td>TOTAL COMPENSATION (lines 2.a-b)</td>
<td>$3,000.00</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Days from Authorization.

**Basis of Compensation from Exhibit C, Article 2, of the Agreement.
4. Terms and Conditions

Execution of this Task Order by Owner and Engineer shall make it subject to the terms and conditions of the Agreement (as modified above), which Agreement is incorporated by this reference. Engineer is authorized to begin performance upon its receipt of a copy of this Task Order signed by Owner.

The Effective Date of this Task Order is April 4, 2019.

ENGINEER: 
By: ________________________________
Print Name: James L. Urban
Title: Authorized Representative

OWNER’S REPRESENTATIVE:
By: ________________________________
Print Name: Michael T. Dorris

OWNER:
By: ________________________________
Print Name: David Parsons
Title: City Manager

CITY SECRETARY:
By: ________________________________
Print Name: Francisca Nixon
April 9, 2019

City of Port Aransas
David Parsons
710W Ave A
Port Aransas, TX 78373

RE: Recommendation Letter for Urban Engineering, Task Order #22 consisting of design for the repairs to Station Street Parking Lot

Dear Mr. Parsons:

Broaddus & Associates has reviewed the Urban Engineering Task Order #22 to provide engineering design for the repairs to Station Street Parking Lot. Repairs will include all damages sustained during hurricane Harvey in accordance with Damage, Description, and Dimension #121587. We take no exception of the Task Order.

If you have any questions or concerns, please feel free to give me a call.

Michael T. Dorris Jr.
Senior Project Manager

David Parsons
City Manager
AGENDA ITEM: 8-T

Discuss and take action on a Resolution Approving Professional Services – Task Order Agreement with Urban Engineering; Approving Task Order #23 Amendment 1 of Task Order #14 in an amount not to exceed $9,000.00 for Port Street Asphalt Damages; Setting Term, Conditions, Fees, Responsibilities and Services of Owner and Engineer; and Authorizing the City Manager to sign said agreement.

SUBMITTED BY: Broaddus and Associates

APPROVED FOR AGENDA: City Manager David Parsons

COMMENTARY: This Task Order will be the 1st amendment of Task Order #14 Port Street Asphalt Damages project approved October 18, 2018. The project will consist of the design for the repairs to Port Street’s asphalt and base. Repairs will include all damages sustained during hurricane Harvey. All work associated will be in accordance with the FEMA Damage, Dimension, and Description sheet. Broaddus & Architects have provided Task Order #23 from Urban Engineering for this project for a total amount not to exceed $9,000.00 and find no exception to the Task Order.

ATTACHMENTS: Resolution 2019-55
Broaddus Recommendation Letter
Urban Engineering Task Order #23 contract agreement

STAFF RECOMMENDATION: Motion to approve Task Order #23 Agreement with Urban Engineering to repair the hurricane related damages to the Port Street Asphalt.

COUNCIL ACTION REQUESTED: Port Aransas City Council approve a Resolution for Professional Services – Task Order Agreement with Urban Engineering; Approving Task Order #23 Amendment 1 of Task Order #14 in an amount not to exceed $9,000.00 for Port Street Asphalt Damages; Setting Term, Conditions, Fees, Responsibilities and Services of Owner and Engineer; and Authorizing the City Manager to sign said agreement.
RESOLUTION NO 2019-R55

A RESOLUTION OF THE PORT ARANSAS CITY COUNCIL APPROVING PROFESSIONAL SERVICES – TASK ORDER AGREEMENT WITH URBAN ENGINEERING; APPROVING TASK ORDER #23 AMENDMENT 1 OF TASK ORDER #14 IN AN AMOUNT NOT TO EXCEED $9,000.00 FOR PORT STREET ASPHALT DAMAGES; SETTING TERM, CONDITIONS, FEES, RESPONSIBILITIES AND SERVICES OF OWNER AND ENGINEER; AND AUTHORIZING THE CITY MANAGER TO SIGN SAID AGREEMENT.

WHEREAS, the City of Port Aransas entered into a Professional Services Agreement with Urban Engineering for architectural and engineering services; and

WHEREAS, the City desires to approve Task Order #23 the 1st amendment of Task Order #14, and has determined that it is advisable and necessary to approve funding for repairs to Port Street asphalt and base damages sustained during hurricane Harvey.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORT ARANSAS, NUECES COUNTY, TEXAS:

Section 1. That the City Council approves 1st amendment of task order agreement #14 with Urban Engineering in the amount of $9,000.00 for repairs to Port Street’s asphalt and base sustained during Hurricane Harvey as noted in Contract Agreement attached hereto as Exhibit A.

Section 2. The total amount approved for Task Order #23 hurricane related repairs to Urban Engineering is $9,000.00.

Section 3. The City Council hereby authorizes the City Manager to sign contract documents relative to this contract.

Section 4. It is hereby officially found and determined that the meeting at which this resolution 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.

PASSED and APPROVED by the Port Aransas City Council, County of Nueces, State of Texas, on this 16th day of MAY, 2019.
CITY OF PORT ARANSAS, TEXAS

Charles R. Bujan, Mayor

ATTEST:

Francisca Nixon, City Secretary
In accordance with Paragraph 1.01 of the Agreement Between Owner and Engineer for Professional Services – Task Order Edition, dated May 16, 2018 ("Agreement"), Owner and Engineer agree as follows:

1. **Background Data**
   
a. **Effective Date of Task Order:** April 4, 2019
   
b. **Owner:** The City of Port Aransas
   
c. **Engineer:** Urban Engineering
   
d. **Specific Project (title):** Hurricane Harvey Port Street Asphalt Damage
   
e. **Specific Project (description):** The project will consist of the design for the repairs to Port Street’s asphalt and base. Repairs will include all damages sustained during Hurricane Harvey and in Accordance with Damage, Dimension, and Description #55311.
   
f. **Estimated Construction Cost:** $76,076.00

2. **Services of Engineer**
   
A. The specific services to be provided or furnished by Engineer under this Task Order are:

   A1.01 **Preliminary Design Phase**

A. As Basic Services, Engineer shall:

1. Prepare Preliminary Design Phase documents consisting of final design criteria, preliminary drawings, outline specifications, and written descriptions of the Specific Project.

2. Visit the Site as needed to prepare the Preliminary Design Phase documents.

3. Advise Owner, or owner’s representative, if additional reports, data, information, or services of the types described in Exhibit B are necessary and assist Owner, or owner’s representative, in obtaining such reports, data, information, or services.
A1.02 Final Design Phase

A. As Basic Services, Engineer shall:

1. Prepare final Drawings and Specifications indicating the scope, extent, and character of the Work to be performed and furnished by Contractor.

2. Visit the Site as needed to assist in preparing the final Drawings and Specifications.

3. Provide technical criteria, written descriptions, and design data for Owner’s or representative’s use in filing applications for permits from or approvals of governmental authorities having jurisdiction to review or approve the final design; assist Owner, or owner’s representative, in consultations with such authorities; and revise the Drawings and Specifications in response to directives from such authorities, as appropriate.

4. Advise Owner, or owner’s representative, of any recommended adjustments to the opinion of probable Construction Cost.

5. Prepare or assemble draft bidding-related documents (or requests for proposals or other construction procurement documents), based on the specific bidding or procurement-related instructions and forms, text, or content received from Owner, or owner’s representative.

A1.03 Bidding or Negotiating Phase

A. As Basic Services, Engineer shall:

1. Assist Owner, or owner’s representative, in advertising for and obtaining bids or proposals for the Work, assist Owner, or owner’s representative, in issuing assembled design, contract, and bidding-related documents (or requests for proposals or other construction procurement documents) to prospective contractors, and, where applicable, maintain a record of prospective contractors to which documents have been issued, attend pre-bid conferences, if any, and receive and process contractor deposits or charges for the issued documents.

2. Prepare and issue Addenda as appropriate to clarify, correct, or change the issued documents.

3. Provide information or assistance needed by Owner, or owner’s representative, in the course of any review of proposals or negotiations with prospective contractors.

4. Consult with Owner, or owner’s representative, as to the qualifications of prospective contractors.

5. Consult with Owner, or owner’s representative, as to the qualifications of Subcontractors, suppliers, and other individuals and entities proposed by prospective contractors, for those portions of the Work as to which review of qualifications is required by the issued documents.
6. Attend the bid opening, prepare bid tabulation sheets to meet Owner’s, or owner’s representative’s, schedule, and assist Owner, or owner’s representative, in evaluating bids or proposals, assembling final contracts for the Work for execution by Owner and Contractor, and in issuing notices of award of such contracts.

7. If Owner engages in negotiations with bidders or proposers, assist Owner, or owner’s representative, with respect to technical and engineering issues that arise during the negotiations.

A1.04 Construction Phase

A. As Basic Services, Engineer shall:

1. General Administration of Construction Contract: Consult with Owner, or owner’s representative, and act as Owner’s representative as provided in the Construction Contract. The extent and limitations of the duties, responsibilities, and authority of Engineer shall be as assigned in EJCDC® C-700, Standard General Conditions of the Construction Contract (2013 Edition), prepared by the Engineers Joint Contract Documents Committee, or other construction general conditions specified in the Agreement. If Owner, or Owner and Contractor, modify the duties, responsibilities, and authority of Engineer in the Construction Contract, or modify other terms of the Construction Contract having a direct bearing on Engineer, then Owner, or owner’s representative, shall compensate Engineer for any related increases in the cost to provide Construction Phase services. Engineer shall not be required to furnish or perform services contrary to Engineer’s responsibilities as a licensed professional. All of Owner’s, or owner’s representative’s, instructions to Contractor will be issued through Engineer, which shall have authority to act on behalf of Owner in dealings with Contractor to the extent provided in this Agreement and the Construction Contract except as otherwise provided in writing.

2. Pre-Construction Conference: Participate in a pre-construction conference prior to commencement of Work at the Site.

3. Schedules: Receive, review, and determine the acceptability of any and all schedules that Contractor is required to submit to Engineer, including the Progress Schedule, Schedule of Submittals, and Schedule of Values.

4. Baselines and Benchmarks: As appropriate, establish baselines and benchmarks for locating the Work which in Engineer’s judgment are necessary to enable Contractor to proceed.

5. Visits to Site and Observation of Construction: In connection with observations of Contractor’s Work while it is in progress:

   a. Make visits to the Site at intervals appropriate to the various stages of construction, as Engineer deems necessary, to observe as an experienced and qualified design professional the progress of Contractor’s executed Work. Such visits and observations by Engineer, and the Resident Project Representative, if any, are not intended to be exhaustive or to extend to every aspect of the Work or to involve
detailed inspections of the Work beyond the responsibilities specifically assigned to Engineer in the Agreement, this Task Order, and the Construction Contract Documents, but rather are to be limited to spot checking, selective sampling, and similar methods of general observation of the Work based on Engineer’s exercise of professional judgment, as assisted by the Resident Project Representative, if any. Based on information obtained during such visits and observations, Engineer will determine in general if the Work is proceeding in accordance with the Construction Contract Documents, and Engineer shall keep Owner, and owner’s representative, informed of the progress of the Work.

6. **Defective Work**: Reject Work if, on the basis of Engineer’s observations, Engineer believes that such Work is defective under the terms and standards set forth in the Construction Contract Documents. Provide recommendations to Owner, or owner’s representative, regarding whether Contractor should correct such Work or remove and replace such Work, or whether Owner should consider accepting such Work as provided in the Construction Contract Documents.

7. **Compatibility with Design Concept**: If Engineer has express knowledge that a specific part of the Work that is not defective under the terms and standards set forth in the Construction Contract Documents is nonetheless not compatible with the design concept of the completed Project as a functioning whole, then inform Owner, or owner’s representative, of such incompatibility, and provide recommendations for addressing such Work.

8. **Clarifications and Interpretations**: Accept from Contractor and Owner submittal of all matters in question concerning the requirements of the Construction Contract Documents (sometimes referred to as requests for information or interpretation—RFIs), or relating to the acceptability of the Work under the Construction Contract Documents. With reasonable promptness, render a written clarification, interpretation, or decision on the issue submitted, or initiate an amendment or supplement to the Construction Contract Documents.

9. **Field Orders**: Subject to any limitations in the Construction Contract Documents, Engineer may prepare and issue Field Orders requiring minor changes in the Work.

10. **Change Orders and Work Change Directives**: Recommend Change Orders and Work Change Directives to Owner, or owner’s representative, as appropriate, and prepare Change Orders and Work Change Directives as required.

11. **Differing Site Conditions**: Respond to any notice from Contractor of differing site conditions, including conditions relating to underground facilities such as utilities, and hazardous environmental conditions. Promptly conduct reviews, obtain information, and prepare findings, conclusions, and recommendations for Owner’s use, subject to the limitations and responsibilities under the Agreement and the Construction Contract.

12. **Applications for Payment**: Based on Engineer’s observations as an experienced and qualified design professional and on review of Applications for Payment and accompanying supporting documentation:
a. Determine the amounts that Engineer recommends Contractor be paid. Recommend reductions in payment (set-offs) based on the provisions for set-offs stated in the Construction Contract. Such recommendations of payment will be in writing and will constitute Engineer’s representation to Owner, based on such observations and review, that, to the best of Engineer’s knowledge, information and belief, Contractor’s Work has progressed to the point indicated, the Work is generally in accordance with the Construction Contract Documents (subject to an evaluation of the Work as a functioning whole prior to or upon Substantial Completion, to the results of any subsequent tests called for in the Construction Contract Documents, and to any other qualifications stated in the recommendation), and the conditions precedent to Contractor’s being entitled to such payment appear to have been fulfilled in so far as it is Engineer’s responsibility to observe the Work. In the case of unit price work, Engineer’s recommendations of payment will include final determinations of quantities and classifications of the Work (subject to any subsequent adjustments allowed by the Construction Contract Documents).

b. By recommending payment, Engineer shall not thereby be deemed to have represented that observations made by Engineer to check the quality or quantity of Contractor’s Work as it is performed and furnished have been exhaustive, extended to every aspect of Contractor’s Work in progress, or involved detailed inspections of the Work beyond the responsibilities specifically assigned to Engineer in the Agreement or this Task Order. Neither Engineer’s review of Contractor’s Work for the purposes of recommending payments nor Engineer’s recommendation of any payment including final payment will impose on Engineer responsibility to supervise, direct, or control the Work, or for the means, methods, techniques, sequences, or procedures of construction or safety precautions or programs incident thereto, or Contractor’s compliance with Laws and Regulations applicable to Contractor’s furnishing and performing the Work. It will also not impose responsibility on Engineer to make any examination to ascertain how or for what purposes Contractor has used the money paid to Contractor by Owner; to determine that title to any portion of the Work, including materials or equipment, has passed to Owner free and clear of any liens, claims, security interests, or encumbrances; or that there may not be other matters at issue between Owner and Contractor that might affect the amount that should be paid.

13. Contractor’s Completion Documents: Receive from Contractor, review, and transmit to Owner, or owner’s representative, maintenance and operating instructions, schedules, guarantees, bonds, certificates or other evidence of insurance required by the Construction Contract Documents, certificates of inspection, tests and approvals, and Shop Drawings, Samples, and other data approved as provided under Paragraph A1.05.A.17. Receive from Contractor, review, and transmit to Owner, or owner’s representative, the annotated record documents which are to be assembled by Contractor in accordance with the Construction Contract Documents to obtain final payment. The extent of Engineer’s review of record documents shall be to check that Contractor has submitted all pages.
14. **Substantial Completion:** Promptly after notice from Contractor that Contractor considers the entire Work ready for its intended use, in company with Owner and Contractor, visit the Site to review the Work and determine the status of completion. Follow the procedures in the Construction Contract regarding the preliminary certificate of Substantial Completion, punch list of items to be completed, Owner’s objections, notice to Contractor, and issuance of a final certificate of Substantial Completion. Assist Owner, or owner’s representative, regarding any remaining engineering or technical matters affecting Owner’s use or occupancy of the Work following Substantial Completion.

15. **Final Notice of Acceptability of the Work:** Conduct a final visit to the specific Project to determine if the Work is complete and acceptable so that Engineer may recommend, in writing, final payment to Contractor. Accompanying the recommendation for final payment, Engineer shall also provide a notice to Owner, or owner’s representative, and Contractor in the form attached hereto as Exhibit E ("Notice of Acceptability of Work") (also available as a construction form, EJCDC® C-626 (2013)) that the Work is acceptable (subject to the provisions of the Notice and Paragraph A1.05.A.21.b) to the best of Engineer’s knowledge, information, and belief, and based on the extent of the services provided by Engineer under the Agreement and this Task Order.

**Additional Services**

A. Additional Services that may be authorized or necessary under this Task Order are as follows:

1. Engineer will provide survey control for construction on an hourly basis as required to complete the project.

2. Construction Staking during the construction process.

**Owner’s Responsibilities**

Owner shall have those responsibilities set forth in Article 2 of the Agreement.
3. Payments to Engineer

A. Owner shall pay Engineer for services rendered under this Task Order as follows:

<table>
<thead>
<tr>
<th>Description of Service</th>
<th>Amount</th>
<th>Schedule*</th>
<th>Basis of Compensation**</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Basic Services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Preliminary Phase (0%)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b. Final Design (65%)</td>
<td>$3,900.00</td>
<td>90</td>
<td>C2.01.B.2: Standard Hourly Rates</td>
</tr>
<tr>
<td>c. Bidding and Negotiating Phase (10%)</td>
<td>$600.00</td>
<td>120</td>
<td>C2.01.B.2: Standard Hourly Rates</td>
</tr>
<tr>
<td>d. Construction Phase (25%)</td>
<td>$1,500.00</td>
<td>300</td>
<td>C2.01.B.2: Standard Hourly Rates</td>
</tr>
<tr>
<td>TOTAL COMPENSATION (lines 1.a-d)</td>
<td>$6,000.00</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2. Additional Services                                       |          |           |                         |
| a. Surveying hourly allowance not to exceed (Preliminary and Design Phase) | $1,000.00| 30        | C2.01.B.2: Standard Hourly Rates |
| b. Construction Staking                                     | $2,000.00| 130       | C2.01.B.2: Standard Hourly Rates |
|TOTAL COMPENSATION (lines 2.a-b)                             | $3,000.00|           |                         |

*Days from Authorization.
**Basis of Compensation from Exhibit C, Article 2, of the Agreement.
4. Terms and Conditions

Execution of this Task Order by Owner and Engineer shall make it subject to the terms and conditions of the Agreement (as modified above), which Agreement is incorporated by this reference. Engineer is authorized to begin performance upon its receipt of a copy of this Task Order signed by Owner.

The Effective Date of this Task Order is April 4, 2019.

ENGINEER:

By: ________________________________
Print Name: James L. Urban
Title: Authorized Representative

OWNER:

By: ________________________________
Print Name: David Parsons
Title: City Manager

ENGINEER:

By: ________________________________
Print Name: Michael T. Dorris

OWNER:

By: ________________________________
Print Name: Francisca Nixon
April 9, 2019

City of Port Aransas
David Parsons
710W Ave A
Port Aransas, TX 78373

RE: Recommendation Letter for Urban Engineering, Task Order #23 Amendment #1 of Task Order #14 Design for the repairs to Port Street’s asphalt and base sustained during Hurricane Harvey in accordance with Damage, Dimension, and Description #55311.

Dear Mr. Parsons:

Broaddus & Associates has reviewed the Urban Engineering Task Order #23 amendment 1 of task #14 to provide engineering design for the Port Street’s asphalt and base repairs. We take no exception of the Task Order.

If you have any questions or concerns, please feel free to give me a call.

Michael T. Dorris Jr.
Senior Project Manager

David Parsons
City Manager
AGENDA ITEM: 8-U

Discuss and take action on a Resolution Approving Professional Services - Task Order Agreement with Urban Engineering; Approving Task Order #24 Amendment 1 of Task Order #15 in an amount not to exceed $13,675.00 for design for repairs for Cotter Street Damages; Setting Term, Conditions, Fees, Responsibilities and Services of Owner and Engineer; and Authorizing the City Manager to sign said agreement.

SUBMITTED BY: Broaddus and Associates

APPROVED FOR AGENDA: City Manager David Parsons

COMMENTARY: This Task Order will be the 1st amendment of Task Order #15 Cotter Street damages project approved October 18, 2018. The project will consist of the design for the repairs to Cotter Street, and will include asphalt and base repair and drainage improvements. All work associated will be in accordance with the FEMA Damage, Dimension, and Description sheet. Broaddus & Architects have provided Task Order #24 from Urban Engineering for this project for a total amount not to exceed $13,675.00 and find no exception to the Task Order.

ATTACHMENTS: Resolution 2019-56
Broaddus Recommendation Letter
Urban Engineering Task Order #24 contract agreement

STAFF RECOMMENDATION: Motion to approve Task Order #24 Agreement with Urban Engineering to repair the hurricane related damages to the Cotter Street.

COUNCIL ACTION REQUESTED: Port Aransas City Council approve a Resolution for Professional Services – Task Order Agreement with Urban Engineering; Approving Task Order #24 Amendment 1 of Task Order #15 in an amount not to exceed $13,675.00 for design for repairs for Cotter Street Damages; Setting Term, Conditions, Fees, Responsibilities and Services of Owner and Engineer; and Authorizing the City Manager to sign said agreement.
RESOLUTION NO 2019-R56

A RESOLUTION OF THE PORT ARANSAS CITY COUNCIL APPROVING PROFESSIONAL SERVICES – TASK ORDER AGREEMENT WITH URBAN ENGINEERING; APPROVING TASK ORDER #24 AMENDMENT 1 OF TASK ORDER #15 IN AN AMOUNT NOT TO EXCEED $13,675.00 FOR DESIGN FOR REPAIRS FOR COTTER STREET DAMAGES; SETTING TERM, CONDITIONS, FEES, RESPONSIBILITIES AND SERVICES OF OWNER AND ENGINEER; AND AUTHORIZING THE CITY MANAGER TO SIGN SAID AGREEMENT.

WHEREAS, the City of Port Aransas entered into a Professional Services Agreement with Urban Engineering for architectural and engineering services; and

WHEREAS, the City desires to approve Task Order #24 the 1st amendment of Task Order #15, and has determined that it is advisable and necessary to approve funding for repairs to Cotter Street asphalt and base damages sustained during hurricane Harvey.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORT ARANSAS, NUECES COUNTY, TEXAS:

Section 1. That the City Council approves 1st amendment of task order agreement #15 with Urban Engineering in the amount of $13,675.00 for repairs to Cotter Street asphalt and base damages sustained during Hurricane Harvey as noted in Contract Agreement attached hereto as Exhibit A.

Section 2. The total amount approved for Task Order #24 hurricane related repairs to Urban Engineering is $13,675.00.

Section 3. The City Council hereby authorizes the City Manager to sign contract documents relative to this contract.

Section 4. It is hereby officially found and determined that the meeting at which this resolution 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.

PASSED and APPROVED by the Port Aransas City Council, County of Nueces, State of Texas, on this 16th day of MAY, 2019.
CITY OF PORT ARANSAS, TEXAS

________________________________________

Charles R. Bujan, Mayor

ATTEST:

________________________________________

Francisca Nixon, City Secretary
In accordance with Paragraph 1.01 of the Agreement Between Owner and Engineer for Professional Services – Task Order Edition, dated May 16, 2018 ("Agreement"), Owner and Engineer agree as follows:

1. Background Data
   a. Effective Date of Task Order: April 4, 2019
   b. Owner: The City of Port Aransas
   c. Engineer: Urban Engineering
   d. Specific Project (title): Hurricane Harvey Cotter Street Damages
   e. Specific Project (description): The project will consist of the design for the repairs to Cotter Street, and will include asphalt and base repair, as well as drainage improvements.
   f. Estimated Construction Cost: $116,340.00

2. Services of Engineer
   A. The specific services to be provided or furnished by Engineer under this Task Order are:

A1.01 Preliminary Design Phase
   A. As Basic Services, Engineer shall:
      1. Prepare Preliminary Design Phase documents consisting of final design criteria, preliminary drawings, outline specifications, and written descriptions of the Specific Project.
      2. Visit the Site as needed to prepare the Preliminary Design Phase documents.
      3. Advise Owner, or owner’s representative, if additional reports, data, information, or services of the types described in Exhibit B are necessary and assist Owner, or owner’s representative, in obtaining such reports, data, information, or services.
A1.02 Final Design Phase

A. As Basic Services, Engineer shall:

1. Prepare final Drawings and Specifications indicating the scope, extent, and character of the Work to be performed and furnished by Contractor.

2. Visit the Site as needed to assist in preparing the final Drawings and Specifications.

3. Provide technical criteria, written descriptions, and design data for Owner’s or representative’s use in filing applications for permits from or approvals of governmental authorities having jurisdiction to review or approve the final design; assist Owner, or owner’s representative, in consultations with such authorities; and revise the Drawings and Specifications in response to directives from such authorities, as appropriate.

4. Advise Owner, or owner’s representative, of any recommended adjustments to the opinion of probable Construction Cost.

5. Prepare or assemble draft bidding-related documents (or requests for proposals or other construction procurement documents), based on the specific bidding or procurement-related instructions and forms, text, or content received from Owner, or owner’s representative.

A1.03 Bidding or Negotiating Phase

A. As Basic Services, Engineer shall:

1. Assist Owner, or owner’s representative, in advertising for and obtaining bids or proposals for the Work, assist Owner, or owner’s representative, in issuing assembled design, contract, and bidding-related documents (or requests for proposals or other construction procurement documents) to prospective contractors, and, where applicable, maintain a record of prospective contractors to which documents have been issued, attend pre-bid conferences, if any, and receive and process contractor deposits or charges for the issued documents.

2. Prepare and issue Addenda as appropriate to clarify, correct, or change the issued documents.

3. Provide information or assistance needed by Owner, or owner’s representative, in the course of any review of proposals or negotiations with prospective contractors.

4. Consult with Owner, or owner’s representative, as to the qualifications of prospective contractors.

5. Consult with Owner, or owner’s representative, as to the qualifications of Subcontractors, suppliers, and other individuals and entities proposed by prospective contractors, for those portions of the Work as to which review of qualifications is required by the issued documents.
6. Attend the bid opening, prepare bid tabulation sheets to meet Owner’s, or owner’s representative’s, schedule, and assist Owner, or owner’s representative, in evaluating bids or proposals, assembling final contracts for the Work for execution by Owner and Contractor, and in issuing notices of award of such contracts.

7. If Owner engages in negotiations with bidders or proposers, assist Owner, or owner’s representative, with respect to technical and engineering issues that arise during the negotiations.

A1.04 Construction Phase

A. As Basic Services, Engineer shall:

1. General Administration of Construction Contract: Consult with Owner, or owner’s representative, and act as Owner’s representative as provided in the Construction Contract. The extent and limitations of the duties, responsibilities, and authority of Engineer shall be as assigned in EJCDC® C-700, Standard General Conditions of the Construction Contract (2013 Edition), prepared by the Engineers Joint Contract Documents Committee, or other construction general conditions specified in the Agreement. If Owner, or Owner and Contractor, modify the duties, responsibilities, and authority of Engineer in the Construction Contract, or modify other terms of the Construction Contract having a direct bearing on Engineer, then Owner, or owner’s representative, shall compensate Engineer for any related increases in the cost to provide Construction Phase services. Engineer shall not be required to furnish or perform services contrary to Engineer’s responsibilities as a licensed professional. All of Owner’s, or owner’s representative’s, instructions to Contractor will be issued through Engineer, which shall have authority to act on behalf of Owner in dealings with Contractor to the extent provided in this Agreement and the Construction Contract except as otherwise provided in writing.

2. Pre-Construction Conference: Participate in a pre-construction conference prior to commencement of Work at the Site.

3. Schedules: Receive, review, and determine the acceptability of any and all schedules that Contractor is required to submit to Engineer, including the Progress Schedule, Schedule of Submittals, and Schedule of Values.

4. Baselines and Benchmarks: As appropriate, establish baselines and benchmarks for locating the Work which in Engineer’s judgment are necessary to enable Contractor to proceed.

5. Visits to Site and Observation of Construction: In connection with observations of Contractor’s Work while it is in progress:

   a. Make visits to the Site at intervals appropriate to the various stages of construction, as Engineer deems necessary, to observe as an experienced and qualified design professional the progress of Contractor’s executed Work. Such visits and observations by Engineer, and the Resident Project Representative, if any, are not intended to be exhaustive or to extend to every aspect of the Work or to involve
detailed inspections of the Work beyond the responsibilities specifically assigned to Engineer in the Agreement, this Task Order, and the Construction Contract Documents, but rather are to be limited to spot checking, selective sampling, and similar methods of general observation of the Work based on Engineer’s exercise of professional judgment, as assisted by the Resident Project Representative, if any. Based on information obtained during such visits and observations, Engineer will determine in general if the Work is proceeding in accordance with the Construction Contract Documents, and Engineer shall keep Owner, and owner’s representative, informed of the progress of the Work.

6. **Defective Work**: Reject Work if, on the basis of Engineer’s observations, Engineer believes that such Work is defective under the terms and standards set forth in the Construction Contract Documents. Provide recommendations to Owner, or owner’s representative, regarding whether Contractor should correct such Work or remove and replace such Work, or whether Owner should consider accepting such Work as provided in the Construction Contract Documents.

7. **Compatibility with Design Concept**: If Engineer has express knowledge that a specific part of the Work that is not defective under the terms and standards set forth in the Construction Contract Documents is nonetheless not compatible with the design concept of the completed Project as a functioning whole, then inform Owner, or owner’s representative, of such incompatibility, and provide recommendations for addressing such Work.

8. **Clarifications and Interpretations**: Accept from Contractor and Owner submittal of all matters in question concerning the requirements of the Construction Contract Documents (sometimes referred to as requests for information or interpretation—RFIs), or relating to the acceptability of the Work under the Construction Contract Documents. With reasonable promptness, render a written clarification, interpretation, or decision on the issue submitted, or initiate an amendment or supplement to the Construction Contract Documents.

9. **Field Orders**: Subject to any limitations in the Construction Contract Documents, Engineer may prepare and issue Field Orders requiring minor changes in the Work.

10. **Change Orders and Work Change Directives**: Recommend Change Orders and Work Change Directives to Owner, or owner’s representative, as appropriate, and prepare Change Orders and Work Change Directives as required.

11. **Differing Site Conditions**: Respond to any notice from Contractor of differing site conditions, including conditions relating to underground facilities such as utilities, and hazardous environmental conditions. Promptly conduct reviews, obtain information, and prepare findings, conclusions, and recommendations for Owner’s use, subject to the limitations and responsibilities under the Agreement and the Construction Contract.

12. **Applications for Payment**: Based on Engineer’s observations as an experienced and qualified design professional and on review of Applications for Payment and accompanying supporting documentation:
a. Determine the amounts that Engineer recommends Contractor be paid. Recommend reductions in payment (set-offs) based on the provisions for set-offs stated in the Construction Contract. Such recommendations of payment will be in writing and will constitute Engineer’s representation to Owner, based on such observations and review, that, to the best of Engineer’s knowledge, information and belief, Contractor’s Work has progressed to the point indicated, the Work is generally in accordance with the Construction Contract Documents (subject to an evaluation of the Work as a functioning whole prior to or upon Substantial Completion, to the results of any subsequent tests called for in the Construction Contract Documents, and to any other qualifications stated in the recommendation), and the conditions precedent to Contractor’s being entitled to such payment appear to have been fulfilled in so far as it is Engineer’s responsibility to observe the Work. In the case of unit price work, Engineer’s recommendations of payment will include final determinations of quantities and classifications of the Work (subject to any subsequent adjustments allowed by the Construction Contract Documents).

b. By recommending payment, Engineer shall not thereby be deemed to have represented that observations made by Engineer to check the quality or quantity of Contractor’s Work as it is performed and furnished have been exhaustive, extended to every aspect of Contractor’s Work in progress, or involved detailed inspections of the Work beyond the responsibilities specifically assigned to Engineer in the Agreement or this Task Order. Neither Engineer’s review of Contractor’s Work for the purposes of recommending payments nor Engineer’s recommendation of any payment including final payment will impose on Engineer responsibility to supervise, direct, or control the Work, or for the means, methods, techniques, sequences, or procedures of construction or safety precautions or programs incident thereto, or Contractor’s compliance with Laws and Regulations applicable to Contractor’s furnishing and performing the Work. It will also not impose responsibility on Engineer to make any examination to ascertain how or for what purposes Contractor has used the money paid to Contractor by Owner; to determine that title to any portion of the Work, including materials or equipment, has passed to Owner free and clear of any liens, claims, security interests, or encumbrances; or that there may not be other matters at issue between Owner and Contractor that might affect the amount that should be paid.

13. **Contractor’s Completion Documents:** Receive from Contractor, review, and transmit to Owner, or owner’s representative, maintenance and operating instructions, schedules, guarantees, bonds, certificates or other evidence of insurance required by the Construction Contract Documents, certificates of inspection, tests and approvals, and Shop Drawings, Samples, and other data approved as provided under Paragraph A1.05.A.17. Receive from Contractor, review, and transmit to Owner, or owner’s representative, the annotated record documents which are to be assembled by Contractor in accordance with the Construction Contract Documents to obtain final payment. The extent of Engineer’s review of record documents shall be to check that Contractor has submitted all pages.
14. **Substantial Completion:** Promptly after notice from Contractor that Contractor considers the entire Work ready for its intended use, in company with Owner and Contractor, visit the Site to review the Work and determine the status of completion. Follow the procedures in the Construction Contract regarding the preliminary certificate of Substantial Completion, punch list of items to be completed, Owner’s objections, notice to Contractor, and issuance of a final certificate of Substantial Completion. Assist Owner, or owner’s representative, regarding any remaining engineering or technical matters affecting Owner’s use or occupancy of the Work following Substantial Completion.

15. **Final Notice of Acceptability of the Work:** Conduct a final visit to the specific Project to determine if the Work is complete and acceptable so that Engineer may recommend, in writing, final payment to Contractor. Accompanying the recommendation for final payment, Engineer shall also provide a notice to Owner, or owner’s representative, and Contractor in the form attached hereto as Exhibit E (“Notice of Acceptability of Work”) (also available as a construction form, EJCDC® C-626 (2013)) that the Work is acceptable (subject to the provisions of the Notice and Paragraph A1.05.A.21.b) to the best of Engineer’s knowledge, information, and belief, and based on the extent of the services provided by Engineer under the Agreement and this Task Order.

**Additional Services**

A. Additional Services that may be authorized or necessary under this Task Order are as follows:

1. Engineer will provide survey control for construction on an hourly basis as required to complete the project.

2. Construction Staking during the construction process.

**Owner’s Responsibilities**

Owner shall have those responsibilities set forth in Article 2 of the Agreement.
3. Payments to Engineer

A. Owner shall pay Engineer for services rendered under this Task Order as follows:

<table>
<thead>
<tr>
<th>Description of Service</th>
<th>Amount</th>
<th>Schedule*</th>
<th>Basis of Compensation**</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Basic Services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Preliminary Phase (0%)</td>
<td>SEE TASK</td>
<td>SEE TASK</td>
<td>C2.01.B.2: Standard Hourly</td>
</tr>
<tr>
<td></td>
<td>ORDER 15</td>
<td>ORDER 15</td>
<td>Rates</td>
</tr>
<tr>
<td>b. Final Design (65%)</td>
<td>$7,263.00</td>
<td>90</td>
<td>C2.01.B.2: Standard Hourly</td>
</tr>
<tr>
<td>c. Bidding and Negotiating Phase (10%)</td>
<td>$1,118.00</td>
<td>120</td>
<td>C2.01.B.2: Standard Hourly</td>
</tr>
<tr>
<td>d. Construction Phase (25%)</td>
<td>$2,794.00</td>
<td>300</td>
<td>C2.01.B.2: Standard Hourly</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL COMPENSATION (lines 1.a-d)</td>
<td>$11,175.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Additional Services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Surveying hourly allowance not to exceed</td>
<td>$1,000.00</td>
<td>30</td>
<td>C2.01.B.2: Standard Hourly</td>
</tr>
<tr>
<td>(Preliminary and Design Phase)</td>
<td></td>
<td></td>
<td>Rates</td>
</tr>
<tr>
<td>b. Construction Staking</td>
<td>$1,500.00</td>
<td>130</td>
<td>C2.01.B.2: Standard Hourly</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Rates</td>
</tr>
<tr>
<td>TOTAL COMPENSATION (lines 2.a-b)</td>
<td>$2,500.00</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Days from Authorization.
**Basis of Compensation from Exhibit C, Article 2, of the Agreement.
4. Terms and Conditions

Execution of this Task Order by Owner and Engineer shall make it subject to the terms and conditions of the Agreement (as modified above), which Agreement is incorporated by this reference. Engineer is authorized to begin performance upon its receipt of a copy of this Task Order signed by Owner.

The Effective Date of this Task Order is April 4, 2019.

ENGINEER:

By: ________________________________  By: ________________________________

Print Name:  James L. Urban  Print Name:  Michael T. Dorris

Title:  Authorized Representative

OWNER:

By: ________________________________  By: ________________________________

Print Name:  David Parsons  Print Name:  Francisca Nixon

Title:  City Manager
April 3, 2019

City of Port Aransas
David Parsons
710W Ave A
Port Aransas, TX 78373

RE: Recommendation Letter for Urban Engineering, Task Order # 24 Amendment #1 of Task Order #15 to provide design for the repairs to Cotter Street

Dear Mr. Parsons:

Broaddus & Associates has reviewed the Urban Engineering Task Order # 24 Amendment #1 of Task Order #15 to provide engineering design for the repairs to Cotter Street, and will include asphalt and base repair, as well as drainage improvements. We take no exception of the Task Order.

If you have any questions or concerns, please feel free to give me a call.

Michael T. Dorris Jr.
Senior Project Manager

David Parsons
City Manager
AGENDA ITEM: 8-V

Presentation/General Discussion: Broaddus and Associates will provide an update Hurricane Harvey Recovery.

SUBMITTED BY: Broaddus and Associates

APPROVED FOR AGENDA: City Manager David Parsons

COMMENTARY: An update will be provided on Hurricane Harvey Recovery.
At the time of agenda packet preparation, no documents were provided to distribute.

STAFF RECOMMENDATION: No action – update/informational only.
AGENDA ITEM: 8-W

Discuss and take action on a Resolution Setting Calendar to Comply with Truth-In-Taxation for Adoption of FY 2019-2020 Budget and Set 2019 Tax Rates Calendar.

SUBMITTED BY: Finance Director Darla Honea

APPROVED FOR AGENDA: City Manager David Parsons

COMMENTARY: The City of Port Aransas is required to pass a budget annually for operations. The State of Texas has specified a timeline that must be followed in order to comply with Truth in Taxation laws.

The date of the first meeting or Summer Goals Workshop sets the entire process in motion. A date must be selected and added to this resolution. June 21st - June 30th are dates where we are not available to meet. Monday July 8th or Tuesday July 9th are preferred dates by staff in order to compile data needed for the meeting.

ATTACHMENTS: Resolution 2019-57
Budget Calendar

STAFF RECOMMENDATION: Motion to approve Setting a budget Calendar to Comply with Truth-In-Taxation.

COUNCIL ACTION REQUESTED: Port Aransas City Council approve a Resolution Setting Calendar to Comply with Truth-In-Taxation for Adoption of FY 2019-2020 Budget and Set 2019 Tax Rates Calendar.
RESOLUTION NO 2019-R57

A RESOLUTION OF THE PORT ARANSAS CITY COUNCIL SETTING CALENDAR TO COMPLY WITH TRUTH-IN-TAXATION FOR ADOPTION OF FY 2019-2020 BUDGET AND SET 2019 TAX RATES CALENDAR.

WHEREAS, the City of Port Aransas is required to pass a budget annually for operations; and

WHEREAS, the State of Texas has specified a timeline that must be followed in order to comply with Truth in Taxation laws; and

WHEREAS, the City Council has reviewed the proposed calendar as presented by the Finance Department.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORT ARANSAS, NUECES COUNTY, TEXAS:

Section 1: The City Council hereby adopts the FY 2019-2020 Budget and 2019 Tax Rate Calendar as attached hereto as Exhibit 1.

Section 2: The City Council directs that Staff prepare all necessary notices, post as required by law and proceed towards the adoption of the tax rate and budget.

Section 3: It is hereby officially found and determined that the meeting at which this resolution 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.

PASSED and APPROVED by the Port Aransas City Council, County of Nueces, State of Texas, on this 16th day of MAY, 2019.

CITY OF PORT ARANSAS, TEXAS

__________________________________________
Charles R. Bujan, Mayor
ATTEST:

Francisca Nixon, City Secretary
The meetings below will be held in the Council Chambers at 5:00pm.

<table>
<thead>
<tr>
<th>Day</th>
<th>Date</th>
<th>Event Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>TBD</td>
<td>TBD</td>
<td>Council Goals Workshop – 9:00 a.m. at Community Center</td>
</tr>
<tr>
<td>Thursday</td>
<td>August 1</td>
<td>Proposed Budget Workshop &amp; Special Meeting to discuss proposed FY 19-20 Budget</td>
</tr>
<tr>
<td>Monday</td>
<td>August 5</td>
<td>Proposed Budget Workshop &amp; Special Meeting to discuss proposed FY 19-20 Budget</td>
</tr>
</tbody>
</table>
| Thursday| August 8 | - Budget Meeting (Straw vote on the intent to increase taxes must be made by the 15th advertisement, draft to paper by 8-5.)
|         |          | - Set time and date for 1st and 2nd Public Hearing                                |
| Thursday| August 29| - First Public Hearing on Tax Rate
|         |          | - Public Hearing on City Proposed FY 2019-2020 Budget (must be held not less than ten days after first date of publication)
|         |          | - Public Hearing on RDC FY 2019-2020 Proposed Budget                            |
|         |          | - Date of Publication for Public Hearing Notice for the 2nd Tax Rate Hearing & Intent to increase taxes |
|         |          | - Must set date, time and location of meeting to vote on tax rate                |
| Thursday| September 5| - 2nd Tax Rate Public Hearing (must be held not less than 3 days after 1st Public Hearing) |
|         |          | - Schedule and announce meeting to adopt tax rate 3-14 days from this meeting   |
| Thursday| September 12| Special Council Meeting to Adopt Budgets & Tax Levy Ordinance One (1) Reading Requirement (Meeting is 3-14 days after Public Hearing) |

**NOTES**: WE CAN HAVE MORE MEETINGS BETWEEN THE 1ST AND THE 8TH TO DISCUSS THE BUDGET AS COUNCIL SO DESIRES. We can add meetings now or if we decide on the 1st that we need more meetings we can set them at that time in order to properly post the notices to meet.
Inter-Departmental Memorandum

Date: May 07, 2019
To: David Parsons, City Manager
From: Scott Burroughs, Chief of Police
RE: April 2019 Summary Report

The following is a summary of activity for the Port Aransas Police Department during the month of April 2019.

Total incidents: 1,642
Municipal Citations (includes all charges filed by the court): 150
Total Arrests: 51

Arrests

The Port Aransas Police Department arrested 51 people and filed 36 total charges including five people that were arrested on five warrants. Thirty-one charges were for alcohol related offenses, including two for DWI and two for enhanced DWI. There were three charges for drug related crimes, five misdemeanor assault charges, one felony and four misdemeanor property crimes arrest, and four for traffic offenses (other than DWI). Some offenders were charged with more than one offense.

Traffic Citations (Summary of traffic charges filed through the Municipal Court by police department)

See attachment.
Golf Cart Related: One accident, one arrest, and 6 citations
Minors charged with alcohol/tobacco/and/or drug related violations: 9

Significant Events:

04/02: Officers assisted Parks and Rec in relocating a rogue alligator that was repeatedly leaving the nature preserve and moving into residential areas.

04/26-28: Texas Sandiest: Officers assisted with traffic direction and physical security at the event and surrounding areas. Other than a few lost children, one injury golf cart accident, no major incidents were reported.

04/30: A 64-year-old Medina County man drowned in the ship channel after fleeing officers and driving his pick up truck off the ferry landing in what appears to be a suicide.
<table>
<thead>
<tr>
<th>1010 RECKLESS DAMAGE OR DESTRUCTION</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>1020 THEFT</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>1100 ASSAULT</td>
<td>6</td>
<td>4</td>
</tr>
<tr>
<td>1130 FAILURE TO IDENTIFY</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>1140 FAILURE TO APPEAR/BAIL JUMPING</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>1170 D.O.C. OBSCENE LANGUAGE</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>1175 D.O.C. FIGHTING WITH ANOTHER</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>1179 D.O.C. INDECENT EXPOSURE</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>1181 SCAVENGING</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>1220 PUBLIC INTOXICATION</td>
<td>28</td>
<td>4</td>
</tr>
<tr>
<td>2100 POSSESSION OF DRUG PARAPHERNALIA</td>
<td>3</td>
<td>13</td>
</tr>
<tr>
<td>2101 POSSESSION OF DRUG PARAPHERNALIA LESS TH</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>3001 SPEEDING</td>
<td>17</td>
<td>59</td>
</tr>
<tr>
<td>3016 DROVE WRONG WAY ON ONE-WAY ROADWAY</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>3026 PARKING ON ROADWAY</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>3030 UNRESTRAINED CHILD YOUNGER THAN 4 OR UND</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>3031 UNRESTRAINED CHILD UNDER 4 YEARS OF AGE</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>3032 NO SEAT BELT - DRIVER</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>3033 NO SEAT BELT - PASSENGER</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>3049 FAIL TO MAINTAIN FINANCIAL RESPONSIBILIT</td>
<td>8</td>
<td>13</td>
</tr>
<tr>
<td>3059 DISREGARD OFFICIAL TRAFFIC CONTROL DEVIC</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>3089 DROVE CENTER LANE (NOT PASSING/NOT TURNI</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>3101 DRIVING WHILE LICENSE SUS/INVALID UNDERP</td>
<td>5</td>
<td>20</td>
</tr>
<tr>
<td>3103 NO DRIVER'S LICENSE</td>
<td>5</td>
<td>10</td>
</tr>
<tr>
<td>3123 RECKLESS DRIVING</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>3198 DROVE WITHOUT LIGHTS (WHEN REQUIRED)</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>3263 FAIL TO DISPLAY DRIVER'S LICENSE</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>3323 OPEN CONTAINER</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>3364 PARENT/GUARDIAN PERMITTED UNLICENSED MIN</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>3553 PARKED IN RESTRICTED/PROHIBITED AREA</td>
<td>11</td>
<td>0</td>
</tr>
<tr>
<td>3656 EXPIRED REGISTRATION</td>
<td>8</td>
<td>14</td>
</tr>
<tr>
<td>3657 DISPLAY FICTITIOUS LICENSE PLATE</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>3659 OPERATING GOLF CART ON HIGHWAY</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>3800 MINOR IN POSSESSION OF ALCOHOL</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>3806 DRIVING UNDER THE INFLUENCE - MINOR</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>5000 WILLFUL &amp; WANTON DISREGARD FOR PUBLIC SA</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>5005 BEACH CAMPING VIOLATION</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>5006 NO BEACH PARKING PERMIT VIOLATION</td>
<td>8</td>
<td>2</td>
</tr>
<tr>
<td>3005C FAILED TO YIELD RIGHT OF WAY</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>3011C CELL PHONE USE WHILE DRIVING</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>3019A PASSING IN NO PASSING ZONE</td>
<td>1</td>
<td>7</td>
</tr>
<tr>
<td>3800B MINOR IN CONSUMPTION OF ALCOHOL</td>
<td>6</td>
<td>2</td>
</tr>
<tr>
<td>5018A DOUBLE PARKING - BEACH ORD</td>
<td>12</td>
<td>1</td>
</tr>
<tr>
<td>3001SZ SPEEDING IN SCHOOL ZONE</td>
<td>0</td>
<td>1</td>
</tr>
</tbody>
</table>

** Report Total: ** 150 27% 206
### REVENUES:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TAXES</strong></td>
<td>5,250,343.87</td>
<td>5,712,861.46</td>
<td>422,517.59</td>
<td>7.99</td>
<td>6,442,350.00</td>
<td>(729,488.54)</td>
</tr>
<tr>
<td><strong>LICENSES AND PERMITS</strong></td>
<td>1,067,499.93</td>
<td>1,052,999.59</td>
<td>(14,500.34)</td>
<td>(1.37%)</td>
<td>1,098,000.00</td>
<td>(45,100.41)</td>
</tr>
<tr>
<td><strong>INTERGOVERNMENTAL</strong></td>
<td>297,090.41</td>
<td>261,327.32</td>
<td>(35,763.09)</td>
<td>(12.04%)</td>
<td>427,125.00</td>
<td>(165,797.68)</td>
</tr>
<tr>
<td><strong>CHARGES FOR SERVICES</strong></td>
<td>87,663.29</td>
<td>106,594.74</td>
<td>19,931.45</td>
<td>23.08%</td>
<td>221,000.00</td>
<td>(112,405.26)</td>
</tr>
<tr>
<td><strong>FINES AND FORFEITURES</strong></td>
<td>126,928.67</td>
<td>148,690.01</td>
<td>21,761.34</td>
<td>17.14%</td>
<td>328,000.00</td>
<td>(179,309.99)</td>
</tr>
<tr>
<td><strong>OTHER REVENUES</strong></td>
<td>71,549.80</td>
<td>93,362.48</td>
<td>21,812.68</td>
<td>30.49%</td>
<td>155,500.00</td>
<td>(62,137.52)</td>
</tr>
<tr>
<td><strong>REIMBURSEMENTS</strong></td>
<td>662,551.87</td>
<td>0.00</td>
<td>(662,551.87)</td>
<td>(100.00%)</td>
<td>1,288,925.00</td>
<td>(1,288,925.00)</td>
</tr>
<tr>
<td><strong>TOTAL REVENUES</strong></td>
<td>7,602,526.84</td>
<td>7,377,735.60</td>
<td>(225,891.24)</td>
<td>(2.97%)</td>
<td>9,960,900.00</td>
<td>(2,558,164.40)</td>
</tr>
</tbody>
</table>

### EXPENDITURES:

#### CURRENT:

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CENTRAL OPERATING</strong></td>
<td>402,946.05</td>
<td>422,868.87</td>
<td>19,922.82</td>
<td>4.94%</td>
<td>1,124,575.00</td>
<td>(701,706.13)</td>
</tr>
<tr>
<td><strong>MAYOR AND COUNCIL</strong></td>
<td>5,090.00</td>
<td>40,348.00</td>
<td>35,258.00</td>
<td>691.45%</td>
<td>340,100.00</td>
<td>(299,752.00)</td>
</tr>
<tr>
<td><strong>MUNICIPAL COURT</strong></td>
<td>54,900.25</td>
<td>63,041.69</td>
<td>8,141.44</td>
<td>14.81%</td>
<td>134,750.00</td>
<td>(71,709.31)</td>
</tr>
<tr>
<td><strong>CITY ATTORNEY</strong></td>
<td>144,694.19</td>
<td>40,605.48</td>
<td>(104,089.71)</td>
<td>(71.94%)</td>
<td>150,500.00</td>
<td>(109,894.52)</td>
</tr>
<tr>
<td><strong>ADMINISTRATION</strong></td>
<td>159,561.86</td>
<td>120,202.68</td>
<td>(39,359.18)</td>
<td>(24.67%)</td>
<td>226,775.00</td>
<td>(126,572.92)</td>
</tr>
<tr>
<td><strong>CITY SECRETARY</strong></td>
<td>105,093.71</td>
<td>92,644.64</td>
<td>(12,449.07)</td>
<td>(11.85%)</td>
<td>100,625.00</td>
<td>(87,900.36)</td>
</tr>
<tr>
<td><strong>FINANCE DEPARTMENT</strong></td>
<td>144,721.01</td>
<td>114,360.78</td>
<td>(30,360.23)</td>
<td>(20.90%)</td>
<td>232,125.00</td>
<td>(117,764.22)</td>
</tr>
<tr>
<td><strong>PARKS &amp; RECREATION</strong></td>
<td>300,451.46</td>
<td>241,594.95</td>
<td>(58,856.51)</td>
<td>(19.53%)</td>
<td>562,650.00</td>
<td>(321,055.05)</td>
</tr>
<tr>
<td><strong>POLICE DEPARTMENT</strong></td>
<td>1,575,946.59</td>
<td>1,577,794.93</td>
<td>1,848.34</td>
<td>0.12%</td>
<td>3,277,325.00</td>
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<td><strong>FIRE DEPARTMENT</strong></td>
<td>139,518.27</td>
<td>198,334.84</td>
<td>(58,816.57)</td>
<td>(30.79%)</td>
<td>467,825.00</td>
<td>(269,490.16)</td>
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<td><strong>EMERGENCY MEDICAL</strong></td>
<td>628,618.12</td>
<td>780,049.11</td>
<td>(151,431.00)</td>
<td>(5.86%)</td>
<td>1,368,935.00</td>
<td>(559,886.89)</td>
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<td><strong>PUBLIC WORKS</strong></td>
<td>354,423.61</td>
<td>288,531.56</td>
<td>(65,892.05)</td>
<td>(18.59%)</td>
<td>770,350.00</td>
<td>(481,818.44)</td>
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<td><strong>INSPECTIONS</strong></td>
<td>177,979.63</td>
<td>486,751.84</td>
<td>308,772.21</td>
<td>173.48%</td>
<td>272,050.00</td>
<td>214,701.84</td>
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<tr>
<td><strong>LIBRARY</strong></td>
<td>141,101.41</td>
<td>100,363.54</td>
<td>(40,737.87)</td>
<td>(28.67%)</td>
<td>282,400.00</td>
<td>(182,303.64)</td>
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<td><strong>PUBLIC BUILDINGS</strong></td>
<td>125,038.75</td>
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<td>265,400.00</td>
<td>(132,869.21)</td>
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<td><strong>REGIONAL TRANSIT</strong></td>
<td>100,514.00</td>
<td>83,162.50</td>
<td>(17,351.50)</td>
<td>(17.26%)</td>
<td>214,625.00</td>
<td>(131,463.50)</td>
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<td>142,357.54</td>
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<td><strong>INFORMATION TECHNOLOGY</strong></td>
<td>109,230.87</td>
<td>104,251.13</td>
<td>(4,979.74)</td>
<td>(4.76%)</td>
<td>266,950.00</td>
<td>(164,698.87)</td>
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<td><strong>OPERATING TRANSFERS</strong></td>
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<td>0.00</td>
<td>0.00%</td>
<td>0.00</td>
<td>0.00</td>
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<tr>
<td><strong>TOTAL EXPENDITURES</strong></td>
<td>5,047,187.72</td>
<td>5,034,793.27</td>
<td>(12,394.45)</td>
<td>(0.28%)</td>
<td>10,397,010.00</td>
<td>(5,362,216.73)</td>
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#### EXCESS OF REVENUES OVER (UNDER) EXPENDITURES:

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<td><strong>EXCESS OF REVENUES OVER EXPENDITURES</strong></td>
<td>2,556,439.12</td>
<td>2,342,942.33</td>
<td>(213,496.79)</td>
<td>(8.36%)</td>
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#### BEGINNING FUND BALANCE:

| Description                          | 4,353,165.97   | 5,595,555.77   |

#### FUND BALANCE:

<p>| Description                          | 6,907,605.09   | 7,938,501.10   |
|----------------------|------------------------|------------------------|-------------------|----------------|----------------|-----------------|
| REVENUES:            |                        |                        |                   |                |                |                 |
| FINES &amp; FORFEITURES  | 1,924.60               | 2,214.95               | 290.35            | 15.09          | 5,000.00       | (2,785.05)      |
| INTEREST REVENUE     |                        | 13.32                  | (26.10)           | (66.21)        | 50.00          | (36.68)         |
| TOTAL REVENUES       | 1,938.02               | 2,248.27               | 264.25            | 13.45          | 5,050.00       | (2,821.73)      |
| EXPENDITURES:        |                        |                        |                   |                |                |                 |
| CURRENT:             |                        |                        |                   |                |                |                 |
| Municipal Court      |                        |                        |                   |                |                |                 |
| TOTAL EXPENDITURES   | 5,060.74               | 5,505.49               | 444.75            | 8.79           | 10,000.00      | (4,494.91)      |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | (3,096.72) | (3,277.22) | (180.50) | 5.83 | (4,950.00) | 1,672.78 |
| BEGINNING FUND BALANCE | 7,369.90               | 4,019.43               |                   |                |                |                 |</p>
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<td>FINES &amp; FORFEITURES</td>
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<td>(1,831.46)</td>
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<td>CURRENT:</td>
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<td>Municipal Court</td>
<td>243.92</td>
<td>4,830.00</td>
<td>4,586.08</td>
<td>1,880.16</td>
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<td>1,005.00</td>
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<td>TOTAL EXPENDITURES</td>
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<td>4,830.00</td>
<td>4,586.08</td>
<td>1,880.16</td>
<td>3,825.00</td>
<td>1,005.00</td>
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<td>(2,836.46)</td>
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5-09-2019 10:30 AM  Cite of Port Aransas  YEAR TO DATE COMPARISON  APRIL 30TH, 2019
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<td>504,203.33</td>
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<td>(687,960.45)</td>
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<td>87,526.97</td>
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<td><strong>TOTAL EXPENDITURES</strong></td>
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<td><strong>481,728.46</strong></td>
<td><strong>237,920.52</strong></td>
<td><strong>97.59</strong></td>
<td><strong>1,616,715.00</strong></td>
<td><strong>1,616,715.00</strong></td>
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<th>2019-2020 ACTUAL</th>
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<td>72,330.77</td>
<td>9,093.99</td>
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<td><strong>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</strong></td>
<td>(11,950.75)</td>
<td>35,770.55</td>
<td>47,721.30</td>
<td>(399.32)</td>
<td>(181,430.00)</td>
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<td>1,121,992.08</td>
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<td>2010-2019 actual</td>
<td>2019-2020 actual</td>
<td>increase/decrease</td>
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<td>current budget</td>
<td>budget variance</td>
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<td><strong>revenues:</strong></td>
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<td>Airport Revenue</td>
<td>37,145.00</td>
<td>65,341.56</td>
<td>28,196.56</td>
<td>129.75%</td>
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<td>3,314.38</td>
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<td>0.00%</td>
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<td>Total Revenues</td>
<td>40,459.38</td>
<td>68,908.13</td>
<td>28,448.75</td>
<td>119.75%</td>
<td>165,050.00</td>
<td>(96,141.87)</td>
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<td><strong>expenditures:</strong></td>
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<td>Total Expenditures</td>
<td>54,737.99</td>
<td>56,637.02</td>
<td>1,980.03</td>
<td>3.41%</td>
<td>419,800.00</td>
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<td>Excess of Revenues over (under) Expenditures</td>
<td>(35,527.41)</td>
<td>32,271.11</td>
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<td>(190.82%)</td>
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## CITY OF PORT ARANSAS
### YEAR TO DATE COMPARISON

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<td>Hotel Taxes</td>
<td>913,064.28</td>
<td>884,222.81</td>
<td>(28,841.47)</td>
<td>(3.16)</td>
<td>994,300.00</td>
<td>(110,077.19)</td>
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<td>Beach Parking Permits</td>
<td>245,253.00</td>
<td>332,129.87</td>
<td>(86,876.87)</td>
<td>(26.00)</td>
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<td>(666,876.87)</td>
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<td>(309,000.00)</td>
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<td>22,952.94</td>
<td>29,226.88</td>
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<td><strong>TOTAL REVENUES</strong></td>
<td><strong>1,288,816.45</strong></td>
<td><strong>582,019.82</strong></td>
<td><strong>(676,816.63)</strong></td>
<td><strong>(53.77)</strong></td>
<td><strong>2,240,300.00</strong></td>
<td><strong>(1,658,283.18)</strong></td>
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<td>Current:</td>
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<td>Lifeguards &amp; Permits</td>
<td>143,262.69</td>
<td>99,403.32</td>
<td>(43,859.37)</td>
<td>(30.51)</td>
<td>300,960.00</td>
<td>(157,556.68)</td>
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<td>Beach Public Works</td>
<td>604,076.81</td>
<td>546,194.26</td>
<td>(57,882.53)</td>
<td>(9.58)</td>
<td>2,125,450.00</td>
<td>(1,521,353.26)</td>
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<td>662,551.87</td>
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<td>1,288,925.00</td>
<td>(1,288,925.00)</td>
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<td>Transfers to Sanitation</td>
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<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
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<tr>
<td><strong>TOTAL EXPENDITURES</strong></td>
<td><strong>1,409,891.37</strong></td>
<td><strong>645,597.60</strong></td>
<td><strong>(764,293.77)</strong></td>
<td><strong>(54.21)</strong></td>
<td><strong>3,715,335.00</strong></td>
<td><strong>(3,069,737.40)</strong></td>
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<td>Excess of Revenues Over (Under) Expenditures</td>
<td>(151,054.92)</td>
<td>(63,577.78)</td>
<td>87,477.14</td>
<td>57.91</td>
<td>(1,475,035.00)</td>
<td>1,411,457.22</td>
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## 175-HARBOR FUND

**APRIL 30TH, 2019**

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<tr>
<td>Harbor Fees</td>
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<td>0.03</td>
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<td>0.03</td>
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<tr>
<td>Harbor Fees</td>
<td>232,152.82</td>
<td>366,765.30</td>
<td>134,612.48</td>
<td>57.98</td>
<td>705,200.00</td>
<td>(338,434.70)</td>
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<td>6,582.31</td>
<td>14,441.65</td>
<td>7,859.34</td>
<td>68.27</td>
<td>23,750.00</td>
<td>(9,308.35)</td>
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<td>0.00</td>
<td>0.00</td>
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<td><strong>TOTAL REVENUES</strong></td>
<td>240,735.13</td>
<td>381,206.98</td>
<td>140,471.85</td>
<td>58.35</td>
<td>728,950.00</td>
<td>(347,743.02)</td>
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<tr>
<td>Trans to Projects</td>
<td>202,406.13</td>
<td>198,069.20</td>
<td>(4,336.93)</td>
<td>(2.14)</td>
<td>548,975.00</td>
<td>(350,905.80)</td>
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<td><strong>TOTAL EXPENDITURES</strong></td>
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<td>198,069.20</td>
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<td>(2.14)</td>
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<td>(566,150.00)</td>
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<td>Excess of Revenues</td>
<td>38,329.00</td>
<td>183,137.78</td>
<td>144,808.78</td>
<td>377.80</td>
<td>(386,175.00)</td>
<td>569,312.78</td>
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<tr>
<td>over (under)</td>
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<tr>
<td>Expenditures</td>
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<td><strong>BEGINNING FUND BALANCE</strong></td>
<td>2,219,955.72</td>
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## 200-CONSTRUCTION FUND
### YEAR TO DATE COMPARISON
#### APRIL 30TH, 2019

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<th>PERCENT CHANGE</th>
<th>CURRENT BUDGET</th>
<th>BUDGET VARIANCE</th>
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<td>BOND PROCEEDS</td>
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<td>(100.00)</td>
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<td>GRANT PROCEEDS</td>
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<tr>
<td>OTHER REVENUE</td>
<td>321,854.68</td>
<td>62,410.11</td>
<td>(259,444.57)</td>
<td>(81.01)</td>
<td>10,000.00</td>
<td>52,410.11</td>
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<td><strong>TOTAL REVENUES</strong></td>
<td>6,621,854.68</td>
<td>62,410.11</td>
<td>(6,559,444.57)</td>
<td>(99.06)</td>
<td>10,000.00</td>
<td>52,410.11</td>
</tr>
</tbody>
</table>

| **EXPENDITURES:**    |                 |                 |                   |                |                |                 |
| BOND FEES            | 0.00            | 0.00            | 0.00              | 0.00           | 0.00           | 0.00            |
| PROJECTED PROJECTS   | 1,763,712.21    | 4,327,780.72    | 2,564,068.51      | 145.38         | 6,400,000.00   | (2,072,219.28)  |
| **TOTAL EXPENDITURES** | 1,763,712.21    | 4,327,780.72    | 2,564,068.51      | 145.38         | 6,400,000.00   | (2,072,219.28)  |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | 4,858,342.47 | (4,366,270.61) | (9,123,513.08) | (187.02) | (6,290,000.00) | 2,124,629.39 |
| **BEGINNING FUND BALANCE** | 4,322,970.97  | 6,056,247.51    |                   |                |                |                 |
| **FUND BALANCE**     | 4,180,213.44    | 1,790,876.90    |                   |                |                |                 |

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350
205 - IMPACT FEES ZONE 1  
APRIL 30TH, 2019

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<th>PERCENT CHANGE</th>
<th>CURRENT BUDGET</th>
<th>BUDGET VARIANCE</th>
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<td>195,645.05</td>
<td>97,449.65</td>
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<td>544.97</td>
<td>24.66</td>
<td>1,000.00</td>
<td>1,154.76</td>
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<td>198,399.81</td>
<td>97,994.62</td>
<td>97.60</td>
<td>131,000.00</td>
<td>67,399.81</td>
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<td>PROJECTED PROJECTS</td>
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<td>0.00</td>
<td>0.00</td>
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<td>(-175,000.00)</td>
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<td>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</td>
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<td>97,994.62</td>
<td>97.60 (44,000.00)</td>
<td>242,399.81</td>
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CITY OF PORT ARANSAS
207-IMPACT FEES ZONE 2
APRIL 30TH, 2019

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<td>16.12</td>
<td>37.99</td>
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<td>2,418.71</td>
<td>2,376.28</td>
<td>5600.47</td>
<td>50.00</td>
<td>2,368.71</td>
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EXPENDITURES:

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<td>0.00</td>
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<tr>
<td>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</td>
<td>42.43</td>
<td>2,418.71</td>
<td>2,376.28</td>
<td>5600.47</td>
<td>50.00</td>
<td>2,368.71</td>
</tr>
</tbody>
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BEGINNING FUND BALANCE | 5,186.04 | 5,259.67 |
FUND BALANCE           | 5,228.47 | 7,678.38 |
### 2019-2020 YEAR TO DATE COMPARISON

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<th>2018-2019</th>
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<th>PERCENT CHANGE</th>
<th>CURRENT BUDGET</th>
<th>BUDGET VARIANCE</th>
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<td>51,271.60</td>
<td>30,651.50</td>
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<td>2,520.87</td>
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<td>204.22</td>
<td>8.82</td>
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<td>32,968.15</td>
<td>20,824.32</td>
<td>63.16</td>
<td>47,500.00</td>
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<td>0.00</td>
<td>0.00</td>
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<td><strong>EXCESS OF REVENUES</strong> OVER/UNDER EXPENDITURES</td>
<td>53,792.47</td>
<td>32,968.15</td>
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<td>185,176.98</td>
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353
## 215-STREET MAINTENANCE FUND
### APRIL 30TH, 2019
#### CITY OF PORT ARANSAS

<table>
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<tr>
<th></th>
<th>2018-2019 ACTUAL</th>
<th>2019-2020 ACTUAL</th>
<th>INCREASE/DECREASE</th>
<th>PERCENT CHANGE</th>
<th>CURRENT BUDGET</th>
<th>BUDGET VARIANCE</th>
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<td></td>
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<tr>
<td>Other Revenue</td>
<td>3,831.52</td>
<td>4,848.43</td>
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<td>(151.57)</td>
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<td>Transfers &amp; Reimbursement</td>
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<td>0.00</td>
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<td>0.00</td>
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<tr>
<td><strong>TOTAL REVENUES</strong></td>
<td><strong>3,831.52</strong></td>
<td><strong>4,848.43</strong></td>
<td><strong>1,016.91</strong></td>
<td><strong>26.54</strong></td>
<td><strong>5,000.00</strong></td>
<td><strong>(151.57)</strong></td>
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<td><strong>EXPENDITURES:</strong></td>
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<td>Current:</td>
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<td>Projected Projects</td>
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<td>3,416.50</td>
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<td><strong>3,416.50</strong></td>
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<td><strong>40,000.00</strong></td>
<td><strong>(36,583.50)</strong></td>
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<td><strong>1,411.93</strong></td>
<td><strong>(2,399.59)</strong></td>
<td><strong>(62.63)</strong></td>
<td><strong>(35,000.00)</strong></td>
<td><strong>36,431.93</strong></td>
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<td><strong>471,560.65</strong></td>
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<td>472,365.19</td>
<td>472,992.58</td>
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## 2018-2019 YEAR TO DATE COMPARISON

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<th>2019-2020 ACTUAL</th>
<th>INCREASE/DECREASE</th>
<th>PERCENT CHANGE</th>
<th>CURRENT BUDGET</th>
<th>BUDGET VARIANCE</th>
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<tbody>
<tr>
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<tr>
<td>TAX REVENUE</td>
<td>229,788.41</td>
<td>472,692.49</td>
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<td>666,700.00</td>
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<td>0.00</td>
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<td>OTHER REVENUE</td>
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<td>16,074.08</td>
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<td>0.00</td>
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<td><strong>TOTAL REVENUES</strong></td>
<td>235,869.85</td>
<td>488,767.37</td>
<td>252,897.52</td>
<td>104.81</td>
<td>704,200.00</td>
<td>(215,432.63)</td>
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<tr>
<td>CURRENT</td>
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<tr>
<td>263,033.29</td>
<td>421,533.00</td>
<td>158,500.71</td>
<td>60.38</td>
<td>896,400.00</td>
<td>(474,867.00)</td>
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<tr>
<td>TOTAL EXPENDITURES</td>
<td>263,033.29</td>
<td>421,533.00</td>
<td>158,500.71</td>
<td>60.38</td>
<td>896,400.00</td>
<td>(474,867.00)</td>
</tr>
<tr>
<td><strong>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</strong></td>
<td>26,834.29</td>
<td>67,234.37</td>
<td>93,388.61 (357.07)</td>
<td>192,200.00</td>
<td>259,434.37</td>
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<tr>
<td>BEGINNING FUND BALANCE</td>
<td>255,159.84</td>
<td>339,738.17</td>
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<tr>
<td>FUND BALANCE</td>
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<td>999,942.54</td>
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<tr>
<td><strong>CURRENT FUND BALANCE</strong></td>
<td>1,049,856.44</td>
<td>1,339,680.91</td>
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</tbody>
</table>
---|---|---|---|---|---
REVENUES:
GRANTS | 61.60 | 49.05 | (12.55) | (20.37) | 99,250.00 | (99,200.95)
NATURAL GAS SALES | 344,635.17 | 577,895.30 | 233,050.13 | 67.58 | 882,500.00 | (224,614.70)
OTHER REVENUES | 6,939.61 | 6,516.17 | (423.44) | (6.10) | 9,000.00 | (2,483.83)
TRANSFERS | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00
TOTAL REVENUES | 351,836.38 | 584,450.52 | 232,614.14 | 66.11 | 910,750.00 | (326,299.48)
EXPENDITURES:
CURRENT:
GAS DEPARTMENT | 337,608.41 | 326,977.61 | (10,630.80) | (3.21) | 781,750.00 | (454,772.39)
TRANSFERS | 2,450.00 | 0.00 | (2,450.00) | (100.00) | 0.00 | 0.00
GAS PURCHASE | 91,238.87 | 256,643.66 | 165,404.79 | 11.20 | 292,500.00 | (35,856.34)
TOTAL EXPENDITURES | 431,497.28 | 583,621.27 | 152,124.09 | 80.25 | 1,074,250.00 | (490,628.73)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | (79,660.90) | 822.25 | 80,490.15 | (101.04) | (163,500.00) | 164,329.25
BEGINNING FUND BALANCE | 461,325.35 | 390,864.94
FUND BALANCE | 381,664.45 | 261,394.19

356
## 255-SANITATION FUND
### APRIL 30TH, 2019

#### YEAR TO DATE COMPARISON

<table>
<thead>
<tr>
<th></th>
<th>2016-2019</th>
<th>2019-2020</th>
<th>INCREASE/DECREASE</th>
<th>PERCENT CHANGE</th>
<th>CURRENT BUDGET</th>
<th>BUDGET VARIANCE</th>
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<td><strong>REVENUES:</strong></td>
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</tr>
<tr>
<td>Grants</td>
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<td>85.76</td>
<td>(113.00)</td>
<td>(56.85)</td>
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<td>627,514.62</td>
<td>23,960.11</td>
<td>3.97</td>
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<td>705.59</td>
<td>207.86</td>
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<td>45.04</td>
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<td>0.00</td>
<td>0.00</td>
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<td>0.00</td>
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<tr>
<td><strong>TOTAL REVENUES</strong></td>
<td>604,092.72</td>
<td>628,654.42</td>
<td>24,552.70</td>
<td>4.06</td>
<td>1,048,000.00</td>
<td>(419,354.58)</td>
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</table>

#### EXPENDITURES:

**Current:**
- Sanitation Department: 485,427.38 [350,049.13 (126,378.25) (26.03) 1,105,125.00 (746,075.87)]
- Transfers: 0.00 [0.00 0.00 0.00 0.00 0.00]
- Depreciation: 0.00 [0.00 0.00 0.00 0.00 0.00]
- **TOTAL EXPENDITURES**: 485,427.38 [350,049.13 (126,378.25) (26.03) 1,105,125.00 (746,075.87)]

EXCESS OF REVENUES OVER (UNDER) EXPENDITURES:
- 113,665.34 [269,596.29 150,939.95 127.12 (57,125.00) 326,721.29]

**Beginning Fund Balance**: 113,957.22 [47,218.30]

**Fund Balance**: 232,622.56 [316,814.59]
## 999-Hurricane Recovery
### April 30th, 2019

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<tr>
<td>Insurance - Fleet</td>
<td>1,161,704.47</td>
<td>915,284.39</td>
<td>(246,420.08)</td>
<td>(21.21)</td>
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<td>Grants</td>
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<td>Insurance - Buildings</td>
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<td>204,586.69</td>
<td>(2,814,393.67)</td>
<td>(93.22)</td>
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<td><strong>Total Revenues</strong></td>
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<td>7,786,668.36</td>
<td>291,922.60</td>
<td>3.90</td>
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<td>422,070.11</td>
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<td>13,606.83</td>
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<td>13,640.00</td>
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<td>(7,232.32)</td>
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<td>15,199.00</td>
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<td>Operating Transfers</td>
<td>54,134.20</td>
<td>40,952.19</td>
<td>(13,182.01)</td>
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<tr>
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<td><strong>Excess of Revenues Over (Under) Expenditures</strong></td>
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<td>1,100,268.12</td>
<td>84.03</td>
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<td>2,409,640.08</td>
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**Beginning Fund Balance:**

- 893,404.49
- 3,580,552.49

**Fund Balance:**

- 415,567.47
- 1,170,922.41
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<th>FUND ACCOUNT#</th>
<th>ACCOUNT NAME</th>
<th>BEGINNING BALANCE</th>
<th>CURRENT ACTIVITY</th>
<th>CURRENT BALANCE</th>
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<tr>
<td>040-DEBT SERVICE FUND</td>
<td>10110 Claim on Cash</td>
<td>(11,943.93)</td>
<td>21,405.36</td>
<td>9,461.43</td>
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<tr>
<td>050-GENERAL FUND</td>
<td>10110 Claim on Cash</td>
<td>11,969,551.44</td>
<td>(222,552.02)</td>
<td>11,746,999.42</td>
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<tr>
<td>055-COURT TECHNOLOGY</td>
<td>10110 Claim on Cash</td>
<td>349.89</td>
<td>392.32</td>
<td>742.21</td>
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<tr>
<td>056-COURT SECURITY</td>
<td>10110 Claim on Cash</td>
<td>8,333.76</td>
<td>309.03</td>
<td>8,642.79</td>
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<tr>
<td>075-NATURE PRESERVE PROJECT</td>
<td>10110 Claim on Cash</td>
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<td>(14,106.15)</td>
<td>(45,074.35)</td>
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<tr>
<td>100-HOTEL HOTEL</td>
<td>10110 Claim on Cash</td>
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<td>111,379.02</td>
<td>166,763.08</td>
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<td>110-HOTEL/HOTEL SPECIAL REV.</td>
<td>10110 Claim On Cash</td>
<td>3,943,131.21</td>
<td>142,115.49</td>
<td>4,085,246.70</td>
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<td>115-FACILITY FUND</td>
<td>10110 Claim on Cash</td>
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<td>15,056.28</td>
<td>1,124,177.23</td>
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<tr>
<td>125-AIRPORT FUND</td>
<td>10110 Claim on Cash</td>
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<td>6,575.06</td>
<td>367,139.28</td>
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<td>150-BEACH FUND</td>
<td>10110 Claim on Cash</td>
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<td>2,409,023.39</td>
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<tr>
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<td>10110 Claim on Cash</td>
<td>908,552.01</td>
<td>81,205.72</td>
<td>999,757.73</td>
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<td>200-CONSTRUCTION FUND</td>
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<td>(367,282.43)</td>
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**CASH IN BANK - POOLED CASH**

| C10  | 10110 Pooled Cash - Value Bank       | 127,179.91        | 846.84          | 126,026.75      |
| C10  | 10111 Pooled Cash - American Bank    | 865,477.05        | (745,014.77)    | 120,462.28      |
| C10  | 10200 Pooled Texas Class             | 5,235,871.51      | 11,127.16       | 5,246,998.67    |
| C10  | 10321 Pooled Texpool                 | 9,610,871.99      | 353,598.49      | 9,964,470.47    |
| C10  | 10322 Nature Preserve Project        | 283,534.42        | 567.33          | 284,101.75      |
| C10  | 10323 Hotel Hotel Fund               | 912,669.24        | 1,026.17        | 914,695.41      |
| C10  | 10324 Beach Fund - Texpool           | 2,230,244.63      | 4,462.51        | 2,234,707.14    |
| C10  | 10325 Construction Projects          | 2,603,154.47      | 5,208.69        | 2,608,363.16    |
| C10  | 10326 Nature Preserve Investments    | 0.00              | 0.00            | 0.00            |
| C10  | 10327 Hotel Hotel Investments        | 0.00              | 0.00            | 0.00            |
| C10  | 10328 Debt Service Fund              | 47,585.25         | 95.16           | 47,680.41       |
| C10  | 10350 CD's                           | 1,226,000.00      | 0.00            | 1,226,000.00    |
| C10  | 10355 CD's Construction Fund         | 0.00              | 0.00            | 0.00            |
| C10  | 14040 Debt Service Fund              | 0.00              | 0.00            | 0.00            |
| C10  | 15100 CD Interest Receivable         | 7,998.59          | 0.00            | 7,998.59        |

**SUBTOTAL CASH IN BANK - POOLED CASH**

<p>|                       | 23,150,587.06 | (367,282.43) | 22,783,304.63 |</p>
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<td>010 14055 Court Technology Fund</td>
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<td>010 14075 Special Revenue Fund</td>
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<tr>
<td>010 14110 Hotel Hotel Special Tax Fund</td>
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<td>010 14115 Facility Fund</td>
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<td>010 14125 Airport Fund</td>
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<td>010 14150 Beach Permit Fund</td>
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<td>010 14175 Municipal Harbor Fund</td>
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<td>010 14200 Construction Fund</td>
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<td>010 14205 Impact Fees Zone 1</td>
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<td>010 14207 Impact Fees Zone 2</td>
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<tr>
<td>010 14210 Park Dedication Fees</td>
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<td>010 14215 Street Maintenance Fund</td>
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<td>010 14225 Recreational Development Fund</td>
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<td>010 14250 Gas Utility Fund</td>
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<td>FUND ACCOUNT#</td>
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<td>010 14999</td>
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<td>010 20300</td>
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*** END OF REPORT ***
### OCCUPANCY TAX COLLECTIONS

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<tr>
<th>MONTH</th>
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<th>FY2018</th>
<th>MONTH</th>
<th>FY2017</th>
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</thead>
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<td>489,877.69</td>
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<tr>
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<td>186,314.18</td>
<td>APR 17</td>
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<td>MAY 19</td>
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<td>MAY 17</td>
<td>384,579.90</td>
</tr>
<tr>
<td>JUN 19</td>
<td>0.00</td>
<td>378,214.22</td>
<td>JUN 17</td>
<td>466,341.11</td>
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<tr>
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<td>505,829.36</td>
<td>JUL 17</td>
<td>874,280.38</td>
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<td>SEP 17</td>
<td>452,628.17</td>
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<th>MONTH</th>
<th>FY2019</th>
<th>FY2018</th>
<th>MONTH</th>
<th>FY2017</th>
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</thead>
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<th>FY2019</th>
<th>FY2018</th>
<th>MONTH</th>
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The figures have a one month lag in reporting, for example October's taxes are not collected until November, November's taxes are not collected until December etc.
### GENERAL FUND SALES TAX COMPARISON

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<th>CHANGE</th>
<th>YTD</th>
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<td>203.82%</td>
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<td>194,810.46</td>
<td>-100.00%</td>
<td>-10.62%</td>
<td>199,258.67</td>
<td>177,650.57</td>
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<tr>
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<td>151,777.12</td>
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<td>-20.55%</td>
<td>101,113.53</td>
<td>143,938.85</td>
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</table>

**TOTAL**                  | 1,085,341.70  | 1,366,069.32|                  |                     | 1,400,297.48 | 1,379,489.40

Month of sale two months earlier than payment to City by State. (If $ received from State in October, actual sale of goods occurred in August)

Oct. Jan. April and July include quarterly reports.

Jan. also includes annual reports.
### SALES TAX COLLECTIONS

<table>
<thead>
<tr>
<th></th>
<th>FY 2019</th>
<th></th>
<th>FY 2019</th>
<th></th>
<th>FY 2018</th>
<th></th>
<th>FY 2017</th>
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<tbody>
<tr>
<td></td>
<td>TOTAL</td>
<td>G.F.</td>
<td>RDC</td>
<td>TOTAL</td>
<td>G.F.</td>
<td>RDC</td>
<td>TOTAL</td>
<td>G.F.</td>
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<td>OCT 18</td>
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<td>235,852.53</td>
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<td>237,258.98</td>
<td>179,798.00</td>
<td>137,744.47</td>
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<td>NOV 18</td>
<td>181,263.62</td>
<td>120,842.41</td>
<td>60,421.21</td>
<td>100,807.10</td>
<td>80,456.52</td>
<td>124,850.49</td>
<td>131,055.95</td>
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<td>DEC 18</td>
<td>164,433.80</td>
<td>109,622.53</td>
<td>54,811.27</td>
<td>141,740.70</td>
<td>22,693.10</td>
<td>116,350.62</td>
<td>116,350.62</td>
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<td>JAN 19</td>
<td>270,355.10</td>
<td>180,236.73</td>
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<td>107,870.98</td>
<td>162,484.12</td>
<td>131,055.95</td>
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<td>FEB 19</td>
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<td>138,443.90</td>
<td>69,221.95</td>
<td>97,199.69</td>
<td>110,466.16</td>
<td>116,350.62</td>
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<td>158,707.18</td>
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<td>6,308.55</td>
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<td>-421,091.40</td>
<td>2,100,448.22</td>
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# HARBOR SLIP RENTAL

<table>
<thead>
<tr>
<th>FY2019 MONTHLY RENTALS</th>
<th>FY2018 MONTHLY RENTALS</th>
<th>PERCENT OF CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>OCT 18 68,556.27</td>
<td>OCT 17 97,516.25</td>
<td>-29.70%</td>
</tr>
<tr>
<td>NOV 18 -2,368.40</td>
<td>NOV 17 -14,765.63</td>
<td>-83.96%</td>
</tr>
<tr>
<td>DEC 18 101,441.15</td>
<td>DEC 17 66,324.95</td>
<td>52.95%</td>
</tr>
<tr>
<td>JAN 18 -984.24</td>
<td>JAN 18 -6,660.12</td>
<td>-85.22%</td>
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<tr>
<td>FEB 19 1,626.58</td>
<td>FEB 18 -4,781.37</td>
<td>-134.02%</td>
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<tr>
<td>MAR 19 113,762.74</td>
<td>MAR 18 66,354.70</td>
<td>71.45%</td>
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<tr>
<td>APR 19 2,034.38</td>
<td>APR 18 -4,159.30</td>
<td>-148.91%</td>
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<tr>
<td>MAY 19 0.00</td>
<td>MAY 18 750.88</td>
<td>-100.00%</td>
</tr>
<tr>
<td>JUN 19 0.00</td>
<td>JUN 18 67,373.08</td>
<td>-100.00%</td>
</tr>
<tr>
<td>JUL 19 0.00</td>
<td>JUL 18 2,691.14</td>
<td>-100.00%</td>
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<tr>
<td>AUG 19 0.00</td>
<td>AUG 18 -640.00</td>
<td>-100.00%</td>
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<tr>
<td>SEP 19 0.00</td>
<td>SEP 18 -151.14</td>
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<td><strong>284,068.48</strong></td>
<td><strong>269,853.44</strong></td>
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<table>
<thead>
<tr>
<th>FY2019 TRANSIENT RENTALS</th>
<th>FY2018 TRANSIENT RENTALS</th>
<th>PERCENT OF CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>OCT 18 12,103.41</td>
<td>OCT 17 3,092.75</td>
<td>291.35%</td>
</tr>
<tr>
<td>NOV 18 5,493.75</td>
<td>NOV 17 6,043.13</td>
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<tr>
<td>DEC 18 13,079.64</td>
<td>DEC 17 2,723.75</td>
<td>380.21%</td>
</tr>
<tr>
<td>JAN 19 3,995.64</td>
<td>JAN 18 3,997.50</td>
<td>-0.05%</td>
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<tr>
<td>FEB 19 11,889.06</td>
<td>FEB 18 6,118.75</td>
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<tr>
<td>MAR 19 8,317.65</td>
<td>MAR 18 5,929.24</td>
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<td>APR 19 8,980.18</td>
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<td>MAY 19 0.00</td>
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<tr>
<td>JUN 19 0.00</td>
<td>JUN 18 9,320.15</td>
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<tr>
<td>JUL 19 0.00</td>
<td>JUL 18 8,719.40</td>
<td>-100.00%</td>
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<tr>
<td>AUG 19 0.00</td>
<td>AUG 18 14,059.75</td>
<td>-100.00%</td>
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<tr>
<td>SEP 19 0.00</td>
<td>SEP 18 6,334.00</td>
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<tr>
<td><strong>63,859.33</strong></td>
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<td>Month</td>
<td>2019 Year to Date</td>
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<tr>
<td>December</td>
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