



**NOTICE OF REGULAR MEETING AGENDA
LANCASTER CITY COUNCIL
MUNICIPAL CENTER CITY COUNCIL CHAMBERS
211 N. HENRY STREET, LANCASTER, TEXAS**



Monday, September 12, 2016 - 7:00 PM

CALL TO ORDER

INVOCATION: Ministerial Alliance

PLEDGE OF ALLEGIANCE: Deputy Mayor Pro Tem Stanley Jaglowski

RECOGNITION: LISD Student

PROCLAMATION: National Preparedness Month and Daughters of the American Revolution

CITIZENS' COMMENTS:

At this time citizens who have pre-registered before the call to order will be allowed to speak on any matter other than personnel matters or matters under litigation, for a length of time not to exceed three minutes. No Council action or discussion may take place on a matter until such matter has been placed on an agenda and posted in accordance with law.

CONSENT AGENDA:

Items listed under the consent agenda are considered routine and are generally enacted in one motion. The exception to this rule is that a Council Member may request one or more items to be removed from the consent agenda for separate discussion and action.

1. Consider approval of minutes from the City Council Regular Meeting held on June 27, 2016, July 11, 2016, and August 8, 2016.
2. Consider a resolution adopting the Lancaster City Council Rules and Procedures, as amended.
3. Consider a resolution providing for the adoption of the Master Fee Schedule for all fees and charges assessed and collected by the City.
4. Consider an ordinance approving the proposed fiscal year 2016/2017 budget for proceeds of seized property for the Lancaster Police Department for the fiscal year beginning October 1, 2016 and ending September 30, 2017; providing that expenditures for said fiscal year shall be in accordance with said budget.
5. Consider a resolution casting a vote for Trustees in Places 6, 7, 8, and 9 in the Texas Municipal League Intergovernmental Risk Pool Board of Trustees Election on the Official Ballot form; authorizing the Mayor to sign the Official Ballot.
6. Consider a resolution approving the terms and conditions of the City owned T-Hangar commercial lease from buildings 660, 680, and 700 at Lancaster Regional Airport.

7. Consider a resolution approving the terms and conditions of the City owned T-Hangar commercial lease from building 690 at Lancaster Regional Airport.
8. Consider a resolution approving the terms and conditions of the City owned T-Hangar commercial lease from building 670 at Lancaster Regional Airport.
9. Consider a resolution approving the terms and conditions of the City owned T-Hangar commercial lease from building 670 at Lancaster Regional Airport.
10. Consider a resolution approving the terms and conditions of the Grant Agreement for the Routine Airport Maintenance Program by and between the City of Lancaster, as Airport Sponsor, and the Texas Department of Transportation, on behalf of the State of Texas; authorizing matching funds in the amount of \$50,000 at the Lancaster Regional Airport.
11. Consider a resolution adopting the City of Lancaster's Financial Policy providing for prudent financial management of all funds to enable the city to maintain a long-term stable and positive financial condition and provide guidelines for the day-to-day planning and operation of the city's financial matters.
12. Consider a resolution adopting the City of Lancaster's Investment Policy providing that all funds of the city be managed and invested for safety, liquidity, diversification and yield and that investments be chosen in a manner which promotes diversity by market sector, credit and maturity; providing that this policy serve to satisfy the requirements of Chapter 2256 of the Local Government Code, "Public Funds Investment Act".

ACTION:

13. Discuss and consider an ordinance of the City of Lancaster, Texas, establishing Civil Service classifications within the Police and Fire Departments; prescribing the number of positions in each classification; and providing an effective date.
14. Discuss and consider a resolution authorizing Dallas County to resell 754 Balkin Lane, tax foreclosed property, by public or private sale, to the highest qualified purchaser, as provided by Section 34.05 of the Texas Property Tax Code.
15. Discuss and consider a resolution of the City Council of the City of Lancaster, Texas, approving the terms and conditions of an agreement by and between the City of Lancaster and the Dallas Area Agency on Aging for implementation of the Congregate Meals Program for the Lancaster Senior Life Center.
16. Discuss and consider a resolution authorizing the City Manager to execute an economic development agreement pursuant to Chapter 380, Texas Local Government Code, by and between the City of Lancaster and Artemis HIP Park 20, LLC.
17. Discuss and consider a resolution ratifying the terms and conditions of an incentive grant by and between Artemis HIP Park 20, LLC and the Lancaster Economic Development Corporation.

18. Consider an ordinance regarding the proposed fiscal year 2016/2017 budget for the fiscal year beginning October 1, 2016 ending September 30, 2017 providing that expenditures for said fiscal year shall be in accordance with said budget.
19. Discuss and consider a resolution ratifying the budget for the fiscal year 2016/2017 that results in an increase of revenues by 15.75% from property taxes than the previous year.
20. Consider approval of an ordinance regarding the proposed revenue increase from levying ad valorem taxes for fiscal year 2016/2017 at \$0.8675 per one hundred dollars assessed valuation of all taxable property within the corporate limits to provide revenues for current maintenance and operation expenses and interest and sinking fund requirements; providing due and delinquent dates; penalties and interest; providing a homestead exemption and disability exemption.

ADJOURNMENT

EXECUTIVE SESSION: The City Council reserve 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: Meetings of the City Council are held in municipal facilities are 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.

PURSUANT TO SECTION 30.06 PENAL CODE (TRESPASS BY HOLDER WITH A CONCEALED HANDGUN), A PERSON LICENSED UNDER SUBCHAPTER H, CHAPTER 411, GOVERNMENT CODE (HANDGUN LICENSING LAW), MAY NOT ENTER THIS PROPERTY WITH A CONCEALED HANDGUN.

CONFORME A LA SECCION 30.06 DEL CODIGO PENAL (TRASPASAR PORTANDO ARMAS DE FUEGO CON LICENCIA) PERSONAS CON LICENCIA BAJO DEL SUB-CAPITULO 411, CODIGO DEL GOBIERNO (LEY DE PORTAR ARMAS), NO DEBEN ENTRAR A ESTA PROPIEDAD PORTANDO UN ARMA DE FUEGO OCULTADA.

PURSUANT TO SECTION 30.07 PENAL CODE (TRESPASS BY HOLDER WITH AN OPENLY CARRIED HANDGUN), A PERSON LICENSED UNDER SUBCHAPTER H, CHAPTER 411, GOVERNMENT CODE (HANDGUN LICENSING LAW), MAY NOT ENTER THIS PROPERTY WITH A HANDGUN THAT IS CARRIED OPENLY.

CONFORME A LA SECCION 30.07 DEL CODIGO PENAL (TRASPASAR PORTANDO ARMAS DE FUEGO AL AIRE LIBRE CON LICENCIA) PERSONAS CON LICENCIA BAJO DEL SUB-CAPITULO H, CAPITULO 411, CODIGO DE GOBIERNO (LEY DE PORTAR ARMAS), NO DEBEN ENTRAR A ESTA PROPIEDAD PORTANDO UN ARMA DE FUEGO AL AIRE LIBRE.

Certificate

I hereby certify the above Notice of Meeting was posted at the Lancaster City Hall on September 8, 2016 @ 11:45 p.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

City Council Regular Meeting

Item 1.

Meeting Date: 09/12/2016

Policy Statement: This request supports the City Council 2016-2017 Policy Agenda

Submitted by: Sorangel O. Arenas, City Secretary

Agenda Caption:

Consider approval of minutes from the City Council Regular Meeting held on June 27, 2016, July 11, 2016, and August 8, 2016.

Background:

Attached for your review and consideration are minutes from the:

- City Council Regular Meeting held on June 27, 2016.
- City Council Regular Meeting held on July 11, 2016.
- City Council Regular Meeting held on August 8, 2016.

Attachments

June 27, 2016 Minutes

July 11, 2016 Minutes

August 8, 2016 Minutes

MINUTES

LANCASTER CITY COUNCIL MEETING OF JUNE 27, 2016

The City Council of the City of Lancaster, Texas, met in a called Regular session in the Council Chambers of City Hall on June 27, 2016 at 7:00 p.m. with a quorum present to-wit:

Councilmembers Present:

Mayor Marcus E. Knight
Deputy Mayor Pro Tem Stanley Jaglowski
Mayor Pro Tem Carol Strain-Burk
Marco Mejia
Clyde C. Hairston
Nina Morris

City Staff Present:

Opal Mauldin-Robertson, City Manager
Rona Stringfellow, Assistant City Manager
Dori Lee, Human Resources Director
Ed Brady, Director of Economic Development
Baron Sauls, Finance Director
Jim Brewer, Director of Public Works
Jermaine Sapp, Equipment and Facilities Director
Sam Urbanski, Interim Police Chief
Robert Franklin, Fire Chief
Fabrice Kabona, Assistant to the City Manager
Kay Brown, Community Relations Coordinator
Robert E. Hager, City Attorney
Mayra A. Ortiz, Assistant City Secretary

Call to Order:

Mayor Knight called the meeting to order at 7:00 p.m. on June 27, 2016.

Invocation:

Pastor Jones gave the invocation.

Pledge of Allegiance:

Councilmember Mejia led the pledge of allegiance.

Citizens' Comments:

Carolyn Sauls, 2915 Town North Drive, shared her concerns regarding the cleanliness of the Community House and the Recreation Center.

Mayor Knight shared that Assistant City Manager Stringfellow will assist her with the concerns she shared.

- 1. Conduct a Public Hearing and consider an amendment to the City of Lancaster Comprehensive Plan and Future Land Use Map and a change in zoning classification from R-Retail, to LI – Light Industrial, for a 4.66 acre tract of land generally located on the northwest corner of Houston School Road and Wintergreen Road.**

Assistant City Manager Stringfellow advised this was a request to rezone 4.66 acres smaller portion of a 63 acre site zoned LI. Staff has reviewed and analyzed and reviewed on 5 factors and consistency with the comprehensive plan. Assistant City Manager Stringfellow advised rezoning must be in conformance with comprehensive plan and staff is requesting the comprehensive plan be amended as part of the granting of the rezoning request. North and west properties are undeveloped. A new residential subdivision is to the east and it is on the opposite side of Houston School road. There are utilities in the area. The site is developable. Wintergreen Road is scheduled to be improved. One notification of support was returned prior to the

Planning and Zoning meeting on June 7th. At the June 7th, Planning and Zoning meeting the Committee recommended granting the rezoning request.

Councilmember Hairston confirmed the 4.66 acres were zoned retail and whatever is behind it is zoned LI. Assistant City Manager Stringfellow confirmed.

Mayor Pro Tem Strain-Burk asked if this rezoning request would make the whole quadrant LI. Assistant City Manager Stringfellow confirmed. Mayor Pro Tem Strain-Burk asked what the landscaping requirement would be if the area was zoned LI. Assistant City Manager Stringfellow informed the Council that the landscaping requirement is 20%, non-residential use must be screened from residential use, trees are required every 30 linear feet and identify with applicant drought-resistant plants and that the applicant would be required to follow the Lancaster Development Code. Mayor Pro Tem Strain-Burk inquired of Assistant City Manager Stringfellow what the requirements would be on articulation and architectural features on the façade of the building if it was just straight zoning. Assistant City Manager Stringfellow informed the Council that the applicant is asking for an exception to the vertical articulation as it relates to a street.

Councilmember Hairston sought confirmation that the change in the comprehensive plan is only as it relates to this request. Assistant City Manager Stringfellow confirmed that the comprehensive plan is the vision for how the City will be developed.

The applicant, Clyde Hargrove, 1350 Marlin Road, Red Oak, Texas, began by offering a history of the zoning of the property that is the subject of the rezoning request. The applicant expressed his support of minimums including a berm, a screening wall, and shorter tree-planting increments in order to relieve the concern of Council. Mayor Knight informed the Council that as this is a straight zoning case, the Council has less say in the particular requirements than if this was being offered as a Planned Development. As such, it is appropriate to look at what is spelled out in the Lancaster Development Code. The Applicant stressed that with the area zoned retail, there is a greater likelihood of the area suffering from traffic congestion.

Councilmember Morris expressed her desire of increased traffic in Lancaster and how that can increase traffic for retail. She expressed her view that this was a temporary fix for a quick increase in tax base. The Applicant expressed that if he thought there was a chance for increased retail, he would not be requesting this change as retail brings a higher value upon sale. He further expressed that there is simply no demand for retail.

Councilmember Mejia inquired as to the property's history of being marketed for retail. The Applicant stated that he has not previously marketed the property as retail. Councilmember Mejia expressed his view of how the Council has actively attempted to increase jobs in Lancaster and the distribution warehouses, logistical centers have been working well in creating a solid tax base for a long period of time and increases the daytime population and, in effect, makes Lancaster a "destination city."

Mayor Pro Tem Strain-Burk inquired of City Attorney Hager whether the Council could amend the comprehensive plan but ask the Applicant to bring his rezoning request to the Council as a planned development in order for the Council to have a greater say as to the landscaping requirements, remove offensive uses since this was a major corner. City Attorney Hager confirmed the Council can do this and added that since this is a straight zoning case, the only requirements are those contained in the Lancaster Development Code, but if this was a planned development, you could tailor the regulations for this particular site. The Council can deny or approve the rezoning request or deny it and request he refile it as a planned development. He advised that the area is currently zoned retail and since zoning changes must be consistent with the comprehensive plan, the Council can amend the comprehensive plan and make the area light industrial.

Mayor Knight reminded the Council that the proposed comprehensive plan has the whole area proposed to be zoned light industrial.

Councilmember Morris spoke regarding the necessity of making decisions that conform with the City's comprehensive plan, whether that plan is amended or not.

City Attorney Hager spoke on the intertwining of this rezoning request and a potential amendment to the comprehensive plan and how amending the plan would affect this request.

Councilmember Hairston expressed his desire to see this item tabled until after such time as the Council meets regarding the potential amending of the comprehensive plan.

Deputy Mayor Pro Tem Jaglowski inquired of staff what the differences are between straight zoning and a planned development. Stringfellow advised Council that the main differences are that with a planned development you can make things unique for that zoning request. She gave the example that in a straight zoning request, the limitations that are in the Lancaster Development Code would be the only ones permitted while in a planned development, an applicant, upon approval, could use any material they want for the masonry, while in the planned development, the Council has more ability to require specific things.

Councilmember Mejia inquired of Director Brady the reasons as why the City is lacking retail. Director Brady advised the Council on the history of previous City Council's view on retail and how it implemented this view. He advised the Council that the City is in a very good position to attract jobs and that the approach of increasing the jobs to attract daytime traffic is working. Mauldin-Robertson advised Council that there is recent data showing that some developers have retail interest in the City.

Councilmember Hairston inquired of the applicant whether developers need the corner to develop the other acreage. The Applicant advised there is a way but it would be a waste. Councilmember Hairston inquired as to how many daytime jobs this request might generate. The Applicant advised he could not answer this question.

Deputy Mayor Pro Tem Jaglowski inquired of staff what would typically go on the 4.66 acres in terms of a retail site. Stringfellow advised that the things that could go there are a restaurant, convenience store or a pad site restaurant.

Mayor Knight opened the public hearing.

There were no speakers.

MOTION: Councilmember Morris made a motion, seconded by Mayor Pro Tem Strain-Burk to close the public hearing. The vote was cast 6 for 0 against.

Mayor Pro Tem Strain-Burk confirmed with City Attorney Hager as to what the Council could and could not decide regarding this request as it related to amending the comprehensive plan.

Mayor Pro Tem Strain-Burk made a motion to amend the comprehensive plan so that the whole corner would be LI and to have the Applicant come back with a planned development. Mayor Knight inquired of City Attorney Hager as to whether the Council had authority to do this at the current meeting. City Attorney Hager advised the Council there are two components to the agenda item. The first is to change the comprehensive plan. The second is whether the land use for that 4.66 acres is going to be changed from retail to LI. What Mayor Pro Tem Strain-Burk is requesting is to amend the comprehensive plan, going from retail to LI and deny the rezoning request. If you change the comprehensive plan, but don't change the zoning, then the zoning and comprehensive plan are inconsistent.

Mayor Knight inquired of the Applicant as to whether he was interested in submitting a planned development. The Applicant advised he could not because he is not the developer.

Mayor Knight advised that since there was no second to the motion it has died. Councilmember Morris made a motion to table this agenda item until after the Council votes on the comprehensive plan. Mayor Knight then inquired of City Attorney Hager that, if the comprehensive plan is amended and the whole tract is zoned LI, a planned development application would have to be presented in order for the Council to consider a planned development for that tract. City Attorney Hager confirmed same.

MOTION: Councilmember Morris amended the motion, seconded by Councilmember Hairston, to postpone item until the second regular meeting, August 22, 2016. The vote was cast 2 for, 4 against [Strain-Burk, Jaglowski, Mejia and Mayor against]. The motion fails.

MOTION: Councilmember Mejia made a motion, seconded by Deputy Mayor Pro Tem Jaglowski to approve item 1. The vote was cast 3 for, 3 against [Strain-Burk, Hairston, and Morris against]. The motion fails.

Mayor Knight suggested for a five minute recess. The meeting was reconvened back at 8:44 p.m.

Mayor Knight advised there were technical issues and that live votes, by voice will be used.

Assistant City Secretary Ortiz individually polled each councilmember as to their vote on the item.

MOTION: Mayor Pro Tem Strain-Burk made a motion, seconded by Councilmember Mejia to reconsider item 1. The vote was cast 5 for, 1 against [Morris].

Assistant City Secretary Ortiz individually polled each councilmember as to their vote on the item.

MOTION: Councilmember Mejia made a motion, seconded by Deputy Mayor Pro Tem Jaglowski to approve item 1. The vote was cast 4 for, 2 against [Hairston and Morris against].

2. **Discuss and consider a resolution granting a request for Special Exceptions pursuant to Sections 14.505 (a) 2 and 3, height and articulations; to provide a Special Exception for increased height and reduced vertical articulation on the proposed industrial site located on the northwest corner of Houston School Road and Wintergreen Road.**

Assistant City Manager Stringfellow shared that item 2 is a companion item to item 1 include all of 68.108 acres for request height exception to allow up to fifty feet. Also, the applicant is requesting vertical articulation that no horizontal wall shall extend for a distance greater than 4 times the height of the wall without changing height by a minimum of 25% of the wall's height. The purpose of the request, is to seek an exception to the maximum building height in the Light Industrial (LI) zoning district, and articulation through the use of materials and color.

MOTION: Councilmember Mejia made a motion, seconded by Deputy Mayor Pro Tem Jaglowski to approve item 2. The vote was cast 6 for, 0 against.

3. **Discuss and consider a resolution granting a request for Special Exceptions pursuant to Sections 14.505 (a) 2 and 3, height and articulations; to provide a Special Exception for increased height and reduced vertical articulation on the proposed industrial site located on the southwest corner of Houston School Road and Daniieldale Road.**

Assistant City Manager Stringfellow shared that the request is for a Special Exceptions to the height and articulations. She stated that the applicant is proposing a "cross-dock" building design, which provides for loading on both sides of the building, to avoid having loading facing at least one street. Additionally, they are requesting to have a loading dock facing Daniieldale Road without articulation. They are stating that the tractor trailer traffic accessing the loading door, causes significant conflicts with any protrusion or bump out

along the building wall. The purpose of the request is to seek an exception to the maximum building height in the Light Industrial (LI) zoning district and an exception to building articulation to allow for a loading dock facing Daniieldale without articulation.

Applicants, Chad Parish, 10169 Holley Springs Road, Houston, Texas, and Frank Richardson, 5310 Harvest Hill Road, Suite 180, Dallas, Texas, stated the proposed site is located on the southwest corner of Houston School Road and Daniieldale Road. Mr. Parish shared that the site is approximately 420,000 square feet. The request is to allow an exception to the building height to forty-nine feet and also articulations to horizontal and vertical articulations.

MOTION: Mayor Pro Tem Strain-Burk made a motion, seconded by Councilmember Mejia to approve item 3. The vote was cast 6 for, 0 against.

4. Consider a resolution accepting a dedication of a 0.706 acre tract of land from Mills Branch Village Center LTD. on Village Drive.

Assistant City Manager Stringfellow stated the dedication of a 0.706 acre tract of land from Mills Branch Village Center LTD. on Village Drive. The owners of the property located within The Woodlands development of the Mills Branch Overlay District, dedicated Village Drive. The parcel is necessary to complete the Village Drive roadway within the Woodlands development of the Mills Branch Overlay District. The tract of land is needed for future construction of Village Drive. The City is acquiring right-of-way for that purpose. At such time the roadway is constructed, by the developer or property owner, it will be property of the City of Lancaster and maintained by the city.

MOTION: Mayor Pro Tem Strain-Burk made a motion, seconded by Councilmember Hairston to approve item 4. The vote was cast 6 for, 0 against.

5. Consider a Resolution approving the terms and conditions of a License Agreement by and between the City of Lancaster and Quik Trip Corporation for the installation and maintenance of a monument entry feature and landscaping improvements within the Pleasant Run Road right-of-way for the Quik Trip development.

Mayor Knight shared a representative from Quik Trip was unable to attend and item 5 tabled.

6. Discuss and consider a resolution authorizing the City Manager to execute an economic development agreement pursuant to Chapter 380, Texas Local Government Code, by and between the City of Lancaster and White Tract, LLC.

Director Brady stated that White Tract, LLC (Panattoni Development Company), has purchased 100 acres on North Dallas Avenue, to construct one warehouse distribution facility, totaling approximately, one million six hundred thousand (1,600,000), square feet to lease to future tenants. The company estimates approximately \$75,000,000, in value added capital investment. The City will remit sixty five percent (65%), of the payment to the company for a period of ten (10) years. The company has applied for a real property tax incentive grant, in compliance with the City's Incentive Policy.

MOTION: Mayor Pro Tem Strain-Burk made a motion, seconded by Councilmember Mejia to approve item 6. The vote was cast 6 for, 0 against.

7. Discuss and consider a resolution ratifying the terms and conditions of an incentive grant by and between the Lancaster Economic Development Corporation and White Tract, LLC.

The board of directors of the Lancaster Economic Development Corporation, convened on Tuesday, June 7, 2016, to consider a grant applied for by White Tract, LLC, in an amount equal to \$150,000, to assist with permit and infrastructure costs.

MOTION: Councilmember Mejia made a motion, seconded by Mayor Pro Tem Strain-Burk, to approve item 7. The vote was cast 6 for 0 against.

MOTION: Councilmember Morris made a motion, seconded by Councilmember Hairston, to adjourn. The vote was cast 6 for, 0 against.

The meeting was adjourned at 9:11 p.m.

ATTEST:

APPROVED:

Sorangel O. Arenas, City Secretary

Marcus E. Knight, Mayor

MINUTES

LANCASTER CITY COUNCIL MEETING OF JULY 11, 2016

The City Council of the City of Lancaster, Texas, met in a called Regular session in the Council Chambers of City Hall on July 11, 2016 at 7:00 p.m. with a quorum present to-wit:

Councilmembers Present:

Mayor Marcus E. Knight
Mayor Pro Tem Carol Strain-Burk
Deputy Mayor Pro Tem Stanley Jaglowski
Marco Mejia
Clyde C. Hairston

Councilmembers Absent:

Nina Morris

City Staff Present:

Opal Mauldin-Robertson, City Manager
Rona Stringfellow, Assistant City Manager
Dori Lee, Human Resources Director
Baron Sauls, Finance Director
Jim Brewer, Director of Public Works
Jermaine Sapp, Equipment and Facilities Services Director
Sam Urbanski, Interim Police Chief
Robert Franklin, Fire Chief
Fabrice Kabona, Assistant to the City Manager
Kay Brown, Community Relations Coordinator
Robert E. Hager, City Attorney
Kay Brown, Community Relations Coordinator
Mark Divita, Airport Manager
Brad Boulton, Assistant Police Chief
Janet Beesley, Police Lieutenant
Alton Dixon, Purchasing Agent
Sorangel O. Arenas, City Secretary

Call to Order:

Mayor Knight called the meeting to order at 7:00 p.m. on July 11, 2016.

Invocation:

Pastor Brown gave the invocation.

Pledge of Allegiance:

Councilmember Clyde C. Hairston led the pledge of allegiance.

Citizens' Comments:

Kay Brown, Community Relations Coordinator, 211 N. Henry Street, shared the upcoming events. Sixty-seven minutes of service is in recognition of Nelson Mandela Day in which individuals are asked to devote sixty-seven minutes of their time to community service. This year the City of Lancaster distributed the challenge to residents, business owners, faith-based organizations and staff. Sixty-seven minutes of service will start today, July 11, 2016 through Saturday, July 16, 2016. Volunteer opportunities include: delivering meals to the elderly for Meals on Wheels, liter pick-up throughout the community, lawn care for the elderly and disabled, adopt a spot, volunteering at the Lancaster animal shelter, volunteering at the Trash-off, and volunteering for the North Texas Food Bank. She stated that the list is not all inclusive, but encouraged residents to volunteer where they see a need. On Saturday, July 16, 2016 at 8:30 a.m. at the Helen Giddings Amphitheatre, there will be a volunteer event where State Representative Helen Giddings along with Mayor Knight will kick-off the Saturday volunteers. Also, at 9:00 a.m., breakfast and lunch will be served for this event. She shared that the Mini-home Improvement Expo and partnership with Frost Bank will be held at the Lancaster Recreation Center. Topics will include water and energy conservation, storm water education,

organic farming, HVAC maintenance, first-time home buyer information and education, minor home repair, and summer lawn maintenance. Special guest Hillary Powell, Interior Designer from HGTV will be present, and this event will conclude at noon. She also shared that the Lancaster Trash-Off will be Saturday, July 16, 2016 from 8:00 a.m. to 2:00 p.m. at 1501 North Dallas Avenue, residents are welcome to bring bulky and brush items. Items accepted include tires, bulk trash, electronics, recyclables, scrap metal; document shredding will be available on-site, as well as donations for Goodwill. No household hazardous waste.

Consent Agenda:

City Secretary Arenas read the consent agenda.

1. **Consider approval of minutes from the City Council Special Meeting held on June 6, 2016.**
2. **Consider approving and declaring unopposed candidate in District 4 in the August 6, 2016 Special Municipal Election elected to office; canceling the election in single member District 4; providing for all other provisions of Resolution no. 2016-06-33, as amended, ordering the election to remain in full force and effect.**

Considera una resolución declara sin oposición al candidato en el distrito 4 en el 6 de Agosto, 2016 elección municipal especial elegido; cancelación de la elección en el distrito de miembros solo distrito 4; establecer para todas las otras disposiciones de la resolución no. 2016-06-33, ordena la elección especial que permanecerán en pleno vigor y efecto, y proporcionar una fecha efectiva.
3. **Consider a resolution adopting City Council Goals and Objectives contained in the June 2016 City Council Strategic Planning.**
4. **Consider a resolution approving the Rising Star Aviation Holdings, LLC Estoppel Letter for ground leases.**
5. **Consider a resolution approving the terms and conditions of a professional services agreement with Public Safety Corporation (PSC) for alarm registration, tracking and billing.**
6. **Consider a resolution approving the terms and conditions of the 2016 Edward Byrne Memorial Justice Assistance Grant (JAG) Program Funds Sharing and Fiscal Agency Agreement between the City of Lancaster and the County of Dallas, Texas to provide funds to prevent and control crime and to improve the criminal justice system.**
7. **Consider a resolution authorizing the purchase of a 2017 7500 International 12 yard dump truck from International through an Interlocal Agreement with the City of Dallas, Texas in an amount not to exceed one hundred forty-three thousand four hundred twenty dollars (\$143,420).**
8. **Consider a resolution authorizing the purchase of a Case CX130 excavator and Husqvarna FS520 concrete saw from ASCO Equipment through an interlocal agreement with Houston-Galveston Area Council (HGAC) in an amount not to exceed one hundred thirty-nine thousand and thirty-two dollars (\$139,032).**
9. **Consider a resolution authorizing the purchase of two (2) Chevrolet Silverado 1500 regular cab trucks and three (3) Chevrolet Silverado 1500 crew cab trucks from Freedom Chevrolet through an Interlocal Agreement with the City of Dallas, Texas in an amount not to exceed one hundred thirty-five thousand three hundred eighty dollars (\$135,380).**

MOTION: Councilmember Hairston made a motion, seconded by Councilmember Mejia, to approve consent items 1 through 9. The vote was cast 5 for 0 against [Morris absent].

10. **Consider a Resolution approving the terms and conditions of a License Agreement by and between the City of Lancaster and Quik-Trip Corporation for the installation and maintenance of a monument entry feature and landscaping improvements within the Pleasant Run Road rights-of-way for the Quik-Trip development.**

City Manager Mauldin-Robertson stated that staff would answer any questions should council have any. She shared that Daniel Chambers with Quik-Trip was present and a display board of the exhibit which is provided in the agenda packet.

MOTION: Councilmember Mejia made a motion, seconded by Mayor Pro Tem Strain-Burk, to approve item 10. The vote was cast 5 for 0 against. [Morris absent]

11. **Discuss and consider a resolution granting a request for Special Exceptions pursuant to Sections 14.504 (a) 3 and 14.505 (a) (3) (2), height and articulations; to provide a Special Exception for increased height and reduced horizontal and vertical articulation on the future Industrial site located on the southeast corner of Longhorn Drive and West Drive.**

City Manager Mauldin-Robertson stated that staff would answer any questions should council have any. She shared that Assistant City Manager Stringfellow would be available as a resource.

MOTION: Councilmember Mejia made a motion, seconded by Mayor Pro Tem Strain-Burk, to approve item. The vote was cast 5 for 0 against. [Morris absent]

12. **Discuss and consider a resolution authorizing the award of Bid #2016-5 for reconstruction for Lancaster- Hutchins Road and Rogers Avenue, to Pavecon Public Works in an amount not to exceed one million nine hundred sixty-five thousand nine hundred seventy-five dollars and sixty-three cents (\$1,965,975.63).**

City Manager Mauldin-Robertson stated that Andrew Luce with Teague Nall & Perkins was present and available as a resource.

MOTION: Mayor Pro Tem Strain-Burk made a motion, seconded by Councilmember Hairston, to approve item 12. The vote was cast 5 for 0 against. [Morris absent]

MOTION: Mayor Knight made a motion, seconded by Mayor Pro Tem Strain-Burk, to adjourn. The vote was cast 5 for, 0 against. [Morris absent]

The meeting was adjourned at 7:14 p.m.

ATTEST:

APPROVED:

Sorangel O. Arenas, City Secretary

Marcus E. Knight, Mayor

MINUTES

LANCASTER CITY COUNCIL MEETING OF AUGUST 8, 2016

The City Council of the City of Lancaster, Texas, met in a called Regular session in the Council Chambers of City Hall on August 8, 2016 at 7:00 p.m. with a quorum present to-wit:

Councilmembers Present:

Mayor Marcus E. Knight
Mayor Pro Tem Carol Strain-Burk
Deputy Mayor Pro Tem Stanley Jaglowski
Marco Mejia
Spencer W. Hervey Jr. seated following oath of office
Clyde C. Hairston
Nina Morris

City Staff Present:

Opal Mauldin-Robertson, City Manager
Rona Stringfellow, Assistant City Manager
Kay Brown, Community Relations Coordinator
Dori Lee, Human Resources Director
Ed Brady, Director of Economic Development
Jermaine Sapp, Equipment and Facilities Services Director
Sean Johnson, Managing Director of Quality of Life & Cultural Services
Baron Sauls, Finance Director
Sam Urbanski, Interim Police Chief
Robert Franklin, Fire Chief
Fabrice Kabona, Assistant to the City Manager
Alton Dixon, Purchasing Manager
Amanda Monsivais, Human Resources Generalist
Mayra Ortiz, Assistant City Secretary
Sorangel O. Arenas, City Secretary

Call to Order:

Mayor Knight called the meeting to order at 7:00 p.m. on August 8, 2016.

Invocation:

Pastor Dixon gave the invocation.

Pledge of Allegiance:

Councilmember Morris led the pledge of allegiance.

Proclamation:

Mayor Knight presented a proclamation announcing August 8, 2016 as "LISD Board of Trustees Day," urging all citizens to congratulate and recognize the dedication and hard-work of the Lancaster ISD School Board Members. Lancaster ISD School Board President Ty G. Jones accepted the proclamation and expressed his thanks to the City Council. President Jones introduced the Lancaster Board of Trustees Members: Ellen Clark, LaRhonda Mays, Robbie Johnson, Marion Hamilton, Cynthia Corbin-Javis and Rhonda Davis-Crawford.

Citizens' Comments:

Samuel M. Howard, 1122 Southridge Dr., shared he is the individual who has been protesting in the City and communicated his concerns that his water utility bill keeps increasing. Mayor Knight informed him that staff will follow-up on concerns.

Oscar Figaro, 1610 Worthington, stated he would like to congratulate the newly elected council member.

Arthur Hood, 1532 Warwick Dr., inquired if there are intentions to repair the roads from Houston School Road to Chapman. Mayor Knight informed Mr. Hood that staff will address his concern. Also, since the City is currently in budget season, Mayor Knight encouraged citizens to participate in the Budget Town Meetings which address street repair strategies and additional information.

1. Administer Oath of Office, present Certificate of Election, and seat newly elected councilmember.

City Secretary Arenas administered the Oath of Office for Spencer W. Hervey, Jr. Certificate of Election was presented.

Councilmember Hervey thanked his supporters and expressed his gratitude to serve his constituents and the community. He thanked everyone in attendance and requested them to continue to support him, the City Council and the LISD School Board.

Newly elected Councilmember Spencer W. Hervey, Jr., District 4, was seated.

Consent Agenda:

City Secretary Arenas read the consent agenda.

- 2. Consider approval of minutes from the City Council Regular Meeting held on June 13, 2016.**
- 3. Discuss and consider a resolution approving the terms and conditions of an Interlocal Agreement with the cities of Duncanville, DeSoto, and Cedar Hill to share a Regional Emergency Management Operations Coordinator.**
- 4. Discuss and consider a resolution approving the terms and conditions of an interlocal agreement by and between the City of Lancaster and Dallas County Department of Health and Human Services to provide certain health services.**
- 5. Discuss and consider a resolution approving the terms and conditions of an interlocal agreement by and between the City of Lancaster and Dallas County Department of Health and Human Services to provide certain food establishment inspections and environmental services.**
- 6. Discuss and consider a resolution authorizing the City Manager or designee to undertake mosquito abatement methods; providing for the City Manager or designee to authorize and enter into an interlocal agreement with Dallas County for Aerial Spraying in the 2015-2016 and 2016-2017 Vector Seasons if promulgated by the Dallas County Judge.**
- 7. Discuss and consider a resolution approving the terms and conditions of a professional services agreement with The Retail Coach for the development of a Retail Recruitment Strategy.**
- 8. Discuss and consider a resolution authorizing the renewal of contracts with Blue Cross Blue Shield for employee medical administration with a Health Savings Account (HSA) option; and authorizing renewal with United Concordia for dental administration, Dearborn National for basic and voluntary life, accidental death and dismemberment, and long term disability; Discovery for flexible spending and the Section 125 Plan; Conexus for COBRA administration; and Alliance Work Partners for Employee Assistance Program administration.**

9. Consider a resolution adopting the City of Lancaster Proposed Budget Calendar for Fiscal Year 2016/2017.

Mayor Pro Tem Strain-Burk pulled item 7, Councilmember Morris pulled Item 9, and Councilmember Hairston pulled Item 7 and 9 for further discussion.

MOTION: Councilmember Morris made a motion, seconded by Mayor Pro Tem Strain-Burk, to approve consent items 1 through 9 excluding items 7 and 9. The vote was cast 7 for 0 against.

7. Discuss and consider a resolution approving the terms and conditions of a professional services agreement with The Retail Coach for the development of a Retail Recruitment Strategy.

Mayor Pro Tem Strain-Burk shared that she would like to expand on item 7. She stated that this consulting group will help evaluate our community and help market us. She stated that we have been overlooked many times for retail opportunities and this company will help us identify the direction we need to go. We have a lot of progress going on, a lot of positive things and we need to have the retail that's going to be coming in to be able to have the buying power within our community. Councilmember Hairston stated that he is excited about item 7 that we brought in The Retail Coach, so that we can have an aggressive retail strategy plan in place to promote and recruit retailers in our city. We have so much to offer in reference to existing retail, property, hard corners and land.

MOTION: Mayor Pro Tem Strain-Burk made a motion, seconded by Councilmember Hairston, to approve item 7. The vote was cast 7 for 0 against.

9. Consider a resolution adopting the City of Lancaster Proposed Budget Calendar for Fiscal Year 2016/2017.

Councilmember Morris shared that the Budget Town Hall Meeting on August 18, 2016 is the first Newly Elected Official's Conference and wanted to advise the newly elected officials and her colleagues that there will be another conference if they want to participate in the Budget Town Hall Meeting.

City Manager Mauldin-Robertson shared that a Budget Work Session will be held on Monday, August 15, 2016 at the James/Jefferson Pump Station beginning at 7:00 p.m. The First Budget Town Hall Meeting will be held on Thursday, August 18, 2016 at the Recreation Center (Grand Hall) beginning at 6:30 p.m. The Second Budget Town Hall Meeting will be held on Saturday, August 27, 2016 at the Recreation Center (Grand Hall) beginning at 9:00 a.m. Public Hearings related to the budget will be held on Monday, August 22, 2016 and Monday, August 29, 2016 at the City Hall Council Chambers beginning at 7:00 p.m. with consideration for adoption on Monday, September 12, 2016 beginning at 7:00 p.m.

Councilmember Hairston thanked Mayor Knight, City Council members, City Manager, Finance Director and staff for their hard-work and collaboration effort in bringing the city thus far.

Councilmember Hervey stated that this is a wonderful time that we are in and with the outlook of this budget process; he encouraged citizens to add input and participate in meetings held by the city.

MOTION: Councilmember Morris made a motion, seconded by Mayor Pro Tem Strain-Burk, to approve item 9. The vote was cast 7 for 0 against.

10. Conduct a public hearing and consider a resolution of the City Council of the City of Lancaster establishing the Pleasant Run Estates Phase 1-A Public Improvement District and taking certain other actions concerning the district.

Mayor Knight recused from this item.

Assistant City Manager Stringfellow stated that the request for Pleasant Run Estates, Phase 1-A, consisting of approximately 30.44 acres, is to establish a Public Improvement District. The subdivision has a Home Owners Association which has been struggling to maintain its common areas and entry features due to lack of full participation from property owners in paying their dues assessment. In order to address the concerns and maintain their properties, the Homeowner's Association Board of Directors has successfully obtained more than fifty percent (50%) of the residential signatures necessary to establish a Public Improvement District. Assistant City Manager Stringfellow shared that a PID is an assessment district that only affects the properties within the established PID boundary. It is a financial means of collecting an assessment fee from each property owner in lieu of homeowner association dues to cover maintenance cost and/or capital improvements of the common areas. All property owners will be required to pay their fees as it is billed by the County on the property tax bill. The Pleasant Run Estates PID is proposing an annual assessment of \$0.18 per \$100.00 assessed value. She shared that as required by Local Government Code Chapter 372, a public notice regarding the establishment of the PID and the public hearing was published in the official publication of record, Focus Daily News on Sunday, July 24, 2016; and all property owners within the defined subdivision were mailed notices. The PID is not expected to have any direct financial impact on the City. The Finance Department will be required to create a separate account for the district and invoices and reimbursements will be processed in accordance with the existing policies and procedures. She shared that staff recommends approving the resolution creating the Pleasant Run Estates Phase 1-A Public Improvement District.

Assistant City Manager Stringfellow added that the PID will assist with the maintenance of the common areas. There are Covenants, Conditions, and Restrictions (CC&Rs) that the HOA can utilize and potentially enforce but the PID cannot enforce the CC&Rs of the neighborhood. There are some neighborhoods that will enforce the CC&Rs, and this will help with the common areas and entry features.

Deputy Mayor Pro Tem Jaglowski inquired when the PID will go into effect.

Assistant City Manager Stringfellow shared that approval of the resolution is the creation of the PID and August 22, 2016 will be the Public Hearing along with the other established PIDs. August 29, 2016 the PIDs will adopt their budgets.

Councilmember Hervey thanked the leadership in the Pleasant Run Estates and the successful work in obtaining the residential signatures necessary to establish a Public Improvement District.

Mayor Pro Tem Strain-Burk opened the public hearing.

Rickey Childers, 1318 Mercury Lane, spoke in favor for item 10. He stated that he has been a resident in Pleasant Run Estates for eight years and stated that the community needs the PID establishment. He stated that they have a great Chair that shows a lot of leadership. He reiterated information Mayor Pro Tem Strain-Burk shared, namely that the PID dues will be able to be deducted from income taxes.

MOTION: Councilmember Morris made a motion, seconded by Deputy Mayor Pro Tem Jaglowski, to close the public hearing. The vote was cast 6 for 0 against. [Mayor Knight recused]

MOTION: Councilmember Hairston made a motion, seconded by Councilmember Hervey, to approve item 10. The vote was cast 6 for 0 against. [Mayor Knight recused]

11. Discuss and consider a resolution authorizing the City Manager to execute an economic development agreement pursuant to Chapter 380, Texas Local Government Code, by and between the City of Lancaster and I-20 Commerce Center, LLC.

Ed Brady, Director of Economic Development, stated this is a real property tax reduction incentive agreement with the I-20 Commerce LLC., Copeland Commercial. The property is approximately 59

acres located at the intersection of I-20 and Houston School Road. The developer is to construct two warehouse distribution facilities totaling approximately one million (1,000,000) square feet to lease to future tenants. The company estimates approximately \$43,000,000 in value added capital investment and the company has applied for a real property tax incentive grant in compliance with the City's Incentive Policy. The agreement includes the fifty percent (50%) real property tax grant for seven (7) years, the project will represent approximately \$1,300,000 in new revenue to the City.

MOTION: Mayor Pro Tem Strain-Burk made a motion, seconded by Deputy Mayor Pro Tem Jaglowski to approve item 11. The vote was cast 7 for 0 against.

12. Discuss and consider a resolution ratifying the terms and conditions of an incentive grant by and between the Lancaster Economic Development Corporation and I-20 Commerce Center, LLC.

Ed Brady, Director of Economic Development, stated that this is a companion item to item 11 and the Lancaster Economic Development Corporation Board has authorized a grant up to \$375,000 to assist with permit and infrastructure costs associated with the construction of their two warehouse-distribution buildings.

MOTION: Mayor Pro Tem Strain-Burk made a motion, seconded by Councilmember Morris to approve item 12. The vote was cast 7 for 0 against.

13. Discuss the proposed FY 2016-2017 tax rate of \$0.8675 per \$100 assessed valuation, receive related tax calculation documents, take record vote to consider a tax rate to increase total tax revenues from properties on the tax roll in the previous year and set public hearing dates on the proposed tax rate.

City Manager Mauldin-Robertson stated that the item is to receive the calculations from the Dallas County Tax Office related to our tax rate that we are requesting that Council consider on the proposed budget. She stated that this is not a vote on the tax but just to consider this tax rate which is how the budget was prepared and calculated. The tax rate will remain the same but because of the increase in values in the City there will be an increase in revenue to the City. The City Manager's office recommended maintaining the existing tax rate at \$0.8675 per \$100 of assessed valuation. The first public hearing is scheduled for Monday, August 22, 2016 at 7:00 p.m. at the Lancaster Municipal Center, 211 North Henry Street, Lancaster, Texas 75146. The second public hearing is scheduled for Monday, August 29, 2016 at 7:00 p.m. at the Lancaster Municipal Center, 211 North Henry Street, Lancaster, Texas 75146.

City Manager Mauldin-Robertson stated the tax rate of \$0.8675 per \$100 of assessed valuation remains the same. The revenue is based on the assessed value of a property. If the value of the property increases then the revenue increases and the City has experienced an overall increase. She stated that staff is maintaining the existing tax rate and based on the calculations, the Rollback Tax Rate remained below the rate.

MOTION: Councilmember Hairston made a motion, seconded by Mayor Pro Tem Strain-Burk to approve item 13. The vote was cast 7 for 0 against.

Executive Session:

14. City Council shall convene into closed executive session pursuant to Section 551.072, Texas Gov't Code to deliberate the sale, acquisition or exchange of real property located east of Dallas Avenue, South of Pleasant Run Road, North of Beltline and West of Lancaster-Hutchins Road.

15. Reconvene into open session. Consider and take appropriate action(s), if any, on closed/executive session matters.

The City Council recessed for Executive Session at 7:53 p.m. and reconvened into open session at 8:42 p.m. No action required following Executive Session.

MOTION: Councilmember Morris made a motion, seconded by Deputy Mayor Pro Tem Jaglowski, to adjourn. The vote was cast 7 for, 0 against.

The meeting was adjourned at 8:43 p.m.

ATTEST:

APPROVED:

Sorangel O. Arenas, City Secretary

Marcus E. Knight, Mayor

LANCASTER CITY COUNCIL

City Council Regular Meeting

Item 2.

Meeting Date: 09/12/2016

Policy Statement: This request supports the City Council 2016-2017 Policy Agenda

Goal(s): Financially Sound Government
Healthy, Safe & Vibrant Community
Sound Infrastructure
Quality Development
Civic Engagement
Professional & Committed City Workforce

Submitted by: Sorangel O. Arenas, City Secretary

Agenda Caption:

Consider a resolution adopting the Lancaster City Council Rules and Procedures, as amended.

Background:

Section 3.14 of the City's Home Rule Charter requires the City Council to determine its own rules of order and business. The City Council Rules and Procedures provide the framework for which the Council conducts its business and may be amended by a majority vote of City Council at a posted regular meeting. City Council reviewed the Rules and Procedures in June of 2016 during strategic planning. At the August 15, 2016 Work Session, Council further reviewed the rules and procedures with the City Attorney, clarifying some language. A complete redlined copy is attached.

Legal Considerations:

The City Attorney has reviewed and approved as to form the attached resolution.

Public Information Considerations:

This item is being considered at a meeting of the City Council noticed and held in accordance with the Texas Open Meetings Act.

Fiscal Impact:

Amending City Council Rules and Procedures does not create any financial impact.

Options/Alternatives:

1. Council may adopt the resolution and amend the rules and procedures as presented.
2. Council may adopt the resolution with modifications to the rules and procedures.

Recommendation:

Staff recommends adoption of the resolution amending the rules and procedures as presented.

Attachments

Resolution

Exhibit A

Councilmember Request to Schedule Item for Cit Council Discussion/Action Form

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS, ADOPTING THE LANCASTER CITY COUNCIL RULES AND PROCEDURES, AS AMENDED, AS ATTACHED HERETO AND INCORPORATED HEREIN FOR ALL PURPOSES AS EXHIBIT "A"; PROVIDING A REPEALING CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Section 3.14 of the City of Lancaster Home Rule Charter requires the City Council to review and determine its own rules of order and business not later than ninety (90) days following the municipal elections; and

WHEREAS, the City Council has reviewed and discussed the City Council Rules and Procedures at work sessions held on August 15, 2016; and

WHEREAS, after discussion and consideration, the City Council has determined that certain revisions to the Rules and Procedures are appropriate;

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

SECTION 1. That the City Council Rules and Procedures, as amended, attached hereto and incorporated herein by reference as Exhibit "A", having been reviewed by the City Council of the City of Lancaster, Texas, and found to be acceptable and in the best interest of the City and its citizens, be, and the same is hereby, in all things approved and adopted.

SECTION 2. That any prior resolutions of the City of Lancaster, Texas, in conflict with the provisions of this resolution, except as noted herein, be, and the same are hereby, repealed and revoked.

SECTION 3. That this resolution shall take effect immediately from and after its adoption and it is accordingly so resolved.

DULY PASSED and approved by the City Council of the City of Lancaster, Texas, on this the 12th day of September, 2016.

ATTEST:

APPROVED:

Sorangel O. Arenas, City Secretary

Marcus E. Knight, Mayor

APPROVED AS TO FORM:

Robert E. Hager, City Attorney

City of Lancaster
City Council
Rules and Procedures



As Amended
September 12, 2016

Last CC Review: June 14-15, 2016

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STATEMENT OF MISSION

The City Council shall faithfully discharge all duties imposed upon it by the City Charter and the Constitution and laws of the State of Texas, independently and impartially deciding all matters brought before it with responsibility to the citizens and each other.

COUNCIL DUTIES AND RESPONSIBILITIES

The City Council is the governing body for the City of Lancaster and must bear responsibility for the integrity of governance. This policy intends to promote and ensure effective and efficient governance.

The Council shall govern the City with a commitment to preserving the values and integrity of representative local government and democracy. The following statements will serve as a guide to that commitment:

1. The Council must strive for continual improvement of each member's personal knowledge and ability to serve in an atmosphere conducive to the responsible exchange of ideas.
2. The Council will keep the community informed on municipal affairs; encourage communication between the citizens and Council and strive for constructive relationships with Dallas County, neighboring communities, Lancaster Independent School District and other governmental bodies.
3. The Council will recognize and address the rights and privileges of the social, cultural, and physical historical characteristics of the community when setting policy; and, to strive to enhance the cultural diversity of its citizens.
4. The Council will seek to improve the quality and image of public service.
5. The Council will always be committed to promote and protect the best interest of all its citizens and entire community.

SECTION I

MAYOR - CITY COUNCIL RELATIONS

A. MAYORAL RESPONSIBILITIES

1. The Mayor shall be the presiding officer at all meetings. The Mayor Pro Tem shall preside in the absence of the Mayor. The Deputy Mayor Pro Tem shall preside in the absence of both the Mayor and Mayor Pro Tem.
2. The Mayor shall have a voice and vote in all matters before the Council.

3. The Mayor is the spokesperson for and on behalf of the Council on all matters unless absent, at which time a designee will assume the role.
4. The Mayor shall preserve order and decorum and is responsible for keeping the meetings orderly by recognizing each Member for discussion, limiting speaking time, encouraging debate among Members, and keeping discussion on the agenda items being considered as required by these rules and in accordance with the TOMA.
5. Should a conflict arise among Councilmembers, the Mayor serves as mediator and arbiter.

B. COUNCILMEMBER RESPONSIBILITIES

1. Councilmembers shall know and observe the adopted rules and procedures governing their duties and responsibilities, and; complete its required open government training by July of each calendar year.
2. Councilmembers shall be prepared to discuss and act upon the posted agenda.
3. Councilmembers shall take the initiative to be informed about Council actions taken in their absence. When absent the individual Councilmember is responsible for obtaining relevant information prior to the Council meeting when said item is to be considered.
4. Councilmembers appointed to serve as liaison to a board, commission, or study group are responsible for keeping all Councilmembers informed of significant board, commission, or study group activities, at Councilmembers discretion.
5. Councilmembers shall conduct annual performance review of any of its appointive positions as provided in the Home Rule Charter or ordinances.

C. HOUSE RULES: CODE OF CONDUCT

1. Listen and understand before judging.
2. Focus on the Vision and goals; no personal attacks or inferences.
3. Look for areas of agreement before differences.
4. Be on time; start on time; turn off all personal communication devices.
5. Once a decision is made, support the City decision, but state your reservation.
6. Agree to disagree; move on to the next issue.

7. Come prepared to discuss issues; When possible ask questions of staff prior to the meeting so that staff can be prepared.
8. Praise in public; provide constructive feedback in private.
9. Participate in discussions and focus on the issue; avoid side conversations. Need to be mindful that sidebar conversations are disruptive.
10. Be courteous, honest and treat others with respect.
11. Communicate in an open, direct manner; keep others informed.
12. If you have a problem with another member of Council, go to that member directly and not to other council members, the community or staff.
13. Be a positive ambassador for the City.

D. CITY COUNCIL AGENDA PROCESS

1. Agenda Items
 - a. The City Manager shall be responsible for the placement of agenda items.
 - b. Any member of the City Council shall have the unabridged right to place an item on the agenda of a duly convened meeting of the council and nothing contained in the Charter or these Rules and Procedures shall be construed to limit or circumscribe such right.
 - c. A Councilmember may place an item on the agenda by submitting the request, in writing, to the City Manager not later than noon (12:00 p.m.) on the Thursday, two weeks prior to the Council meeting on which the item is to appear. The City Manager and City Secretary shall acknowledge receipt of the request. Nothing in these rules or procedures shall prohibit the City Manager from discussing with the requesting Councilmember a reasonable delay in placing the item on the agenda. Discussion, should it occur, should be noted in the agenda communication regarding the agenda item.
2. Parliamentary Procedures
 - a. Discussion on agenda items will be initiated following introduction by the Mayor, explanatory comments by staff, and a motion and a second for or against the proposal.
 - b. The Mayor will encourage all Councilmembers to participate in

discussion and debate, ensuring all members the opportunity to speak, limiting each speaker to ensure efficient use of time as appropriate.

- c. Generally accepted Parliamentary Procedure will determine the precedence of motions and the general conduct and composition of meetings except as otherwise provided herein or by State law.

3. Citizens Comments

- a. When Citizens' Comments are listed on the posted agenda, the Mayor may enforce the three (3) minute rule. The Mayor, at his/her discretion, may adjust the length of time per speaker. All speakers shall be accorded the courtesy of the same time allowance. All citizens requesting to speak during Citizens' Comments must fill out a speaker card prior to the call to order of the meeting. *(Approved by motion at City Council meeting June 7, 1999)*
- b. When Public Hearings are listed on the posted agenda, citizens wishing to speak during the Public Hearing will be asked to fill out a speaker card prior to the call to order of the meeting.
- c. Public comment shall not be accepted during a Council work session. A councilmember may request that the Mayor recognize a person to speak during a work session if the councilmember believes the person has pertinent, factual information that is directly relevant to the Council's discussion. The Mayor, at his/her discretion, may ask the person to speak.

4. Minutes

- a. The City Secretary will keep Action Minutes for all City Council meetings where Council takes official action and description minutes for all citizens' comments and Public Hearings.
- b. The City Secretary shall maintain recordings of City Council meetings in accordance with the City's adopted Records Management Program ordinance and applicable state law.
- c. Any questions regarding minutes shall be directed to the City Secretary prior to the council meeting.

5. Any Councilmember may appeal to the Council as a whole from a ruling by the Mayor. If the appeal is seconded, the person making the appeal may make a

brief statement and the Mayor may explain the Mayor's position, but no other Member may speak on the motion. The Mayor will then put the ruling to a vote of the Council.

6. Any Councilmember may ask the Mayor to enforce the rules established by the Council. Should the Mayor fail to do so, upon point of order, a majority vote of the Council may enforce the house rules as set forth herein.

E. COUNCIL MEMBER TRAINING AND PROFESSIONAL DEVELOPMENT

1. In addition to the required open government training, Councilmembers are encouraged to attend at least one training event per year, and others as found beneficial to performance of their elective duties, subject to the availability of funds as appropriated in the annual budget for the Mayor and each council district.
2. Council shall appropriate an amount for Mayor and each council district. Travel and training funds appropriated for the Mayor and each council district shall not be available for transfer to another council district or the Mayor.
3. Selection of professional development events are at the discretion of each council member, but are limited to expenditures within the amount appropriated for mayor and each council district. Unexpended funds for each elective position are non-transferable and shall be returned to fund balance at the end of each fiscal year.
4. Council members are encouraged to select training events from the following providers:
 - Texas Municipal League
 - North Central Texas Council of Government
5. Additional expenditures from miscellaneous professional development funds, subject to annual appropriation, for the Mayor and/or a council member chosen to represent the council, may be made for special events as the need may arise. Such additional expenditures may be made only after having been placed on the agenda of a regular council meeting and acted upon by motion, second, and favorable majority vote. *(Resolution 46-99)*

SECTION II
COUNCIL - STAFF RELATIONS

The City Manager is the primary link between the Council and the professional staff. The Council's relationship with the staff shall be through the City Manager, subject only to the "inquiry" provision of the City Charter.

- A. AGENDA QUESTIONS.** Questions arising from Councilmembers after receiving their agenda information packet should be presented to the City Manager for staff consideration prior to the Council meeting. The additional information will be distributed to all Councilmembers. Any request for additional information shall be provided to the entire council as expeditiously as possible prior to any meeting to ensure appropriate review.
- B. PRESENTATIONS TO COUNCIL.** The City Manager shall designate appropriate staff to address each agenda item and shall see that it is adequately prepared and presented to the Council. Presentation should be professional, timely, and allow for discussion of options for resolving the issue. Staff shall make it clear that no Council action is required, present the staff recommendation, or present the specific options for Council consideration.
- C. PROBLEM RESOLUTION.** If the City Manager or staff time is being dominated or misdirected by a Councilmember or in any conflict arising between staff and Council, the City Manager shall:
1. Visit with the Councilmember and discuss the problem and/or impact on City Manager or staff time;
 2. If unresolved, ask the Mayor to arbitrate a resolution to the issue;
 3. If still unresolved, ask the Mayor to present the concerns to the Council.
 4. If the unresolved issue is with the Mayor, ask the Mayor Pro Tem to arbitrate a resolution to the issue.
 5. If still unresolved issue involves the Mayor, ask the Mayor Pro Tem to present the concerns to the Council.

D. STAFF CONDUCT AND TRAINING

1. The City Manager is responsible for the professional and ethical behavior of the City Staff. All staff members shall show each other, Council, and the public respect and courtesy at all times.
2. The City Manager is responsible, within the constraints of the appropriated budget, for staff development.

E. COUNCIL ORIENTATION. The City Manager will, in a timely manner, provide appropriate orientation services for new Councilmembers. Such services shall include, but not be limited to, the following:

1. Availability of Texas Municipal League conferences and seminars.
2. An individual meeting with new Members informing them about City facilities and procedures.
3. Printed documents and resource materials necessary to the performance of the office of Councilmember.

F. COUNCIL - MANAGER/STAFF RELATIONS

1. The rules and procedures governing Council right of inquiry shall apply only to the administrative staff reporting directly to the City Manager and shall not be in any way construed to limit the right of Council to direct access, verbal or written, with the City Manager, City Secretary, and City Attorney, unless otherwise specifically provided herein.
2. Inquiries: All administrative inquiries of staff may be made in writing and addressed to the person with a copy to the City Manager. Staff may respond in writing as soon as possible, but not later than ten (10) business days, via the City Manager, as follows:
 - a. The full response to the inquiry.
 - b. Refer the inquiry to a more appropriate staff personnel with notice to the City Manager of the referral.
 - c. City Manager shall send a copy of all responses to all members of the Council.

3. Dispute Resolution
 - a. Visit with the Mayor and/or Councilmembers, and discuss abuse and/or impact on City Manager or staff time.
 - b. If unresolved, ask the Mayor to mediate a resolution to the issue; if the dispute is with the Mayor, the Mayor Pro-Tem shall mediate;
 - c. If still unresolved, the Council shall mediate a final resolution.
(Resolution 43-98, October 12, 1998)
4. Communications with Staff
 - a. In order to make the most efficient use of council members and staff time and to facilitate responsiveness to both staff and constituents, Council members may, upon request and funding availability, be issued a cellular telephone and tablet with service plans.
5. Disclosure of Police or Code Offense Reports and Related Records
 - a. To protect the integrity of an investigation and prosecution of an offense, no Information regarding police or code enforcement matters, other than what may be made to the public or media generally, will be released verbally or in written form to any council member.
 - b. A Council member request for open records may be made through the City Secretary's office for personal subject matters. A council member may not use an Open Records Request to circumvent a copy of requested city documents being shared with other council members.

SECTION III

MEDIA RELATIONS

It is through an informed public that progress is ensured and good government remains sensitive to its constituents. These guidelines are designed to help ensure fair relationships with print, radio, and television reports without infringing upon the First Amendment rights of the media.

The Council and the City Manager recognize the important link to the public provided by the media. It is the Council's desire to strengthen this link by establishing a professional working relationship to maintain a well-informed citizenry.

- A. Media Orientation. Since each government body conducts business differently, it is requested that all reporters new to City Council meetings meet with the City Manager, Mayor or the designated media relations representative prior to covering their first meeting for information on policies and procedures.
- B. Agenda Information. All reporters requesting same will receive an agenda package in advance and will be furnished support material needed for clarification for themselves or the general public.
- C. Chamber Seating. During the conduct of official business, the news media shall occupy the places designated for them or the general public.
- D. Conduct in Chambers. Representatives of the media are requested to refrain from conversing privately with others in the audience while Council is in session. Interviews with the public should be conducted outside the Council Chambers while Council is in session.
- E. Spokesperson for Staff. On administrative matters, the City Manager or his/her designee is the spokesperson to present staff information on the agenda.
- F. Spokesperson for City. The Mayor, or the Mayor's designee, is the primary spokesperson for the official position of the City on matters regarding policy decisions and Council information pertaining to issues on the agenda. Any clarifications requested by the media on the issues should be addressed after the meeting.
- G. Equal Access for Opposing Positions. The ethical burden for fair presentation of opposing positions on any issue falls upon the media. When opposing positions have been debated, regardless of the outcome, the public is better informed when all sides have adequate coverage by the media. Interviews by the media should provide equitable representation from all Councilmembers.

SECTION IV
BOARDS/COMMISSIONS

All City Councilmembers, with the exception of the Mayor, may serve at the Council pleasure liaisons to all the boards and commissions of the City for a period of one year.

- A. Councilmembers will select different boards and/or commissions to serve as liaisons on or after the appointment of the boards and commissions members.
- B. Each Councilmember will be allowed to select the board or commission they would like to serve as liaisons to by order of seniority.
- C. Councilmembers are strongly encouraged, rather than required, to attend all meetings of their selected boards and/or commissions.
- D. Each Councilmember may submit a quarterly report to the entire council through the City Secretary on their respective board and/or commission's activity. Any questions or concerns above board or commission matters will be directed to the City Secretary for dissemination to the Council.

This Section was added after Res. No. 50-97 was adopted October 13, 1997. Item D was added after Res. 2007-09-105 was adopted on September 24, 2007. Item A amended after Resolution 2015-11-89 was adopted on November 16, 2015.

CODE OF ETHICS

Since the office of elected official is one of trust and service to the citizens of Lancaster, certain ethical principles shall govern the conduct of Councilmembers, who shall:

- A. Be dedicated to the highest ideals of honor and integrity in all public and personal relationships;
- B. Recognize that the primary function of local government is to serve the best interests of all the people;
- C. Be dedicated to public service by being cooperative and constructive, and by making the best and most efficient use of available resources;
- D. Refrain from any activity or action that may hinder one's ability to be objective and impartial on any matter coming before the Council;

- E. To follow the required conflict of interest and disclosure of interest (vendors) required under state law.
- F. Not seek nor accept gifts or special favors and shall believe that personal gain by use of confidential information or by misuse of public funds or time is dishonest;
- G. Recognize that public and political policy decisions are ultimately the responsibility of the City Council;
- H. Conduct business in open, well-publicized meetings in order to be directly accountable to the citizens of Lancaster in compliance with the City Charter and Texas Open Meetings Act;
- I. Avoid inappropriate reference to personalities, and refrain from impugning the integrity or motives of another;
- J. Demonstrate respect and courtesy to others;
- K. Refrain from rude and derogatory remarks and shall not belittle staff members, other Councilmembers and members of the public;
- L. Not condone any unethical or illegal activity.

CENSURE POLICY

1. Two or more City Councilmembers may file a written notice of censure against another City Councilmember with the City Secretary. The written notice shall set forth the allegation(s) of conduct and City Charter provisions which the accused Councilmember shall have allegedly violated. A copy shall be delivered to all Councilmembers. A written response to the allegation(s) may be filed by the accused Councilmember ten (10) days after receipt thereof. A copy of the notice of censure and response thereto shall be delivered to each Councilmember within two (2) days after the response is filed.
2. On the first regularly called meeting of the Council, which complies with the Texas Open Meetings Act, after the filing of the notice and response, the City Secretary shall formally read the notice and response into the public record. The Council, by majority vote, shall thereafter determine whether or not good cause shall exist to set a formal hearing on the merits of the notice of censure or dismiss the allegation(s). A public hearing shall be set on the allegation(s)

by the City Council. A vote to hold a public hearing shall not be construed to be a vote of censure.

3. The accused City Councilmember has the right to be represented by legal counsel and present witnesses relative to the allegation(s).
4. A public hearing on the allegation(s) and response shall be held at either a regular or special called meeting of the City Council, which shall be open to the public.
5. The City Council will hear evidence concerning the notice of censure. The City Councilmembers proffering the charges shall present evidence in support of the allegation(s) contained in the notice of censure. The Councilmember who is the subject of the censure shall have the opportunity to present evidence to support his or her position with respect to the notice of censure. After receiving evidence at an open public meeting, the City Council shall then take a roll-call vote, after motion duly made and seconded, a majority of five members of the City Council shall be required to sustain the censure of the Councilmember.

LANCASTER CITY COUNCIL

City Council Regular Meeting

Item 3.

Meeting Date: 09/12/2016

Policy Statement: This request supports the City Council 2016-2017 Policy Agenda

Goal(s): Financially Sound Government

Submitted by: Sorangel O. Arenas, City Secretary

Agenda Caption:

Consider a resolution providing for the adoption of the Master Fee Schedule for all fees and charges assessed and collected by the City.

Background:

At the August 15, 2016 work session, City Council discussed proposed changes to the City's Master Fee Schedule. No changes were suggested to the proposed Fee Schedule. The Master Fee Schedule is adopted by resolution. Changes to the fee schedule may be made throughout the year, as needed, by resolution.

Public Information Considerations:

This item is being considered at a meeting of the City Council noticed in accordance with the Texas Open Meeting Act.

Options/Alternatives:

1. Council may approve the resolution adopting the Master Fee Schedule as presented with an effective date of October 1, 2016.
2. Council may modify proposed fee(s) and approve the resolution with an effective date of October 1, 2016.
3. Council may deny the resolution. Updated fees proposed in the Master Fee Schedule are part of the revenue projections used for the proposed FY 2016-2017 budget.

Recommendation:

Staff recommends approval of the Master Fee Schedule as presented with an effective date of October 1, 2016.

Attachments

Resolution

Exhibit "A"

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS, PROVIDING FOR ADOPTION OF THE NEW MASTER FEE SCHEDULE FOR ALL FEES AND CHARGES ASSESSED AND COLLECTED BY THE CITY, WHICH IS ATTACHED HERETO AND INCORPORATED HEREIN AS EXHIBIT "A"; PROVIDING A REPEALING CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Lancaster desires to adopt an updated Master Fee Schedule to provide for the fees and charges assessed and collected by the City; and

WHEREAS, after consideration and review, the City Council finds that the Master Fee Schedule, which is attached hereto and incorporated herein as Exhibit "A," should be adopted.

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

SECTION 1. That a Master Fee Schedule, which is attached hereto and incorporated herein as Exhibit "A," be, and the same is, hereby adopted to provide for fees and charges assessed and collected by the City.

SECTION 2. That all provisions of any resolution of the City Council of the City of Lancaster in conflict with the provisions of this resolution be, and the same are hereby, repealed, and all other provisions not in conflict with the provisions of this resolution shall remain in full force and effect.

SECTION 3. This Resolution shall become effective October 1, 2016, 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 12th day of September, 2016.

ATTEST:

APPROVED:

Sorangel O. Arenas, City Secretary

Marcus E. Knight, Mayor

APPROVED AS TO FORM:

Robert E. Hager, City Attorney

CITY OF LANCASTER FEE SCHEDULE

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Effective ~~October 1, 2015~~ October 1, 2016

Resolution ~~2015-09-67~~ 2016-09-XX

CITY OF LANCASTER FEE SCHEDULE

ARTICLE 1.000 911 EMERGENCY TELEPHONE SERVICE FEE

There is hereby imposed on each telephone subscriber's local exchange access line, or its equivalent, in the City of Lancaster, a 911 emergency service fee of eighty-two cents (\$0.82) per month for each residential line, and one dollar and fifty-two cents (\$1.52) per month for each business line, or two dollars and fifty cents (\$2.50) per month for each business trunk line. Such fees shall be used only to provide for the purchase, installation, operating and maintenance expenses of 911 emergency services, including required personnel. (Ordinance 2007-08-38, adopted 8/13/07)

ARTICLE 2.000 ANIMAL CONTROL FEES

Sec. 2.100 General

- (a) Animal Impound Fee
 - (1) 1st Offense \$45.00
 - (2) 2nd Offense \$55.00
 - (3) 3rd Offense \$85.00
 - (4) 4th Offense \$110.00
 - (5) Each subsequent offense is increased by \$50.00
- (b) Boarding While Impounded \$10.00 per day
- (c) Rabies and Quarantine Observation Fee \$15.00 per day
- (d) Adoption Fees
 - (1) Small Dogs and Puppies \$15.00
 - (2) Large Dogs \$25.00
 - (3) Cats \$15.00
- (e) Surrender of Animal
 - (1) Residential Surrender Fee \$20.00 per animal or litter
 - (2) Nonresidential Surrender Fee \$25.00
- (f) Euthanization/Dogs & Cats Only
 - (1) At Owner's Request \$30.00
- (g) Pick Up Deceased Animal for Owner \$30.00
- (h) Microchip and/or Registration Fee
 - \$15.00 if spayed/neutered
 - \$25.00 not spayed/neutered
- (i) Animal Trap Deposit \$50.00 per trap

Sec. 2.200 Dangerous Dog Registration Fee

CITY OF LANCASTER FEE SCHEDULE

The required annual fee for the registration of a dangerous dog shall be fifty dollars (\$50.00).
(1994 Code of Ordinances, Chapter 2, Article 2.600, Section 2.604)

ARTICLE 3.000 BUILDING RELATED FEES

Sec. 3.100 Fees Adopted

(a) Moving Permit Fees

- | | |
|---|---------------|
| (1) Base Fee (structures 200 sq. ft. and over) | Per Table 1-A |
| (2) Inspection Fee (plus .35 cents per mile to building location) | Per Table 1-A |

(b) Residential Portable/Storage Building Permit Fees

- | | |
|---------------------------------|---------------|
| (1) Under 200 sq. ft. base fees | Per Table 1-A |
| (2) Over 200 sq. ft. | Per Table 1-A |

(c) Fence Permit Fees

- | | |
|--|---------------|
| (1) Residential Zoning (New/Replacement) | Per Table 1-A |
| (2) Nonresidential | Per Table 1-A |
| (3) A-O Zoning (Agricultural Fencing) | \$25.00 |

Accessory Structures less than 400 sq. ft. \$50.00

Accessory Structures greater than 400 sq. ft. \$100.00

All other construction and related additions or remodeling work will be permitted and charged in accordance with Table 1-A

(d) Driveway, Drive Approach, Curb, Gutter and Sidewalk Permit Fees(Bond Required)

- | | |
|---|-------------------------|
| (1) Residential zones, new/repair/replacement | Per Table 1-A |
| (2) Nonresidential zones, per approach | \$25.00 + per Table 1-A |

(e) Paving Private/Commercial Property Permit Fees

- | | |
|---|---------------|
| (1) Residential zones, new construction | Per Table 1-A |
| (2) Nonresidential zones, per approach | Per Table 1-A |
| (3) Commercial Parking Lots | Per Table 1-A |

(f) Permit Fees

- | | |
|--|---------------|
| (1) Residential zones, new/repair/replacement | Per Table 1-A |
| (2) Single family residence, duplex, multi-family, apartment, condominium townhouse, | |

CITY OF LANCASTER FEE SCHEDULE

commercial and remodels per Table 1-A. Fee
assessed per address.

(g) Backflow Test Report \$25.00

TABLE 1-A

Total Valuation

\$1.00 to \$500.00	\$45.00 (minimum permit fee)
\$501.00 to \$2,000.00	\$45.00 for the first \$500.00 plus \$3.05 for each additional \$100.00 or fraction thereof, to and including \$2,000.00
\$2,001.00 to \$25,000.00	\$69.25 for the first \$2,000.00 plus \$14.00 for each additional \$1,000.00 or fraction thereof, to and including \$25,000.00
\$25,001.00 to \$50,000.00	\$391.25 for the first \$25,000.00 plus \$10.10 for each additional \$1,000.00 or fraction thereof, to and including \$50,000.00
\$50,001.00 to \$100,000.00	\$643.75 for the first \$50,000.00 plus \$7.00 for each additional \$1,000.00 or fraction thereof, to and including \$100,000.00
\$100,001.00 to \$500,000.00	\$993.75 for the first \$100,000.00 plus \$5.60 for each additional \$1,000.00 or fraction thereof, to and including \$500,000.00
\$500,001.00 to \$1,000,000.00	\$3,233.75 for the first \$500,000.00 plus \$4.75 for each additional \$1,000.00 or fraction thereof, to and including \$1,000,000.00
\$1,000,001.00 and up	\$5,608.75 for the first \$1,000,000.00 plus \$3.15 for each additional \$1,000.00 or fraction thereof

(h) Sewer/Water/Gas Lines & Replacements

(1)	Sewer line repair/install	Per Table 1-A
(2)	Sewer line replacement	Per Table 1-A
(3)	Water line repair/install	Per Table 1-A
(4)	Water line replacement	Per Table 1-A
(5)	Gas line repair/install Additional charge per outlet	Per Table 1-A
(6)	Gas line Replacement Additional charge per outlet (this fee will be included in the total fee)	Per Table 1-A
(7)	Drainage, vent system repair/replacement	Per Table 1-A
(8)	Water heater replacement	Per Table 1-A

CITY OF LANCASTER FEE SCHEDULE

(9)	Fixtures, addition/replacement	Per Table 1-A
(10)	Grease trap, sand trap, grit trap and other Approved catch basins	Per Table 1-A
(11)	Water treatment/water softener	Per Table 1-A
(12)	Solar heater	Per Table 1-A
(13)	Others as may be required	Per Table 1-A
(i)	<u>Electrical Fees</u>	
(1)	Temporary service pole (not related to construction permit)	Per Table 1-A / \$25.00
	To and including 200 amp	Per Table 1-A
	Over 200 amp to 1,000 amp	Per Table 1-A
	Over 1,000 amp and up	Per Table 1-A
(2)	Receptacle, switch and lighting circuits	Per Table 1-A / \$25.00 min.
(3)	Lighting fixture and lamp holding device	Per Table 1-A
(4)	Residential use appliances (fixed appliances or outlets for same)	Per Table 1-A
(5)	Building Rewire	Per Table 1-A
(6)	Nonresidential Use Appliances	Per Table 1-A
	[Nonresidential use appliances not exceeding 2 horsepower (hp), kilowatt (kw) or kilowatt ampere(kva)]	
(7)	Power Apparatus (Base Fee)	Per Table 1-A
	Motor over 1 hp, transformer, generator, heating/air conditioning units, heat pumps, cooking/baking	
(8)	Equipment – Rated in hp, kw, kva, kvar	
	Up to and including 1	Per Table 1-A
	Over 1-10	Per Table 1-A
	Over 10-50	Per Table 1-A
	Over 50-100	Per Table 1-A
	Over 100	Per Table 1-A
	Minimum fee	Per Table 1-A
(9)	Signs	
	Initial CKT	Per Table 1-A
	Each additional CKT	Per Table 1-A

CITY OF LANCASTER FEE SCHEDULE

(10) Busways

Initial 100 feet	Per Table 1-A
Each additional 100 feet or fraction thereof	Per Table 1-A

(11) Subpanels

Initial panel	Per Table 1-A
Each subsequent panel	Per Table 1-A

Service change charge does not include additional circuits required.

(j) HVAC Installation Fees

- | | |
|---|---------------|
| (1) Installing/replacing HVAC system (condensing unit, evaporator, coil, furnace and piping) up to and including 5 tons of air conditioning, and/or 200,000 Btu input of heating per system | Per Table 1-A |
| (2) Installing/replacing HVAC system over 5 tons of air conditioning and/or over 200,000 Btu input of heating per system | Per Table 1-A |
| (3) Component Installation/Replacement. | |
| Condensing unit up to 5 tons | Per Table 1-A |
| Over 5 tons, \$10.00, plus per ton | Per Table 1-A |
| Furnace up to 200,000 Btu input | Per Table 1-A |
| Over 200,000 Btu input, \$10.00 plus per 100,000 | Per Table 1-A |
| (4) Unit heater/suspended heater/duct heater | Per Table 1-A |
| (5) Ventilation/exhaust fans/hoods – Type I, Type II, Hoods, Exhaust Fans, each | Per Table 1-A |
| (6) Boilers | Per Table 1-A |
| (7) Other as may be required by mechanical code | Per Table 1-A |

(k) Swimming Pool/Spa/Hot Tub Permit Fees. Per Table 1-A

- | | |
|-----------------------|---------------|
| (1) In ground pool | Per Table 1-A |
| (2) Above ground pool | Per Table 1-A |
| (3) Spa/hot tub | Per Table 1-A |

(Above permits include electric and plumbing work, trades must validate)

CITY OF LANCASTER FEE SCHEDULE

- (l) Mobile/HUD Manufactured Home Permit Fees
 - (1) Pre-June 1976 Per Table 1-A
 - (2) June 1976 to present Per Table 1-A
- (m) Industrialized Home Permit Fee Per Table 1-A
- (n) Apartment Registration and Inspection Fee \$15.00 per apartment unit
- (o) Satellite Dish Permit Fees
 - Pole style or roof mount Per Table 1-A
- (p) Installation or Removal of Underground Fuel Storage Tank and/or Hazardous Chemicals
 - (1) Storage tank permit fees Per Table 1-A
- (q) Repair of Underground Fuel Storage Tank and/or Lines Permit Fees
 - (1) Contractor's Registration (per year) \$100.00
 - (2) Repairs of underground fuel storage tanks Per Table 1-A
(base fee)
- (r) Above Ground LPG Storage Tank System Permit Fees
 - (1) Contractor's Registration (per year) \$100.00
 - (2) Base fee (per tank) Per Table 1-A
- (s) Fire Sprinkler and/or Standpipe System Permit Fees
 - (1) Contractor's Registration (per year) \$100.00
 - (2) Base Fee Per Table 1-A
- (t) Fire Alarm Fees
 - (1) Base Fees Per Table 1-A
- (u) Fixed Fire-Extinguishing System Permit Fees
 - (1) Contractor's Registration (per year) \$100.00
 - (2) Base Fee Per Table 1 A
- (v) Tents and/or Air Support System Permit Fees
 - (1) 200 sq. ft. or larger Per Table 1-A
- (w) Grading Filling and Excavating Permit Fees
 - (1) Base Fee Per Table 1-A
- (x) Fee Assessment for Traffic Signals. There shall be an assessment of thirty-five dollars \$35.00 per acre for each acre of development so as to provide for future traffic signalization.
 - (1) New Construction \$75.00
 - (2) Existing Structure \$75.00
- (y) Certificate of Occupancy Fees

CITY OF LANCASTER FEE SCHEDULE

(1) New Construction	\$75.00
(2) Existing Structure	\$75.00
(z) <u>Concrete Permit</u>	
(1) All contractors' must submit \$300,000.00 liability insurance made out with the City of Lancaster as a certificate holder.	
(aa) <u>Irrigation Permit Fee</u>	\$125.00
(bb) <u>Administrative Plan Review-Residential</u>	\$250.00
(cc) <u>Administrative Plan Review-Commercial</u>	65% of permit fee
(dd) <u>Utility Verification Permit</u>	\$50.00
(ee) <u>After Hours Inspections</u>	\$47.00 per hour, minimum 2 hours
(ff) <u>Sign Permit Fees</u>	Per Table 1-A
(gg) <u>Wind Energy System Permit Fee</u>	Per Table 1-A
(hh) <u>Hotel/Motel Property Inspection Fee</u>	\$50.00 per rental unit annually
(ii) <u>Annual Rental Registration Fee</u>	\$55.00 per rental unit
<u>Inspection Fee Upon move out</u>	\$55.00 per rental unit
<u>Re-Inspection Fee</u>	\$25.00 per rental unit
(Resolution 2014-06-47 adopted 06/09/14)	

Contractor Registration Fees

(1) Building Contractor Registration	\$100.00 Annually
(2) Plumbing Business Registration	\$100.00 Annually
(3) Electrical Contractor Registration	\$100.00 Annually
(a) Master License Registration	\$30.00 Annually
(b) Journeyman License Registration	\$20.00 Annually
(c) House Wireman License Registration	\$10.00 Annually
(4) HVAC Contractor Registration	\$100.00 Annually
(a) Type A License Registration	\$30.00 Annually

CITY OF LANCASTER FEE SCHEDULE

(b) Type B License Registration	\$30.00 Annually
(5) General Contractor Registration	\$100.00 Annually
(6) Fence Contractor Registration	\$100.00 Annually
(7) Sign Contractor Registration	\$100.00 Annually
(8) Concrete Contractor Registration	\$100.00 Annually

Sec. 3.200 When Fees Doubled

Where work for which a permit is required is started or proceeded prior to obtaining said permit, the fees above shall be doubled. The payment of a double fee shall not relieve any persons from fully complying with the regulations prescribed in this article in the execution of the work or from any other penalties prescribed herein.

Sec. 3.300 Second Inspections

Where work for which a permit is required and has been issued is inspected by the Inspection Department's Inspector and failed for noncompliance with city codes, and a second inspection is required, an additional fee of fifty dollars (\$50.00) shall be charged for re-inspection and will increase by \$25.00 for each subsequent re-inspection.

Sec. 3.400 Public Schools Exempt From Fee Requirements

Any public school within the City of Lancaster shall be exempt from payment of the fees provided by this article, provided that such public schools shall not be excused from the necessary permit approval process enumerated in this code or in any other code or ordinance of the City of Lancaster.
(Ordinance 13-00 adopted 4/24/00)

Sec. 3.500 Excavation Fees

Permit Fees. Permit fees shall be fifty dollars (\$50.00) minimum with a maximum of 2.5% of the construction contract cost. Such fee if paid by check, money order, bank draft or other negotiable instrument, shall be made payable to the city treasurer. If paid by cash, such cash shall be remitted daily to the city treasurer, who shall deposit it to the credit of the general fund. Construction bond for work in a city right-of-way shall be \$10,000.00 bond amount; \$2,000.00 bond amount where work not to exceed \$2,000.00 in value for any one permit that may be acquired for that work within the right-of-way.
(Ordinance 38-99 adopted 11/8/99)

Sec. 3.600 Backflow Prevention Assembly Testers Fees

An annual registration fee of one hundred dollars (\$100.00) shall be paid by each contractor or business for the first certified tester/employee prior to any work commencing with the city. Each additional employee (who is a certified tester) working for a contractor that is registered in the city shall pay an additional fifty dollars (\$50.00) registration fee per tester. (Ordinance 29-00 adopted 7/24/00)

CITY OF LANCASTER FEE SCHEDULE

ARTICLE 4.000 BUSINESSES RELATED FEES

Sec. 4.100 Peddlers, Solicitors and Itinerant Vendors

(a) Investigation Fee Each and every person seeking a permit under the provisions of the Lancaster Code of Ordinances, Chapter 4, Article 4.100 “Peddlers, Solicitors and Itinerant Vendors” shall pay a fee of twenty-five dollar (\$25.00) per year for investigation of such application. Such fee shall be prorated, shall be paid in case at the time such application is made and shall not be returned to the applicant regardless of whether or not such permit is issued or denied. Persons representing firms or corporations shall be required to obtain separate permits, but shall pay only a single investigation fee. Persons involved in interstate commerce shall be exempt from payment of the investigation fee, but shall be required to obtain a permit and otherwise fully comply with all provisions of Chapter 4, Article 4.100.

(b) The permit fee for itinerant vendors on private property is twenty dollars (\$20.00). The City will not require payment of this permit fee by locally-based charitable organizations or organizations engaged in activities such as bake sales or car washes. The permit is issued for a minimum of five (5) days, but not to exceed forty-five (45) days. Each eligible property may only allow use of the property for a temporary business for a maximum of forty-five (45) days per calendar year in accordance with Chapter 4, Article 4.100, Section 4.114.

(c) Replacement Permits. Should a permittee lose the permit or otherwise need to obtain a replacement permit from the city, the cost of such replacement permit shall be fifteen dollars (\$15.00).

(Ordinance 2008-06-24; adopted June 23, 2008)

Sec. 4.200 Coin-Operated Machine Fees

(a) Every owner or operator who owns, controls, possesses, exhibits, displays or permits to be exhibited or displayed in this city any coin-operated machine shall pay and there is hereby levied on each coin-operated machine an annual occupation tax in the amount of twenty-five dollars (\$25.00).

(Ordinance 2002-10-38 adopted 10/14/02)

Sec. 4.300 Reserved for Future Use

Sec. 4.400 Food Service Establishments

The City of Lancaster shall issue a food service permit to the applicant if its inspection reveals that the proposed food service establishment complies with the requirements of Texas Health and Safety Code Chapters 437, Food and Drug Health Regulations, and 121, Local Regulation of Public Health. The permit shall be issued upon payment of a one hundred fifty dollar (\$150.00) annual inspection fee (includes two (2) inspections) set by the Dallas County Department of Health and Human Services plus an administrative fee of fifty dollars (\$50.00), which shall be due and payable on or before October 1 of each year. Such permit shall expire on September 30 of the succeeding year. Such permit shall be payable in full if the permit is issued at the beginning of the fiscal year or prorated as deemed appropriate by staff depending upon when it is issued within the year. All food service establishment permits shall expire on September 30 of each year and be issued upon inspection and payment of the required fee, to be effective on October 1. Beginning with the third food establishment inspection or any other food inspection outside of the two yearly inspections, a seventy-five dollar (\$75.00) fee will be assessed for each additional inspection.

CITY OF LANCASTER FEE SCHEDULE

Sec. 4.500 Temporary Food Permit Application **\$75.00**
(Set by the Dallas County Department of Health and Human Services.)

Sec. 4.600 Reserved for Future Use

Sec. 4.700 Temporary Building Use Fees

The permit fees for administering temporary uses within the city shall be as follows:

- | | |
|---|----------|
| (1) Real estate sales office | \$100.00 |
| (2) Construction office | \$100.00 |
| (3) Asphalt batching plant | \$100.00 |
| (4) Cement hatching plant | \$100.00 |
| (5) Portable church building | \$100.00 |
| (6) Portable school building | \$100.00 |
| (7) Other temporary use as determined by City Manager
(or his/her designated representative) | \$100.00 |
| (8) Cargo container for construction purposes | \$150.00 |

Sec. 4.800 Taxicab Permits

Each applicant for a license to operate a vehicle for transporting of passengers for hire within the city shall pay a non-refundable fee in the sum of one hundred dollars (\$100.00) to cover the cost of processing the application.

Sec. 4.900 Emergency Ambulance Service Permit

Each applicant shall pay to the City of Lancaster upon submission of his application a non-refundable two hundred dollar (\$200.00) permit fee. Such fee shall be for a permit for the period of January 1 through December 31 of each year, provided that any permit secured during the year shall be valid through December 31 of that year, and such fee shall not be prorated.

Sec. 4.1000 Limousine Operator Permit

Each limousine service operator shall be subject to a one hundred dollar (\$100.00) non-refundable permit application fee to cover the cost of processing the application.
(Ordinance 13-00 adopted 4/24/00)

Sec. 4.1100 Alcoholic Beverage Permit

The City shall assess a local permit fee for each Alcoholic Beverage Permit not to exceed one-half the amount of the state fee in accordance with the Texas Alcoholic Beverage Code. Said fee shall be non-refundable.

(Ordinance No. 2010-11-26, adopted 11/08/10; Resolution No. 2010-11-93, adopted 11/08/10)

Sec. 4.1200 Boarding Home Facilities Permit

The License fees are as follows:

- (1) Operational Permit "License" Fee: \$500.00/year

CITY OF LANCASTER FEE SCHEDULE

- (2) Fines not to exceed the sum of \$2,000.00 for each offense if fire safety or health and \$500.00 for all other.

(Ordinance No. 2014-06-11, adopted June 23, 2014; Resolution No. 2014-06-50; adopted June 23, 2014)

ARTICLE 5.000 FIRE SERVICES FEES

Sec. 5.100 **Apartment Registration and Inspection Fee** \$15.00 per apartment unit

Sec. 5.200 **Installation or Removal of Underground Fuel Storage Tank and/or Hazardous Chemicals**

- (1) Storage tank permit fees Per Table 1-A

Repair of Underground Fuel Storage Tank and/or Lines Permit Fees

- (1) Contractor's Registration (per year) \$100.00
(2) Repairs of underground fuel storage tanks (base fee) Per Table 1-A

Above Ground LPG Storage Tank System Permit Fees

- (1) Contractor's Registration (per year) \$100.00
(2) Base fees (per tank) Per Table 1-A

Sec. 5.300 **Fire Sprinkler and/or Standpipe System Permit Fees**

- (1) Contractor's Registration (per year) \$100.00
(2) Base fees Per Table 1-A

Sec. 5.400 **Fire Alarm Fees**

- (1) Base fees Per Table 1-A

Fixed Fire-Extinguishing System Permit Fees

- (1) Contractor's Registration (per year) \$100.00
(2) Base Fees Per Table 1-A

Sec. 5.500 **Tents and/or Air Support System Permit Fees**

- (1) 200 sq. ft. or larger \$25.00

Sec. 5.600 **When Fees Doubled**

CITY OF LANCASTER FEE SCHEDULE

Where work for which a permit is required is started or proceeded prior to obtaining said permit, the fees above shall be doubled. The payment of a double fee shall not relieve any persons from fully complying with the regulations prescribed in this article in the execution of the work or from any other penalties prescribed herein.

Sec. 5.700 Second Inspections

Where work for which a permit is required and has been issued is inspected by the Inspection Department's Inspector and failed for noncompliance with City codes, and a second inspection is required, an additional fee of fifty dollars (\$50.00) shall be charged for re-inspection and will increase by \$25.00 for each subsequent re-inspection.

Sec. 5.800 Public Schools Exempt From Fee Requirements

Any public school within the City of Lancaster shall be exempt from payment of the fees provided by this article, provided that such public schools shall not be excused from the necessary permit approval process enumerated in this code or in any other code or ordinance of the City of Lancaster.
(Ordinance 13-00 adopted 4/24/00)

Sec. 5.900 Emergency Ambulance Service Permit

Upon submission of application, each applicant shall pay to the City of Lancaster a non-refundable two hundred dollar (\$200.00) permit fee. Such fee shall be for a permit for the period of January 1 through December 31 of each year, provided that any permit secured during the year shall be valid through December 31 of that year, and such fee shall not be prorated.

Sec. 5.1000	<u>Residential Fire Alarm Permit Fee</u>	\$25.00 Annually
	(No Charge if Burglar Alarm Permit is taken out with Police Department)	
	Senior Rate (65 or older)	Exempt

Sec. 5.1100	<u>Commercial Fire Alarm Permit Fee</u>	\$100.00 Annually
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Sec. 5.1200 Required Annual Operational Permit Fees

1	Aerosol products	\$25.00
2	Amusement buildings	\$100.00
3	Assisted living operations – Residential	\$50.00 \$100.00
	Commercial Assisted Living	\$200.00
	Nursing Home	\$200.00
4	Aviation facilities	\$25.00
5	Carnivals and fairs	\$75.00
6	Cellulose nitrate film	\$25.00
7	Combustible dust-producing operations	\$25.00 \$100.00

CITY OF LANCASTER FEE SCHEDULE

8	Combustible fibers	\$25.00 \$100.00
9	Compressed gases	\$25.00 \$100.00
10	Covered mall buildings	\$25.00
11	Cryogenic fluids	\$100.00
12	Cutting and welding	\$25.00 -\$50.00
13	Day care operations - Residential Commercial Day care	\$25.00 \$50.00 \$100.00
14	Dry cleaning plants	\$25.00
15	Exhibits and trade shows	\$25.00
16	Explosives	\$500.00
17	Fire hydrants and valves	\$25.00
18	Flammable and combustible liquids	\$25.00 \$100.00
19	Floor finishing	\$0.00
20	Foster home operations	\$25.00 -\$50.00
21	Fruit and crop ripening	\$25.00
22	Fumigation and thermal insecticidal Fogging	\$25.00
23	Group home operations Per Sec. 4.1200 Boarding Home Ordinance	\$50.00
24	Half-way home operations Per Sec. 4.1200 Boarding Home Ordinance	\$50.00
25	Hazardous materials	\$200.00
26	HPM facilities	\$100.00
27	High-piled storage	\$100.00
28	Hot work operations	\$0.00 -\$50.00
29	Industrial ovens	\$25.00
30	Lumber yards and woodworking plants	\$25.00 \$50.00
31	Liquid- or gas-fueled vehicles or equipment in assembly buildings	\$25.00

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32	LP-gas	\$25.00 \$50.00
33	Magnesium	\$25.00 \$50.00
34	Miscellaneous combustible storage	\$25.00
35	Open burning (Exception: Recreational fires)	\$25.00 \$150.00 per burn
36	Open flames and torches	\$0.00
37	Open flames and candles	\$0.00
38	Organic coatings	\$25.00
39	Places of assembly	\$0.00
40	Private fire hydrant installation	\$25.00 per hydrant
41	Pyrotechnic special effects material	\$100.00
42	Pyroxylin plastics	\$100.00
43	Refrigeration equipment	\$25.00
44	Repair garages and motor fuel-dispensing facilities.	\$0.00
45	Rooftop heliports	\$ 25.00
46	Spraying or dipping	\$ 25.00
47	Storage of scrap tires and tire byproducts	\$200.00
48	Temporary membrane structures, tents and canopies.	\$25.00
49	Tire-rebuilding plants	\$100.00
50	Waste handling	\$200.00
51	Wood products	\$25.00

Required Construction Permits

1	Automatic fire-extinguishing systems	Per Table 1-A
2	Battery systems	\$25.00 Per Table 1-A
3	Compressed gases	Per Table 1-A
4	Fire alarm and detection systems and related equipment.	Per Table 1-A

CITY OF LANCASTER FEE SCHEDULE

5	Fire pumps and related equipment	\$25.00
6	Flammable and combustible liquids	Per Table 1-A
7	Hazardous materials	Per Table 1-A
8	Industrial ovens	Per Table 1-A
9	LP-gas	Per Table 1-A
10	Private fire hydrants	\$25.00 per hydrant Per Table 1-A
11	Spraying or dipping	Per Table 1-A
12	Standpipe systems	\$25.00 Per Table 1-A
13	Temporary membrane structures, tents and canopies.	\$25.00

Sec. 5.1300 Ambulance Fees

(1)	ALS Emergency Mileage	\$15.00
(2)	ALS Non-Emergency Mileage	\$15.00
(3)	ALS Supplies – IV Therapy	\$100.00
(4)	ALS1 Emergency, Non-Resident	\$1,125.00
(5)	ALS1 Emergency, Resident	\$1,050.00
(6)	ALS2, Non-Resident	\$1,275.00
(7)	ALS2, Resident	\$1,200.00
(8)	BLS Emergency, Non-Resident	\$900.00
(9)	BLS Emergency, Resident	\$825.00
(10)	BLS Emergency Mileage	\$15.00
(11)	Treatment / No-Transport	\$150.00

Any resident or non-resident delivered by helicopter transportation shall be charged fees accumulated as if delivered to a medical facility. This is in addition to the fee from the helicopter company

Sec. 5.1400 Local EMS Services

(1)	Extra Attendant	\$100.00
(2)	Ambulance Stand-By	\$200.00 per hour

Sec. 5.1500 Fire Department Response Fees

(1)	Absorbent for Cleanup	\$40.00 per bag
(2)	Absorbent Pads	\$50.00 each

CITY OF LANCASTER FEE SCHEDULE

(3) Aerial Ladder Truck	\$600.00 per hour on-scene
(4) Air Truck with Cascades System	\$300.00 per hour used
(5) Boat Rescue	\$50.00 per hour
(6) Brush Truck	\$300.00 per hour
(7) Decon Pond/Spill Containment	\$100.00 per each used
(8) Extrication Tools	\$100.00 per each used
(9) Foam	\$50.00 per gallon
(10) On-Scene Labor	\$48.00 per hour
(11) Engine/Pumper	\$500.00 per hour
(12) Engine/Pumper #2	\$500.00 per hour
(13) Engine/Pumper #3	\$500.00 per hour
(14) Rescue Truck	\$400.00 per hour
(15) Sand	\$400.00 per truck load
(16) Tanker Truck	\$500.00 per hour
(17) Utility Truck	\$150.00 per hour
(18) Firefighting equipment damaged or destroyed as a result of response to the incident or contaminated with hazardous materials will be replaced at cost.	

For applicable disasters and emergencies declared by the Mayor, Governor or President, the current adopted FEMA Schedule of Equipment Rates will apply. Information regarding the Fee Schedule can be found at www.fema.gov/schedule-equipment-rates. Information regarding the use of the Schedule is contained in 44 CFR § 206.228 Allowable Costs.

Sec. 5.1600 False Alarms with Permit within 12 month period:

1-3	No Charge
4-5	\$50.00 \$200.00
6-7	\$75.00 \$250.00
8 or more	\$100.00 \$300.00 each

False Alarms without Permit within 12 month period:

1-3 Residential	\$50.00 each
1-3 Commercial	\$100.00 each
4-5 Residential	\$75.00 each
4-5 Commercial	\$200.00 each
6-7 Residential	\$100.00 each
6-7 Commercial	\$250.00 each
8 or more – Residential	\$200.00 each

CITY OF LANCASTER FEE SCHEDULE

8 or more – Commercial	\$300.00 each
Late Payment for non-payment within 30 days after notification	\$25.00

Sec. 5.1700 Dallas County Response Fees

- | | |
|-------------------------------------|--|
| (1) Ambulance (In-County Calls) | \$375.00 \$450.00 per ambulance run |
| (2) Dallas County Assisted Fire Run | \$395.00 \$420.00 per fire run |

ARTICLE 6.000 ABATEMENT OF PROPERTY MAINTENANCE NUISANCE

The expenses incurred for abatement of the nuisance may be assessed against the real estate on which the work is done or improvements made. To obtain a lien against the property, the mayor, municipal health authority or code enforcement officer must file a statement of expenses with the county clerk of Dallas County, including the name of the property owner, if known, and the legal description of the property. The actual cost of abatement shall include an administrative fee of one hundred fifty dollars (\$150.00). In the event there are obstructions such as trees, shrubs, bushes, excavations, foundations, demolished structures or any similar obstructions, an additional charge shall be levied, assessed and collected against such premises. The lien obtained is security for the expenses and interest accrued thereon at the rate of ten percent (10%) annually on the total amount from the date of payment by the city. The lien is inferior only to tax liens and liens for street improvements. The city may bring a suit for foreclosure of the lien to recover the expenses and interest due. The state of expenses or certified copy of the statement is prima facie proof of the expenses incurred by the city in doing the work or making the improvements. This remedy is cumulative of the fine authorized for violation hereof by Section 1.109 of the code of ordinances.

(Ordinance 13-00 adopted 4/24/00)

ARTICLE 7.000 LIQUID WASTE TRANSPORT PERMIT

The city shall not issue a permit to an applicant until the appropriate fee is paid. Initially, a person shall pay a fee of one hundred dollars (\$100.00) for the first vehicle and fifty dollars (\$50.00) for each additional vehicle operated by the person. Each permit must be renewed annually at a rate of seventy-five dollars (\$75.00) for the first vehicle and fifty dollars (\$50.00) for each additional vehicle.

(Ordinance 13-00 adopted 4/24/00)

ARTICLE 8.000 LIBRARY FINES AND FEES

(a) Charges for overdue materials

- | | |
|------------------------|--|
| (1) Books/Magazines | \$0.20 per day/Maximum \$10 per item |
| (2) Audio Tapes/CDs | \$0.20 per day/Maximum \$10 per item |
| (3) Interlibrary Loans | \$0.20 per day /Maximum \$10 per item |
| (4) Video Tapes/DVDs | \$1.00 per day / Maximum \$10 per item |

CITY OF LANCASTER FEE SCHEDULE

(b)	<u>Lost or Damaged Beyond Repair</u>	\$5.00 + replacement cost
(c)	<u>Copies</u>	
	(1) Single	\$0.10 per page
	(2) Microfilm	\$0.25 per page
	(3) Computer Printout	\$0.10 per page
	(4) Color Copies	\$1.00 per page
	(5) Fax	\$1.00 per page
(d)	<u>Nonresident Library Card</u>	\$20.00 Picture id required
(e)	<u>Lost Card</u>	\$2.00 replacement
(f)	<u>Recovery Fee</u>	\$10.00 - if account is sent to third party for collection (value of material + \$10.00)
(g)	<u>Non-cardholder one (1) Hour Internet Access</u>	\$3.00 per hour
(h)	<u>Microfilm / microfiche rental</u>	Actual cost, plus shipping and \$1.00 handling fee per order
(i)	<u>Interlibrary loan service - Postage</u>	\$3.00 per item
(j)	<u>Library meeting room</u> [during operating hours]	
	Deposit, resident/non-resident	\$100
	Deposit, non-profit	\$50
	Rental	\$35.00/hour, resident \$55.00/hour, non-resident \$30.00/hour, non-profit
	Kitchen use per hour	\$25.00/hour
	Set up Fee	\$50.00
	Projector with screen resident	\$65.00/hour, resident; \$75.00/hour, non-
(k)	<u>Tablets and E-Readers Usage Fee</u>	\$2.00 per hour/ plus replacement cost if Damaged

ARTICLE 9.000 MUNICIPAL DRAINAGE UTILITY SYSTEM FEES

Account Classification	Rate/SFLUE per Month	Minimum Fee per month	Maximum Fee per Month
Single Family Residential	\$7.97	\$7.97	\$7.97
Multi-Family Residential	\$7.97	\$7.97	\$7.97

CITY OF LANCASTER FEE SCHEDULE

Residents Age 65 and Over	\$3.98	\$3.98	\$3.98
Permanently Disabled Residents	\$3.98	\$3.98	\$3.98
Commercial	\$7.97 (≤ 3)	\$7.97	N/A
	\$6.09 ($>3-5$)		
	\$5.42 ($>5-10$)		
	\$4.73 ($>10-32$)		
	\$4.62 (>32)		
City and Other Political Subdivision of the State	\$7.97	\$7.97	\$100.00
Fire Hydrant	\$0.00	\$0.00	\$0.00
Religious Institutions	\$7.97	\$7.97	\$100.00
Lancaster Independent School Dist.	\$7.97	\$7.97	\$100.00 Per each school property

(Ordinance No. 2002-10-41, adopted 10/14/02)
 (Resolution No. 2010-02-11, corrected fees per ordinance)
 (Resolution No. 2010-03-27, adopted 03/22/10)

ARTICLE 10.000 UTILITY RELATED FEES

Sec. 10.100 Water and Sewer Extensions

Water and sewer extensions shall be installed by the property owner/developer per city specifications; with approved plans and after paying required permits and fees, all at owner/developer's cost.

Sec. 10.200 Water Meter

- (a) Tampering and Criminal Mischief Damages
 - (1) Damaged meter only \$200.00 plus cost of meter
 - (2) Damaged service line \$250.00 plus cost of meter
- (b) Broken Lock on Meter \$25.00
- (c) Pulled Meter \$200.00
- (d) Reread Meter at customers request \$20.00
- (e) Check for Leaks \$20.00

Sec. 10.300 Extension of Mains into New Areas

Water and sewer extensions shall be installed by the property owner/developer per city specifications; with approved plans and after paying required permits and fees, all at owner/developer's cost.

Sec. 10.400 Industrial Discharge Fee

The City of Lancaster shall pass through to industrial customers the cost of testing services for discharged wastewater into the City's collection system as contracted through the Trinity River Authority (TRA) in accordance with the Fiscal Year 2014 Technical Services Fee Schedule for

CITY OF LANCASTER FEE SCHEDULE

laboratory analyses, Industrial Inspections and Industrial Sampling, attached to the Master Fee Schedule as Appendix "A" attached hereto.

Sec. 10.500 Charges for Water Service Connections

The city shall maintain all water service connections in streets, alleys, or easements within the city limits.

Sec. 10.600 Deposits for Water and/or Sewer

After the application for water and/or sewer service is received, the applicant shall pay to the city a deposit in the amount indicated below:

	New Fees with Activation Fee
(1) Residential Owners – ¾ inch	\$90.00 + \$10.00 = \$100.00
Residential Renter – ¾ inch	\$150.00 + \$10.00 = \$160.00
*Temporary (30 day) clean up	\$40.00 + \$10.00 = \$50.00

* (For owners of properties and/or realtors that need the water for a short period of time.)

Water Meter Cost on Existing Taps

¾" Meter	\$250.00
1" Meter	\$300.00
1 ½" Meter	\$470.00
2" Meter	\$625.00
3" and Larger Meters	- Owner provides meters approved by the City

Meter Set Fee

Included in cost of meter

3" and Larger Meters – Will be set by licensed plumber or bonded contractor.
Customer must notify the City when meter is set.

Guidelines in order for customers to receive a refund/credit to their accounts prior to terminating utility service:

- (a) The customer will have to make the request in writing.
 - (b) The account will have to be in good standing for a period of two consecutive years before a refund is granted. (The account will have no arrears, penalties or returned checks posted during that time.)
 - (c) The refund will be made to the person listed on the account.
- (2) Residential – Bore, Tap and Relocate Fees

Request for Residential Tap Fees for Water

¾" Tap	\$890.00
1 "Tap	\$997.00
1 ½" Tap	\$1,250.00

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2" Tap \$1,496.00

3" and larger - Owner provides Taps and Meters

***Relocate Existing Water Meter (12' Maximum) \$650.00**

Plus \$35/lf for each foot over 35'

*A new tap may be required if existing facilities are not adequate for the requested adjustment.

Request for Residential Tap Fees for Sewer

4" Sewer Tap

Less than 35' in length and less than
10' in depth \$1,250.00

Any tap larger than 4" is required to be installed by a Bonded Utility Contractor, have engineering plans prepared and Contractor is required to obtain a Construction Permit.

Any tap over 10' depth is required to be installed by a Bonded Utility Contractor, have engineering plans prepared and Contractor is required to obtain a Construction Permit.

*** All plans must be reviewed and approved by City officials.**

All taps residential and commercial owner or contractor is responsible for any required bore, encasement and grouting underneath a road. City Right-Of-Way (ROW) permit application is required and regular inspection fees will apply.

- (3) Third Party contractor is responsible for all commercial taps within the City. City Right-Of-Way (ROW) permit application is required and regular inspection fees will apply.
- (4) Public schools and county community colleges are subject to commercial rates, but shall not be required to make a water and/or sewer deposit as required by this section.
- (5) Fire Hydrant Meter
 - (A) Deposit \$1,500.00
 - (B) Monthly \$25.00
 - (C) Usage \$2.75/1,000 gallons
- (6) Commercial – ¾ inch New Fee with Activation Fee
 - (A) 1 inch \$125.00 + \$10.00 = \$135.00
 - (B) 1 ½ inch \$150.00 + \$10.00 = \$160.00
 - (C) 2 inch \$200.00 + \$10.00 = \$210.00
 - (D) 3 inch \$300.00 + \$10.00 = \$310.00
 - (D) 3 inch to compound meter \$300.00 + \$10.00 = \$310.00

CITY OF LANCASTER FEE SCHEDULE

Backflow Testing and Installation

All backflow Installers and testers must register with the City prior to performing any work.

Registration fee: \$100.00 annually per company and \$50.00 for each additional individual.

Inspection fee per device: \$30.00

Sec. 10.700 Water Rates - Within City

The following schedule of water charges for residential, commercial, industrial, and multi-family complex customers shall be effective with the first billing of October 2015:

Minimum monthly water charge (no gallons) for residential, commercial, and industrial customers:

Meter Size:	Equivalent Units	Minimum Monthly Meter Charge:
5/8 or 3/4 inch water	1	\$20.90
1-inch water meter	2.5	\$52.26
1 1/2 inch water meter	5	\$104.52
2-inch water meter	8	\$167.23
3-inch water meter	16	\$334.45
4-inch water meter	25	\$522.58
6-inch water meter	50	\$1,045.17
8-inch water meter	80	\$1,672.26
10-inch water meter	125	\$2,450.00

(1) Multi-family complexes shall be charged a minimum monthly water charge equal to the greater of
 (a) the minimum bill for a 5/8 inch meter, multiplied by the number of units, or
 (b) the minimum monthly meter charge for the size meter(s) serving the account.

(2) A variable rate volume charge of two dollars and sixty-seven (\$2.67) shall be charged per each one thousand (1,000) gallons usage. No gallons are included with the monthly minimum charge.

(3) Example of the calculation of a multi-family complex monthly water bill:
 Two hundred apartment units with an 8" meter and 600,000 gallons of usage.

Min. charge for 8" meter	\$1,672.26	
200 units @ \$20.90 each	0.00	\$4,180.00
600,000 gallons @ \$2.67/1000	\$1,602.02	\$1,602.00
	\$3,274.28	\$5,782.02

Therefore \$5,782.02 would be billed. ($\$5,782.02 \div 200 = \28.91)

CITY OF LANCASTER FEE SCHEDULE

(4) For the purpose of encouraging water conservation, there shall be a 25% increase in the water volume rate for monthly usage in excess of 15,000 gallons by residential and commercial accounts. Usage in excess of 30,000 shall be subject to an additional 25% increase. These increases will not be assessed to industrial or multi-family accounts.

For example:

0 to 15,000 gallons	\$2.67 per 1,000
15,001 to 30,000 gallons	\$3.31 per 1,000
30,000 gallons or more	\$4.16 per 1,000

(5) A discount for senior citizens (age 65 or over) of \$1.94 per month shall be applied to each qualified residential account.

(Resolution 2011-09-80 adopted 9/12/11, effective October 1, 2011)

(Resolution 2015-09-75 adopted 9/14/15, effective October 1, 2015)

Sec. 10.800 Water Rates - Outside City Limits

Effective with the first billing cycle of October 2015, the rates or The following schedule of water charges for sales of water to customers outside the city limits of Lancaster, Texas, shall be effective with the first billing of October 2015:

Minimum monthly water charge (no gallons) for residential, commercial, and industrial customers:

Meter Size:	Minimum Monthly Meter Charge:
¾ inch or less	\$24.04
1-inch	\$60.10
1 ½ inch	\$120.19
2-inch	\$192.31
3-inch	\$384.62
4-inch	\$600.97
6-inch	\$1,201.94
8-inch	\$1,923.10
10 inch	\$2,450.00

(1) Multi-family complexes shall be charged a minimum monthly water charge equal to the greater of (a) the minimum bill for a ¾ inch meter, multiplied by the number of units or (b) the minimum monthly meter charge for the size meter(s) serving the account.

(2) A variable rate volume charge of two dollars and sixty-seven cents (\$2.67) shall be charged per each one thousand (1,000) gallons usage. No gallons are included with the monthly minimum charge.

(3) Example of the calculation of a multi-family complex monthly water bill:
Two hundred apartment units with an 8” meter and 600,000 gallons of usage.

Min. charge for 8” meter	\$1,923.10	
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CITY OF LANCASTER FEE SCHEDULE

	200 units @ \$24.04 each	0.00	\$4,808.00
	600,000 gallons @ \$3.07/1000	\$1,842.00	\$1,842.00
		\$3,765.00	\$6,650.00

Therefore \$6,650.00 would be billed. ($\$6,650.00 \div 200 = \33.25)

(~~5~~ 4) A discount for senior citizens (age 65 or over) of \$1.94 per month shall be applied to each qualified residential account.

Sec. 10.900 Imposition of Lien for Water Service Charges

In the event that payment of charges for water and/or sewer services furnished by the city is not made by the date specified for cutoff in accordance with the notice sent pursuant to Chapter 13, Article 13.500, Section 13.508, service shall be discontinued. Any customer whose water and/or sewer services are discontinued due to nonpayment may have services resumed by paying all accrued and overdue charges, including the late charge penalty and a reconnection charge as follows: (1994 Code of Ordinances, Chapter 11, Article 11.500, Section 11.509).

- | | | |
|-----|--|-------------------|
| (1) | Reconnect Fee (Cutoff) | \$45.00 |
| (2) | Reconnect Fee (Cutoff) After 5 p.m. | \$55.00 |
| (3) | Late Fee | 7% of balance due |
| (4) | NSF Check | \$35.00 |
| (5) | Extra Trip Charge
(New Connects and Reconnects) | \$25.00 |
| (6) | Data log meter | \$25.00 |

(Ordinance No. 2007-01-01 adopted 01/22/07)

Sec. 10.1000 Wastewater Treatment Services User Charges

The following schedule of charges for residential, commercial, industrial and multi-family complex customers shall be effective with the first billing cycle of October 2015:

- (1) Minimum monthly sewer charge (no gallons of usage) for residential, commercial, and industrial is fifteen dollars and four cents (\$15.04) per connection.
- (2) Minimum monthly sewer charge for each dwelling unit of a multi-family complex (no gallons) is seven dollars and seventy-three cents (\$7.73) per unit.
- (3) Minimum monthly sewer charge for each dwelling unit of a multi-family complex outside of the city limits (no gallons) is eight dollars and eighty-nine cents (\$8.89) per unit.
- (4) Variable rate per one thousand (1,000) gallons of water usage for residential, commercial, industrial, and multi-family complexes is seven dollars and seventy-three cents (\$7.73).
- (5) The total monthly amount due for “all” sewer accounts shall be the sum of the minimum monthly sewer charge plus the variable rate times the user’s water usage for the month. The maximum monthly “residential customer” volume charges shall be based on the average of the three lowest monthly bills in

CITY OF LANCASTER FEE SCHEDULE

the last twelve. Normally these will be the reading cycles ending in December, January, and February. However, the utility billing department may adjust this forwards or backwards one month.

Industrial and commercial users that install a separate sewer metering system shall be charged for volume according to that meter, plus the minimum rate.

(6) The practice of discounting the computed sewer usage to 95% and 90% as detailed in the Lancaster Code of Ordinances Section 11.608(b) and 11.609(b); was discontinued in 2008.

(7) A discount for senior citizens (age 65 or over) of \$1.94 per month shall be applied to each qualified residential account.

(Resolution 2015-09-75 adopted 9/14/15, effective October 1, 2015)

Sec. 10.1100 Water Impact Fee

(Reference Tables 1, 2, 3 and 11 of Ordinance)

(Ordinance 2004-09-27 adopted 9/27/04)

(Ordinance 2012-08-25 adopted 8/27/12)

Water Impact Fees are imposed upon any new development (which includes expansion of existing facilities) to generate revenue for funding or recouping the costs of capital improvements or facility expansions to these systems necessitated by or attributable to the new developments' demand on these systems. The Water Impact Fees are calculated using Service Units, which are a standardized measure of consumption, use, generation or discharge attributable to an individual living unit equivalent (LUE) of development calculated in accordance with generally accepted engineering or planning standards for water systems' capital improvements or facility expansion. The total impact fee due is based on the meter size(s) used by the development. The meter size is determined by the City of Lancaster within the meter manufacturers optimum flow range based on flows required by the development.

Sec. 10.1200 Sewer Impact Fee

(Reference Table 3.5 of Ordinance)

(Ordinance 2006-07-22 adopted 7/10/06)

(Ordinance 2012-08-25 adopted 8/27/12)

Sewer (Wastewater) Impact Fees are imposed upon any new development (which includes expansion of existing facilities) to generate revenue for funding or recouping the costs of capital improvements or facility expansions to these systems necessitated by or attributable to the new developments' demand on these systems. The Sewer Impact Fees are calculated using Service Units, which are a standardized measure of consumption, use, generation or discharge attributable to an individual living unit equivalent (LUE) of development calculated in accordance with generally accepted engineering or planning standards for sewer systems' capital improvements or facility expansion. The total impact fee due is based on the meter size(s) used by the development. The meter size is determined by the City of Lancaster within the meter manufacturers optimum flow range based on flows required by the development.

Sec. 10.1300 Roadway Impact Fee

(Reference Exhibit B of Ordinance)

(Ordinance 2003-12-42 adopted 12/8/03)

(Ordinance 2012-08-25 adopted 8/27/12)

CITY OF LANCASTER FEE SCHEDULE

Roadway Impact Fees are imposed upon any new development (which includes expansion of existing facilities) to generate revenue for funding or recouping the costs of capital improvements or facility expansions to these systems necessitated by or attributable to the new developments' demand on these systems. The Roadway Impact Fees are calculated using Service Units, which are a standardized measure of consumption or use (supply and demand) of the roads in the city by new development and are calculated in accordance with generally accepted engineering or planning standards for Roadway Systems' capital improvements or facility expansion. The total impact fee due is determined by the land use, the location of the development, and the square footage of the building.

Sec. 10.1400 Inspections

- | | | |
|-----|------------------------------------|----------|
| (a) | Sewer | \$150.00 |
| (b) | Final Televised lateral inspection | \$50.00 |

Sec. 10.1500 Calibrations

- | | | |
|-----|------------------------------|------------------------------------|
| (a) | Pipe < 1 inch | \$50.00 |
| (b) | Pipe < 1 inch and < 3 inches | \$50.00 |
| (c) | Pipe > = 3 inches | \$100.00 Contracted price plus 25% |
- (Ordinance 2002-10-38 adopted 10/14/02)

Sec. 10.1600 Reserved for future use.

Sec. 10.1700 Garbage Collection Fees

- | | | |
|-----|--|------------------|
| (a) | Residential | \$13.84 |
| | Once weekly refuse collection/disposal | |
| | Once weekly recycling collection/processing | |
| | Every other month brush/bulk item collection | |
| (b) | Administrative Processing Fee | \$ 2.50 |
| (c) | Extra cart | |
| | 2 nd cart | \$10.00 |
| | 3 rd cart | \$15.00 |
| | 4 th cart | \$20.00 |
| (d) | Commercial Hand Collect | \$17.96 |
| | Once weekly refuse collection/disposal | |
| | Additional Cart(s) Once Per Week | \$14.47/per cart |
| (e) | Special Pick Up | \$65.00 minimum |
| (f) | Commercial Containers – Price Haul Rates (Disposal costs included) | |
| | Rates do not include franchise fees, billing fees or taxes. | |

CITY OF LANCASTER FEE SCHEDULE

Size	1 X WK	2 X WK	3 X WK	4 X WK	5 X WK	6 X WK	EXTRA
2YD	\$58.65	\$108.54	\$150.97	\$193.40	\$235.83		\$68.00
3YD	\$67.08	\$124.12	\$172.64	\$221.16	\$269.68		\$70.00
4YD	\$83.86	\$155.21	\$215.84	\$276.46	\$337.08		\$72.00
6YD	\$100.70	\$186.36	\$259.20	\$332.04	\$404.88		\$76.00
8YD	\$125.92	\$233.00	\$324.13	\$415.26	\$506.39		\$78.00
Casters	\$7.85/lift						
Locks Gates	\$7.85/lift						

Recycling for Small Businesses – Price includes haul & disposal (if business selects to contract with City Contractor):

Size/Pickup	1xWeek	2xWeek	Extra
6 YD	\$80.00	NB	\$62.50
8 YD	\$80.00	NB	\$62.50

Vertical Compactors- Once per week collection Price includes haul & disposal (Emptied by Front End Loaders):

4 YD \$316.00/per haul

6 YD \$386.00/per haul

8 YD \$469.00/per haul

(Resolution 2012-09-76 adopted 09/10/12, effective 10/01/12)

(Resolution 2015-12-102 adopted 12/14/215, effective 12/14/15)

Sec. 10.1800 Wastewater Discharge

There is hereby established a wastewater discharge permit fee of \$450.00 for a three year term by the Water/Wastewater Superintendent of the City of Lancaster.

(1994 Code of Ordinances, Chapter 1, Article 11.1300, Section 11.1300)

Sec. 10.1900 Fees for Cuts to Streets, Alleys, Sidewalks and Drainage Structures

In the event any street, highway or roadway must have an open cut and is approved by the City Engineer in writing for the purpose of installing water or wastewater laterals, or utility repair by a Franchise Utility Company or their subcontractor, a fee of four dollars and fifty cents (\$4.50 sq. ft.) per square foot, with a minimum one hundred dollar (\$100.00) fee will be charged in advance for replacement of such open cut by the city. This fee will be reimbursed if the excavation is restored to like or better condition.

CITY OF LANCASTER FEE SCHEDULE

ARTICLE 11.000 PLANNING AND ZONING RELATED FEES

Sec. 11.100 Reserved for Future Use

Sec. 11.200 HLPC Application Review (Certificate of Appropriateness) \$100.00

Sec. 11.300 Zoning Board of Adjustment

(a) Variance Request \$250.00

Sec. 11.400 Plats

(a) Preliminary Plat
50 acres or less \$500.00 + \$50.00 per acre
More than 50 acres \$1000.00 + \$100.00 per acre

(b) Final Plat \$500.00 + \$10.00 per lot

(c) Re Plat
With property owner notification \$575.00 + \$35.00 per acre
Without property owner notification \$450.00 + \$35.00 per acre

(d) Amended Plat \$200.00 + \$10.00 per acre

(e) Minor Plat \$400.00

(f) Plat Vacations \$500.00

Sec. 11.500 Zoning

(a) General Zoning Change \$500.00 + \$10.00 per acre

(b) Specific Use Permit \$500.00 + \$10.00 per acre

(c) Private Club Permit \$350.00

(d) Amendment to SUP \$500.00 + \$10.00 per acre

(e) Planned Development \$1500.00 + \$10.00 per acre

(f) Amendment to Planned Development \$1,500.00 + 10.00 per acre

(g) Exceptions \$250.00

Sec. 11.600 Other Planning & Zoning Fees

(a) Site Plan Review \$250.00 + \$10.00 per acre

(b) Tree Survey Review \$25.00

(c) Illegal Tree Cutting Fine \$125.00 per diameter inch

(d) Dedication/Abandonment of Right-of-Way or Easements \$150.00 per development for first 5 + \$25.00 for each additional document

(e) Consultant Fees Hourly Rate of Consultant

CITY OF LANCASTER FEE SCHEDULE

- (f) Zoning Verification Letter \$50.00
- (g) Subsequent Legal Notices after 1st \$15.00 per additional notice

Sec. 11.700 Maps, Publications and Miscellaneous Fees

- (a) Comprehensive Plan \$48.00
- (b) Copying – 8½" x 11", or 8½" x 14" \$0.10 per page. Any request for more than 20 pages may be sent to an outside duplicating facility at requestor expense.
- (c) Lancaster Development Code (Zoning Ordinance and Subdivision Regulations) \$45.00
- (d) Zoning Map (24" x 36") \$20.00

ARTICLE 12.000 MUNICIPAL COURT

Sec. 12.100 Municipal Court Building Security Fund

Any defendant convicted in the municipal court of the City of Lancaster of a misdemeanor offense that occurs after September, 1997 or the passage of this article, shall pay a \$3.00 security fee as a cost of court. The term "convicted" includes any convictions obtained by way of a plea of guilty, a trial and any cases, deferred adjudication, probation or pretrial diversion in order for the defendant to take advantage of one of the alternative programs offered by the municipal court including, but not limited to a driving safety course, deferred adjudication, alcohol awareness and shoplifters alternative. (1994 Code of Ordinances, Chapter 8, Article 8.100, Section 8.1600)

Sec. 12.200 Municipal Court Technology Fund

A defendant convicted of a misdemeanor offense in the municipal court in the City of Lancaster shall pay a technology fee not to exceed four dollars for each conviction as a cost of court. The Municipal Court Clerk shall collect the costs and pay the funds to the Finance Director for deposit in a fund to be known as the "Municipal Court Technology Fund".
(Ordinance 2002-03-12 adopted 3/2/02)

SECTION 12.300 Special Expense Fee

There is hereby established a special expense fee in the amount of twenty-five dollars (\$25.00) which shall be collected, after due notice to the defendant, for the issuance and service of a warrant of arrest for an offense under Section 38.10 of the Texas Penal Code titled "Bail Jumping and Failure to Appear"; or Section 543.009 of the Texas Transportation Code titled "Compliance With or Violation of Promise to Appear."

ARTICLE 13.000 ADMINISTRATIVE FEES

Public Information Charges

CITY OF LANCASTER FEE SCHEDULE

(a) copies, standard paper copy	\$0.10 per page
For standard paper copies reproduced by means of an office machine copier or a computer printer. Each side that has recorded information is considered a page.	
(b) copies, nonstandard copy. The charges in this section are to cover the materials onto which information is copied and do not reflect any additional charges, including labor, that may be associated with a particular request. The charges for nonstandard copies are:	
(A) Diskette	\$1.00
(B) Magnetic tape	actual cost
(C) Data cartridge	actual cost
(D) Tape cartridge	actual cost
(E) Rewritable CD (CD-RW)	\$1.00
(F) Non-rewritable CD (CD-R)	\$1.00
(G) Digital video disc (DVD)	\$3.00
(H) JAZ drive	actual cost
(I) Other electronic media	actual cost
(J) VHS video cassette	\$2.50
(K) Audio cassette	\$1.00
(L) Oversize paper copy (11 inches by 17 inches, greenbar, bluebar, not including maps and photographs using specialty paper)	\$0.50
(M) Specialty paper (Mylar, blueprint, blueline, map, photographic)	actual cost
(c) Microfiche and Microfilm	actual cost of reproduction
From Master copy of Microfilm	\$0.10 per page
(d) Computer Resource Charge	
Mainframe	\$10 per CPU minute
Midsize	\$1.50 per CPU minute
Client/Server	\$2.20 per clock hour
PC or LAN	\$1.00 per clock hour
(e) Other Public Information Charges	
(A) Computer Programmer	\$28.50 per hour
(B) Personnel Charge (50 or more pages)	\$15.00 per hour
(C) Overhead Charge (50 or more pages)	20% of personnel charge
(D) Remote Document Retrieval Charge	actual cost
(E) Miscellaneous Supplies (labels, boxes)	actual cost
(F) Postage and Shipping Charge	actual cost
(G) Miscellaneous (credit card transaction fee)	actual cost
(f) Certified or Attestation under City Seal	\$2.50
(g) Finance	
(1) Return Check Fee	\$35.00 per check
(2) Budget Book	\$106.00 per book

CITY OF LANCASTER FEE SCHEDULE

(3) CAFR	\$50.00 per book
(4) Copies – printouts (computer generated)	\$0.25 per page
 (h) Special Events	
(1) Application Fee	\$25.00 (applications submitted 31 days prior to event)
(2) Expedited Review Fee	\$25.00 (expedited fee for applications received within 30 days of the event)
(3) Street Barricade Rental Fee	1 to 25 barricades \$15.00 25 to 50 barricades \$30.00 50+ barricades; will require contract services
(4) Street Cones Rental Fee	1 to 25 cones \$10.00 25 to 50 cones \$20.00 50+ cones; will require contract services
(5) Barricade Replacement Fee	\$62.00 per barricade
(6) Cone Replacement Fee	\$39.00 per cone
(7) Reimbursable Costs: Fees associated with City of Lancaster service provision at the request of the applicant will be calculated by the applicable department based on the associated reimbursable cost, the service/equipment requested, and the length of time the service is needed.	

(Ordinance 2004-06-18 adopted 6/14/04)

ARTICLE 14.000 POLICE DEPARTMENT

Sec. 14.100

(a) Alarm System Permit Fees

Alarm System Permit Fees

Registration Fee – Residential	\$ 50.00
Registration Fee – Commercial	\$100.00
Senior Rate (65 or older) – Residential only	Exempt*
Renewal Fee – Residential	\$ 50.00
Renewal Fee – Commercial	\$100.00
Senior Rate (65 or older) – Residential only	Exempt*
Late Fee after 30 days notice for registration	\$ 25.00
Late Fee After 30 days notice for renewal	\$ 25.00
<u>False Alarms with Permit within 12 month period:</u>	
1-3	No Charge
4-5	\$ 50.00
6-7	\$ 75.00
8 or more	\$100.00 each

False Alarms without Permit within 12 month period:

CITY OF LANCASTER FEE SCHEDULE

1-3 Residential	\$100.00 each
1-3 Commercial	\$200.00 each
4-5 Commercial	\$250.00 each
6-7 Residential	\$175.00 each
6-7 Commercial	\$275.00 each
8 or more – Residential	\$200.00 each
8 or more – Commercial	\$300.00 each
Late Payment for Non-payment within 30 days after notification	\$25.00
False Robbery Alarms within 12 month period:	
1-3	\$100.00
4 or more	\$200.00
Late Fee for Each False Robbery Alarm not paid within 30 days after notification	\$25.00
Appeal:	
Appeal Hearing Fee*	\$25.00
*(Fee shall be refunded, in its entirety, if appeal is upheld)	
Reinstatement:	
Reinstatement Fee	\$50.00
(Resolution 2007-02-22 adopted 2/26/07)	
(b) <u>Accident Reports</u>	
(1) Regular Copy	\$6.00 per report
(2) Certificate of Regular Copy	Addl. \$2.00 per report
(3) Certificate with no information or report on file	\$6.00 per report
(c) <u>Offense Reports</u>	
	\$0.10 per page
(d) <u>Fingerprinting</u>	
(1) First two (2) fingerprint cards	\$10.00
(2) Per fingerprint card thereafter	\$5.00
(Resolution 2004-12-102 adopted 12/13/04)	
(e) <u>Fines, Costs, and Fees</u>	
School Bus Stop Arm Violation Fine	\$300.00
30 Day Late Payment Penalty	\$50.00

CITY OF LANCASTER FEE SCHEDULE

60 Day Late Payment Penalty	\$100.00
Non-Sufficient Funds – Returned Check Fee	\$35.00
Failure to Appear Penalty	\$50.00
Administrative Adjudication Hearing Filing Fee	\$25.00
Municipal or JP Court Appeal Hearing Filing Fee	\$20.00
Hearing Rescheduling Fee	\$20.00

(Resolution 2014-06-48 adopted 06/09/14)

ARTICLE 15.000 PARKS AND RECREATION

Sec. 15.100 Memberships

(a) Annual Membership Fees (Valid for 1 year from date of purchase)

1. Recreation (JR) ID Card – (Under 5 yrs)	Free w/ purchase of adult rec ID card	Must be accompanied by an adult over 18 years of age
2. Recreation ID Card - Youth (5-16 yrs)	\$10/yr Resident	Provides access to use of gymnasium and walking track during designated hours.
	\$15/yr Non Resident	
3. Recreation ID Card - Adult (17-49 yrs)	\$20/yr Resident	Provides access to use of gymnasium and walking track during designated hours.
	\$30/yr Non Resident	
4. Seniors (50 + years)	\$15/yr Resident	Provides access to use of gymnasium and walking track during designated hours.
	\$20/yr Non Resident	
5. Daily Fitness Atrium Admission (17 years and older)	\$5/day	Provides access to fitness atrium during designated hours.
6. Monthly Fitness Atrium Membership (17 years and older)	\$20 Resident	Provides access to the fitness atrium during designated hours.
	\$25 Non Resident	
7. Annual Fitness Atrium Membership (17 years and older)	\$160 Resident	Provides access to use the gymnasium, walking track and the fitness atrium during designated hours.
	\$200 Non Resident	
8. Open Swim Admission	\$5/ day Resident	Provides access to use of pool during designated hours.
	\$7/day Non Resident	
9. Daily Fitness Swim Admission (17 years and older)	\$3/ day Resident	Provides access to use of pool during designated hours.
	\$5/day Non Resident	
10. Monthly Fitness Swim Membership (17 years and older)	\$15 Resident	Provides access to use of pool during designated hours.
	\$20 Non Resident	

CITY OF LANCASTER FEE SCHEDULE

11. Seasonal Swim Pass (Summer) Individual (16 years and younger)	\$60 Resident \$70 Non Resident	Provides access to use of pool during designated hours.
12. Seasonal Swim Pass (Summer) Individual (17 years through adult)	\$70 Resident \$80 Non Resident	Provides access to use of pool during designated hours.
13. Seasonal Swim Pass (Summer) Family 4+	\$180 Resident \$200 Non Resident	Provides access to use of pool during designated hours.
14. Annual Fitness Swim Membership (17 years and older)	\$120 Resident \$160 Non Resident	Provides access to use of pool during designated hours.
15. Annual Senior Center Membership (50 + years)	\$3 Resident \$5 Non Resident	Provides access to the Senior Center facility and programming.

(b) Corporate Membership Rates

LISD Annual Employee Membership Rate **\$85.00** Provides access to usage of the fitness atrium, walking track, gymnasium and pool during designated hours. Also provides a 10% discount on rentals/ reservations of facilities and 10% discount on programs and classes offered by instructors.

	Agency	Individual
(1) Corporate A (5-9)	\$125.00	\$100.00
(2) Corporate B (10+)	\$225.00	\$100.00

Sec. 15.200 Rental Facilities

(a) Athletic Fields

	Deposit	\$100.00
(1) Cedardale Field Rental/ hour	\$25.00 2 hr minimum Resident \$35.00 2 hr minimum Non Resident	
(2) City Park Field Rental/ hour	\$25.00 2 hr minimum Resident \$35.00 2 hr minimum Non Resident	
(3) Royce Clayton Ballpark/ hour	\$25.00 2 hr minimum Resident \$35.00 2 hr minimum Non Resident	
(4) Youth Football/ hour	\$25.00 2 hr minimum Resident \$35.00 2 hr minimum Non Resident	
(5) Soccer Field/ hour	\$25.00 2 hr minimum Resident \$35.00 2 hr minimum Non Resident	

Additional fees for athletic field rentals with lights are \$15.00 per hour.

CITY OF LANCASTER FEE SCHEDULE

(b) Community House

Deposit	Resident	\$150.00	Non Resident	\$150.00
(1)	4 hour rental Resident			\$200.00
(2)	4 hour rental Non Resident			\$225.00
(3)	6 hour rental Resident			\$300.00
(4)	6 hour rental Non Resident			\$325.00

(c) Gymnasium

Deposit	Resident	\$100.00	Non Resident	\$100.00
(1)	½ Gym	\$50/hour Resident	4 hours min. after operating hours.	
		\$65/ hour Non Resident		
(2)	Full Gym	\$75/hour Resident	4 hours min. after operating hours.	
		\$90/ hour Non Resident		
(3)	Full Gym Tournament Fee	\$100/hour Resident	4 hours minimum after operating hours. Allows gate fees charged by renter. Must reserve entire gymnasium.	
		\$125/ hour Non Resident		

(d) Outdoor Facility

Deposit	Resident	\$100.00	Nonresident	\$100.00
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(1) City Park Pavilion 1

8 am - 12 noon or 1 pm - 5 pm

(A)	Resident	\$75.00
(B)	Non Resident	\$100.00

(2) City Park Pavilion 2

8 am – 12 noon or 1 pm - 5 pm

(A)	Resident	\$75.00
(B)	Non Resident	\$100.00

CITY OF LANCASTER FEE SCHEDULE

(3) Community Park Pavilion

8 am – 12 noon or 1 pm - 5 pm

(A) Resident	\$75.00
(B) Non Resident	\$100.00

(4) Heritage Park Gazebo

8 am – 12 noon or 1 pm - 5 pm

(A) Resident	\$50.00
(B) Non Resident	\$75.00

(5) Kid Square Park Pavilion

8 am – 12 noon or 1 pm - 5 pm

(A) Resident	\$75.00
(B) Non Resident	\$100.00

(6) Bear Creek Park Pavilion

(A) Resident	\$75.00
(B) Non Resident	\$100.00

(7) Rocky Crest Park Pavilion

(A) Resident	\$50.00
(B) Non Resident	\$75.00

(8) Meadowcreek Park Pavilion

(A) Resident	\$50.00
(B) Non Resident	\$75.00

(9) JA Dewberry Park Pavilion

(A) Resident	\$50.00
(B) Non Resident	\$75.00

(e) Pool

(1)	<u>Indoor Pool Reservations</u>	Resident	Non Resident
	<u>Deposit</u>	\$75.00	\$75.00
	(A) Party Room (Semi-Private) 2 hr	\$100.00	\$125.00

CITY OF LANCASTER FEE SCHEDULE

(B) Private Party A (1-50) 2 hr	\$200.00	\$250.00
(C) Private Party B (51-100) 2 hr	\$250.00	\$300.00
(D) Private Party C (101-150) 2 hr	\$300.00	\$350.00
(E) Private Party D (151 +) 2 hr	\$350.00	\$400.00

(f) Recreation Center

(1)	<u>Grand Banquet Hall</u>	Resident	Non Resident
	Deposit	\$250.00	\$250.00
	Set-up Fee	\$ 50.00	\$ 50.00
	Kitchen	\$ 30.00/hour	\$ 30.00/hour
	1,100 sq. ft.	\$50.00/hour	\$75.00/hour
	2,200 sq. ft.	\$75.00/hour	\$100.00/hour
	3,300 sq. ft.	\$100.00/hour	\$125.00/hour
(2)	Aerobic Dance Room/hour	\$40.00/hr Resident	\$60.00/hr Non Resident
(3)	Classroom/hour	\$30.00/hr Resident	\$50.00/hr Non Resident
(4)	Conference Room/hour	\$20.00/hr Resident	\$40.00/hr Non Resident
(5)	Projector Screen/Podium/Sound System Rental		
	Deposit	\$200.00 Resident	\$200.00 Non Resident
	1 screen	\$65/day Resident	\$75/day Non Resident
	2 screen	\$75/day Resident	\$100/day Non Resident
	Podium	\$35/day Resident	\$40/day Non Resident
	Portable Sound System	\$200/day Resident	\$275/day Non Resident

(g) Senior Life Center

Kitchen	\$30.00/hour Resident	\$30.00/hour Non Resident
Deposit	Resident \$250.00	Nonresident \$250.00
(1) 4 Hour Rental		\$400 Resident \$500 Non Resident
(2) 6 Hour Rental		\$600 Resident \$750 Non Resident

CITY OF LANCASTER FEE SCHEDULE

(h) Non-Profit - For meetings only

		Non-Resident
(1) Deposit	\$75.00/hour	\$75.00
(2) Classroom/Youth Room	\$20.00/hour	\$25.00
(3) 1,100 square feet (Grand Hall)	\$50.00/hour	\$75.00
(4) Conference Room	\$10.00/hour	\$20.00

(i) Lancaster Youth and Adult Sports Association Fee

Player participation fee per season \$ 15.00

(j) Programs

Individual Recreation Classes	Range from \$5 - \$25	per class/ per day
Recreation Programs	Range from \$15 - \$100	Programs vary by week or by month.
Recreation Team Sports	Range from \$100 - \$400	per team/ per season

(k) Amphitheater Rental

	Resident	Non Resident
Deposit	\$150.00	\$150.00
4 hour rental	\$200.00	\$325.00
6 hour rental	\$275.00	\$400.00
Each additional hour after 6 hrs.	\$50.00	\$75.00

(l) Visitors Center & State Auxiliary Museum Rental

(After hour rental includes atrium and conference room only)

	Resident	Non Resident
Deposit	\$250.00	\$250.00
Set-up Fee	\$50.00	\$50.00
(1) 3 Hour Rental (After hours)	\$350.00	\$400.00
3 hour minimum and maximum for after hour reservations		
(2) Conference Room (during hours of operation only)		
	Resident	Non Resident
Deposit	\$100.00	\$100.00
Hourly rate (2 hour minimum)	\$50.00	\$75.00

ARTICLE 16.000 AIRPORT FEES

(a) Monthly Hangar Rental

CITY OF LANCASTER FEE SCHEDULE

- (1) 956 sq. ft. (small T-hangar) ~~\$190.00 / \$0.20~~ \$210.00 / \$0.22 per sq. ft.
- (2) 1,018.25 sq. ft. (medium T-hangar) ~~\$205.00 / \$0.20~~ \$224.00 / \$0.22 per sq. ft.
- (3) 1,624.33 sq. ft. (large T-hangar) ~~\$305.00 / \$0.19~~ \$357.00 / \$0.22 per sq. ft.

(b) Community Hangar Rental

- (1) 956 sq. ft. (small T-hangar) ~~\$95.00 / \$0.10~~ \$105.00 / \$0.11 per sq ft
- (2) 1,018.25 sq. ft. (medium T-hangar) ~~\$103.00 / \$0.09~~ \$112.00 / \$0.11 per sq ft
- (3) 1,624.33 sq. ft. (large T-hangar) ~~\$153.00 / \$0.10~~ \$179.00 / \$0.11 per sq ft

(c) Other Airport Fees

- (1) Ground Lease (Improved) \$0.30 per square foot per year
- (2) Ground Lease (Unimproved) \$0.20 per square foot per year
- (3) Terminal Building Office Lease \$12 per square foot per year
- (4) Monthly Tie Down Fee \$75.00 per month
- (5) Fuel Flowage Fee \$0.20 per delivered gallon
- (6) Café Sales 5% of Gross Sales

(Ordinance 2003-10-32 adopted 10/27/03) (Resolution 2009-04-41 adopted April 13, 2009)

CITY OF LANCASTER FEE SCHEDULE

ARTICLE 17.000 DEVELOPMENT FEES

	<u>Building Fee</u>	<u>Engineering Fee</u>	<u>Planning Fee</u>
(a) <u>Abandonment</u>			
<u>Driveway, Drive Approach, Curb, Gutter and Sidewalk Permit Fees (bond required)</u>			
(1) Residential Zones Repair/Replacement	\$25.00	N/A	N/A
(2) Residential Zones, New Construction	\$35.00	N/A	N/A
(3) Nonresidential Zones, per Approach	\$35.00	N/A	N/A
(b) <u>Annexations</u>	N/A	N/A	\$1,000.00 plus filing fee
(c) <u>Appeals to Zoning Board of Adjustments</u>	N/A	N/A	N/A
(d) <u>Building Permits</u> Single-Family Residence, Duplex, Multi-Family, Apartment, Condominium & Townhouse, Commercial and remodels) Fees Assessed Per Address			
(e) <u>Consultant Fee-Supplemental</u>	N/A	N/A	N/A

CITY OF LANCASTER FEE SCHEDULE

	<u>Building Fee</u>	<u>Engineering Fee</u>	<u>Planning Fee</u>
(f) <u>Design/Plan Review</u>			
Commercial and Industrial Projects Amendments (Commercial & Industrial) Residential Projects, Amendments (Residential), Minor Design Review	65% of the building permit fee. Section titled "Building Permit" in this schedule	N/A	N/A
(g) <u>Plats</u>			
(1) <u>Preliminary Plat</u>			
Fifty (50) acres or less			\$500.00 + \$50.00/acre
More than fifty (50) acres			\$1,000.00 + \$100.00/acre
	<u>Building Fee</u>	<u>Engineering Fee</u>	<u>Planning Fee</u>
(2) <u>Final Plat</u>			
			\$500.00 + \$10.00/lot
(3) <u>Re-Plats</u>			
Plat revision with property owner notification			\$575.00 + \$35.00/acre
Plat revision without property owner notification			\$450.00 + \$35.00/acre
(4) <u>Amended Plats</u>			
Amended Plats Correcting			\$400.00

CITY OF LANCASTER FEE SCHEDULE

Errors

(5) Plat Vacations

Plat Vacation increasing lots	\$200.00 + \$10.00/acre
All other plat vacations	\$500.00

(6) Miscellaneous Plat Items

Dallas County Clerk's Recording Fee	\$33.00 1 st page \$10.00 subsequent page
-------------------------------------	---

(7) Re-Plats

\$400.00

(1994 Code of Ordinance, Chapter 9, Article 9.100, Section 9.106)

	<u>Building Fee</u>	<u>Engineering Fee</u>	<u>Planning Fee</u>
(h) <u>Development Inspection Fees</u>			
(1)	Special Inspection \$47.00 per hour, minimum 2 hours	1.5%-3.5% estimated cost of improvements intended for dedication to the city for water, sewer and streets. Effectively Immediately = 1.5% Effective January 1, 2004 = 3.5% Each additional hour \$47.00 per hour	N/A
	1. Inspection 2 hours - Travel time of job site and return time to be included outside of normal business hours (min. charge) \$47.00 per hour	N/A	N/A
	2. Re-inspection fees assessed under provisions of Section 305.8	N/A	N/A

CITY OF LANCASTER FEE SCHEDULE

\$47.00 per hour

- | | | |
|--|-----|-----|
| 3. Inspection for which no fee is specifically indicated (min. charge – one half hour)
\$47.00 per hour | N/A | N/A |
| 4. Additional plan review required by changes, additions or revisions to plans (min. charge-one-half hour)
\$47.00 per hour | N/A | N/A |

- | | | | |
|---|----------------------------|-------------------------------|---|
| (2) <u>Miscellaneous Case</u> | N/A | N/A | \$100.00 |
| (3) <u>Planned Development Review</u> | N/A | N/A | \$1,500.00 plus \$10.00 per acre |
| (4) <u>Park Fee in Lieu of Dedication</u>

(including single-family, dual family, and multi-family residential areas) | <u>Building Fee</u>
N/A | <u>Engineering Fee</u>
N/A | <u>Planning Fee</u>
\$1,400.00 per dwelling unit
(Ord. 2006-10-41 adopted 10/23/06) |

(h) Signs
(Sec. 3.100 Fee Adopted – Lancaster City Code)

- | | | | |
|--|---------|-----|-----|
| (1) Permanent Signs, Per Face Based on Sign Area | Table A | N/A | N/A |
| (2) Temporary Portable Signs, | \$25.00 | N/A | N/A |

CITY OF LANCASTER FEE SCHEDULE

Flags, banners, etc.
(good for two weeks)

(3) Sign contractor registration	\$100.00	N/A	N/A
(i) <u>Site Plan Review</u>	N/A	N/A	\$250.00 plus \$10 per acre
(j) <u>Subdivision Name Change</u>	N/A	N/A	\$200.00
(k) <u>Street Lighting Escrow</u>	N/A	N/A	N/A
(l) <u>Tree Survey/Preservation Plan</u>	N/A	N/A	\$25.00 administration processing fee with \$125.00 per inch mitigation fee

CITY OF LANCASTER FEE SCHEDULE

Revision References

Effective October 1, 2007 (annual update)
Resolution 2007-09-108

Revised January 14, 2008 (revised water/waste water services rate)
Resolution 2008-01-07

Revised June 23, 2008 (revised garbage collection fees)
Resolution 2008-06-54

Revised September 8, 2008 (revised water service rate)
Resolution 2008-09-82

Revised September 8, 2008 (revised waste water service rate)
Resolution 2008-09-83

Effective October 1, 2008 (annual update)
Resolution 2008-09-84

Revised October 27, 2008 (Multi-Family Rental Property Registration and Inspection Fee)
Resolution 2008-10-91

Revised November 10, 2008 (Food Inspections & Administrative Fee)
Resolution 2008-11-100

Revised December 8, 2008 (Irrigation Permit Fee)
Resolution 2008-12-105

Revised April 13, 2009
Resolution 2009-04-41 (Municipal Airport Fees)

Revised April 27, 2009
Resolution 2009-04-51 (Cargo Container Fees)

Effective October 1, 2009 (annual update)
Resolution 2009-08-84

CITY OF LANCASTER FEE SCHEDULE

Revised October 26, 2009

Resolution 2009-10-102 (revised park land dedication fee per ordinance 2006-10-41)

Revised December 14, 2009

Resolution 2009-12-125 (revised Sec. 10.1700 Garbage Collection Fees)

Amended February 8, 2010

Resolution 2010-02-11 (amended Article 9.000 Drainage Utility Systems Fees to reflect Rates as adopted 10/14/02 Ordinance No. 2002-10-41)

Revised March 22, 2010

Resolution 2010-03-27 (revised Article 9.000 Drainage Utility System Fees)

Revised June 28, 2010

Resolution 2010-06-58 (repealed cargo container fee for agricultural purposes)

Revised June 28, 2010

Resolution 2010-06-59 (established Wind Energy System Permit Fee; Ordinance No. 2010-04-09)

~~*Resolution 2010-09-75 (repealed in its entirety)*~~

Effective October 1, 2010 (annual update)

Resolution 2010-09-82 (corrected Section 10.700 Water Rates – Within City)

Revised November 8, 2010

Resolution 2010-11-93 (adds fee for Local Alcohol Permit)

Revised September 12, 2011

Resolution 2011-09-79 (revised Sec. 10.1700 Garbage Collection Rates)

Revised September 12, 2011

Resolution 2011-09-80 (revised Sec. 10.700 Water Rates – Within City and Sec. 10.1000 Wastewater Treatment Services User Charges)

Effective October 1, 2011 (annual update)

Resolution 2011-09-81

CITY OF LANCASTER FEE SCHEDULE

*Effective October 10, 2011 (revised Sec. 4.400 Food Service Establishments fees)
Resolution 2011-10-86*

*Effective February 27, 2012
Resolution 2012-02-17 (revised Article 16.000 Airport Fees to add rental rates for community hangars)*

*Effective August 27, 2012
Ordinance 2012-08-25 (updated Water/Wastewater and Roadway Impact Fees)*

*Effective October 1, 2012 (annual update)
Resolution 2012-08-69*

*Effective December 1, 2012
Resolution 2012-09-79 (Industrial Discharge Fee – reference Appendix “A”)*

*Effective October 1, 2013 (annual update)
Resolution 2013-08-68*

*Effective January 1, 2014
Resolution 2013-07-61 (Hotel/Motel Property Annual Inspection Fee) (adopted 7-8-13)*

*Effective June 9, 2014
Resolution 2014-06-48 (Fines, costs, and fees for School Bus Stop Arm Violations) (adopted 6-9-14)*

*Effective June 23, 2014
Resolution 2014-06-50 (Boarding Home Facilities Permit) (adopted 6-23-14)*

*Effective October 1, 2014 (annual update)
Resolution 2014-09-77*

*Effective October 1, 2015
Resolution 2015-09-74 (Water and Wastewater Rates) (adopted 9-14-15)*

*Effective October 1, 2015 (annual update)
Resolution 2015-09-67*

CITY OF LANCASTER FEE SCHEDULE

Effective December 14, 2015

Resolution 2015-12-102 (Solid Waste Disposal) (adopted 12-14-15)

Effective October 1, 2016 (annual update)

Resolution 2016-09-XX

LANCASTER CITY COUNCIL

City Council Regular Meeting

Item 4.

Meeting Date: 09/12/2016

Policy Statement: This request supports the City Council 2016-2017 Policy Agenda

Goal(s): Financially Sound Government

Submitted by: Sam Urbanski, Interim Police Chief

Agenda Caption:

Consider an ordinance approving the proposed fiscal year 2016/2017 budget for proceeds of seized property for the Lancaster Police Department for the fiscal year beginning October 1, 2016 and ending September 30, 2017; providing that expenditures for said fiscal year shall be in accordance with said budget.

Background:

Pursuant to the agreements signed by the Lancaster Police Department and the State Attorney General and United States Department of Justice to share the use of property and/or proceeds from seizures in connection with combined law enforcement activities, the interim police chief is submitting to the City Council a proposed budget of the expenditures for conducting the affairs of the City of Lancaster Police Department throughout the fiscal year beginning October 1, 2016 and ending September 30, 2017.

Operational Considerations:

The proposed detail budget is outlined below.

Fund	2016-2017 Budget Expenditures
Police Seized Funds - State	\$19, 000.00
Police Seized Funds - Federal	\$31,000.00
Total	\$50,000.00

Legal Considerations:

The ordinance has been reviewed and approved as to form by the City Attorney.

Public Information Considerations:

This item is being considered at a meeting of the City Council noticed in accordance with the Texas Open Meetings Act.

Fiscal Impact:

The Seized Funds proposed budget is a plan for expenditures related to the operations of the City of Lancaster Police Department.

Options/Alternatives:

1. City Council may approve the ordinance, as presented.
2. City Council may deny the ordinance.

Recommendation:

Staff recommends approval of the ordinance as presented.

Attachments

Ordinance

Exhibit "A"

Exhibit "B"

ORDINANCE NO.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS, APPROVING AND ADOPTING A BUDGET FOR PROCEEDS OF SEIZED PROPERTY FOR THE LANCASTER POLICE DEPARTMENT FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2016 AND ENDING SEPTEMBER 30, 2017; PROVIDING THAT EXPENDITURES FOR SAID FISCAL YEAR SHALL BE IN ACCORDANCE WITH SAID BUDGET; PROVIDING FOR THE REPEAL OF ALL ORDINANCES IN CONFLICT; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Lancaster Police Department has signed certain agreements with the State Attorney General and United States Department of Justice to share the use of property and/or proceeds from seizures in connection with combined law enforcement activities; and

WHEREAS, the Interim Chief of Police of the City of Lancaster Police Department has submitted to the City Council a proposed budget of the expenditures for utilizing such funds in accordance with the law for the benefit of law enforcement activities of the department for fiscal year 2016-2017; and

WHEREAS, the City Council has received the Interim Chief of Police’s proposed seizure budget, a copy of which proposed seizure budget is attached hereto and incorporated herein as Exhibits A and B, and has been filed with the City Secretary of the City of Lancaster;

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

SECTION 1. That the budget of expenditures as set forth in the attachments hereto as Exhibits A and B, for conducting the affairs of the City of Lancaster Police Department and providing a financial plan for the ensuing fiscal year beginning October 1, 2016 and ending September 30, 2017, is hereby approved as the adopted budget for proceeds of seized property on behalf of the City of Lancaster Police Department; and, the Department shall expand those funds in accordance with Agreements recited herein and applicable law.

SECTION 2. That the appropriations for the fiscal year are hereby approved beginning October 1, 2016, and ending September 30, 2017, for the various funds and purposes of the City of Lancaster Police Department, which is attached hereto and incorporated herein as Exhibit A and is summarized as follows:

<u>Exhibit “A”</u>	2016-2017
	Budget
<u>Fund</u>	<u>Expenditures</u>
Police Seized Funds – State	\$19,000.00
<u>Exhibit “B”</u>	
Police Seized Funds – Federal	\$31,000.00
Total	\$50,000.00

SECTION 3. Those expenditures during the fiscal year shall be made in accordance with the seizure budget approved by this ordinance and made part hereof for all purposes unless otherwise authorized by a duly enacted ordinance of the City.

SECTION 4. That all provisions of the ordinances of the City of Lancaster in conflict with the provisions of this ordinance be and the same are hereby repealed, and all other provisions of the ordinances of the City of Lancaster not in conflict with the provisions of this ordinance shall remain in full force and effect.

SECTION 5. That should any sentence, paragraph, subdivision, clause, phase or section of this ordinance be adjudged or held to be unconstitutional, illegal, or invalid, the same shall not affect the validity of this ordinance as a whole, or any part or provision thereof other than the part so decided to be invalid, illegal or unconstitutional.

DULY PASSED and approved by the City Council of the City of Lancaster, Texas, on this the 12th day of September, 2016.

ATTEST:

APPROVED:

Sorangel O. Arenas, City Secretary

Marcus E. Knight, Mayor

APPROVED AS TO FORM:

Robert E. Hager, City Attorney

Exhibit A

bdpbrgst fk3880

09:49 08/08/16

Fund: 11 POLICE SEIZED FUNDS - STATE

Dept: 14 POLICE

City of Lancaster

Detailed Budget Request Report

Fiscal Year: 2017

Revision level: 2 Payroll Budgeting Revision 2

Page 1

Prog: POLICE DEPARTMENT		Account Type Selected: E Expenses	
Account Number	Description	Budget Reference	Comment
11-0102-14-00	SALARIES PART TIME		
			Totals: .00 *
11-0107-14-00	FICA		
			Totals: .00 *
11-0109-14-00	SALARIES WELL PAY		
			Totals: .00 *
11-0110-14-00	DENTAL INSURANCE		
			Totals: .00 *
11-0112-14-00	SALARIES OUT OF CLASS/FTO PAY		
			Totals: .00 *
11-0114-14-00	SALARIES ASSIGNMENT PAY		
			Totals: .00 *
11-0115-14-00	CERTIFICATION PAY		
			Totals: .00 *
11-0116-14-00	SALARIES EDUCATION PAY		
			Totals: .00 *
11-0117-14-00	SALARIES SECOND LANGUAGE		
			Totals: .00 *
11-0120-14-00	GROUP LIFE INSURANCE		
			Totals: .00 *
11-0130-14-00	WORKERS COMPENSATION		
			Totals: .00 *
11-0169-14-00	ELLIS COUNTY PROGRAM FEE		
			Totals: .00 *
11-0170-14-00	ELLIS COUNTY SAL REIMB		
			Totals: .00 *
11-0172-14-00	BLOCK GRANT OVERTIME		
			Totals: .00 *
11-0201-14-00	OFFICE SUPPLIES		
			Totals: .00 *
11-0202-14-00	UNIFORMS AND CLOTHING		
			Totals: 10,000.00 *
11-0203-14-00	MOTOR VEHICLE SUPPLIES		
			Totals: .00 *
11-0204-14-00	MINOR EQUIPMENT		
			Totals: .00 *
11-0210-14-00	FOOD/BEV-MEETING/FUNCTIONS		
			Totals: .00 *
11-0211-14-00	OTHER OPERATIONAL SUPPLIES		
			Totals: .00 *
11-0212-14-00	AMMUNITION		
			Totals: .00 *
11-0215-14-00	TRAINING SUPPLIES		
			Totals: .00 *
11-0219-14-00	DATA PROCESSING SUPPLIES		
			Totals: .00 *

Prog: POLICE DEPARTMENT		Account Type Selected: E Expenses	
Account Number	Description	Budget Reference	Comment
			Totals: .00 *
11-0220-14-00	INVESTIGATION SUPPLIES		Totals: .00 *
11-0302-14-00	MAINT-MOTOR VEHICLES		Totals: .00 *
11-0314-14-00	MAINT-RADIO EQUIPMENT		Totals: .00 *
11-0318-14-00	MAINT-OFFICE EQUIPMENT		Totals: .00 *
11-0342-14-00	MAINT-DATA PROCESSING EQUIP		Totals: .00 *
11-0401-14-00	TELEPHONE & COMMUNICATIONS		Totals: .00 *
11-0402-14-00	RENTAL OF EQUIPMENT		Totals: .00 *
11-0404-14-00	COURT COSTS		Totals: .00 *
11-0405-14-00	DISTRICT ATTORNEY		Totals: .00 *
11-0407-14-00	SPECIAL SERVICES		Totals: .00 *
11-0409-14-00	TRAVEL & EDUCATION		Totals: .00 *
11-0414-14-00	DUES & SUBSCRIPTIONS		Totals: 9,000.00 *
11-0416-14-00	OTHER/PROFESSIONAL SERVICES		Totals: .00 *
11-0421-14-00	PRINTING		Totals: .00 *
11-0430-14-00	OTHER CITIES		Totals: .00 *
11-0442-14-00	COMPUTER PROFESSIONAL SERVICES		Totals: .00 *
11-0450-14-00	ADMINISTRATIVE FEES		Totals: .00 *
11-0462-14-00	CELLULAR TELEPHONE		Totals: .00 *
11-0546-14-00	REFUNDS		Totals: .00 *
11-0602-14-00	CAPITAL-BUILDING & STRUCTURE		Totals: .00 *
11-0608-14-00	CAPITAL-FURNITURE & FIXTURES		Totals: .00 *
11-0615-14-00	CAPITAL-COMMUNICATION EQUIP		Totals: .00 *
11-0617-14-00	CAPITAL-OFFICE EQUIPMENT		Totals: .00 *

Prog: POLICE DEPARTMENT		Account Type Selected: E Expenses	
Account Number	Description	Budget Reference	Comment
			Totals: .00 *
11-0618-14-00	CAPITAL-COMPUTER EQUIPMENT		Totals: .00 *
11-0620-14-00	CAPITAL-SOFTWARE		Totals: .00 *
11-0625-14-00	CAPITAL-POLICE EQUIPMENT		Totals: .00 *
Program 0 - POLICE DEPARTMENT Totals:			19,000.00 *

Prog: 1 STATE SEIZED FUNDS Account Type Selected: E Expenses

Account Number	Description	Budget Reference	Comment		
11-0101-14-01	SALARIES REGULAR			Totals:	.00 *
11-0103-14-01	SALARIES OVERTIME			Totals:	.00 *
11-0104-14-01	SALARIES LONGEVITY			Totals:	.00 *
11-0105-14-01	GROUP HEALTH INSURANCE			Totals:	.00 *
11-0106-14-01	TMRS			Totals:	.00 *
Program 1 - STATE SEIZED FUNDS Totals:					.00 *
Department 14 - POLICE Totals:					19,000.00 **
Expenditure Totals:					19,000.00 ****
Fund 11 - POLICE SEIZED FUNDS - STATE Totals:					19,000.00 ***
***** End of Report *****					

Exhibit B

bdpbrqst fk3880

City of Lancaster

09:50 08/08/16

Detailed Budget Request Report

Fund: 12 POLICE SEIZED FUNDS - FEDERAL

Fiscal Year: 2017

Dept: 14 POLICE DEPARTMENT

Revision level: 2 Payroll Budgeting Revision 2

Prog: POLICE DEPT EXPENDITURES

Account Type Selected: E Expenses

Account Number	Description	Budget Reference	Comment		
12-0201-14-00	SUPPLIES			Totals:	.00 *
12-0202-14-00	UNIFORMS AND CLOTHING			Totals:	21,000.00 *
12-0204-14-00	MINOR EQUIP/TOOLS			Totals:	.00 *
12-0301-14-00	MAINTENANCE			Totals:	.00 *
12-0407-14-00	SERVICES			Totals:	.00 *
12-0409-14-00	TRAVEL & EDUCATION			Totals:	10,000.00 *
12-0414-14-00	DUES & SUBSCRIPTIONS			Totals:	.00 *
12-0416-14-00	OTHER/PROFESSIONAL SERVICES			Totals:	.00 *
12-0421-14-00	PRINTING			Totals:	.00 *
12-0620-14-00	CAPITAL-SOFTWARE			Totals:	.00 *
12-0625-14-00	CAPITAL - EQUIPMENT			Totals:	.00 *
Program 0 - POLICE DEPT EXPENDITURES Totals:					31,000.00 *
Department 14 - POLICE DEPARTMENT Totals:					31,000.00 **
Expenditure Totals:					31,000.00 ****
Fund 12 - POLICE SEIZED FUNDS - FEDERAL Totals:					31,000.00 ***
***** End of Report *****					

LANCASTER CITY COUNCIL

City Council Regular Meeting

Item 5.

Meeting Date: 09/12/2016

Policy Statement: This request supports the City Council 2016-2017 Policy Agenda

Goal(s): Financially Sound Government
Healthy, Safe & Vibrant Community
Sound Infrastructure
Quality Development
Civic Engagement
Professional & Committed City Workforce

Submitted by: Opal Mauldin-Robertson, City Manager

Agenda Caption:

Consider a resolution casting a vote for Trustees in Places 6, 7, 8, and 9 in the Texas Municipal League Intergovernmental Risk Pool Board of Trustees Election on the Official Ballot form; authorizing the Mayor to sign the Official Ballot.

Background:

The Texas Municipal League Intergovernmental Risk Pool is an interlocal agency that provides Texas municipalities and other units of local government with a stable source of risk financing for workers' compensation, liability, and property protection. As a member of the Texas Municipal League Intergovernmental Risk Pool, the City is entitled to vote in Board of Trustee elections.

The Board of Trustees consists of fifteen members. There are four trustee places to be voted on for this election. A brief biographic sketch of each candidate is provided on the ballot which is attached.

Operational Considerations:

Council may select one candidate or submit a write-in candidate for each Place. Officials on the ballot have been nominated to serve a six-year term.

Legal Considerations:

Ballots must be properly signed and reach the office of the Secretary of the Board no later than September 30, 2016 to be counted.

Public Information Considerations:

This item is being considered at a meeting of the City Council noticed in accordance with the Texas Open Meetings Act.

Options/Alternatives:

- 1) Select a candidate for each Place from the Official Ballot or provide a write-in candidate and authorize the Mayor to execute the Official Ballot as selected by the majority of the Council.
- 2) Take no action. The City of Lancaster is not able to cast a ballot for Trustee members without taking action through an official ballot.

Recommendation:

Council selects the candidate of their choice in each Place by majority vote.

Attachments

Resolution

Exhibit "A"

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS CASTING ITS VOTE FOR TRUSTEE IN PLACES 6, 7, 8, AND 9 IN THE TEXAS MUNICIPAL LEAGUE INTERGOVERNMENTAL RISK POOL BOARD OF TRUSTEES ELECTION ON THE OFFICIAL BALLOT; AUTHORIZING THE MAYOR TO EXECUTE THE OFFICIAL BALLOT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Lancaster, Texas is eligible to vote in the Texas Municipal League Intergovernmental Risk Pool Board of Trustees Election; and,

WHEREAS, as a member of the Intergovernmental Risk Pool, the City of Lancaster desires to cast an Official Ballot in accordance with the requirements thereof;

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 does hereby cast its vote for Places 6, 7, 8, and 9 for the Texas Municipal League Intergovernmental Risk Pool Board of Trustees Election as marked on the Official Ballot, which is attached hereto and incorporated herein by reference for all purposes as Exhibit "A"

SECTION 2. That the Mayor of the City of Lancaster, Texas is hereby authorized to execute said Official Ballot.

SECTION 3. 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 12th day of September, 2016.

ATTEST:

APPROVED:

Sorangel O. Arenas, City Secretary

Marcus E. Knight, Mayor

APPROVED AS TO FORM:

Robert E. Hager, City Attorney

OFFICIAL BALLOT

Texas Municipal League Intergovernmental Risk Pool Board of Trustees Election

This is the official ballot for the election of Places 6 – 9 of the Board of Trustees for the Texas Municipal League Intergovernmental Risk Pool. Each Member of the Pool is entitled to vote for Board of Trustee members. Please record your organization's choices by placing an "X" in the square beside the candidate's name or writing in the name of an eligible person in the space provided. You can only vote for one candidate for each place.

The officials listed on this ballot have been nominated to serve a six-year term on the TML Intergovernmental Risk Pool (Workers' Compensation, Property and Liability) Board of Trustees.

Ballots must reach the office of David Reagan, Secretary of the Board, no later than September 30, 2016. Ballots received after September 30, 2016, cannot be counted. **The ballot must be properly signed and all pages of the ballot must be mailed to: Trustee Election, David Reagan, Secretary of the Board, P.O. Box 149194, Austin, Texas 78714-9194. If the ballot is not signed, it will not be counted.**

PLACE 6

- Mary Gauer** (Incumbent). Ms. Gauer has served on the TML Risk Pool Board of Trustees since 1998 and as Chair from 2010 to 2012. She served on the Harker Heights City Council from 1991 to 1998, and as Mayor from 1998 to 2004. Ms. Gauer serves as an elected citizen member of the Executive Committee of the Central Texas COG. She has served as President of the TML Association of Mayors, Councilmembers and Commissioners and the TML Region 9. She has also served as chair or member of several TML legislative committees.

- Kyle J. Jung**. City Manager for Manvel (Region 14) since January 17, 2012. Mr. Jung has more than 20 years of local government experience working for the cities of Flatonia and Sour Lake as City Manager, cities of Lubbock and Big Spring in various administrative roles, and with the Texas Municipal League. At the Texas Municipal League, he was chiefly responsible for the governance of the Texas City Management Association. Mr. Jung has a Master's degree in public administration with an emphasis in budgeting and personnel management from Texas Tech University.

WRITE IN CANDIDATE:

PLACE 7

- Richard Jorgensen.** City Manager of Giddings (Region 10). Previously, he served as City Manager for Vidor, Silsbee, and Sour Lake. Mr. Jorgensen has 20 years' experience in city government preparing, coordinating and monitoring the annual fiscal budget. He has also been involved in 4A and 4B economic development corporations for 13 years as either chairman or as a director. He has a Bachelor's degree in business administration and a Master's degree in public administration. He is involved with the Texas City Managers Association, serving on the Board for two years.

- C.J. Wax (Incumbent).** Mayor of Rockport since 2010. Mr. Wax is the current President of TML and served as the TML Region 11 Board Representative to the TML Board from 2011-15. He has served on the TML Risk Pool Board since 2013. He also has served on the Care Regional Board of Trustees since 2014 (currently as Chairman), on the Texas Windstorm Task Force under Chairman Todd Hunter, and on the Rockport Planning and Zoning Commission from 2009-10. He currently represents Rockport on the Coastal Bend COG, Aransas County Pathways, and Storm Water Advisory Committees.

WRITE IN CANDIDATE:

PLACE 8

- Jim Cox.** City Administrator for the City of Leonard (Region 13) since October 1, 2015. He previously served as City Administrator in Lindale, Texas, and Groesbeck, Texas. He also served for two terms on the City Council and on the Home Rule Charter Commission for Bay City, Texas. Mr. Cox is active in TCMA serving on the Membership Committee and Small Cities Advisory Board. He is a graduate of the Certified Public Manager Program at Stephen F. Austin University and attended the University of Texas at Arlington majoring in Business Administration.

- Andrea M. Gardner.** City Manager for the City of Copperas Cove (Region 9) since 2007. Previously, she was the Assistant City Manager/Director of Finance for Copperas Cove, Director of Finance for Pearland, and the Senior Budget Coordinator for Pasadena. She holds a Bachelor's degree in Accounting from the University of Houston and is a Certified Public Manager. Ms. Gardner also serves on the Metropolitan Planning Organization Technical Committee as the City's representative and the Central Texas COG's Executive Committee as a Citizen Liaison.

- Larry Melton (Incumbent).** Mayor for Odessa (Region 4) from 2001 to 2012. Mr. Melton also served three years as a councilmember. He has served on the TML Risk Pool Board of Trustees since 2009 and as Chair since 2014. He is the Chief Executive Officer of a regional public accounting firm, Johnson, Miller and Company, where he is responsible for all administrative and human resources areas of the firm. Previously, Mr. Melton was in the banking business for approximately 30 years. He is active in the United Way of Odessa and Odessa Chamber of Commerce. In 1993, he was honored as Odessa's outstanding citizen.

WRITE IN CANDIDATE:

PLACE 9

- Richard L. Davis.** City Manager for Baytown (Region 14) since 2015. Mr. Davis also served as City Manager for West Jordan, Utah; Town Manager for Fountain Hills, Arizona; and City Manager for West Point City, Utah. He has a Bachelor's degree in Public Relations from BYU and a Master's degree in Public Administration from BYU. He is a graduate of the Romney Institute of Public Management (Marriott School of Management) and the recipient of the Lennis M. Knighton Award for high academic achievement. He is a credentialed Municipal Manager by the International City and County Management Association.

- Andres Garza (Incumbent).** City Manager for the City of Wharton (Region 14) since 1994. Mr. Garza has served on the TML Risk Pool Board of Trustees since 1984, serving as Chair from 1994-1996. He served as the Pearsall City Manager from 1980 to 1994. Mr. Garza has been in public service for over 39 years of which 36 have been as a City Manager. He serves on the TML Small City's Advisory Council, has a BBA degree from Southwest Texas State University, and is a member of TCMA and ICMA.

- Rick A. Schroder.** City Administrator for the City of Helotes (Region 7) since September 2008. Mr. Schroder also served Helotes as the Economic Development Corporation's Specialist from November 2006 to September 2008. He graduated Magna Cum Laude from Trinity University in 2004 and earned a Master of Public Service and Administration in 2006 from the George H.W. Bush School of Government and Public Service at Texas A&M University. He interned for Congressman Henry Bonilla and for Ron Kaufman, former White House Political Director for President George H.W. Bush.

WRITE IN CANDIDATE:

Certificate

I certify that the vote cast above has been cast in accordance with the will of the majority of the governing body of the public entity named below.

Witness by hand, this _____ day of _____, 2016.

Signature of Authorized Official

Title

Printed Name of Authorized Official

Printed Name of Political Entity

LANCASTER CITY COUNCIL

City Council Regular Meeting

Item 6.

Meeting Date: 09/12/2016

Policy Statement: This request supports the City Council 2016-2017 Policy Agenda

Goal(s): Financially Sound Government
Sound Infrastructure

Submitted by: Mark Divita, Airport Manager

Agenda Caption:

Consider a resolution approving the terms and conditions of the City owned T-Hangar commercial lease from buildings 660, 680, and 700 at Lancaster Regional Airport.

Background:

The City owns and leases five rows of T-hangars (buildings 660-700) of three different sizes based upon aircraft wingspan. There are 92 units total that the City rents for aircraft storage with end cap commercial spaces on the east end of each hangar row. The City T-hangars are at near full occupancy most of the year. This agenda item brings forward a commercial lease renewal agreement for office space units 660-101/102/104/106/108, 680-120/121/122, 700-101/102/104 for an aircraft engine parts business called Enparts owned by Eileen McGough. This business has been in good standing with the Airport and City.

Operational Considerations:

The City T-hangar commercial lease is used for specialty fixed based operators on the airfield and private aircraft owners respectively.

Legal Considerations:

The lease agreement template was reviewed and approved by the City Attorney.

Public Information Considerations:

This item is being considered at a meeting of the City Council noticed in accordance with the Texas Open Meetings Act.

Fiscal Impact:

Lease rates vary based on size of the hangar or attached office space. All rates were approved in the City's Master Fee Schedule. The monthly rate for this office space attached to our medium sized hangar is \$2,394.00 per month based upon \$0.20 per square feet for the medium T-hangar building.

Options/Alternatives:

1. Council may approve the resolution as presented.
2. Council may reject the resolution.

Recommendation:

Staff recommends approval of the resolution.

Attachments

Resolution

Exhibit "1"

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS, APPROVING THE TERMS AND CONDITIONS OF THE CITY OWNED T-HANGAR COMMERCIAL LEASE FROM BUILDINGS 660, 680, AND 700 AT LANCASTER REGIONAL AIRPORT; AUTHORIZING THE CITY MANAGER TO EXECUTE SAID LEASES; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Lancaster Regional Airport has aircraft T-hangers available for monthly rental for revenue gain; and

WHEREAS, the City Council of Lancaster, Texas, desires to authorize the commercial lease pursuant to the tenant listed in Exhibit "1";

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

SECTION 1. That the City T-hangar lease agreement attached hereto and incorporated herein by reference as Exhibit "1" having been reviewed by the City Council of the City of Lancaster, Texas and found to be acceptable and in the best interest of the City and its citizens, be, and the same is hereby, in all things approved.

SECTION 2. That the City Manager is hereby authorized to execute said lease agreement.

SECTION 3. 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 12th day of September, 2016.

ATTEST:

APPROVED:

Sorangel O. Arenas, City Secretary

Marcus E. Knight, Mayor

APPROVED AS TO FORM:

Robert E. Hager, City Attorney

custody and control. All insurance and certificate(s) of insurance shall contain the following provisions: (1) name the Landlord, its officers, agents and employees as additional insureds as to all applicable coverage and (2) provide for at least thirty (30) days prior written notice to the Landlord for cancellation, non-renewal, or material change of the insurance.. All insurance companies providing the required insurance shall be authorized to transact business in Texas and rated at least "A" by AM Best or other equivalent rating service. A certificate of insurance evidencing the required insurance shall be on file for review upon request from LESSOR.

LESSEE shall, at its own option, carry its own insurance on its aircraft and other equipment which LESSEE stores in or on the leased premises and in no event shall LESSOR be liable to LESSEE for loss or damage to LESSEE'S aircraft and equipment or personal property of LESSEE.

3.03 **Compliance with Laws:**

(a) Tenant may not use, or permit using, the Premises in any manner that results in waste of premises or constitutes a nuisance or for any illegal purpose. Tenant, at its own expense, will comply, and will cause its officers, employees, agents and invitees to comply, with all applicable laws, ordinances, and governmental rules and regulations concerning the use of the Premises, including Hazardous Materials Laws.

(b) "Hazardous Materials" means any substance, material, or waste that is or becomes regulated by any local governmental agency, the State of Texas, or the Federal Government, including, but not limited to, any material or substance that is (1) *designated as a "hazardous substance" pursuant to § 311 of the Clean Water Act, 33 U.S.C. § 1251 et. seq., or listed pursuant to § 307 of the Clean Water Act, 33 U.S.C. § 1317,* (2) *defined as a "hazardous substance" pursuant to § 101 of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. § 9601 et. seq.,* (3) *defined as a "hazardous waste" pursuant to § 1004 of the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et. seq.,* (4) *petroleum,* (5) *asbestos,* and (6) *polychlorinated biphenyls.*

3.04 **Condition of Premises, Tenant Finish-Out:** Tenant acknowledges and agrees and does hereby accept the Premises AS IS with all faults. Tenant shall, without cost to Landlord, be responsible for the design and construction of all Tenant finish out for the Premises including exterior improvements.

IV. MAINTENANCE AND SURRENDER

Maintenance and Surrender by Tenant: Tenant will maintain the leased Premises and keep them free from waste or nuisance throughout the Lease Term and any extensions of it. The Tenant shall be responsible for routine maintenance of all tenant maintainable consumables for electrical, plumbing, and heating / air conditioning elements of the building on the Premises. When this Lease terminates, Tenant must deliver the Premises in as good a state of repair and condition as they existed when Landlord delivered possession to Tenant, except for reasonable wear and tear commensurate with the age of the Premises and damage by fire, tornado, or other casualty. If Tenant neglects to reasonably maintain the Premises, Landlord may, but is not

required to, cause repairs or corrections to be made. Any reasonable costs incurred for repairs or corrections for which Tenant is responsible under this section are payable by Tenant to Landlord as a reimbursement within thirty (30) days after Lease termination.

V. UTILITIES AND TAXES

Utilities and Taxes on Tenant's Property: Landlord shall pay or cause to be paid all charges for water. Tenant will pay all taxes levied or assessed against personal property, furniture, or fixtures it places in or on the Premises. If any such taxes for which Tenant is liable are levied or assessed against Landlord or Landlord's property, and Landlord elects to pay them, or if the assessed value of Landlord's property is increased by including personal property, furniture, or fixtures placed by Tenant in the Premises, and Landlord elects to pay the taxes based on the increase, Tenant must, upon demand, pay Landlord the part of the taxes for which Tenant is primarily liable under this article.

VI. ALTERATIONS, ADDITIONS, IMPROVEMENTS AND FIXTURES

6.01 **Consent of Landlord:** Tenant may not make any alterations, additions, or improvements to the Premises without Landlord's prior written consent, which shall not be unreasonably denied or delayed.

6.02 **Property of Landlord:** All alterations, additions, or improvements made by Tenant will become Landlord's property when this Lease terminates.

6.03 **Trade Fixtures:** Tenant has the right at all times to erect or install furniture and fixtures, as long as Tenant complies with all applicable governmental laws, ordinances, and regulations. Tenant may remove such items when this Lease terminates, if Tenant is not in default at that time and the fixtures can be removed without structural damage to the Premises. Before this Lease terminates, Tenant must repair any damage caused by removing any fixtures and should have 15 days to comply. Any furniture or fixtures not removed by Tenant when this Lease terminates are considered abandoned by Tenant and automatically become Landlord's property.

6.04 **Construction by Tenant:** Tenant shall have the right during the term of this Lease to erect, maintain, alter, remodel, reconstruct, or rebuild the tenant improvements within the Premises, subject to the following general conditions:

1. Tenant bears cost of any such work;
2. The Premises shall at all times kept free of mechanics' and material men's liens;
3. Any improvements constructed on the Premises shall be approved by Landlord pursuant to § 6.05 herein and if remaining at the end of the Lease Term, shall become the property of Landlord; and
4. Any removal of tenant improvements must be pre-approved by Landlord.

6.05 **Landlord's Approval:** The following rules govern Landlord's approval of construction, additions, and alterations of the building or other improvements:

(a) **Written approval required.** No tenant or other improvement may be constructed unless the plans, specifications, and proposed location of the improvement have received Landlord's written approval. No material addition to or alterations of the Premises may be begun until plans and specifications covering the proposed addition or alteration have been first submitted to and approved by Landlord. The Landlord shall not unreasonably withhold approval of such plans and specifications. .

(b) **Landlord's approval.** Landlord will promptly review and approve all plans submitted under subparagraph above or note in writing any' required changes or corrections that must be made to the plans, Failure to object to the plans within thirty (30) days constitutes its approval of the changes. Any required changes or corrections must be made, and the plans resubmitted to Landlord, within thirty (30) days after the corrections or changes have been noted. Landlord's failure to object to the resubmitted plans and specifications within thirty (30) days constitutes its approval of the changes. Minor changes in work or materials not affecting the general character of the Premises project may be made at any time without Landlord's approval, but a copy of the altered plans and specifications must be furnished to Landlord.

VII. DAMAGE OR DESTRUCTION

7.01 **Notice to Landlord:** If the Premises or any structures or improvements on the are damaged or destroyed by fire, tornado, or other casualty, Tenant must immediately give Landlord written notice of the damage or destruction, including a general description of the damage and, as far as known to Tenant, the cause of the damage.

7.02 **Total Destruction:** If the Premises are totally destroyed by fire, tornado, or other casualty this Lease will terminate, and rent will be abated for the unexpired portion of this Lease, effective as of the date of written notification as provided in § 7.01. The Landlord in its sole discretion may elect to restore the Premises and rebuild the Building in which event the Lease shall continue in under the same terms and conditions set forth herein from the date the Premises has been fully restored. Alternatively, the Tenant with the consent of Landlord may, by written notice within thirty (30) days after the notice as provided in § 7.01, elect to rebuild the Building and restore the Premises provided Tenant commences the restoration of the Premises within one hundred eighty (180) days thereafter and at Tenant's cost.

7.03 **Partial Destruction:** If the Premises are damaged by fire, tornado, or other casualty other than by the negligence, gross negligence, or intentional tort of Tenant or any person in or about the Premises with Tenant's express or implied consent, or if they are so damaged that rebuilding or repairs cannot reasonably be completed within one hundred eighty (180) working days or the damage exceeds the Landlord's insurance recovery, or the Landlord elects not to restore the Premises, this Lease will terminate.

VIII. CONDEMNATION

8.01 **Total Condemnation:** If, during the Lease Term or any extension or renewal of the Lease, all of the Premises are taken for any public or quasi-public use under any

governmental law, ordinance, or regulation, or by right of eminent domain, or are sold to the condemning authority under threat of condemnation, this Lease will terminate, and the rent will be abated during the unexpired portion of this Lease, effective as of the date the condemning authority takes the Premises.

8.02 **Partial Condemnation:** If less than all of the Premises is taken for any public or quasi-public use under any governmental law, ordinance, or regulation or by right of eminent domain, or is sold to the condemning authority under threat of condemnation, either party may terminate this Lease by giving written notice to the other within thirty (30) days. In addition, if all or a portion of the parking area, or the signage, of the Premises is taken for any public or quasi-public use under any governmental law, ordinance, or regulation or by right of eminent domain, or is sold to the condemning authority under threat of condemnation, either party may terminate this Lease by giving Landlord written notice within thirty (30) days. If the Premises are partially condemned and neither party elects to terminate this Lease, this Lease will not terminate, but the rent will be adjusted equitably during the un-expired portion of this lease.

8.03 **Condemnation Award:** Landlord is entitled to receive and retain the entire award in any condemnation proceedings, except for any portion attributable to trade fixtures and personal property owned by Tenant, which Tenant is entitled to receive and retain. The termination of this Lease will not affect the right to this award.

IX. INSPECTION BY LANDLORD

Landlord and its officers, agents, employees, and representatives may enter any part of the Premises during normal business hours for the purpose of inspection, cleaning, maintenance, repairs, alterations, or additions as Landlord considers necessary (but without any obligation to perform any of these functions except as stated in this Lease). Tenant is not entitled to any abatement or reduction of rent by reason of entry of Landlord or any of its officers, agents, representatives, or employees under this article, nor will such an entry be considered an actual or constructive eviction.

X. MECHANIC'S LIEN

Tenant will not permit any mechanic's lien to be placed on the Premises or on improvements made to the Premises. If a mechanic's lien is filed on the Premises or on improvements on them, Tenant will promptly pay it. If default in payment of the lien continues for thirty (30) days after Landlord's written notice to Tenant, Landlord may, at its option, pay the lien or any portion of it without inquiring into its validity. Any amounts Landlord pays to remove a mechanic's lien caused by Tenant to be filed against the Premises or against improvements on the Premises, including expenses and interest, are due from Tenant to Landlord and must be repaid to Landlord immediately on rendition of notice, together with annual interest at the highest rate then allowed by law until paid.

XI. INDEMNITY

11.01 **Tenant's General Indemnity:** Tenant will indemnify and hold Landlord

harmless against any claims, demands," damages, costs, and expenses, including reasonable attorney's fees, for defending claims and demands arising from the conduct or management of Tenant's business on the Premises or its use of the Premises, or from any breach on Tenant's part of any conditions of this Lease, or from any act or negligence of Tenant, its officers, agents, contractors, employees, subtenants, or invitees in or about the Premises. In case of any action or proceeding brought against Landlord by reason of any such claim, Tenant, on notice from Landlord, will defend the action or proceeding by counsel acceptable to Landlord.

11.02 **Tenant's Environmental Indemnity:**

(a) Tenant is responsible only for the payment of that portion of any cleanup costs for the Premises necessary for compliance with Hazardous Materials Laws that arise as a result of Tenant's discharge of Hazardous Materials on the Premises during Tenant's occupancy of the Premises. Landlord is responsible for all other cleanup costs and for ensuring that any other responsible party participates in the cleanup to the extent of its responsibility for a release.

(b) Tenant must indemnify, defend, and hold harmless Landlord from and against all claims, liabilities, losses, damages, and costs, foreseen or unforeseen, including without limitation counsel, engineering, and other professional or expert fees, that Landlord may incur by reason of Tenant's action or inaction with regard to Tenant's obligations under this section.

XII. ASSIGNMENT AND SUBLEASE

Assignment and Subletting by Tenant: Tenant may not assign this Lease, or any interest in it, nor sublet the Premises, or any part of them without prior written consent of Landlord.

XIII. DEFAULT

13.01 **Tenant's Default:** The following events are considered events of default by Tenant under this Lease:

(a) Tenant fails to pay any installment of rent due under this Lease, whether base rent or additional rent, or any other amounts owing by Tenant to Landlord, and the failure continues for thirty (30) days after receipt of written thereof.

(b) Tenant fails to comply with any term or covenant of this Lease, other than the payment of rent or any other sum of money owing by Tenant to Landlord, and does not cure the failure within sixty (60) days after written notice of the failure to Tenant; provided that if such failure cannot be cured within sixty (60) days Tenant shall not be in default if Tenant is proceeding to cure the failure and cures such failure within thirty (30) days thereafter.

(c) Tenant makes an assignment for the benefit of creditors.

(d) Tenant deserts or vacates any substantial portion of the Premises for sixty (60) or more consecutive days.

13.02 **Landlord's Remedies:** In the event of any default specified in §13.01, Landlord may pursue one or more of the following remedies:

(a) Landlord may terminate this Lease, in which event Tenant must immediately surrender the Premises to Landlord. If Tenant fails to do so, Landlord may, without prejudice - to any other remedy that it may have for possession or arrearages in rent, enter on and take possession and expel or remove Tenant and any other person occupying the Premises or any part of them, by any lawful means, without being liable for prosecution or any claim of damages for the entrance and expulsion or removal. Tenant will, on demand, pay Landlord the amount of all loss and damage that Landlord suffers by reason of the termination, whether through inability to re-let the Premises on satisfactory terms, if Landlord elects to re-let, or otherwise.

(b) Landlord may enter on and take possession of the Premises and expel or remove Tenant and any other person occupying the Premises or any part of them, by any lawful means, without being liable for prosecution or any claim for damages for the entrance and expulsion or removal; re-let the Premises on the terms Landlord considers advisable; and receive the rent for the re-letting. Tenant will, on demand, pay Landlord any deficiency that may arise by reason of re-letting.

(c) Landlord may enter the Premises, by any lawful means (and Landlord is expressly reserving and retaining the right to so re-enter the Premises), without being liable for prosecution or any claim for damages for the entry, and do whatever Tenant is obligated to do under the terms of this Lease to correct the default. Tenant will, on demand, reimburse Landlord for any expenses that Landlord incurs in effecting compliance with Tenant's obligations under this Lease in this manner, and Tenant further releases Landlord from liability for any damages resulting to Tenant from such an action.

13.03 **Cumulative Remedies:** Landlord's or Tenant's pursuing any remedy provided in this Lease will not preclude pursuing any other remedy provided in this Lease. Either party's pursuing any remedy provided in this lease or by law will not constitute a forfeiture or waiver of any damages accruing to either party by reason of violating any term or covenant of this Lease. Nor will Landlord's pursuing any remedies provided in this Lease constitute a waiver or forfeiture of any rent due under this Lease.

13.04 **Waiver of Default:** Either party's waiving any default or violation or breach of any term or covenant of this Lease does not waive any other violation or breach of any term or covenant of this Lease. Nor does either party's forbearing to enforce one or more of the remedies provided in this Lease or by law on a default waive the default. Landlord's accepting rent following default under this Lease does not waive the default.

13.05 **Surrender of Premises:** No act done by Landlord or its agents during the Lease Term may be considered an acceptance of a surrender of premises is valid unless in writing and subscribed by Landlord.

XIV. MISCELLANEOUS

14.01 **Notices and Addresses:** All notices required under this Lease may be given by the following methods:

(a) By certified mail, return receipt requested, addressed to the proper party, at the following addresses:

If to Landlord:

City of Lancaster
Attn: Opal Mauldin-Robertson
City Manager
P. O. Box 940
211 North Henry Street
Lancaster, Texas 75146-0946

If to Tenant:

Enparts
Attn: Eileen McGough
690 Ferris Road
Lancaster, Texas 75146

Notices are effective when received. Either party may change the address to which notices are to be sent by sending written notice of the new address or number to the other party in accordance with the terms of this section.

14.02 **Parties Bound:** This agreement binds, and inures to the benefit of, the parties to this Lease and their respective heirs, executors, administrators, legal representatives, successors, and assigns when this agreement permits.

14.03 **Texas Law to Apply:** This agreement is to be construed under Texas law, and all obligations of the parties created by this agreement are performable in Dallas County, Texas. The parties agree to submit to the personal and subject matter jurisdiction of said Court.

14.04 **Legal Construction:** If anyone or more of the provisions in this agreement are for any reason held to be invalid, illegal, or unenforceable in any respect, the invalidity, illegality, or unenforceability will not affect any other provision of the agreement, which will be construed as if it had not included the invalid, illegal, or unenforceable provision.

14.05 **Prior Agreements Superseded:** This agreement constitutes the parties sole agreement and supersedes any prior understandings or written or oral agreements between the parties with respect to the subject matter.

14.06 **Amendment:** No amendment, modification, or alteration of the terms of this agreement is binding unless in writing, dated subsequent to the date of this agreement, and duly executed by the parties.

14.07 **Rights and Remedies Cumulative:** The rights and remedies provided by this Lease are cumulative, and either party's using any right or remedy will not preclude or waive its right to use any other remedy. These rights and remedies are in addition to any other rights the parties may have by law, statute, ordinance, or otherwise.

14.08 **Attorney's Fees and Costs:** If, as a result of either party's breaching this agreement, the other party employs an attorney to enforce its rights under this Lease, the breaching or defaulting party will pay the other party the reasonable attorney's fees and costs incurred to enforce this Lease.

14.09 **Force Majeure:** Neither Landlord nor Tenant is required to perform any term or covenant of this Lease so long as performance is delayed or prevented *by force majeure*, which includes acts of God, strikes, lockouts, material or labor restrictions by any governmental authority, civil riot, floods, and any other cause not reasonably within Landlord's or Tenant's control and that Landlord or Tenant, by exercising due diligence and paying money, cannot prevent or overcome in whole or part.

The undersigned Landlord and Tenant execute this agreement on the ____ day of _____, 2016

Landlord:

Tenant:

By: _____
Opal Mauldin-Robertson, City Manager

By: _____

Name: _____

Title: _____

ATTEST:

Sorangel O. Arenas, City Secretary

Exhibit "A"

660-102

Enparts

Total Square Feet = 744 ft.²

Rate = \$0.20 per sqft

Office Rent = \$149.00 per month

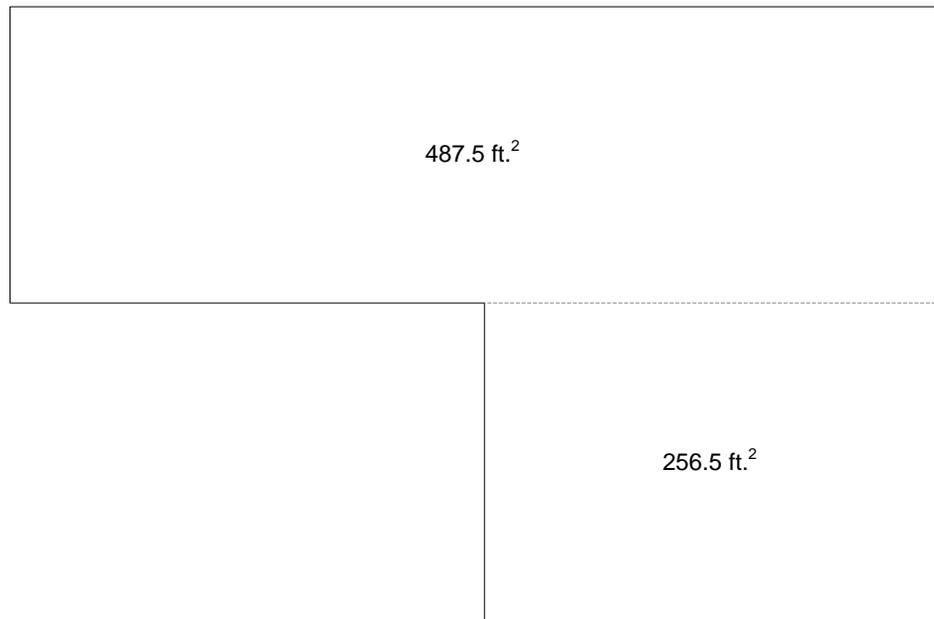


Exhibit "B"

700-101 &102

McGough

Total Square Feet = 1,416.6 ft.²

Rate = \$0.20 per sqft

Office Rent = \$283.00 per month

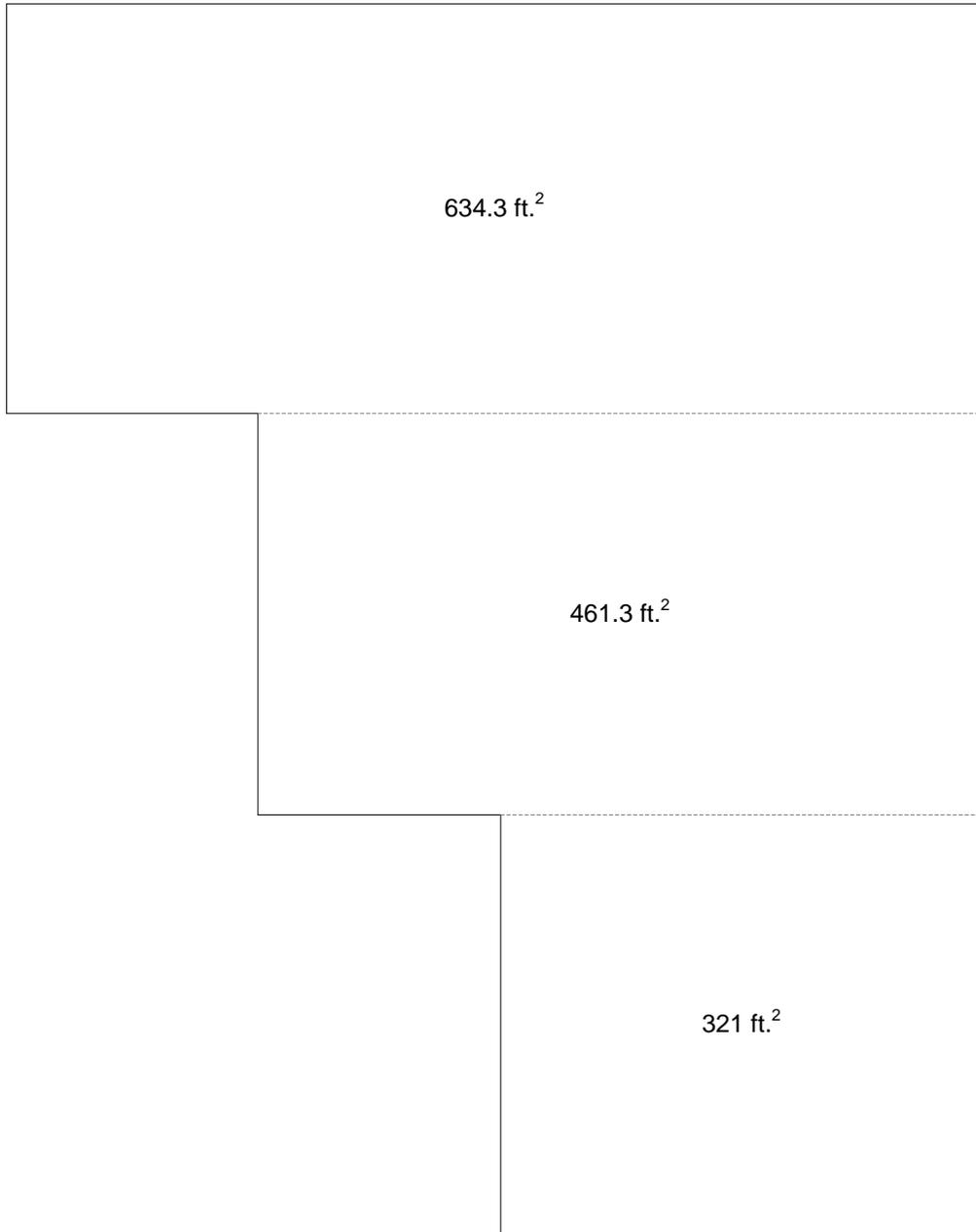


Exhibit "C"

T-Hangar 660-101

Rate = \$0.20 / sqft

T-hangar Rent = \$324.00 / mo

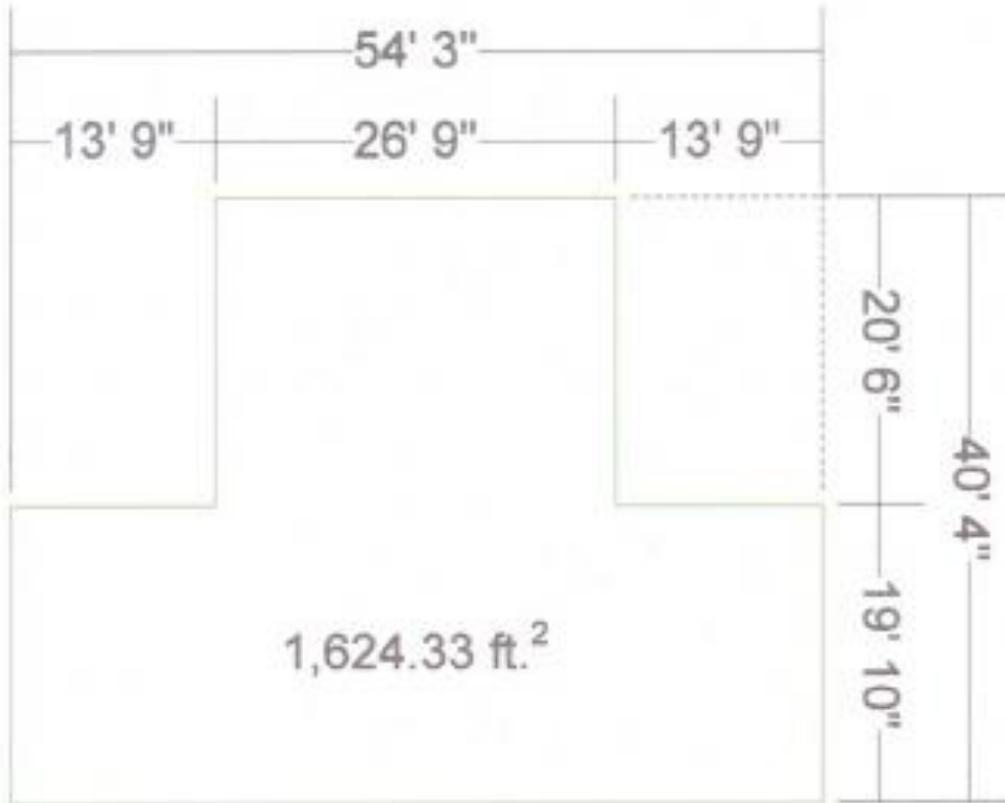


Exhibit "D"

T-Hangar 660-104

Rate = \$0.20 / sqft

T-hangar Rent = \$324.00 / mo

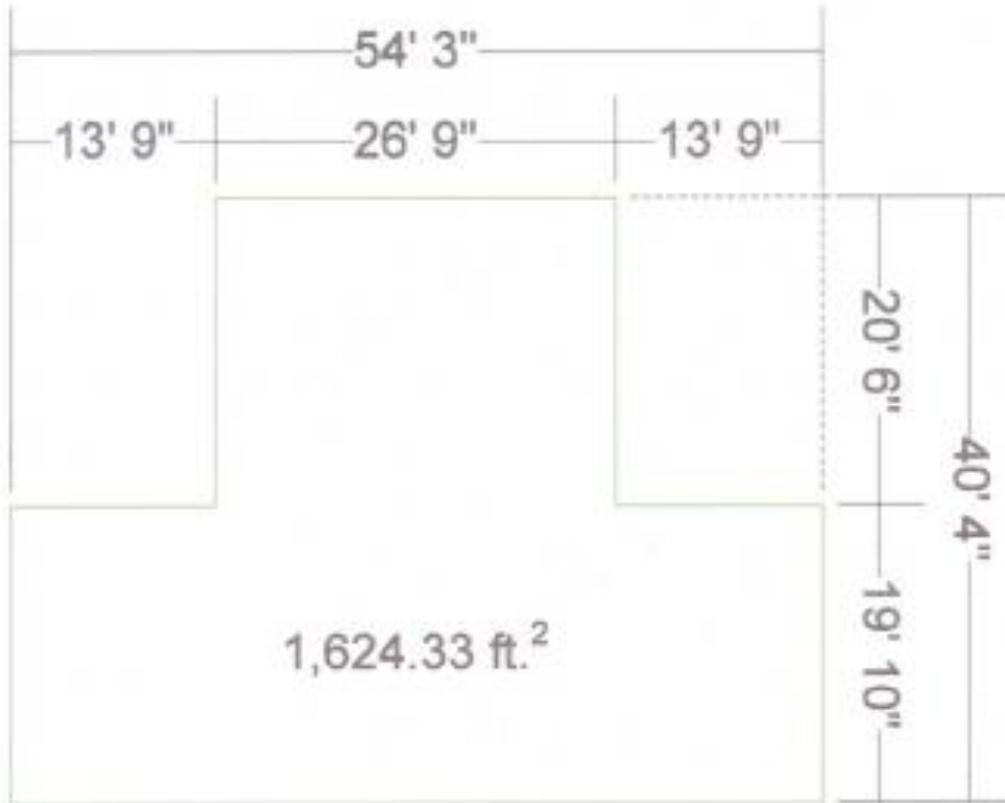


Exhibit "E"

T-Hangar 660-106

Rate = \$0.20 / sqft

T-hangar Rent = \$324.00 / mo

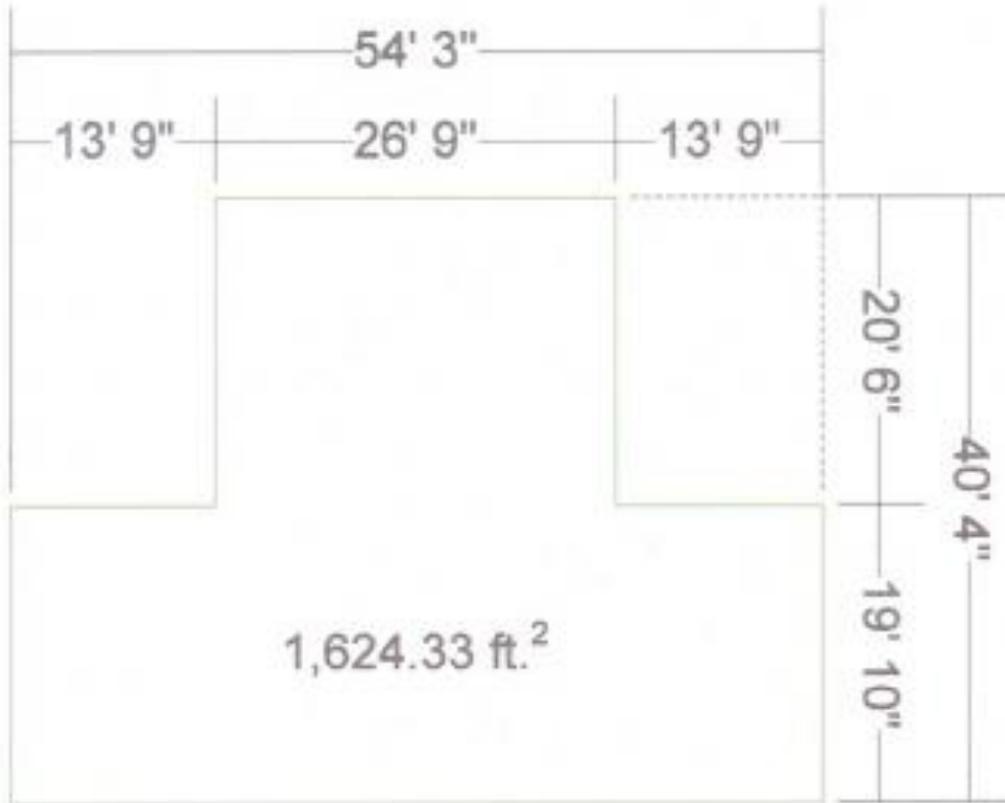


Exhibit "F"

T-Hangar 660-108

Rate = \$0.20 / sqft

T-hangar Rent = \$324.00 / mo

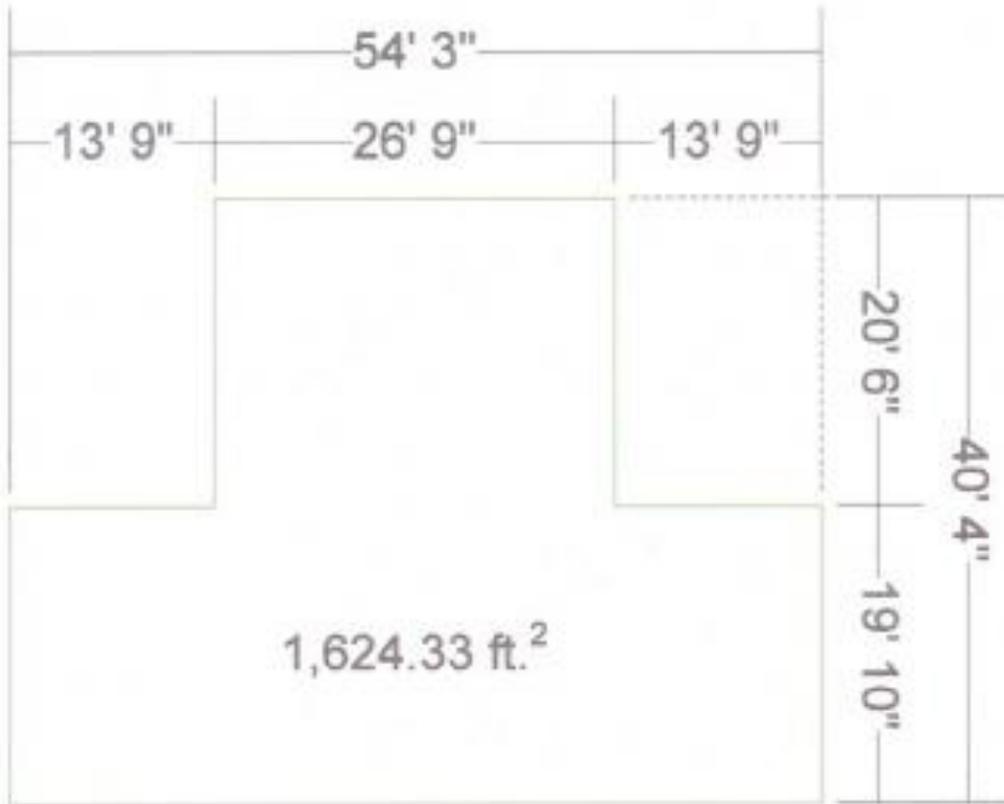


Exhibit "G"

T-Hangar 680-120

Rate = \$0.20 / sqft

T-hangar Rent = \$190.00 / mo

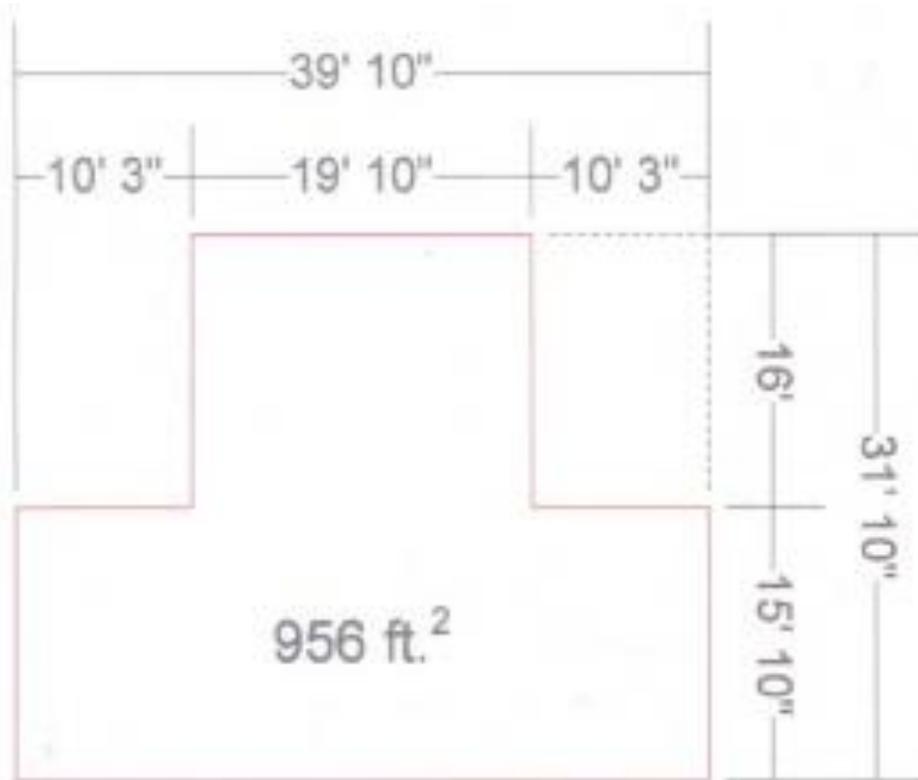


Exhibit "H"

T-Hangar 680-122

Rate = \$0.20 / sqft

T-hangar Rent = \$190.00 / mo

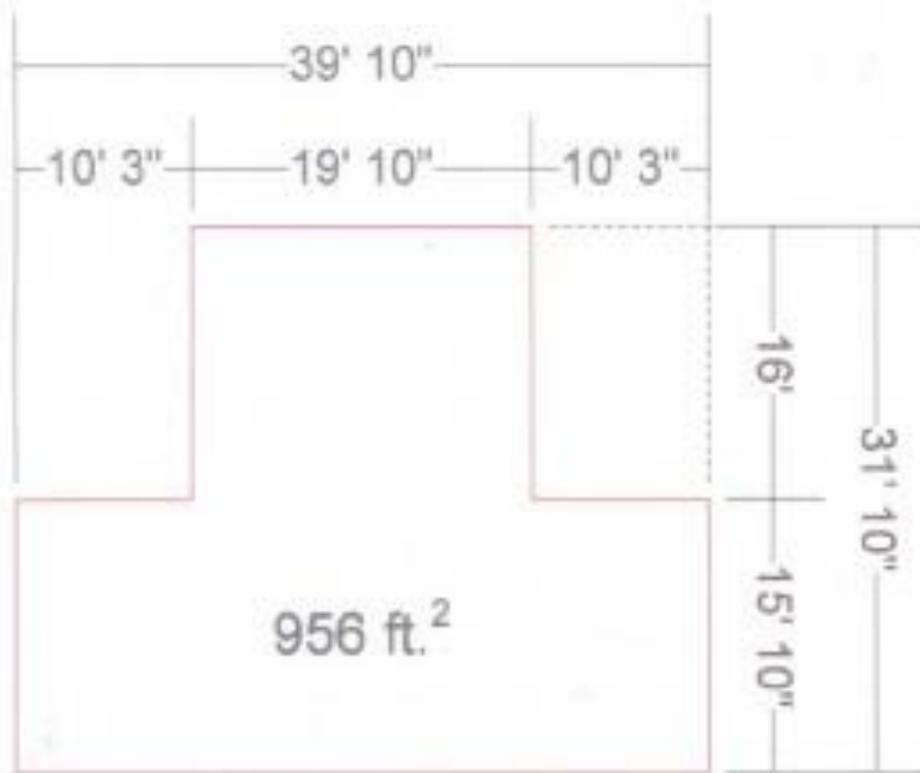


Exhibit "I"

T-Hangar 680-121

Rate = \$0.20 / sqft

T-hangar Rent = \$96.00 / mo

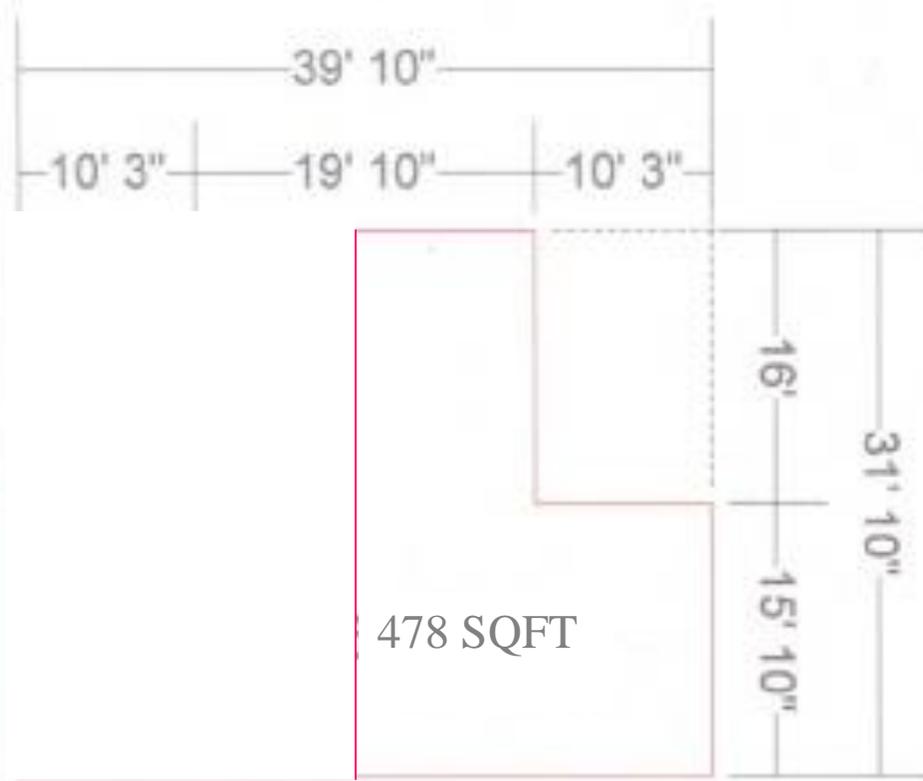
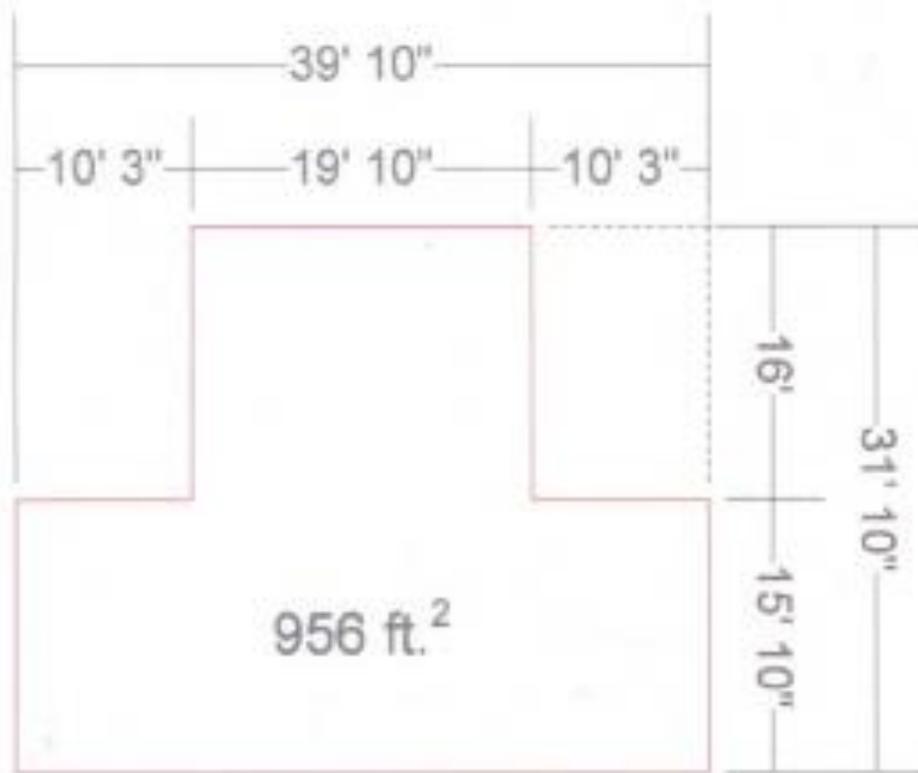


Exhibit "J"

T-Hangar 700-104

Rate = \$0.20 / sqft

T-hangar Rent = \$190.00 / mo



LANCASTER CITY COUNCIL

City Council Regular Meeting

Item 7.

Meeting Date: 09/12/2016

Policy Statement: This request supports the City Council 2016-2017 Policy Agenda

Goal(s): Financially Sound Government
Sound Infrastructure

Submitted by: Mark Divita, Airport Manager

Agenda Caption:

Consider a resolution approving the terms and conditions of the City owned T-Hangar commercial lease from building 690 at Lancaster Regional Airport.

Background:

The City owns and leases five rows of T-hangars (buildings 660-700) of three different sizes based upon aircraft wingspan. There are 92 units total that the City rents for aircraft storage with end cap commercial spaces on the east end of each hangar row. The City T-hangars are at near full occupancy most of the year. This agenda item brings forward a commercial lease renewal agreement for office space units 690-101/102/104 for an aircraft engine accessories business called Select Aircraft Services owned by Mr. Aaron Williams. This business has been in good standing with the Airport and City.

Operational Considerations:

The City T-hangar commercial lease is used for specialty fixed based operators on the airfield and private aircraft owners respectively.

Legal Considerations:

The lease agreement template was reviewed and approved by the City Attorney.

Public Information Considerations:

This item is being considered at a meeting of the City Council noticed in accordance with the Texas Open Meeting Act.

Fiscal Impact:

Lease rates vary based on size of the hangar or attached office space. All rates were approved in the City's Master Fee Schedule. The monthly rate for this office space attached to our medium sized hangar is \$622.65 per month based off \$0.20 per square feet for the medium T-hangar building.

Options/Alternatives:

1. Council may approve the resolution as presented.
2. Council may reject the resolution.

Recommendation:

Staff recommends approval of the resolution.

Attachments

Resolution

Exhibit "1"

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS, APPROVING THE TERMS AND CONDITIONS OF THE CITY OWNED T-HANGAR COMMERCIAL LEASE FROM BUILDING 690 AT LANCASTER REGIONAL AIRPORT; AUTHORIZING THE CITY MANAGER TO EXECUTE SAID LEASE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Lancaster Regional Airport has aircraft T-hangers available for monthly rental for revenue gain; and

WHEREAS, the City Council of Lancaster, Texas, desires to authorize the commercial lease pursuant to the tenant listed in Exhibit "1";

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

SECTION 1. That the City T-hangar lease agreement attached hereto and incorporated herein by reference as Exhibit "1" having been reviewed by the City Council of the City of Lancaster, Texas and found to be acceptable and in the best interest of the City and its citizens, be, and the same is hereby, in all things approved.

SECTION 2. That the City Manager is hereby authorized to execute said lease agreement.

SECTION 3. 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 12th day of September, 2016.

ATTEST:

APPROVED:

Sorangel O. Arenas, City Secretary

Marcus E. Knight, Mayor

APPROVED AS TO FORM:

Robert E. Hager, City Attorney

name the Landlord, its officers, agents and employees as additional insureds as to all applicable coverage and (2) provide for at least thirty (30) days prior written notice to the Landlord for cancellation, non-renewal, or material change of the insurance.. All insurance companies providing the required insurance shall be authorized to transact business in Texas and rated at least "A" by AM Best or other equivalent rating service. A certificate of insurance evidencing the required insurance shall be on file for review upon request from LESSOR.

LESSEE shall, at its own option, carry its own insurance on its aircraft and other equipment which LESSEE stores in or on the leased premises and in no event shall LESSOR be liable to LESSEE for loss or damage to LESSEE'S aircraft and equipment or personal property of LESSEE.

3.03 **Compliance with Laws:**

(a) Tenant may not use, or permit using, the Premises in any manner that results in waste of premises or constitutes a nuisance or for any illegal purpose. Tenant, at its own expense, will comply, and will cause its officers, employees, agents and invitees to comply, with all applicable laws, ordinances, and governmental rules and regulations concerning the use of the Premises, including Hazardous Materials Laws.

(b) "Hazardous Materials" means any substance, material, or waste that is or becomes regulated by any local governmental agency, the State of Texas, or the Federal Government, including, but not limited to, any material or substance that is (1) *designated as a "hazardous substance" pursuant to § 311 of the Clean Water Act, 33 U.S.C. § 1251 et. seq., or listed pursuant to § 307 of the Clean Water Act, 33 U.S.C. § 1317,* (2) *defined as a "hazardous substance" pursuant to § 101 of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. § 9601 et. seq.,* (3) *defined as a "hazardous waste" pursuant to § 1004 of the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et. seq.,* (4) *petroleum,* (5) *asbestos,* and (6) *polychlorinated biphenyls.*

3.04 **Condition of Premises, Tenant Finish-Out:** Tenant acknowledges and agrees and does hereby accept the Premises AS IS with all faults. Tenant shall, without cost to Landlord, be responsible for the design and construction of all Tenant finish out for the Premises including exterior improvements.

IV. MAINTENANCE AND SURRENDER

Maintenance and Surrender by Tenant: Tenant will maintain the leased Premises and keep them free from waste or nuisance throughout the Lease Term and any extensions of it. The Tenant shall be responsible for routine maintenance of all tenant maintainable consumables for electrical, plumbing, and heating / air conditioning elements of the building on the Premises. When this Lease terminates, Tenant must deliver the Premises in as good a state of repair and condition as they existed when Landlord delivered possession to Tenant, except for reasonable wear and tear commensurate with the age of the Premises and damage by fire, tornado, or other casualty. If Tenant neglects to reasonably maintain the Premises, Landlord may, but is not required to, cause repairs or corrections to be made. Any reasonable costs incurred for repairs or corrections for which Tenant is responsible under this section are payable by Tenant to Landlord

as a reimbursement within thirty (30) days after Lease termination.

V. UTILITIES AND TAXES

Utilities and Taxes on Tenant's Property: Landlord shall pay or cause to be paid all charges for water. Tenant will pay all taxes levied or assessed against personal property, furniture, or fixtures it places in or on the Premises. If any such taxes for which Tenant is liable are levied or assessed against Landlord or Landlord's property, and Landlord elects to pay them, or if the assessed value of Landlord's property is increased by including personal property, furniture, or fixtures placed by Tenant in the Premises, and Landlord elects to pay the taxes based on the increase, Tenant must, upon demand, pay Landlord the part of the taxes for which Tenant is primarily liable under this article.

VI. ALTERATIONS, ADDITIONS, IMPROVEMENTS AND FIXTURES

6.01 **Consent of Landlord:** Tenant may not make any alterations, additions, or improvements to the Premises without Landlord's prior written consent, which shall not be unreasonably denied or delayed.

6.02 **Property of Landlord:** All alterations, additions, or improvements made by Tenant will become Landlord's property when this Lease terminates.

6.03 **Trade Fixtures:** Tenant has the right at all times to erect or install furniture and fixtures, as long as Tenant complies with all applicable governmental laws, ordinances, and regulations. Tenant may remove such items when this Lease terminates, if Tenant is not in default at that time and the fixtures can be removed without structural damage to the Premises. Before this Lease terminates, Tenant must repair any damage caused by removing any fixtures and should have 15 days to comply. Any furniture or fixtures not removed by Tenant when this Lease terminates are considered abandoned by Tenant and automatically become Landlord's property.

6.04 **Construction by Tenant:** Tenant shall have the right during the term of this Lease to erect, maintain, alter, remodel, reconstruct, or rebuild the tenant improvements within the Premises, subject to the following general conditions:

1. Tenant bears cost of any such work;
2. The Premises shall at all times kept free of mechanics' and material men's liens;
3. Any improvements constructed on the Premises shall be approved by Landlord pursuant to § 6.05 herein and if remaining at the end of the Lease Term, shall become the property of Landlord; and
4. Any removal of tenant improvements must be pre-approved by Landlord.

6.05 **Landlord's Approval:** The following rules govern Landlord's approval of construction, additions, and alterations of the building or other improvements:

- (a) **Written approval required.** No tenant or other improvement may be constructed

unless the plans, specifications, and proposed location of the improvement have received Landlord's written approval. No material addition to or alterations of the Premises may be begun until plans and specifications covering the proposed addition or alteration have been first submitted to and approved by Landlord. The Landlord shall not unreasonably withhold approval of such plans and specifications. .

(b) **Landlord's approval.** Landlord will promptly review and approve all plans submitted under subparagraph above or note in writing any' required changes or corrections that must be made to the plans, Failure to object to the plans within thirty (30) days constitutes its approval of the changes. Any required changes or corrections must be made, and the plans resubmitted to Landlord, within thirty (30) days after the corrections or changes have been noted. Landlord's failure to object to the resubmitted plans and specifications within thirty (30) days constitutes its approval of the changes. Minor changes in work or materials not affecting the general character of the Premises project may be made at any time without Landlord's approval, but a copy of the altered plans and specifications must be furnished to Landlord.

VII. DAMAGE OR DESTRUCTION

7.01 **Notice to Landlord:** If the Premises or any structures or improvements on the are damaged or destroyed by fire, tornado, or other casualty, Tenant must immediately give Landlord written notice of the damage or destruction, including a general description of the damage and, as far as known to Tenant, the cause of the damage.

7.02 **Total Destruction:** If the Premises are totally destroyed by fire, tornado, or other casualty this Lease will terminate, and rent will be abated for the unexpired portion of this Lease, effective as of the date of written notification as provided in § 7.01. The Landlord in its sole discretion may elect to restore the Premises and rebuild the Building in which event the Lease shall continue in under the same terms and conditions set forth herein from the date the Premises has been fully restored. Alternatively, the Tenant with the consent of Landlord may, by written notice within thirty (30) days after the notice as provided in § 7.01, elect to rebuild the Building and restore the Premises provided Tenant commences the restoration of the Premises within one hundred eighty (180) days thereafter and at Tenant's cost.

7.03 **Partial Destruction:** If the Premises are damaged by fire, tornado, or other casualty other than by the negligence, gross negligence, or intentional tort of Tenant or any person in or about the Premises with Tenant's express or implied consent, or if they are so damaged that rebuilding or repairs cannot reasonably be completed within one hundred eighty (180) working days or the damage exceeds the Landlord's insurance recovery, or the Landlord elects not to restore the Premises, this Lease will terminate.

VIII. CONDEMNATION

8.01 **Total Condemnation:** If, during the Lease Term or any extension or renewal of the Lease, all of the Premises are taken for any public or quasi-public use under any governmental law, ordinance, or regulation, or by right of eminent domain, or are sold to the condemning authority under threat of condemnation, this Lease will terminate, and the rent will

be abated during the unexpired portion of this Lease, effective as of the date the condemning authority takes the Premises.

8.02 **Partial Condemnation:** If less than all of the Premises is taken for any public or quasi-public use under any governmental law, ordinance, or regulation or by right of eminent domain, or is sold to the condemning authority under threat of condemnation, either party may terminate this Lease by giving written notice to the other within thirty (30) days. In addition, if all or a portion of the parking area, or the signage, of the Premises is taken for any public. or quasi-public use under any governmental law, ordinance, or regulation or by right of eminent domain, or is sold to the condemning authority under threat of condemnation, either party may terminate this Lease by giving Landlord written notice within thirty (30) days. If the Premises are partially condemned and neither party elects to terminate this Lease, this Lease will not terminate, but the rent will be adjusted equitably during the un-expired portion of this lease.

8.03 **Condemnation Award:** Landlord is entitled to receive and retain the entire award in any condemnation proceedings, except for any portion attributable to trade fixtures and personal property owned by Tenant, which Tenant is entitled to receive and retain. The termination of this Lease will not affect the right to this award.

IX. INSPECTION BY LANDLORD

Landlord and its officers, agents, employees, and representatives may enter any part of the Premises during normal business hours for the purpose of inspection, cleaning, maintenance, repairs, alterations, or additions as Landlord considers necessary (but without any obligation to perform any of these functions except as stated in this Lease). Tenant is not entitled to any abatement or reduction of rent by reason of entry of Landlord or any of its officers, agents, representatives, or employees under this article, nor will such an entry be considered an actual or constructive eviction.

X. MECHANIC'S LIEN

Tenant will not permit any mechanic's lien to be placed on the Premises or on improvements made to the Premises. If a mechanic's lien is filed on the Premises or on improvements on them, Tenant will promptly pay it. If default in payment of the lien continues for thirty (30) days after Landlord's written notice to Tenant, Landlord may, at is option, pay the lien or any portion of it without inquiring into its validity. Any amounts Landlord pays to remove a mechanic's lien caused by Tenant to be filed against the Premises or against improvements on the Premises, including expenses and interest, are due from Tenant to Landlord and must be repaid to Landlord immediately on rendition of notice, together with annual interest at the highest rate then allowed by law until paid.

XI. INDEMNITY

11.01 **Tenant's General Indemnity:** Tenant will indemnify and hold Landlord harmless against any claims, demands," damages, costs, and expenses, including reasonable attorney's fees, for defending claims and demands arising from the conduct or management of

Tenant's business on the Premises or its use of the Premises, or from any breach on Tenant's part of any conditions of this Lease, or from any act or negligence of Tenant, its officers, agents, contractors, employees, subtenants, or invitees in or about the Premises. In case of any action or proceeding brought against Landlord by reason of any such claim, Tenant, on notice from Landlord, will defend the action or proceeding by counsel acceptable to Landlord.

11.02 **Tenant's Environmental Indemnity:**

(a) Tenant is responsible only for the payment of that portion of any cleanup costs for the Premises necessary for compliance with Hazardous Materials Laws that arise as a result of Tenant's discharge of Hazardous Materials on the Premises during Tenant's occupancy of the Premises. Landlord is responsible for all other cleanup costs and for ensuring that any other responsible party participates in the cleanup to the extent of its responsibility for a release.

(b) Tenant must indemnify, defend, and hold harmless Landlord from and against all claims, liabilities, losses, damages, and costs, foreseen or unforeseen, including without limitation counsel, engineering, and other professional or expert fees, that Landlord may incur by reason of Tenant's action or inaction with regard to Tenant's obligations under this section.

XII. ASSIGNMENT AND SUBLEASE

Assignment and Subletting by Tenant: Tenant may not assign this Lease, or any interest in it, nor sublet the Premises, or any part of them without prior written consent of Landlord.

XIII. DEFAULT

13.01 **Tenant's Default:** The following events are considered events of default by Tenant under this Lease:

(a) Tenant fails to pay any installment of rent due under this Lease, whether base rent or additional rent, or any other amounts owing by Tenant to Landlord, and the failure continues for thirty (30) days after receipt of written thereof.

(b) Tenant fails to comply with any term or covenant of this Lease, other than the payment of rent or any other sum of money owing by Tenant to Landlord, and does not cure the failure within sixty (60) days after written notice of the failure to Tenant; provided that if such failure cannot be cured within sixty (60) days Tenant shall not be in default if Tenant is proceeding to cure the failure and cures such failure within thirty (30) days thereafter.

(c) Tenant makes an assignment for the benefit of creditors.

(d) Tenant deserts or vacates any substantial portion of the Premises for sixty (60) or more consecutive days.

13.02 **Landlord's Remedies:** In the event of any default specified in §13.01, Landlord

may pursue one or more of the following remedies:

(a) Landlord may terminate this Lease, in which event Tenant must immediately surrender the Premises to Landlord. If Tenant fails to do so, Landlord may, without prejudice - to any other remedy that it may have for possession or arrearages in rent, enter on and take possession and expel or remove Tenant and any other person occupying the Premises or any part of them, by any lawful means, without being liable for prosecution or any claim of damages for the entrance and expulsion or removal. Tenant will, on demand, pay Landlord the amount of all loss and damage that Landlord suffers by reason of the termination, whether through inability to re-let the Premises on satisfactory terms, if Landlord elects to re-let, or otherwise.

(b) Landlord may enter on and take possession of the Premises and expel or remove Tenant and any other person occupying the Premises or any part of them, by any lawful means, without being liable for prosecution or any claim for damages for the entrance and expulsion or removal; re-let the Premises on the terms Landlord considers advisable; and receive the rent for the re-letting. Tenant will, on demand, pay Landlord any deficiency that may arise by reason of re-letting.

(c) Landlord may enter the Premises, by any lawful means (and Landlord is expressly reserving and retaining the right to so re-enter the Premises), without being liable for prosecution or any claim for damages for the entry, and do whatever Tenant is obligated to do under the terms of this Lease to correct the default. Tenant will, on demand, reimburse Landlord for any expenses that Landlord incurs in effecting compliance with Tenant's obligations under this Lease in this manner, and Tenant further releases Landlord from liability for any damages resulting to Tenant from such an action.

13.03 **Cumulative Remedies:** Landlord's or Tenant's pursuing any remedy provided in this Lease will not preclude pursuing any other remedy provided in this Lease. Either party's pursuing any remedy provided in this lease or by law will not constitute a forfeiture or waiver of any damages accruing to either party by reason of violating any term or covenant of this Lease. Nor will Landlord's pursuing any remedies provided in this Lease constitute a waiver or forfeiture of any rent due under this Lease.

13.04 **Waiver of Default:** Either party's waiving any default or violation or breach of any term or covenant of this Lease does not waive any other violation or breach of any term or covenant of this Lease. Nor does either party's forbearing to enforce one or more of the remedies provided in this Lease or by law on a default waive the default. Landlord's accepting rent following default under this Lease does not waive the default.

13.05 **Surrender of Premises:** No act done by Landlord or its agents during the Lease Term may be considered an acceptance of a surrender of premises is valid unless in writing and subscribed by Landlord.

XIV. MISCELLANEOUS

14.01 **Notices and Addresses:** All notices required under this Lease may be given by

the following methods:

(a) By certified mail, return receipt requested, addressed to the proper party, at the following addresses:

If to Landlord:

City of Lancaster
Attn: Opal Mauldin-Robertson
City Manager
P. O. Box 940
211 North Henry Street
Lancaster, Texas 75146-0946

If to Tenant:

Select Aircraft Services
Attn: Aaron Williams
690 Ferris Rd
Lancaster, TX 75146

aaron@selectaircraft.com

Notices are effective when received. Either party may change the address to which notices are to be sent by sending written notice of the new address or number to the other party in accordance with the terms of this section.

14.02 **Parties Bound:** This agreement binds, and inures to the benefit of, the parties to this Lease and their respective heirs, executors, administrators, legal representatives, successors, and assigns when this agreement permits.

14.03 **Texas Law to Apply:** This agreement is to be construed under Texas law, and all obligations of the parties created by this agreement are performable in Dallas County, Texas. The parties agree to submit to the personal and subject matter jurisdiction of said Court.

14.04 **Legal Construction:** If anyone or more of the provisions in this agreement are for any reason held to be invalid, illegal, or unenforceable in any respect, the invalidity, illegality, or unenforceability will not affect any other provision of the agreement, which will be construed as if it had not included the invalid, illegal, or unenforceable provision.

14.05 **Prior Agreements Superseded:** This agreement constitutes the parties sole agreement and supersedes any prior understandings or written or oral agreements between the parties with respect to the subject matter.

14.06 **Amendment:** No amendment, modification, or alteration of the terms of this agreement is binding unless in writing, dated subsequent to the date of this agreement, and duly executed by the parties.

14.07 **Rights and Remedies Cumulative:** The rights and remedies provided by this Lease are cumulative, and either party's using any right or remedy will not preclude or waive its right to use any other remedy. These rights and remedies are in addition to any other rights the parties may have by law, statute, ordinance, or otherwise.

14.08 **Attorney's Fees and Costs:** If, as a result of either party's breaching this agreement, the other party employs an attorney to enforce its rights under this Lease, the breaching or defaulting party will pay the other party the reasonable attorney's fees and costs incurred to enforce this Lease.

14.09 **Force Majeure:** Neither Landlord nor Tenant is required to perform any term or covenant of this Lease so long as performance is delayed or prevented *by force majeure*, which includes acts of God, strikes, lockouts, material or labor restrictions by any governmental authority, civil riot, floods, and any other cause not reasonably within Landlord's or Tenant's control and that Landlord or Tenant, by exercising due diligence and paying money, cannot prevent or overcome in whole or part.

The undersigned Landlord and Tenant execute this agreement on the ____ day of _____, 2016

Landlord:

By: _____
Opal Mauldin-Robertson, City Manager

Tenant:

By: _____
Name: _____
Title: _____

ATTEST:

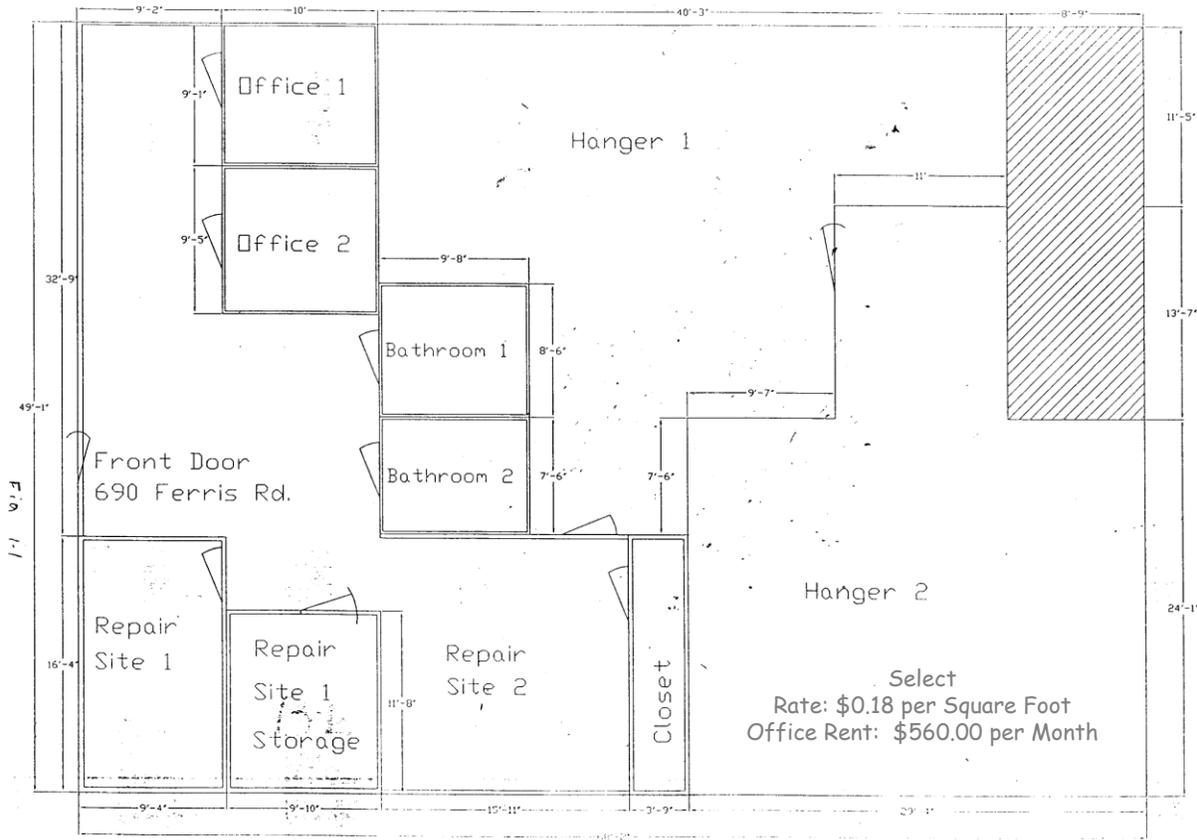
Sorangel O. Arenas, City Secretary

Exhibit "A"

660-101, 102, 104

Rent: \$622.65/mo

Total Square Feet: 3,113.25 ft.²



LANCASTER CITY COUNCIL

City Council Regular Meeting

Item 8.

Meeting Date: 09/12/2016

Policy Statement: This request supports the City Council 2016-2017 Policy Agenda

Goal(s): Financially Sound Government
Sound Infrastructure

Submitted by: Mark Divita, Airport Manager

Agenda Caption:

Consider a resolution approving the terms and conditions of the City owned T-Hangar commercial lease from building 670 at Lancaster Regional Airport.

Background:

The City owns and leases five rows of T-hangars (buildings 660-700) of three different sizes based upon aircraft wingspan. There are 92 units total that the City rents for aircraft storage with end cap commercial spaces on the east end of each hangar row. The City T-hangars are at near full occupancy most of the year. This agenda item brings forward a commercial lease renewal agreement for office space units 670-102/104 for an aircraft engine accessories business called Signature Aircraft Interiors owned by Andy Grey. This business has been in good standing with the Airport and City.

Operational Considerations:

The City T-hangar commercial lease is used for specialty fixed based operators on the airfield and private aircraft owners respectively.

Legal Considerations:

The lease agreement template was reviewed and approved by the City Attorney.

Public Information Considerations:

This item is being considered at a meeting of the City Council noticed in accordance with the Texas Open Meeting Act.

Fiscal Impact:

Lease rates vary based on size of the hangar or attached office space. All rates were approved in the City's Master Fee Schedule. The monthly rate for this office space attached to our medium sized hangar is \$184.86 per month based off \$0.20 per square feet for the medium T-hangar building.

Options/Alternatives:

1. Council may approve the resolution as presented.
2. Council may reject the resolution.

Recommendation:

Staff recommends approval of the resolution.

Attachments

Resolution

Exhibit "1"

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS, APPROVING THE TERMS AND CONDITIONS OF THE CITY OWNED T-HANGAR COMMERCIAL LEASE FROM BUILDING 670 AT LANCASTER REGIONAL AIRPORT; AUTHORIZING THE CITY MANAGER TO EXECUTE SAID LEASES; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Lancaster Regional Airport has aircraft T-hangers available for monthly rental for revenue gain; and

WHEREAS, the City Council of Lancaster, Texas, desires to authorize the commercial lease pursuant to the tenant listed in Exhibit "1";

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

SECTION 1. That the City T-hangar lease agreement attached hereto and incorporated herein by reference as Exhibit "1" having been reviewed by the City Council of the City of Lancaster, Texas and found to be acceptable and in the best interest of the City and its citizens, be, and the same is hereby, in all things approved.

SECTION 2. That the City Manager is hereby authorized to execute said lease agreement.

SECTION 3. 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 12th day of September, 2016.

ATTEST:

APPROVED:

Sorangel O. Arenas, City Secretary

Marcus E. Knight, Mayor

APPROVED AS TO FORM:

Robert E. Hager, City Attorney



STATE OF TEXAS §
§
COUNTY OF DALLAS §

LEASE AGREEMENT

Exhibit "1"

This Lease is entered into between the City of Lancaster, Texas ("Landlord") and **Signature Aircraft Interiors** ("Tenant").

In consideration of the mutual covenants and agreements of this Lease, and other good and valuable consideration, Landlord demises and leases to Tenant, and Tenant leases from Landlord, **670-102 & 104**, Lancaster, Dallas County, Texas, depicted in Exhibit "A", attached hereto (the "Premises"). The Premises are referred to in this Lease as the "Premises" or the "Leased Premises." The building is referred to as the "Building."

I. TERM OF LEASE

1.01 **Term:** Term of this Lease is **five (5) years**, beginning on the **1st day of January 2017**, and ending on the last day of **December 2022**, as provided in this Lease ("Lease Term").

1.02 **Renewal:** After the term in 1.01, this Lease may be renewed with a new lease with new terms and conditions.

1.03 **Termination:** Landlord or tenant may, without cause, terminate this Lease during the Lease Term or any extension thereof upon ninety (90) days prior written notice thereof.

1.04 **Holdover:** If Tenant holds over and continues in possession of the Premises after the Lease Term (or any extension of it) expires, Tenant will be considered to be occupying the Premises at will, subject to all of the terms of this Lease.

II. RENT

Basic Rent: Tenant will pay Landlord **\$184.86 per month**, from the beginning of the Lease Term and throughout the Lease Term. The monthly rent due throughout the Lease Term shall be paid in advance of the tenth (10th) day of each month.

III. USE OF PREMISES

3.01 **Permitted Use(s):** Tenant will use the Premises only for aviation business related purpose, to wit: **Aircraft Interiors Installation**. No other services are permitted unless Landlord gives Tenant prior written consent for additional permitted uses.

3.02 **Insurance Hazards:** Tenant shall during the term hereof, at its sole expense, maintain in full force and effect the following insurance: (1) Commercial general aviation liability policy with coverage: \$500,000 Combined Single Limit (CSL) for premises if customers are allowed on premises; (2) Hangar Keeper's Liability – Value of Aircraft in care up to \$500,000 custody and control. All insurance and certificate(s) of insurance shall contain the

following provisions: (1) name the Landlord, its officers, agents and employees as additional insureds as to all applicable coverage and (2) provide for at least thirty (30) days prior written notice to the Landlord for cancellation, non-renewal, or material change of the insurance.. All insurance companies providing the required insurance shall be authorized to transact business in Texas and rated at least "A" by AM Best or other equivalent rating service. A certificate of insurance evidencing the required insurance shall be on file for review upon request from LESSOR.

LESSEE shall, at its own option, carry its own insurance on its aircraft and other equipment which LESSEE stores in or on the leased premises and in no event shall LESSOR be liable to LESSEE for loss or damage to LESSEE'S aircraft and equipment or personal property of LESSEE.

3.03 **Compliance with Laws:**

(a) Tenant may not use, or permit using, the Premises in any manner that results in waste of premises or constitutes a nuisance or for any illegal purpose. Tenant, at its own expense, will comply, and will cause its officers, employees, agents and invitees to comply, with all applicable laws, ordinances, and governmental rules and regulations concerning the use of the Premises, including Hazardous Materials Laws.

(b) "Hazardous Materials" means any substance, material, or waste that is or becomes regulated by any local governmental agency, the State of Texas, or the Federal Government, including, but not limited to, any material or substance that is (1) *designated as a "hazardous substance" pursuant to § 311 of the Clean Water Act, 33 U.S.C. § 1251 et. seq., or listed pursuant to § 307 of the Clean Water Act, 33 U.S.C. § 1317,* (2) *defined as a "hazardous substance" pursuant to § 101 of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. § 9601 et. seq.,* (3) *defined as a "hazardous waste" pursuant to § 1004 of the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et. seq.,* (4) *petroleum,* (5) *asbestos,* and (6) *polychlorinated biphenyls.*

3.04 **Condition of Premises, Tenant Finish-Out:** Tenant acknowledges and agrees and does hereby accept the Premises AS IS with all faults. Tenant shall, without cost to Landlord, be responsible for the design and construction of all Tenant finish out for the Premises including exterior improvements.

IV. MAINTENANCE AND SURRENDER

Maintenance and Surrender by Tenant: Tenant will maintain the leased Premises and keep them free from waste or nuisance throughout the Lease Term and any extensions of it. The Tenant shall be responsible for routine maintenance of all tenant maintainable consumables for electrical, plumbing, and heating / air conditioning elements of the building on the Premises. When this Lease terminates, Tenant must deliver the Premises in as good a state of repair and condition as they existed when Landlord delivered possession to Tenant, except for reasonable wear and tear commensurate with the age of the Premises and damage by fire, tornado, or other casualty. If Tenant neglects to reasonably maintain the Premises, Landlord may, but is not required to, cause repairs or corrections to be made. Any reasonable costs incurred for repairs or

corrections for which Tenant is responsible under this section are payable by Tenant to Landlord as a reimbursement within thirty (30) days after Lease termination.

V. UTILITIES AND TAXES

Utilities and Taxes on Tenant's Property: Landlord shall pay or cause to be paid all charges for water. Tenant will pay all taxes levied or assessed against personal property, furniture, or fixtures it places in or on the Premises. If any such taxes for which Tenant is liable are levied or assessed against Landlord or Landlord's property, and Landlord elects to pay them, or if the assessed value of Landlord's property is increased by including personal property, furniture, or fixtures placed by Tenant in the Premises, and Landlord elects to pay the taxes based on the increase, Tenant must, upon demand, pay Landlord the part of the taxes for which Tenant is primarily liable under this article.

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6.01 **Consent of Landlord:** Tenant may not make any alterations, additions, or improvements to the Premises without Landlord's prior written consent, which shall not be unreasonably denied or delayed.

6.02 **Property of Landlord:** All alterations, additions, or improvements made by Tenant will become Landlord's property when this Lease terminates.

6.03 **Trade Fixtures:** Tenant has the right at all times to erect or install furniture and fixtures, as long as Tenant complies with all applicable governmental laws, ordinances, and regulations. Tenant may remove such items when this Lease terminates, if Tenant is not in default at that time and the fixtures can be removed without structural damage to the Premises. Before this Lease terminates, Tenant must repair any damage caused by removing any fixtures and should have 15 days to comply. Any furniture or fixtures not removed by Tenant when this Lease terminates are considered abandoned by Tenant and automatically become Landlord's property.

6.04 **Construction by Tenant:** Tenant shall have the right during the term of this Lease to erect, maintain, alter, remodel, reconstruct, or rebuild the tenant improvements within the Premises, subject to the following general conditions:

1. Tenant bears cost of any such work;
2. The Premises shall at all times be kept free of mechanics' and material men's liens;
3. Any improvements constructed on the Premises shall be approved by Landlord pursuant to § 6.05 herein and if remaining at the end of the Lease Term, shall become the property of Landlord; and
4. Any removal of tenant improvements must be pre-approved by Landlord.

6.05 **Landlord's Approval:** The following rules govern Landlord's approval of construction, additions, and alterations of the building or other improvements:

(a) **Written approval required.** No tenant or other improvement may be constructed unless the plans, specifications, and proposed location of the improvement have received Landlord's written approval. No material addition to or alterations of the Premises may be begun until plans and specifications covering the proposed addition or alteration have been first submitted to and approved by Landlord. The Landlord shall not unreasonably withhold approval of such plans and specifications.

(b) **Landlord's approval.** Landlord will promptly review and approve all plans submitted under subparagraph above or note in writing any required changes or corrections that must be made to the plans. Failure to object to the plans within thirty (30) days constitutes its approval of the changes. Any required changes or corrections must be made, and the plans resubmitted to Landlord, within thirty (30) days after the corrections or changes have been noted. Landlord's failure to object to the resubmitted plans and specifications within thirty (30) days constitutes its approval of the changes. Minor changes in work or materials not affecting the general character of the Premises project may be made at any time without Landlord's approval, but a copy of the altered plans and specifications must be furnished to Landlord.

VII. DAMAGE OR DESTRUCTION

7.01 **Notice to Landlord:** If the Premises or any structures or improvements are damaged or destroyed by fire, tornado, or other casualty, Tenant must immediately give Landlord written notice of the damage or destruction, including a general description of the damage and, as far as known to Tenant, the cause of the damage.

7.02 **Total Destruction:** If the Premises are totally destroyed by fire, tornado, or other casualty this Lease will terminate, and rent will be abated for the unexpired portion of this Lease, effective as of the date of written notification as provided in § 7.01. The Landlord in its sole discretion may elect to restore the Premises and rebuild the Building in which event the Lease shall continue in under the same terms and conditions set forth herein from the date the Premises has been fully restored. Alternatively, the Tenant with the consent of Landlord may, by written notice within thirty (30) days after the notice as provided in § 7.01, elect to rebuild the Building and restore the Premises provided Tenant commences the restoration of the Premises within one hundred eighty (180) days thereafter and at Tenant's cost.

7.03 **Partial Destruction:** If the Premises are damaged by fire, tornado, or other casualty other than by the negligence, gross negligence, or intentional tort of Tenant or any person in or about the Premises with Tenant's express or implied consent, or if they are so damaged that rebuilding or repairs cannot reasonably be completed within one hundred eighty (180) working days or the damage exceeds the Landlord's insurance recovery, or the Landlord elects not to restore the Premises, this Lease will terminate.

VIII. CONDEMNATION

8.01 **Total Condemnation:** If, during the Lease Term or any extension or renewal of the Lease, all of the Premises are taken for any public or quasi-public use under any governmental law, ordinance, or regulation, or by right of eminent domain, or are sold to the

condemning authority under threat of condemnation, this Lease will terminate, and the rent will be abated during the unexpired portion of this Lease, effective as of the date the condemning authority takes the Premises.

8.02 **Partial Condemnation:** If less than all of the Premises is taken for any public or quasi-public use under any governmental law, ordinance, or regulation or by right of eminent domain, or is sold to the condemning authority under threat of condemnation, either party may terminate this Lease by giving written notice to the other within thirty (30) days. In addition, if all or a portion of the parking area, or the signage, of the Premises is taken for any public. or quasi-public use under any governmental law, ordinance, or regulation or by right of eminent domain, or is sold to the condemning authority under threat of condemnation, either party may terminate this Lease by giving Landlord written notice within thirty (30) days. If the Premises are partially condemned and neither party elects to terminate this Lease, this Lease will not terminate, but the rent will be adjusted equitably during the un-expired portion of this lease.

8.03 **Condemnation Award:** Landlord is entitled to receive and retain the entire award in any condemnation proceedings, except for any portion attributable to trade fixtures and personal property owned by Tenant, which Tenant is entitled to receive and retain. The termination of this Lease will not affect the right to this award.

IX. INSPECTION BY LANDLORD

Landlord and its officers, agents, employees, and representatives may enter any part of the Premises during normal business hours for the purpose of inspection, cleaning, maintenance, repairs, alterations, or additions as Landlord considers necessary (but without any obligation to perform any of these functions except as stated in this Lease). Tenant is not entitled to any abatement or reduction of rent by reason of entry of Landlord or any of its officers, agents, representatives, or employees under this article, nor will such an entry be considered an actual or constructive eviction.

X. MECHANIC'S LIEN

Tenant will not permit any mechanic's lien to be placed on the Premises or on improvements made to the Premises. If a mechanic's lien is filed on the Premises or on improvements on them, Tenant will promptly pay it. If default in payment of the lien continues for thirty (30) days after Landlord's written notice to Tenant, Landlord may, at its option, pay the lien or any portion of it without inquiring into its validity. Any amounts Landlord pays to remove a mechanic's lien caused by Tenant to be filed against the Premises or against improvements on the Premises, including expenses and interest, are due from Tenant to Landlord and must be repaid to Landlord immediately on rendition of notice, together with annual interest at the highest rate then allowed by law until paid.

XI. INDEMNITY

11.01 **Tenant's General Indemnity:** Tenant will indemnify and hold Landlord harmless against any claims, demands," damages, costs, and expenses, including reasonable

attorney's fees, for defending claims and demands arising from the conduct or management of Tenant's business on the Premises or its use of the Premises, or from any breach on Tenant's part of any conditions of this Lease, or from any act or negligence of Tenant, its officers, agents, contractors, employees, subtenants, or invitees in or about the Premises. In case of any action or proceeding brought against Landlord by reason of any such claim, Tenant, on notice from Landlord, will defend the action or proceeding by counsel acceptable to Landlord.

11.02 **Tenant's Environmental Indemnity:**

(a) Tenant is responsible only for the payment of that portion of any cleanup costs for the Premises necessary for compliance with Hazardous Materials Laws that arise as a result of Tenant's discharge of Hazardous Materials on the Premises during Tenant's occupancy of the Premises. Landlord is responsible for all other cleanup costs and for ensuring that any other responsible party participates in the cleanup to the extent of its responsibility for a release.

(b) Tenant must indemnify, defend, and hold harmless Landlord from and against all claims, liabilities, losses, damages, and costs, foreseen or unforeseen, including without limitation counsel, engineering, and other professional or expert fees, that Landlord may incur by reason of Tenant's action or inaction with regard to Tenant's obligations under this section.

XII. ASSIGNMENT AND SUBLEASE

Assignment and Subletting by Tenant: Tenant may not assign this Lease, or any interest in it, nor sublet the Premises, or any part of them without prior written consent of Landlord.

XIII. DEFAULT

13.01 **Tenant's Default:** The following events are considered events of default by Tenant under this Lease:

(a) Tenant fails to pay any installment of rent due under this Lease, whether base rent or additional rent, or any other amounts owing by Tenant to Landlord, and the failure continues for thirty (30) days after receipt of written thereof.

(b) Tenant fails to comply with any term or covenant of this Lease, other than the payment of rent or any other sum of money owing by Tenant to Landlord, and does not cure the failure within sixty (60) days after written notice of the failure to Tenant; provided that if such failure cannot be cured within sixty (60) days Tenant shall not be in default if Tenant is proceeding to cure the failure and cures such failure within thirty (30) days thereafter.

(c) Tenant makes an assignment for the benefit of creditors.

(d) Tenant deserts or vacates any substantial portion of the Premises for sixty (60) or more consecutive days.

13.02 **Landlord's Remedies:** In the event of any default specified in §13.01, Landlord may pursue one or more of the following remedies:

(a) Landlord may terminate this Lease, in which event Tenant must immediately surrender the Premises to Landlord. If Tenant fails to do so, Landlord may, without prejudice - to any other remedy that it may have for possession or arrearages in rent, enter on and take possession and expel or remove Tenant and any other person occupying the Premises or any part of them, by any lawful means, without being liable for prosecution or any claim of damages for the entrance and expulsion or removal. Tenant will, on demand, pay Landlord the amount of all loss and damage that Landlord suffers by reason of the termination, whether through inability to re-let the Premises on satisfactory terms, if Landlord elects to re-let, or otherwise.

(b) Landlord may enter on and take possession of the Premises and expel or remove Tenant and any other person occupying the Premises or any part of them, by any lawful means, without being liable for prosecution or any claim for damages for the entrance and expulsion or removal; re-let the Premises on the terms Landlord considers advisable; and receive the rent for the re-letting. Tenant will, on demand, pay Landlord any deficiency that may arise by reason of re-letting.

(c) Landlord may enter the Premises, by any lawful means (and Landlord is expressly reserving and retaining the right to so re-enter the Premises), without being liable for prosecution or any claim for damages for the entry, and do whatever Tenant is obligated to do under the terms of this Lease to correct the default. Tenant will, on demand, reimburse Landlord for any expenses that Landlord incurs in effecting compliance with Tenant's obligations under this Lease in this manner, and Tenant further releases Landlord from liability for any damages resulting to Tenant from such an action.

13.03 **Cumulative Remedies:** Landlord's or Tenant's pursuing any remedy provided in this Lease will not preclude pursuing any other remedy provided in this Lease. Either party's pursuing any remedy provided in this lease or by law will not constitute a forfeiture or waiver of any damages accruing to either party by reason of violating any term or covenant of this Lease. Nor will Landlord's pursuing any remedies provided in this Lease constitute a waiver or forfeiture of any rent due under this Lease.

13.04 **Waiver of Default:** Either party's waiving any default or violation or breach of any term or covenant of this Lease does not waive any other violation or breach of any term or covenant of this Lease. Nor does either party's forbearing to enforce one or more of the remedies provided in this Lease or by law on a default waive the default. Landlord's accepting rent following default under this Lease does not waive the default.

13.05 **Surrender of Premises:** No act done by Landlord or its agents during the Lease Term may be considered an acceptance of a surrender of premises is valid unless in writing and subscribed by Landlord.

XIV. MISCELLANEOUS

14.01 **Notices and Addresses:** All notices required under this Lease may be given by the following methods:

(a) By certified mail, return receipt requested, addressed to the proper party, at the following addresses:

If to Landlord:

City of Lancaster
Attn: Opal Mauldin-Robertson
City Manager
211 North Henry Street
P. O. Box 940
Lancaster, Texas 75146-0946

If to Tenant:

Signature Aircraft Interiors
Attn: Andy Grey
262 Rutherford Rd.
Waxahachie, Texas 75165

Notices are effective when received. Either party may change the address to which notices are to be sent by sending written notice of the new address or number to the other party in accordance with the terms of this section.

14.02 **Parties Bound:** This agreement binds, and inures to the benefit of, the parties to this Lease and their respective heirs, executors, administrators, legal representatives, successors, and assigns when this agreement permits.

14.03 **Texas Law to Apply:** This agreement is to be construed under Texas law, and all obligations of the parties created by this agreement are performable in Dallas County, Texas. The parties agree to submit to the personal and subject matter jurisdiction of said Court.

14.04 **Legal Construction:** If anyone or more of the provisions in this agreement are for any reason held to be invalid, illegal, or unenforceable in any respect, the invalidity, illegality, or unenforceability will not affect any other provision of the agreement, which will be construed as if it had not included the invalid, illegal, or unenforceable provision.

14.05 **Prior Agreements Superseded:** This agreement constitutes the parties sole agreement and supersedes any prior understandings or written or oral agreements between the parties with respect to the subject matter.

14.06 **Amendment:** No amendment, modification, or alteration of the terms of this agreement is binding unless in writing, dated subsequent to the date of this agreement, and duly

executed by the parties.

14.07 **Rights and Remedies Cumulative:** The rights and remedies provided by this Lease are cumulative, and either party's using any right or remedy will not preclude or waive its right to use any other remedy. These rights and remedies are in addition to any other rights the parties may have by law, statute, ordinance, or otherwise.

14.08 **Attorney's Fees and Costs:** If, as a result of either party's breaching this agreement, the other party employs an attorney to enforce its rights under this Lease, the breaching or defaulting party will pay the other party the reasonable attorney's fees and costs incurred to enforce this Lease.

14.09 **Force Majeure:** Neither Landlord nor Tenant is required to perform any term or covenant of this Lease so long as performance is delayed or prevented *by force majeure*, which includes acts of God, strikes, lockouts, material or labor restrictions by any governmental authority, civil riot, floods, and any other cause not reasonably within Landlord's or Tenant's control and that Landlord or Tenant, by exercising due diligence and paying money, cannot prevent or overcome in whole or part.

The undersigned Landlord and Tenant execute this agreement on the ____ day of _____, 2016

Landlord:

Tenant:

By: _____
Opal Mauldin-Robertson, City Manager

By: _____

Name: _____

Title: _____

ATTEST:

Sorangel O. Arenas, City Secretary

Exhibit "A"

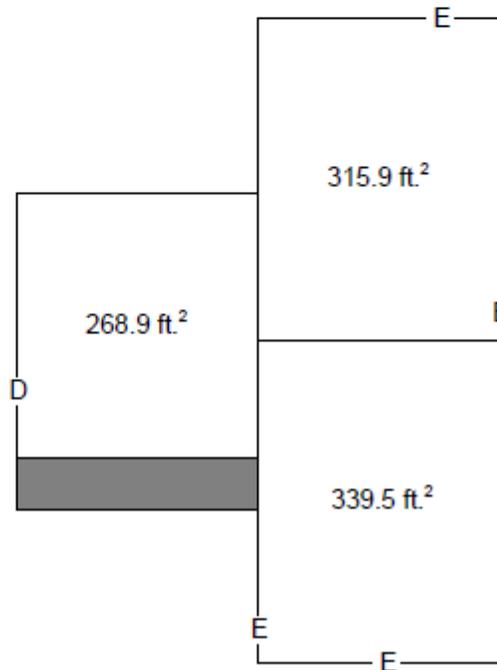
670
Suite
102/104

Total Square Feet = 924.3 ft.²

Office Rate = \$0.20 per Square Foot

Total Value = \$184.86 per Month

A, B, C, D, & E indicate
how locks are keyed.
Each letter is a specific
key.



LANCASTER CITY COUNCIL

City Council Regular Meeting

Item 9.

Meeting Date: 09/12/2016

Policy Statement: This request supports the City Council 2016-2017 Policy Agenda

Goal(s): Financially Sound Government
Sound Infrastructure

Submitted by: Mark Divita, Airport Manager

Agenda Caption:

Consider a resolution approving the terms and conditions of the City owned T-Hangar commercial lease from building 670 at Lancaster Regional Airport.

Background:

The City owns and leases five rows of T-hangars (buildings 660-700) of three different sizes based upon aircraft wingspan. There are 92 units total that the City rents for aircraft storage with end cap commercial spaces on the east end of each hangar row. The City T-hangars are at near full occupancy most of the year. This agenda item brings forward a commercial lease renewal agreement for office space units 670-104/106/108 for an aircraft avionics business called PDG Services owned by Mr. Paul Gardner. This business has been in good standing with the Airport and City.

Operational Considerations:

The City T-hangar commercial lease is used for specialty fixed based operators on the airfield and private aircraft owners respectively.

Legal Considerations:

The lease agreement template was reviewed and approved by the City Attorney.

Public Information Considerations:

This item is being considered at a meeting of the City Council noticed in accordance with the Texas Open Meeting Act.

Fiscal Impact:

Lease rates vary based on size of the hangar or attached office space. All rates were approved in the City's Master Fee Schedule. The monthly rate for this office space attached to our medium sized hangar is \$315.72 per month based off \$0.20 per square feet for the medium T-hangar building.

Options/Alternatives:

1. Council may approve the resolution as presented.
2. Council may reject the resolution.

Recommendation:

Staff recommends approval of the resolution.

Attachments

Resolution

Exhibit "1"

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS, APPROVING THE TERMS AND CONDITIONS OF THE CITY OWNED T-HANGAR COMMERCIAL LEASE FROM BUILDING 670 AT LANCASTER REGIONAL AIRPORT; AUTHORIZING THE CITY MANAGER TO EXECUTE SAID LEASES; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Lancaster Regional Airport has aircraft T-hangers available for monthly rental for revenue gain; and

WHEREAS, the City Council of Lancaster, Texas, desires to authorize the commercial lease pursuant to the tenant listed in Exhibit "1";

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

SECTION 1. That the City T-hangar lease agreement attached hereto and incorporated herein by reference as Exhibit "1" having been reviewed by the City Council of the City of Lancaster, Texas and found to be acceptable and in the best interest of the City and its citizens, be, and the same is hereby, in all things approved.

SECTION 2. That the City Manager is hereby authorized to execute said lease agreement.

SECTION 3. 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 12th day of September, 2016.

ATTEST:

APPROVED:

Sorangel O. Arenas, City Secretary

Marcus E. Knight, Mayor

APPROVED AS TO FORM:

Robert E. Hager, City Attorney



STATE OF TEXAS §
§
COUNTY OF DALLAS §

LEASE AGREEMENT

Exhibit "1"

This Lease is entered into between the City of Lancaster, Texas ("Landlord") and **PDG Services** ("Tenant").

In consideration of the mutual covenants and agreements of this Lease, and other good and valuable consideration, Landlord demises and leases to Tenant, and Tenant leases from Landlord, **670-104/106/108**, Lancaster, Dallas County, Texas, depicted in Exhibits "A" & "B", attached hereto (the "Premises"). The Premises are referred to in this Lease as the "Premises" or the "Leased Premises." The building is referred to as the "Building."

I. TERM OF LEASE

1.01 **Term:** Term of this Lease is **Five (5) years**, beginning on the **1st day of January, 2017**, and ending on the last day of **December, 2022**, as provided in this Lease ("Lease Term").

1.02 **Renewal:** After the term in 1.01, this Lease may be renewed with a new lease with new terms and conditions.

1.03 **Termination:** Landlord or tenant may, without cause, terminate this Lease during the Lease Term or any extension thereof upon ninety (90) days prior written notice thereof.

1.04 **Holdover:** If Tenant holds over and continues in possession of the Premises after the Lease Term (or any extension of it) expires, Tenant will be considered to be occupying the Premises at will, subject to all of the terms of this Lease.

II. RENT

Basic Rent: Tenant will pay Landlord **\$315.72 per month**, from the beginning of the Lease Term and throughout the Lease Term. The monthly rent due throughout the Lease Term shall be paid in advance of the tenth (10th) day of each month.

III. USE OF PREMISES

3.01 **Permitted Use(s):** Tenant will use the Premises only for aviation business related purpose, to wit: **Avionics Repair and Installation**. No other services are permitted unless Landlord gives Tenant prior written consent for additional permitted uses.

3.02 **Insurance Hazards:** Tenant shall during the term hereof, at its sole expense, maintain in full force and effect the following insurance: (1) Commercial general aviation liability policy with coverage: \$500,000 Combined Single Limit (CSL) for premises if customers are allowed on premises; (2) Hangar Keeper's Liability – Value of Aircraft in care up to

\$500,000 custody and control. All insurance and certificate(s) of insurance shall contain the following provisions: (1) name the Landlord, its officers, agents and employees as additional insureds as to all applicable coverage and (2) provide for at least thirty (30) days prior written notice to the Landlord for cancellation, non-renewal, or material change of the insurance.. All insurance companies providing the required insurance shall be authorized to transact business in Texas and rated at least "A" by AM Best or other equivalent rating service. A certificate of insurance evidencing the required insurance shall be on file for review upon request from LESSOR.

LESSEE shall, at its own option, carry its own insurance on its aircraft and other equipment which LESSEE stores in or on the leased premises and in no event shall LESSOR be liable to LESSEE for loss or damage to LESSEE'S aircraft and equipment or personal property of LESSEE.

3.03 **Compliance with Laws:**

(a) Tenant may not use, or permit using, the Premises in any manner that results in waste of premises or constitutes a nuisance or for any illegal purpose. Tenant, at its own expense, will comply, and will cause its officers, employees, agents and invitees to comply, with all applicable laws, ordinances, and governmental rules and regulations concerning the use of the Premises, including Hazardous Materials Laws.

(b) "Hazardous Materials" means any substance, material, or waste that is or becomes regulated by any local governmental agency, the State of Texas, or the Federal Government, including, but not limited to, any material or substance that is (1) *designated as a "hazardous substance" pursuant to § 311 of the Clean Water Act, 33 U.S.C. § 1251 et. seq., or listed pursuant to § 307 of the Clean Water Act, 33 U.S.C. § 1317,* (2) *defined as a "hazardous substance" pursuant to § 101 of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. § 9601 et. seq.,* (3) *defined as a "hazardous waste" pursuant to § 1004 of the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et. seq.,* (4) *petroleum,* (5) *asbestos,* and (6) *polychlorinated biphenyls.*

3.04 **Condition of Premises, Tenant Finish-Out:** Tenant acknowledges and agrees and does hereby accept the Premises AS IS with all faults. Tenant shall, without cost to Landlord, be responsible for the design and construction of all Tenant finish out for the Premises including exterior improvements.

IV. MAINTENANCE AND SURRENDER

Maintenance and Surrender by Tenant: Tenant will maintain the leased Premises and keep them free from waste or nuisance throughout the Lease Term and any extensions of it. The Tenant shall be responsible for routine maintenance of all tenant maintainable consumables for electrical, plumbing, and heating / air conditioning elements of the building on the Premises. When this Lease terminates, Tenant must deliver the Premises in as good a state of repair and condition as they existed when Landlord delivered possession to Tenant, except for reasonable wear and tear commensurate with the age of the Premises and damage by fire, tornado, or other casualty. If Tenant neglects to reasonably maintain the Premises, Landlord may, but is not

required to, cause repairs or corrections to be made. Any reasonable costs incurred for repairs or corrections for which Tenant is responsible under this section are payable by Tenant to Landlord as a reimbursement within thirty (30) days after Lease termination.

V. UTILITIES AND TAXES

Utilities and Taxes on Tenant's Property: Landlord shall pay or cause to be paid all charges for water. Tenant will pay all taxes levied or assessed against personal property, furniture, or fixtures it places in or on the Premises. If any such taxes for which Tenant is liable are levied or assessed against Landlord or Landlord's property, and Landlord elects to pay them, or if the assessed value of Landlord's property is increased by including personal property, furniture, or fixtures placed by Tenant in the Premises, and Landlord elects to pay the taxes based on the increase, Tenant must, upon demand, pay Landlord the part of the taxes for which Tenant is primarily liable under this article.

VI. ALTERATIONS, ADDITIONS, IMPROVEMENTS AND FIXTURES

6.01 **Consent of Landlord:** Tenant may not make any alterations, additions, or improvements to the Premises without Landlord's prior written consent, which shall not be unreasonably denied or delayed.

6.02 **Property of Landlord:** All alterations, additions, or improvements made by Tenant will become Landlord's property when this Lease terminates.

6.03 **Trade Fixtures:** Tenant has the right at all times to erect or install furniture and fixtures, as long as Tenant complies with all applicable governmental laws, ordinances, and regulations. Tenant may remove such items when this Lease terminates, if Tenant is not in default at that time and the fixtures can be removed without structural damage to the Premises. Before this Lease terminates, Tenant must repair any damage caused by removing any fixtures and should have 15 days to comply. Any furniture or fixtures not removed by Tenant when this Lease terminates are considered abandoned by Tenant and automatically become Landlord's property.

6.04 **Construction by Tenant:** Tenant shall have the right during the term of this Lease to erect, maintain, alter, remodel, reconstruct, or rebuild the tenant improvements within the Premises, subject to the following general conditions:

1. Tenant bears cost of any such work;
2. The Premises shall at all be times kept free of mechanics' and material men's liens;
3. Any improvements constructed on the Premises shall be approved by Landlord pursuant to § 6.05 herein and if remaining at the end of the Lease Term, shall become the property of Landlord; and
4. Any removal of tenant improvements must be pre-approved by Landlord.

6.05 **Landlord's Approval:** The following rules govern Landlord's approval of construction, additions, and alterations of the building or other improvements:

(a) **Written approval required.** No tenant or other improvement may be constructed unless the plans, specifications, and proposed location of the improvement have received Landlord's written approval. No material addition to or alterations of the Premises may be begun until plans and specifications covering the proposed addition or alteration have been first submitted to and approved by Landlord. The Landlord shall not unreasonably withhold approval of such plans and specifications.

(b) **Landlord's approval.** Landlord will promptly review and approve all plans submitted under subparagraph above or note in writing any required changes or corrections that must be made to the plans. Failure to object to the plans within thirty (30) days constitutes its approval of the changes. Any required changes or corrections must be made, and the plans resubmitted to Landlord, within thirty (30) days after the corrections or changes have been noted. Landlord's failure to object to the resubmitted plans and specifications within thirty (30) days constitutes its approval of the changes. Minor changes in work or materials not affecting the general character of the Premises project may be made at any time without Landlord's approval, but a copy of the altered plans and specifications must be furnished to Landlord.

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7.03 **Partial Destruction:** If the Premises are damaged by fire, tornado, or other casualty other than by the negligence, gross negligence, or intentional tort of Tenant or any person in or about the Premises with Tenant's express or implied consent, or if they are so damaged that rebuilding or repairs cannot reasonably be completed within one hundred eighty (180) working days or the damage exceeds the Landlord's insurance recovery, or the Landlord elects not to restore the Premises, this Lease will terminate.

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8.01 **Total Condemnation:** If, during the Lease Term or any extension or renewal of the Lease, all of the Premises are taken for any public or quasi-public use under any

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Landlord and its officers, agents, employees, and representatives may enter any part of the Premises during normal business hours for the purpose of inspection, cleaning, maintenance, repairs, alterations, or additions as Landlord considers necessary (but without any obligation to perform any of these functions except as stated in this Lease). Tenant is not entitled to any abatement or reduction of rent by reason of entry of Landlord or any of its officers, agents, representatives, or employees under this article, nor will such an entry be considered an actual or constructive eviction.

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11.01 **Tenant's General Indemnity:** Tenant will indemnify and hold Landlord

harmless against any claims, demands," damages, costs, and expenses, including reasonable attorney's fees, for defending claims and demands arising from the conduct or management of Tenant's business on the Premises or its use of the Premises, or from any breach on Tenant's part of any conditions of this Lease, or from any act or negligence of Tenant, its officers, agents, contractors, employees, subtenants, or invitees in or about the Premises. In case of any action or proceeding brought against Landlord by reason of any such claim, Tenant, on notice from Landlord, will defend the action or proceeding by counsel acceptable to Landlord.

11.02 **Tenant's Environmental Indemnity:**

(a) Tenant is responsible only for the payment of that portion of any cleanup costs for the Premises necessary for compliance with Hazardous Materials Laws that arise as a result of Tenant's discharge of Hazardous Materials on the Premises during Tenant's occupancy of the Premises. Landlord is responsible for all other cleanup costs and for ensuring that any other responsible party participates in the cleanup to the extent of its responsibility for a release.

(b) Tenant must indemnify, defend, and hold harmless Landlord from and against all claims, liabilities, losses, damages, and costs, foreseen or unforeseen, including without limitation counsel, engineering, and other professional or expert fees, that Landlord may incur by reason of Tenant's action or inaction with regard to Tenant's obligations under this section.

XII. ASSIGNMENT AND SUBLEASE

Assignment and Subletting by Tenant: Tenant may not assign this Lease, or any interest in it, nor sublet the Premises, or any part of them without prior written consent of Landlord.

XIII. DEFAULT

13.01 **Tenant's Default:** The following events are considered events of default by Tenant under this Lease:

(a) Tenant fails to pay any installment of rent due under this Lease, whether base rent or additional rent, or any other amounts owing by Tenant to Landlord, and the failure continues for thirty (30) days after receipt of written thereof.

(b) Tenant fails to comply with any term or covenant of this Lease, other than the payment of rent or any other sum of money owing by Tenant to Landlord, and does not cure the failure within sixty (60) days after written notice of the failure to Tenant; provided that if such failure cannot be cured within sixty (60) days Tenant shall not be in default if Tenant is proceeding to cure the failure and cures such failure within thirty (30) days thereafter.

(c) Tenant makes an assignment for the benefit of creditors.

(d) Tenant deserts or vacates any substantial portion of the Premises for sixty (60) or more consecutive days.

13.02 **Landlord's Remedies:** In the event of any default specified in §13.01, Landlord may pursue one or more of the following remedies:

(a) Landlord may terminate this Lease, in which event Tenant must immediately surrender the Premises to Landlord. If Tenant fails to do so, Landlord may, without prejudice - to any other remedy that it may have for possession or arrearages in rent, enter on and take possession and expel or remove Tenant and any other person occupying the Premises or any part of them, by any lawful means, without being liable for prosecution or any claim of damages for the entrance and expulsion or removal. Tenant will, on demand, pay Landlord the amount of all loss and damage that Landlord suffers by reason of the termination, whether through inability to re-let the Premises on satisfactory terms, if Landlord elects to re-let, or otherwise.

(b) Landlord may enter on and take possession of the Premises and expel or remove Tenant and any other person occupying the Premises or any part of them, by any lawful means, without being liable for prosecution or any claim for damages for the entrance and expulsion or removal; re-let the Premises on the terms Landlord considers advisable; and receive the rent for the re-letting. Tenant will, on demand, pay Landlord any deficiency that may arise by reason of re-letting.

(c) Landlord may enter the Premises, by any lawful means (and Landlord is expressly reserving and retaining the right to so re-enter the Premises), without being liable for prosecution or any claim for damages for the entry, and do whatever Tenant is obligated to do under the terms of this Lease to correct the default. Tenant will, on demand, reimburse Landlord for any expenses that Landlord incurs in effecting compliance with Tenant's obligations under this Lease in this manner, and Tenant further releases Landlord from liability for any damages resulting to Tenant from such an action.

13.03 **Cumulative Remedies:** Landlord's or Tenant's pursuing any remedy provided in this Lease will not preclude pursuing any other remedy provided in this Lease. Either party's pursuing any remedy provided in this lease or by law will not constitute a forfeiture or waiver of any damages accruing to either party by reason of violating any term or covenant of this Lease. Nor will Landlord's pursuing any remedies provided in this Lease constitute a waiver or forfeiture of any rent due under this Lease.

13.04 **Waiver of Default:** Either party's waiving any default or violation or breach of any term or covenant of this Lease does not waive any other violation or breach of any term or covenant of this Lease. Nor does either party's forbearing to enforce one or more of the remedies provided in this Lease or by law on a default waive the default. Landlord's accepting rent following default under this Lease does not waive the default.

13.05 **Surrender of Premises:** No act done by Landlord or its agents during the Lease Term may be considered an acceptance of a surrender of premises is valid unless in writing and subscribed by Landlord.

XIV. MISCELLANEOUS

14.01 **Notices and Addresses:** All notices required under this Lease may be given by the following methods:

(a) By certified mail, return receipt requested, addressed to the proper party, at the following addresses:

If to Landlord:

City of Lancaster
Attn: Opal Mauldin-Robertson
City Manager
211 North Henry Street
P. O. Box 940
Lancaster, Texas 75146-0946

If to Tenant:

PDG Services
Attn: Paul Gardner
PO Box 273
Palmer, Texas 75152

E-mail address: paul@pdgservices.com

Notices are effective when received. Either party may change the address to which notices are to be sent by sending written notice of the new address or number to the other party in accordance with the terms of this section.

14.02 **Parties Bound:** This agreement binds, and inures to the benefit of, the parties to this Lease and their respective heirs, executors, administrators, legal representatives, successors, and assigns when this agreement permits.

14.03 **Texas Law to Apply:** This agreement is to be construed under Texas law, and all obligations of the parties created by this agreement are performable in Dallas County, Texas. The parties agree to submit to the personal and subject matter jurisdiction of said Court.

14.04 **Legal Construction:** If anyone or more of the provisions in this agreement are for any reason held to be invalid, illegal, or unenforceable in any respect, the invalidity, illegality, or unenforceability will not affect any other provision of the agreement, which will be construed as if it had not included the invalid, illegal, or unenforceable provision.

14.05 **Prior Agreements Superseded:** This agreement constitutes the parties sole agreement and supersedes any prior understandings or written or oral agreements between the parties with respect to the subject matter.

14.06 **Amendment:** No amendment, modification, or alteration of the terms of this

agreement is binding unless in writing, dated subsequent to the date of this agreement, and duly executed by the parties.

14.07 **Rights and Remedies Cumulative:** The rights and remedies provided by this Lease are cumulative, and either party's using any right or remedy will not preclude or waive its right to use any other remedy. These rights and remedies are in addition to any other rights the parties may have by law, statute, ordinance, or otherwise.

14.08 **Attorney's Fees and Costs:** If, as a result of either party's breaching this agreement, the other party employs an attorney to enforce its rights under this Lease, the breaching or defaulting party will pay the other party the reasonable attorney's fees and costs incurred to enforce this Lease.

14.09 **Force Majeure:** Neither Landlord nor Tenant is required to perform any term or covenant of this Lease so long as performance is delayed or prevented *by force majeure*, which includes acts of God, strikes, lockouts, material or labor restrictions by any governmental authority, civil riot, floods, and any other cause not reasonably within Landlord's or Tenant's control and that Landlord or Tenant, by exercising due diligence and paying money, cannot prevent or overcome in whole or part.

The undersigned Landlord and Tenant execute this agreement on the ____ day of _____, 20__

Landlord:

By: _____
Opal Mauldin-Robertson, City Manager

Tenant:

By: _____

Name: _____

Title: _____

ATTEST:

Sorangel O. Arenas, City Secretary

Exhibit "A"

T-Hangar 670-108

T-Hangar Rent: \$103
(Adjusted for no walls with adjacent tenants)

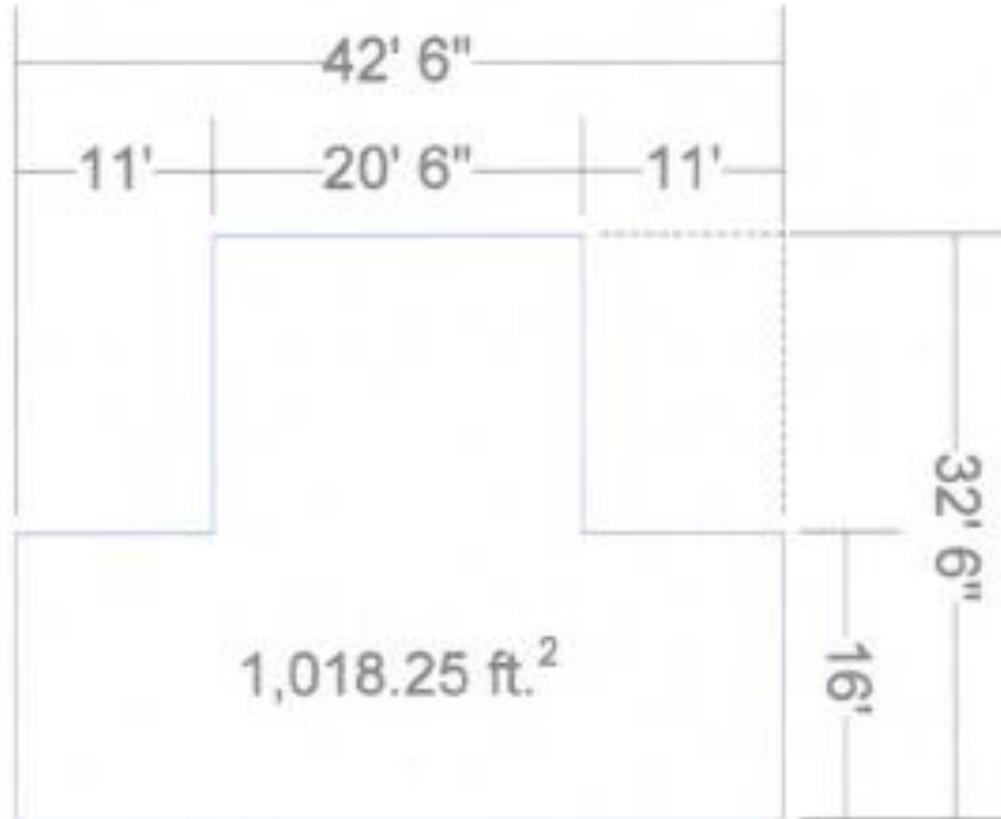
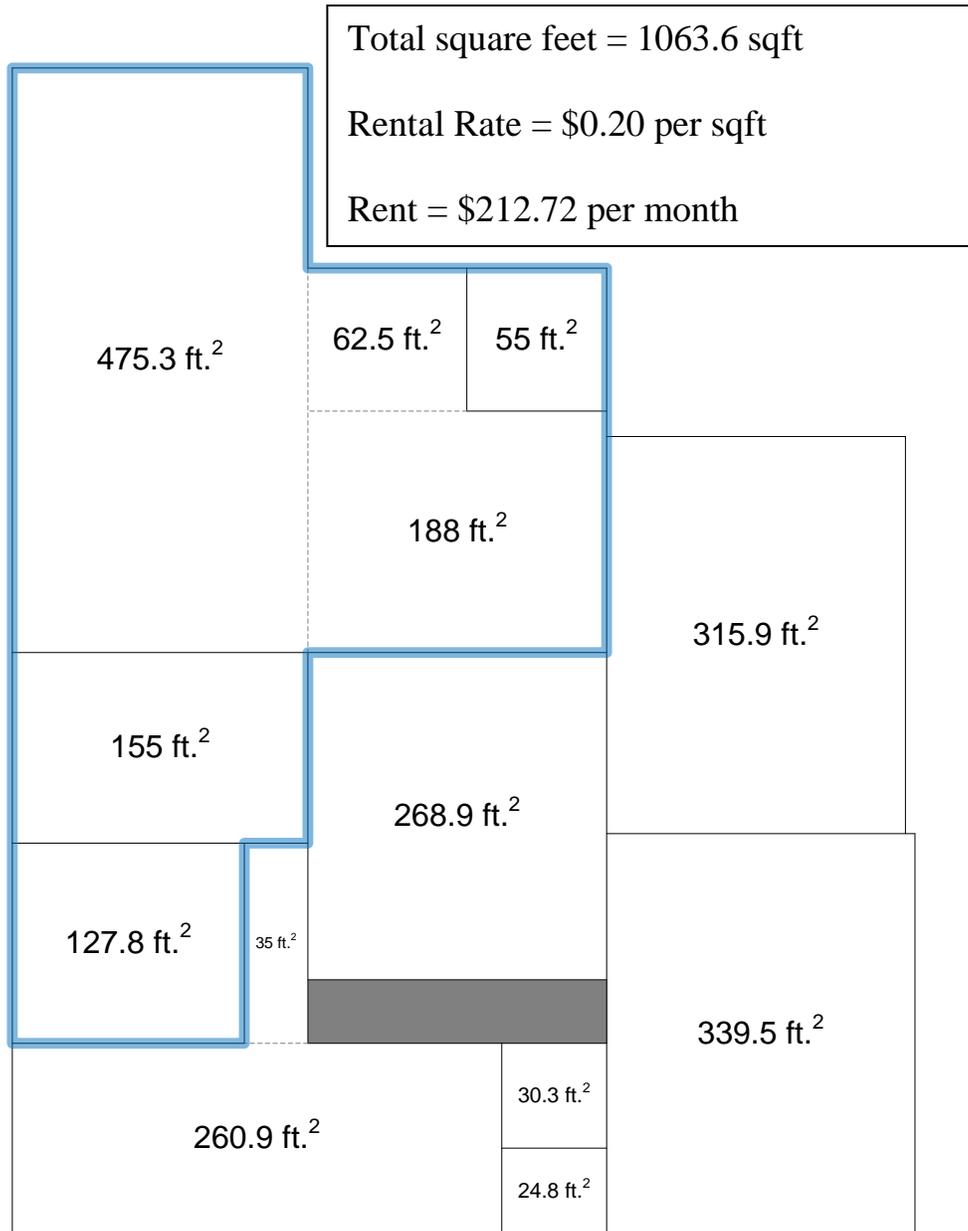


Exhibit "B"

Office space 670-104/106



LANCASTER CITY COUNCIL

City Council Regular Meeting

Item 10.

Meeting Date: 09/12/2016

Policy Statement: This request supports the City Council 2016-2017 Policy Agenda

Goal(s): Financially Sound Government
Sound Infrastructure

Submitted by: Mark Divita, Airport Manager

Agenda Caption:

Consider a resolution approving the terms and conditions of the Grant Agreement for the Routine Airport Maintenance Program by and between the City of Lancaster, as Airport Sponsor, and the Texas Department of Transportation, on behalf of the State of Texas; authorizing matching funds in the amount of \$50,000 at the Lancaster Regional Airport.

Background:

The Routine Airport Maintenance Program (RAMP) is a 50/50 match grant program designed by the Texas Department of Transportation (TxDOT) for smaller Texas airports to assist with routine maintenance requirements. Lancaster Regional Airport has fully participated in and benefited from this program in past years. This grant program supplements airport revenues in maintenance of the airport and defraying 50% of the cost.

Operational Considerations:

Utilization of the RAMP grant has assisted with the routine maintenance and upkeep on the five city-owned T-hangars, repairs to airfield lighting, and pavement repairs. Over the past few years multiple taxi-lane pavement have been repaired utilizing RAMP grant funds. The fiscal year 2017 RAMP grant is planned to be used on the following maintenance and improvement items: pavement repairs, constructing a shop, repairs to buildings, repainting T-Hangar trim, weather station data & maintenance, and annual fuel meter calibrations.

Legal Considerations:

The resolution has been approved as to form by the City Attorney.

Public Information Considerations:

This item is being considered at a meeting of the City Council noticed in accordance with the Texas Open Meeting Act.

Fiscal Impact:

The City match is \$50,000 and is included in the FY 2016/2017 budget.

Options/Alternatives:

1. Council may approve the resolution as presented.
2. Council may deny the resolution.

Recommendation:

Staff recommends adoption of the resolution approving the Routine Airport Maintenance Program grant agreement and authorizing matching funds in the amount of \$50,000.

Attachments

Resolution

Exhibit "A"

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS, APPROVING THE TERMS AND CONDITIONS OF THE ROUTINE AIRPORT MAINTENANCE PROGRAMS (RAMP) GRANT AGREEMENT FOR THE ROUTINE AIRPORT MAINTENANCE PROGRAM BY AND BETWEEN THE CITY OF LANCASTER, AS AIRPORT SPONSOR, AND THE TEXAS DEPARTMENT OF TRANSPORTATION, ON BEHALF OF THE STATE OF TEXAS; AUTHORIZING MATCHING FUNDS IN THE AMOUNT OF \$50,000 AT LANCASTER REGIONAL AIRPORT; AUTHORIZING THE CITY MANAGER TO EXECUTE SAID AGREEMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Texas Department of Transportation provides fifty percent matching grants under the Routine Airport Maintenance Program; and

WHEREAS, the Lancaster Regional Airport is in need of ongoing routine airport maintenance; and

WHEREAS, the City Council desires to continue participation in the Routine Airport Maintenance Program;

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

SECTION 1. The City Council hereby approves the terms and conditions of the grant agreement for the FY 2016/2017 Routine Airport Maintenance Program, by and between the City of Lancaster, Texas, and the Texas Department of Transportation, attached hereto and incorporated herein by reference as Exhibit "A".

SECTION 2. The City Manager of the City of Lancaster, Texas is authorized to execute said grant agreement.

SECTION 3. Any prior Resolution of the City Council in conflict with the provisions contained in this Resolution are hereby repealed and revoked.

SECTION 4. 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 take effect immediately from and after its passage, and it is duly resolved.

DULY PASSED and approved by the City Council of the City of Lancaster, Texas, on this the 12th day of September, 2016.

ATTEST:

APPROVED:

Sorangel O. Arenas, City Secretary

Marcus E. Knight, Mayor

APPROVED AS TO FORM:

Robert E. Hager, City Attorney

**TEXAS DEPARTMENT OF TRANSPORTATION
GRANT FOR ROUTINE AIRPORT MAINTENANCE PROGRAM**

(State Assisted Airport Routine Maintenance)

TxDOT Project ID: M1718LNCA

Part I - Identification of the Project

TO: The City of Lancaster, Texas

FROM: The State of Texas, acting through the Texas Department of Transportation

This Grant is made between the Texas Department of Transportation, (hereinafter referred to as the "State"), on behalf of the State of Texas, and the City of Lancaster, Texas, (hereinafter referred to as the "Sponsor").

This Grant Agreement is entered into between the State and Sponsor shown above, under the authority granted and in compliance with the provisions of the Transportation Code Chapter 21.

The project is for **airport maintenance** at the Lancaster Regional Airport.

Part II - Offer of Financial Assistance

1. For the purposes of this Grant, the annual routine maintenance project cost, Amount A, is estimated as found on Attachment A, Scope of Services, attached hereto and made a part of this grant agreement.

State financial assistance granted will be used solely and exclusively for airport maintenance and other incidental items as approved by the State. Actual work to be performed under this agreement is found on Attachment A, Scope of Services. State financial assistance, Amount B, will be for fifty percent (50%) of the eligible project costs for this project or \$50,000.00, whichever is less, per fiscal year and subject to availability of state appropriations.

Scope of Services, Attachment A, of this Grant, may be amended, subject to availability of state funds, to include additional approved airport maintenance work. Scope amendments require submittal of an Amended Scope of Services, Attachment A.

Services will not be accomplished by the State until receipt of Sponsor's share of project costs.

Only work items as described in Attachment A, Scope of Services of this Grant are reimbursable under this grant.

Work shall be accomplished by August 31, 2017, unless otherwise approved by the State.

2. The State shall determine fair and eligible project costs for work scope. Sponsor's share of estimated project costs, Amount C, shall be as found on Attachment A and any amendments.

It is mutually understood and agreed that if, during the term of this agreement, the State determines that there is an overrun in the estimated annual routine maintenance costs, the State may increase the grant to cover the amount of the overrun within the above stated percentages and subject to the maximum amount of state funding.

The State will not authorize expenditures in excess of the dollar amounts identified in this Agreement and any amendments, without the consent of the Sponsor.

3. Sponsor, by accepting this Grant certifies and, upon request, shall furnish proof to the State that it has sufficient funds to meet its share of the costs. The Sponsor grants to the State the right to audit any books and records of the Sponsor to verify expended funds.

Upon execution of this Agreement and written demand by the State, the Sponsor's financial obligation (Amount C) shall be due in cash and payable in full to the State. State may request the Sponsor's financial obligation in partial payments. Should the Sponsor fail to pay their obligation, either in whole or in part, within 30 days of written demand, the State may exercise its rights under Paragraph V-3. Likewise, should the State be unwilling or unable to pay its obligation in a timely manner, the failure to pay shall be considered a breach and the Sponsor may exercise any rights and remedies it has at law or equity.

The State shall reimburse or credit the Sponsor, at the financial closure of the project, any excess funds provided by the Sponsor which exceed Sponsor's share (Amount C).

4. The Sponsor specifically agrees that it shall pay any project costs which exceed the amount of financial participation agreed to by the State. It is further agreed that the Sponsor will reimburse the State for any payment or payments made by the State which are in excess of the percentage of financial assistance (Amount B) as stated in Paragraph II-1.
5. Scope of Services may be accomplished by State contracts or through local contracts of the Sponsor as determined appropriate by the State. All locally contracted work must be approved by the State for scope and reasonable cost. Reimbursement requests for locally contracted work shall be submitted on forms provided by the State and shall include copies of the invoices for materials or services. Payment shall be made for no more than 50% of allowable charges.

The State will not participate in funding for force account work conducted by the Sponsor.

6. This Grant shall terminate upon completion of the scope of services.

Part III - Sponsor Responsibilities

1. In accepting this Grant, if applicable, the Sponsor guarantees that:
 - a. it will, in the operation of the facility, comply with all applicable state and federal laws, rules, regulations, procedures, covenants and assurances required by the State in connection with this Grant; and
 - b. the Airport or navigational facility which is the subject of this Grant shall be controlled by the Sponsor for a period of at least 20 years; and
 - c. consistent with safety and security requirements, it shall make the airport or air navigational facility available to all types, kinds and classes of aeronautical use without discrimination between such types, kinds and classes and shall provide adequate public access during the period of this Grant; and
 - d. it shall not grant or permit anyone to exercise an exclusive right for the conduct of aeronautical activity on or about an airport landing area. Aeronautical activities include, but are not limited to scheduled airline flights, charter flights, flight instruction, aircraft sales, rental and repair, sale of aviation petroleum products and aerial applications. The landing area consists of runways or landing strips, taxiways, parking aprons, roads, airport lighting and navigational aids; and
 - e. it shall not enter into any agreement nor permit any aircraft to gain direct ground access to the sponsor's airport from private property adjacent to or in the immediate area of the airport. Further, Sponsor shall not allow aircraft direct ground access to private property. Sponsor shall be subject to this prohibition, commonly known as a "through-the-fence operation," unless an exception is granted in writing by the State due to extreme circumstances; and
 - f. it shall not permit non-aeronautical use of airport facilities without prior approval of the State; and
 - g. the Sponsor shall submit to the State annual statements of airport revenues and expenses when requested; and
 - h. all fees collected for the use of the airport shall be reasonable and nondiscriminatory. The proceeds from such fees shall be used solely for the development, operation and maintenance of the airport or navigational facility; and
 - i. an Airport Fund shall be established by resolution, order or ordinance in the

treasury of the Sponsor, or evidence of the prior creation of an existing airport fund or a properly executed copy of the resolution, order, or ordinance creating such a fund, shall be submitted to the State. The fund may be an account as part of another fund, but must be accounted for in such a manner that all revenues, expenses, retained earnings, and balances in the account are discernible from other types of moneys identified in the fund as a whole. All fees, charges, rents, and money from any source derived from airport operations must be deposited in the Airport Fund and shall not be diverted to the general revenue fund or any other revenue fund of the Sponsor. All expenditures from the Airport Fund shall be solely for airport purposes. Sponsor shall be ineligible for a subsequent grant or loan by the State unless, prior to such subsequent approval of a grant or loan, Sponsor has complied with the requirements of this subparagraph; and

- j. the Sponsor shall operate runway lighting at least at low intensity from sunset to sunrise; and
 - k. insofar as it is reasonable and within its power, Sponsor shall adopt and enforce zoning regulations to restrict the height of structures and use of land adjacent to or in the immediate vicinity of the airport to heights and activities compatible with normal airport operations as provided in Tex. Loc. Govt. Code Ann. Sections 241.001 et seq. (Vernon and Vernon Supp.). Sponsor shall also acquire and retain aviation easements or other property interests in or rights to use of land or airspace, unless sponsor can show that acquisition and retention of such interest will be impractical or will result in undue hardship to Sponsor. Sponsor shall be ineligible for a subsequent grant or loan by the State unless Sponsor has, prior to subsequent approval of a grant or loan, adopted and passed an airport hazard zoning ordinance or order approved by the State.
 - l. mowing services will not be eligible for state financial assistance. Sponsor will be responsible for 100% of any mowing services.
2. The Sponsor, to the extent of its legal authority to do so, shall save harmless the State, the State's agents, employees or contractors from all claims and liability due to activities of the Sponsor, the Sponsor's agents or employees performed under this agreement. The Sponsor, to the extent of its legal authority to do so, shall also save harmless the State, the State's agents, employees or contractors from any and all expenses, including attorney fees which might be incurred by the State in litigation or otherwise resisting claim or liabilities which might be imposed on the State as the result of those activities by the Sponsor, the Sponsor's agents or employees.
 3. The Sponsor's acceptance of this Offer and ratification and adoption of this Grant shall be evidenced by execution of this Grant by the Sponsor. The Grant shall comprise a contract, constituting the obligations and rights of the State of Texas and the Sponsor with respect to the accomplishment of the project and the operation and maintenance of the airport.

If it becomes unreasonable or impractical to complete the project, the State may void this agreement and release the Sponsor from any further obligation of project costs.

4. Upon entering into this Grant, Sponsor agrees to name an individual, as the Sponsor's Authorized Representative, who shall be the State's contact with regard to this project. The Representative shall receive all correspondence and documents associated with this grant and shall make or shall acquire approvals and disapprovals for this grant as required on behalf of the Sponsor, and coordinate schedule for work items as required.
5. By the acceptance of grant funds for the maintenance of eligible airport buildings, the Sponsor certifies that the buildings are owned by the Sponsor. The buildings may be leased but if the lease agreement specifies that the lessee is responsible for the upkeep and repairs of the building no state funds shall be used for that purpose.
6. Sponsor shall request reimbursement of eligible project costs on forms provided by the State. All reimbursement requests are required to include a copy of the invoices for the materials or services. The reimbursement request will be submitted no more than once a month.
7. The Sponsor's acceptance of this Agreement shall comprise a Grant Agreement, as provided by the Transportation Code, Chapter 21, constituting the contractual obligations and rights of the State of Texas and the Sponsor with respect to the accomplishment of the airport maintenance and compliance with the assurances and conditions as provided. Such Grant Agreement shall become effective upon the State's written Notice to Proceed issued following execution of this agreement.

PART IV - Nomination of the Agent

1. The Sponsor designates the State as the party to receive and disburse all funds used, or to be used, in payment of the costs of the project, or in reimbursement to either of the parties for costs incurred.
2. The State shall, for all purposes in connection with the project identified above, be the Agent of the Sponsor. The Sponsor grants the State a power of attorney to act as its agent to perform the following services:
 - a. accept, receive, and deposit with the State any and all project funds granted, allowed, and paid or made available by the Sponsor, the State of Texas, or any other entity;
 - b. enter into contracts as necessary for execution of scope of services;
 - c. if State enters into a contract as Agent: exercise supervision and direction of the project work as the State reasonably finds appropriate. Where there is an

irreconcilable conflict or difference of opinion, judgment, order or direction between the State and the Sponsor or any service provider, the State shall issue a written order which shall prevail and be controlling;

- d. receive, review, approve and pay invoices and payment requests for services and materials supplied in accordance with the State approved contracts;
- e. obtain an audit as may be required by state regulations; the State Auditor may conduct an audit or investigation of any entity receiving funds from TxDOT directly under this contract or indirectly through a subcontract under this contract. Acceptance of funds directly under this contract or indirectly through a subcontract under this contract acts as acceptance of the authority of the State Auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. An entity that is the subject of an audit or investigation must provide the state auditor with access to any information the state auditor considers relevant to the investigation or audit.
- f. reimburse sponsor for approved contract maintenance costs no more than once a month.

PART V - Recitals

- 1. This Grant is executed for the sole benefit of the contracting parties and is not intended or executed for the direct or incidental benefit of any third party.
- 2. It is the intent of this grant to not supplant local funds normally utilized for airport maintenance, and that any state financial assistance offered under this grant be in addition to those local funds normally dedicated for airport maintenance.
- 3. This Grant is subject to the applicable provisions of the Transportation Code, Chapters 21 and 22, and the Airport Zoning Act, Tex. Loc. Govt. Code Ann. Sections 241.001 et seq. (Vernon and Vernon Supp.). Failure to comply with the terms of this Grant or with the rules and statutes shall be considered a breach of this contract and will allow the State to pursue the remedies for breach as stated below.
 - a. Of primary importance to the State is compliance with the terms and conditions of this Grant. If, however, after all reasonable attempts to require compliance have failed, the State finds that the Sponsor is unwilling and/or unable to comply with any of the terms of this Grant, the State, may pursue any of the following remedies: (1) require a refund of any financial assistance money expended pursuant to this Grant, (2) deny Sponsor's future requests for aid, (3) request the Attorney General to bring suit seeking reimbursement of any financial assistance money expended on the project pursuant to this Grant, provided however, these remedies shall not limit the State's authority to enforce its rules, regulations or

orders as otherwise provided by law, (4) declare this Grant null and void, or (5) any other remedy available at law or in equity.

- b. Venue for resolution by a court of competent jurisdiction of any dispute arising under the terms of this Grant, or for enforcement of any of the provisions of this Grant, is specifically set by Grant of the parties in Travis County, Texas.
4. The State reserves the right to amend or withdraw this Grant at any time prior to acceptance by the Sponsor. The acceptance period cannot be greater than 30 days after issuance unless extended by the State.
 5. This Grant constitutes the full and total understanding of the parties concerning their rights and responsibilities in regard to this project and shall not be modified, amended, rescinded or revoked unless such modification, amendment, rescission or revocation is agreed to by both parties in writing and executed by both parties.
 6. All commitments by the Sponsor and the State are subject to constitutional and statutory limitations and restrictions binding upon the Sponsor and the State (including Sections 5 and 7 of Article 11 of the Texas Constitution, if applicable) and to the availability of funds which lawfully may be applied.

Part VI - Acceptances

Sponsor

The City of Lancaster, Texas, does ratify and adopt all statements, representations, warranties, covenants, agreements, and all terms and conditions of this Grant.

Executed this _____ day of _____, 20__.

The City of Lancaster, Texas
Sponsor

Witness Signature

Sponsor Signature

Witness Title

City Manager
Sponsor Title

Certificate of Attorney

I, _____, acting as attorney for the City of Lancaster, Texas, do certify that I have fully examined the Grant and the proceedings taken by the Sponsor relating to the acceptance of the Grant, and find that the manner of acceptance and execution of the Grant by the Sponsor, is in accordance with the laws of the State of Texas.

Dated at _____, Texas, this _____ day of _____, 20__.

Witness Signature

Attorney's Signature

Witness Title

Acceptance of the State

Executed by and approved for the Texas Transportation Commission for the purpose and effect of activating and/or carrying out the orders, established policies or work programs and grants heretofore approved and authorized by the Texas Transportation Commission.

STATE OF TEXAS
TEXAS DEPARTMENT OF TRANSPORTATION

By: _____

Date: _____

**Attachment A
Scope of Services
TxDOT Project ID: M1718LNCA**

Eligible Scope Item:	Estimated Costs Amount A	State Share Amount B	Sponsor Share Amount C
GENERAL MAINTENANCE	\$100,000.00	\$50,000.00	\$50,000.00
Special Project	\$0.00	\$0.00	\$0.00
Special Project	\$0.00	\$0.00	\$0.00
Special Project	\$0.00	\$0.00	\$0.00
Special Project	\$0.00	\$0.00	\$0.00
Special Project	\$0.00	\$0.00	\$0.00
TOTAL	\$100,000.00	\$50,000.00	\$50,000.00

Accepted by: The City of Lancaster, Texas

Signature

Title: City Manager

Date: _____

GENERAL MAINTENANCE: As needed, Sponsor may contract for services/purchase materials for routine maintenance/improvement of airport pavements, signage, drainage, AWOS systems, approach aids, lighting systems, utility infrastructure, fencing, herbicide/application, sponsor owned and operated fuel systems, hangars, terminal buildings and security systems; professional services for environmental compliance, approved project design. Special projects to be determined and added by amendment.

Only work items as described in Attachment A, Scope of Services of this Grant are reimbursable under this grant.

CERTIFICATION OF AIRPORT FUND

TxDOT Project ID: M1718LNCA

The City of Lancaster does certify that an Airport Fund has been established for the Sponsor, and that all fees, charges, rents, and money from any source derived from airport operations will be deposited for the benefit of the Airport Fund and will not be diverted for other general revenue fund expenditures or any other special fund of the Sponsor and that all expenditures from the Fund will be solely for airport purposes. The fund may be an account as part of another fund, but must be accounted for in such a manner that all revenues, expenses, retained earnings, and balances in the account are discernible from other types of moneys identified in the fund as a whole.

The City of Lancaster, Texas
(Sponsor)

By: _____

Title: _____

Date: _____

Certification of State Single Audit Requirements

I, _____, do certify that the City of Lancaster will comply with all
(Designated Representative)

requirements of the State of Texas Single Audit Act if the City of Lancaster spends or receives more than the threshold amount in any grant funding sources during the most recently audited fiscal year. And in following those requirements, the City of Lancaster will submit the report to the audit division of the Texas Department of Transportation. If your entity did not meet the threshold in grant receivables or expenditures, please submit a letter indicating that your entity is not required to have a State Single Audit performed for the most recent audited fiscal year.

Signature

Title

Date

DESIGNATION OF SPONSOR'S AUTHORIZED REPRESENTATIVE

TxDOT Project ID: M1718LNCA

The City of Lancaster designates, _____
(Name, Title)

as the Sponsor's authorized representative, who shall receive all correspondence and documents associated with this grant and who shall make or shall acquire approvals and disapprovals for this grant as required on behalf of the Sponsor.

The City of Lancaster, Texas
(Sponsor)

By: _____

Title: _____

Date: _____

DESIGNATED REPRESENTATIVE

Mailing Address: _____

Overnight Mailing Address: _____

Telephone/Fax Number: _____

Email address: _____

LANCASTER CITY COUNCIL

City Council Regular Meeting

Item 11.

Meeting Date: 09/12/2016

Policy Statement: This request supports the City Council 2016-2017 Policy Agenda.

Goal(s): Financially Sound Government

Submitted by: Baron Sauls, Director of Finance

Agenda Caption:

Consider a resolution adopting the City of Lancaster's Financial Policy providing for prudent financial management of all funds to enable the city to maintain a long-term stable and positive financial condition and provide guidelines for the day-to-day planning and operation of the city's financial matters.

Background:

On Monday, August 15, 2016 the City Council received a presentation on the financial policy. Financial Policy Statements provide guidelines to enable the City to achieve and maintain a long-term stable and positive financial position, and also provide guidelines for the day-to-day planning and operations of the City's financial affairs. These policy statements are to be reviewed and refined annually as part of the budget preparation process to reflect current laws as well as significant changes in the City which will impact the prevailing policy.

Operational Considerations:

There are no fundamental changes proposed in the policy. Review allows Council to determine and demonstrate compliance with the finance related legal and contractual issues in accordance with provisions of the City Charter, the Texas Local Government Code and other pertinent legal documents and mandates.

Legal Considerations:

The City Attorney has reviewed and approved the resolution as to form.

Public Information Considerations:

This item is being considered at a meeting of the City Council noticed in accordance with the Texas Open Meetings Act.

Options/Alternatives:

1. Approve the resolution, as presented.
2. Deny the resolution and direct staff.

Recommendation:

Staff recommends approval of the resolution as presented.

Attachments

Resolution
Exhibit "1"

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS, ADOPTING THE CITY OF LANCASTER FINANCIAL POLICY PROVIDING FOR PRUDENT FINANCIAL MANAGEMENT OF ALL FUNDS TO ENABLE THE CITY TO MAINTAIN A LONG TERM STABLE AND POSITIVE FINANCIAL CONDITION AND PROVIDE GUIDELINES FOR THE DAY-TO-DAY PLANNING AND OPERATION OF THE CITY'S FINANCIAL MATTERS; PROVIDING THAT THE SAME SHALL BE IMPLEMENTED; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Lancaster Financial Policy is reviewed and refined annually as part of the budget preparation process; and

WHEREAS, the City of Lancaster Financial Policy provides for financial management through integrity, prudent stewardship, planning, accountability, full disclosure and communication regarding all City funds;

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

SECTION 1. The City of Lancaster Financial Policy, attached hereto and incorporated herein by reference as Exhibit "1", having been reviewed by the City Council of the City of Lancaster, Texas, and found to be acceptable and in the best interest of the City and its citizens is hereby in all things approved; and, the City Manager and staff shall implement and execute the procedures and policies adopted therein.

SECTION 2. This resolution shall take effect 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 12th day of September, 2016.

ATTEST:

APPROVED:

Sorangel O. Arenas, City Secretary

Marcus E. Knight, Mayor

APPROVED AS TO FORM:

Robert E. Hager, City Attorney

City of Lancaster, Texas
FINANCIAL MANAGEMENT POLICY
September 12, 2016



FINANCIAL MANAGEMENT POLICIES

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**CITY OF LANCASTER, TEXAS
FINANCIAL MANAGEMENT POLICY STATEMENT**

The overriding goal of the Financial Management Policy is to enable the City to achieve a long- term, stable and positive financial condition. The watchwords of the City's financial management include integrity, prudent stewardship, planning, accountability, and full disclosure. The purpose of the Financial Management Policy is to provide guidelines for planning and directing the City's day to day financial affairs and to assist staff in developing recommendations to the Mayor and City Council. Specifically, this policy framework mandates the pursuit of the following fiscal objectives:

I. Revenues

Design, maintain and administer a revenue system that will assure a reliable, equitable, diversified and sufficient revenue stream to support desired City services.

II. Expenditures

Identify priority services, establish and define appropriate service levels and administer the expenditure of available resources to assure fiscal stability and the effective and efficient delivery of services.

III. Fund Balance/Working Capital/ Net Assets

Maintain the fund balance, working capital and net assets of the various operating funds at levels sufficient to protect the City's credit worthiness as well as its financial position from emergencies.

IV. Capital Expenditures and Improvements

Annually review and monitor the condition of the City's capital equipment and infrastructure, setting priorities for its replacement and renovation based on needs, funding alternatives and availability of resources.

V. Debt Management

Establish guidelines for debt financing that will provide needed capital equipment and infrastructure improvements while minimizing the impact of debt payments on current and future revenues.

VI. Cash Management and Investments

Invest the City's operating cash to ensure the absolute safety of principal, provide for necessary liquidity and optimize yield in accordance with the City's adopted Investment policy.

VII. Intergovernmental Relations

Coordinate efforts with other governmental agencies to achieve common policy objectives, share the cost of providing governmental services on an equitable basis and support appropriate favorable legislation at the state and federal level.

VIII. Grants

Aggressively investigate, pursue and effectively administer federal, state, local and foundation grants-in-aid, which address and support the City's current priorities and policy objectives.

IX. Economic Development

Initiate, encourage and participate in economic development efforts to create job opportunities and strengthen the local economy and tax base.

X. Fiscal Monitoring

Prepare and present reports for the current and multi-year periods that analyze, evaluate and forecast the City's financial performance and economic condition.

XI. Accounting, Auditing and Financial Reporting

Comply with prevailing federal, state and local statutes and regulations. Conform to generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants (AICPA) and the Government Finance Officers Association (GFOA).

XII. Internal Controls

Establish a system of internal controls designed to maintain an environment to provide management with reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition.

XIII. Risk Management

Prevent and/or reduce the financial impact to the City due to claims and losses through prevention, transfer of liability and/or a program of self-insurance of the liability.

XIV. Operating Budget

Develop and maintain a balanced budget for operating funds that presents a clear understanding of the goals of the City Council, service levels and performance standards. A Balanced Budget is defined as revenues and any appropriated fund balance equal expenditures.

XV. Five Year Plans

Long term financial planning is intended to ensure sustainability of programs and integrate operating and capital financial planning.

I. Revenues

The City shall use the following guidelines to design, maintain and administer a revenue system that will assure a reliable, equitable, diversified and sufficient revenue stream to support desired City services.

A. Balance and Diversification in Revenue Sources

The City shall strive to maintain a balanced and diversified revenue system to protect the City from fluctuations in any one source due to changes in economic conditions that adversely impact that source.

B. User Fees

For services that benefit specific users, where possible the City shall establish and collect fees to recover the cost of those services. Where feasible and desirable, the City shall seek to recover full direct and indirect costs. City staff shall review user fees on a regular basis to calculate their full cost recovery levels, to compare them to the current fee structure and to recommend adjustments where necessary.

C. Property Tax Revenues/Tax Rate

The City shall strive to reduce its reliance on residential property tax revenues by revenue diversification, implementation of user fees and economic development. The City shall also strive to minimize tax rate increases.

D. Utility/Enterprise Funds User Fees

Utility rates and enterprise funds user fees shall be set at levels sufficient to cover operating expenditures, meet debt obligations, provide additional funding for capital improvements and provide adequate levels of working capital and debt coverage.

E. Administrative Services Charges

The City shall prepare a cost allocation plan to determine the administrative services charges due to the General Fund from enterprise funds for overhead and staff support. Where appropriate, the enterprise funds shall pay the General Fund for direct services rendered.

F. Revenue Estimates for Budgeting

In order to maintain a stable level of service, the City shall use a conservative, objective and analytical approach when preparing revenue estimates for current and multi-year periods. The process shall include analysis of probable economic changes and their impacts on revenues, historical collection rates and trends in revenues. This approach should reduce the likelihood of actual revenues falling short of budget estimates during the year and should avoid mid-year service reductions.

G. Revenue Collection and Administration

The City shall maintain high collection rates for all revenues by keeping

the revenue system as simple as possible in order to facilitate payment. In addition, since a revenue should exceed the cost of producing it, the City shall strive to control and reduce administrative costs. The City shall pursue to the full extent allowed by state law all delinquent taxpayers and others overdue in payments to the City. The fees based on user charges shall be reviewed annually to ensure continuing coverage of the cost of services. The City shall revise user fees with review of the City Council to adjust for the costs of inflation and additional recovery increments. The City shall review and adopt utility rates annually that shall generate revenues required to fully cover operating expenditures, meet the legal restrictions of all applicable bond covenants, and provide for an adequate level of working capital needs. A method is established whereby the General Fund can impose a charge to the Utility Fund(s) for general and administrative services performed on the Enterprise Fund's behalf. The process shall be documented and disclosed to the City's auditors for review. All revenue collections will be consolidated under Finance and be audited annually.

II. Expenditures

The City shall use the following guidelines to identify necessary services, establish appropriate service levels and administer the expenditure of available resources to assure fiscal stability and the effective and efficient delivery of services.

Current Funding Basis

The City shall operate on a current funding basis. Expenditures shall be budgeted and controlled so as not to exceed current revenues plus the planned use of fund balance accumulated through prior year savings.

Avoidance of Operating Deficits

The City shall take timely corrective action if at any time during the fiscal year expenditure and revenue re-estimates are such that an operating deficit is projected at year-end.

Maintenance of Capital Assets

Within the resources available each fiscal year, the City shall maintain capital assets and infrastructure at a sufficient level to protect the City's investment, to minimize future replacement and maintenance costs and to continue service levels.

Periodic Program Reviews

Periodic program reviews for efficiency and effectiveness shall be performed. Programs not meeting efficiency and effectiveness objectives shall be brought up to required standards or be subject to reduction or elimination.

Purchasing

The City shall make every effort to maximize any discounts offered by creditors/vendors. Vendors with balances due the City will have payments due the vendor offset against the amount due the City. The City will follow state law concerning the amount of the purchase requiring formal bidding procedures and approval by the City Council. For purchases where competitive bidding is not required, the City shall seek to obtain the most favorable terms and pricing possible. Every effort will be made to include minority business enterprises in the bidding process.

Quarterly reports shall be prepared showing actual expenditures compared to the adopted budget. Modifications within the operating categories (materials, supplies, and services) and/or modifications within the personnel and capital categories may be made with the approval of the City Manager.

Where appropriate, performance measures and productivity indicators shall be used as guidelines and reviewed for efficiency and effectiveness. This information shall be included in the annual budgeting process.

Purchases shall be made in conformation with the States formal bidding process and requirements. Recommendations of bids and contracts in excess of \$50,000 shall be presented to City Council for their formal approval.

III. Fund Balance/Working Capital/Net Assets

In accordance with the requirements of Governmental Accounting Standards Board Statement Number 53, the City shall use the following guidelines to explain and define the purpose of fund balance, working capital and retained earnings of the various operating funds. The city will describe fund balance as follows: (1) Unspendable – portion of net resources that cannot be spent, i.e. assets that will never convert to cash or not convert during the current period, or resources that must be maintained intact pursuant to legal or contractual requirements. (2) Restricted – portion of net resources that are required to be reserved by external legal restrictions such as debt covenants, grantors, contributors or other governments. (3) Committed – portion of fund balance that represents resources whose use is constrained by limitations that the City imposes upon itself by council action and require council action to release. (4) Assigned – portion of fund balance that reflects the City's intended use of resources. (5) Unassigned-surplus fund balance.

The City shall use the following guidelines to maintain the fund balance, working capital and net assets of the various operating funds at levels sufficient to protect the City's creditworthiness as well as its financial position from unforeseeable emergencies.

General Fund Unassigned Fund Balance

The City shall strive to maintain the General Fund unassigned fund balance at an amount equal to a minimum of twelve (12) percent of the general operating budget. The City will maintain an unallocated fund balance of an amount equal to a minimum of twelve (12) percent of the general operating budget. Any excess above the minimum will be designated to the Capital Improvement Program and the Equipment Replacement Program. These designations will be reviewed annually and authorized by the Council. The minimum twelve (12) percent unallocated fund balance will be used to avoid cash-flow interruptions, generate interest income, reduce need for short-term borrowing and assist in maintaining an investment-grade bond rating.

Other Operating Funds Unrestricted Net Assets; Enterprise Working Capital

In other operating funds, the City shall strive to maintain a positive unrestricted net assets position to provide sufficient reserves for emergencies and revenue shortfalls. The unallocated fund balance of other funds should be maintained as follows:

Fund	Minimum	Target	Maximum
Water/Wastewater	12.00%	18.00	25.00%
Airport Fund	12.00%	18.00	25.00%
Golf Fund	12.00%	18.00	25.00%
Debt Service Funds 10% of Current Year Debt Payment			

Use of Fund Balance/ Net Assets

Fund Balance/Net Assets shall be used only for emergencies, non-recurring expenditures, major capital purchases that cannot be accommodated through current year savings, and as designated by Council. Should such use reduce the balance below the appropriate level set as the objective for that fund, recommendations will be made on how to restore it.

Periodic review of cash flow position shall be performed to determine performance of cash management and investment policies. A detailed policy structure shall be followed with respect to Cash/Treasury Management. The underlying theme shall be that idle cash shall be invested with the goals and objectives as identified in the City's Investment Policy.

Procedures shall be taken so as to maximize any discounts offered by creditors. Current liabilities shall be paid within 30 days of receiving the invoice. Accounts receivable procedures shall target for a maximum of 60 days of service.

IV. Capital Infrastructure and Equipment Replacement

Capital Expenditures and Improvements

The City shall annually review and monitor the condition of the City's capital equipment and infrastructure, setting priorities for its replacement and renovation based on needs, funding alternatives and availability of resources.

Capital Improvements Program

The City shall annually review the Capital Improvements Program (CIP), potential new projects and the current status of the City's infrastructure, replacement and renovation needs, updating the program as appropriate. All projects, ongoing and proposed, shall be prioritized based on an analysis of current needs and resource availability. For every project, all operation, maintenance and replacement expenditures shall be fully casted. The CIP shall also present the City's long-term borrowing plan, debt payment schedules and other debt outstanding or planned, including general obligation bonds, revenue bonds, certificates of obligation and lease/purchase agreements.

Replacement of Capital Assets (Equipment) on a Regular Schedule

The City shall annually prepare a schedule for the replacement of its non-infrastructure capital assets. Within the resources available each fiscal year, the City shall replace these assets according to this schedule.

Capital Expenditure Financing

The City recognizes that there are several methods of financing capital requirements. It can budget the funds from current revenues; it can take the funds from fund balance/retained earnings as allowed by the Fund Balance/ Net Assets Policy; it can utilize funds from grants and foundations or it can borrow money through debt. Debt financing includes general obligation bonds, revenue bonds, certificates of obligation, lease/purchase agreements and certificates of participation. Guidelines for assuming debt are set forth in the Debt Policy Statements.

A Capital Improvement Program shall be adopted for a period of five (5) years and reviewed annually for prioritization, based on analysis of the City's infrastructure. The replacement and maintenance for capital items shall also be projected for the next five (5) years. Future maintenance shall be fully cost, providing sufficient funding for future maintenance and replacement. The City shall identify the estimated costs and potential funding sources for each capital project proposal before it is submitted to council for approval. The City shall determine the least costly financing method for all new projects.

Where applicable, assessments, pro-rata charges or other user-based fees should be used to fund capital projects which have a limited benefit to the whole City.

Assets shall be maintained to protect the government's investment and minimize the future replacement and maintenance costs. The annual operating budget shall provide for adequate maintenance and issuance of all capital plant and equipment.

V. Debt Management

The City shall use the following guidelines for debt financing which will provide needed capital equipment and infrastructure improvements while minimizing the impact of debt payments on current and future revenues.

Use of Debt Financing

Debt financing, including general obligation bonds, revenue bonds, certificates of obligation and lease/purchase agreements, shall only be used to purchase capital assets. Debt payments should be structured to provide that capital assets, which are funded by the debt, have a longer life than the debt associated with those assets. Long Term Debt shall not be used for operating purposes. The life of the bonds shall not exceed the useful life of the projects.

Amortization of Debt

The City shall structure new debt issue payment schedules to utilize the City's declining debt payment schedules to keep tax increases for debt to a minimum. Capital projects that, by their character or size, are outside the normal core service projects will require careful evaluation of financial feasibility.

Affordability Targets

The City shall use an objective analytical approach to determine whether it can afford to assume new debt beyond the amount it retires each year. This process shall compare generally accepted standards of affordability to the current values for the City. These standards shall include debt per capita, debt as a percent of taxable value, debt service payments as a percent of current revenues and current expenditures and the level of overlapping net debt of all local taxing jurisdictions. The process shall also examine the direct costs and benefits of the proposed expenditures as determined in the City's annual update of the Capital Improvements Planning Program. The decision on whether or not to assume new debt shall be based on these costs and benefits and on the City's ability to "afford" new debt as determined by the aforementioned standards. The City shall use cities with similar bond ratings for debt ratio benchmarks.

Sale Process

The City shall use a competitive bidding process in the sale of debt unless the nature of the issue warrants a negotiated bid. In situations

where a competitive bidding process is not elected, the bond counsel/advisors shall present the reasons why to the City. Also, the City shall participate in the selection of the underwriter with the assistance of the bond counsel/advisors in the case of a negotiated bid.

Rating Agencies Presentations

Full disclosure of operations and open lines of communication shall be made to the bond rating agencies. City staff, with assistance of financial advisors, shall prepare the necessary materials and presentation to the rating agencies.

Continuing Disclosure

The City is committed to continuing disclosure of financial and pertinent credit information relevant to the City's outstanding securities.

Debt Refunding

City staff and the financial advisor shall monitor the municipal bond market for opportunities to obtain interest savings by refunding outstanding debt.

When appropriate, self-supporting revenue bonds shall be issued before general obligation bonds. Interest earnings on bond proceeds shall be credited to the appropriate bond/capital fund. The bonds shall have a provision which allows them to be recalled after the tenth year of issue.

The Debt Services Fund(s) reserves should equal ten percent (10%) of the current year's debt payment. This minimum does not include the amounts accruing for the next debt payment.

The City shall be actively involved in the selection of all bond counsel, advisors, underwriters, and paying agents. The City shall evaluate the merits of rotating professional advisors and consultants and the kinds of services and fee structures available from independent financial advisors, investment banking firms and commercial banks. Also, the City shall carefully itemize and scrutinize all costs associated with the issuance of bonds.

The City shall explore all funding alternatives in addition to long-term debt including leasing, grants, and other aid, developer contributions, capital recovery fees, and current funds.

The City will establish and maintain an equipment replacement fund. If any equipment is secured through a lease/purchase agreement, it will have a useful life of at least seven (7) years.

VI. Cash Management and Investments

The City's available cash shall be invested according to the standard of prudence set forth in Section 2256.006 of the Texas Government Code. The following shall be the objectives of the City of Lancaster Investment Policy listed in their order of importance: preservation of capital and protection of investment principal, maintenance of sufficient liquidity to meet anticipated cash flows, diversification to avoid unreasonable market risks and attainment of a market value rate of return. The investment income derived from pooled investment accounts shall be allocated to contributing funds based upon the proportions of respective average balances relative to total pooled balances.

VII. Intergovernmental Relations

The City shall coordinate efforts with other governmental agencies to achieve common policy objectives, share the cost of providing government services on an equitable basis and support appropriate favorable legislation at the state and federal levels.

Interlocal Cooperation in Delivering Services

In order to promote the effective and efficient delivery of services, the City shall work with other local jurisdictions to share on an equitable basis the costs of services, to share facilities and to develop joint programs to improve service to its citizens.

Legislative Program

The City shall cooperate with other jurisdictions to actively oppose any state or federal regulation or proposal that mandates additional City programs or services and does not provide the funding for implementation.

VIII. Grants

The City shall seek, apply for, obtain and effectively administer federal, state and foundation grants-in-aid that address the City's current and future priorities and policy objectives.

Grant Guidelines

The City shall seek, apply for and obtain those grants that are consistent with priority needs and objectives identified by Council.

Grant Review

The City shall review all grant submittals for their cash or in-kind match requirements, their potential impact on the operating budget and the extent to which they meet the City's policy objectives. If there are

cash match requirements, the source of funding shall be identified and approved prior to application, as set forth in the Grant Policy.

IX. Economic Development

The City shall initiate, encourage and participate in economic development efforts to create job opportunities and strengthen the local economy and tax base.

Commitment to Expansion and Diversification

The City shall encourage and participate in economic development efforts to expand Lancaster's economy and tax base, to increase local employment and to invest when there is a defined specific long-term return. These efforts shall not only focus on new areas but on redevelopment of older areas and other established sections of Lancaster where development can generate additional jobs and other economic benefits.

Increase Non-Residential Share of Tax Base

The City's economic development program shall seek to expand the non-residential share of the tax base to decrease the tax burden on residential homeowners

Coordinate Efforts with Other Jurisdictions

The City's economic development program shall encourage close cooperation with other local jurisdictions to promote the economic well-being of this area.

Use of Other Incentives

The City shall use tax re-investment zones as allowed by law and shall seek new sources to encourage business expansion. The City shall also coordinate with state and federal agencies on offering any incentive programs they may provide for potential economic expansion.

X. Fiscal Monitoring

Reports shall be prepared and presented on a regular basis to analyze, evaluate and forecast the City's financial performance and economic condition for the current year and for multi- years.

Financial Status and Performance Reports

Quarterly reports shall be prepared comparing expenditures and revenues to current budget for fiscal year-to-date, and to prior year actual fiscal year-to-date.

Five-Year Forecast of Revenues and Expenditures

A five-year forecast of revenues and expenditures, including a

discussion of major trends affecting the City's financial position, shall be prepared. The forecast shall examine critical issues facing the City, economic conditions and the outlook for the upcoming budget year. The document shall incorporate elements of the International City Management Association financial trend monitoring system, providing further insight into the City's financial position and alerting the Council to potential problem areas requiring attention.

XI. Accounting, Auditing and Financial Reporting

The City shall comply with prevailing local, state and federal regulations. Its accounting practices and financial reporting shall conform to generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants (AICPA) and the Government Finance Officers Association (GFOA). The City Council shall select an independent firm of certified public accountants to perform an annual audit of all operations. The City shall continue to participate in the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting program and the Texas Comptroller's Office Leadership Circle program promoting financial transparency.

The City will follow a five-year review and optional rotation of external (independent) auditors. The auditors must demonstrate that they have the experience and adequate staffing to handle the City's audit in a timely manner. The audited financial statements should be prepared within 120 days of the close of the fiscal year.

Annual reporting will be done within the guidelines set forth in the Governmental Accounting and Auditing Financial Review and under the standards currently being set by the Governmental Accounting Standards Board. Interim activity reports will be made available to council and management.

Full disclosure will be provided in the financial statements and bond representations.

Financial systems will be maintained to monitor expenditures and revenues on a monthly basis with a thorough analysis and adjustment (if required) at mid-year.

The City will strive to maintain accounting policies and practices in the preparation of its annual financial report. The report will be presented to the Governmental Finance Officers Association for review of qualifications that meet those necessary to obtain the Certificate of Achievement for Excellence in Financial Reporting.

XII. Internal Controls

The Chief Financial Officer is responsible for developing citywide written guidelines on accounting, cash handling, and other financial matters that will be approved by the City Manager. The Chief Financial Officer will assist department heads as needed in tailoring these guidelines into detailed written procedures to fit each department's specific requirements.

Each department head is responsible to ensure that good internal controls are followed throughout his or her department, that all finance department guidelines on accounting and internal controls are implemented, and that all independent auditor internal control recommendations are addressed.

XIII. Risk Management

The City will utilize a safety program, an employee health program and a risk management program to prevent and/or reduce the financial impact on the City from claims and losses. Transfer of liability for claims will be utilized where appropriate via transfer to other entities through insurance and/or by contract. Prevention of claims through the safety program and the employee health program will be employed.

XIV. Operating Budget

The City shall establish an operating budget, which shall link revenues and expenditures to the goals of the City Council. It will be the City's goal to participate in the Government Finance Officers Association's Distinguished Budget Presentation Award program and to obtain the award annually.

Current operating revenue will be sufficient to support current operating expenditures. Debt or bond financing will not be used to finance current expenditures. Deferrals, short-term loans, or one-time sources shall be avoided as budget balancing techniques. Annually recurring revenue will not be less than annually recurring operating budget expenditures (operating budget minus capital outlay) or Council may authorize the City Manager to utilize unrestricted fund balance to make up the difference.

The City has developed a program to integrate performance measures and productivity indicators within the annual budget.

XV. Five Year Financial Plans

Capital Improvement Plan

The City shall prepare annually a five year Capital Improvements Plan that incorporates all capital funds, existing and planned, showing planned

projects by phase and by fiscal year. The first year of this CIP shall constitute the City's capital budget for the year.

Long Range Financial Forecast

The City shall prepare annually a Long Range Financial Forecast that projects revenue and expenditures for the General, Utility, Debt Service and any other major fund for a five year period. The forecast shall attempt to determine the impact on future revenue and expenditures from changes in the economy, population change, and implementation of the CIP including planned bond sales.

LANCASTER CITY COUNCIL

City Council Regular Meeting

Item 12.

Meeting Date: 09/12/2016

Policy Statement: This request supports the City Council 2016-2017 Policy Agenda.

Goal(s): Financially Sound Government

Submitted by: Baron Sauls, Director of Finance

Agenda Caption:

Consider a resolution adopting the City of Lancaster's Investment Policy providing that all funds of the city be managed and invested for safety, liquidity, diversification and yield and that investments be chosen in a manner which promotes diversity by market sector, credit and maturity; providing that this policy serve to satisfy the requirements of Chapter 2256 of the Local Government Code, "Public Funds Investment Act".

Background:

At the Monday, August 15, 2016 regular City Council work session, the City Council received a presentation on the investment policy. Chapter 2256 of the Texas Government Code known as the "Public Funds Investment Act" (PFIA) requires the City Council to annually review and adopt an investment policy.

Operational Considerations:

No fundamental changes are proposed in the policy.

Legal Considerations:

The "Public Funds Investment Act", Chapter 2256 of the Texas Government Code requires the City to adopt its investment policy by resolution. The City Attorney has approved the resolution as to form.

Public Information Considerations:

This item is being considered at a meeting of the City Council noticed in accordance with the Texas Open Meetings Act.

Fiscal Impact:

No individual investment securities are currently owned by the City at this time. We have funds invested in three pools: TexPool, Texas Class and Logic.

Options/Alternatives:

1. Approve the resolution, as presented.
2. Deny the resolution.

Recommendation:

Staff recommends approval of the resolution as presented.

Attachments

Resolution
Exhibit "1"

RESOLUTION NO.

A RESOLUTION APPROVING AND ADOPTING THE CITY OF LANCASTER INVESTMENT POLICY; PROVIDING THAT ALL FUNDS OF THE CITY BE MANAGED AND INVESTED IN A MANNER THAT SERVES TO SATISFY THE REQUIREMENTS OF THE LOCAL GOVERNMENT CODE CHAPTER 2256, "PUBLIC FUNDS INVESTMENT ACT"; MAKING VARIOUS PROVISIONS RELATED TO THE SUBJECT; PROVIDING THAT THE SAME SHALL BE IMPLEMENTED; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Chapter 2256 of the Government Code, commonly known as the "Public Funds Investment Act" requires the city to adopt a written investment policy regarding the investment of its funds by rule, order, ordinance, or resolution; and

WHEREAS, the "Public Funds Investment Act" requires the treasurer; the chief financial officer, if not the treasurer, and the investment officer of the city to attend investment training; and

WHEREAS, the investment officers of the city have attended an investment training course as required by the "Public Funds Investment Act"; and

WHEREAS, the attached investment policy and incorporated strategy comply with the "Public Funds Investment Act", as amended, and authorize the investment of city funds in safe and prudent investments; and

WHEREAS, the City Council must review and approve such Investment Policy at least once annually; and

WHEREAS, the City Council hereby affirms that the written Investment Policy will continue to protect City assets by identifying investment objectives, addressing the issues of investment risk versus rewards, and providing the framework for the establishment of controls, limitations and responsibilities of City employees in the performance of their fiduciary responsibilities;

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

SECTION 1. The City of Lancaster has complied with the requirements of the "Public Funds Investment Act", and the Investment Policy, as amended, attached hereto and incorporated herein by reference as Exhibit "1," is hereby adopted as the investment policy of the City effective September 12, 2016;

SECTION 2. This resolution shall take effect 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 12th day of September, 2016.

ATTEST:

APPROVED:

Sorangel O. Arenas, City Secretary

Marcus E. Knight, Mayor

APPROVED AS TO FORM:

Robert E. Hager, City Attorney

Exhibit "1"

City of Lancaster, Texas
INVESTMENT POLICY
September 12, 2016



INVESTMENT POLICIES

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City of Lancaster, Texas Investment Policy

I. Purpose

The purpose of this document is to set forth specific investment policy and strategy guidelines for the City of Lancaster, Texas, the Lancaster Economic Development Corporation, and the Lancaster Recreation Development Corporation (City) in order to achieve the objectives in order of priority; safety, public trust, liquidity, diversification, and yield for all investment activity. This policy ensures compliance with Chapter 2256, Public Funds Investment Act of the Government Code to define, adopt and annually review the investment policy of the City.

II. Policy Statement

It is the policy of the City of Lancaster that the administration of its funds and the investment of those funds shall be handled as its highest public trust. Investments shall be made in a manner which will provide the maximum security of principal invested through limitations and diversification while meeting the daily cash flow needs of the City and conforming to all applicable state statutes governing the investment of public funds.

The receipt of a market rate of return will be secondary to the requirements for safety and liquidity. It is the intent of the City to be in complete compliance with local law and the Texas Public Funds Investment Act ("The Act"). The earnings from investment will be used in a manner that best serves the interest of the City.

III. Scope

This investment policy applies to all the financial assets and funds of the City. The City commingles its funds into one pooled investment fund for investment purposes for efficiency and maximum investment opportunity. These funds shall be defined in the City's Annual Financial Report and any new funds created by the City unless specifically exempted by the City Council and this policy.

IV. Objective and Strategy

The City shall manage and invest with five primary objectives, listed in order of priority: safety, public trust, liquidity, diversification and yield. Investments are to be chosen in a manner which promotes diversity by market sector, credit and maturity. The choice of high-grade government investments and high-grade money market instruments is designed to assure the marketability of those investments should liquidity needs arise. To match anticipated cash flow requirements the maximum weighted average maturity of the overall portfolio may not exceed six months.

A. Safety

Safety of principal is the foremost objective of the City. Investments of the City shall be undertaken in a manner that seeks to insure the preservation of capital in the overall portfolio.

B. Public Trust

All parties of the City's investment process shall seek to act responsibly as custodians of the public trust. Investment advisors and officials shall avoid any transaction that might impair public confidence in the City's ability to govern effectively and maintain a sound, sustainable city government.

C. Liquidity

The City's investment portfolio will be based on a cash flow analysis of needs and will remain sufficiently liquid to enable it to meet all operating and debt/bond requirements which might be reasonably anticipated.

D. Diversification

Diversification of the portfolio will include diversification by maturity and market sector and will include the use of a number of broker/dealers for diversification and market coverage. Competitive bidding will be used on each sale and purchase.

E. Yield

The City's investment portfolio shall be designed with the objective of attaining a market rate of return, taking into account the City's risk constraints and the cash flow needs of the portfolio. "Market rate of return" may be defined as the average yield of the current six month U.S. Treasury Bill.

Additional priorities are: (1) understanding of the suitability of the investment to the financial requirements of the city; and (2) marketability of the investment if the need arises to liquidate the investment before maturity.

Effective cash management is recognized as essential to good fiscal management. Cash management is defined as the process of managing monies in order to ensure maximum cash availability. The City shall maintain a comprehensive cash management program which includes collection of accounts receivable, prudent investment

of its available cash, disbursement of payments in accordance with invoice terms and the management of banking services.

V. Legal limitations, Responsibilities and Authority

Direct specific investment parameters for the investment of public funds in Texas are found in the Public Funds Investment Act, Chapter 2256, Texas Government Code, (the "Act"). The Public Funds Collateral Act, Chapter 2257, Texas Government Code, specifies collateral requirements for all public funds deposits. All investments will be made in accordance with these statutes.

VI. Standards of Care

A. Delegation of Investment Authority

The Chief Financial Officer, acting on behalf of the City is designated as the Investment Officer of the City and is responsible for investment management decisions and activities. The Director of Finance is designated as the Chief Financial Officer for the City of Lancaster. The Chief Financial Officer is also responsible for considering the quality and capability of staff, investment advisors, and consultants involved in the investment management and procedures. All participants in the investment process shall seek to act as a prudent person as custodian of the public trust.

The Investment Officer shall develop and maintain written administrative procedures for the operation of the investment program which are consistent with this policy. The Procedures will include reference to safekeeping, require and include the "Bond Market Master Repurchase Agreements" (as applicable), wire transfer agreements, banking services contracts, and other investment related activities.

The Investment Officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials and staff. The Investment Officer shall designate a staff person as a liaison/deputy in the event circumstances require timely action and the Investment Officer is unavailable.

No officer or designee may engage in an investment transaction except as provided under the terms of this policy.

Authorization Resolution

A Trading Resolution shall be established authorizing the Investment Officer to engage in investment transactions on behalf of the City. The persons authorized by the Resolution to transact business for the City must also be authorized to approve wire transfers used in the process of investing.

B. Prudence

The standard prudence to be used in the investment function shall be the "prudent person" standard and shall be applied in the context of managing the overall portfolio. This standard states: "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the expected income to be derived."

Limitation of Personal Liability

The Investment Officer and those delegated investment authority under this Policy, when acting in accordance with the written procedures and this Policy and in accord with the Prudent Person Rule, shall be relieved of personal liability in the management of the portfolio provided that deviations from expectations for a specific security's credit risk or market price change or portfolio shifts are reported in a timely manner and the appropriate action is taken to control adverse market effects.

C. Internal Controls

The Director of Finance is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the entity are protected from loss, theft, or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (a) the cost of a control should not exceed the benefits likely to be derived and (b) the valuation of costs and benefits requires estimates and judgments by management. Therefore,

the Director of Finance shall establish a process for annual independent review by an external auditor to assure compliance with policies and procedures. Quarterly Investment Reports must be formally reviewed at least annually by the independent auditor and reported to the City Council.

A compliance audit of management controls on investments and adherence to the City's established investment policies will be conducted in conjunction with the City's annual audit by the independent auditor.

Cash Flow Forecasting

Cash Flow forecasting is designed to protect and sustain cash flow requirements of the City. Supplemental to the financial and budgetary systems, the Investment Officer will maintain a cash flow forecasting process designed to monitor and forecast cash positions for investment purposes.

D. Ethics and Conflicts of Interest

City employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair the ability to make impartial investment decisions. City staff shall properly disclose to the City Manager and City Secretary any material financial interest in a financial institution that conducts business with the City.

An investment officer or City Council member of the City who has a personal business relationship with an organization seeking to sell an investment to the City shall file a disclosure statement disclosing that personal business interest. An investment officer who is related within the second degree by affinity or consanguinity to an individual seeking to sell an investment to the City shall file a state with the Texas Ethics commission and the City Council disclosing that relationship.

E. Training

Investment officials must complete at least 10 hours of investment training within 12 months of taking office or assuming duties, and shall attend an investment training session not less than once in a

two year period and receive not less than 10 hours of instruction relating to investment responsibilities. The City shall provide the training through courses and seminars offered by professional organizations and associations in order to insure the quality and capability of the City's investment personnel making investment decisions in compliance with Public Funds Investment Act (PFIA). Professional organizations and associations that may provide investment training included the Government Treasurer's Organization of Texas, the University of North Texas, the Government Finance Officers Association of Texas, or the Texas Municipal League.

VII. Authorizations

A. Authorized Investments

Acceptable investments under this policy shall be limited to the instruments listed below and as further described by the Public Funds Investment Act.

1. Obligations of the United States Government, its agencies and instrumentalities and government sponsoring enterprises, not to exceed two years to stated maturity, excluding collateralized mortgage obligations (CMOs);
2. Fully insured or collateralized certificates of deposit from a bank doing business in the State of Texas and under the terms of a written depository agreement with the bank, not to exceed one year to stated maturity;
3. Repurchase agreement and reverse repurchase agreements as defined by the Act, not to exceed 180 days to stated maturity, provided an executed Bond Market Master Repurchase Agreement is on file with the City and the counterparty bank or primary dealer. Flex repurchase agreements used specifically for capital projects may extend beyond two years but only to match the expenditure plan of the projects;
4. No-load, SEC registered money market funds, each approved specifically before use by the City;

5. Constant dollar Texas Local Government Investment Pools as defined by the Public Funds Investment Act; and

If additional types of securities are approved for investment by public funds by state statute, they will not be eligible for investment by the City until this policy has been amended and the amended version is approved by the City Council.

B. Competitive Bidding Requirement

All securities, including certificates of deposit, will be purchased or sold after three (3) offers/bids are taken to verify that the City is receiving fair market value/price for the investment.

C. Delivery versus Payment

All security transactions, including collateral for repurchase agreements, entered into by the City, shall be conducted on a delivery versus payment (DVP) basis.

D. Exemption for Existing Investments

Any investment currently held that does not meet the guidelines of this policy, but are authorized investments at the time of purchase, shall be exempted from the requirements of this policy and is not required to be liquidated. At maturity or liquidation, such monies shall be reinvested only as provided by this policy.

E. Authorized Financial Dealer and Institutions

All investments made by the City will be made through either the City's banking services bank or a primary dealer. The Investment Officer will review the list of authorized broker/dealers annually. A list of at least three broker/dealers will be maintained in order to assure competitive bidding. The City Council must review, approve and adopt the Authorized List of Brokers on at least an annual basis.

Securities broker/dealers must meet certain criteria as determined by the Investment officer. The following criteria must be met by those firms on the list:

- Provision of an audited financial statement each year

- Proof of certification by the National Association of Securities Dealers (NASD) and provision of CRM number
- Proof of current registration with the State Securities Commission

Every broker/dealer and bank the City transacts business with will be provided a copy of this Investment Policy to assure that they are familiar with the goals and objectives of the investment program. A representative of the firm will be required to return a signed certification stating that the Policy has been received and reviewed and that controls are in place to assure that only authorized securities are sold to the City.

VIII. Diversification and Maturity Limitations

It is the policy of the City to diversify its investment portfolio. Invested funds shall be diversified to minimize risk or loss resulting from over-concentration of assets in a specific maturity, specific issuer, or specific class of securities. Diversification strategies shall be established and periodically reviewed. At a minimum, diversification standards by security type and issuer shall be:

Security Type	Max% of Portfolio
U.S. Treasury obligations	100%
U.S. Government agencies and instrumentalities	not to exceed 50%
Fully insured or collateralized CDs	not to exceed 30%
Repurchase agreements	100%
Money Market funds	100%
For Bond funds	80%
Local Government Investment Pools	100%
Liquidity Pools	not to exceed 20%
Maximum percent ownership of pool	not authorized
For bond funds	

The Investment Officer shall be required to diversify maturities. The Investment Officer, to the extent possible, will attempt to match investment with anticipated cash flow requirements. Matching maturities with cash flow dates will reduce the need to sell securities prior to maturity, thus reducing market risk. Unless matched to a specific requirement, the Investment Officer may not invest more than 20% of the portfolio for a period greater than five (5) years. The Investment Officer may not invest any portion of the portfolio for a period greater than ten (10) years.

IX. Safekeeping and Collateralization

The laws of the State and prudent treasury management require that all purchased securities be bought on a delivery versus payment basis and be held in safekeeping by an independent Third Party safekeeping agent.

All safekeeping arrangements shall be designated by the Investment Officer and an agreement of the terms executed in writing. The third party custodian shall be required to issue safekeeping receipts to the City listing each specific security, rate, description, maturity, CUSIP number, and other pertinent information. Each safekeeping receipt will be clearly marked that the security is held for the City or pledged to the City.

All securities pledged to the City for certificates of deposit or demand deposits shall be held by an independent third party bank doing business in Texas. The safekeeping bank may not be within the same holding company as the bank from which the securities are pledged.

Collateralization

Collateralization is required on the time and demand deposits over the FDIC insurance coverage of \$250,000 and repurchase agreements.

In order to anticipate market changes and provide a level of additional security for all funds, the collateralization level required will be 102% of the market value of the principal and accrued interest. Collateral will be held by an independent third party safekeeping agent.

Securities pledged as collateral will be held in the City's name by an independent third party with whom the City has a current custodial agreement. The Investment Officer is responsible for entering into collateralization agreements with third party custodians in compliance with this Policy. The agreements are to specify the acceptable investment securities for collateral, including provisions relation to

possession of the collateral, the substitution or release of investment securities, ownership of securities, and the method of valuation of securities. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the City and retained. Collateral shall be reviewed at least quarterly to assure that the market value of the pledged securities is adequate.

X. Performance Evaluation and Reporting

A. Methods

The Investment Officer shall prepare an investment report at least quarterly, including a management summary that provides an analysis of the status of the current investment portfolio and transactions made over the last quarter. This management summary will be prepared in a manner consistent with the requirements of Section 2256.023 (Internal Management Reports) of the PFIA, and that will allow the City to ascertain whether investment activities during the reporting period have conformed to the investment policy. The report should be provided to the City Council.

An independent auditor shall formally review the quarterly reports prepared under this section at least annually, and that auditor shall report the results of the review to City Council.

B. Performance Standards

The investment portfolio shall be managed in accordance with the objectives specified in this policy (safety, liquidity, and yield). The portfolio should obtain a market average rate of return during a market/economic environment of stable interest rates. The investment officer shall determine whether market yields are being achieved by comparing the portfolio market yield to the three (3) month U.S. Treasury Bill, the six (6) month U.S. Treasury Bill and the two (2) year U.S. Treasury Note.

C. Marking to Market

The market value of the portfolio shall be calculated at least quarterly and a statement of the market value of the portfolio shall be issued at least quarterly. The market value of each investment shall be obtained from a source such as the Wall Street Journal, a reputable brokerage firm or security pricing service and reported on the investment reports.

XI. Depositories

The City will designate one banking institution through a competitive process as its central banking services provider at least every three years. This institution will be used for normal banking services including disbursements, collections, and safekeeping of securities. Other banking institutions from which the City may purchase certificates of deposit will also be designated as a depository after they provide their latest audited financial statements to the City.

XII. Investment Policy Adoption by City Council

The City's Investment Policy shall be adopted annually by the City Council. The policy and strategies shall be reviewed on an annual basis prior to adoption. A written resolution approving the review and changes to the policy will be passed and recorded by the City Council.

EXHIBIT A

**City of Lancaster, Texas
Authorized Investment Officials**

Baron Sauls, Director of Finance

Raju Anthony, Assistant Finance Director

EXHIBIT B

**City of Lancaster, Texas
Statement of Ethics and Conflicts of Interest**

Investment officials for the City of Lancaster shall refrain from personal business relationships with business organizations that could conflict with the proper execution of the investment program, or which could impair their ability to make partial investment decisions. This would only apply to personal business relationships with business organizations that have been approved by City Council to conduct investment transactions with the City of Lancaster.

An investment official is considered to have a personal business relationship with a business organization if:

(1) The investment official owns 10 percent or more of the voting stock or shares of the business organization or owns \$5,000 or more of the fair market value of the business.

(2) Funds received by the investment official from the business organization exceed 10 percent of the investment official's gross income for the previous year.

(3) The investment official has acquired from the business organization during the previous year investments with a book value of \$2,500 or more for the personal account of the investment official.

I do hereby certify that I do not have a personal business relationship with any business organization approved to conduct investment transactions with the City of Lancaster, nor am I related within the second degree by affinity or consanguinity, as determined under Chapter 573, to an individual seeking to sell an investment to the City of Lancaster as of the date of this statement.

City of Lancaster
Investment Officials

Baron Sauls, Director of Finance

Date

Raju Anthony, Assistant Finance Director

Date

EXHIBIT C

**City of Lancaster, Texas
Approved Broker/Dealers, Financial Institutions and Investment Pools**

Broker/Dealers

Coastal Securities

Duncan-Williams, Inc.

First Southwest Company

Public Depositories

JP Morgan Chase, NA (Primary)

Investment Pools

TexPool

LOGIC

Texas Class

EXHIBIT D

**City of Lancaster, Texas
Certification by Business Organization**

(date)
City of Lancaster, Texas
(Attn: Designated Investment official)
211 N. Henry Street
Lancaster, TX 75146
Dear Mr/s. *(investment official)*:

This certification is executed on behalf of the City of Lancaster, Texas (the Investor) and _____ (the Business Organization), pursuant to the Public Funds Investment Act, Chapter 2256, Texas Government Code, (the Act) in connection with investment transactions conducted between the Investor and Business Organization.

The undersigned Registered Principal of the Business Organization hereby certifies on behalf of the Business Organization that:

1. The undersigned is a Registered Principal of the Business Organization offering to enter an investment transaction with the Investor (Note: as such terms are used in the Public Funds Investment Act, chapter 2256, Texas Local Government Code) and;
2. The Registered Principal of the Business Organization has received and reviewed the Investment Policy furnished by the Investor and;
3. The Registered Principal of the Business Organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the Business Organization and the Investor that are not authorized by the Investor's investment policy, except to the extent that this authorization is dependent on an analysis of the makeup of the investor's entire portfolio or requires and interpretation of the subjective investment standards.

Registered Principal	Broker Assigned to the Account
Signed By: _____	_____
Printed Name: _____	_____
Title: _____	_____
Date: _____	_____

LANCASTER CITY COUNCIL

City Council Regular Meeting

Item 13.

Meeting Date: 09/12/2016

Policy Statement: This request supports the City Council 2016-2017 Policy Agenda

Goal(s): Healthy, Safe & Vibrant Community
Professional & Committed City Workforce

Submitted by: Dori Lee, Director of Human Resources

Agenda Caption:

Discuss and consider an ordinance of the City of Lancaster, Texas, establishing Civil Service classifications within the Police and Fire Departments; prescribing the number of positions in each classification; and providing an effective date.

Background:

Pursuant to Title 5, Chapter 143, of the Texas Local Government Code, the City Council must establish the civil service classifications in the Police and Fire Departments and the number of positions in each classification. The proposed ordinance is consistent with the staffing levels discussed in the proposed FY 2016-2017 budget.

Operational Considerations:

- The Fire Department staffing includes 62 sworn fire personnel. The Police Department staffing includes 59 sworn police personnel. The proposed classifications are as follows:

<u>Classification</u>	FIRE PREVENTION	FIRE SUPPRESSION
	Authorized <u>No. of Positions as of 10/01/2016</u>	Authorized <u>No. of Positions as of 10/01/2016</u>
Assistant Chief	0	1
Fire Marshal/Battalion Chief	1	5
Fire Captains	0	9
Fire Engineer	0	21
Fire Fighter**	0	25
<hr/>	<hr/>	<hr/>
Total	1	61

POLICE

<u>Classification</u>	Authorized <u>No. of Positions as of</u> <u>10/1/2016</u>
Assistant Chief	2
Police Lieutenant	6
Police Sergeant	7
Police Officer*	44
<hr/>	<hr/>
Total	59

Public Information Considerations:

This item is being considered at a meeting of the City Council noticed in accordance with the Texas Open Meeting Act.

Fiscal Impact:

Funding is included in the Fire Department and Police Department Fiscal Year 2016-2017 Operating Budget.

Recommendation:

Staff recommends approval of an ordinance authorizing all civil service classifications and the number of positions.

Attachments

Ordinance

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF LANCASTER, TEXAS, ESTABLISHING CIVIL SERVICE CLASSIFICATIONS WITHIN THE POLICE AND FIRE DEPARTMENTS; PRESCRIBING THE NUMBER OF POSITIONS IN EACH CLASSIFICATION; PROVIDING FOR SEVERABILITY; PROVIDING A REPEALER; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, pursuant to Chapter 143 of the Texas Local Government Code, the City Council shall establish certain classifications and shall prescribe the number of positions in each of these classifications by ordinance; and

WHEREAS, the City Council has reviewed and approved a budget for the City for fiscal year beginning October 1, 2016 and ending September 30, 2017; and

WHEREAS, such budget contains a program of planned expenditures and for authorized positions within the police and fire departments, including programmed changes to the operations and human resources of those departments.

WHEREAS, it is the express intent of the City Council that the total number of authorized positions within the Lancaster Fire & Police Department remain the same throughout the next fiscal year; and

WHEREAS, such budget contains a program of planned expenditures and for authorized positions within the police and fire departments, including programmed changes to the operations and human resources of those departments;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS;

SECTION 1. That City Council hereby establishes the classifications and the number of authorized positions within each classification in the Fire Department. The following strength of force for the Lancaster Fire Department is set forth as follows:

<u>Classification</u>	FIRE PREVENTION	FIRE SUPPRESSION
	Authorized <u>No. of Positions as of</u> <u>10/01/2016</u>	Authorized <u>No. of Positions as of</u> <u>10/01/2016</u>
Assistant Chief	0	1
Fire Marshal/Battalion Chief	1	5
Fire Captains	0	9
Fire Engineer	0	21
Fire Fighter**	0	25
<hr/> Total	<hr/> 1	<hr/> 61

SECTION 2. That City Council hereby establishes the classifications and the number of authorized positions within each classification in the Police Department. At that time and date, the following strength of force for the Lancaster Police Department is set forth as follows:

<u>Classification</u>	POLICE Authorized <u>No. of Positions as of</u> <u>10/1/2016</u>
Assistant Chief	2
Police Lieutenant	6
Police Sergeant	7
Police Officer	44
<hr/>	<hr/>
Total	59

SECTION 3. Severability: If any provision, section, clause, sentence, or phrase of this ordinance is for any reason held to be unconstitutional, void, invalid, or un-enforced, the validity of the remainder of this ordinance or its application shall not be affected, it being the intent of the City Council in adopting and of the Mayor in approving this ordinance that no portion, provision, or regulation contained herein shall become inoperative or fail by way of reasons of any unconstitutionality or invalidity of any other portion, provision, or regulation.

SECTION 4. Repealer: That all other ordinances, section, or parts of ordinances heretofore adopted by the City of Lancaster in conflict with the provisions set out above in this ordinance are hereby repealed or amended as indicated.

SECTION 5. This ordinance shall take effect on October 1, 2016.

DULY PASSED and approved by the City Council of the City of Lancaster, Texas, on this the 12th day of September, 2016.

ATTEST:

APPROVED:

Sorangel O. Arenas, City Secretary

Marcus E. Knight, Mayor

APPROVED AS TO FORM:

Robert E. Hager, City Attorney

LANCASTER CITY COUNCIL

City Council Regular Meeting

Item 14.

Meeting Date: 09/12/2016

Policy Statement: This request supports the City Council 2016-2017 Policy Agenda

Goal(s): Financially Sound Government

Submitted by: Fabrice Kabona, Assistant to the City Manager

Agenda Caption:

Discuss and consider a resolution authorizing Dallas County to resell 754 Balkin Lane, tax foreclosed property, by public or private sale, to the highest qualified purchaser, as provided by Section 34.05 of the Texas Property Tax Code.

Background:

Following a judgment of the District Court of Dallas County, a parcel of land was offered for resell at public auction for foreclosure of the tax liens, securing payment of delinquent property taxes, accrued penalty and interest, and court costs. This parcel is in the City of Lancaster. This parcel did not receive sufficient bid as set by law and was struck off to the City of Lancaster as follows:

- 754 Balkin Lane

Dallas County is preparing for the resell of this property, as a tax foreclosed property, which is now in the ownership of the taxing authorities. Pursuant to Section 34.05(a) of the Tax Code, Dallas County is requesting the City of Lancaster's consent to sell said property to the highest qualified purchaser, by either public or private sale.

The sale of said property will bring it back onto the City of Lancaster's tax roll, increasing the tax base and often recouping portions of delinquent taxes due as a result of judgments.

Operational Considerations:

As trustee for the City of Lancaster, Dallas County will coordinate the public or private sale of the tax foreclosed properties.

Legal Considerations:

Dallas County handles all legal matters associated with the public or private sale process. The resolution authorizing the resell has been reviewed and approved as to form by the City Attorney.

Public Information Considerations:

Dallas County is responsible for all applicable legal notices required under the Texas Property Code for the public sell of tax foreclosed properties. This item is being considered at a regular meeting of the City Council noticed in accordance with the Texas Open Meetings Act

Fiscal Impact:

The judgment at the time of strike off was as follows:

- 754 Balkin Lane; \$20,000.00

Options/Alternatives:

1. City Council may approve the resolution as presented.
2. City Council may reject the resolution.

Recommendation:

Staff recommends approval of the resolution as presented.

Attachments

Resolution

Exhibit "A"

Map

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS, AUTHORIZING DALLAS COUNTY TO RESELL TAX FORECLOSED PROPERTIES BY PUBLIC OR PRIVATE SALE, TO THE HIGHEST QUALIFIED PURCHASER, AS PROVIDED BY SECTION 34.05 OF THE TEXAS PROPERTY TAX CODE.

WHEREAS, this matter was briefed to the Lancaster City Council ("City Council") on September 12, 2016 wherein the City Council agreed to use this form of Resolution to provide the County of Dallas consent to sell specific properties to the highest qualified purchaser by public or private sale; and

WHEREAS, several parcels of land were offered for sale by the Sheriff of Dallas County, Texas, at public auction pursuant to a judgment of the District Court of Dallas County, Texas, for foreclosure of the tax liens securing payment of delinquent property taxes, accrued penalty and interest, and court costs; and

WHEREAS, those parcels of land which did not receive a sufficient bid as set by law were struck off to the County of Dallas, the City of Lancaster and Lancaster Independent School District (Taxing Authorities) pursuant to Section 34.01(j) of the Property Tax Code; and

WHEREAS, by this resolution, the County of Dallas, as Trustee for itself and the other Taxing Authorities is authorized to resell these struck off parcels of land, which did not receive a sufficient bid as set by law and to execute quitclaim deeds for said parcels conveying the right, title, and interest acquired or held by the City of Lancaster as a party to the judgment foreclosing tax liens, and

WHEREAS, the City of Lancaster desires to resell said parcel(s) in an expeditious manner pursuant to Section 34.05 of the Property Tax Code.

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

SECTION 1. The City does hereby provide specific authorization to the County of Dallas to act as Trustee to offer for sale by public or private sale the parcels of land shown in Exhibit "A," attached hereto and made a part hereof and the Lancaster City Council does hereby consent to the sale of said parcels to the highest purchaser, even if the amount tendered is less than the market value of the land specified in the judgment of foreclosure or the total amount of the judgment against the property in compliance with Section 34.05(i) of the Texas Property Tax Code, or for an amount equal to or greater than its current market value as shown by the most recent certified appraisal role, if the sum of the amount of the judgment plus post-judgment taxes, penalties, and interest owing against the property exceeds the market value in compliance with Section 34.05(j) of the Texas Property Tax Code, and each taxing unit entitled to receive proceeds of the sale consents to the sale for that amount.

SECTION 2. This Resolution shall take effect immediately from and after its passage in accordance with the provisions of the law.

DULY PASSED and approved by the City Council of the City of Lancaster, Texas, on this the 12th day of September 2016.

ATTEST:

APPROVED:

Sorangel O. Arenas, City Secretary

Marcus E. Knight, Mayor

APPROVED AS TO FORM:

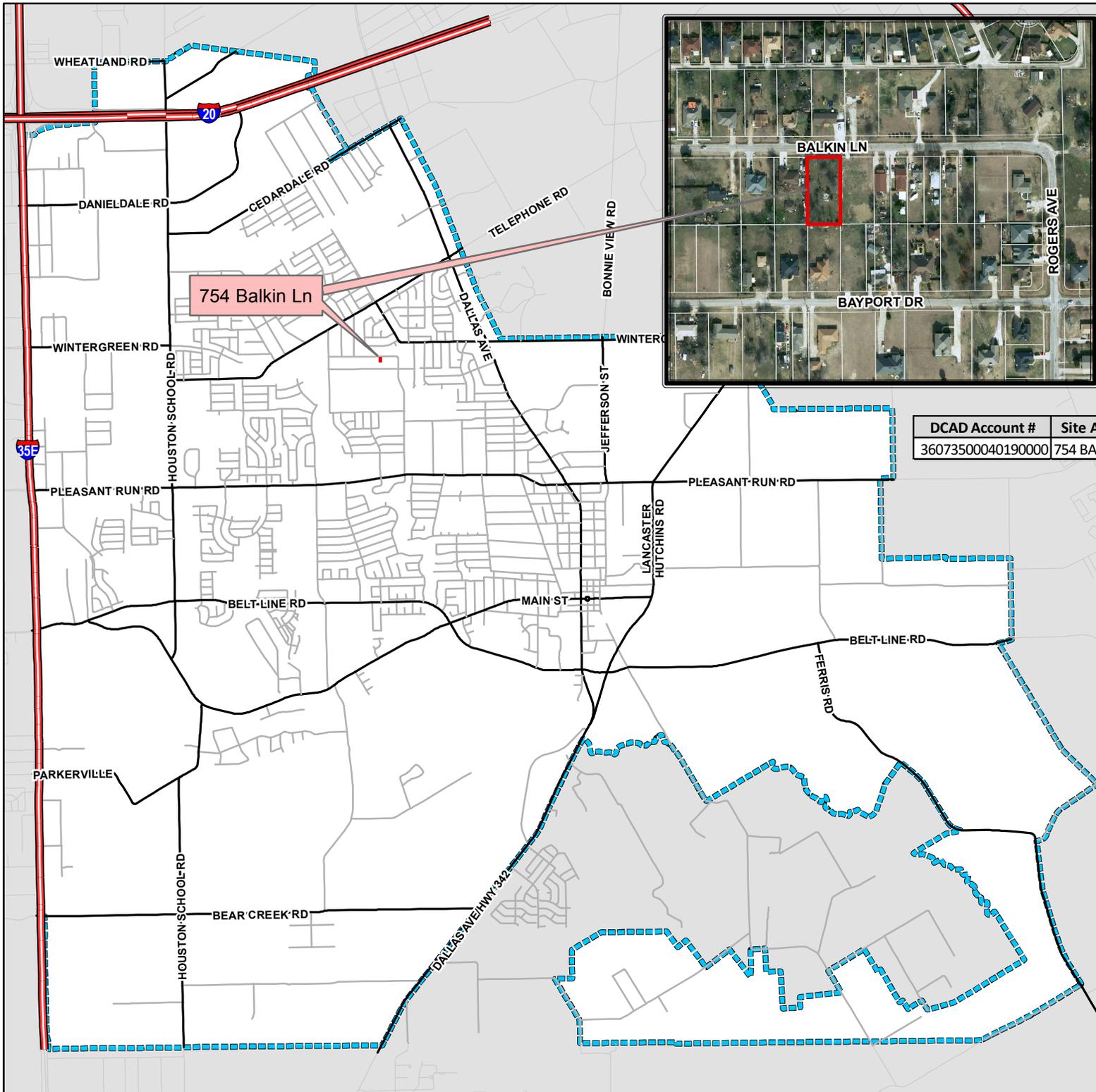
Robert E. Hager, City Attorney

EXHIBIT "A"

**TAX FORECLOSURE PROPERTIES STRUCK OFF TO COUNTY OF DALLAS
AS TRUSTEE FOR THE CITY OF LANCASTER & LANCASTER INDEPENDENT SCHOOL DISTRICT**

PROPERTY ADDRESS	LEGAL DESCRIPTION	IMPROVED / LAND ONLY	APPROX LAND SIZE	DALLAS CENTRAL APPRAISAL DISTRICT TAX ACCOUNT NUMBER	2016 CERTIFIED DCAD VALUE	CAUSE # / JUDGMENT DATE	TAX YEARS INCLUDED IN JUDGMENT (CO./CITY/ SCHOOL)	POST JUDGMENT TAX YEARS	DATE OF SHERIFF'S SALE	SHERIFF'S DEED STRIKE OFF AMOUNT	SHERIFF'S DEED INSTRUMENT #/ FILE DATE
754 Balkan Lane	Lot 19 of the Placid Meadows Addition City Block D, City of Lancaster, Dallas County, TX	Land only	19,638 SQFT	36073500040190000	\$20,000	TX-12-31401 11/19/2014 & No. 00-30331-T-B 8/10/2006	1997 - 2013	2014-2015	06/02/15	\$20,000	2015001218571

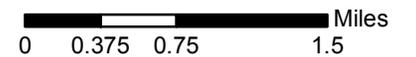
City of Lancaster Tax Foreclosed Property 754 Balkin Ln.



DCAD Account #	Site Address	Total Value	Floodplain	Zoning	Acres
36073500040190000	754 BALKIN LN	\$20,000	NO	SF-5	0.4508

Legend

-  City Limits
-  Foreclosed Property



LANCASTER CITY COUNCIL

City Council Regular Meeting

Item 15.

Meeting Date: 09/12/2016

Policy Statement: This request supports the City Council 2016-2017 Policy Agenda

Goal(s): Financially Sound Government
Healthy, Safe & Vibrant Community

Submitted by: Sean Johnson, Managing Director of Quality of Life & Cultural Services

Agenda Caption:

Discuss and consider a resolution of the City Council of the City of Lancaster, Texas, approving the terms and conditions of an agreement by and between the City of Lancaster and the Dallas Area Agency on Aging for implementation of the Congregate Meals Program for the Lancaster Senior Life Center.

Background:

Lancaster Senior Life Center is a full service senior center. The congregate meal program offers free lunch daily for seniors age 60 and above as a result of the 1965 U.S. Congressional enactment of the Older Americans Act, which established the Administration on Aging (AoA) to address the social needs of older Americans. The Act is considered the major vehicle for promoting the delivery of social services to our aging population. The main missions of the Act were to assist senior citizens in maintaining maximum independence in their homes and communities and to promote a continuum of care for the vulnerable elderly. The AoA contracts with state organizations such as the Community Council of Dallas, which established the Dallas Area Agency on Aging (DAAA) to administer federally funded programs.

Currently, the City of Lancaster participates as a sponsor in two of the AoA's programs, one of which is the Congregate Meal Program (Congregate meals are daily hot lunches served in group settings to people who are at 60 years of age and older. The meals are healthy and designed to meet the nutritional needs of senior citizens.).

The Congregate Meal Program has been operated by the Dallas County Health and Human Services Department through its Older Adult Services Division since 1973. The City of Lancaster provided the Community House as the congregate meal site up until 2008. In late 2008, the new Senior Life Center was constructed. The Program has been offered there, and the City has contracted directly with DAAA to continue to provide the congregate meals.

Lancaster, along with other Best Southwest Cities (Duncanville, DeSoto and Cedar Hill), all operate the Congregate Meals Program through their Senior Centers.

The Program requirements are as follows:

- a. The City will provide a site supervisor, which will be the Recreation Supervisor responsible for the Senior Center.
- b. The City will be responsible for contracting for the delivery of meals to comply with the provisions of the Older Americans Act as it relates to Dietary Guidelines for Americans regarding recommended dietary allowances and requiring that each meal included on the menu is approved by a registered dietitian. This will be handled through either competitive bid or interlocal agreement.

- c. The meals must be provided 5 days per week.
- d. Proper food handling procedures, equipment and training for volunteers and staff will be established.
- e. The City will adopt procedures to address complaints, conduct patron satisfaction surveys, and produce required participation reporting.
- f. The City will develop a cash handling procedure for collection and expenditure of daily revenues collected from senior citizens participating in the meal program. (DAAA requires Congregant Meal Programs to encourage Senior Citizens to make a donation of any amount to help offset the cost of \$5.23 per meal).
- g. The City will be reimbursed for program meal costs only. Reimbursement generally is made between 30 and 90 days after invoices have been submitted.

Currently, the City is fully compliant with the DAAA requirements.

Operational Considerations:

The Senior Life Center is staffed and operated by Quality of Life & Cultural Services professional staff. Staff trains and supervises the full-time bus driver, part-time recreation attendant and volunteers serving meals. The Recreation Supervisor with Senior Center oversight has completed the Certified Food Handlers Training Program.

Legal Considerations:

The City Attorney has approved this resolution and agreement as to form.

Public Information Considerations:

As required by the agreement, the Quality of Life & Cultural Services Department will provide regular announcements to encourage qualified senior citizens to utilize the Congregate Meal Program.

Fiscal Impact:

This is a 100% reimbursable program. DAAA will reimburse the City at the rate of up to \$5.23 per meal served to enrolled senior citizens age 60 and older.

Options/Alternatives:

- 1. City Council may approve the resolution.
- 2. City Council may table the resolution to a later date in order to receive additional information.
- 3. City Council may reject the resolution and provide staff with direction.

Recommendation:

Staff recommends approving the resolution authorizing City Manager to execute agreement.

Attachments

Resolution
Exhibit "A"

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS, APPROVING THE TERMS AND CONDITIONS OF AN AGREEMENT BY AND BETWEEN THE CITY OF LANCASTER AND THE DALLAS AREA AGENCY ON AGING FOR THE CONTINUATION OF THE CONGREGATE MEALS PROGRAM TO BE OPERATED BY THE CITY OF LANCASTER AT THE LANCASTER SENIOR CITIZENS CENTER; AUTHORIZING THE CITY MANAGER TO EXECUTE SAID AGREEMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Dallas Area Agency on Aging has contracted through the federal Administration on Aging to administer federal funding for the provision of programs to help older people maintain maximum independence in their homes and communities and to promote a continuum of care for the vulnerable elderly, and

WHEREAS, the Congregate Meal program is one of the federally funded services administered by the Dallas Area Agency on Aging, which provides a daily hot lunch for persons age 60 and older, and

WHEREAS, the City Council of Lancaster, Texas, desires to continue the contract with the Dallas Area Agency on Aging to provide the Congregate Meal Program in the new Lancaster Senior Citizens Center;

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

That the City of Lancaster, Texas hereby approves an agreement, attached hereby and incorporated herein by reference as Exhibit "A" for the Congregate Meal for the purpose of offering a daily nutrition program for qualified senior citizens.

SECTION 1. That the City of Lancaster, Texas hereby approves the terms and conditions of the Agreement For Operation of the Congregate Meal Program ("Program") with the Dallas Area Agency on Aging ("DAAA"), attached hereto and incorporated herein by reference as Exhibit "A" for the purpose of providing Congregate Meals to qualified senior citizens at the Lancaster Senior Citizens Center on a reimbursement basis.

SECTION 2. That the DAAA shall reimburse the City of Lancaster for the provision of Congregate Meals and administration of said Program at the rate of Five Dollars and Twenty-Three Cents (\$5.23) per meal served to a qualified senior citizen participant.

SECTION 3. That the City Manager is hereby authorized to execute the Agreement attached in Exhibit "A".

SECTION 4. 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 12th day of September, 2016

ATTEST:

APPROVED:

Sorangel O. Arenas, City Secretary

Marcus E. Knight, Mayor

APPROVED AS TO FORM:

Robert E. Hager, City Attorney

STATE OF TEXAS §
§
§
COUNTY OF DALLAS §

**AGREEMENT FOR OPERATION OF
CONGREGATE MEAL PROGRAM**

This Agreement for the Operation of Congregate Meal Program ("AGREEMENT") is made by and between the City of Lancaster, Texas ("CITY") and the Dallas Area Agency on Aging ("DAAA") acting by and through their authorized representatives.

RECITALS:

WHEREAS, the **DAAA**, a project of the Community Council of Greater Dallas, is responsible for providing congregate nutrition services in Dallas County under Title III of the *Older Americans Act*; and

WHEREAS, the **DAAA** contracts with responsible organizations to administer programs that provide congregate meals of senior citizens 60 years of age and older and requires that said organizations comply with federal, state and local rules and regulations to ensure service provision; and

WHEREAS, the **CITY** and the **DAAA** have previously entered into an agreement to operate and administer a program that provides compliant congregate meals (daily hot lunches that are healthy and designed to meet the nutritional needs of senior citizens served in group settings to people who are at 60 years of age and older) to Lancaster senior citizens; and

WHEREAS, the **CITY** wishes to enter into this Agreement with the **DAAA** to continue operating and administrating a Congregate Meal Program to provide congregate meals to Lancaster senior citizens under the terms and conditions provided herein.

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:

I. TERM / TERMINATION

The term of this **AGREEMENT** shall begin on the 1st day of October, 2016 and shall terminate on the 30th day of September 2017. This **AGREEMENT** may be terminated by either party with sixty (60) days written notice to the other party.

II. CITY RESPONSIBILITIES

2.01 **CITY** shall operate the Congregate Meal Program at the Lancaster Senior Life Center, and shall provide congregate meals and administrative services, as follows:

- (a) All administrative functions including:
 1. meeting requirements of 10% cash or in-kind match;
 2. compliance with applicable federal, state, and local fire, health, sanitation and safety laws and regulations;

3. collecting and safeguarding program income; and,
 4. assuring that all required forms are completed and records are properly secured.
- (b) Ensuring that all meals comply with the provisions of the *Older Americans Act* as it relates to Dietary Guidelines for Americans, recommended dietary allowances, and the requirement that each meal included on the menu is approved by a registered dietitian.
 - (c) Serving congregate meals five (5) days per week to eligible persons, as said term is defined in the *Older American Act*.
 - (d) Packaging congregate meals to prevent moisture loss and spillage outside of the container and to maintain a safe temperature throughout transport. Said packaging shall be easy to open and designed with compartments to separate food items for visual appeal and minimize spillage between compartments.
 - (e) Ensuring that the time hot food is taken from the equipment in which cooking or reheating is completed until the time it is served to the eligible person does not exceed four (4) hours.
 - (f) Training of staff and/or volunteers that serve congregate meals.
 - (g) Conducting Nutrition Outreach activities to encourage attendance.
 - (h) Providing Nutrition Education.
 - (i) Providing a complaint process and procedures, under which the City shall investigate and respond in writing to all Program participants' complaints in a timely manner.
 - (j) Conducting participant satisfaction surveys annually.

2.02 **CITY** agrees to fund to sustain itself during the period before reimbursement can be made by **DAAA**. Reimbursements often take sixty (60) to ninety (90) days for processing.

2.03 **CITY** agrees to ensure that the kitchen where the congregate meals are prepared meet commercial standards.

2.04 **CITY** shall keep a written log of all meals provided to eligible persons, as said term is defined in the *Older American Act*, during the term of this Agreement, which shall be made available to **DAAA** upon request.

III. DAAA RESPONSIBILITIES

3.01 The **DAAA** shall reimburse **CITY** an amount not to exceed Five Dollars and Twenty-Three Cents (\$5.23) per meal served to eligible persons, as said term is defined in the *Older American Act*, as provided herein.

3.02 The **DAAA** shall only reimburse **CITY** for meals served to eligible persons as defined in the *Older American Act*. The **DAAA** shall not reimburse **CITY** for any wasted meals that are not served.

3.03 The **DAAA** agrees to allow the **CITY** to subcontract meal preparation to a third-party, which shall prepare all meals in compliance with applicable federal, state, and local fire, health, sanitation and safety laws and regulations.

IV. MISCELLANEOUS

4.01 **Notices.** Any and all notices, demands and statements or documents of any kind which are desired or required to be given by one party according to the terms of this Agreement, may be served personally or may be served by registered mail and in such case, shall be deemed to have been served on the date of personal service or on the second business day following the date of mailing thereof. Notices shall be sent to the respective addresses set out below:

If to the City: City of Lancaster
 Attn: City Manager
 P. O. Box 940
 Lancaster, Texas 75146

With a copy to: Robert E. Hager
 Nichols, Jackson, Dillard, Hager & Smith, L.L.P.
 1800 Ross Tower
 500 N. Akard
 Dallas, Texas 75201

If to DAAA: Dallas Area Agency on Aging
 1341 W. Mockingbird Lane, Suite 1000W
 Dallas, Texas 75247

4.02 **Severability.** In the event that any one or more of the provisions contained herein shall for any reason be held unenforceable in any respect by any court of law, such unenforceability shall not affect any other provision of this Agreement, but this Agreement shall then be construed as if such unenforceable provision or provisions had never been contained herein.

4.03 **Entire Agreement.** This Agreement is the entire agreement between the parties with respect to the subject matter covered in this Agreement. There is no other collateral oral or written agreement between the parties that in any manner relates to the subject matter of this Agreement.

4.04 **Recitals.** The recitals to this Agreement are incorporated herein.

4.05 **Governing Law.** This Agreement shall be governed and construed in accordance with the laws of the United States of America and the State of Texas. Venue for any action under this Agreement shall be in the state district court of Dallas County, Texas. The parties agree to submit to the subject matter and personal jurisdiction of said court.

4.06 **Amendment.** This Agreement may be amended by the mutual agreement of the parties to it, in writing and attached to and incorporated in this Agreement.

4.07 **Legal Construction.** 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.

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

EXECUTED ON the ____ day of _____, 2016.

CITY OF LANCASTER, TEXAS

By: _____
Opal Mauldin-Robertson, City Manager

ATTEST:

By: _____
Sorangel O. Arenas, City Secretary

EXECUTED ON the ____ day of _____, 2016.

DALLAS AREA AGENCY ON AGING

By: _____
Marilyn Self, Director

LANCASTER CITY COUNCIL

City Council Regular Meeting

Item 16.

Meeting Date: 09/12/2016

Policy Statement: This request supports the City Council 2016-2017 Policy Agenda

Goal(s): Quality Development

Submitted by: Ed Brady, Director of Economic Development

Agenda Caption:

Discuss and consider a resolution authorizing the City Manager to execute an economic development agreement pursuant to Chapter 380, Texas Local Government Code, by and between the City of Lancaster and Artemis HIP Park 20, LLC.

Background:

Artemis HIP Park 20, LLC (Huntington Industrial Partners) has purchased approximately 36 acres on Houston School Road to construct a warehouse distribution facility totaling approximately four hundred and seventy thousand (470,000) square feet to lease to future tenants.

Staff entered into incentive discussions with the company prior to the company selecting Lancaster for their operation and the closing of the property. The company estimates approximately \$23,000,000 in value added capital investment at their site in Lancaster. The company has applied for a real property tax incentive grant in compliance with the City's Incentive Policy.

Operational Considerations:

Artemis HIP Park 20, LLC will annually submit receipts for real property tax payments in order to exercise the Grant. Within 60 days of verification of payment, the City will remit forty-five percent (45%) of the payment to the company for a period of seven (5) years.

Legal Considerations:

The City Attorney has reviewed and approved the resolution and agreement as to form.

Public Information Considerations:

This item if being considered at a meeting of the City Council noticed and held in accordance with the Texas Open Meetings Act.

Fiscal Impact:

Based on the estimated value added capital investment submitted by the company and in consideration of the forty-five percent (45%) real property tax grant for five (5) years, the project will represent approximately \$550,000 over the five year period in new revenue to the City.

Options/Alternatives:

1. The City Council may approve the resolution and agreement as presented.
2. The City Council may reject the resolution and agreement.

Recommendation:

Staff recommends approval of the resolution and agreement.

Attachments

Resolution

Exhibit "1"

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE AN ECONOMIC DEVELOPMENT AGREEMENT WHICH IS ATTACHED HERETO AS EXHIBIT A PURSUANT TO CHAPTER 380, TEXAS LOCAL GOVERNMENT CODE, BY AND BETWEEN THE CITY OF LANCASTER AND ATREMIS HIP PARK 20, LLC, A DELAWARE LIMITED LIABILITY COMPANY; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Artemis HIP Park 20, LLC, a Delaware limited liability company has purchased approximately thirty-six (36) acres of real property in Lancaster, Texas and desires to construct a warehouse-distribution building totaling approximately 470,000 square feet; and

WHEREAS, Artemis HIP Park 20, LLC development of the Premises will provide employment opportunities within the City; and

WHEREAS, the location of Artemis HIP Park 20, LLC's project on the Premises will result in a significant capital investment and improvements on the Premises; and

WHEREAS, Artemis HIP Park 20, LLC has advised the City that a contributing factor that would induce the company to construct and lease the building to tenants, would be an agreement by the City to provide an economic development grant to the company; and

WHEREAS, the City has adopted programs for promoting economic development, and this Agreement and the economic development incentives set forth herein are given and provided by the City pursuant to and in accordance with those programs; and

WHEREAS, the City is authorized by Article III, Section 52-a of the Texas Constitution and Texas Local Government Code Chapter 380 to provide economic development grants to promote local economic development and to stimulate business and commercial activity in the City; and

WHEREAS, the City has determined that making an economic development grant to Artemis HIP Park 20, LLC in accordance with this Agreement is in accordance with the City Economic Development Policy and will: (i) further the objectives of the City; (ii) benefit the City and the City's inhabitants; and (iii) will promote local economic development and stimulate business and commercial activity in the City; and

WHEREAS, City desires to authorize the City Manager to enter into an Economic Development Agreement with Artemis HIP Park 20, LLC pursuant to Chapter 380 of the Texas Local Government Code.

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

SECTION 1. That the City Manager is hereby authorized to execute an Economic Development Agreement, which is attached hereto and incorporated herein as Exhibit "1", pursuant to Chapter 380 of the Texas Local Government Code (and any amendments thereto, including any related instruments), on behalf of the City of Lancaster, Texas, with Artemis HIP Park 20, LLC and its affiliated and related entities.

SECTION 2. That all provisions of the resolutions of the City of Lancaster, Texas, in conflict with the provisions of this resolution be, and the same are hereby, repealed, and all other provisions not in conflict with the provisions of this resolution shall remain in full force and effect.

SECTION 3. That should any word, sentence, paragraph, subdivision, clause, phrase or section of this resolution be adjudged or held to be void or unconstitutional, the same shall not affect the validity of the remaining portions of said resolution which shall remain in full force and effect.

SECTION 4. This resolution shall take effect 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 12th day of September, 2016.

ATTEST:

APPROVED:

Sorangel O. Arenas, City Secretary

Marcus E. Knight, Mayor

APPROVED AS TO FORM:

Robert E. Hager, City Attorney

**STATE OF TEXAS §
 §
COUNTY OF DALLAS §**

Economic Development Agreement

This Economic Development Agreement ("Agreement") is made by and between the City of Lancaster, Texas ("City"), and Artemis HIP Park 20, LLC, a Delaware limited liability company, (the "Company"), acting by and through their respective authorized representatives.

W I T N E S S E T H:

WHEREAS, the Company has purchased approximately 36 acres of real property in the City of Lancaster, Texas, and being more particularly described in **Exhibit "A"** (the "Property"); and

WHEREAS, the Company intends to construct a warehouse-distribution building totaling approximately 470,000 square feet and related infrastructure for a future tenant or owner occupied warehouse-distribution operation (the "Project") and building permits will be applied for and construction will commence on the building within eighteen (18) months from the execution of this agreement; and

WHEREAS, the Company has advised the City that a contributing factor that would induce the Company to undertake the Project would be an agreement by the City to provide an economic development grant to the Company to reimburse it for a portion of the Real Estate Taxes (hereinafter defined); and

WHEREAS, the City desires to encourage business expansions within the City that will add property tax base and generate additional sales tax and other revenue for the City; and

WHEREAS, the promoting the expansion of new or existing businesses within the City will promote economic development, stimulate commercial activity, generate additional sales tax and will enhance the Premises tax base and economic vitality of the City; and

WHEREAS, the City has adopted programs for promoting economic development, and this Agreement and the economic development incentives set forth herein are given and provided by the City pursuant to and in accordance with those programs; and

WHEREAS, the City is authorized by Article III, Section 52-a of the Texas Constitution and Texas Local Government Code Chapter 380 to provide economic development grants to promote local economic development and to stimulate business and commercial activity in the City; and

WHEREAS, the City has determined that making an economic development grant to the Company in accordance with this Agreement is in accordance with the City Economic Development Program and will: (i) further the objectives of the City; (ii) benefit the City and the City's inhabitants; and (iii) will promote local economic development and stimulate business and commercial activity in the City.

NOW THEREFORE, in consideration of the foregoing, and on the terms and conditions hereinafter set forth, and other valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

Article I Definitions

For purposes of this Agreement, each of the following terms shall have the meaning set forth herein unless the context clearly indicates otherwise:

“Annual Grant(s)” shall mean annual economic development grant to be provided by the City in an amount equivalent to forty-five percent (45%) of the Real Property Taxes assessed against the Premises for a given tax year for a period of five (5) consecutive tax years beginning with the first calendar year following the Commencement Date, to be paid as set forth herein.

“Casualty” shall mean the Improvements are wholly or partially destroyed by fire, tornado, hurricane, earthquake, flood or similar casualty that renders the Improvements unfit for the intended purpose.

“City” shall mean the City of Lancaster, Texas.

“Commencement Date” shall mean the later of (a) January 1 of the calendar year immediately following the date a Certificate of Occupancy is issued by the City for the Company’s occupancy of the improvements; and (b) January 1, 2018.

“Company” shall mean Artemis HIP Park 20, LLC, a Delaware limited liability company.

“Company Affiliate” shall mean any parent of Company or any wholly-owned subsidiary of either Company or of Company’s parent.

“Effective Date” shall mean the last date of execution hereof.

“Event of Bankruptcy or Insolvency” shall mean the dissolution or termination of a party’s existence as a going business, insolvency, appointment of receiver for any part of such party’s property and such appointment is not terminated within ninety (90) days after such appointment is initially made, any general assignment for the benefit of creditors, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against such party and such proceeding is not dismissed within ninety (90) days after the filing thereof.

“Event of Force Majeure” shall mean any contingency or cause beyond the reasonable control of a party including, without limitation, acts of God or the public enemy, war, terrorist act, or threat thereof, riot, civil commotion, insurrection, government action or inaction (unless caused by the intentionally wrongful acts or omissions of the party), fires, earthquake, tornado, hurricane, explosions, floods, strikes, slowdowns or work stoppages.

“Expiration Date” shall mean the fourth (4th) year after the payment of the first Annual Grant.

“Impositions” shall mean all taxes, assessments, use and occupancy taxes, charges, excises, license and permit fees, and other charges by public or governmental authority, general and special, ordinary and extraordinary, foreseen and unforeseen, which are or may be assessed, charged, levied, or imposed by any public or governmental authority on the Company or any property or any business owned by Company within the City.

“Premises” shall mean the real property described on Exhibit “A” with or without improvements.”

“Payment Request” shall mean a written request from Company to the City for payment of an Annual Grant.

“Project” shall mean the development of the Premises, by the design, construction and maintenance of new improvements and related infrastructure for a warehouse-distribution building totaling approximately 470,000 square feet.

“Real Property Taxes” shall mean, all real estate ad valorem taxes assessed and levied by the City on the real property with or without improvements in accordance with state law.

“Related Infrastructure” shall mean all City development and building code requirements related to site preparation, water, wastewater, storm water, building construction etc. necessary to receive a City issue “Certificate of Occupancy” at completion of project activities.

“Required Use” shall mean continuous operation by a lease tenant of the warehouse-distribution facility on the Premises.

“Taxable Value” shall mean the assessed value of the Premises as certified by the appraisal district, or its successor, for a given year.

Article II

Term

The term of this Agreement shall begin on the last date of execution hereof (the “Effective Date”) and end on the fifth (5th) anniversary of the date of issuance by the City of a final certificate of occupancy for the Project.

Article III

Economic Development Grants

3.1 **Annual Grants.** Subject to the Company's continued satisfaction of all the terms and conditions of this Agreement, the City agrees to provide the Company with the Annual Grants to be paid on March 1 of each calendar year, (or the immediately following business day of March 1 is not a business day), beginning with March 1 of the first full calendar year following the Commencement Date, provided the City has timely received the Real Estate Taxes assessed against the Premises in full for the respective tax year (i.e., the tax year immediately preceding the year in which an Annual Grant is made; and such Real Estate Taxes with respect to that immediately preceding tax year are used to determine the amount of each Annual Grant). For illustration purposes only, assume that the Real Estate taxes assessed against the Premises for tax year 2017 is \$100,000.00 then the amount of the first Annual Grant for the Premises for Tax Year 2017 would be, \$45,000.00 ($\$100,000.00 \times 45\%$), and would be paid on March 1, 2018.

3.2 **Grant Limitations.** Under no circumstances shall City obligations hereunder be deemed to create any debt within the meaning of any constitutional or statutory provision. Further, City shall not be obligated to pay any commercial bank, lender or similar institution for any loan or credit agreement made by the Company. None of the City's obligations under this Agreement shall be pledged or otherwise encumbered in favor of any commercial lender and/or similar financial institution.

3.3 **Current Revenue.** The Annual Grants made hereunder shall be paid solely from lawfully available funds that have been appropriated by the City; provided however the City agrees during the term of this Agreement to make a good faith effort to appropriate funds each year to pay the Annual Grant for the then ensuing fiscal year. Consequently, notwithstanding any other provision of this Agreement, the City shall have no obligation or liability to pay any Grants except as allowed by law. The City shall not be required to pay any Annual Grants if prohibited under federal or state legislation or a decision of a court of competent jurisdiction.

3.4 **Tax Protest.** In the event the Company or the owner of the Premises timely and properly protests or contests (including any motion to correct the appraisal roll) the Taxable Value and/or the taxation of the Premises, or any portion thereof, with the applicable appraisal district (or its successor), and such protest and/or contest results in a final determination that changes the appraised value and/or the Taxable Value of the Premises or the amount of ad valorem taxes assessed and due for the Premises, or portion thereof, after an Annual Grant has been paid for such Premises for such tax year, the Annual Grant for such tax year shall be adjusted (increased or decreased as the case may be) accordingly on the date of payment of the next Annual Grant payment date, or within sixty (60) business days after such determination in the event no further Annual Grant payments are due under the Agreement.

3.5 **Refunds.** In the event the City determines in its sole discretion that the amount of an Annual Grant paid by the City to the Company was incorrect, the Company shall, within sixty (60) days after receipt of written notification thereof from the City specifying the amount by which such Annual Grant exceeded the correct amount to which the Company was entitled (together with such records, reports and other information necessary to support such determination), pay such amount to the City. If the City determines that the amount by which such Annual Grant was less than the correct amount to which the Company was entitled (together with such records, reports and other information necessary to support such determination), the City shall, within sixty (60) days,

pay the adjustment to the Company. If the Company disputes the City's determination, the parties shall seek to amicably resolve the matter, subject to either party's right to pursue any available rights or remedies in connection therewith.

Article IV Conditions to the Economic Development Grant

The obligation of the City to provide the Grants shall be conditioned upon the Company's continued compliance with and satisfaction of each of the terms and conditions of this Agreement and each of the conditions set forth below:

4.1 During the term of this Agreement following the Commencement Date and continuing thereafter until the Expiration Date, or earlier termination, the Company agrees to continuously own, lease or make available for lease the Improvements and shall not allow the operation of the Improvements in conformance with the Required Use to cease for more than sixty (60) days except in connection with, and to the extent of a Casualty or an Event of Force Majeure.

4.2 The Company shall commence Project construction on the Premises within eighteen months (18 months) of the execution date of this agreement or the agreement will terminate.

4.3 The Company shall not have an uncured breach or default of this Agreement.

4.4 The Company shall comply with all the terms and conditions of this Agreement.

Article V Termination

5.1 This Agreement terminates on the Expiration Date, and may prior to the Expiration Date, be terminated upon any one or more of the following:

- (a) by mutual written agreement of the parties;
- (b) by either party, if the other party defaults or breaches any of the terms or conditions of this Agreement and such default or breach is not cured within thirty (30) days after written notice thereof;
- (c) by City, if any Impositions owed to the City or the State of Texas by Company shall have become delinquent (provided, however, Company retains the right to timely and properly protest and contest any such taxes or Impositions);
- (d) by City, if Company suffers an Event of Bankruptcy or Insolvency; or
- (e) by either party if any subsequent Federal or State legislation or any decision of a court of competent jurisdiction declares or renders this Agreement invalid, illegal or unenforceable.
- (f) should Company fail to return fully signed and executed agreement(s) to the City within 30 days of approval of agreement(s) by the Lancaster City Council, the agreement(s) and the incentive offer they represent, shall be deemed to be withdrawn and shall have no further affect.

5.2 In the event the Agreement is terminated by the City pursuant to Section 5.1(b), (c), or (d), the Company shall not be entitled to receive any subsequent Annual Grants under this Agreement but shall have no obligation to refund to the City any Annual Grants (or portion thereof or interest accrued thereon) previously paid by the City to the Company.

5.3 In the event the Agreement is terminated by the City pursuant to Section 5.1(e), the Company shall, only if such legislation or court decision requires, immediately refund to the City an amount equal to the annual Grant(s) paid by the City to the Company immediately preceding the date of such termination. The repayment obligation of Company set forth in this section 5.3 hereof shall survive termination.

Article VI Miscellaneous

6.1 **Binding Agreement.** The terms and conditions of this Agreement are binding upon the successors and permitted assigns of the parties hereto.

6.2 **Limitation on Liability.** It is understood and agreed between the parties that the Company and City, in satisfying the conditions of this Agreement, have acted independently, and the City assumes no responsibilities or liabilities to third parties in connection with these actions.

6.3 **No Joint Venture.** It is acknowledged and agreed by the parties that the terms hereof are not intended to and shall not be deemed to create a partnership or joint venture among the parties.

6.4 **Authorization.** Each party represents that it has full capacity and authority to grant all rights and assume all obligations that are granted and assumed under this Agreement. The undersigned officers and/or agents of the parties hereto are the properly authorized officials and have the necessary authority to execute this Agreement on behalf of the parties hereto.

6.5 **Notice.** Any notice required or permitted to be delivered hereunder shall be deemed received three (3) days thereafter sent by United States Mail, postage prepaid, certified mail, return receipt requested, addressed to the party at the address set forth below (or such other address as such party may subsequently designate in writing) or on the day actually received if sent by courier or otherwise hand delivered.

If intended for City, to:

City of Lancaster
Attn: Opal Mauldin-Robertson
City Manager
P. O. Box 940
211 North Henry Street
Lancaster, Texas 75146-0946

With a copy to:

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

If intended for Company:

Steve Meyer
Huntington Industrial Partners
5959 Berkshire Lane, Suite 1250
Dallas, Texas 75225

6.6 **Entire Agreement.** This Agreement is the entire Agreement between the parties with respect to the subject matter covered in this Agreement. There is no other collateral oral or written Agreement between the parties that in any manner relates to the subject matter of this Agreement, except as provided in any Exhibits attached hereto.

6.7 **Governing Law.** The Agreement shall be governed by the laws of the State of Texas, without giving effect to any conflicts of law rule or principle that might result in the application of the laws of another jurisdiction; and exclusive 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.

6.8 **Amendment.** This Agreement may only be amended by the mutual written agreement of the parties.

6.9 **Legal Construction.** 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 other provisions, and it is the intention of the parties to this Agreement that in lieu of each provision that is found to be illegal, invalid, or unenforceable, a provision shall be added to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

6.10 **Exhibits.** All exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.

6.11 **Successors and Assigns.** This Agreement may not be assigned without the City's prior written consent, except to a Company subsidiary. Neither the Company nor its legal representatives or successors in interest shall, by operation of law or otherwise, assign, mortgage, pledge, encumber or otherwise transfer this Agreement or any part hereof, or the interest of the Company under this Agreement in either case except to a Company subsidiary, without obtaining the City's prior written consent, which may not be withheld. Any attempted assignment by the Company, except to a Company subsidiary, in violation of the terms and provisions of this Agreement shall be void and shall constitute a material breach of this Agreement.

6.12 **Recitals.** The recitals to this Agreement are incorporated herein.

6.13 **Counterparts.** This Agreement may be executed in counterparts. Each of the counterparts shall be deemed an original instrument, but all of the counterparts shall constitute one and the same instrument.

6.14 **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.

6.15 **Conditions Precedent.** This Agreement is subject to and conditioned upon the following conditions which are conditions precedent to the obligations of the parties: (i) Company shall diligently and faithfully, in a good and workmanlike manner, make or cause the construction and finish out improvements to the Premises in accordance with all applicable state and local laws and regulations or a valid waiver thereof; (ii) Company shall obtain a Certificate of Occupancy for the Premises.

Signature page to follow

EXECUTED on this 12th day of September, 2016.

CITY OF LANCASTER, TEXAS

By:

Opal Mauldin-Robertson, City Manager

Attest:

By:

Sorangel O. Arenas, City Secretary

Approved as to Form:

By: _____
Robert E. Hager, City Attorney

EXECUTED on this _____ day of _____, 2016.

Artemis HIP Park 20, LLC

By:

Steven K. Meyer, Manager

Statutes, the City has the authority to enter into agreements as necessary or convenient to implement economic development in Land

WHEREAS, pursuant to the Act and the bylaws of the Land Development Corporation, LEDC has authority to enter into agreements that it considers necessary or convenient to implement economic development in Texas; and

EXHIBIT A

LOT 2, BLOCK A, OF PARK 20, ACCORDING TO THE REPLAT OF LOT 1, BLOCK A, TIRE CENTER ADDITION, RECORDED ON MAY 16, 2016 AS DOCUMENT NUMBER 201600131565 IN THE OFFICIAL PUBLIC RECORDS OF DALLAS COUNTY, TEXAS.

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared Opal Mauldin-Robertson , City Manager of the City of Lancaster, a Texas non-profit corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said corporation, and that he executed the same as the act of said corporation for the purpose and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND SEAL OF OFFICE this the 12th day of September, 2016.

Notary Public, State of Texas

My Commission Expires:

LANCASTER CITY COUNCIL

City Council Regular Meeting

Item 17.

Meeting Date: 09/12/2016

Policy Statement: This request supports the City Council 2016-2017 Policy Agenda

Goal(s): Quality Development

Submitted by: Ed Brady, Director of Economic Development

Agenda Caption:

Discuss and consider a resolution ratifying the terms and conditions of an incentive grant by and between Artemis HIP Park 20, LLC and the Lancaster Economic Development Corporation.

Background:

The board of directors of the Lancaster Economic Development Corporation convened on Wednesday, August 17, 2016 to consider a grant applied for by Artemis HIP Park 20, LLC (Huntington Industrial Partners) in an amount not to exceed Seventy-five thousand dollars (\$75,000) to assist with infrastructure costs associated with the construction of their approximately 470,000 square foot warehouse-distribution facility in Lancaster. The Board approved the resolution and agreement.

Operational Considerations:

Artemis HIP Park 20, LLC will submit a request for grant payment to LEDC upon the company receiving a final City issued Certificate of Occupancy for their facility.

Legal Considerations:

The City Attorney has reviewed and approved the resolution and agreement as to form.

Public Information Considerations:

This item is being considered at a meeting of the City Council noticed and held in accordance with the Texas Open Meetings Act.

Fiscal Impact:

The grant total not to exceed \$75,000 is within the LEDC incentive fund.

Options/Alternatives:

1. The City Council may approve the resolution as presented.
2. The City Council may reject the resolution.

Recommendation:

Staff recommends approval of resolution ratifying the actions of LEDC.

Attachments

Resolution

Exhibit "1"

RESOLUTION NO.

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS, RATIFYING THE TERMS AND CONDITIONS OF AN INCENTIVE GRANT BY AND BETWEEN ARTEMIS HIP PARK 20, LLC AND THE LANCASTER ECONOMIC DEVELOPMENT CORPORATION AUTHORIZING LEDC TO ENTER INTO A FORMAL AGREEMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, pursuant to Lancaster Economic Development Corporation (hereinafter "LEDC") Resolution 2016-05 which was passed and approved on the 17th of August, 2016 by the Board of Directors of the Lancaster Economic Development Corporation (LEDC), offering an incentive grant to Artemis HIP Park 20, LLC; and

WHEREAS, Artemis HIP Park 20, LLC has purchased approximately thirty-six (36) acres of real property in the City of Lancaster, Texas with the intent to construct and lease to tenants a warehouse-distribution building totaling approximately four hundred and seventy thousand (470,000) square feet; and

WHEREAS, the City of Lancaster and LEDC recognize the importance of their continued role in economic development in the community of Lancaster; and

WHEREAS, the City may provide incentives promoting economic development pursuant to Chapter 380 of the Texas Local Government Code, which authorizes loans and grants of a city's general funds pursuant to a "program" to stimulate business and commercial activity in the municipality; and

WHEREAS, pursuant to Texas Local Government Code, Chapter 501, et seq, as amended, LEDC, as a non-profit corporation, in accordance with the Act, shall promote development and redevelopment within the municipality and its vicinity and create new manufacturing and industrial facilities, distribution centers, warehouse facilities and related facilities, through the use of a sales tax, which development and redevelopment would not otherwise occur solely through private investment in the reasonably foreseeable future; and

WHEREAS, pursuant to the City's Charter, the Act and applicable Texas Statutes, the City has the authority to enter into agreements as the City considers necessary or convenient to implement economic development in Lancaster, Texas; and

WHEREAS, pursuant to the Act and the bylaws of the Lancaster Economic Development Corporation, LEDC has authority to enter into agreements as LEDC considers necessary or convenient to implement economic development in Lancaster, Texas; and

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

SECTION 1. The City Council ratifies the August 17, 2016 actions of the Board of Directors of the LEDC approving an incentive grant to Artemis HIP Park 20, LLC.

SECTION 2. The City Council authorizes LEDC to enter into an incentive agreement with Artemis HIP Park 20, LLC, which is attached hereto and incorporated herein as Exhibit "1."

SECTION 3. This resolution shall be effective from and after its passage as provided by law.

DULY PASSED and approved by the City Council of the City of Lancaster, Texas, on this the 12th day of September, 2016.

ATTEST:

APPROVED:

Sorangel O. Arenas, City Secretary

Marcus E. Knight, Mayor

APPROVED AS TO FORM:

Robert E. Hager, City Attorney

RESOLUTION NO. 2016-05

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE LANCASTER ECONOMIC DEVELOPMENT CORPORATION OF LANCASTER TEXAS, (LEDC), IN SUPPORT OF A GRANT TO ARTEMIS HIP PARK 20, LLC FROM FUNDS COLLECTED FROM ¼ OF 1 PERCENT ADDITIONAL SALES AND USE TAX FOR THE PROMOTION AND DEVELOPMENT OF NEW AND EXPANDED BUSINESS ENTERPRISES, AS AUTHORIZED BY STATE LAW; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Lancaster Economic Development Corporation recognizes how important business and community development is to the vitality and growth of Lancaster; and

WHEREAS, Artemis HIP Park 20, LLC has selected Lancaster as the location for their newest warehouse-distribution facility; and

WHEREAS, Artemis HIP Park 20, LLC has requested a grant for assistance with the costs of infrastructure improvements associated with the construction and finish out of a warehouse-distribution building totaling approximately 470,000 square feet located on property owned by Artemis HIP Park 20, LLC in Lancaster, Texas ; and

WHEREAS, the Board of Directors of LEDC are responsible for the review and evaluation of Type A incentive applications; and

WHEREAS, the board of LEDC is also responsible for recommending Type A Incentive Grants to the Lancaster City Council for review and approval;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LANCASTER ECONOMIC DEVELOPMENT CORPORATION:

SECTION 1. That the Board of Directors of the Lancaster Economic Development Corporation approves the resolution and Incentive Agreement which is attached hereto.

SECTION 2. That this resolution shall take effect immediately from and after its passage and it is so duly resolved.

DULY PASSED and adopted on this 17th day of August, 2016.

APPROVED: 
Sandi Collier, Vice President

ATTEST: 
Mayra A. Ortiz, Executive Secretary

APPROVED AS TO FORM: 
Robert E. Hager, City Attorney

INCENTIVE AGREEMENT

This Incentive Agreement (the "Agreement") is entered into by and between the Lancaster Economic Development Corporation, a non-profit corporation chartered by the State of Texas, acting by and through its Board of Directors (hereinafter referred to as the "LEDC") and Artemis HIP Park 20, LLC, a Delaware Limited Liability Company (hereinafter referred to as "the Company"), acting by and through its authorized officer, hereinafter referred to as ("the Company").

W I T N E S S E T H :

WHEREAS, the Lancaster Economic Development Corporation was established to promote enhanced business opportunities within the corporate limits of the City of Lancaster, Texas; and

WHEREAS, the LEDC recognizes the need to offer business incentives to develop real property within the City of Lancaster; and

WHEREAS, in order to maintain and enhance the economic and employment base within the City of Lancaster, it is in the best interests of the LEDC to enter into this Agreement in accordance with the terms provided herein; and

WHEREAS, the Company wishes to expand its operations as a viable economic project within the City thereby creating new business investment and new jobs in the City; and

WHEREAS, the Board of Directors of LEDC finds that the intended scope of the Project, hereinafter defined, is to construct and lease to tenants approximately 470,000 square feet of warehouse-distribution space on approximately 36 acres in Lancaster owned by the company.

NOW THEREFORE, in consideration of the mutual benefits and promises contained herein and for other good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, including the expansion of employment, the attraction of major investment within the City which contributes to the economic development of Lancaster, and to the enhancement of the tax base for the City, the parties agree as follows:

I. EFFECTIVE DATE; TERM OF AGREEMENT

This Agreement shall become effective upon the City Council of the City of Lancaster authorizing the LEDC to enter into an agreement with the Company and on the last date of execution of this Agreement by the LEDC and the Company, and shall continue for a period of six months (6 months) following the issuance of a Certificate of Occupancy for the Facility.

II. DEFINITIONS

Whenever used in this Agreement, the following term shall have the meaning ascribed to it:

"City" shall mean the City of Lancaster, Texas

"Company" shall mean Artemis HIP Park 20, LLC.

"Improvements" shall mean the construction and finish out work necessary to commence operations in the building totaling approximately 470,000 square feet located on Company land described in Exhibit A, Lancaster, Texas.

"Premises" shall mean the property described in **Exhibit A**, attached hereto and made a part hereof for all purposes, including any improvements made thereto.

"Project" shall mean the improvements, related infrastructure and occupancy activities associated with the location, construction, finish out and maintenance of the Company's building totaling approximately 470,000 square feet in Lancaster, Texas.

"Related Infrastructure" shall mean all City development and building code requirements related to site preparation, water, wastewater, storm water, building construction etc. necessary to receive a City issue "Certificate of Occupancy" at completion of project activities.

III. PROVISIONS RELATING TO INCENTIVE AGREEMENT

Artemis HIP Park 20, LLC's Obligations:

- A. The Company will commence construction within eighteen months (18) from the date of execution of this agreement on the building totaling approximately 470,000 square feet, building located on approximately thirty-six (36) acres owned by the Company in Lancaster, Texas as described in Exhibit A.
- B. The Premises and improvements constructed thereon at all times shall be used in a manner that is consistent with the City of Lancaster's Comprehensive Zoning Ordinance, as amended and other applicable ordinances.
- C. The Company agrees to provide any and all documentation necessary to confirm data required to implement provisions of the incentive grant.

LEDC's Obligations:

- A. LEDC agrees to pay a grant to the Company in an amount not to exceed seventy-five thousand dollars (\$75,000) to assist with the costs of infrastructure improvements associated with the construction of the building totaling approximately 470,000 square feet combined in Lancaster. LEDC will issue payment of the grant within sixty (60) days of the Company receiving a final Certificate of Occupancy for the building.
- B. All grant of funds shall be made from available sales tax proceeds from the LEDC and, any grant made herein, is not pledged against future sales tax proceeds or the full faith and credit of LEDC or the City of Lancaster.

IV.

DEFAULT; RECAPTURE OF GRANT FUNDS

- A. In the event the Company (i) fails to commence project and improvements on property located in Lancaster, Texas within one year of execution of this agreement (ii) fails to complete the Project in accordance with this Agreement; or (iii) materially breaches any of the terms or conditions of this Agreement, then the Company, after the expiration of the notice and cure periods described in Paragraph IV (B) below, shall be in default of this Agreement. As liquidated damages in the event of such non-cured default, INOB, shall refund to LEDC all grants previously paid by LEDC. The parties acknowledge that actual damages in the event of default termination would be speculative and difficult to determine. The parties further agree that the recapture of grant funds due LEDC as a result of the Company, default under this Agreement, shall be recoverable against the Company, its successors and assigns and shall continue as a lien on the Premises.
- B. Upon breach by the Company, of any obligations under this Agreement, the LEDC shall notify the Company, in writing. The Company shall have ninety (90) days from receipt of the notice in which to cure any such default.
- C. If the Company fails to cure the default within the time provided as specified in Paragraph IV (B) above, or, as such time period may be extended by written agreement of the parties, then the LEDC at its sole option shall have the right to demand repayment of the incentives it has made hereunder in accordance with this section IV.
- D. Upon the LEDC's election under the preceding paragraph, all incentives shall be repaid as set forth in paragraph IV (A), and shall become due and payable ninety (90) days after notice to the Company of a non-cured default. The LEDC shall have all remedies provided by law for the collection of the grant funds. The LEDC at its sole discretion has the option to provide a repayment schedule. The obligation of the Company, to repay the grant funds to LEDC in the event of default shall survive the termination of this Agreement.

V.

SUCCESSORS AND ASSIGNS

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. This Agreement may be assigned only with the consent of the LEDC.

VI.

NOTICES

All notices required by this Agreement shall be addressed to the following, or other such other party or address as either party designates in writing, by certified mail, postage prepaid or by hand delivery:

Artemis HIP Park 20, LLC to:

Steve Meyer
Huntington Industrial Partners
5950 Berkshire Ste. 1250
Dallas, Texas 75225

LEDC to:

Ed Brady
Lancaster Economic Development Corporation
P.O. Box 940
Lancaster, Texas 75146

VII.

LEDC AUTHORIZATION

This Agreement was authorized by resolution of the LEDC, approved by its Board of Directors, authorizing its officer to execute this Agreement on behalf of the LEDC.

VIII.

SEVERABILITY

In the event any section, subsection, paragraph, sentence, phrase or word herein is held invalid, illegal or unconstitutional, the balance of this Agreement shall be enforceable and shall be enforced as if the parties intended at all times to delete said invalid section, subsection, paragraph, sentence, phrase or word.

**IX.
APPLICABLE LAW**

THIS AGREEMENT SHALL BE CONSTRUED UNDER THE LAWS OF THE STATE OF TEXAS. Venue for any action under this Agreement shall be the State District Court of Dallas County, Texas. This Agreement is performable in Dallas County, Texas.

**X.
COUNTERPARTS**

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.

**XI.
ENTIRE AGREEMENT**

This Agreement embodies the complete agreement between the parties and relating to the matters in this Agreement, and except as otherwise provided herein cannot be modified without written agreement of the parties to be attached to and made a part of this Agreement. The provisions of this Agreement are hereby declared covenants running with the Premises and are fully binding on all successors, heirs, and assigns of the Company who acquire any right, title, or interest in or to the Premises, or any part hereof, thereby agrees and covenants to abide by and fully perform the provisions of this Agreement. While there is no obligation for the LEDC to fund future expansion, nothing herein precludes the Company from requesting further assistance on future projects.

**XII.
RECORDATION OF AGREEMENT**

A certified copy of this Agreement may be recorded in the Deed Records of Dallas County, Texas.

**XIII.
INCORPORATION OF RECITALS**

The determinations recited and declared in the preambles to this Agreement are hereby incorporated herein a part of this Agreement.

**XIV.
EXHIBITS**

All exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.

EXECUTED in triplicate originals this the 17th day of August, 2016.

LANCASTER ECONOMIC
DEVELOPMENT CORPORATION

ARTEMIS HIP PARK 20, LLC

By: 
Sandi Collier, Vice President

By: _____
Steven K. Meyer, Manager

EXHIBIT A

LOT 2, BLOCK A, OF PARK 20, ACCORDING TO THE REPLAT OF LOT 1,
BLOCK A, TIRE CENTER ADDITION, RECORDED ON MAY 16, 2016 AS
DOCUMENT NUMBER 201600131565 IN THE OFFICIAL PUBLIC RECORDS
OF DALLAS COUNTY, TEXAS.

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

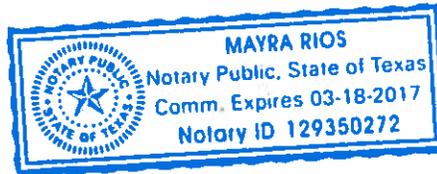
BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared Sandi Collier, Vice President of the Lancaster Economic Development Corporation, a Texas non-profit corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said corporation, and that he executed the same as the act of said corporation for the purpose and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND SEAL OF OFFICE this the 17th day of August, 2016.

Mayra Rios
Notary Public, State of Texas

My Commission Expires:

03-18-2017



LANCASTER CITY COUNCIL

City Council Regular Meeting

Item 18.

Meeting Date: 09/12/2016

Policy Statement: This request supports the City Council 2016-2017 Policy Agenda

Goal(s): Financially Sound Government

Submitted by: Opal Mauldin-Robertson, City Manager

Agenda Caption:

Consider an ordinance regarding the proposed fiscal year 2016/2017 budget for the fiscal year beginning October 1, 2016 ending September 30, 2017 providing that expenditures for said fiscal year shall be in accordance with said budget.

Background:

State Truth-in-Taxation and the City Charter require the City of Lancaster to conduct a public hearing on the proposed annual budget. The proposed total tax rate required to provide revenue for maintenance and operations and interest and sinking fund requirements is \$0.8675 cents per \$100 assessed valuation. The approval of the proposed ordinance will adopt the FY 2016/2017 budget and appropriate necessary funds for the City's operation, maintenance and debt service requirements.

The proposed budget was presented to the Lancaster City Council at work sessions held on Monday, August 1, and August 15, 2016.

The first public hearing was conducted on Monday, August 22, 2016 at the City Council regular meeting to receive comment from the public regarding the FY 2016/2017 proposed budget. There were no speakers.

The second and final public hearing was conducted on Monday, August 29, 2016 at the City Council Special Meeting to receive comment from the public regarding the FY 2016/2017 proposed budget. There were no speakers.

Operational Considerations:

The proposed tax rate is \$0.8675 per \$100 assessed valuation to be assessed on taxable property to generate revenues for the maintenance, operations, interest and sinking fund requirements. The proposed maintenance and operations fund requirements (\$0.6012) and the interest and sinking fund requirements (\$0.2663) will remain the same.

Legal Considerations:

The ordinance has been reviewed and approved as to form by the City Attorney.

Public Information Considerations:

Notice regarding the public hearing was posted in accordance with state law in the City's newspaper of record, Focus Daily News on August 10, 2016 and on the City of Lancaster website.

Fiscal Impact:

The proposed budget is a plan for revenues and expenditures related to the operations of the City.

Options/Alternatives:

Approve the proposed FY 2016-2017 budget.

Recommendation:

Staff recommends approval of the FY 2016-2017 budget.

Attachments

Ordinance

Exhibit "A"

ORDINANCE NO.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS, APPROVING AND ADOPTING A BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2016 AND ENDING SEPTEMBER 30, 2017; PROVIDING THAT EXPENDITURES FOR SAID FISCAL YEAR SHALL BE IN ACCORDANCE WITH SAID BUDGET; PROVIDING FOR THE REPEAL OF ALL ORDINANCES IN CONFLICT; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Manager of the City of Lancaster has submitted to the City Council a proposed budget of the revenues and expenditures for conducting the affairs of the City and providing a complete financial plan for fiscal year 2016-2017; and

WHEREAS, the City Council has received the City Manager's proposed budget, a copy of which proposed budget has been filed with the City Secretary of the City of Lancaster;

WHEREAS, THIS BUDGET WILL RAISE MORE TOTAL PROPERTY TAXES THAN LAST YEAR'S BUDGET BY \$2,448,103 OR 15.75%, AND OF THAT AMOUNT, \$550,980 IS TAX REVENUE TO BE RAISED FROM NEW PROPERTY ADDED TO THE TAX ROLL THIS YEAR.

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

SECTION 1. That the Budget of the revenues and expenditures necessary for conducting the affairs of the City of Lancaster and providing a financial plan for the ensuing fiscal year beginning October 1, 2016 and ending September 30, 2017, as submitted by the City Manager, after the required public hearing, be and the same is hereby adopted as the Budget of the City of Lancaster for the fiscal year beginning October 1, 2016 and ending September 30, 2017 a copy of which is maintained in the office of the City Secretary, and; said budget contains all of the proposed projects and expenditures in accordance with law. (Exhibit A)

SECTION 2. That the appropriation for the fiscal year including the budgets of the Lancaster Economic Development Corporation (Type A) and Lancaster Recreational Development Corporation (Type B), which are hereby approved beginning October 1, 2016, and ending September 30, 2017, for the various funds and purposes of the City of Lancaster, which is attached hereto and incorporated herein as Exhibit A and is summarized as follows:

<u>Fund</u>	<u>2016-2017 Budget Expenditures</u>
General Fund	\$24,183,595
G.O. Debt Service	\$4,718,311
Water/Wastewater	\$13,166,329
Airport	\$503,403
Hotel/Motel	\$61,345
LEDC/4A	\$1,267,399
LRDC/4B	\$2,919,057
Golf Course	\$83,075
Sanitation	\$1,792,542
E911	\$185,762
Stormwater	\$1,256,203
Total	\$50,137,022

SECTION 3. Those expenditures during the fiscal year shall be made in accordance with the budget approved by this ordinance and made part hereof for all purposes unless otherwise authorized by a duly enacted ordinance of the City; and, said budget may be amended from time to time as authorized by ordinance of the City Council.

SECTION 4. That all notices and public hearings required by law have been duly completed.

SECTION 5. That all provisions of the ordinances of the City of Lancaster in conflict with the provisions of this ordinance be and the same are hereby repealed, and all other provisions of the ordinances of the City of Lancaster not in conflict with the provisions of this ordinance shall remain in full force and effect.

SECTION 6. That should any sentence, paragraph, subdivision, clause, phase or section of this ordinance be adjudged or held to be unconstitutional, illegal, or invalid, the same shall not affect the validity of this ordinance as a whole, or any part or provision thereof other than the part so decided to be invalid, illegal or unconstitutional.

DULY PASSED and approved by the City Council of the City of Lancaster, Texas, on this the 12th day of September, 2016.

ATTEST:

APPROVED:

Sorangel O. Arenas, City Secretary

Marcus E. Knight, Mayor

APPROVED AS TO FORM:

Robert E. Hager, City Attorney

CITY-WIDE OPERATING FUND TOTALS

Fund Summary as of: 7/30/2016

TOTAL REVENUES		2014	2015	2016		2017
Fund Number	Fund	Actual	Actual	Year to Date	Budget	Proposed
	1 General Fund	20,138,619	23,044,626	20,976,121	21,313,275	23,441,407
	2 G.O. Debt Service	5,135,587	24,171,833	4,827,473	4,971,115	5,834,673
	5 WaterWastewater	15,022,936	17,088,652	13,798,712	14,280,548	14,404,548
	9 Airport	459,379	355,996	349,378	467,090	463,190
	14 HotelMotel	109,760	145,711	78,757	75,525	58,844
	16 LEDC/4A	1,046,950	1,111,038	904,250	900,190	966,625
	17 LRDC/4B	2,824,608	2,990,730	2,302,306	2,365,700	2,406,650
	18 Golf Course	83,154	72,115	56,734	106,282	65,200
	19 Sanitation	2,231,290	2,306,871	1,923,526	1,925,379	2,158,880
	20 HAP	247	35,952	-	-	-
	21 E911	294,178	307,317	243,061	229,984	215,984
	53 Stormwater	1,463,130	1,482,502	1,230,214	1,460,000	1,260,000
Total		\$ 48,809,839	\$ 73,113,343	\$ 46,690,531	\$ 48,095,088	\$ 51,276,002
TOTAL EXPENDITURES		2014	2015	2016		2017
Fund Number	Fund	Actual	Actual	Year to Date	Budget	Proposed
	1 General Fund	19,963,428	22,008,984	19,751,252	22,160,564	24,183,595
	2 G.O. Debt Service	5,090,139	23,967,095	3,586,534	4,402,227	4,718,311
	5 WaterWastewater	12,986,441	13,936,806	11,706,817	13,169,541	13,166,329
	9 Airport	446,587	470,916	352,892	503,796	503,403
	14 HotelMotel	43,812	43,861	37,981	50,739	61,345
	16 LEDC/4A	699,423	679,729	550,601	1,009,443	1,267,399
	17 LRDC/4B	2,725,452	2,860,689	2,287,325	2,793,666	2,919,057
	18 Golf Course	149,605	141,399	49,917	120,526	83,075
	19 Sanitation	2,345,027	2,310,593	1,391,252	1,744,850	1,792,542
	20 HAP	3,626	234,221	-	-	-
	21 E911	486,727	139,993	118,121	216,973	185,762
	30 DHAP	-	(27)	-	-	-
	53 Stormwater	1,153,419	1,169,437	998,982	1,370,254	1,256,203
Total		\$ 46,093,685	\$ 67,963,694	\$ 40,831,673	\$ 47,542,579	\$ 50,137,022
Net Gain (Loss)		\$ 2,716,154	\$ 5,149,649	\$ 5,858,858	\$ 552,509	\$1,138,980

LANCASTER CITY COUNCIL

City Council Regular Meeting

Item 19.

Meeting Date: 09/12/2016

Policy Statement: This request supports the City Council 2016-2017 Policy Agenda

Goal(s): Financially Sound Government

Submitted by: Rona Stringfellow, Assistant City Manager

Agenda Caption:

Discuss and consider a resolution ratifying the budget for the fiscal year 2016/2017 that results in an increase of revenues by 15.75% from property taxes than the previous year.

Background:

As of September 1, 2007 several laws went into effect, including House Bill 3195 as passed by the 80th Legislature. This bill requires cities to post both their preliminary and adopted budgets on their website.

It also requires cities and counties that will be raising more revenue from property taxes than in the previous year, to have a separate vote of the governing body to ratify the tax increase reflected in the budget. The FY 2016/2017 budget and tax rate results in an increase in revenues by 15.75% (percentage by which the tax rate will be higher than effective rate calculated under Chapter 26, Tax Code) from property taxes compared to the previous year.

The legislation is specific and requires separate action by the City Council.

Operational Considerations:

Resolution and action must be approved for adoption of the fiscal year 2016/2017 budget.

Legal Considerations:

The motion and resolution have been prepared by the City Attorney.

Public Information Considerations:

All public notices and hearings were provided and published in accordance with state law.

Options/Alternatives:

1. Approve the resolution.

Recommendation:

Staff recommends approval of the resolution with the following motion that is required by state law: "Motion to approve a budget that will result in an increase of revenue from property taxes than the previous year and to ratify a property tax revenue increase reflected in said budget."

Attachments

Resolution

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS, RATIFYING THE BUDGET FOR THE FISCAL YEAR 2016/2017 THAT RESULTS IN AN INCREASE OF REVENUES BY 15.75% FROM PROPERTY TAXES THAN THE PREVIOUS YEARS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, following public notice duly posted and published in all things as required by law, a public hearing was held, by and before the City Council of the City of Lancaster, the subject of which was the proposed budget for the City of Lancaster for Fiscal Year 2016/2017; and

WHEREAS, House Bill 3195, as adopted at the Regular Session of the 80th Legislature requires a separate vote on a budget that will require raising more revenue from property taxes than previous years.

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

SECTION 1. The City Council hereby ratifies, by a record vote, the adoption of a budget for Fiscal Year 2016/2017 which results in an increase of revenues from property taxes than the previous years.

SECTION 2. This Resolution shall become effective immediately from and after its passage, as the law and charter in such cases provides.

DULY PASSED and approved by the City Council of the City of Lancaster, Texas, on this the 12th day of September, 2016.

ATTEST:

APPROVED:

Sorangel O. Arenas, City Secretary

Marcus E. Knight, Mayor

APPROVED AS TO FORM:

Robert E. Hager, City Attorney

LANCASTER CITY COUNCIL

City Council Regular Meeting

Item 20.

Meeting Date: 09/12/2016

Policy Statement: This request supports the City Council 2016-2017 Policy Agenda

Goal(s): Financially Sound Government

Submitted by: Opal Mauldin-Robertson, City Manager

Agenda Caption:

Consider approval of an ordinance regarding the proposed revenue increase from levying ad valorem taxes for fiscal year 2016/2017 at \$0.8675 per one hundred dollars assessed valuation of all taxable property within the corporate limits to provide revenues for current maintenance and operation expenses and interest and sinking fund requirements; providing due and delinquent dates; penalties and interest; providing a homestead exemption and disability exemption.

Background:

State Truth-in-Taxation law, Local Government Code and the City Charter require that an ordinance levying the ad valorem taxes be read and a public hearing held at a regular or special meeting of the Lancaster City Council.

The current tax rate for fiscal year 2016/2017 is proposed at \$0.8675 per one hundred dollars assessed valuation on taxable property within the corporate limits. These tax dollars provide revenue for current operating and maintenance expenses and interest and sinking fund requirements. The total tax revenue will increase from properties on the tax roll in the preceding tax year by \$2,448,103 or 15.75% (percentage by which the tax rate will be higher than effective tax rate calculated under Chapter 26, Tax Code.) Individual taxes may increase or decrease at a rate greater or lesser depending on the change in the taxable value of each property.

A public hearing was conducted on Monday, August 22, 2016 at the City Council regular meeting to receive comment from the public regarding the proposed tax rate. There were no speakers. This is the second and final public hearing regarding the proposed tax rate. The governing body may not adopt the tax rate at the public hearing.

A public hearing was conducted on Monday, August 29, 2016 at the City Council special meeting to receive comment from the public regarding the proposed tax rate. There were no speakers. This was the second and final public hearing regarding the proposed tax rate. The governing body may not adopt the tax rate at the public hearing.

Operational Considerations:

The proposed tax rate of eighty-six and seventy-five one thousandths cents (\$0.8675) on each one hundred dollars (\$100.00) assessed value of taxable property to be apportioned and distributed as follows: \$0.6012 for the purpose of maintenance and operations, and \$0.2663 for interest and sinking fund requirements.

Legal Considerations:

The required notice and vote are being held in accordance with state law and the City Charter. The ordinance has been reviewed and approved as to form by the City Attorney.

Public Information Considerations:

Public notices were published in the official City publication of record, Focus Daily News and on the City of Lancaster website. The first public hearing was conducted on Monday, August 22, 2016. The second public hearing was conducted on Monday, August 29, 2016. Information regarding the proposed tax rate is being made available in accordance with state law and the City Charter.

Fiscal Impact:

The proposed tax rate is to cover the cost of the maintenance and operations and interest and sinking fund requirements.

Options/Alternatives:

Approve the tax rate.

Recommendation:

Staff recommends approval of the FY 2016-2017 tax rate.

Attachments

Ordinance

ORDINANCE NO.

AN ORDINANCE OF THE CITY OF LANCASTER, TEXAS LEVYING AD VALOREM TAXES FOR FISCAL YEAR 2016/2017 AT \$0.8675 PER ONE HUNDRED DOLLARS ASSESSED VALUATION OF ALL TAXABLE PROPERTY WITHIN THE CORPORATE LIMITS TO PROVIDE REVENUES FOR CURRENT MAINTENANCE AND OPERATIONAL EXPENSES AND INTEREST AND SINKING FUND REQUIREMENTS; PROVIDING DUE AND DELINQUENT DATES; PENALTIES AND INTEREST; PROVIDING A HOMESTEAD EXEMPTION AND DISABILITY EXEMPTION; AND PROVIDING AN EFFECTIVE DATE.

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

RECITALS: On Monday, August 22, 2016 and August 29, 2016 City Council read the ordinance and conducted a public hearing to receive comment regarding the proposed ad valorem tax rate of \$0.8675 per one hundred dollars assessed valuation. No comments were received on August 22, 2016 and no comments were received on August 29, 2016. The public hearing and meetings were noticed in accordance with the Texas Open Meetings Act, Tax Code, Truth-In-Taxation and Lancaster Home Rule Charter.

SECTION 1. There be and is hereby levied for the fiscal year 2016/2017 on all taxable property, real, personal and mixed, situated within the corporate limits of the City of Lancaster, Texas, and not exempt by the Constitution of the State and valid State laws, a tax of eighty-six and seventy-five one thousandths cents (\$0.8675) on each one hundred dollars (\$100.00) assessed value of taxable property, and shall be apportioned and distributed as follows: \$0.6012 for the purpose of paying maintenance and operation, and, defraying the expenses of current operations, and \$0.2663 for interest and sinking fund requirements of the municipal government of the City.

SECTION 2. THAT THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE.

SECTION 3. THE TAX RATE WILL EFFECTIVELY BE RAISED BY 11.98 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$0.00.

SECTION 4. All ad valorem taxes shall become due and payable on October 1, 2016, and all ad valorem taxes for fiscal year 2016/2017 shall become delinquent after January 31, 2017. If any person fails to pay the ad valorem taxes on or before the 31st day of January 2017, the penalties and interest as set forth under Section 33.01 of the Texas State Property Tax Code shall apply.

SECTION 5. Taxes are payable to the Dallas County Tax Assessor-Collector, Records Building, Dallas, Texas, by contract dated November 12, 2001 and amended April 2014. The City shall have available all the rights and remedies provided by law for the enforcement of the collection of taxes levied under this ordinance.

SECTION 6. The tax rolls as presented to the City Council, together with any supplement thereto, be and the same are hereby approved.

SECTION 7. All delinquent taxes shall accrue interest at the rate of one percent (1%) per month, in addition to the penalties provided for herein. All taxes that remain delinquent on July 1st of the year in which they become delinquent shall incur an additional penalty to defray costs of collection, of an amount not to exceed 20% of the amount of taxes, penalty and interest due.

SECTION 8. In accordance with the Texas State Property Tax Code, and effective with the passage of the ordinance, there is hereby provided an exemption of \$30,000 on homestead property for those head-of-household persons who have attained the age of 65 years prior to January 1, 2017 and an exemption of \$30,000 on disability designations.

SECTION 9. This Ordinance shall become effective upon its adoption as the law in such cases provides.

SECTION 10. All recitals are incorporated herein by reference as if fully written.

DULY PASSED and approved by the City Council of the City of Lancaster, Texas, on this the 12th day of September, 2016.

ATTEST:

APPROVED:

Sorangel O. Arenas, City Secretary

Marcus E. Knight, Mayor

APPROVED AS TO FORM:

Robert E. Hager, City Attorney