



**NOTICE OF WORK SESSION AGENDA
LANCASTER CITY COUNCIL**



**James R. Williams Pump Station
Training Room, 1999 Jefferson**

Monday, July 21, 2014 – 7:00 PM

DEFINITIONS:

Written Briefing: Items that generally do not require a presentation or discussion by the staff or Council. On these items, the staff is seeking consent from the Council or providing information in a written format.

Verbal Briefing: These items do not require extensive written background information or are an update on items previously discussed by the Council.

Regular Item: These items generally require discussion between the Council and staff, boards, commissions, or consultants. These items may be accompanied by a formal presentation followed by discussion and direction to the staff.

**[Public comment will not be accepted during Work Session
unless Council determines otherwise.]**

Regular Items:

- 1.** Receive a presentation on Fiscal Year 2014/2015 employee insurance and discuss RFP for employee health insurance administration.
- 2.** Receive a presentation and discuss Quarterly Financial Report for the period ending June 30, 2014, including Investment update.
- 3.** Discuss Report of City Council Five Year Goals and Strategies established during the annual City Council Strategic Planning Session in May 2013 for the 2nd and 3rd quarter of FY 2013/2014.
- 4.** Discuss and receive a presentation regarding the www.nextdoor.com program.
- 5.** Receive a presentation to discuss the Professional Services Agreement by and between the City of Lancaster and Lancaster Chamber of Commerce for the maintenance and management of the Lancaster Convention and Visitors Center and State Auxiliary Museum.

EXECUTIVE SESSION: The Council reserves the right to convene into executive session on any posted agenda item pursuant to Section 551.071(2) of the TEXAS GOVERNMENT CODE to seek legal advice concerning such subject.

ACCESSIBILITY STATEMENT: The Municipal Center is wheelchair-accessible. For sign interpretive services, call the City Secretary's office, 972-218-1311, or TDD 1-800-735-2989, at least 72 hours prior to the meeting. Reasonable accommodation will be made to assist your needs.

Certificate

I hereby certify the above Notice of Meeting was posted at the Lancaster City Hall on July 18, 2014 @ 11:00 a.m. and copies thereof were provided to the Mayor, Mayor Pro-Tempore, Deputy Mayor Pro-Tempore and Council members.



Sorangel O. Arenas
City Secretary

LANCASTER CITY COUNCIL

Work Session Agenda Communication

July 21, 2014

Item 1

Receive a presentation on Fiscal Year 2014/2015 employee insurance and discuss RFP for employee health insurance administration.

This request supports the City Council 2013-2014 Policy Agenda.

**Goals: Financially Sound City Government
Professional & Committed Workforce**

Background

The City released an RFP for competitive bids to provide the City with fully insured medical, fully insured dental, basic and voluntary life/AD&D, Long Term Disability, Section 125 administration and Employee Assistance Program.

The City has been with Aetna since the start of the 2011-2012 fiscal year. The City is continuing to see improvements in its claims experience since fiscal year end 2011 – 2012. The loss ratio (Claims / Premium) has decreased from 91.7% for year end 2011-2012 to 70.8% for plan year 2012-2013 to 61.7% over the past 12 months.

The City currently is in the second year of offering a High Deductible Health Plan (HDHP) and Health Savings Account (HSA) plan option to assist in controlling future health care costs. The City also continued premium incentives for employees who received an annual physical and who didn't use tobacco.

Health Insurance

The initial health insurance renewal released by Aetna represented a 10.5% or \$211,308 increase to the City. Through a formal RFP process, IPS Advisors, the City's insurance consultant, renegotiated this increase down to -5.0% or -\$100,618 savings to the City. While Aetna's renegotiated quote was a reduction in cost, the market produced even more favorable results through the RFP process. The City received a best and final quote from BlueCross BlueShield representing a -12.74% or -\$256,327 savings to the City. United Healthcare also presented during the RFP finalist process however were only able to offer rates at 0.34% above current resulting in an increase of \$6,904.

Recommendations for the health plan for 2014-2015 plan year include:

- A carrier change to BlueCross Blue Shield of Texas is recommended for the 2014-2015 renewal cycle. Although Aetna has provided a renegotiated renewal at -5%, BCBS has provided a -12.74% renewal offer substantially matching current plan designs. This difference represents an additional -7.7% or \$155,708 of savings. Total savings from moving to BCBS represents \$256,327 when compared to the City

current premium costs. Furthermore, BCBS is offering a \$5,000 wellness allowance for the City's use.

- It is recommended to alter the current employer premium subsidy strategy for the 2014-2015 plan year. The City currently subsidizes 100% of the employee only cost for the HDHP and 50% for dependents across all plans. Reducing dependent subsidies to 46.9% will allow the City to capture savings that may be reallocated to employees in the form of a deposit to the HSA bank account. Employees would see rates decrease by -7.4% from current across all plans and tiers (except \$0 employee only HDHP). It is recommended to alter the current employer funding of \$1,348 for employee and \$2,696 for dependents to \$1,500 for employee and \$3,000 for dependents for the 2014 – 2015 plan year.
- It is recommended for the City to renew with Methodist Health Systems for the City's wellness program. This program includes Health Risk Assessments, Fitness and Nutrition Tools, Wellness Workshops, Incentive Management and Employer and Employee Risk Factor reporting. Included in BCBS' proposal is a wellness credit of \$5,000 that may be used offset costs incurred through the wellness program offered through Methodist Health Systems.
- For the 2014/2015 plan year, it is recommended to continue the physician surcharge of \$25 a month to employees who do not have an annual physical by December 31, 2014. Wellness visits are covered 100% and there is no cost to the employee.
- It is recommended to continue the tobacco user surcharge of \$25 a month for employees who elect to use tobacco products. Human Resources assists employees on tobacco cessation options on a voluntary basis.
- It is also recommended to continue Compass Professional Health Services for those who are enrolled in the High Deductible Health Plan. This service provides employees pricing and quality information for hospitals, physician, pharmacy and dental services.

Dental Insurance

The City received an initial 8.4% renewal increase from Aetna for the 2014–2015 plan year that was later negotiated to 7.4% increase. United Concordia has offered plans that substantially match current with a -6.21% decrease or -\$8,713 savings. In addition, United Concordia has offered a 2 year rate guarantee. It is recommended to change carriers from Aetna to United Concordia to contract for fully insured Dental for the 2014-2015 plan year. It is recommended to continue the current funding strategy of 100% contribution for employee and 0% contribution for dependents.

Flexible Spending Account (FSA)

A Flexible Spending Account (FSA) allows an employee to set aside a portion of his or her earnings to pay for qualified expenses as established in the cafeteria plan, most commonly for medical expenses, but often for dependent care or other expenses. Money deducted from an

employee's pay into an FSA is not subject to payroll taxes, resulting in a substantial payroll tax savings. The City completed a three year rate guarantee with Discovery Benefits however; Discovery Benefits has offered a renewal at a rate pass for an additional 3 years. Contracting with Discovery Benefits for management of the FSA is recommended at this time.

Ancillary Insurance

The City received an initial renewal from Cigna of a rate pass with a two year rate guarantee however, Dearborn National was able to offer substantially matched plans at a savings -16.7% for Basic Life and -21.1% for long term disability totaling a savings of \$8,713 while also offering a two year rate guarantee. It is recommended to move the Life and Disability coverage from Cigna to Dearborn National for a savings of \$5,028.

Employee Assistance Program

Employee Assistance Programs (EAPs) are employee benefit programs offered by many employers, typically in conjunction with a health insurance plan. EAPs are intended to help employees deal with problems that might adversely impact their work performance, health, and well-being. It is recommended to renew the contract with Alliance Work Partners for the 2014/2015 plan year for a -3% or \$197 reduction in rates with a three year rate guarantee.

Considerations

- **Operational** – The High Deductible Health Plan and Health Savings Account will continue to require additional communication and administration efforts for employee education. Furthermore, enhancements to the wellness program will require re-communication efforts to employees.
- **Legal** - Current contracts will be amended to comply with provisions of the Patient Protection and Affordability Care Act of 2010. These contracts must be reviewed by IPS Advisors, the City Attorney and Human Resources. If authorized by the City Council, the City Manager will execute appropriate contracts following legal review.
- **Financial** - The total savings in **employer cost** for implementing the recommended changes equates to -\$220,751.
- **Public Information** – The RFP process was managed by IPS Advisors in compliance with State and Local Purchasing Statutes. The item is being discussed at a meeting noticed in accordance with the Texas Open Meetings Act.

Options/Alternatives

1. Remain with current vendors for all renewing policies and plans, no plan design changes, no changes to the employer premium subsidy percentages, no changes to employer HSA funding. The total cost of option 1 to the City of Lancaster is a savings of approximately -\$73,344.

2. Change carriers from Aetna to BlueCross for Medical, Aetna to United Concordia for Dental, and Cigna to Dearborn National for Life and Disability; adjust medical employer premium subsidy percentages for dependents to 46.9% from 50.0%; HSA account contributions from \$1,348 for employee and \$2,696 for dependents to \$1,500 for employee and \$3,000 for dependents; renewing with Alliance Work Partners for EAP, and Discovery Benefits for Section 125 administration. The total cost of option 2 to the City of Lancaster is a savings of approximately -\$220,751.

Recommendation

Staff recommends implementation of Option 2 for the 2014/2015 plan year.

Submitted by:

Dori Lee, Human Resources Director

LANCASTER CITY COUNCIL
Work Session Agenda Communication
July 21, 2014

Item 2

Receive a presentation and discuss Quarterly Financial Report for the period ending June 30, 2014, including Investment update.

This request supports the City Council 2013-2014 Policy Agenda.

Goal: Financially Sound City Government

Background

The broad purpose of the City's Financial and Investment policy statements is to enable the City to achieve and maintain a long-term stable and positive financial position, and provide guidelines for the day to day planning and operations of the City's financial affairs. Staff will present information representative of the third quarter of fiscal year 2013-14, (April - June 2014.) The reports will be distributed, presented and reviewed during the work session.

Submitted by:

Cynthia A. Pearson, Director of Finance
Baron A. Sauls, Assistant Finance Director

LANCASTER CITY COUNCIL
Work Session Agenda Communication
July 21, 2014

Item 3

Discuss Report of City Council Five Year Goals and Strategies established during the annual City Council Strategic Planning Session in May 2013 for the 2nd and 3rd quarter of FY 2013/2014.

This request supports the City Council 2013-2014 Policy Agenda.

Goals: **Financially Sound City Government**
 Civic Engagement
 Healthy, Safe & Vibrant Neighborhoods
 Professional & Committed Workforce
 Sound Infrastructure
 Quality Development

Background

City Council conducted an annual Strategic Planning Session in May 2013. This report represents activity through the third quarter of FY 2013/2014 (October 2013 – June 2014). This is a review of implementation and progress on strategies and initiatives outlined in the 2013/2014 strategic plan and how said strategies connect to continued progress toward the realization of the Lancaster Vision.

Financially Sound Government - The City has a long-range financial plan and has prudent fiscal policies and processes in place. It has met or exceeded its general fund reserve goals, has funds available to address the needs of community and responsibly manages its debt. The community continues to move toward a more competitive tax rate.

- 1. Ensure the City's Tax Rate is Competitive** – during the FY 13/14 budget planning, presentation and town meetings, staff presented information regarding the correlation between property values and the tax rate in comparison to neighboring and survey cities. The City of Lancaster has also operated beneath the effective Tax Rate for the previous fiscal year. This information demonstrated the city tax portion of the average Lancaster resident's tax bill is less than our comparison cities. We will continue to seek strategies to improve our property values as there is a direct correlation between values and rate.

Quality Development - The City encourages high quality construction in its housing, commercial buildings and public facilities. The City employs sustainable building practices and encourages conservation and the use of alternative energy sources. The City has a diverse housing stock with walkable neighborhoods and other high quality neighborhood amenities. A diversity of commercial businesses includes corporate business parks and distribution facilities, which make use of the expanded airport, rail and highway system. Retail areas have grown because of growth in industrial, commercial and residential development.

1. Rental Registration Program

Council authorized implemented of a rental registration program that will require annual registration and inspection of properties that are rented/leased in the community. Information regarding program implementation will be communicated to property owners utilizing social media, the website and direct mail to owners, and realtors.

2. Boarding Home Ordinance

A Boarding Home must apply for and receive an operational permit "License" from the Fire Marshal's Office prior to the property being converted into a Boarding Home. The Fire Marshal's office will inspect the property and premises for compliance with this ordinance. The property must also meet the requirements of the Lancaster Development Code. If deficiencies are found, the Fire Marshal may prohibit occupancy of the residence and premises until such time as the owner takes action needed to bring the residence and premises into compliance.

3. Recruit Quality Commercial, Industrial and Retail Jobs.

Economic Development staff continues working toward the attraction of projects creating commercial, industrial and retail development in order to create a growing tax base and growth in the community's daytime population.

- Staff conducted 36 sales calls on commercial/industrial brokers, developers and potential end users promoting Lancaster as a location for the logistic solutions to their customers.
- Staff conducted 2 community tours for developers unfamiliar with the opportunities in Lancaster.
- Staff responded to 18 inquiries for information regarding Lancaster as a potential location for the expansion or relocation needs.
- Staff conducted a sales mission to Asia making sales calls on companies to determine their interest in establishing distribution networks in the U.S. and also attended a real estate investment trade show seeking potential investment dollars for projects in Lancaster.

4. Target marketing program to commercial, industrial and retail brokerage community.

Economic Development staff will continue to develop and implement efficient and effective marketing programs to solicit and secure the interest of the commercial, industrial and retail development-brokerage communities to promote Lancaster as a profitable marketplace for their client's future relocation or expansion needs.

- Staff participated in 6 commercial-industrial broker and developer events promoting Lancaster as a location for their customers.
- Staff hosted the visits of 4 end user companies interested in Lancaster as a location for their expansion plans.
- Staff attended 2 trade show calling on commercial-industrial users, brokers and developers exhibiting at the show to promote Lancaster as a location for the logistic solutions to their customers.
- Staff contacted 24 retail and restaurant end users soliciting their evaluation of Lancaster as a future location for their businesses.

5. Develop a strategy to pursue the development of a nationally branded hotel/convention center in Lancaster.

- Staff has compiled a list of hoteliers. Staff will utilize a direct marketing piece to communicate the advantages to selecting a site in Lancaster.

6. Gauge the interest of the development community in projects on the north side of I-20 at Houston School Road.

- Staff continues to include information about new business opportunities within the Campus District when making sales calls on prospects and responding to other development inquiries.
- As the comprehensive plan update progresses; economic analysis information will be utilized to seek opportunities.

7. Codification Update

In November 2013, the City Secretary's office met with Planning staff and Franklin Legal regarding codification of the Lancaster Development Code (Volume 2 of the Code of Ordinances). Some conflict clarifications are necessary prior to the codification of the Development Codes. We anticipate Franklin Legal will be able to begin their work on this codification the second quarter of this year.

All 2013 ordinances have been submitted to Franklin Legal for the annual update of the Code of Ordinances (non-development codes). We moved to monthly online updates of the Code of Ordinances beginning in March 2014. This will provide more timely availability through the City website of adopted ordinances to citizens and other interested individuals. The hard copy update will remain on an annual basis.

8. Update the Comprehensive Plan

Comprehensive Plan for the City of Lancaster 3-Year Work Plan

Council authorized execution of an agreement with Jacobs Engineering Group to update the City of Lancaster Comprehensive Plan.

Objective of this updated Comprehensive Plan is to identify community goals and objectives while also adding pertinent elements from existing plans and community input to make the plan comprehensive in scope. The Comprehensive Plan will be the “umbrella” document guiding every aspect of the City’s future development and growth.

The Jacobs Engineering Group, leading the consultant team, reviewed existing background data and previous studies to provide a high level of understanding of the City of Lancaster in terms of existing conditions, opportunities and constraints. The Jacobs team also gathered additional data from outside sources that reflect the socioeconomic, psychographic and market trends of the larger trade area that Lancaster is a part of. The Consultant team presented their findings to the City Council and Planning and Zoning Commission at a joint work session on October 7, 2013.

The first Advisory Committee meeting was held on November 21, 2013. The Advisory Committee has a central role in the process that will create the new Lancaster Comprehensive Plan. The Community Charrette was held on Saturday, February 1, 2014.

There were two online surveys seeking feedback from residents regarding the comprehensive plan. A joint work session of the Planning and Zoning Commission and City Council was held to present findings and solicit feedback regarding the results of the charrette and surveys.

9. Commercial Code Violations

In an effort to ensure quality development continues our compliance staff has an aggressive approach to addressing commercial code violations. The following represents violations for the third quarter.

Business Name	Address	Violation	Status	YTD Violations
Swift	3250 Longhorn	High Grass	Abatement	2
AT&T	3136 Danieldale	High Grass	Abatement /Lien	1
Black Hands Holding	3436 N I-35	High Grass	Compliance	1
Black Hands Holding	3440 N. I-35	High Grass	Compliance	1
Black Hands Holding	3444 N. I-35	High Grass	Compliance	1
Black Hands Holding	3450 N. I-35	High Grass	Compliance	1
Black Hands Holding	3454 N. I-35	High Grass	Compliance	1
Driver Isle	3254 N. I-35	Bulk/trash	Compliance	1
Hotel Furniture warehouse	3334 N. I-35	High Grass/ trash	Compliance	2
Famil Dollar	3155 pleasant Run	high grass/ trash	Compliance	3
Hot tub Repair	3339 Balomede	Bulk/trash	pending	1
Motel 6	1750 N. I-35	outdoor storage	Compliance	1
vacant Convenience store	1007 Cedardale	trash	pending	3
Semi tractor trailer repair	3254 Sherwood	High Grass	Compliance	1
Minyards/Blue Grove Plaza	1450 W Pleasant Run	overhanging limbs	pending	2
Dry Cleaners	1514 W. Pleasant Run	High Grass	Abatement	3
Valero	3160 W. Pleasant Run	Dumpster violation	pending	1
Rolling Hills apartment	500 Rolling Hills	Dumpster violation	Compliance	1
Minyards/Blue Grove Plaza	1450 W Pleasant Run	Dumpster violation	Compliance	1
World Harvest Chursh	520 N. Dallas	Parking	Compliance	3
Jeff Steck	440 Jefferson	Inoperable Vehicle	Compliance	5
Lancaster Storage	400 Jefferson	inoperable Vehicle	Compliance	2

Healthy, Safe, & Vibrant Neighborhoods - Lancaster is a safe place where neighbors know each other. The community unites at citywide events that keep neighborhoods strong. Compassionate code enforcement maintains our residential neighborhoods, and all residents have access to parks near where they live.

1. Assess Community Policing Strategy and determine appropriate staffing levels and deployment.

A Request for Qualifications (RFQ) was issued for an assessment of the department. The Hillard Heintze group was selected and has begun their initial evaluation of the department.

2. Expand Police visibility and involvement in the community through community watch programs, and teen/youth activities and education.

Community Watch Programs

The Lancaster Police Department participates in several community watch programs and very pleased to be able to attend events while educating citizens about the crime statistics in their neighborhoods and how they can help prevent these crimes. During these meetings, LPD displays statistical data specific to their neighborhoods on a poster size boards to captivate the citizens attention and interest.

Community Partnerships/Prevention Measures

The Lancaster Police Department is working to foster the Lancaster Police Department and Community Outreach (LPOC) with the purpose to identify, habilitate, and prevent incidents that jeopardizes the citizens of Lancaster's quality of life. It is a proactive approach to identify threats in the community and allocate the proper resources to minimize potential incidents in order to maintain officer safety and enhance a safe, vibrant, and healthy neighborhood.

The Lancaster Police Department continues to identify trends in the community and deploy proper resources to deter, prevent and reduce crime in the city such as crime prevention tips, surveillance methods of policing, brochures, house checks and encouragement of new community watch programs.

This quarter, 12,780 close patrols were conducted. There were 87 house check calls. The following table represents statistics for this quarter. Chief Wilson will provide an update on the strategies being deployed to deter, prevent and reduce activity in the 3250 W. Pleasant Run shopping center.

OFFENSES				
	2Q*	3Q**	UP/DOWN	PERCENTAGE
Assault	116	140	24	20.69%
Burglary Building	9	19	10	111.11%
Burglary Habitation	66	127	61	92.42%
Burglary Vehicle	109	120	11	10.09%
Criminal Mischief	73	122	49	67.12%
Drug Crimes	31	30	-1	-3.23%
DWI	8	11	3	37.50%
Financial Crimes	47	40	-7	-14.89%
Information Report	385	405	20	5.19%
Murder	0	0	0	0.00%
Robbery	9	16	7	77.78%
Runaways	29	29	0	0.00%
Sex Assault	9	11	2	22.22%
Theft	123	161	38	30.89%
UUMV	38	13	-25	-65.79%

ACCIDENTS				
	2Q*	3Q**	UP/DOWN	PERCENTAGE
Total Accidents	119	111	-8	-6.72%

CALLS FOR SERVICE				
	2Q*	3Q**	UP/DOWN	PERCENTAGE
Total Calls	30575	22137	-8438	-27.60%
Close Patrols	21527	12780	-8747	-40.63%
House Check Request	20	51	31	155.00%
House Check Calls	213	87	-126	-59.15%

3. Support Lancaster neighborhoods in the creation of Public Improvement Districts (PID's) throughout the City to strengthen and connect neighborhoods.

The annual PID Advisory Board meeting was conducted this quarter. This provided advisory board members and management representatives an opportunity to discuss the annual budget (service plan) schedule and to discuss the PID policy.

The Pleasant Run Estates and Hearthstone communities have received information regarding requirements for PID establishment.

Other considerations

- The Parks Division of the ***Quality of Life and Cultural Services Department*** made magnanimous strides this quarter while completing Winter Work Projects. These types of projects are those which are done during non-peak growing seasons. Projects completed this Winter are as follows:
 - ✓ Electrical and lighting repairs at KidSquare, City Park, Community Park, Heritage Park and Town Square.
 - ✓ Treated wood playground at KidSquare Park
 - ✓ Cat Tails removed from Community Park pond
 - ✓ Painted all outdoor restrooms
 - ✓ Removed overgrowth (vegetation) along Bear Creek Nature Park Equestrian Trail
 - ✓ Painted all outdoor pavilions
 - ✓ Replaced entrance signs at Community Park
 - ✓ Installed Engineered Wood Fiber “fibar” to fall safety zones in all playgrounds
 - ✓ Removed & Restored landscape beds at Public Safety Building
 - ✓ Mulched all ornamental landscape beds
 - ✓ Pruned and trimmed trees (hazardous and low hanging branches) at various Parks and Town Square
 - ✓ Amenity repairs (i.e. trash receptacles, benches, picnic tables, etc.) at various Parks and Town Square
 - ✓ Installed and replaced regulatory signage at Bear Creek Nature Park
 - ✓ Constructed and installed irrigation pump housing at Helen Giddings Amphitheatre
 - ✓ Installed surety fencing on electrical company switch housing at Helen Giddings Amphitheatre
 - ✓ Repaired and replaced wood, siding and painted exterior of the Community House
 - ✓ Irrigation repairs and resetting of valve boxes made at various parks
- Spring 2014 bi-annual *Trash Off* This was a huge event that yielded high citizen participation and disposed waste as indicated below:
 - 86.82 tons of Bulk waste
 - 5.39 tons of Metal
 - 2.58 tons of Brush
 - .41 tons of Recycled Cardboard
 - 32 yards of recyclables (other than cardboard)
 - 6,019 lbs of E - waste
 - 6,960 lbs of paper shredding

Professional & Committed Workforce - Lancaster city government is an employer of choice with competitive pay that attracts an engaged, responsive, customer-oriented, innovative, and effective workforce. Some employees live in the City and all have a sense of ownership of the community. City employees feel needed and appreciated by elected officials, residents and businesses and are respectful to and appreciative of their customers and the City's governing body. The City's executive staff is engaged with residents and attends community events, upholds strong customer service, and uses technology to aid them in working smarter.

- 1. Update our Compensation Survey and provide data to the Council which illustrates how pay is relative to the established policy.**

In 2013 the City Council participated in a strategic planning session and identified the city compensation plan as an area to review for future direction and consideration. City Council expressed a desire to see how the city fairs to the established pay policy. The past established pay policy or goal was to be at the middle average of the city survey cities.

In 2007 the Waters Consulting Group contracted with the City of Lancaster to conduct an in depth compensation study. Unfortunately, the economic downturn affected the City of Lancaster immediately after receiving the results of the compensation study and all pay plan initiatives were placed on hold.

Subsequently adjustments to the pay plan were deferred as well as the general government step plan. Since that time, in 2012 City Council approved a one-time \$1,000 payment to full time employees paid in two equal installments. In 2013 City Council approved a 3% pay plan adjustment.

In looking at where the City of Lancaster is relative to our survey cities we have fallen behind the market due to deferment of adjustments of the city pay plan. In October 2013 and May 2014 City Council received a presentation providing further detail on the status of the cities minimum pay and actual pay as compared to our survey cities. Staff will provide recommendations to Council during the FY 2014/2015 budget presentation.

Sound Infrastructure - The City has well-maintained streets and well-planned preventative maintenance programs for infrastructure and assets.

- 1. Prioritize maintenance initiatives based on Pavement Management Program results.**

A presentation to City Council was conducted in 2013 regarding the Pavement Management Program and the process for rating streets and upcoming projects.

2. Plan for new Fleet Maintenance Facility.

A request for proposal is being initiated to select a consultant for the purpose of planning and designing for the needs of the fleet maintenance division.

3. Storm water MS4 General Permit.

The new MS4 General Permit, TPDES Permit No. TXR040000, was issued on December 13, 2013. All regulated entities (new and existing) were required to submit a Notice of Intent (NOI) and a new or revised (for existing regulated entities) Storm water Management Program (SWMP) in June 2014. The City of Lancaster plan was submitted prior to deadline.

4. Meter Replacement Program

Council received a presentation regarding the meter replacement program and how it is implemented.

Civic Engagement - The City provides opportunities for involvement through special events, boards and commissions, youth and parent volunteer opportunities in recreation, sports teams, City elections, Civic Leadership Academy, and City-wide celebrations.

1. Parks, Recreation and Library Services

- The Recreation Division of the Quality of Life and Cultural Services Department began offering Free Fitness Atrium Orientation and Fitness Assessments to all members of the Recreation Center. Whether they were a beginner, getting back into a workout routine, or just interested in learning the many benefits an active lifestyle could bring them, an overview of the Fitness Atrium helped set the tone. The orientation taught the basics of using fitness equipment and an assessment that determined fitness levels. A workout plan was developed to help give a solid beginning in living a healthy and active lifestyle.
- The Recreation Division of the Quality of Life and Cultural Services Department implemented the Annual Winter Basketball League with League play beginning Saturday, January 4, 2014. Twenty (20) Teams (U7-U12) competed each Saturday at the Lancaster Recreation Center through the months of January and February. Top winners competed regionally at the TAAF tournament and had an opportunity to advance to compete for State Championship.
- On January 25, 2014 the Parks and Recreation Divisions of the Quality of Life and Cultural Services Department held its 2014 RBI Baseball registration kick off at Cedardale Park. Those in attendance enjoyed bounce houses, face painting, and a free baseball clinic provided by the Cedar Valley Community College Athletic Department. Spectators also were able to get an early preview of the Parks and Recreation Divisions newest athletic league "Little M

Kickball, International, Inc.” coming this spring 2014 for girls ages 6 – 18. Quality of Life and Cultural Services Managing Director Sean Johnson, along with City Manager Opal Mauldin-Robertson and Mayor Marcus E. Knight greeted the audience and welcomed Karin Morris, Executive Director of the Texas Rangers Foundation as she announced the official partnership with the Parks and Recreation Department. Texas Ranger Robbie Ross was on hand to sign autographs along with Breon Dennis, Assistant Vice President of Community Outreach.

- The Recreation Division of Quality of Life and Cultural Services staff along with Members of Youth Advisory Committee attended the 14th Annual YAC Summit on February 22-23, 2014 in Rockwall, Texas. This two-day statewide event was hosted by the City of Rockwall and sponsored by the Texas Municipal League. The Summit was overflowing with life lessons, practical advice, team-building exercises, and, of course, laughter! YAC members left the Summit with a greater appreciation of their own programs and new ideas to move their group forward in coming years.
- The Recreation Division of the Quality of Life and Cultural Services Department held the annual Parent/Child Dance in honor of Valentine’s Day at the Lancaster Recreation Center on Saturday, February 8, 2014. The parents and children danced, socialized and feasted on chicken tetrazzini, salad, rolls, and pink lemonade.
- On Thursday, February 20, 2014 the Recreation Division of the Quality of Life and Cultural Services Department along with Senior Life Center participants directed, produced, and starred in our Black History Play depicting lifestyles and roles of various African Americans.
- In commemoration of Black History Month, the Quality of Life and Cultural Services Department held an Equestrian Trail Dedication Ceremony in honor of Cleo Hearn on Friday, February 28, 2014. Cleo Hearn, a 30+ year resident of the City of Lancaster, Texas, has been a member of the Professional Rodeo Cowboys Association since 1959. In 1971, Mr. Hearn and three other men formed the American Black Rodeo Association. In 1995, Mr. Hearn changed the name and started the Cowboys of Color Association, to be inclusive of other cultures. This rodeo is designed to educate and highlight the contributions all cultures have made to the settling of the west. Mr. Hearn has received many awards for his work with communities around the world. He has a lifetime commitment to rodeo, his family, his community and the cowboy way of life. The Ceremony, held at Bear Creek Nature Park, was well attended by family members and friends, community leaders, elected officials, residents, and members of the National Cowboys of Color Rodeo, Fort Worth Stock Show and Rodeo, and Mesquite Rodeo Arena. Following the Dedication was a reception held at the Lancaster Recreation Center Grand Hall Ball Room where attendees and after school participants were educated with an in depth documenta

“Cowboys of Color, A Multi-Cultural Legacy” that appropriately depicted the historical contributions of “Cowboys of Color.”

- In February 2014, The Library Services Division of the Quality of Life and Cultural Services Department partnered with the Friends of The Library to implement the Annual Used Book Sale. This year’s event had a great turnout with over \$900 being donated to the Library to fund (in part) the 2014 Summer Reading Club.
- In February 2014, The Library Services Division of the Quality of Life and Cultural Services Department launched two (2) new exciting services for our citizens: BRAINFUSE HOMEWORK ASSISTANCE & ONECLICK DIGITABLE DOWNLOAD.
- ✓ Brainfuse (Help Now) homework help services provides live, online help from expert tutors. On demand, anytime, anywhere elearning is available by using your Lancaster Veterans Memorial Public Library card to connect. Help Now includes tutoring on reading, writing, Spanish, biology, physics, elementary math, pre-algebra, algebra 1, algebra 2, precalculus, calculus, social studies and more. Expert online services include:
 - Live Tutoring
 - Skills-Building
 - 24/7 Help Center
 - Foreign Language Lab
 - Writing Lab
 - Intensive Writing Lab
 - Study tools and collaborative tools
- ✓ OneClickdigital is an online service launched that allows patrons to check out downloadable audiobooks, including best-sellers, Recorded Books exclusives, classics, selections for children and young adults, and much more. Patrons have free access to downloadable audiobooks at home, in the Library, or on the go. Many titles are multi-access, so multiple users can check out a given title at the same time, eliminating holds. OneClickdigital is compatible with all popular listening devices, and mobile apps are available for the iPhone®, Android™, and Kindle Fire. OneClickdigital features an easy-to-use interface with streamlined navigation, fast downloads, and automatic software updates.
- In March 2014, The Recreation Division of the Quality of Life and Cultural Services Department were informed by Major League Baseball and the Texas Rangers Foundation that the Lancaster RBI baseball program (U12 team) was selected to attend the 2014 MLB All Star Game’s Jr. RBI Classic in Minneapolis, MN in July! The 12U team will attend the All Star Game, Home Run Derby and represent Lancaster and the Texas Rangers in a tournament versus the Minneapolis Twins RBI, Tampa RBI, Willie Mays RBI, Pawtucket RBI, M

Vernon RBI, Blue Jays RBI and Durham RBI. MLB will sponsor ALL EXPENSES for travel, hotel accommodations, uniforms and equipment for this event. This was a result of a team effort between Recreation Superintendent Kevin Moore and Athletic Supervisor, Darnell Bolton's collaborative efforts in building the Lancaster RBI program. They both were recognized nationally for their efforts and were asked to present at the Annual 2014 RBI Institute held on March 6 -9, 2014 Gaylord Texan Resort & Convention Center.

- On Saturday, March 15, 2014 at Rocky Crest Park, the Quality of Life and Cultural Services Department implemented a Community Block Party where the community enjoyed Pinewood Derby racing, bounce houses, face painting, a baseball skills clinic, and music. The community participated in Zumba and Karate demonstrations as well as toured the Lancaster Police Mobil Command Unit and Fire Safety House. The Boy Scouts showcased their Pinewood cars and awarded first, second and third places in each category. They also crowned an overall Pinewood Derby Champion. Youth displayed their skills on the baseball diamond by participating in a baseball skills clinic (Pitch Hit and Run). Winners were awarded in each category.
- In March 2014, The Recreation Division of the Quality of Life and Cultural Services Department implemented Spring Break Camp 2014. The week included games, Library programs, Bear Creek Nature Park outdoor excursion, arts & crafts, a visit to the City of Lancaster State Auxiliary Museum, swimming, a movie, and music appreciation. The youth reported they had such a blast that they did not want to go back to school.

Lancaster Veterans Memorial Library Quarterly Statistics

- ✓ Checked out 13,255 items to Library users including 51 eBooks.
- ✓ Added 685 items to the Library collection.
- ✓ Provided 458 Library cards to users.
- ✓ We had 44 people volunteer logging 309 hours.
- ✓ Provided 37 children's programs for 292 attendees - These programs included: Family Story Time, Toddler Time and Pajama Time Stories and Teen programs.
- ✓ Provided 44 adult programs for 130 attendees. Programs included computer classes, Craft and Chat, Food for Thought Book Club, and Genealogy.
- ✓ Provided 8,846 computer user sessions, 485 of which were AWE children's literacy computer use, for an average of 2,949 Library users per month access to public computers.

2. Visitors Center and State Auxiliary Museum

The appointment of an Advisory Board is critical to the continued development and promotion of the museum. Information regarding the board is being distributed through all available media to solicit interested persons to seek appointment.

Staff will be available to respond to any questions.

Submitted by:

Opal Mauldin Robertson, City Manager

LANCASTER CITY COUNCIL
Work Session Agenda Communication
July 21, 2014

Item 4

Discuss and receive a presentation regarding the www.nextdoor.com program.

This request supports the City Council 2013-2014 Policy Agenda.

Goal: Healthy, Safe & Vibrant Neighborhoods

Background

As prescribed in the City Council Rules and Procedures as amended July 2013, Section 1 D. City Council Agenda Process, Deputy Mayor Pro Tem LaShonjia Harris requested an item be included on the agenda for the purpose of making a presentation to Council regarding www.nextdoor.com.

A social networking tool, www.nextdoor.com based in San Francisco, California was founded in 2010. This is a service being utilized by over 38,000 neighborhoods throughout the United States. It allows users to connect with others who live in their neighborhoods. This tool allows communities to easily create private websites to facilitate communication among neighbors and build stronger neighborhoods. The program was created based on the idea that the neighborhood is one of the most important and useful communities in a person's life. The program is completely free for neighborhoods and it requires no technical integration.

A proven great platform for virtual neighborhood watch and emergency preparedness groups, and www.nextdoor.com members' highly value crime and safety related posts from their local police and fire officials.

Chief Cheryl Wilson will provide a brief overview of the program.

Submitted by:
Samuel Urbanski, Assistant Chief of Police

LANCASTER CITY COUNCIL

Item 5

Work Session Agenda Communication

July 21, 2014

Receive a presentation to discuss the Professional Services Agreement by and between the City of Lancaster and Lancaster Chamber of Commerce for the maintenance and management of the Lancaster Convention and Visitors Center and State Auxiliary Museum.

This request supports the City Council 2013-2014 Policy Agenda.

**Goal: Healthy, Safe & Vibrant Neighborhoods
Civic Engagement**

Background

In December 2009 the City entered into a professional services agreement with the Lancaster Chamber of Commerce as an independent contractor for the maintenance and management of the Lancaster Convention and Visitors Center located at 103 North Dallas Avenue, Lancaster, Texas 75146. This Professional Services Agreement was a companion item to the Lease Agreement (Resolution NO. 2009-12-123) for a term of 5 years, expiring in December 2014.

The Scope of Services for the Chamber was to use the property only for daily operations and to provide maintenance and management of the Convention and Visitors Center at their own expense to include the following:

- Promote, advertise, and market the City of Lancaster, its points of interest, events, facilities, programs, historic sites and tourist destination sites in areas;
- Offer publications and materials to attract potential visitors and new residents;
- Assist individuals requesting information regarding the City;
- Directional assistance to individuals visiting the City;
- Maintain and manage Visitors Center every Monday – Friday during the hours of 9:00am – 5:00pm, and Saturday from 9:00am – 1:00pm
- Insure access and availability of the general public to the museum

Along with the aforementioned scope of services, the Chamber was required to provide quarterly written reports of services performed by the Visitors Bureau as well as its use by the citizens. The Chamber was also required to devote such time, personnel and equipment reasonably necessary for the satisfactory performance of work under the agreement.

The City of Lancaster compensated the Chamber of Commerce annually in the amount of thirty-thousand (\$30,000) to provide these services.

Considerations

- **Operational** - The Professional Services agreement was terminated as a result of non-compliance to perform duties outlined in the agreement. The Quality of Life & Cultural Services Department will assume responsibility of daily operations of the Visitor's Center and State Auxiliary Museum.
- **Legal** - The City Attorney reviewed the existing contract and approved the termination notice to the Lancaster Chamber of Commerce in July 2014.
- **Financial** – The City of Lancaster compensated the Chamber of Commerce annually in the amount of thirty-thousand (\$30,000).
- **Public Information** – This item is being discussed at a meeting noticed in accordance with the Texas Open Meetings Act.

Options/Alternatives

Council will receive a presentation regarding operations of the Convention and Visitors Center and State Auxiliary Museum.

Attachments

- 2009 Resolution
 - 2009 Lease Agreement
 - 2009 Professional Services Agreement
-

Submitted by:

Sean Johnson, Managing Director
Quality of Life & Cultural Services

RESOLUTION NO. 2009-12-123

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS, APPROVING THE TERMS AND CONDITIONS OF A LEASE AND PROFESSIONAL SERVICES AGREEMENT BY AND BETWEEN THE CITY OF LANCASTER, TEXAS, AND THE LANCASTER CHAMBER OF COMMERCE FOR THE MAINTENANCE AND MANAGEMENT OF THE LANCASTER CONVENTION AND VISITORS' CENTER, TEXAS AUXILIARY MUSEUM LOCATED AT 103 NORTH DALLAS AVENUE; AUTHORIZING THE CITY MANAGER TO EXECUTE SAID AGREEMENT; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Lancaster Chamber of Commerce will provide the maintenance and management of the Lancaster Convention and Visitors' Center, Texas Auxiliary Museum located at 103 North Dallas Avenue; and

WHEREAS, the City Council of Lancaster, desires to lease the facility to and contract with the Chamber for the above referenced services;

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

SECTION 1. That the City Council of the City of Lancaster, Texas, hereby approves the terms and conditions of the lease and professional services agreement, which is attached hereto and incorporated herein by reference as Exhibit "A", for maintenance and management of the Lancaster Convention and Visitors' Center , Texas Auxiliary Museum located at 103 North Dallas Avenue.

SECTION 2. That the City Manager is hereby authorized to execute the agreement as depicted in Exhibit "A", which is attached hereto and incorporated herein as if set forth in full.

SECTION 3. That any prior resolution of the City Council in conflict with the provisions contained in this resolution are hereby repealed and revoked.

SECTION 4. That should any part of this resolution be held to be invalid for any reason, the remainder shall not be affected thereby, and such remaining portions are hereby declared to be severable.

SECTION 5. This resolution shall become effective immediately from and after its passage, as the law and charter in such cases provide.

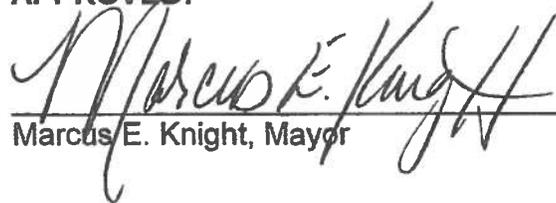
DULY PASSED and approved by the City Council of the City of Lancaster, Texas, on this the 14th day of December 2009.

ATTEST:



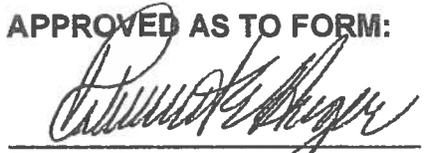
Dolle K. Downe, City Secretary

APPROVED:



Marcus E. Knight, Mayor

APPROVED AS TO FORM:



Robert E. Hager, City Attorney

EXHIBIT A

STATE OF TEXAS

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CITY OF LANCASTER

COUNTY OF DALLAS

LEASE AGREEMENT

This agreement ("Agreement") is made by and between the CITY of Lancaster, Texas ("CITY") and the Lancaster Chamber of Commerce ("CHAMBER") acting by and through their authorized representatives.

RECITALS:

WHEREAS, CHAMBER desires to rent, and the CITY desires to lease 2195 square feet of the Lancaster Convention and Visitors Center (Auxiliary State Museum), located 103 North Dallas Avenue, Lancaster, Texas 75146, ("The Property");

FOR AND IN CONSIDERATION of the prompt and timely payment of the rentals set out herein and the true and faithful performance by CHAMBER of all its promises, covenants and obligations hereunder, including the maintaining and managing of the Visitors Center, CITY hereby demises and leases unto CHAMBER and CHAMBER hereby accepts for the term and subject to the provisions hereof, the Property, as shown on Exhibit "A", which is attached hereto and made a part hereof for all intents and purposes.

This Agreement shall be further subject to the following terms, promises, agreements, conditions and covenants:

Article 1. Term

This Lease shall be effective beginning on the last date of execution hereof ("Effective Date") and continue for a period of five (5) years. Chamber shall have the option to renew this lease for an additional five (5) years upon the same terms and conditions as provided herein, and except that the rent may be adjusted but in no event shall any increase in rent ever exceed two percent (2%) of the rent at the time of the adjustment. As a condition for the exercise of this option, CHAMBER shall, as provided herein, give CITY written notice of CHAMBER'S intent to exercise its option at least six (6) months prior to the expiration date of the term of the Lease.

Article 2. Scope of Chamber's Services

In consideration for and in furtherance of CHAMBER'S payment of rent under this Agreement, the CITY agrees to lease the Property, provided that CHAMBER complies with all of the following with respect to the Facility:

CHAMBER shall use the leased premises only for daily operations and agrees to provide the maintenance and management of the Lancaster Convention and Visitors' Center (Auxiliary State Museum) in accordance with the executed "Professional Services Agreement", attached as Exhibit "B." In addition, and in connection with its use of and activities in and about the leased premises and the Building, CHAMBER, at its expense, will comply and will cause its employees, agents and invitees to

comply with all applicable laws and ordinances, as well as all applicable rules and regulations of governmental agencies.

Provided CHAMBER performs all of the terms, covenants, agreements and conditions of this Lease Agreement, including the payment of rent, and only for so long as CHAMBER performs all obligations under this Lease Agreement, CHAMBER shall peaceably and quietly hold and enjoy the premises for the term hereof, without hindrance from CITY, subject to the terms and conditions of this Lease Agreement.

Deviations from the scope may be authorized in writing from time to time by the CITY.

Article 3 Schedule of Rent Payment

As consideration for the entire term of this Agreement, CHAMBER hereby promises and agrees to pay CITY rent, in the total sum of ONE THOUSAND THREE HUNDRED DOLLARS, (\$1,300.00) per month for 2,195 square feet of property located at 103 North Dallas Avenue, Lancaster, Texas 75146, as follows:

- A. The sum of \$1,300.00 monthly as noted in paragraph above, with the first payment due in advance.
- B. All rental payments are due monthly, in advance, on the first day of each month, during the term of this Lease Agreement.
- C. All payments not received by the 10th of such month shall be considered "past due".
- D. In addition to the monthly installments aforementioned, CHAMBER promises to pay a late charge at the rate of five percent (5%) of the monthly installment for each month or portion of a month that any installment is past due; and a separate computation and payment of such late charge shall be made for each monthly installment that is past due, so that if two (2) monthly installments are past due, two (2) separate late charges shall accrue, et cetera.
- E. If CHAMBER chooses the option to renew this Lease Agreement for an additional five (5) years, then *prior to* the exercise of this option and upon 30 day written notice by CHAMBER to CITY of its desire to exercise said option..

Article 4. Condition of the Property

CHAMBER acknowledges that its acceptance of possession of the Property constitutes a conclusive admission that it has inspected the leased premises and has found them in good condition and repair. CHAMBER covenants and agrees to maintain the Property in a clean and sanitary condition at all times, including, but not limited to, trash being in the receptacles, dishes not being left in the sinks, and in a general orderly state.

**Article 5.
Quarterly Reporting**

CHAMBER shall provide a quarterly written report of the services being performed by the Visitors' Center as well as its use by the citizens. The CITY shall have the option to review quarterly the services being performed by the Visitors' Center as well as the CHAMBER'S management of the Visitors' Center.

**Article 6.
Scope of City's Services**

So long as CHAMBER is not in default hereunder, CITY shall furnish the leased premises during reasonable and usual business hours the following services at CITY's sole expense:

- A. Heat and air conditioning during the customary periods of the year when and to the same extent CITY furnishes heat and air-conditioning for the Building.
- B. Electric current consisting of one hundred and ten (110) volt, sixty (60) cycle service for lighting and ordinary business appliances.
- C. Maintenance of the structural parts of the building and other improvements housing the leased premises (including, without limitation, the roof, foundation and bearing and exterior walls, windows, window glass, plate glass, doors, pest control and extermination) and the parking lot, drives, sidewalks, maintenance of the landscaping, the outdoor restroom facilities and common areas.
- D. Water and janitorial services to the same extent CITY furnishes water and janitorial services to the rest of the Building.

**Article 7.
Maintenance of Property**

CHAMBER covenants and agrees that it will not make or suffer any waste of the demised premises. CHAMBER further covenants and agrees that it will not make any material structural alterations or additions to the premises except as may be approved in advance, in writing, by CITY. CHAMBER further covenants that it will provide its own equipment, office furniture, computers, and general appliances, as well as providing its own internet connection and phone system.

**Article 8.
Political Activities**

CHAMBER covenants it will not display, show erect, maintain, establish or in any way display any signs, displays, or symbols which contain any political or partisan material. CHAMBER further covenants that it will not host, hold or otherwise cause to be held on the property any sort of political rally, campaign, agenda, operation or movement.

**Article 9.
Indemnification**

CHAMBER AGREES TO AND SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS CITY, ITS OFFICIALS, OFFICERS, AGENTS AND EMPLOYEES, FROM AND AGAINST ANY AND ALL CLAIMS, LOSSES, DAMAGES, CAUSES OF ACTION, SUITS AND LIABILITY OF EVERY KIND, INCLUDING ALL EXPENSES OF LITIGATION, COURT COSTS AND ATTORNEYS FEES FOR INJURY TO OR DEATH OF ANY PERSON, OR FOR DAMAGE TO ANY PROPERTY ARISING OUT OF OR IN CONNECTION WITH THIS LEASE AGREEMENT OR ON OR ABOUT THE DEMISED PREMISES. SUCH INDEMNITY SHALL APPLY WHERE THE CLAIMS, LOSSES, DAMAGES, CAUSES OF ACTION, SUITS OR LIABILITY ARISE IN WHOLE OR PART FROM THE NEGLIGENCE OF CHAMBER, THEIR OFFICERS, OFFICIALS, AGENTS AND EMPLOYEES.

IT IS THE EXPRESS INTENTION OF THE PARTIES HERETO, BOTH CHAMBER AND CITY, THAT THE INDEMNITY PROVIDED FOR IN THIS PARAGRAPH IS INDEMNITY BY CHAMBER TO INDEMNIFY AND PROTECT CITY FROM THE CONSEQUENCES OF CITY'S OWN NEGLIGENCE, WHETHER THAT NEGLIGENCE IS THE SOLE OR CONCURRING CAUSE OF THE INJURY, DEATH OR DAMAGE.

**Article 10.
Immunity Not Waived**

IT IS EXPRESSLY AGREED AND UNDERSTOOD BY THE PARTIES THAT THIS LEASE AGREEMENT SHALL NOT GIVE RISE TO ANY RELATIONSHIP BETWEEN THE PARTIES OF EMPLOYER-EMPLOYEE, AGENCY, PARTNERSHIP, JOINT VENTURE OR ANY OTHER FORM OF JOINT ENTERPRISE. LICENSOR DOES NOT WAIVE ITS SOVEREIGN IMMUNITY WITH RESPECT TO ANY CLAIMS ARISING FROM, RELATED TO, OR ASSOCIATED WITH THE PROVISIONS OF THIS AGREEMENT OR THE PROPERTY, EXCEPT AS PROVIDED BY SECTION 271.152 OF THE TEXAS LOCAL GOVERNMENT CODE.

**Article 11.
Entry by City**

CITY or its officers, agents, and representatives shall have the right to enter into and upon any and all parts of the premises to (a) inspect the same or clean or make repairs or alterations or additions as CITY may deem necessary (but without any obligation to do so); or (b) show the premises to prospective tenants, purchasers, or lenders; and CHAMBER shall not be entitled to any abatement or reduction of rent by reason thereof, nor shall such entry be deemed to be an actual or constructive eviction.

**Article 12.
Termination Notice**

This Agreement may be terminated by CHAMBER by the giving of thirty (30) days written notice thereof to CITY. CHAMBER agrees and covenants that it will, at the end of the term of this Lease Agreement, or upon termination of this Lease Agreement, peaceably deliver up unto CITY the leased premises and all appurtenances or improvements thereon in a good state of repair, as foresaid, unencumbered, vacant and in good condition.

Article 13.
No Liens By Chamber Permitted

CHAMBER covenants and agrees that it shall have no power to do any act or make any contract that creates any lien upon property CITY owns or has an interest; and upon any such purported lien being created or filed of record, CHAMBER, at its sole cost and expense, shall liquidate and discharge same immediately.

Article 14.
Default

- A. The following events shall be deemed to be events of default by CHAMBER under this Agreement:
1. CHAMBER shall fail to pay any installment of rent, and such failure shall continue for a period of ten (10) days.
 2. CHAMBER shall fail to comply with any term, provision or covenant of this Agreement, other than the payment of rent, and shall not cure such failure within twenty (20) days after written notice thereof to CHAMBER.
 3. CHAMBER shall desert or vacate any substantial portion of the premises for a period of five (5) days or more.
 4. It is recognized that if CHAMBER is adjudged a bankrupt, or makes a general assignment for the benefit of creditors, or if a receiver is appointed for the benefit of its creditors, or if a receiver is appointed on account of its insolvency, such could impair or frustrate CHAMBER'S performance of this Lease Agreement. Accordingly, it is agreed that upon the occurrence of any such event, CITY shall be entitled to request of CHAMBER or its successor in interest adequate assurance of future performance in accordance with the terms and conditions hereof. Failure to comply with such request within ten (10) days of delivery of the request shall entitle CITY to terminate this Lease Agreement and to the accompanying rights set forth below.
 5. Any use of the Property other than for the daily operation of a Convention and Visitors' Center.
 6. CHAMBER fails to diligently and adequately maintain, operate and manage the Visitors' Center as detailed in Exhibit "B" of this Agreement, and shall not cure such failure within twenty (20) days after written notice thereof to CHAMBER.
- B. Upon the occurrence of any event of default specified above, CITY shall have the option to pursue any one or more of the following remedies without any notice or demand whatsoever:
1. Terminate this Agreement in which event CHAMBER shall immediately surrender the Property to CITY; and if CHAMBER fails to do so, CITY may, without prejudice to any other remedy which it may have for possession or arrearages in rent, enter upon and take possession and expel or remove CHAMBER and any other person who may be occupying said Property or any part thereof, by force if necessary, without being liable for prosecution or any claim of damages therefore; and CHAMBER agrees to pay to CITY on demand the amount of all loss and damage which CITY may suffer by reason of

such termination, whether through inability to relet the Property on satisfactory terms or otherwise.

2. Enter upon and take possession of the Property and expel or remove CHAMBER and any other person who may be occupying the Property or any part thereof, by force if necessary, without being liable for prosecution or any claim of damages therefore; and if CITY so elects, relet the Property on such terms as CITY shall deem advisable and receive the rent thereof; and CHAMBER agrees to pay to CITY on demand any deficiency that may arise by reason of such reletting.
 3. Enter upon the premises, by force if necessary, without being liable for prosecution or any claim of damages therefore and do whatever CHAMBER is obligated to do under the terms of this Lease Agreement; and CHAMBER agrees to reimburse CITY on demand for any expenses which CITY may incur in thus effecting compliance with CHAMBER's obligations under this Lease Agreement; and CHAMBER further agrees that CITY shall not be liable for any damages resulting to CHAMBER from such action.
- C. No reentry or taking possession of the Property by CITY shall be construed as an election on its part to terminate this Agreement, unless a written notice of such intention be given to CHAMBER. Notwithstanding any such reletting or reentry or taking possession, CITY may at any time thereafter elect to terminate this Agreement for a previous default. Pursuit of any of the foregoing remedies shall not preclude pursuit of any of the other remedies herein provided or any other remedies provided by law, nor shall the pursuit of any remedy herein provided constitute a forfeiture or waiver of any rent due to CITY hereunder or of any damages accruing to CITY by reason of the violation of any of the terms, provisions and covenants herein contained. CITY's acceptance of rent following an event of default hereunder shall not be construed as CITY's waiver of such event of default. No waiver by CITY of any violation or breach of any of the terms, provisions and covenants herein contained shall be deemed or constitute a waiver of any other violation or breach of any of the terms, provisions and covenants herein contained. Forbearance by CITY to enforce one or more of the remedies herein provided upon an event of default shall not be deemed or construed to constitute a waiver of such default. The loss or damage that CITY may suffer by reason of termination of this Agreement or the deficiency from any reletting as provided for above shall include the expense of repossession and any repairs or remodeling undertaken following possession. Should CITY at any time terminate this Agreement for any default, in addition to any other remedy CITY may have, CITY may recover from CHAMBER all damages CITY may incur by reason of such default, including cost of recovering the premises and reasonable attorney's fees expended by reason of default.

Article 15.

No Assignment or Subletting by Chamber

CHAMBER covenants and agrees it shall not sublet, assign or loan all or any part of its rights, privileges or duties under this Lease Agreement without prior written approval of CITY.

Article 16.

Forum Selection

It is agreed by the parties that any action, real or asserted, at law or in equity, which arises out of the terms or provisions of this Lease Agreement or out of any use of or occurrence on the demised premises shall be governed by the laws of the State of Texas, venue for such action lying in Dallas County, Texas.

**Article 17.
Attorney's Fees**

In any action brought by CITY for the enforcement of any of the terms of this Agreement against CHAMBER, the prevailing party shall be entitled to recover reasonable attorney's fees.

**Article 20.
Entire Agreement**

This instrument and exhibits constitute the entire agreement by the parties hereto, and any prior or contemporaneous, oral or written agreement which purports to vary from the terms hereof shall be void.

**Article 21.
Amendments**

All modifications or amendments to this Agreement shall be evidenced in writing, and any purported oral modifications of this Agreement shall be void.

**Article 22.
Authority to Execute**

Each party represents that it has full capacity and authority to grant all rights and assume all obligations granted and assumed under this Agreement.

**Article 23.
Severability**

In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions, and the Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in it.

**Article 24.
Records Inspection**

The CHAMBER agrees that during the term hereof the CITY and its representatives may, during normal business hours and as often as deemed necessary, inspect, audit, examine and reproduce any and all of the CHAMBER's records relating to the services provided pursuant to this Agreement for a period of one year following the date of completion of services as determined by the CITY or date of termination if sooner.

**Article 25.
Notice**

All notices shall be delivered in person or by mail to the following addresses:

To the CITY:

City Manager
City of Lancaster
Lancaster Municipal Center
211 N. Henry
P. O. Box 940
Lancaster, TX 75146
Telephone: 972.218.1300
Facsimile: 972.218.1399

To the CHAMBER:

Joe Johnson, IOM
President/CEO
100 N. Dallas Ave.
Lancaster, Texas 75146
Telephone: 972.227.2579
Facsimile: 972.227.9555

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on this the 15th day of December, 2009.

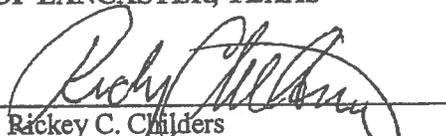
LANCASTER CHAMBER OF COMMERCE

BY: 
Joe Johnson
President/CEO

WITNESS:


Delle K. Downe

CITY OF LANCASTER, TEXAS

BY: 
Rickey C. Childers
City Manager

STATE OF TEXAS

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CITY OF LANCASTER

COUNTY OF DALLAS

PROFESSIONAL SERVICES AGREEMENT

This agreement ("Agreement") is made by and between the City of Lancaster, Texas ("City") and the Lancaster Chamber of Commerce ("Chamber") acting by and through their authorized representatives.

RECITALS:

WHEREAS, the City desires to engage the services of Chamber as an independent contractor and not as an employee in accordance with the terms and conditions set forth in this Agreement; and

WHEREAS, the Chamber desires to render services for the City in accordance with the terms and conditions set forth in this Agreement in connection with the maintenance and management of the Lancaster Convention and Visitors' Center ("Services"), located at 103 North Dallas Avenue, Lancaster, Texas 75146 (the "Property");

WHEREAS, the Mayor and City Council find it is in the public interest to have Chamber to perform said Services.

NOW THEREFORE, in exchange for the mutual covenants set forth herein and other valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties agree as follows:

ARTICLE I

Term

1.1 The term of this Agreement shall begin on the last date of execution hereof (the "Effective Date") and continue until the Agreement is terminated as provided herein.

1.2 Either party may terminate this Agreement by giving thirty (30) days prior written notice to the other party. In the event of such termination the Chamber shall be entitled to compensation for any services completed to the reasonable satisfaction of the City in accordance with this Agreement prior to such termination.

ARTICLE II

Chamber's Scope of Services

2.1 In consideration for and in furtherance of the Chamber's performance of the Services under this Agreement, the City agrees to pay the annual amount of forty-thousand and 00/100 dollars (\$40,000.00), provided that the Chamber of Commerce comply with all of the following with respect to the Facility:

Chamber shall use the Property only for daily operations and agrees to provide the maintenance and management of a Convention and Visitors' Center. In connection with its use of and activities in and about the leased premises and the Building, Chamber, at its expense, will

comply and will cause its employees, agents and invitees to comply with all applicable laws and ordinances, as well as all applicable rules and regulations of governmental agencies; and Chamber will conduct itself and cause its employees, agents and invitees to conduct themselves, with full regard for the rights, convenience and welfare of all other tenants in the Building. Specifically, Chamber shall provide, but is not limited to providing, the following services:

- Promote, advertise, and market the City of Lancaster, its points of interest, events, facilities, programs, historic sites and tourist destination sites in areas;
- Offer publications and materials to attract potential visitors and new residents;
- Assist individuals requesting information regarding the City;
- Directional assistance to individuals visiting the City;
- Maintain and manage the Visitors Center every Monday-Friday during the hours of 9:00 A.M. – 5:00 P.M., and Saturday from 9:00 A.M. to 1:00 P.M.
- Insure access and availability of the general public to the museum.

Deviations from the scope may be authorized in writing from time to time by the City.

ARTICLE III Quarterly Reporting

3.1 The Chamber shall provide a quarterly written report of the services being performed by the Visitor's Bureau as well as its use by the citizens. The City shall have the option to review quarterly the services being performed by the Visitors' Bureau as well as the Chamber's management of the Visitors' Bureau.

3.2 Unless otherwise provided in writing by both parties, Chamber shall be responsible for all expenses related to the Services provided pursuant to this Agreement including, but not limited to, travel, copying and facsimile charges, telephone, internet and email charges.

ARTICLE IV Devotion of Time; Personnel; and Equipment

4.1 The Chamber shall devote such time as reasonably necessary for the satisfactory performance of the work under this Agreement. Should the City require additional services not included under this Agreement, the Chamber shall make reasonable efforts to provide such additional services at mutually agreed charges or rates, and within the time schedule prescribed by the City; and without decreasing the effectiveness of the performance of Services required under this Agreement.

4.2 To the extent reasonably necessary for the Chamber to perform the Services under this Agreement, the Chamber shall be authorized to engage the services of any agents, assistants, persons, or corporations that the Chamber may deem proper to aid or assist in the performance of the services under this Agreement with the prior written approval of the City. The cost of such personnel and assistance shall be borne exclusively by the Chamber.

ARTICLE V
Miscellaneous

5.1 **Entire Agreement.** This Agreement constitutes the sole and only agreement between the parties and supersedes any prior understandings written or oral agreements between the parties with respect to this subject matter.

5.2 **Authorization.** Each party represents that it has full capacity and authority to grant all rights and assume all obligations granted and assumed under this Agreement.

5.3 **Assignment.** The Chamber may not assign this Agreement in whole or in part without the prior written consent of City. In the event of an assignment by the Chamber to which the City has consented, the assignee shall agree in writing with the City to personally assume, perform, and be bound by all the covenants, and obligations contained in this Agreement.

5.4 **Successors and Assigns.** Subject to the provisions regarding assignment, this Agreement shall be binding on and inure to the benefit of the parties to it and their respective heirs, executors, administrators, legal representatives, successors and assigns.

5.5 **Governing Law.** The laws of the State of Texas shall govern this Agreement; and venue for any action concerning this Agreement shall be in the State District Court of Dallas County, Texas. The parties agree to submit to the personal and subject matter jurisdiction of said court.

5.6 **Amendments.** This Agreement may be amended by the mutual written agreement of the parties.

5.7 **Severability.** In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions, and the Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in it.

5.8 **Independent Contractor.** It is understood and agreed by and between the parties that in satisfying the conditions of this Agreement, the Chamber is acting independently, and that the City assumes no responsibility or liabilities to any third party in connection with these actions. All Services to be performed by Chamber pursuant to this Agreement shall be in the capacity of an independent contractor, and not as an agent or employee of the City. Chamber shall supervise the performance of its Services and shall be entitled to control the manner and means by which its services are to be performed, subject to the terms of this Agreement.

5.9 **Notice.** Any notice required or permitted to be delivered hereunder may be sent by first class mail, overnight courier or by confirmed telefax or facsimile to the address specified below, or to such other party or address as either party may designate in writing, and shall be deemed received three (3) days after delivery set forth herein:

If intended for City:

Rickey C. Childers
City of Lancaster
211 N. Henry
P.O. Box 940
Lancaster, Texas 75146
Telephone: 972-218-1300
Facsimile: 972-218-1399

With copy to:

Robert E. Hager
Nichols, Jackson, Dillard,
Hager & Smith, L.L.P.
1800 Lincoln Plaza
500 N. Akard
Dallas, Texas 75201

If intended for Chamber:

Joe Johnson, IOM
President/CEO
100 N. Dallas Ave.
Lancaster, Texas 75146
Telephone: 972-227-2579
Facsimile: 972-227-9555

5.10 **Counterparts.** This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument. Each counterpart may consist of any number of copies hereof each signed by less than all, but together signed by all of the parties hereto.

5.11 **Survival of Covenants.** Any of the representations, warranties, covenants, and obligations of the parties, as well as any rights and benefits of the parties, pertaining to a period of time following the termination of this Agreement shall survive termination.

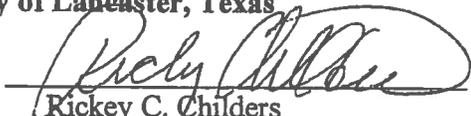
5.12 **INDEMNIFICATION.** CHAMBER SHALL RELEASE, DEFEND, INDEMNIFY AND HOLD HARMLESS CITY AND ITS OFFICERS, AGENTS AND EMPLOYEES FROM AND AGAINST ALL DAMAGES, INJURIES (INCLUDING DEATH), CLAIMS, PROPERTY DAMAGES (INCLUDING LOSS OF USE), LOSSES, DEMANDS, SUITS, JUDGMENTS AND COSTS, INCLUDING REASONABLE ATTORNEY'S FEES AND EXPENSES, IN ANY WAY ARISING OUT OF, RELATED TO, OR RESULTING FROM THE SERVICES PROVIDED BY CHAMBER TO THE EXTENT CAUSED BY THE NEGLIGENT ACT OR OMISSION OR INTENTIONAL WRONGFUL ACT OR OMISSION OF CHAMBER, ITS OFFICERS, AGENTS, EMPLOYEES, SUBCONTRACTORS, LICENSEES, INVITEES OR ANY OTHER THIRD PARTIES FOR WHOM CHAMBER IS LEGALLY RESPONSIBLE (HEREINAFTER "CLAIMS"). CHAMBER IS EXPRESSLY REQUIRED TO DEFEND CITY AGAINST ALL SUCH CLAIMS.

5.13 **Audits and Records.** The Chamber agrees that during the term hereof the City and its representatives may, during normal business hours and as often as deemed necessary,

inspect, audit, examine and reproduce any and all of the Chamber's records relating to the services provided pursuant to this Agreement for a period of one year following the date of completion of services as determined by the City or date of termination if sooner.

EXECUTED this 15th day of December, 2009.

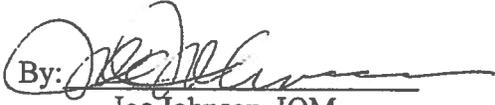
City of Lancaster, Texas

By: 

Rickey C. Childers
City of Lancaster
211 N. Henry
P.O. Box 940
Lancaster, Texas 75146
Telephone: 972-218-1300
Facsimile: 972-218-1399

EXECUTED this 15th day of December, 2009.

Lancaster Chamber of Commerce

By: 

Joe Johnson, IOM
President/CEO
100 N. Dallas Ave.
Lancaster, Texas 75146
Telephone: 972-227-2579
Facsimile: 972-227-9555