



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

Monday, October 13, 2014 - 7:00 PM

CALL TO ORDER

INVOCATION: Ministerial Alliance

PLEDGE OF ALLEGIANCE: Councilmember Carol Strain-Burk

PROCLAMATION: Municipal Court Week

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.

- C1. Consider approval of minutes from the City Council Regular Meeting held September 22, 2014.
- C2. Consider a resolution approving the terms and conditions of the City owned T-Hangar non-commercial lease from building 670 at the Lancaster Regional Airport.
- C3. Consider a resolution approving the terms and conditions of the City owned T-Hangar non-commercial lease from building 700 at the Lancaster Regional Airport.

ACTION:

- 4. Consider a resolution approving an agreement with ProfitStars, Inc. for online payment by check for utility bills.
- 5. Consider a resolution approving an agreement with Dallas County Department of Health and Human Services to provide certain food establishment inspections and environmental services.
- 6. Consider a resolution authorizing the award of bid number 2014-181 for Self Contained Breathing Apparatus (SCBA) to Metro Fire Apparatus Specialist, Inc. in an amount not to exceed \$167,748.
- 7. Consider a resolution authorizing the award of bid 2014-178 for the purchase of hot and cold mix asphalt to Austin Asphalt L.P. as primary and APAC Texas Inc. as secondary supplier.

8. Discuss and consider appointment of council liaisons to City Boards and Commissions.
9. Discuss and consider a resolution accepting the proposed Project Plan and Reinvestment Zone Financing Plan that results in an increase in real property tax revenues ("tax increment") that is generated above what the area's total assessed valuation was when the district was created ("base value").

PUBLIC HEARING:

10. Conduct a Public Hearing and consider an ordinance designating a certain area within the City of Lancaster, Texas as Reinvestment Zone Number One (also known as Tax Increment Financing (TIF) Reinvestment Zone NO. 1); Establishing the boundaries of such zone; Creating a board of directors for said district and other matters related thereto; providing a severability clause; and providing an effective date.

ADJOURNMENT

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

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

Certificate

I hereby certify the above Notice of Meeting was posted at the Lancaster City Hall on October 10, 2014 @ 3:15 p.m. and copies thereof were delivered to the Mayor, Mayor Pro-Tempore, Deputy Mayor Pro-Tempore and Council members.



Sorangel O. Arenas
City Secretary

LANCASTER CITY COUNCIL

Agenda Communication

October 13, 2014

Item 1

Consider approval of minutes from the City Council Regular Meeting held September 22, 2014.

Background

Attached for your review and consideration are minutes from the:

- City Council Regular Meeting held September 22, 2014

Submitted by:

Sorangel O. Arenas, City Secretary

MINUTES

LANCASTER CITY COUNCIL MEETING OF September 22, 2014

The City Council of the City of Lancaster, Texas, met in Regular session in the Council Chambers of City Hall on September 22, 2014 at 7:00 p.m. with a quorum present to-wit:

Councilmembers Present:

Mayor Marcus E. Knight
Carol Strain-Burk
Stanley Jaglowski
Marco Mejia
Mayor Pro Tem James Daniels
Nina Morris

Councilmembers Absent:

Deputy Mayor Pro Tem LaShonjia Harris

City Staff Present:

Opal Mauldin Robertson, City Manager
Rona Stringfellow, Assistant City Manager
Thomas Griffith, Fire Chief
Cheryl Wilson, Police Chief
Jim Brewer, Director Public Works
Ed Brady, Director of Economic Development
Robert E. Hager, City Attorney
Angie Arenas, City Secretary

Call to Order:

Mayor Knight called the meeting to order at 7:00 p.m. on September 22, 2014.

Invocation:

Pastor Richardson with Ministerial Alliance gave the invocation.

Pledge of Allegiance:

Councilmember Nina Morris led the pledge of allegiance.

Citizens Comments:

Dominique and Elwood Anderson, 306 Creekwood, stated that over the Fourth of July weekend they returned home to a major sewage overflow problem in their home and immediately contacted the City. The Anderson's filed a claim with the City which was denied and they are coming forward to ask for assistance from the City for the approximately \$6,000.00 incurred in repairs to their home.

Consent Agenda:

City Secretary Arenas read the consent agenda.

C1. Consider approval of minutes from the City Council Regular Meeting held September 8, 2014.

MOTION: Councilmember Morris made a motion, seconded by Mayor Pro Tem Daniels, to approve consent item C1. The vote was cast 6 for, 0 against [Harris absent].

2. Consider confirmation of Civil Service Commission appointments as designated by the City Manager.

City Manager Mauldin-Robertson stated that this item is brought forth to reappoint Lafayette Miles whose term expired this year.

MOTION: Mayor Pro Tem Daniels made a motion, seconded by Councilmember Morris, to reappoint Lafayette Miles to the Civil Service Commission with a term to expire in 2017. The vote was cast 6 for, 0 against [Harris absent].

3. Discuss and consider annual appointments to City of Lancaster Animal Shelter Advisory Committee.

Mayor Knight stated that staff has recommended Steve Gilbert to fulfill the state requirement for municipal officer and Katherine Corrao to fulfill the state requirement for a member involved in operations of the shelter.

MOTION: Councilmember Morris made a motion, seconded by Mayor Pro Tem Daniels, to appoint Steve Gilbert and Katherine Corrao to the Lancaster Animal Shelter Advisory Committee with terms to expire July 2016. The vote was cast 6 for, 0 against [Harris absent].

4. Consider a resolution authorizing an Economic Development Incentive Agreement by and between the City of Lancaster and Blue Grove @ Beltline 2014 LP. a Texas limited partnership.

Director of Economic Development Brady stated Blue Grove @ Beltline 2014 LP is the legal name for a development group, The Stainback Group, out Dallas that has a retail shopping center that includes a WalMart Neighborhood Market grocery store and gasoline pump.

MOTION: Mayor Pro Tem Daniels made a motion, seconded by Councilmember Morris, to approve the resolution. The vote was cast 6 for, 0 against [Harris absent].

MOTION: Councilmember Morris made a motion, seconded by Mayor Pro Tem Daniels, to adjourn. The vote was cast 6 for, 0 against [Harris absent].

The meeting was adjourned at 7:11 p.m.

ATTEST:

APPROVED:

Sorangel O. Arenas, City Secretary

Marcus E. Knight, Mayor

LANCASTER CITY COUNCIL

Agenda Communication

October 13, 2014

Item 2

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

This request supports the City Council 2014-2015 Policy Agenda.

Goal: Sound Infrastructure

Background

The City owns and leases five rows of T-hangars (buildings 660-700) of three different sizes based off aircraft wingspan. There are 92 units 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 near full occupancy most of the time. This agenda item brings forward a non-commercial lease agreement for T-hanger 670-103 (1018 sqft) for a tenant, Mr. Frank McMordie.

Considerations

- **Operational** - The City T-hangar non-commercial lease is used for private aircraft owners.
- **Legal** - The lease agreement was reviewed and approved as to form by the City Attorney.
- **Financial** - Lease rates vary based on size of the hangar. All rates were approved in the City's Master Fee Schedule. The monthly rate for this medium size community T-hangar is \$103.00 per month.
- **Public Information** – This item is being considered at a meeting of the City Council noticed in accordance with the Texas Open Meetings Act.

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 “A” Lease Agreement
-

Submitted by:
Mark Divita, Airport Manager

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 NON-COMMERCIAL LEASE FROM BUILDING 670 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 hangar lease pursuant to the lease listed in Exhibit "A";

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 "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.

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 13th day of October 2014.

ATTEST:

APPROVED:

Sorangel O. Arenas, City Secretary

Marcus E. Knight, Mayor

APPROVED AS TO FORM:

Robert E. Hager, City Attorney



LANCASTER ReGIONAL AIRPORT

Agreement for Lease of T-Hangar for Storage of Aircraft

Non-Commercial Tenants

This CONTRACT and AGREEMENT OF LEASE, made this **13th** day of **October**, 2014, between the City of Lancaster, Texas, a municipal corporation, ("LESSOR") and **Frank McMordie**, (LESSEE"), evidences the following:

LESSOR leases to LESSEE, and LESSEE takes from LESSOR, the following described premises located at the Lancaster Regional Airport ("Airport"), in the City of Lancaster, Dallas County, Texas, for and in consideration of the uses and for the terms and the rental hereinafter set forth, and subject and in accordance with the standard terms and provisions below.

1. **Premises:** Hangar Row and Suite **670-103**, located at the Airport, and consisting of approximately **1018** square feet ("Leased Premises").
2. **Uses:** The leased premises shall be used and occupied only for the storing of aircraft owned, leased, and/or legally operated by LESSEE and related equipment. The leased premises shall be used and occupied only for the personal, business, and/or private use of the LESSEE. LESSEE shall provide LESSOR with a copy of the FAA Certificate of Aircraft Registration for the aircraft to be stored under this agreement. If the registration is not in the name of LESSEE, a copy of a valid lease or other documentation showing a possessory interest in the aircraft shall be provided. LESSEE shall not store non-aviation items such as house hold goods in leased premises. LESSEE shall not use the leased premises for any on going business or commercial operations warehousing goods or services for sale to third parties.
3. **Term:** The term of this lease will be from month to month, beginning the **13th** day of **October** 2014. Either party may cancel and terminate this agreement by serving thirty (30) days written notice of its election to do so.
4. **Rent:** LESSEE shall pay LESSOR as rent **\$103.00** per month, due and payable in advance on the first day of each month.

- a. All rental payments shall be delivered to LESSOR at the following address:

City of Lancaster
Finance Department
P.O. Box 940
211 N. Henry Street
Lancaster, TX 75146

b. All payments not received by the 10th of each month shall constitute a default and breach of this Lease Agreement as set forth in paragraph 10 herein. All payments not received by the 10th of each month shall be considered "past due" for purposes of incurring late charges as calculated in subsection (c) herein, and additional late charges will begin to accrue on the 11th day of each month.

c. In the event the payment is received after the 10th day of the month, there shall be added a late charge of ten percent (10%) of the amount due.

d. LESSEE'S agreement to make rental payments shall be a covenant independent of all other covenants herein.

e. LESSOR retains the right to review the monthly rental rates and to make adjustments to said rental rates to reflect the then current market rental rates charged for similar facilities.

5. **Utilities:** Utilities are included in LESSEE's rental payment.

II.

STANDARD TERMS AND PROVISIONS

1. **Prohibited Uses:** LESSEE shall not use or permit the use of the premises or any part thereof for any purpose or purposes other than those set forth herein. LESSEE shall not commit or cause to be committed any waste in or upon the premises or maintain any public or private nuisance or any other action which may interfere with or disturb the quiet enjoyment of any other tenant of the building or buildings, or permit the use of the premises for any improper or unlawful purposes. Hazardous activities such as, but not limited to: smoking, painting, doping or the other application of hazardous substances are expressly prohibited. Nothing contained in this Section 1 shall, however, prohibit or limit LESSEE's right to use any apparatus, machinery, equipment or devices necessary or useful to LESSEE in the conduct of its activities on or about the premises.

2. **Disabled Aircraft:** LESSEE shall store only the following aircraft on the lease premises under any of the following conditions:

- a. Aircraft in a current airworthy condition according to Federal Aviation Regulations with a current FAA airworthiness certificate and U.S. or foreign registration,
- b. Aircraft with a current FAA airworthiness certificate and registration in a continuing process of overhaul and/or repair showing monthly progress,
- c. Final assembly of amateur built aircraft in preparation to obtain airworthiness certification.

Restoration or construction of an aircraft shall be completed (and an airworthiness certificate issued for amateur built aircraft) within 5 yrs from the beginning of this lease.

Monthly progress is defined as a major component, subcomponent, major system or subsystem is completed or installed on the aircraft every 30 days with appropriate log entries

made.

Upon request from the Airport Manager, LESSEE shall provide monthly evidence of progress. Evidence includes but is not limited to: visual inspection of aircraft, photographs and log entries.

Should LESSEE sell the aircraft, LESSEE shall have ninety (90) days to acquire an aircraft to house upon the leased premises or LESSEE shall relinquish said premises to LESSOR.

Any exception to forgoing requirements must be approved by LESSOR'S Airport Manager.

3. **Compliance with Applicable Laws:** LESSEE shall comply with all applicable laws, ordinances, rules, regulations, and orders of any Federal, State, and City law governing the conduct of LESSEE'S activities on or about the premises.

4. **Alterations.** LESSEE shall make no structural or electrical changes or alterations, or construct any permanent additions or improvements, or do any work in connection therewith, on or about the premises without the prior written consent of the LESSOR'S Airport Manager, whose decision shall be final, and which consent shall not be unreasonably withheld. Any permanent improvements or additions to the leased premises shall be deemed to be fixtures and title to said improvements or additions shall vest in the LESSOR immediately upon completion of construction or attachment.

5. **Entry and Inspection:** LESSOR shall have the right to enter upon and inspect the premises from time to time during the term hereof, to make any repairs deemed necessary by the LESSOR for the safety, improvement, or preservation of the leased premises, without abatement of rent; provided however, that LESSOR shall not, during the course of any such inspection or repairs, unreasonably interfere with the LESSEE'S use and enjoyment of the premises. In lieu of an airport lock/key, LESSEE shall provide a copy of a key or lock combination to airport office.

6. **Services Furnished by LESSOR:** LESSOR shall furnish adequate utility power service for night time lighting. LESSOR assumes no liability to LESSEE for failures or interruptions of any and all services or utilities furnished to LESSEE when due to causes beyond the control of LESSOR, including but not limited to floods, fire, and power failures.

7. **Care of Premises by LESSEE:** LESSEE shall keep the leased premises in a safe, neat, clean, and presentable condition at all times and shall promptly repair any damage caused by LESSEE, its officers, agents, employees, or invitees.

8. **Indemnity and Hold Harmless:** LESSEE agrees to indemnify, defend, and hold LESSOR, its officers, agents, employees, or invitees harmless from and against all claims, demands, causes of actions, suits or judgments (including costs and expenses incurred in connection therewith) for injuries to persons or for loss or damage to property arising out of or in connection with the negligent or intentional

act or omission of LESSEE, its officers, agents, employees, or invitees related to or association with the use and occupancy of the Leased Premises and airport facilities including, but not limited to, claims or damage related to or associated with the storage or maintenance of LESSEE's aircraft upon Airport, or from injury or damage caused to any person's property by reason of the operations of said aircraft. LESSEE further covenants and agrees that LESSEE shall not hold LESSOR or any of its officers, agents, or employees responsible for any loss to LESSEE'S aircraft, automobile, personal property, parts, or supplies that may be located or stored in, on, or about the Leased Premises, where such loss is caused by Natural Disaster fire, rain, windstorm, hail.

9. **Disclaimer:** LESSEE agrees to accept all facilities and the leased premises in the condition in which they are found. LESSOR disclaims and LESSEE accepts LESSOR'S disclaimer of any warranty, express or implied, of the conditions or fitness for the use of the leased premises.

10. **Default:** The following events shall be deemed to be events of default by LESSEE under this Lease Agreement:

a. LESSEE shall fail to pay any installment of rent, and such failure shall continue for a period of ten (10) days following the due date of said installment.

b. LESSEE shall fail to comply with any term, provision or covenant of this Lease Agreement, other than the payment of rent, and shall not cure such failure within twenty (20) days after written notice thereof to LESSEE.

c. LESSEE shall fail to provide lock combination or key to lock on assigned hangar to airport administration.

d. LESSEE shall fail to provide accurate and correct contact information as set forth in paragraph 18 – "Notices".

Upon the occurrence of any event of default specified above, LESSOR shall have the option to pursue any one or more of the following remedies without any notice or demand whatsoever:

e. Terminate this Lease Agreement in which event LESSEE shall immediately surrender the premises to LESSOR; and if LESSEE fails to do so, LESSOR may, without prejudice to any other remedy which it may have for possession or arrearages in rent, enter upon and take possession and expel or remove LESSEE, any other person who may be occupying said premises or any part thereof, and contents therein, including LESSEE'S aircraft, by force if necessary, without being liable for prosecution or any claim of damages therefor; and LESSEE agrees to pay to LESSOR on demand the amount of all loss and damage which LESSOR may suffer by reason of such termination, whether through inability to re-let the premises on satisfactory terms or otherwise.

f. Enter upon and take possession of the premises and expel or remove LESSEE and any other person who may be occupying the premises or any part thereof, by force if necessary, without being liable for prosecution or any claim of damages therefor; and if LESSOR so elects, re-let the premises on such terms as LESSOR shall deem advisable and receive the rent thereof; and LESSEE agrees to pay to LESSOR on demand

any deficiency that may arise by reason of such re-letting.

g. Enter upon the premises, by force if necessary, without being liable for prosecution or any claim of damages therefor and do whatever LESSEE is obligated to do under the terms of this Lease Agreement; and LESSEE agrees to reimburse LESSOR on demand for any expenses which LESSOR may incur in thus effecting compliance with LESSEE's obligations under this Lease Agreement; and LESSEE further agrees that LESSOR shall not be liable for any damages resulting to LESSEE from such action.

No reentry or taking possession of the premises by LESSOR shall be construed as an election on its part to terminate this Lease Agreement, unless a written notice of such intention be given to LESSEE. Notwithstanding any such re-letting or reentry or taking possession, LESSOR may at any time thereafter elect to terminate this Lease Agreement for a previous default. Pursuit of any of the foregoing remedies shall not preclude pursuit of any of the other remedies herein provided or any other remedies provided by law, nor shall the pursuit of any remedy herein provided constitute a forfeiture or waiver of any rent due to LESSOR hereunder or of any damages accruing to LESSOR by reason of the violation of any of the terms, provisions and covenants herein contained. LESSOR's acceptance of rent following an event of default hereunder shall not be construed as LESSOR's waiver of such event of default. No waiver by LESSOR of any violation or breach of any of the terms, provisions and covenants herein contained shall be deemed or constitute a waiver of any other violation or breach of any of the terms, provisions and covenants herein contained. Forbearance by LESSOR to enforce one or more of the remedies herein provided upon an event of default shall not be deemed or construed to constitute a waiver of such default. The loss or damage that LESSOR may suffer by reason of termination of this Lease Agreement or the deficiency from any re-letting as provided for above shall include the expense of repossession and any repairs or remodeling undertaken following possession. Should LESSOR at any time terminate this Lease Agreement for any default, in addition to any other remedy LESSOR may have, LESSOR may recover from LESSEE all damages LESSOR may incur by reason of such default, including cost of recovering the premises and reasonable attorney's fees expended by reason of default.

11. Assignment, Encumbrances, and Subletting: LESSEE shall not assign, pledge, or otherwise encumber this lease or the premises covered thereby. LESSEE shall not sublet the premises or any part thereof, or furnish to any other person any ground space, office space, aircraft storage space, or other right or privilege in or on any Airport property without the prior written consent of the LESSOR's Airport Manager. Said consent shall not be unreasonably withheld. The rental rate paid by the SUBLESSEE shall not be greater than that paid by LESSEE to LESSOR.

It is understood that consent of the LESSOR to any subletting in one instance shall not constitute consent of the LESSOR to any other subletting. Any assignment, sublease, or other such agreements consented to shall be in writing and shall be approved as to form by LESSOR'S City Attorney.

12. Surrender of Premises: Upon termination of this lease by either party, or by reason of default or otherwise, LESSEE shall remove itself, aircraft, and all other personal property, debris and equipment stored by LESSEE in and upon the premises. LESSEE shall, at its own expense, repair any damage cause by LESSEE'S use. LESSEE shall, upon termination of this lease, surrender the premises to LESSOR in the same condition as received, ordinary

wear and tear excepted. LESSOR will charge a reasonable fee for cleaning and/or disposal of any items left behind upon the premises.

13. **Rules and Regulations:** LESSEE shall faithfully observe and comply with all rules and regulations of LESSOR, including any rules and regulations promulgated by LESSOR'S Airport Manager, not inconsistent with the provisions of this lease. Such rules and regulations shall be communicated by LESSOR'S Airport Manager, in writing, to LESSEE and necessary for the reputation, safety, care, or appearance of the building, or preservation of good order, the operation or maintenance of equipment, or the comfort or safety of other Airport tenants.

14. **Successors and Assigns:** The terms, covenants, agreements, and conditions contained herein shall be binding upon LESSEE'S heirs, successors, executors, administrators, and assignees. This provision shall not in any way affect the requirements set forth in section II, paragraph 9.

15. **Signs:** LESSEE shall not erect, install, or place any signs on or about the leased premises without the prior written consent and approval of the LESSOR'S Airport Manager.

16. **Ingress and Egress:** LESSEE, its invitees, visitors, and suppliers of materials and services shall have full and free rights of ingress and egress to and from the premises and to and from other Airport buildings subject to rules and regulations of LESSOR and LESSOR'S Airport Manager.

17. **Chemicals and other Toxic Substances:** No chemicals or other toxic substances shall be stored unless in compliance with adopted Lancaster Regional Airport rules and regulations, as amended, which are incorporated herein as is set forth in full and on file with the City Manager or his/her designee.

18. **Notices:** All legal notices given or required in connection with this lease shall be in writing and shall be sent via Mail or E-Mail to the following persons(s):

LESSOR: City of Lancaster
Lancaster Regional Airport
P.O. Box 940
211 N. Henry Street
Lancaster, TX 75146

LESSEE: Frank McMordie
3839 McKinney Ave, Ste 155-236
Dallas, TX 75204
806-441-3212
ffosterm@gmail.com

19. **Insurance:** 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.

20. **Waiver of Attorney Fees:** LESSOR and LESSEE covenant and agree that in the event of any litigation arising between the parties to this lease, LESSEE shall be solely responsible for payment of its attorney's fees. In no event shall LESSOR be responsible for LESSEE'S attorney's fees regardless of the outcome of the litigation.

21. **Entire Agreement:** This agreement constitutes the entire understanding between the parties, and, as of its effective date, supersedes all prior or independent agreements covering the LESSEE'S occupation of the leased premises. Any change or modification hereof shall be in writing, signed by both parties. The parties to this agreement hereby agree and acknowledge that they are the principals to the agreement and have the power, right, and authority to enter into this agreement and are not acting on behalf, or as an agent, of any third party.

22. **Severability:** If any provision of this agreement shall be finally declared void or illegal by a court having competent jurisdiction, the entire agreement shall not be void, but the remaining provisions shall continue in effect as nearly as possible in accordance with the original intent of the parties. Venue governed by Texas law except where exempted by Federal law and Rules and Regulations.

23. **Governing Law; Venue:** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas. Venue for any disputes arising from or related to the performance of this Agreement shall be in a state district court in Dallas County, Texas.

24. **Captions:** The Captions to the various clauses of this agreement are for informational purposes only and in no way alter the substance of the terms and conditions of this agreement.

25. **Landlord's Lien:** Pursuant to Section 54.021 of the Texas Property Code, LESSOR has a preference lien on the property of the LESSEE or any SUBLESSEE in the building for rent that is due and for rent that is to become due during the current 12 month period succeeding the date of the beginning of the rental agreement or an anniversary of that date.

IN WITNESS HEREOF, the parties executed this lease as of the day and year first above written.

CITY OF LANCASTER, LESSOR

LESSEE:

By: _____
Opal Mauldin-Robertson,
City Manager

ATTEST:

Sorangel O. Arenas, City Secretary

LANCASTER CITY COUNCIL

Agenda Communication

October 13, 2014

Item 3

Consider a resolution approving the terms and conditions of the City owned T-Hangar non-commercial lease from building 700 at the Lancaster Regional Airport.

This request supports the City Council 2014-2015 Policy Agenda.

Goal: Sound Infrastructure

Background

The City owns and leases five rows of T-hangars (buildings 660-700) of three different sizes based off aircraft wingspan. There are 92 units 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 near full occupancy most of the time. This agenda item brings forward a non-commercial lease agreement for T-hanger 700-117 (956 sqft) for a tenant, Mr. Ricardo Valdez.

Considerations

- **Operational** - The City T-hangar non-commercial lease is used for private aircraft owners.
- **Legal** - The lease agreement was reviewed and approved as to form by the City Attorney.
- **Financial** - Lease rates vary based on size of the hangar. All rates were approved in the City's Master Fee Schedule. The monthly rate for this small size T-hangar is \$190.00 per month.
- **Public Information** – This item is being at a meeting of the City Council noticed in accordance with the Texas Open Meetings Act.

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 “A” Lease Agreement
-

Submitted by:
Mark Divita, Airport Manager

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 NON-COMMERCIAL LEASE FROM BUILDING 700 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 hangar lease pursuant to the lease listed in Exhibit "A";

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 "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.

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 13th day of October 2014.

ATTEST:

APPROVED:

Sorangel O. Arenas, City Secretary

Marcus E. Knight, Mayor

APPROVED AS TO FORM:

Robert E. Hager, City Attorney



LANCASTER ReGIONAL AIRPORT

Agreement for Lease of T-Hangar for Storage of Aircraft

Non-Commercial Tenants

This CONTRACT and AGREEMENT OF LEASE, made this **13th** day of **October**, 2014, between the City of Lancaster, Texas, a municipal corporation, ("LESSOR") and **Ricardo Valdez**, (LESSEE"), evidences the following:

I.

LESSOR leases to LESSEE, and LESSEE takes from LESSOR, the following described premises located at the Lancaster Regional Airport ("Airport"), in the City of Lancaster, Dallas County, Texas, for and in consideration of the uses and for the terms and the rental hereinafter set forth, and subject and in accordance with the standard terms and provisions below.

1. **Premises:** Hangar Row and Suite **700-117**, located at the Airport, and consisting of approximately **956** square feet ("Leased Premises").
2. **Uses:** The leased premises shall be used and occupied only for the storing of aircraft owned, leased, and/or legally operated by LESSEE and related equipment. The leased premises shall be used and occupied only for the personal, business, and/or private use of the LESSEE. LESSEE shall provide LESSOR with a copy of the FAA Certificate of Aircraft Registration for the aircraft to be stored under this agreement. If the registration is not in the name of LESSEE, a copy of a valid lease or other documentation showing a possessory interest in the aircraft shall be provided. LESSEE shall not store non-aviation items such as house hold goods in leased premises. LESSEE shall not use the leased premises for any on going business or commercial operations warehousing goods or services for sale to third parties.
3. **Term:** The term of this lease will be from month to month, beginning the **13th** day of **October** 2014. Either party may cancel and terminate this agreement by serving thirty (30) days written notice of its election to do so.
4. **Rent:** LESSEE shall pay LESSOR as rent **\$190.00** per month, due and payable in advance on the first day of each month.

- a. All rental payments shall be delivered to LESSOR at the following address:

City of Lancaster
Finance Department
P.O. Box 940
211 N. Henry Street
Lancaster, TX 75146

b. All payments not received by the 10th of each month shall constitute a default and breach of this Lease Agreement as set forth in paragraph 10 herein. All payments not received by the 10th of each month shall be considered "past due" for purposes of incurring late charges as calculated in subsection (c) herein, and additional late charges will begin to accrue on the 11th day of each month.

c. In the event the payment is received after the 10th day of the month, there shall be added a late charge of ten percent (10%) of the amount due.

d. LESSEE'S agreement to make rental payments shall be a covenant independent of all other covenants herein.

e. LESSOR retains the right to review the monthly rental rates and to make adjustments to said rental rates to reflect the then current market rental rates charged for similar facilities.

5. **Utilities:** Utilities are included in LESSEE's rental payment.

II.

STANDARD TERMS AND PROVISIONS

1. **Prohibited Uses:** LESSEE shall not use or permit the use of the premises or any part thereof for any purpose or purposes other than those set forth herein. LESSEE shall not commit or cause to be committed any waste in or upon the premises or maintain any public or private nuisance or any other action which may interfere with or disturb the quiet enjoyment of any other tenant of the building or buildings, or permit the use of the premises for any improper or unlawful purposes. Hazardous activities such as, but not limited to: smoking, painting, doping or the other application of hazardous substances are expressly prohibited. Nothing contained in this Section 1 shall, however, prohibit or limit LESSEE's right to use any apparatus, machinery, equipment or devices necessary or useful to LESSEE in the conduct of its activities on or about the premises.

2. **Disabled Aircraft:** LESSEE shall store only the following aircraft on the lease premises under any of the following conditions:

- a. Aircraft in a current airworthy condition according to Federal Aviation Regulations with a current FAA airworthiness certificate and U.S. or foreign registration,
- b. Aircraft with a current FAA airworthiness certificate and registration in a continuing process of overhaul and/or repair showing monthly progress,
- c. Final assembly of amateur built aircraft in preparation to obtain airworthiness certification.

Restoration or construction of an aircraft shall be completed (and an airworthiness certificate issued for amateur built aircraft) within 5 yrs from the beginning of this lease.

Monthly progress is defined as a major component, subcomponent, major system or subsystem is completed or installed on the aircraft every 30 days with appropriate log entries made.

Upon request from the Airport Manager, LESSEE shall provide monthly evidence of progress. Evidence includes but is not limited to: visual inspection of aircraft, photographs and log entries.

Should LESSEE sell the aircraft, LESSEE shall have ninety (90) days to acquire an aircraft to house upon the leased premises or LESSEE shall relinquish said premises to LESSOR.

Any exception to forgoing requirements must be approved by LESSOR'S Airport Manager.

3. **Compliance with Applicable Laws:** LESSEE shall comply with all applicable laws, ordinances, rules, regulations, and orders of any Federal, State, and City law governing the conduct of LESSEE'S activities on or about the premises.

4. **Alterations.** LESSEE shall make no structural or electrical changes or alterations, or construct any permanent additions or improvements, or do any work in connection therewith, on or about the premises without the prior written consent of the LESSOR'S Airport Manager, whose decision shall be final, and which consent shall not be unreasonably withheld. Any permanent improvements or additions to the leased premises shall be deemed to be fixtures and title to said improvements or additions shall vest in the LESSOR immediately upon completion of construction or attachment.

5. **Entry and Inspection:** LESSOR shall have the right to enter upon and inspect the premises from time to time during the term hereof, to make any repairs deemed necessary by the LESSOR for the safety, improvement, or preservation of the leased premises, without abatement of rent; provided however, that LESSOR shall not, during the course of any such inspection or repairs, unreasonably interfere with the LESSEE'S use and enjoyment of the premises. In lieu of an airport lock/key, LESSEE shall provide a copy of a key or lock combination to airport office.

6. **Services Furnished by LESSOR:** LESSOR shall furnish adequate utility power service for night time lighting. LESSOR assumes no liability to LESSEE for failures or interruptions of any and all services or utilities furnished to LESSEE when due to causes beyond the control of LESSOR, including but not limited to floods, fire, and power failures.

7. **Care of Premises by LESSEE:** LESSEE shall keep the leased premises in a safe, neat, clean, and presentable condition at all times and shall promptly repair any damage caused by LESSEE, its officers, agents, employees, or invitees.

8. **Indemnity and Hold Harmless:** LESSEE agrees to indemnify, defend, and hold LESSOR, its officers, agents, employees, or invitees harmless from and against all claims, demands, causes of actions, suits or judgments (including costs and expenses incurred in connection therewith) for injuries to persons or for loss or damage to property arising out of or in connection with the negligent or intentional act or omission of LESSEE, its officers, agents, employees, or invitees related to or association with the use and occupancy of the Leased Premises and airport facilities including, but not limited to, claims or damage related to or associated with the storage or maintenance of LESSEE's aircraft upon Airport, or from injury or damage caused to any person's property by reason of the operations of said aircraft. LESSEE further covenants and agrees that LESSEE shall not hold LESSOR or any of its officers, agents, or employees responsible for any loss to LESSEE'S aircraft, automobile, personal property, parts, or supplies that may be located or stored in, on, or about the Leased Premises, where such loss is caused by Natural Disaster fire, rain, windstorm, hail.

9. **Disclaimer:** LESSEE agrees to accept all facilities and the leased premises in the condition in which they are found. LESSOR disclaims and LESSEE accepts LESSOR'S disclaimer of any warranty, express or implied, of the conditions or fitness for the use of the leased premises.

10. **Default:** The following events shall be deemed to be events of default by LESSEE under this Lease Agreement:

a. LESSEE shall fail to pay any installment of rent, and such failure shall continue for a period of ten (10) days following the due date of said installment.

b. LESSEE shall fail to comply with any term, provision or covenant of this Lease Agreement, other than the payment of rent, and shall not cure such failure within twenty (20) days after written notice thereof to LESSEE.

c. LESSEE shall fail to provide lock combination or key to lock on assigned hangar to airport administration.

d. LESSEE shall fail to provide accurate and correct contact information as set forth in paragraph 18 – "Notices".

Upon the occurrence of any event of default specified above, LESSOR shall have the option to pursue any one or more of the following remedies without any notice or demand whatsoever:

e. Terminate this Lease Agreement in which event LESSEE shall immediately surrender the premises to LESSOR; and if LESSEE fails to do so, LESSOR may, without prejudice to any other remedy which it may have for possession or arrearages in rent, enter upon and take possession and expel or remove LESSEE, any other person who may be occupying said premises or any part thereof, and contents therein, including LESSEE'S aircraft, by force if necessary, without being liable for prosecution or any claim of damages therefor; and LESSEE agrees to pay to LESSOR on demand the amount of all loss and damage which LESSOR may suffer by reason of such termination, whether through

inability to re-let the premises on satisfactory terms or otherwise.

f. Enter upon and take possession of the premises and expel or remove LESSEE and any other person who may be occupying the premises or any part thereof, by force if necessary, without being liable for prosecution or any claim of damages therefor; and if LESSOR so elects, re-let the premises on such terms as LESSOR shall deem advisable and receive the rent thereof; and LESSEE agrees to pay to LESSOR on demand any deficiency that may arise by reason of such re-letting.

g. Enter upon the premises, by force if necessary, without being liable for prosecution or any claim of damages therefor and do whatever LESSEE is obligated to do under the terms of this Lease Agreement; and LESSEE agrees to reimburse LESSOR on demand for any expenses which LESSOR may incur in thus effecting compliance with LESSEE's obligations under this Lease Agreement; and LESSEE further agrees that LESSOR shall not be liable for any damages resulting to LESSEE from such action.

No reentry or taking possession of the premises by LESSOR shall be construed as an election on its part to terminate this Lease Agreement, unless a written notice of such intention be given to LESSEE. Notwithstanding any such re-letting or reentry or taking possession, LESSOR may at any time thereafter elect to terminate this Lease Agreement for a previous default. Pursuit of any of the foregoing remedies shall not preclude pursuit of any of the other remedies herein provided or any other remedies provided by law, nor shall the pursuit of any remedy herein provided constitute a forfeiture or waiver of any rent due to LESSOR hereunder or of any damages accruing to LESSOR by reason of the violation of any of the terms, provisions and covenants herein contained. LESSOR's acceptance of rent following an event of default hereunder shall not be construed as LESSOR's waiver of such event of default. No waiver by LESSOR of any violation or breach of any of the terms, provisions and covenants herein contained shall be deemed or constitute a waiver of any other violation or breach of any of the terms, provisions and covenants herein contained. Forbearance by LESSOR to enforce one or more of the remedies herein provided upon an event of default shall not be deemed or construed to constitute a waiver of such default. The loss or damage that LESSOR may suffer by reason of termination of this Lease Agreement or the deficiency from any re-letting as provided for above shall include the expense of repossession and any repairs or remodeling undertaken following possession. Should LESSOR at any time terminate this Lease Agreement for any default, in addition to any other remedy LESSOR may have, LESSOR may recover from LESSEE all damages LESSOR may incur by reason of such default, including cost of recovering the premises and reasonable attorney's fees expended by reason of default.

11. Assignment, Encumbrances, and Subletting: LESSEE shall not assign, pledge, or otherwise encumber this lease or the premises covered thereby. LESSEE shall not sublet the premises or any part thereof, or furnish to any other person any ground space, office space, aircraft storage space, or other right or privilege in or on any Airport property without the prior written consent of the LESSOR's Airport Manager. Said consent shall not be unreasonably withheld. The rental rate paid by the SUBLESSEE shall not be greater than that paid by LESSEE to LESSOR.

It is understood that consent of the LESSOR to any subletting in one instance shall not constitute consent of the LESSOR to any other subletting. Any assignment, sublease, or other such agreements consented to shall be in writing and shall be approved as to form by LESSOR'S City Attorney.

12. **Surrender of Premises:** Upon termination of this lease by either party, or by reason of default or otherwise, LESSEE shall remove itself, aircraft, and all other personal property, debris and equipment stored by LESSEE in and upon the premises. LESSEE shall, at its own expense, repair any damage caused by LESSEE'S use. LESSEE shall, upon termination of this lease, surrender the premises to LESSOR in the same condition as received, ordinary wear and tear excepted. LESSOR will charge a reasonable fee for cleaning and/or disposal of any items left behind upon the premises.

13. **Rules and Regulations:** LESSEE shall faithfully observe and comply with all rules and regulations of LESSOR, including any rules and regulations promulgated by LESSOR'S Airport Manager, not inconsistent with the provisions of this lease. Such rules and regulations shall be communicated by LESSOR'S Airport Manager, in writing, to LESSEE and necessary for the reputation, safety, care, or appearance of the building, or preservation of good order, the operation or maintenance of equipment, or the comfort or safety of other Airport tenants.

14. **Successors and Assigns:** The terms, covenants, agreements, and conditions contained herein shall be binding upon LESSEE'S heirs, successors, executors, administrators, and assignees. This provision shall not in any way affect the requirements set forth in section II, paragraph 9.

15. **Signs:** LESSEE shall not erect, install, or place any signs on or about the leased premises without the prior written consent and approval of the LESSOR'S Airport Manager.

16. **Ingress and Egress:** LESSEE, its invitees, visitors, and suppliers of materials and services shall have full and free rights of ingress and egress to and from the premises and to and from other Airport buildings subject to rules and regulations of LESSOR and LESSOR'S Airport Manager.

17. **Chemicals and other Toxic Substances:** No chemicals or other toxic substances shall be stored unless in compliance with adopted Lancaster Regional Airport rules and regulations, as amended, which are incorporated herein as is set forth in full and on file with the City Manager or his/her designee.

18. **Notices:** All legal notices given or required in connection with this lease shall be in writing and shall be sent via Mail or E-Mail to the following persons(s):

LESSOR: City of Lancaster
Lancaster Regional Airport
P.O. Box 940
211 N. Henry Street
Lancaster, TX 75146

LESSEE: Ricardo Valdez
1510 High Ridge Dr.
Duncanville, TX 75137
214-271-6882
dallasdentguy@yahoo.com

19. **Insurance:** 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.

20. **Waiver of Attorney Fees:** LESSOR and LESSEE covenant and agree that in the event of any litigation arising between the parties to this lease, LESSEE shall be solely responsible for payment of its attorney's fees. In no event shall LESSOR be responsible for LESSEE'S attorney's fees regardless of the outcome of the litigation.

21. **Entire Agreement:** This agreement constitutes the entire understanding between the parties, and, as of its effective date, supersedes all prior or independent agreements covering the LESSEE'S occupation of the leased premises. Any change or modification hereof shall be in writing, signed by both parties. The parties to this agreement hereby agree and acknowledge that they are the principals to the agreement and have the power, right, and authority to enter into this agreement and are not acting on behalf, or as an agent, of any third party.

22. **Severability:** If any provision of this agreement shall be finally declared void or illegal by a court having competent jurisdiction, the entire agreement shall not be void, but the remaining provisions shall continue in effect as nearly as possible in accordance with the original intent of the parties. Venue governed by Texas law except where exempted by Federal law and Rules and Regulations.

23. **Governing Law; Venue:** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas. Venue for any disputes arising from or related to the performance of this Agreement shall be in a state district court in Dallas County, Texas.

24. **Captions:** The Captions to the various clauses of this agreement are for informational purposes only and in no way alter the substance of the terms and conditions of this agreement.

25. **Landlord's Lien:** Pursuant to Section 54.021 of the Texas Property Code, LESSOR has a preference lien on the property of the LESSEE or any SUBLESSEE in the building for rent that is due and for rent that is to become due during the current 12 month period succeeding the date of the beginning of the rental agreement or an anniversary of that date.

IN WITNESS HEREOF, the parties executed this lease as of the day and year first above written.

CITY OF LANCASTER, LESSOR

LESSEE:

By: _____
Opal Mauldin-Robertson,
City Manager

ATTEST:

Sorangel O. Arenas, City Secretary

LANCASTER CITY COUNCIL

Agenda Communication

October 13, 2014

Item 4

Consider a resolution approving an agreement with ProfitStars, Inc. for online payment by check for utility bills.

This request supports the City Council 2014-2015 Policy Agenda.

Goal: Financially Sound City Government.

Background

Continuation of enhancing utility bill payment options includes an online electronic check option. This agreement will allow us to provide this service to our citizens who wish to pay online using their checking account. The feature will be available to customers within two weeks of agreement execution.

Considerations

- **Operational** – This added service provides an online option for citizens to make their utility bill payment. The term of agreement is three (3) years.
- **Financial** –The agreement will not increase costs as it is included in the costs with the vendor Postal Pros for online payments.
- **Legal** – The resolution has been reviewed and approved as to form by the City Attorney.
- **Public Information** – Item is being considered at a regular meeting of the City Council posted in accordance with Texas Open Meetings Act.

Options/Alternatives

1. City Council may approve the resolution.
2. City Council may reject the resolution.

Recommendation

Staff recommends approval of the resolution as presented.

Attachments

- Resolution
 - ProfitStars Agreement
-

Submitted by:

Crystal Cloud, Utility Billing Manager
Cynthia Pearson, Finance Director

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS, APPROVING AN AGREEMENT FOR PROCESSING ONLINE PAYMENT BY CHECK; AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH PROFITSTARS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Lancaster ("City") wishes to enter into an agreement with ProfitStars, for processing of online payments by check services; and

WHEREAS, execution of said agreement requires the approval of the Lancaster City Council;

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

SECTION 1. That the City Council of the City of Lancaster, Texas hereby consents to the Payment processing Agreement under the terms and conditions set forth in the original agreement for Banking Services.

SECTION 2. That the City Council hereby authorizes the City Manager to execute said Contract.

SECTION 3. This resolution shall take effect immediately from and after its passage and the publication of the caption 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 13th day of October, 2014.

ATTEST:

APPROVED:

Sorangel O. Arenas, City Secretary

Marcus E. Knight, Mayor

APPROVED AS TO FORM:

Robert E. Hager, City Attorney

Legal Name: City of Lancaster

DBA Name: City of Lancaster

Partner Name: NLP Secure

Partner Sales Agent Name: Dan Harrington

Party responsible for all fees: ☐ Partner ☒ Merchant

Application Checklist:

Please supply the following documents. Items marked with an asterisk (*) are required.

- ☒ Signed Application for Payment Processing*
- ☒ Signed Merchant Processing Services Agreement*
- ☒ Signed Fee Schedule (If Merchant is responsible for monthly billing)*
- ☒ Bank Statements (most recent 3-mos.)*
- ☒ Copy of Voided Company Check(s)*
- ☐ Copy of Driver's License for the Owner/Officer and/or authorized signer*
- ☐ Copy of Business License or Registration
- ☐ Copy of DBA/Fictitious Name document
- ☒ Other Financials, dated within the Last 18 Months (provide at least two of the following)
 - Profit & Loss Statement
 - Balance Sheet
 - Tax Returns

Send all requested information to:

Fax: (888) 391-1934 Email: EPSRisk@ProfitStars.com

Please type all information, then print and sign the application (handwritten forms will not be accepted). Once EPS Risk Management (RM) receives your completed application materials, your submitted documents will be reviewed for approval or decline. If approved, RM will determine your transaction limits, as well as the number days it will take to settle funds into your account(s). During the financial review, additional information may be requested. Upon approval, ProfitStars EPS will email everything you need to get started.

Please type all information, then print and sign the application (handwritten forms will not be accepted).

BUSINESS & CONTACT INFORMATION

Legal Name: City of Lancaster		DBA Name: City of Lancaster	
Physical Address: 211 N Henry St		City: Lancaster	State: TX
Billing Address: (if different) 915 Main Street		City: Caldwell	State: ID
Phone: (972) 218-1300	Fax: (972) 218-1399	Customer Service Phone: (972) 218-1300	Website Address/URL: www.lancaster-tx.com
Primary Contact Name: Cynthia Pearson	Title: Finance Director	Phone: (972) 218-1322	Email Address: cpearson@lancaster-tx.com
Secondary Contact Name: Opal Mauldin-Robertson	Title: City Manager	Phone: (972) 218-1304	Email Address: orobertson@lancaster-tx.com

BUSINESS PROFILE

Business Structure: (Select one) <input type="checkbox"/> Corporation <input type="checkbox"/> LLC <input type="checkbox"/> LLP <input type="checkbox"/> Non-Profit <input type="checkbox"/> Partnership <input type="checkbox"/> Sole Proprietor <input type="checkbox"/> Other <input type="checkbox"/> Publicly-Traded			Stock Symbol:
Federal Tax ID # / EIN: 756000580	Date Formed:	Length of Current Ownership:	Business Type/Industry: (include NAICS or SIC Code if available) local municipality
Provide a detailed description of the products/services that you provide: water and sewer utility services			
Describe the primary method of marketing your products/services:		Refund Policy:	

OWNER/OFFICER INFORMATION

Primary Officer Name:	Title:	Ownership %: 0	Date of Birth:	Social Security Number:
Home Address:	City:	State:	ZIP:	
Secondary Officer Name:	Title:	Ownership %:	Date of Birth:	Social Security Number:
Home Address:	City:	State:	ZIP:	

SERVICES / TRANSACTION SUBMISSION OPTIONS

EPS Online Merchant Portal Options: (Select all that apply) <input type="checkbox"/> Remote Deposit Capture (Check Conversion - CAR/LAR) <input type="checkbox"/> Merchant Capture (Check Conversion - Scan Check/Key Entry) <input checked="" type="checkbox"/> ACH Services <input type="checkbox"/> Fed-Ready/NACHA File Upload	Other Options: (Select all that apply) <input type="checkbox"/> Real-Time Gateway (XML file format) <input type="checkbox"/> Web Services <input type="checkbox"/> Hosted Pay Page <input type="checkbox"/> Remit Plus <input type="checkbox"/> Credit Card Gateway:
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TRANSACTION TYPES

(Select all that apply)

Check Conversion: <input type="checkbox"/> Check 21 <input type="checkbox"/> ARC - Accounts Receivable Conversion <input type="checkbox"/> BOC - Back Office Conversion <input type="checkbox"/> POP - Point of Purchase Conversion <i>Virtual Endorsement - All Check 21 items are virtually endorsed by ProfitStars. Please do not endorse items that you process through the ProfitStars system.</i>	
Preauthorized Payments CCD/PPD: <input type="checkbox"/> ACH Debit <input type="checkbox"/> ACH Recurring Debit <input type="checkbox"/> ACH Credit <input type="checkbox"/> ACH Recurring Credit <input type="checkbox"/> ACH Refund	
Other ACH: (Select all that apply) <input checked="" type="checkbox"/> WEB - Internet Check <input type="checkbox"/> TEL - Telephone Check	
Credit Card Gateway: <input type="checkbox"/> Credit Card Gateway	

ProfitStars offers a credit card gateway to selected card service providers. This requires a separate processing agreement with the card service provider. Please contact your sales agent for options.

Please type all information, then print and sign the application (handwritten forms will not be accepted).

TRANSACTION PROFILE & VELOCITY INFORMATION

Please provide accurate estimates of your expected ACH and/or Check21 activity. This information will be used during underwriting as a guide to establish your transaction limits (velocities). Please provide estimates of Credits only if you selected "Transaction Types" ACH Credit and/or ACH Recurring Credit on the previous page. Requested amounts below are subject to approval by EPS Risk Management. Transaction counts and/or amounts that fall outside of your approved limits will be declined.

Description	Debits	Credits
Average Dollar Amount per Single Transaction Please provide your average transaction amount.	\$ 150.00	\$
Maximum Dollar Amount per Single Transaction The largest allowable dollar amount (\$) per individual transaction.	\$ 50000.00	\$
Maximum Dollar Amount per Day The largest allowable amount (\$) total for any given day.	\$ 100000.00	\$
Maximum Number of Transactions per Day The largest allowable number (#) of transactions on any given day.	# 500	#
Maximum Dollar Amount per Month The largest allowable amount (\$) total during a one month period.	\$ 500000.00	\$
Maximum Number of Transactions per Month The largest allowable number (#) of transactions during a one month period.	# 15000	#

SCANNER INFORMATION

Scanner Make:	Model:	Serial Number:
Scanner Make:	Model:	Serial Number:

ACH COLLECTION & RE-PRESENTMENT OPTIONS

In the event of a return, EPS can automatically re-present the item to the check writer's bank in order to attempt collection on the face amount, as well as a returned-check fee.

Face Amount: Maximum Number of Re-Presentments:

If an ACH item returns, attempt collection on the Face Amount up to how many times (select one)? ☐ 2 ☐ 1 ☒ None

Timing of First Re-Presentation:

First ACH re-presentation will occur how many days following 1st return? Please specify the number of days (0=immediately):

Timing of Final Re-Presentation:

☐ Final ACH re-presentation will coincide with common paydays (i.e., 1st & 15th).

☐ Final ACH re-presentation will occur after a fixed number of days. Please specify the number of days (0=immediately):

Returned-Check Fee: Maximum Number of Re-Presentments:

If an ACH item returns, attempt collection on the Returned-Check fee up to how many times (select one)? ☐ 3 ☐ 2 ☐ 1 ☒ None

Returned-Check Fee Amount:

If you selected one or more Returned-Check Fee collection attempts, enter the amount to be charged to the check writer: \$

Returned-Check Fee Settlement:

☐ Deposit collected fees into Customer's settlement bank account.

☐ Deposit collected fees into Other bank account. Please specify below.

Returned-Check Fee Settlement: Name On Account:

ABA Routing/Transit Number:	Bank Account Number:	Account Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings
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Please type all information, then print and sign the application (handwritten forms will not be accepted).

BUSINESS BANKING INFORMATION

Enter your primary settlement account information here. Please include a voided check for account verification.

Bank Name: Chase JP Morgan		Bank Officer/Contact Name: Nick London		Phone: (214) 922-2348	
Bank Address: 2200 Ross Avenue		City: Dallas		State: TX	ZIP: 75201
Name on Account/Location Display Name: City of Lancaster					
ABA Routing/Transit Number: 520101023		Bank Account Number: 1588849204		Account Type: <input checked="" type="checkbox"/> Checking <input type="checkbox"/> Savings	

ADDITIONAL BANK ACCOUNTS – "LOCATIONS"

Enter additional location settlement account information here. If you require more than 10 locations, you may provide banking information on a separate form or spreadsheet. For verification, please include a voided check for each account.

Name on Account/Location Display Name:		
ABA Routing/Transit Number:	Bank Account Number:	Account Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings

Name on Account/Location Display Name:		
ABA Routing/Transit Number:	Bank Account Number:	Account Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings

Name on Account/Location Display Name:		
ABA Routing/Transit Number:	Bank Account Number:	Account Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings

SIGNATURES

On behalf of the foregoing legal business ("Merchant"), to induce Jack Henry & Associates, Inc., acting through its ProfitStars™ division ("JHA") reliance thereon, the undersigned certifies the accuracy of all the foregoing information and authorizes JHA, Bank, Credit Bureau, or other investigative agency contracted by JHA to investigate any and all references, statements or other data contained herein or obtained from Merchant, other persons, companies or agencies pertaining to Merchant's and/or Guarantor's credit, financial responsibility and accuracy of any of the foregoing information. The undersigned further agrees to notify JHA of any and all changes which may occur from time to time in the information and statements contained herein. The person(s) signing this agreement certifies that he/she is authorized to enter into this agreement on behalf of Merchant.

WARRANTY OF APPLICATION: In connection with this Agreement, Merchant has executed and delivered an application to JHA containing, among other things, information describing the nature of Merchant's business and, where applicable, the individuals who are Merchant's principal owners. Merchant warrants to JHA that all information and statements contained in such application are true, correct, and complete. Merchant further agrees to notify JHA promptly of any changes which may occur from time to time regarding any information contained in such application, including, but not limited to, the identity of the principal owners, type of goods and services provided and how sales are completed. Merchant and principal owner(s) identified on approved applications shall be jointly and severally liable to JHA and remain liable for any and all loss, costs and expense suffered or incurred by JHA.

JHA FEES: If the Merchant is designated on page one of this application as the party responsible for the Application Fee and/or Monthly Billing/Transaction Fees, JHA will assess fees via ACH debit to Merchant.

ACH DEBIT AUTHORIZATION: I authorize JHA to electronically debit my (select one) ☐ Checking account / ☐ Savings account for any fees due JHA. If an item is dishonored for any reason, I authorize JHA to initiate an additional electronic debit to the same account for a returned check fee in the amount of \$30. This authorization shall remain in full force and effect until JHA has received written notification from me of its termination in such a time and manner as to afford JHA a reasonable opportunity to act on it.

Name on Bank Account:		
ABA Routing/Transit Number:	Bank Account Number:	Account Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings

Signed By:	
Name: (please print) Opal Mauldin-Robertson	Title: (please print) City Manager
Signature: X	Date:

LANCASTER CITY COUNCIL

Agenda Communication

October 13, 2014

Item 5

Consider a resolution approving an agreement with Dallas County Department of Health and Human Services to provide certain food establishment inspections and environmental services.

This request supports the City Council 2014-2015 Policy Agenda.

Goal 3: Healthy, Safe & Vibrant Neighborhoods

Background

Dallas County Department of Health and Human Services provides certain food establishment inspections and environmental health services to cities throughout the County on a contract for services basis as it has in previous years.

Upon approval of this resolution, Dallas County will continue to operate certain food establishment and environmental health services for the residents of the City of Lancaster with the goal of promoting the effectiveness of healthy and safe food and environmental programs.

Considerations

- **Operational** – The Code Compliance and Inspections division will ensure services are provide in compliance with the agreement.
- **Legal** – The City Attorney has reviewed and approved the resolution as to form.
- **Financial** – The City will collect and submit to the County a minimum of One Hundred and Fifty Dollars (\$150.00) per Agreement Term.

Beginning with the third food establishment inspection, the City will pay a Seventy Five Dollar (\$75.00) fee for each additional inspection requested by the City.

The City will collect Seventy Five Dollars (\$75.00) to be paid to the County for a re-opening or inspection fee of a food establishment that has been closed due to non-compliance of the Texas Health and Safety Code, or any other state rules and regulations.

The City shall pay the County the stipulated fees within thirty (30) days of the monthly request for payment, or if County fails to make the payment request, then City shall p

the stipulated fees no later than the last date of this Agreement Term. Any payment not made within (30) days of its due date shall bear interest in accordance with the Texas Government Code.

- **Public Information** – This item is being considered at a meeting of the City Council, in accordance with the Texas Open Meetings Act.

Options/Alternatives:

1. Approve the resolution as presented.
2. Reject the resolution.

Recommendation:

Staff recommends approval of the resolution as presented.

Attachments

- Resolution
 - Agreement
-

Submitted by:

Rona Stringfellow, Assistant City Manager

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS, APPROVING THE TERMS AND CONDITIONS OF AN INTERLOCAL AGREEMENT BY AND BETWEEN THE CITY OF LANCASTER, TEXAS, AND DALLAS COUNTY DEPARTMENT OF HEALTH AND HUMAN SERVICES TO PROVIDE CERTAIN FOOD ESTABLISHMENT INSPECTIONS AND ENVIRONMENTAL SERVICES; AUTHORIZING ITS EXECUTION BY THE CITY MANAGER; REPEALING ALL RESOLUTIONS IN CONFLICT; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Dallas County Department of Health and Human Services has offered to provide certain food establishment inspections and environmental health services to cities throughout the County on a contract for services basis; and

WHEREAS, the City of Lancaster desires to participate with Dallas County in establishing coordinated food establishment and environmental health services for its residents and all of Dallas County; and

WHEREAS, Dallas County will operate certain food establishment and environmental health services for the residents of the City in order to promote the effectiveness of healthy and safe food and environmental programs;

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

SECTION 1. That the Dallas County Department of Health and Human Services Interlocal Agreement for Fiscal Year 2015, 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.

SECTION 2. That the City Manager of the City of Lancaster, Texas, is hereby authorized to execute said agreement.

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

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

SECTION 5. That 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 13th day of October 2014.

ATTEST:

APPROVED:

Sorangel O. Arenas, City Secretary

Marcus E. Knight, Mayor

APPROVED AS TO FORM:

Robert E. Hager, City Attorney

STATE OF TEXAS	§	INTERLOCAL AGREEMENT FOR FOOD
	§	ESTABLISHMENT INSPECTION AND
	§	ENVIRONMENTAL HEALTH SERVICES BETWEEN
	§	DALLAS COUNTY, ON BEHALF OF DALLAS
COUNTY OF DALLAS	§	COUNTY HEALTH AND HUMAN SERVICES, AND
	§	CITY OF LANCASTER

1. PARTIES

This Interlocal Agreement ("Agreement") is made by and between the City of Lancaster, Texas ("City"), a Texas municipal corporation, and Dallas County, Texas ("County"), on behalf of Dallas County Health and Human Services ("DCHHS"), a governmental entity, pursuant to the authorities granted by Texas Local Government Code Chapter 791, Interlocal Cooperation Act, Texas Health and Safety Code Chapters 437, Food and Drug Health Regulations, and 121, Local Regulation of Public Health, along with 25 Texas Administrative Code, Chapter 229, and any other applicable laws, as well as the City ordinance for inspection services of food establishments within City's jurisdiction and other environmental health services to City.

2. TERM

This Agreement is effective from October 1, 2014 through September 30, 2015 unless otherwise stated in this Agreement.

3. INSPECTION SERVICES AND REQUIREMENTS

- A. County will perform a minimum of **two** (2) inspections per Agreement Term of each food establishment for which the City has submitted an inspection request and for which a fee has been collected from the said food establishment;
- B. Additional follow-up inspections will be performed as deemed necessary by County;
- C. Any additional request for follow-up inspections by City of Lancaster food establishments, including food establishments that are closed due to non-compliance with the State and other applicable rules and regulations will be charged additional fees;
- D. Each food establishment inspection will be made by a Registered Professional Sanitarian employed by DCHHS, in compliance with all state laws and regulations;
- E. An examination of the following will be made during each inspection: food and food protection; personnel; food equipment and utensils; water source; sewage; plumbing; toilet and hand-washing facilities; garbage and refuse disposal; insect, rodent, and animal control; floors, walls, and ceiling; light; ventilation; and other operations.

4. BUDGET AND PAYMENT TO COUNTY

- A. City will collect and submit to the County a minimum of One Hundred Fifty and 00/100 Dollars (\$150.00) per Agreement Term.

- B. Beginning with the third food establishment inspection, City will pay a Seventy Five and 00/100 Dollars (\$75.00) fee for each additional inspection requested by City.
- C. City will collect Seventy Five and 00/100 Dollars (\$75.00) to be paid to the County for a re-opening or inspection fee of a food establishment that has been closed due to non-compliance of Chapter 437 of the Texas Health and Safety Code, or any other state rules and regulations.
- D. The fees are subject to change, upon prior written notice to City, if additional cost is associated with the services under this Agreement
- E. City shall pay County the stipulated fees within thirty (30) days of the monthly request for payment, or if County fails to make the payment request, then City shall pay the stipulated fees no later than the last date of this Agreement Term. Any payment not made within thirty (30) days of its due date shall bear interest in accordance with Chapter 2251 of the Texas Government Code.

5. OTHER ENVIRONMENTAL HEALTH SERVICES

- A. Upon written request from City, County will respond to Vector and/or Mosquito Control complaints. Ground application services will include spraying for adult mosquitoes ("adulticiding"), and treating standing water ("larvaciding") services.
- B. In the event aerial spraying is needed to control St. Louis Encephalitis or West Nile virus throughout the County, City will have the option to participate in the County's emergency aerial mosquito spraying plan. Should City agree to participate in the plan, City must provide written notice to County and agree to the following:
 - 1) Indicate the areas and amount of acres to be sprayed; and
 - 2) Pay City's proportioned share of the cost based upon the number of acres to be sprayed multiplied by the per-acre spraying cost.

6. RECORDS

City shall have the sole responsibility of responding to requests for records of food inspection results produced under this Agreement. County will make its best effort to forward any requests for such records that it received to City within three business days after County's receipt of such requests.

7. TERMINATION

- A. Without Cause: This Agreement may be terminated in writing, without cause, by either party upon thirty (30) days prior written notice to the other party;
- B. With Cause: The County reserves the right to terminate the Agreement immediately, in whole or in part, at its sole discretion, for the following reasons:
 - 1) Lack of, or reduction in, funding or resources;
 - 2) Non-performance;

- 3) City's improper, misuse or inept use of funds or resources; and/or
- 4) City's submission of data, statements and/or reports that are incorrect, incomplete and/or false in any way.

8. CITY ORDINANCE

In order for this Agreement to be valid, the City must have or adopt a City ordinance that provides for the inspection of food establishments by a Registered Professional Sanitarian. City must require the payment of a fee(s) by each food establishment. Ordinance enforcement shall be the responsibility of the City.

9. INDEMNIFICATION

County and City, including their respective employees and elected officials, agree that each shall be responsible for its own negligent acts or omissions or other tortious conduct in the course of performance of this Agreement, without waiving any governmental immunity available to County or City under Texas and other applicable laws, and without waiving any available defenses under Texas and other applicable laws. Nothing in this paragraph shall be construed to create or grant any rights, contractual or otherwise, in or to any third persons or entities.

10. INSURANCE

City agrees that it will at all times during the term of this Agreement maintain in full force and effect insurance, or self-insurance, to the extent permitted by applicable law under a plan of self-insurance, that is also maintained in accordance with sound accounting practices. It is expressly agreed that City will be solely responsible for all cost of such insurance; any and all deductible amounts in any policy; and in the event that the insurance company should deny coverage.

11. NOTICE

Any notice or certification required or permitted to be delivered under this Agreement shall be deemed to have been given when personally delivered, or if mailed, seventy-two (72) hours after deposit of the same in the United States Mail, postage prepaid, certified, or registered, return receipt requested, properly addressed to the contact person shown at the respective addresses set forth below, or at such other addresses as shall be specified by written notice delivered in accordance herewith:

COUNTY

Zachary Thompson, Director
Dallas County Health & Human Svcs.
2377 N. Stemmons Frwy., Suite 600
Dallas, Texas 75207-2710

CITY OF LANCASTER

Opal Mauldin-Robertson, City Manager
City of Lancaster
211 N. Henry Street
Lancaster, Texas 75146

12. ENTIRE AGREEMENT AND AMENDMENT

This Agreement, including any Exhibits and Attachments, constitutes the entire agreement between

the parties and supersedes any other agreements concerning the subject matter of this transaction, whether oral or written. No modification, amendment, novation, renewal or other alteration of this Agreement shall be effective unless mutually agreed upon in writing and executed by the parties.

13. COUNTERPARTS, NUMBER/GENDER AND HEADINGS

This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. Words of any gender used in this Agreement shall be held and construed to include any other gender. Any words in the singular shall include the plural and vice versa, unless the context clearly requires otherwise. Headings are for the convenience of reference only and shall not be considered in any interpretation of this Agreement.

14. SEVERABILITY

If any provision of this Agreement is construed to be illegal, invalid, void or unenforceable, this construction will not affect the legality or validity or any of the remaining provisions. The unenforceable or illegal provision will be deemed stricken and deleted, but the remaining provisions shall not be affected or impaired, and such remaining provisions shall remain in full force and effect.

15. FISCAL FUNDING CLAUSE

Notwithstanding any provisions contained in this Agreement, the obligations of the County under this Agreement are expressly contingent upon the availability of funding for each item and obligation for the term of the Agreement and any pertinent extensions. City shall not have a right of action against County in the event County is unable to fulfill its obligations under this Agreement as a result of lack of sufficient funding for any item or obligation from any source utilized to fund this Agreement or failure to budget or authorize funding for this Agreement during the current or future fiscal years. In the event that County is unable to fulfill its obligations under this Agreement as a result of lack of sufficient funding, or if funds become unavailable, County, at its sole discretion, may provide funds from a separate source or may terminate this Agreement by written notice to City at the earliest possible time prior to the end of its fiscal year.

16. DEFAULT/CUMULATIVE RIGHTS/MITIGATION

It is not a waiver of default if the non-defaulting party fails to immediately declare a default or delays in taking any action. The rights and remedies provided by this Agreement are cumulative, and either party's use of 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. Both parties have a duty to mitigate damages.

17. IMMUNITY

This Agreement is expressly made subject to City's and County's Governmental Immunity, including, without limitation, Title 5 of the Texas Civil Remedies Code and all applicable State and federal laws. The parties expressly agree that no provision of this Agreement is in any way intended to constitute a waiver of any immunities from suit or from liability, or a waiver of any tort limitation, that City or County has by operation of law, or otherwise. Nothing in this Agreement is intended to benefit any third party beneficiary.

18. COMPLIANCE OF LAWS AND VENUE

In providing services required by this Agreement, City and County must observe and comply with all licenses, legal certifications, or inspections required for the services, facilities, equipment, or materials, and all applicable federal, State, and local statutes, ordinances, rules, and regulations. Texas law shall govern this Agreement and venue shall lie exclusively in Dallas County, Texas.

19. RELATIONSHIP OF PARTIES

City is an independent contractor and not an agent, servant, joint enterpriser, joint venturer or employee of County. City and County agree and acknowledge that each entity shall be responsible for its own acts, forbearance, negligence and deeds, and for those of its agents or employees in conjunction with the performance of work covered under this Agreement.

20. SIGNATORY WARRANTY

City and County represent that each has the full right, power and authority to enter and perform this Agreement in accordance with all of the terms and conditions, and that the execution and delivery of Agreement have been made by authorized representatives of the parties to validly and legally bind the respective parties to all terms, performances and provisions set forth in this Agreement.

<signatures appear on following page>

COUNTY:

CITY:

BY: Clay Lewis Jenkins
County Judge

BY: Opal Mauldin-Robertson
City Manager

DATE: _____

DATE: _____

Recommended:

BY: Zachary Thompson
Director, DCHHS

BY: _____
Title: _____

Approved as to Form*:

CRAIG WATKINS
DISTRICT ATTORNEY

TERESA GUERRA SNELSON
CHIEF, CIVIL DIVISION

Approved as to Form:

BY: Melanie Barton
Assistant District Attorney

BY: _____
Title: _____

*By law, the District Attorney's Office may only advise or approve contracts or legal documents on behalf of its clients. It may not advise or approve a contract or legal document on behalf of other parties. Our review of this document was conducted solely from the legal perspective of our client. Our approval of this document was offered solely for the benefit of our client. Other parties should not rely on this approval, and should seek review and approval by their own respective attorney(s).

LANCASTER CITY COUNCIL

Agenda Communication

October 13, 2014

Item 6

Consider a resolution authorizing the award of Bid 2014-181 for Self Contained Breathing Apparatus (SCBA) to Metro Fire Apparatus Specialist, Inc. in an amount not to exceed \$167,748.

This request supports the City Council 2014-2015 Policy Agenda.

Goal: Healthy, Safe & Vibrant Community

Background

In May of 2014 the Lancaster Fire Department received the Assistance to Firefighters grant from FEMA to replace existing Self Contained Breathing Apparatus (SCBA) with the new upgraded versions that are National Fire Protection Association (NFPA) compliant. This will bring all of our SCBA up to standard and improve our firefighting capabilities and safety. The Federal share of that grant is \$148,284.00 and the City of Lancaster portion is the remaining \$19,464.00. This item is to authorize award of bid to purchase the equipment.

Considerations

- **Operational** – The SCBA's will improve firefighting capabilities and improve safety for firefighters.
- **Legal** – This bid was processed in accordance with all local and state purchasing statutes. The resolution has been reviewed and approved as to form by the City Attorney.
- **Financial** – Funding in the amount of \$148,284.00 is provided by the federal government under the Assistance to Firefighter Grant and the remaining \$19,464.00 is encumbered in the FY 2013-2014 budget. Funds will be committed at issuance of a purchase order and expenditures will not exceed \$167,748.
- **Public Information** – Bids were posted on the City's electronic procurement system and advertised in the city official publication of record, Focus Daily News on September 26 and 28, 2014. Bids were opened on September 29, 2014. This item is being considered at a meeting of the City Council noticed and held in accordance with the Texas Open Meetings Act.

Options/Alternatives

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

Recommendation

Staff recommends awarding the bid to Metro Fire Apparatus Specialist, Inc. in an amount not to exceed \$167,748.

Attachments

- Resolution
 - Bid Tab sheet
-

Submitted by:

Thomas Griffith, Fire Chief
Alton Dixon, Purchasing Agent

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS, AUTHORIZING THE AWARD OF BID 2014-181 FOR SELF CONTAINED BREATHING APPARATUS (SCBA) TO METRO FIRE APPARATUS SPECIALIST, INC. IN AN AMOUNT NOT TO EXCEED \$167,748. AUTHORIZING THE ISSUANCE OF A PURCHASE ORDER PURSUANT TO APPROVAL; REPEALING ALL RESOLUTIONS IN CONFLICT; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, The City Council of the City of Lancaster has received a Federal Grant for Self Contained Breathing Apparatus (SCBA) and desires to purchase such firefighting equipment.

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

SECTION 1. The City Council hereby authorizes the bid award for Self Contained Breathing Apparatus to Metro Fire Apparatus Specialist in an amount not to exceed \$167,748.00. A copy of the quote is attached hereto and incorporated herein as Exhibit A.

SECTION 2. The City Manager or designee is authorized to issue appropriate purchase orders in conformity herewith.

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 13th day of October, 2014.

ATTEST:

Sorangel O. Arenas, City Secretary

APPROVED:

Marcus E. Knight, Mayor

APPROVED AS TO FORM:

Robert E. Hager, City Attorney

Bid Request Number 2014-181
Title SCBA 2014
Description The City of Lancaster is seeking bids on Self Contained Breathing Apparatus (SCBA)
Bid Type ITQ
Open Date 9/23/2014 4:00:01 PM Central
Close Date 9/29/2014 3:00:00 PM Central

Organization Lancaster Purchasing
Bid Creator Alton Dixon Purchasing Agent

Email adixon@lancaster-tx.com
Phone 1 (972) 218-1329
Fax 1 (972) 218-3621

Responding Suppliers

Name	City	State	Response Submitted	Lines Responded	Response Total
Metro Fire Apparatus Specialists, Inc.	Houston	TX	9/29/2014 11:29:10 AM CT	4	\$133,728.00
Hoyt Breathing Air Products	Quinlan	TX	9/29/2014 10:01:00 AM CT	4	\$170,286.24
MES	Southbury	CT	9/28/2014 10:37:47 PM CT	4	\$174,429.84

Response Notes

Supplier	Notes
Metro Fire Apparatus Specialists, Inc.	No cost cylinders are part of a manufactures discount applied for complete SCBA bid purchase. Freight is no cost to customer on this bid.
Hoyt Breathing Air Products	Hoyt Breathing Air Products currently holds a Two (2) Multi-Year Interlocal Contracts with the City of Frisco that offers a percent discount off current manufactures list price. Contract Number 411-015The secondary contract will cover SCBA Flow Testing, Hydrostatic Testing, Travel/Setup charges, Labor charges. Contract number 1208-072.
MES	FREIGHT INCLUDED IN PRICE

Header Attributes

	1 (Required)	2 (Required)	3 (Required)	4 (Optional)	5 (Required)	6 (Required)	7 (Required)	8 (Required)	9 (Optional)	10 (Optional)	11 (Optional)
Supplier Name	NFPA Requirement	Questions	Website Address	Warranty Information	T&C Acknowledgement	Bid Acknowledgement	Payment Terms	MWBE 1	MWBE 2	MWBE 3	MWBE 4
	All SCBA must meet current National Fire Protection Association Guidelines.	All questions shall be addressed to Alton Dixon, Purchasing Agent through the electronic procurement system.	Enter product website information	Enter Warranty Information	I have read and agree to the terms and conditions of this bid.	Bidder affirms that they have read and understand all requirements of this proposal. Additionally, the bidder affirms that they are duly authorized to execute this contract and that this company has not prepared this proposal in collusion with any other proposer, and that the contents of this proposal as to prices, terms or conditions of said proposal have not been communicated by the bidder nor by any employee or agent to any other person engaged in this type of business prior to the official opening of this type of business prior to the official opening of this proposal.	The City of Lancaster's payment terms are Net 30.	Is your company M/WBE or HUB certified?	If yes, what is your certification number?	If yes, what agency completed the certification?	If yes, what is the expiration date of your certification?
Hoyt Breathing Air Products	The SCBA quoted meets the NFPA requirement.	Understood	www.scottsafety.com	Standard Manufactures Warranty	Agreed	Agreed	Agreed	yes	1752468517300	The Texas Comptroller of Public Accounts	09/29/2014 Renewal has been refilled to Comptroller
MES	The SCBA quoted meets the NFPA requirement.	Understood	www.mesfire.com, www.scottsafety.com	5 years Electronics, 10 years SCBA, 15 Years High Pressure Reducer	Agreed	Agreed	Agreed	No			
Metro Fire Apparatus Specialists, Inc.	The SCBA quoted meets the NFPA requirement.	Understood	https://www.scottsafety.com/en/us/Pages/Default.aspx	Electronic components have a five year warranty; First Stage/Redundant pressure reducer has a fifteen year warranty; All other SCBA components have a ten year warranty.	Agreed	Agreed	Agreed	No			

Line Items

							4.5 Air-Pak with Snap Change standard harness and belt regulator w/quick connect dual EBSS, pak-tracker the pack must be compatible with all other EDUCT cities and meet all new NFPA Standards	
Line 1								
<u>Name</u>	<u>QTY</u>	<u>UOM</u>	<u>Unit Price</u>	<u>Extended</u>	<u>Mfgr</u>	<u>MfgNo</u>	<u>Alternate Specification</u>	<u>Note to Buyer</u>
Hoyt Breathing Air Products	24	EA	\$4,711.72	\$113,081.28				Scott Part Number: X3414022200302 Pricing quoted reflects CURRENT Interlocal Multi Year (up to 5 years) Contract we have with the City of Frisco. Contract Number 1411-015 which covers ALL Scott SCBA Equipment, parts and accessories for this purchase and any future purchases up to 5 years. X3414022200202 SCOTT X3 4.5 W/SNAP CHG QUIC DISCONNECT, SH, PASS, DUAL EBSS, INTEGRATED PASS Scott Part # X3414022200302 4.5 AIR-PAK X3 WITH SNAPCHANGE STANDARD HARNESS & BELT REGULATOR W/ QUICK CONNECT DUAL EBSS, PAK-TRACKER
MES	24	EA	\$4,795.11	\$115,082.64				
Metro Fire Apparatus Specialists, Inc.	24	EA	\$4,967.00	\$119,208.00				
							45 minute carbon cylinder 4500 PSI Snap change NFPA compliant	
Line 2								
<u>Name</u>	<u>QTY</u>	<u>UOM</u>	<u>Unit Price</u>	<u>Extended</u>	<u>Mfgr</u>	<u>MfgNo</u>	<u>Alternate Specification</u>	<u>Note to Buyer</u>
Hoyt Breathing Air Products	48	EA	\$883.65	\$42,415.20				Scott Part Number: 200129-01 Pricing quoted reflects CURRENT Interlocal Multi Year (up to 5 years) Contract we have with the City of Frisco. Contract Number 1411-015 which covers ALL Scott SCBA Equipment, parts and accessories for this purchase and any future purchases up to 5 years. 80472201 SCOTT CYLINDER & VALVE ASSEMBLY,CARBON,45MIN,4 500
MES	48	EA	\$923.95	\$44,349.60				
Metro Fire Apparatus Specialists, Inc.	48	EA	No Bid					
Metro Fire Apparatus Specialists, Inc. (Alt 1)	26	EA	\$931.00	\$24,206.00	200129-01	SCOTT	Scott Part #200129-01 45 MINUTE CARBON CYLINDER 4500 PSI SNAP CHANGE Scott Part #200129-01 45 MINUTE CARBON CYLINDER 4500 PSI SNAP CHANGE ****No cost cylinders are part of a manufactures discount applied for complete SCBA bid purchase.****	
Metro Fire Apparatus Specialists, Inc. (Alt 2)	22	EA	\$0.00	\$0.00	200129-01	SCOTT		
							Voice amplifier compatible with mask and NFPA compliant	
Line 3								
<u>Name</u>	<u>QTY</u>	<u>UOM</u>	<u>Unit Price</u>	<u>Extended</u>	<u>Mfgr</u>	<u>MfgNo</u>	<u>Alternate Specification</u>	<u>Note to Buyer</u>
Metro Fire Apparatus Specialists, Inc.	24	EA	\$350.00	\$8,400.00				Scott Part # 201275-01 EPIC 3 VOICE AMPLIFIER 20127501 SCOTT EPIC 3 VOICE AMPLIFIER INDIVIDUAL Scott Part Number: 201275-01 Pricing quoted reflects CURRENT Interlocal Multi Year (up to 5 years) Contract we have with the City of Frisco. Contract Number 1411-015 which covers ALL Scott SCBA Equipment, parts and accessories for this purchase and any future purchases up to 5 years.
MES	24	EA	\$371.32	\$8,911.68				
Hoyt Breathing Air Products	24	EA	\$373.72	\$8,969.28				
							Mask, sizes and needed with Kevlar head net and right side comm bracket	
Line 4								
<u>Name</u>	<u>QTY</u>	<u>UOM</u>	<u>Unit Price</u>	<u>Extended</u>	<u>Mfgr</u>	<u>MfgNo</u>	<u>Alternate Specification</u>	<u>Note to Buyer</u>
Hoyt Breathing Air Products	24	EA	\$242.52	\$5,820.48				Scott Part Number: 201215-04 Small 201215-05 Medium 201215-06 Large If awarded this Bid in its entirety Hoyt Breathing Air Products will also include AV-3000HT Fit Testing for up to 24 end users. Total value of \$762.00 Pricing quoted reflects CURRENT Interlocal Multi Year (up to 5 years) Contract we have with the City of Frisco. Contract Number 1411-015 which covers ALL Scott SCBA Equipment, parts and accessories for this purchase and any future purchases up to 5 years. 20121505 SCOTT AV3000 HT, KEVLAR HEADNET, SIZE MEDIUM, RIGHT SIDE COMM BRKT Scot Part # 201215-" AV-3000 HT MASK, ""SIZES TBD" WITH KEVLAR HEAD NET AND RIGHT SIDE COMM BRACKET
MES	24	EA	\$253.58	\$6,085.92				
Metro Fire Apparatus Specialists, Inc.	24	EA	\$255.00	\$6,120.00				

LANCASTER CITY COUNCIL

Agenda Communication

October 13, 2014

Item 7

Consider a resolution authorizing the award of bid 2014-178 for the purchase of hot and cold mix asphalt to Austin Asphalt L.P. as primary and APAC Texas Inc. as secondary supplier.

This request supports the City Council 2014-2015 Policy Agenda.

**Goal: Sound Infrastructure
Financially Sound City Government**

Background

Operations require the purchase of materials including asphalt to facilitate the repairs to streets, alleys, and curbs. The asphalt to be purchased from this contract will be used by the Streets Division for daily maintenance and repairs to the City's street infrastructure.

Considerations

- **Operational** – The contract will be administrated by Public Works Department. The asphalt will be used for the maintenance and repairs to the City of Lancaster street infrastructure. The primary and secondary vendors have the ability to comply with the specifications for materials, quantities and delivery requirements.
- **Legal** – The City Attorney has reviewed and approved the resolution as to form. The bid was processed in accordance with all local and state purchasing statutes. Two bids were received and the vendors are not certified MWBE. The contract is for one year and should be awarded by the unit price. The total amount of the award is estimated and the actual expenditures may be more or less depending on actual needs. The price per unit will not change.
- **Financial** – Funding for street maintenance is authorized in the FY 2014/2015 budget and will be committed at issuance of a purchase order and expenditures will not exceed funds appropriated.
- **Public Information** – Bids were posted on the City's electronic procurement system and advertised in the city official publication of record, Focus Daily News on August 21 and 28, 2014. Bids were opened on September 5, 2014. This item is being considered at a meeting of the City Council noticed and held in accordance with the Texas Open Meetings Act.

Options/Alternatives

1. City Council may award the bid.
2. City Council may reject the bid

Recommendation

Staff recommends awarding the bid to the two lowest responsible bidders, Austin Asphalt L.P. as primary supplier and APAC Texas Inc. as secondary supplier.

Attachments

- Resolution
 - Tab Sheet
-

Submitted by:

Jim Brewer, Public Works Director
Allen Carsner, Streets and Stormwater Superintendent
Alton Dixon, Purchasing Agent

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS, AUTHORIZING THE AWARD OF A UNIT PRICE BID (2014-178) FOR THE PURCHASE OF HOT AND COLD ASPHALT MIX TO AUSTIN ASPHALT L.P. AS PRIMARY, AND APAC TEXAS INC. AS SECONDARY SUPPLIER; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, it is necessary to make repairs to the streets, alleys and sidewalks throughout the city; and

WHEREAS, the Public Works Department of the City of Lancaster desires to purchase asphalt for repairs and maintenance of the City's infrastructure.

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

SECTION 1. The City Council hereby authorizes the award of a unit price bid (2014-178) to Austin Asphalt L.P. as primary and APAC Texas Inc. as secondary supplier. Unit prices are attached hereto by reference as Exhibit A (Tab Sheet).

SECTION 2. The City Manager or designee is authorized to issue appropriate purchase orders.

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. The 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 13th day of October 2014.

ATTEST:

APPROVED:

Sorangel O. Arenas, City Secretary

Marcus E. Knight, Mayor

APPROVED AS TO FORM:

Robert E. Hager, City Attorney

Specification Responses		Austin	APAC	
Line	Description	Unit	Unit	Unit
1.1	Type B asphalt, fine graded base course, PRICE PER TON FOR PICKUP, SPEC# 340.4	\$48.50	\$55.00	
1.2	Type D asphalt, fine graded base course, PRICE PER TON FOR PICKUP, SPEC #340.4 * BIN #3 NO ROCKS LARGER THAN 3/8	\$51.00	\$57.00	
1.3	ALTERNATE- Delivered type B asphalt, fine graded base course, SPEC#340.4	\$57.50	\$62.50	
1.4	ALTERNATE- Delivered type D asphalt, fine graded base course, SPEC@340.4	\$59.50	\$64.50	

LANCASTER CITY COUNCIL

Agenda Communication

October 13, 2014

Item 8

Discuss and consider appointment of council liaisons to City Boards and Commissions.

This request supports the City Council 2014-2015 Policy Agenda.

Goal: Civic Engagement

Background

At the September 8, 2014 meeting, City Council made appointments to City Boards and Commissions. Annually, following board and commission appointments, Councilmembers select the boards/commissions that they would like to serve as Council liaison.

In accordance with Resolution 2007-09-105, appointments are based on seniority with the most tenured member choosing from the boards/commissions first. Following is a list of councilmembers by seniority:

Mayor Pro Tem James Daniels
Deputy Mayor Pro Tem Nina Morris
Councilmember Marco Mejia
Councilmember Stanley Jaglowski
Councilmember LaShonjia Harris
Councilmember Carol Strain-Burk

Considerations

Currently serving as liaisons are the following:

<u>Board/Commission</u>	<u>Councilmember</u>
Airport Board	Jaglowski
Animal Shelter Advisory Committee	Jaglowski
Civil Service Commission	Harris
Economic Development Corp.	Mejia
Historic Landmark Preservation Committee	Strain-Burk
Library Advisory Board	Harris

Board/Commission

Councilmember

Museum Advisory Board

Parks and Recreation Advisory Board/
Recreational Development Corp.

Morris

Planning & Zoning Commission

Daniels

Property Standards & Appeals Board

Mejia

Youth Advisory Committee

Morris

Zoning Board of Adjustment

Daniels

Options/Alternatives

1. Council may make selections for council liaisons to boards and commissions.
2. Council may postpone selection of council liaisons and direct staff.

Recommendation

Selection of council liaisons is solely at Council's pleasure.

Attachments

- Resolution 2007-09-105 (council liaison policy)

Submitted by:

Sorangel O. Arenas, City Secretary

RESOLUTION NO. 2007-09-105

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS, ESTABLISHING A POLICY FOR COUNCILMEMBERS TO SERVE AS LIAISONS TO ALL BOARDS AND COMMISSIONS OF THE CITY; REPEALING ALL RESOLUTIONS IN CONFLICT; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, it is the intention of the City Council of the City of Lancaster to provide effective communication to all the boards and commissions; and

WHEREAS, Councilmembers serving as liaisons to the various City's boards and commissions will be able to provide necessary resources and information to the boards and commissions.

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

Section 1. All City Councilmembers, with the exception of the Mayor, will serve as Council liaisons to all the boards and commissions of the City for a period of one year. Councilmembers will select different boards and/or commissions to serve as liaisons after or around the completion of the boards and commissions appointments in July.

Section 2. Each Councilmember will be allowed to select the board or commission they would like to serve as liaisons to by order of seniority.

Section 3. Each Councilmember may submit a quarterly report to the entire council through the City Secretary on their respective board and/or commission's activity.

Section 4. Councilmembers are strongly encouraged, rather than required, to attend all meetings of their selected boards and/or commissions.

Section 5. Any prior Resolution of the City Council in conflict with the provisions contained in this Resolution are hereby repealed or revoked.

Section 6. 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.

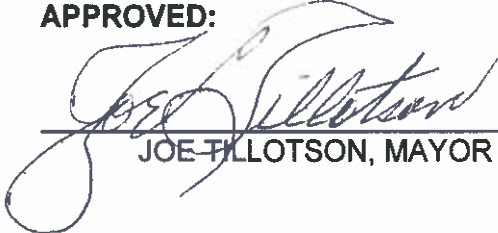
Section 7. This Resolution shall take effective immediately from and after its passage, and it is accordingly so resolved.

DULY PASSED and approved by the City Council of the City of Lancaster, Texas, on this the 24th day of September 2007.

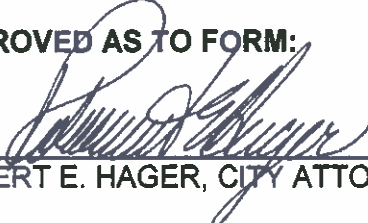
ATTEST:


DOLLE K. SHANE, CITY SECRETARY

APPROVED:


JOE TILLOTSON, MAYOR

APPROVED AS TO FORM:


ROBERT E. HAGER, CITY ATTORNEY

LANCASTER CITY COUNCIL

Agenda Communication

October 13, 2014

Item 9

Discuss and consider a resolution accepting the proposed Project Plan and Reinvestment Zone Financing Plan that results in an increase in real property tax revenues (“tax increment”) that is generated above what the area’s total assessed valuation was when the district was created (“base value”).

This request supports the City Council 2014-2015 Policy Agenda.

Goal: Sound Infrastructure

Background

Tax increment financing (“TIF”) is a tool Texas local governments use to encourage development that would not ordinarily occur within a defined area. Chapter 311 of the Texas Tax Code, which governs the utilization of such financing, refers to these defined areas as “reinvestment zones.” However, in actual practice, these areas are more commonly referred to as “TIF districts,” and both terms will be used interchangeably.

The financing is produced from the increased real property tax revenues that is generated above what the area’s total assess valuation was when the district was created.

Considerations

The purpose of this item is to approve the proposed Project Plan and Reinvestment Zone Financing Plan for the Tax Increment Financing District (TIF) in accordance with the requirements of the approved funding agreement by and between the City of Lancaster and Dallas County. The attached Preliminary Project Plan and Reinvestment Zone Financing Plan is to demonstrate that it is economically feasible to create the proposed City of Lancaster TIF district and provide an instrument of repayment to Dallas County. This document is the basis for a final plan, should the City Council proceed with the creation of the TIF District.

Chapter 311 of the Tax Code is specific and requires separate action by the City Council.

- **Operational** – Resolution and action to accept the preliminary plan must be approved prior to the creation of the TIF District.
- **Legal** – The motion and resolution have been approved as to form by the City Attorney.

- **Financial** – Not approving this resolution will have direct impact on staff's ability to implement the proposed TIF District.
- **Public Information** – 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.

Attachments

- Resolution
-

Submitted by:

Rona Stringfellow, Assistant City Manager

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS, APPROVING THE PRELIMINARY PROJECT PLAN AND REINVESTMENT ZONE FINANCING PLAN THAT RESULTS IN AN INCREASE OF REAL PROPERTY TAX REVENUES (“TAX INCREMENT”) THAT IS GENERATED ABOVE WHAT THE AREA’S TOTAL ASSESSED VALUATION WAS WHEN THE DISTRICT WAS CREATED (“BASE VALUE”); 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 City of Lancaster Tax Increment Financing District #1; and

WHEREAS, Chapter 311 of the Tax Code requires a separate action that will increase revenue from real property taxes that is generated above what the area’s total assessed valuation was when the district was created.

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

Section 1. The City Council hereby ratifies, by a record vote, the adoption of a preliminary project plan and reinvestment zone financing plan which results in an increase of revenues from real property taxes that is generated above what the area’s total assessed valuation was when the district was created, described herein as Exhibit “A.”

Section 2. This Resolution shall become effective immediately from and after its passage, as the law and charter in such cases provides.

DULY PASSED by the City Council of the City of Lancaster, Texas, on the 13th day of October 2014.

APPROVED:

MARCUS E. KNIGHT, MAYOR

ATTEST:

SORANGEL O. ARENAS, CITY SECRETARY

APPROVED AS TO FORM:

ROBERT E. HAGER, CITY ATTORNEY

DRAFT

Inland Port Water Project Tax Increment Financing District



PRELIMINARY PROJECT PLAN and REINVESTMENT ZONE FINANCING PLAN

**July 2014
City of Lancaster**



Acknowledgements

This plan was prepared by the City of Lancaster and Dallas County. Both entities wish to acknowledge the efforts of all individuals and organizations that contributed to the development of this plan.

City of Lancaster

Opal Robertson	City Manager
Rona Stringfellow	Assistant City Manager
Fabrice Kabona	Assistant to the City Manager--Intern

Dallas County

Darryl Martin	County Administrator
Rick Loessberg	Director of Planning & Development
Ryan Brown	Budget Officer
Alberta Blair	Director of Public Works

Table of Contents

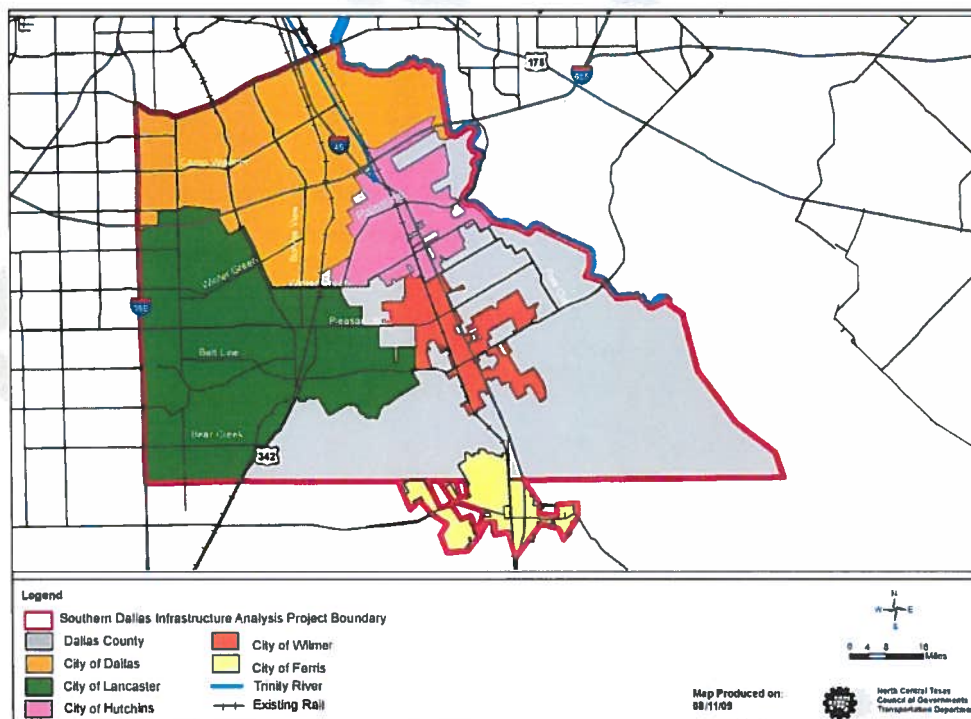
Section 1: Project Plan	4
Background	4
Purpose of Preliminary Project Plan and Reinvestment Zone Financing Plan	5
Description of Proposed District	5
Proposed Term of TIF District	7
Proposed TIF District Goals and Objectives	7
 Section 2: Tax Increment Financing Explained	 8
 Section 3: Project Plan Improvements	 10
Proposed Public Improvements	10
Projected Taxable Private Improvements	11
 Section 4: Financing Plan	 13
Financial Assumptions	13
Proposed Level of City Financial Participation	13
Projected Increase in Tax Base/Generated Income	14
Proposed TIF Project Costs	15
Financial Feasibility	15
 Appendix A: List of Parcels Comprising Proposed TIF District	 16

Section 1 Project Plan

Background

The “inland port” area, which is one of the most significant economic development opportunities remaining in Dallas County, contains the entire cities of Lancaster, Hutchins, Ferris, and Wilmer as well as portions of Dallas County’s unincorporated area and Dallas.

Considered to generally be the area encompassed by Loop 12 on the north, I-35 on the west, the Trinity River on the east, and the Dallas County-Ellis County boundary on the south, this area is called an “inland port” because its unique characteristics (a Union Pacific intermodal facility—which is one of the largest and most modern in the U.S.—and the intersection of three north-south and east-west interstate highways) enable it to quickly receive and ship goods from the West Coast, the East Coast, and the Gulf of Mexico. Not surprisingly, a number of major corporations (e.g.—Whirlpool, Proctor & Gamble, Unilever, Fedex, L’Oreal, Ace Hardware, BMW, etc.) have begun locating significant distribution facilities within the area.



The Inland Port Water Project Tax Increment Financing (TIF) District is being proposed in accordance with the requirements of the April 28, 2014 Capital Improvement Program Funding Agreement between the City of Lancaster and Dallas County. While the inland port area has substantial economic potential, much of it lacks the infrastructure (in particular, water and sewer) in order for this potential to be realized. Recognizing this, Dallas County, through the

aforementioned funding agreement, has allocated \$10 million for a water project that will be jointly constructed in Wilmer and Lancaster with both cities agreeing to reimburse the County for a portion of the \$10 million.

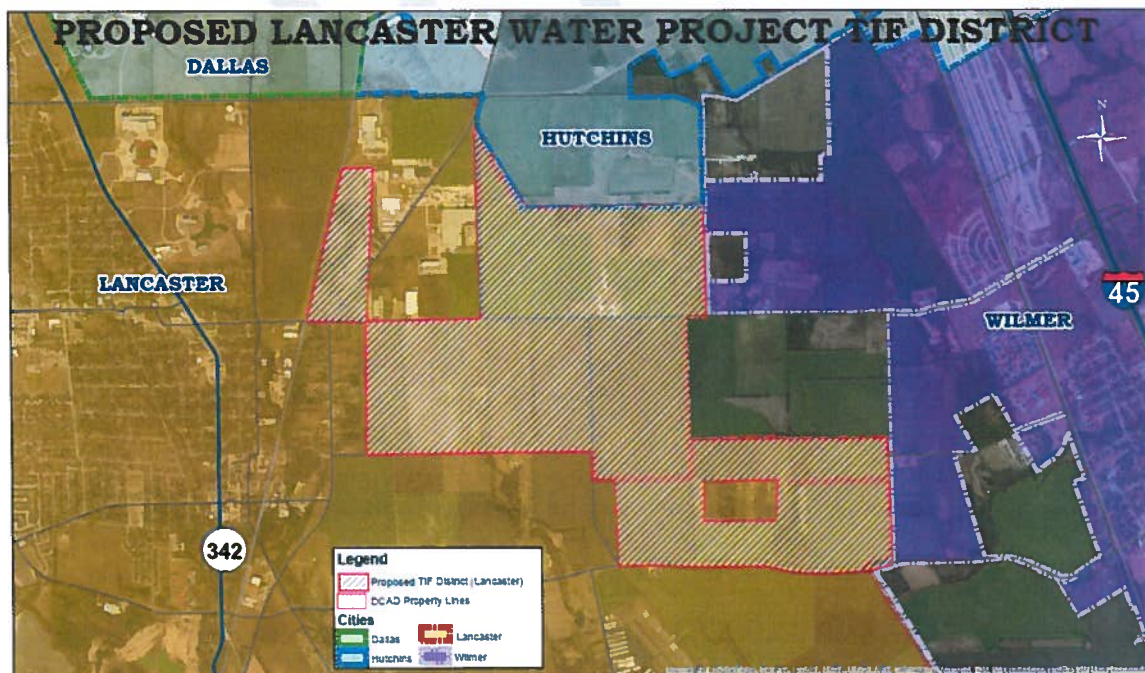
Under this agreement, Lancaster's share of the project is \$2.15 million and is to be provided from this TIF district which must be created by December 31, 2014.

Purpose of Preliminary Project Plan and Reinvestment Zone Financing Plan

The purpose of this document is to demonstrate that it is economically feasible to create the proposed Inland Port Water Project TIF district and have this district reimburse the County for the City's share of the upcoming Dallas County water project, to fulfill the legal requirements of Chapter 311 of the Texas Tax Code, and to provide a document that can serve as the basis and foundation for a final plan should the City Council proceed with the creation of the district.

Description of Proposed District

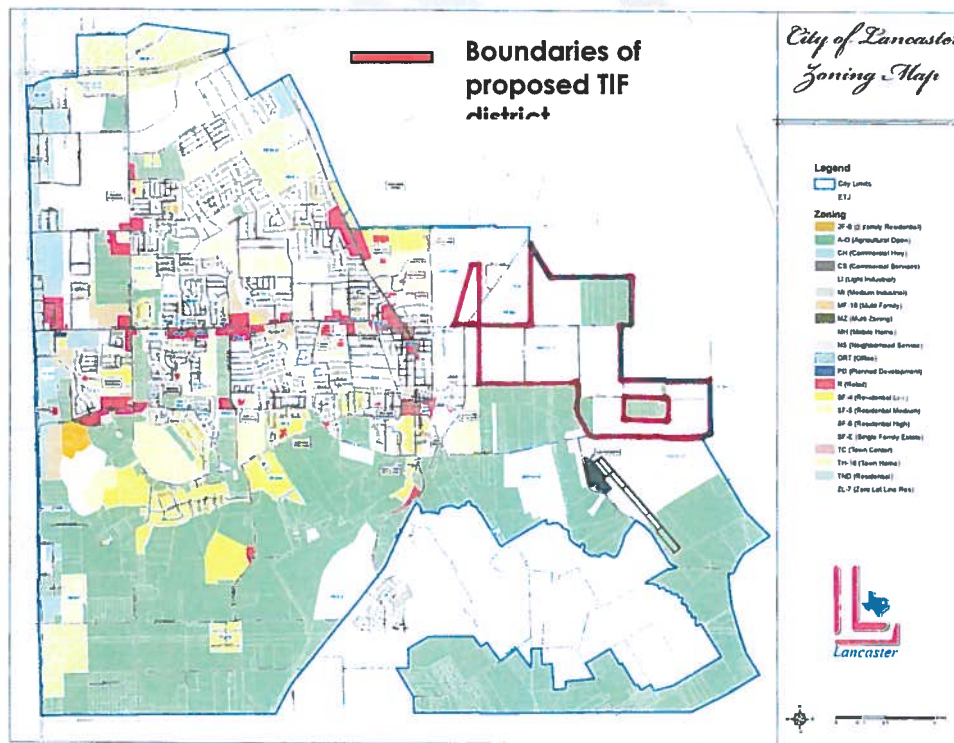
The proposed Inland Port Water Project TIF District contains 35 parcels and approximately 1337.4 acres (excluding streets and roads). It is primarily located east of Lancaster-Hutchins Road between Wintergreen Road and Beltline Road and the City of Wilmer. A complete list of the thirty-five parcels that comprise the proposed district is included in Appendix A.



All of the district is currently undeveloped and is used for agricultural purposes.



As shown below, about 85% of the district is currently zoned *Light Industrial*. A variety of uses directly associated with the area's "inland port" emphasis (i.e., light assembly, light manufacturing, bottling, warehouse/distribution center, office, food processing, etc.) are allowed under this zoning as are such supportive uses as gas stations, convenience stores, laundries, restaurants, and copy centers.



The remaining 15% of the district is currently zoned *Agriculture*. According to the City's development code, this designation is given to areas "in which the future growth of the City might occur" and that it is "suitable for areas where development is premature because of a lack of utilities, capacity, or services, or

where the ultimate land use has not been determined.” Given that the property within the proposed district that has this *Agriculture* designation is surrounded by property that is already zoned *Light Industrial*, it is reasonable to assume that this “Agriculture” land will be similarly zoned when the necessary infrastructure is installed and development comes to the area.

Proposed Term of TIF District

Pursuant to the terms of the funding agreement between the City and the County for the Lancaster-Wilmer water project, it is proposed that this TIF district be created by December 31, 2014 and that it terminate on either December 31, 2037 or when the increment produced by the district reaches \$2.15 million, whichever occurs first.

Proposed TIF District Goals and Objectives

The sole purpose of this TIF district is to produce revenue that will enable the City to reimburse the County for its share of a \$10 million water project. It is anticipated that the TIF district will be able to fulfill this role as the \$10 million water project removes a critical impediment which is preventing the TIF area from being developed. With this water project being able to provide the area with adequate water capacity and pressure, it is projected that approximately 1.2 million square feet of distribution center space will be constructed within the district before the district ends. It is also hoped that such development will lead to other supportive economic activity (e.g.—restaurants, hotels, suppliers, etc.) in and around the area.

Section 2

Tax Increment Financing Explained

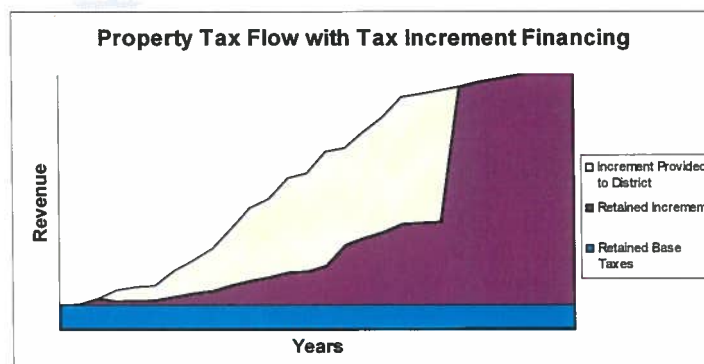
Tax increment financing ("TIF") is a tool Texas local governments use to encourage development that would not ordinarily occur within a defined area. Chapter 311 of the Texas Tax Code, which governs the utilization of such financing, refers to these defined areas as "reinvestment zones." However, in actual practice, these areas are more commonly referred to as "TIF districts," and both terms will be used interchangeably in this document.

Tax increment financing seeks to encourage development by directly funding or reimbursing the cost of a variety of improvements that attract new investment and that benefit the public. Typically, local governments seek to undertake improvements that will increase the values of the area's real property.

The financing is produced from the increased real property tax revenues ("tax increment") that is generated above what the area's total assessed valuation was when the district was created ("base value"). Prior to the TIF district becoming operational, local governments determine whether they wish to contribute any of the added property tax revenues to the district. Contributed tax increment is then collected for a specified period of time and placed in a dedicated fund for approved projects that are consistent with the district's final project plan and financing plan.

TIF districts do not utilize any revenue produced from increases in the assessed valuation of business personal property. Also, owners of real property located within a TIF district continue to pay the full amount of taxes due. Inclusion of real property in a reinvestment zone does not change, reduce, or freeze either the level of taxes that must be paid or the tax rate that is imposed. Local governments also continue to collect and deposit in their general funds the property taxes that are generated from the district's base value and from any portion of the tax increment that is not contributed to the district.

The chart which follows below illustrates how increased tax revenues from real properties in a reinvestment zone flow to a taxing unit and to the tax increment fund and how the taxing entity continues to collect and retain taxes generated from the district's base value.



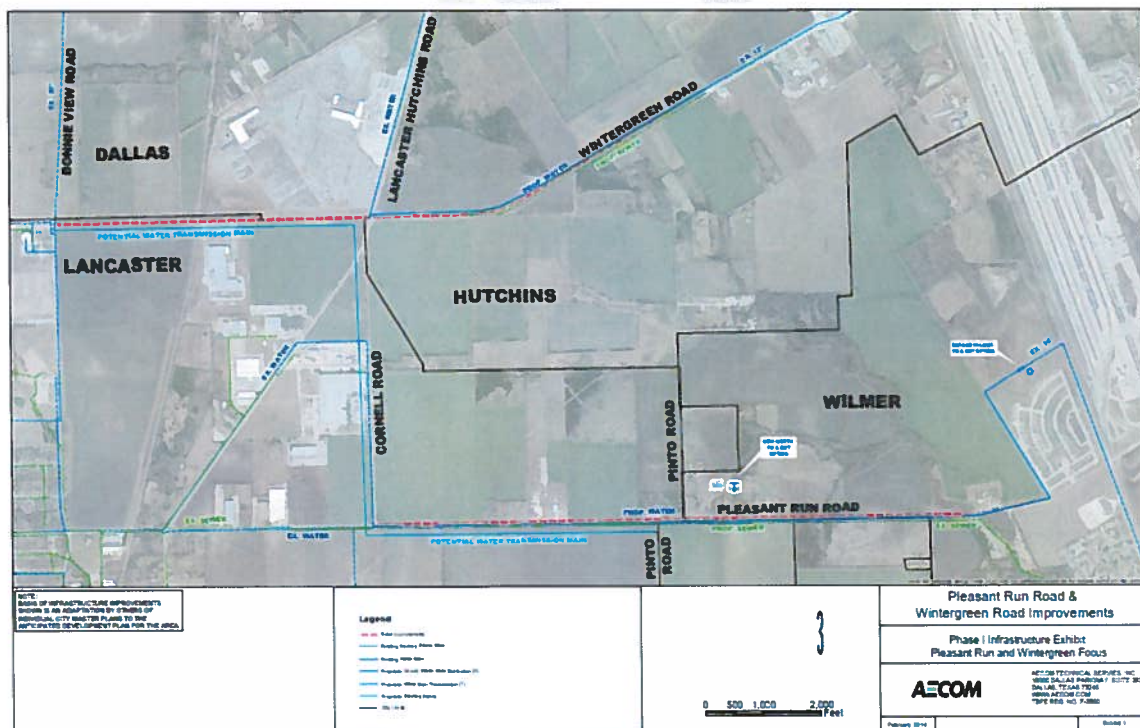
Under certain TIF programs, cash accumulates in the tax increment fund and is used to purchase public improvements on a “pay-as-you-go” basis. More commonly, as with the Zone, a private developer (or a public entity as is the case with this proposed TIF district) will provide cash to construct public improvements, with the tax increment fund eventually reimbursing the private developer or public agency for its costs.

Section 3

Project Plan Improvements

Proposed Public Improvements

As mentioned previously, this TIF district is being proposed so that the City can reimburse Dallas County for a \$10 million water project that is being built in both Lancaster and Wilmer. This project, which seeks to address some of the needs identified in a 2012 North Central Texas Council of Governments (NCTCOG)-sponsored analysis of the infrastructure in the “inland port” area, involves the design and construction of a new 16-inch water line along Pleasant Run, a corresponding sewer line, a 1.5-million-gallon storage tank, and a pump station. The design of this project is currently underway; it is anticipated that construction will begin in 2015 and take about one year. When completed, the project will help ensure that the eastern portion of Lancaster (including the proposed TIF district) and the western portion of Wilmer will have, for the first time, sufficient water capacity for the type of logistics/distribution center development that is expected. Such capacity will finally allow this area to be developed and to no longer be by-passed in favor of other locations where water capacity issues do not exist.



In addition, this project is being supplemented with another \$7 million from NCTCOG so that Pleasant Run Road from Lancaster-Hutchins Road to Millers Ferry can be expanded from two lanes to four lanes. Such an expansion will further enhance the area’s economic viability as it will significantly improve the area’s connection to the Union Pacific intermodal facility and I-45. However,

although the TIF district will greatly benefit from this project, it is not necessary for the district to financially contribute to it.



The design of this project is presently underway; its construction is scheduled to occur in late 2015 or early 2016.

Projected Taxable Private Improvements

With the construction of the water project and the improvements to Pleasant Run, it is projected that two distribution centers, each containing 600,000 square feet, will be constructed during the life of the TIF district. The estimated value of each distribution center (excluding land) is expected to be \$20 million, thus producing a total increase in the district's assessed valuation of \$40 million.

This projection is based on the characteristics of the distribution centers that have been built in the "inland port" area over the past several years.



Recent Inland Port Area Distribution Centers			
Project	2014 Assessed Value of Facility	Square Footage	Year Built
Unilever	\$24.1 million	660,000 sf	2008
Whirlpool	\$36.6 million	1,020,000 sf	2010
L'Oreal	\$28.9 million	554,600 sf	2013
BMW	\$17.3 million	293,592 sf	2013
Ace Hardware	\$18.9 million	472,836 sf	2013
Proctor & Gamble	\$45 million*	1,400,000 sf	2014

* Estimate; facility under construction.

This projection is also based on the proposed TIF district's proximity to these recent developments and to Union Pacific's intermodal facility. As shown below, these facilities encircle the proposed TIF district and are located no more than about two-to-three miles from this area. Such proximity would thus seem to indicate that the TIF district is located in an area where the anticipated development is likely to occur once the necessary infrastructure is in place.



The first distribution center is expected to be completed in 2018 which will be about three years after the water project and the Pleasant Run improvements are constructed. The second distribution center is expected to be completed within five years of this first facility.

As the proposed TIF district is presently undeveloped and uninhabited, no displacement is expected when the projected development occurs.

Section 4

Financing Plan

Financial Assumptions

Projecting what the future will be for any subject is always difficult and predicting economic activity may be especially so. As a result, this plan has been developed to be as prudent and cautious as possible, to heavily rely upon the characteristics and the pattern of development that is presently occurring, and to perhaps even under-state the amount of increment and growth that could be generated. It has, for instance, been assumed that the City's current tax rate of \$.8675 will remain unchanged for the twenty-three years that this district would be in place. While as taxpayers, this is something that everyone would like to see, it is not likely to happen, and as the tax rate changes, even by a small portion, it will increase the amount of revenue that the district will be able to collect.

Similarly, it has been assumed that there will be no appreciation whatsoever in the value of the land in this district over the next twenty-three years even though the City's entire tax base grew at an annual average rate of 1.9% for the period of 2004-2013 and even though the construction of new physical improvements tends to increase the value of not only the land on which it sits, but on nearby parcels. It is also being assumed that when each of the two projected distribution centers is built, the value of each facility will annually increase by the aforementioned 1.9%.

It has also been assumed that there will not be a reduction in the utilization of the agriculture tax exemption that is presently being claimed on thirty of the district's thirty-five parcels (three of the five non-exempted properties are electrical corridors owned by Oncor and so will not ever be further developed, and the two remaining parcels contain only 71 of the district's 1337.4 acres). In making this assumption, it is assumed that if a property currently receiving the exemption is developed, the land will continue to receive the exemption (the constructed development, however, will not).

Although this premise (which cannot actually happen—if a site is developed, it cannot also receive an agriculture exemption) would allow the development's physical improvement to be taxed at its full market value, its impact on this plan's financial considerations is not insignificant as land claiming this exemption is only taxed at about 6% of its market value. Indeed, were this exemption to be discontinued, the district's current assessed valuation would instantly increase from about \$2.2 million to \$19.6 million, and just this change—even without any accompanying physical improvements—would be enough to provide almost one-half of the City's reimbursement to the County.

Because the purpose of this district is to reimburse Dallas County for the City's share of the water project, this financing plan has also been formulated to show

the minimum amount of new development needed in order to do this. As a result, while distribution centers larger than 600,000 square feet and with values much higher than \$20 million are presently being constructed near the proposed TIF area, it has been projected that only more “modestly-sized” facilities will be constructed. Similarly, while it is possible that additional supportive development (like eating establishments, copy centers, gas stations, and convenience stores) will occur, the plan is again anticipating only the minimum amount of development needed in order to produce a total TIF contribution of \$2.15 million.

Proposed Level of City Financial Participation

It is proposed that only the City will financially participate in this TIF district, that it will contribute 33% of any generated increment to the district beginning on January 1, 2018, and that it will continue to do so for twenty years until either the City’s total contribution reaches \$2.15 million or the district expires on December 31, 2037, whichever occurs first. Such terms are consistent with the April 28, 2014 water project funding agreement that the City has entered into with Dallas County.

Projected Change in Tax Base/Generated Increment

The preliminary 2014 assessed taxable value of the property located within the proposed TIF district is \$2,186,970. Should these values be finalized by the Dallas Central Appraisal District (DCAD) and the TIF district be created before December 31, 2014, then this figure will serve as the “base value” for the TIF district. All future calculations of whether increment has been generated during a particular year will use this figure as a starting point.

As mentioned in Section 3 of this plan, it is anticipated that a \$20 million distribution center will be completed in 2018. An identical second facility is projected to be completed by 2023.

As shown below, these developments are projected to increase the district’s current assessed valuation from about \$2.2 million to \$58.3 million in 2037 and to generate almost \$2.3 million in incremental revenue by 2036; this would enable the City to fully reimburse the County for its \$2.15 million share of the upcoming Lancaster-Wilmer water project and allow the TIF district to expire one year ahead of schedule.

PROJECTED TIF INCREMENT SCHEDULE						
TIF Year	Tax Year	Property Value Total	Anticipated Captured Value	City Participation Rate	City TIF Contribution	Accumulative City TIF Contribution
Base	2014	\$2,186,970	n/a	n/a	n/a	n/a
1	2015	\$2,186,970	-0-	-0-	-0-	-0-
2	2016	\$2,186,970	-0-	-0-	-0-	-0-

PROJECTED TIF INCREMENT SCHEDULE						
TIF Year	Tax Year	Property Value Total	Anticipated Captured Value	City Participation Rate	City TIF Contribution	Accumulative City TIF Contribution
3	2017	\$2,186,970	-0-	-0-	-0-	-0-
4	2018	\$22,186,970	\$20,000,000	33%	\$57,255	\$57,255
5	2019	\$22,566,970	\$20,038,000	33%	\$57,364	\$114,619
6	2020	\$24,028,390	\$21,841,420	33%	\$62,527	\$177,146
7	2021	\$24,443,377	\$22,256,407	33%	\$63,715	\$240,861
8	2022	\$24,866,249	\$22,679,279	33%	\$64,926	\$305,787
9	2023	\$45,297,155	\$43,110,185	33%	\$123,414	\$429,201
10	2024	\$46,116,249	\$43,929,279	33%	\$125,759	\$554,960
11	2025	\$46,950,905	\$44,763,935	33%	\$128,148	\$683,108
12	2026	\$47,801,420	\$45,614,450	33%	\$130,583	\$813,691
13	2027	\$48,668,094	\$46,481,124	33%	\$133,064	\$946,755
14	2028	\$49,551,235	\$47,364,265	33%	\$135,592	\$1,082,347
15	2029	\$50,451,157	\$48,264,187	33%	\$138,168	\$1,220,515
16	2030	\$51,368,176	\$49,181,206	33%	\$140,793	\$1,361,308
17	2031	\$52,302,619	\$50,115,649	33%	\$143,469	\$1,504,777
18	2032	\$53,254,816	\$51,067,846	33%	\$146,194	\$1,650,971
19	2033	\$54,225,105	\$52,038,135	33%	\$148,972	\$1,799,943
20	2034	\$55,213,830	\$53,026,860	33%	\$151,803	\$1,951,746
21	2035	\$56,221,340	\$54,034,370	33%	\$154,687	\$2,106,433
22	2036	\$57,247,993	\$55,061,023	33%	\$157,626	\$2,264,059
23	2037	\$58,294,153	\$56,107,183	33%	\$160,621	\$2,424,680

Proposed TIF Project Costs

It is proposed that the City will allocate \$2.15 million of the increment generated by this district for the reimbursement of the City's share of the Dallas County water project. This will be the only project that the TIF district funds. Generated increment will be remitted to the County each year that such increment is produced and will continue until the City's total contribution reaches \$2.15 million or the TIF district expires, whichever occurs first.

Financial Feasibility

Based upon the conservative financial assumptions used in this analysis, the actual growth trends that are occurring in the "inland port" area, and the impact that the Dallas County \$10 million water project will have on the area, the proposed Inland Port Water Project TIF district is financially feasible.

Appendix A

List of Parcels Comprising Proposed TIF District

Parcel	DCAD Tax Account	Street Address
1	65072187510060000	1101 E. Pleasant Run Road
2	65086718010040100	1900 Cornell Road
3	65072187510010000	1200 E. Pleasant Run Road
4	65072187510020000	1601 E. Pleasant Run Road
5	65072187510020100	1625 E. Pleasant Run Road
6	65072187510030000	1701 E. Pleasant Run Road
7	65072187510040100	1801 E. Pleasant Run Road
8	65072187510040000	1901 E. Pleasant Run Road
9	65072187510050000	2001 E. Pleasant Run Road
10	65112838510010000	1607 Greene Road
11	65043233510030000	1401 Greene Road
12	65043233518010000	1225 Greene Road
13	65043233510030100	1215 Greene Road
14	65043233510030200	1201 Greene Road
15	65043233510030300	1201 Greene Road
16	65072187518000000	1111 E. Pleasant Run Road
17	65043233510010000	1001 Greene Road
18	65043233510010100	1001 Greene Road
19	65072087010070000	901 Greene Road
20	65072087010070100	901 Greene Road
21	65112336010100000	801 E. Pleasant Run Road
22	65112336010090000	1301 N. Lancaster-Hutchins
23	65112336010080000	645 E. Pleasant Run Road
24	65112838510080100	1535 E. Beltline Road
25	65112838510080000	1535 E. Beltline Road
26	65112838510160000	2101 E. Beltline Road
27	65112838510150000	2421 W. Beltline Road
28	65050314010030000	1101 W. Beltline Road
29	65050314010010100	2501 Greene Road
30	65112838510050000	2201 Greene Road
31	65112838510140000	2111 Greene Road
32	65112838510130000	2101 Greene Road
33	65112838510120000	2021 Greene Road
34	65112838510110000	2011 Greene Road
35	65112838510100000	2001 Greene Road

LANCASTER CITY COUNCIL

Agenda Communication

October 13, 2014

Item 10

Conduct a Public Hearing and consider an ordinance designating a certain area within the City of Lancaster, Texas as Reinvestment Zone Number One (also known as Tax Increment Financing (TIF) Reinvestment Zone NO. 1); Establishing the boundaries of such zone; Creating a board of directors for said district and other matters related thereto; providing a severability clause; and providing an effective date.

This request supports the City Council 2014-2015 Policy Agenda.

Goal: Sound Infrastructure

Background

At the October 21, 2013 City Council work session, staff presented an overview of a proposal to provide water to the City of Wilmer. At the December 9, 2013 City Council work session, staff presented an overview of the wholesale cost of service study with a recommendation for a rate to charge the City of Wilmer to provide water. At the January 13, 2014 City Council work session, staff presented an overview of the contract terms and Council directed the City Attorney to draft a contract based upon the terms discussed. At the February 10, 2014 regular meeting of the City Council a resolution was considered and approved authorizing the City Manager to enter an agreement by and between the City of Lancaster and the City of Wilmer for the sale of wholesale treated water.

The agreement was approved by the City of Wilmer City Council on April 3, 2014. On Tuesday, April 15, 2014, the Commissioners Court unanimously approved \$10,000,000 of MCIP Funding for the Inland Port Area Water Project. City Council received a presentation at the work session on April 21, 2014 regarding the funding agreement and proposed TIF creation of the 16" waterline in accordance with both agreements.

At the April 28, 2014 City Council regular meeting, the funding agreement by and between the City of Lancaster and Dallas County was approved allowing Dallas County to move forward with design and construction of the proposed water line. The remaining item on this approval, as authorized by City Council was for staff to bring forward an item to create a Tax Increment Financing District (TIF) to reimburse Dallas County for the cost of design and construction.

Considerations

The purpose of this item is to create a Tax Increment Financing District (TIF), which includes the design and construction of a 16-inch water line along Pleasant Run Road (take point) from the intersection of Cornell Road and Pleasant Run to the intersection of Pinto Road and Pleasant Run (delivery point). The proposal will include new sanitary sewer, as well as infrastructure improvements for Pleasant Run Road. As indicated in previous staff reports, the City of Lancaster is part of the Trinity River Authority – Ten Mile Creek Regional Wastewater System. The City of Wilmer is part of the Dallas Water Utilities Wastewater System. It appears that there may still be some challenges related to sewer with one property owner that has a bifurcation of wastewater treatment systems.

The TIF District would serve 2200 acres of land within the two jurisdictions, with 45% in the City of Lancaster and 55% in the City of Wilmer.

- **Operational** – The creation of the TIF District is the final step in this process. The City Manager's office and the Finance Department will coordinate with Dallas County staff on implementation of funding and reimbursements.

Dallas County has approached the City of Lancaster and is proposing to fund the construction of the waterline from the City of Lancaster's take point to the City of Wilmer's delivery, as outlined in Route #2, see attachment. The County would be responsible for arranging, directing, and overseeing the design and construction of the pipeline. Upon completion and acceptance, the City of Lancaster will be responsible for perpetual maintenance.

- **Legal** – The City Attorney has reviewed the ordinance and approved it as to form.
- **Financial** – The creation of the TIF District will provide a mechanism to reimburse Dallas County for the construction of the waterline and possible other future improvements. Dallas County has agreed in the approved Funding Agreement that the City of Lancaster is not obligated to pay an assessment until there is an increment realized on the District. Additionally, should the entire amount of the construction costs not be recovered by the maturity date, the City's obligation will be considered complete. Dallas County's Major Capital Improvement Program (MCIP) policy allows the allocation of funds for infrastructure associated with economic development. The estimated project cost is approximately \$10 million to design and build. The County is providing up-front funding for the project to the City.

Both the Cities of Lancaster and Wilmer will be responsible for 50% of the total estimated cost of the water transmission pipeline project cost in the amount of \$5,000,000. The City's share of the project is 21.5%. Reimbursement would be provided over twenty years from the creation of a Tax Increment Financing District that would consist of the City of Lancaster's portion of the project service area. The district has to be created by December 2014 and would become operational in January 2018. The City would be responsible for 33% of the increment generated by this district for either 20 years or up to a maximum contribution of \$2.15 million, whichever comes first. The County has committed that if at the end of twenty years, the total amount of increment generated and contributed does not reach 21.5% of the project's total costs, then the City

reimbursement obligation will be considered to have been satisfied. Additionally, in the event that the TIF does not have construction by January 2018, the County has indicated that the City is not obligated to pay an assessment until there is an increment realized.

- **Public Information** – A Public Hearing notice was placed in the Focus Daily News, the City of Lancaster's newspaper of record on Sunday, October 5, 2014 in accordance with Chapter 311 of the Texas Tax Code. It is also being considered at a regular meeting of the City Council noticed in accordance with the Texas Open Meetings Act.

Options/Alternatives

1. City Council may approve the ordinance as presented.
2. City Council may reject the ordinance and direct staff.

Recommendation

Staff recommends approval of the ordinance with additional language in the contract that states that if the TIF District does not realize an increment, there is not a payment due.

Attachments

- Ordinance
-

Submitted by:

Rona Stringfellow, Assistant City Manager

ORDINANCE NO. 2014-13-

AN ORDINANCE OF THE CITY OF LANCASTER, TEXAS DESIGNATING A CERTAIN AREA WITHIN THE CITY OF LANCASTER, TEXAS AS REINVESTMENT ZONE NUMBER ONE (ALSO KNOWN AS TAX INCREMENT FINANCING REINVESTMENT ZONE NO. 1); ESTABLISHING THE BOUNDARIES OF SUCH ZONE; CREATING A BOARD OF DIRECTORS FOR SAID REINVESTMENT ZONE AND OTHER MATTERS RELATED THERETO; CONTAINING FINDINGS; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, The City Council desires to promote the development or redevelopment of a certain contiguous geographic area within its jurisdiction by the creation of a reinvestment zone, as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Code (the "Act"); and

WHEREAS, in compliance with the Act, the City called a public hearing to receive comments on the creation of the proposed reinvestment zone and its benefits to the City and the property in the proposed reinvestment zone; and

WHEREAS, in compliance with the Act, notice of the public hearing was published in a daily newspaper of the general circulation in the City, such publication date being not later than seven (7) days prior to the date of the public hearing; and

WHEREAS, such hearing was convened at the time and place as set forth in the published notice, to wit, on the 13th day of October 2014 at 7:00 p.m., at the City Council Chamber in the City Hall of the City of Lancaster, Texas which hearing was then closed; and

WHEREAS, the City, at such hearing, invited any interested person, or the person's representative, to appear and speak for or against the creation of the proposed reinvestment zone, the boundaries of the proposed reinvestment zone, as described in Exhibit "A" attached hereto and as depicted in the map attached hereto as Exhibit "B", whether all or part of the territory described in Exhibit "A" and as depicted in Exhibit "B" should be included in such proposed reinvestment zone, the concept of tax increment financing, and the appointment of a board of directors for the proposed reinvestment zone; and

WHEREAS, all owners interested persons were given the opportunity at such public hearing to protest the creation of the proposed reinvestment zone; and

WHEREAS, the proponents of the proposed reinvestment zone offered evidence, both oral and documentary, in favor of all of the foregoing matters relating to the proposed reinvestment zone, and opponents, if any, of the proposed reinvestment zone appeared to contest creation of the proposed reinvestment zone; and

WHEREAS, no other taxing units are participating in the reinvestment zone. Any and all others that may arise will not be participating.

WHEREAS, the City has reviewed a preliminary project plan and reinvestment zone financing plan attached here to as Exhibit "C".

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

SECTION 1. The facts and recitations contained in the preamble of this ordinance are hereby found and declared to be true and correct.

SECTION 2. That the City Council, after conducting such public hearing and having heard such evidence and testimony has made the following findings and determinations based on the evidence and testimony presented to it:

- (a) That the public hearing on adoption of the reinvestment zone has been properly called, held and conducted and that notice of such hearing has been published as required by law and delivered to all taxing units overlapping the territory inside the proposed reinvestment zone.
- (b) That creation of the proposed reinvestment zone with boundaries as described in Exhibit "A" and as depicted in Exhibit "B" will result in benefits to the city, its residents and property owners, in general, and to the property, residents.
- (c) That the proposed reinvestment zone, as defined in Exhibit "A" and as depicted in Exhibit "B", meets the criteria for the creation of a reinvestment zone as set forth in the Act in that it is a contiguous geographic area located wholly within the corporate limits of the City and meets the requirements of Tax Code, Section 311.005.
- (d) That the proposed improvement in the reinvestment zone will significantly enhance the value of all taxable real property in the reinvestment zone and will be of general benefit to the City;
- (e) That the development or redevelopment of the property in the proposed reinvestment zone will not occur solely through private investment in the reasonably foreseeable future.
- (f) That the area within the proposed reinvestment zone substantially arrests or impairs the sound growth of the City, as it is predominantly open and undeveloped and lacks sufficient public infrastructure with which to support private investment.

SECTION 3. That the City hereby creates a tax increment financing district over the area exhibited in Exhibit "A" attached hereto and as depicted in the map attached as Exhibit "B", and such tax increment financing district shall hereafter be identified as Tax Increment Financing District Number One (1).

SECTION 4. That there is hereby established a board of directors for the proposed reinvestment zone, which shall consist of at least five (5) but not more than fifteen (15) members. The Board of Directors of Tax Increment Financing District, City of Lancaster, Texas shall be appointed as follows:

- (a) The City shall be entitled to appoint five (5) members to the board.
- (b) A vacancy on the board shall be filled as set forth in the Act. The initial board of directors shall be appointed by resolution of the governing bodies of the City within sixty (60) days after the passage of this ordinance. All members appointed to the Board shall meet eligibility requirements as set forth in the Act.
- (c) The terms of the Board members shall be for terms of two years. Each year the City Council shall designate a member of the Board to serve as Chairperson of the Board of Directors, and the Board shall elect from its members a Vice-Chairperson and other officers, as it deems appropriate.
- (d) The Board of Directors shall make recommendations to the City Council concerning the administration of the reinvestment zone. It shall prepare and adopt a final project plan and the reinvestment zone financing plan for the reinvestment zone, and must submit such plans to the City Council for its approval. The City Council delegates to the Board of Directors all powers necessary to prepare the project and the reinvestment zone financing plans for the Zone, including any required annual reports on the status of the Zone and any possible revisions to these plans or the Zone, all subject to the prior approval of the City Council.

SECTION 5. That the Zone shall take effect on adoption of this ordinance, and the termination of the Zone shall occur on December 31, 2037 or at an earlier time designated by subsequent ordinance of the City Council, or at such time, subsequent to the issuance of any tax increment bonds, if any, that all project costs, tax increment bonds, notes or other obligations of the Zone, and the interest thereon, if any, have been paid in full.

SECTION 6. That the tax increment base for the Zone, which is the total appraised value of all taxable real property located in the Zone, is to be determined as of January 1, 2014, the year in which the Zone was designated as a tax increment financing reinvestment zone (the "Tax Increment Base"). Tax Increment Base means the total appraised value of all real property taxable by the City and located in the Zone for the 2014 year. "Tax Increment" means the total amount of real property taxes by

the City for the year on the Captured Appraised Value of real property taxable by the City and located in the Zone. The "Captured Appraised Value" means the total appraised value of all real property taxable by the City and located in the Zone for the year less the Tax Increment Base.

SECTION 7. That there is hereby created and established a Tax Increment Fund for the Zone which may be divided into sub-accounts as may be required, into which all Tax Increments, less any of the amounts not required to be paid into the Tax Increment Fund pursuant to the Act, are to be deposited. All Tax Increments as defined herein shall be deposited in the Tax Increment Fund. The Tax Increment Fund and any sub-accounts are to be maintained at the depository bank of the City and shall be secured in the manner prescribed by law for funds of the City. In addition, all revenues from the sale of any tax increment bonds, notes or certificates of obligation, hereafter issued by the City; revenues from the sale of any property acquired as part of obligation, hereafter issued by the City; revenues from the sale of any property acquired as part of the reinvestment zone financing plan; and any other revenues to be dedicated to and used in the Zone shall be deposited into the Tax Increment Fund or sub-account from which money will be disbursed to pay project costs for the Zone or to satisfy the claims of holders of tax increment bonds, notes or certificates of obligations issued for the reinvestment Zone.

SECTION 8. That pending the adoption of the Zone's final project plan and reinvestment zone financing plan, the City anticipates participating in the by contributing thirty-three percent (33%) of any generated increment to the district beginning on January 1, 2018, and doing so for twenty years until either the City's total contribution reaches \$2.15 million or the district expires on December 31, 2037, whichever occurs first.

SECTION 9. That all ordinances of the City of Lancaster, Texas, in conflict with the provisions of this ordinance be, and the same are hereby, repealed; provided, however that all other provisions of said ordinances not in conflict with the provisions of this ordinance shall remain in full force and effect.

SECTION 10. That if any section, paragraph, clause or provision of this ordinance shall for any reason be held invalid or unenforceable, "the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this ordinance".

SECTION 11. That the City Manager is hereby authorized to execute any contracts or other agreements with any Taxing Units that elect to participate in the reinvestment zone, City of Lancaster, Texas, and to contribute to the Tax Increment Fund.

SECTION 12. This ordinance shall take effect upon its passage and the publication of the caption, 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 13th day of October 2014.

ATTEST:

Sorangel Arenas, City Secretary

APPROVED:

Marcus E. Knight, Mayor

APPROVED AS TO FORM:

Robert E. Hager, City Attorney

Exhibit A
Proposed Water Project TIF District, City of Lancaster, Texas

Boundary Description

Using NAD 1983 State Plane Coordinates, North Central Texas FIPS 4202 feet

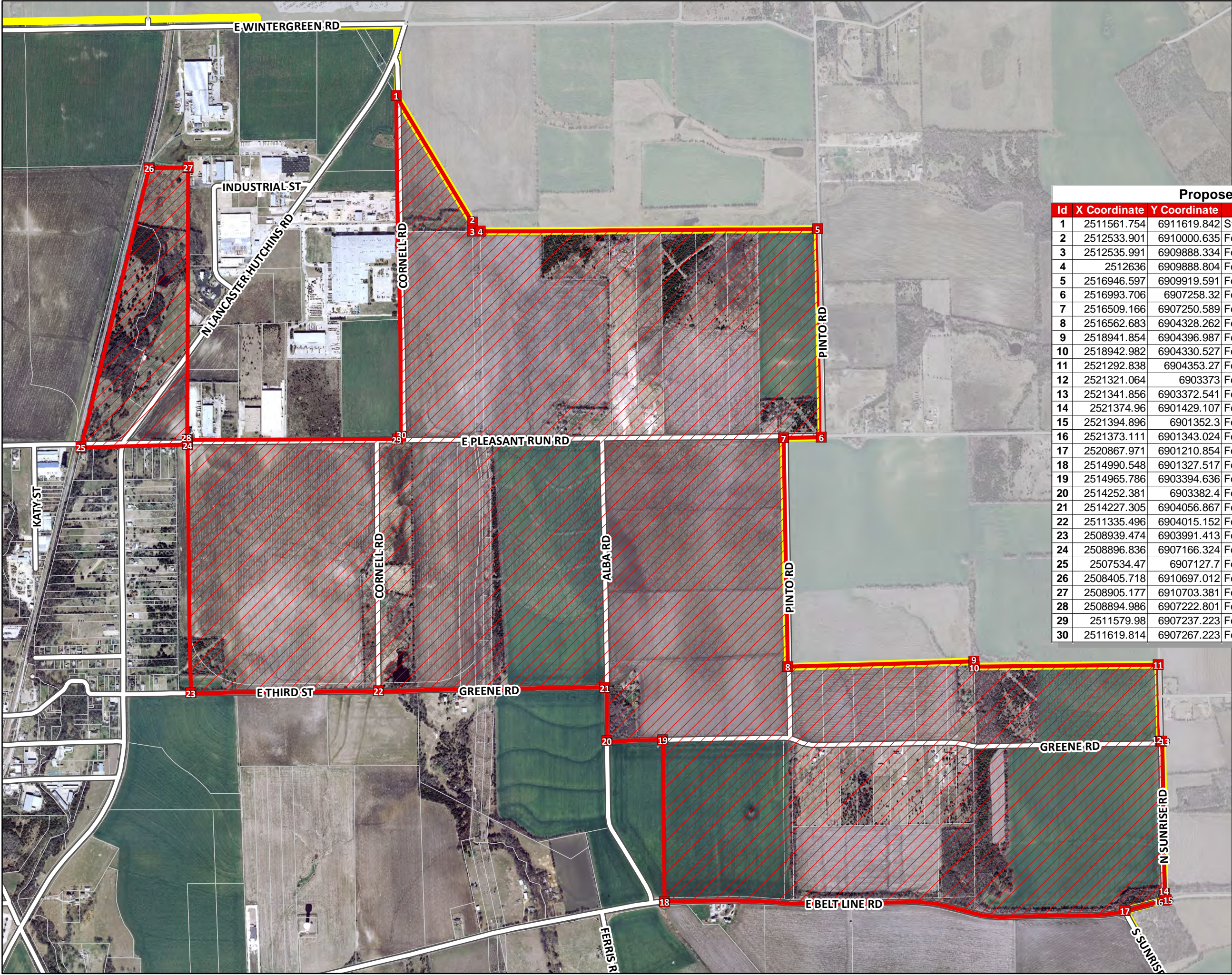
1. BEGINNING at a point along the Lancaster City Limits at the intersection of North Lancaster Hutchins Rd and Cornell Rd. X Coordinate 2511561.754, Y Coordinate 6911619.842.
2. Then continue on following the Lancaster City Limits in a Southeasterly direction to a corner point located at X Coordinate 2512533.901, Y Coordinate 6910000.635.
3. Then continue on following the Lancaster City Limits in a Southerly direction to a point at located at X Coordinate 2512535.991, Y Coordinate 6909888.334.
4. Then continue on following the Lancaster City Limits in an Easterly direction to a point located at X Coordinate 2512636.000, Y Coordinate 6909888.804.
5. Then continue on following the Lancaster City Limits in an Easterly direction to a point interesting the West ROW of Pinto Rd located at X Coordinate 2516946.597, Y Coordinate 6909919.591.
6. Then continue on following the Lancaster City Limits in a Southerly direction to a point located near the intersection of Pinto Rd and Pleasant Run Rd located at X Coordinate 2516993.706, Y Coordinate 6907258.320.
7. Then continue on following the Lancaster City Limits in a Westerly direction to a point near the intersection of Pleasant Run Rd and Pinto Rd located at X Coordinate 2516509.166, Y Coordinate 6907250.589.
8. Then continue on following the Lancaster City Limits in a Southerly direction to a point located at X Coordinate 2516562.683, Y Coordinate 6904328.262.
9. Then continue on following the Lancaster City Limits in an Easterly direction to a point located at X Coordinate 2518941.854, Y Coordinate 6904396.987.
10. Then continue on following the Lancaster City Limits in a Southerly direction to a point located at X Coordinate 2518942.982, Y Coordinate 6904330.527.
11. Then continue on following the Lancaster City Limits in an Easterly direction to a point located at X Coordinate 2521292.838, Y Coordinate 6904353.270.
12. Then continue on following the Lancaster City Limits in a Southerly direction to a point located at X Coordinate 2521321.064, Y Coordinate 6903373.000.

13. Then continue on following the Lancaster City Limits in an Easterly direction to a point located at X Coordinate 2521341.856, Y Coordinate 6903372.541.
14. Then continue on following the Lancaster City Limits in a Southerly direction to a point located at X Coordinate 2521374.960, Y Coordinate 6901429.107.
15. Then continue on following the Lancaster City Limits in a Southerly direction to a point located at X Coordinate 2521394.896, Y Coordinate 6901352.300.
16. Then continue on following the Lancaster City Limits in a Westerly direction to a point located at X Coordinate 2521373.111, Y Coordinate 6901343.024.
17. Then continue on following the centerline of Belt Line Rd in a Westerly direction to a point at the intersection of Sunrise Rd and Belt Line Rd and located at X Coordinate 2520867.971, Y Coordinate 6901210.854.
18. Then continue on following the centerline of Belt Line Rd in a Westerly direction to a point located at X Coordinate 2514990.548, Y Coordinate 6901327.517.
19. Then continue on following the West property line of Tract 8.1 of the Middleton Perry 1128 PG 385 Abstract in a Northerly direction to a point in the centerline of Greene Rd and located at X Coordinate 2514965.786, Y Coordinate 6903394.636.
20. Then continue on following the centerline of Greene Rd in a Westerly direction to a corner located at the corner of Greene Rd and Alba Rd at X Coordinate 2514252.380, Y Coordinate 6903382.400.
21. Then continue on following the centerline of Alba Rd in a Northerly direction to a point at the intersection of Alba Rd and Greene Rd at X Coordinate 2514227.305, Y Coordinate 6904056.867.
22. Then continue on following the centerline of Greene Rd in a Westerly direction to a point at the intersection of Cornell Rd and Greene Rd at X Coordinate 2511335.496, Y Coordinate 6904015.152.
23. Then continue on following the centerline of Greene Rd in a Westerly direction that turns into Third St to a point located at X Coordinate 2508939.474, Y Coordinate 6903991.423.
24. Then continue on following the west property line of Tract 7 of the Samuel Keller 720 PG 870 Abstract in a Northerly direction to a point located at X Coordinate 2508896.826, Y Coordinate 6907166.324.

25. The continue on following the South ROW of Pleasant Run Rd in a Westerly direction to a point located at X Coordinate 2507534.469, Y Coordinate 6907127.699.
26. Then continue on following the East ROW of the MKT Railroad in a Northeasterly direction to a point located at X Coordinate 2508405.718, Y Coordinate 6910697.012.
27. Then continue on following in a Easterly direction to a point located at X Coordinate 2508905.177, Y Coordinate 6910703.381.
28. Then continue on in a Southerly direction to a point located at X Coordinate 2508894.985, Y Coordinate 6907222.801.
29. Then continue on in a Easterly direction following the North ROW of Pleasant Run Rd to a point located at X Coordinate 2511579.980, Y Coordinate 6907237.223.
30. Then continue on in a Northeasterly direction to a point located at X Coordinate 2511619.814, Y Coordinate 6907267.553.
31. Then continue on in a Northerly direction following the West ROW of Cornell Rd to the place of beginning.

Proposed
Lancaster Water
Project TIF District

Exhibit "B"



Proposed TIF District Points

Id	X Coordinate	Y Coordinate	Notes
1	2511561.754	6911619.842	Start. Follow City Limits to point #2
2	2512533.901	6910000.635	Follow City Limits to point #3
3	2512535.991	6909888.334	Follow City Limits to point #4
4	2512636	6909888.804	Follow City Limits to point #5
5	2516946.597	6909919.591	Follow City Limits to point #6
6	2516993.706	6907258.32	Follow City Limits to point #7
7	2516509.166	6907250.589	Follow City Limits to point #8
8	2516562.683	6904328.262	Follow City Limits to point #9
9	2518941.854	6904396.987	Follow City Limits to point #10
10	2518942.982	6904330.527	Follow City Limits to point #11
11	2521292.838	6904353.27	Follow City Limits to point #12
12	2521321.064	6903373	Follow City Limits to point #13
13	2521341.856	6903372.541	Follow City Limits to point #14
14	2521374.96	6901429.107	Follow City Limits to point #15
15	2521394.896	6901352.3	Follow City Limits to point #16
16	2521373.111	6901343.024	Follow City Limits to point #17
17	2520867.971	6901210.854	Follow Centerline of Belt Line Rd to point #18
18	2514990.548	6901327.517	Follow Property Line(s) to point #19
19	2514965.786	6903394.636	Follow Centerline of Greene Rd to point #20
20	2514252.381	6903382.4	Follow Centerline of Alba Rd to point #21
21	2514227.305	6904056.867	Follow Centerline of Greene Rd to point #22
22	2511335.496	6904015.152	Follow Centerline of Third St to point #23
23	2508939.474	6903991.413	Follow Property Line(s) to point #24
24	2508896.836	6907166.324	Follow South ROW of Pleasant Run Rd to point #25
25	2507534.47	6907127.7	Follow Property Line(s) to point #26
26	2508405.718	6910697.012	Follow Property Line(s) to point #27
27	2508905.177	6910703.381	Follow Property Line(s) to point #28
28	2508894.986	6907222.801	Follow North ROW of Pleasant Run Rd to point #29
29	2511579.98	6907237.223	Follow Property Line(s) to point #30
30	2511619.814	6907267.223	Follow West ROW of Cornell Rd Back to Start

Legend

- Parcels
- City Limits
- Proposed TIF Points
- Proposed TIF District



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DRAFT

Inland Port Water Project Tax Increment Financing District



PRELIMINARY PROJECT PLAN and REINVESTMENT ZONE FINANCING PLAN

**July 2014
City of Lancaster**



Acknowledgements

This plan was prepared by the City of Lancaster and Dallas County. Both entities wish to acknowledge the efforts of all individuals and organizations that contributed to the development of this plan.

City of Lancaster

Opal Robertson
Rona Stringfellow
Fabrice Kabona

City Manager
Assistant City Manager
Assistant to the City Manager--Intern

Dallas County

Darryl Martin
Rick Loessberg
Ryan Brown
Alberta Blair

County Administrator
Director of Planning & Development
Budget Officer
Director of Public Works

Table of Contents

Section 1: Project Plan	4
Background	4
Purpose of Preliminary Project Plan and Reinvestment Zone Financing Plan	5
Description of Proposed District	5
Proposed Term of TIF District	7
Proposed TIF District Goals and Objectives	7
 Section 2: Tax Increment Financing Explained	 8
 Section 3: Project Plan Improvements	 10
Proposed Public Improvements	10
Projected Taxable Private Improvements	11
 Section 4: Financing Plan	 13
Financial Assumptions	13
Proposed Level of City Financial Participation	13
Projected Increase in Tax Base/Generated Income	14
Proposed TIF Project Costs	15
Financial Feasibility	15
 Appendix A: List of Parcels Comprising Proposed TIF District	 16

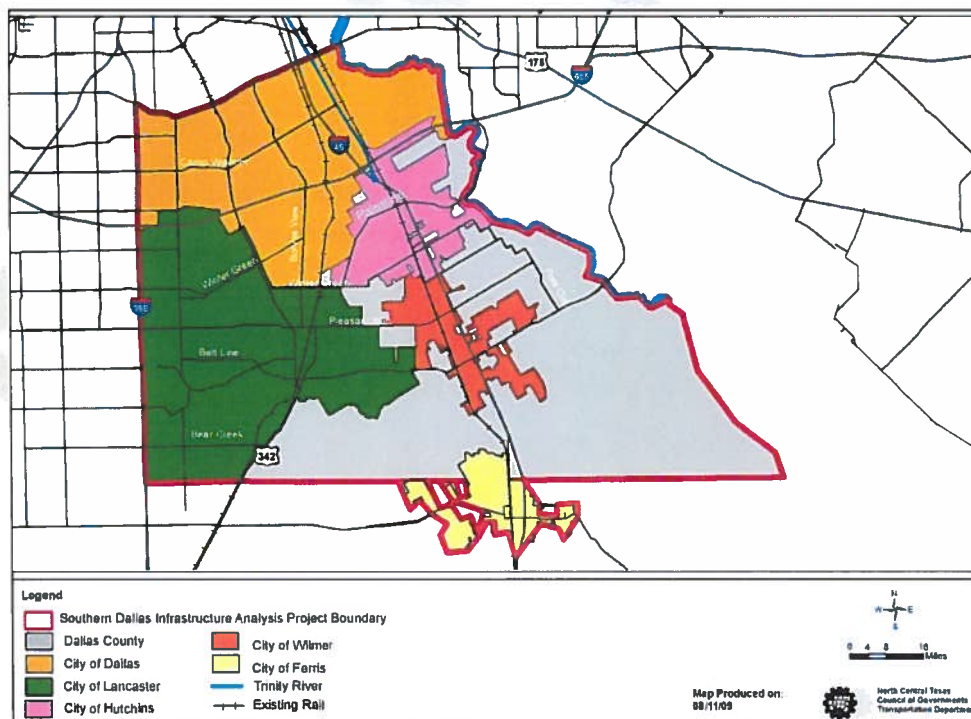
Section 1

Project Plan

Background

The “inland port” area, which is one of the most significant economic development opportunities remaining in Dallas County, contains the entire cities of Lancaster, Hutchins, Ferris, and Wilmer as well as portions of Dallas County’s unincorporated area and Dallas.

Considered to generally be the area encompassed by Loop 12 on the north, I-35 on the west, the Trinity River on the east, and the Dallas County-Ellis County boundary on the south, this area is called an “inland port” because its unique characteristics (a Union Pacific intermodal facility—which is one of the largest and most modern in the U.S.—and the intersection of three north-south and east-west interstate highways) enable it to quickly receive and ship goods from the West Coast, the East Coast, and the Gulf of Mexico. Not surprisingly, a number of major corporations (e.g.—Whirlpool, Proctor & Gamble, Unilever, Fedex, L’Oreal, Ace Hardware, BMW, etc.) have begun locating significant distribution facilities within the area.



The Inland Port Water Project Tax Increment Financing (TIF) District is being proposed in accordance with the requirements of the April 28, 2014 Capital Improvement Program Funding Agreement between the City of Lancaster and Dallas County. While the inland port area has substantial economic potential, much of it lacks the infrastructure (in particular, water and sewer) in order for this potential to be realized. Recognizing this, Dallas County, through the

aforementioned funding agreement, has allocated \$10 million for a water project that will be jointly constructed in Wilmer and Lancaster with both cities agreeing to reimburse the County for a portion of the \$10 million.

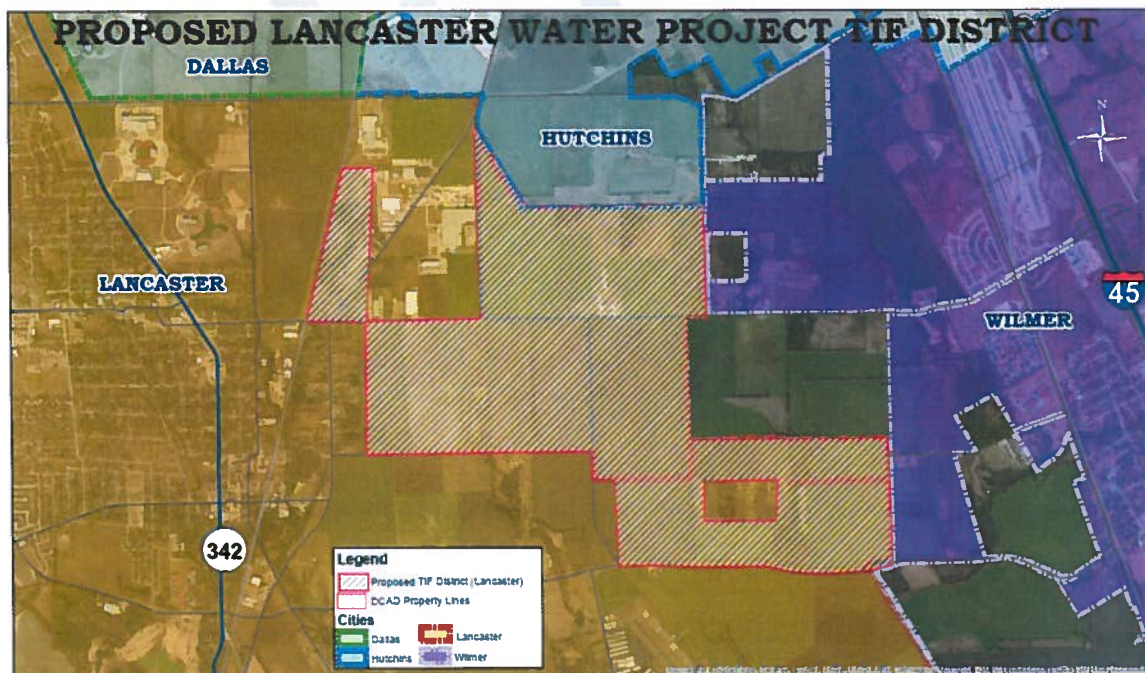
Under this agreement, Lancaster's share of the project is \$2.15 million and is to be provided from this TIF district which must be created by December 31, 2014.

Purpose of Preliminary Project Plan and Reinvestment Zone Financing Plan

The purpose of this document is to demonstrate that it is economically feasible to create the proposed Inland Port Water Project TIF district and have this district reimburse the County for the City's share of the upcoming Dallas County water project, to fulfill the legal requirements of Chapter 311 of the Texas Tax Code, and to provide a document that can serve as the basis and foundation for a final plan should the City Council proceed with the creation of the district.

Description of Proposed District

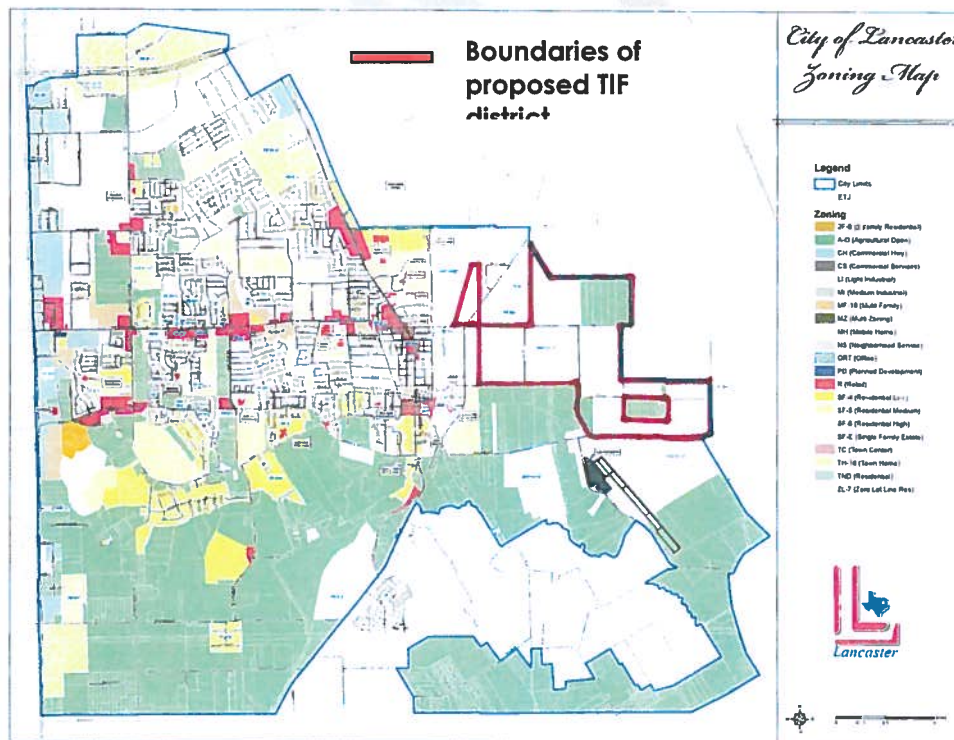
The proposed Inland Port Water Project TIF District contains 35 parcels and approximately 1337.4 acres (excluding streets and roads). It is primarily located east of Lancaster-Hutchins Road between Wintergreen Road and Beltline Road and the City of Wilmer. A complete list of the thirty-five parcels that comprise the proposed district is included in Appendix A.



All of the district is currently undeveloped and is used for agricultural purposes.



As shown below, about 85% of the district is currently zoned *Light Industrial*. A variety of uses directly associated with the area's "inland port" emphasis (i.e., light assembly, light manufacturing, bottling, warehouse/distribution center, office, food processing, etc.) are allowed under this zoning as are such supportive uses as gas stations, convenience stores, laundries, restaurants, and copy centers.



The remaining 15% of the district is currently zoned *Agriculture*. According to the City's development code, this designation is given to areas "in which the future growth of the City might occur" and that it is "suitable for areas where development is premature because of a lack of utilities, capacity, or services, or

where the ultimate land use has not been determined.” Given that the property within the proposed district that has this *Agriculture* designation is surrounded by property that is already zoned *Light Industrial*, it is reasonable to assume that this “Agriculture” land will be similarly zoned when the necessary infrastructure is installed and development comes to the area.

Proposed Term of TIF District

Pursuant to the terms of the funding agreement between the City and the County for the Lancaster-Wilmer water project, it is proposed that this TIF district be created by December 31, 2014 and that it terminate on either December 31, 2037 or when the increment produced by the district reaches \$2.15 million, whichever occurs first.

Proposed TIF District Goals and Objectives

The sole purpose of this TIF district is to produce revenue that will enable the City to reimburse the County for its share of a \$10 million water project. It is anticipated that the TIF district will be able to fulfill this role as the \$10 million water project removes a critical impediment which is preventing the TIF area from being developed. With this water project being able to provide the area with adequate water capacity and pressure, it is projected that approximately 1.2 million square feet of distribution center space will be constructed within the district before the district ends. It is also hoped that such development will lead to other supportive economic activity (e.g.—restaurants, hotels, suppliers, etc.) in and around the area.

Section 2

Tax Increment Financing Explained

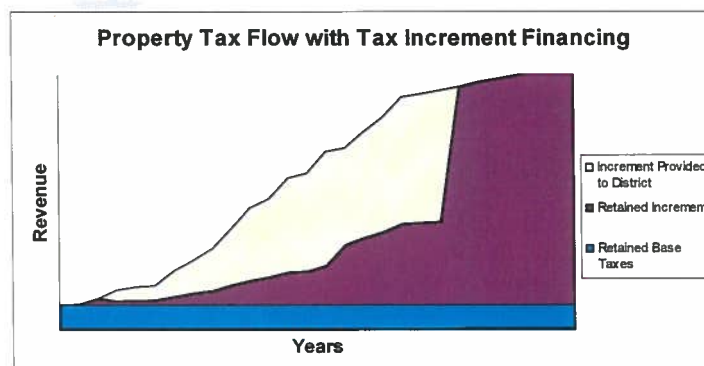
Tax increment financing (“TIF”) is a tool Texas local governments use to encourage development that would not ordinarily occur within a defined area. Chapter 311 of the Texas Tax Code, which governs the utilization of such financing, refers to these defined areas as “reinvestment zones.” However, in actual practice, these areas are more commonly referred to as “TIF districts,” and both terms will be used interchangeably in this document.

Tax increment financing seeks to encourage development by directly funding or reimbursing the cost of a variety of improvements that attract new investment and that benefit the public. Typically, local governments seek to undertake improvements that will increase the values of the area’s real property.

The financing is produced from the increased real property tax revenues (“tax increment”) that is generated above what the area’s total assessed valuation was when the district was created (“base value”). Prior to the TIF district becoming operational, local governments determine whether they wish to contribute any of the added property tax revenues to the district. Contributed tax increment is then collected for a specified period of time and placed in a dedicated fund for approved projects that are consistent with the district’s final project plan and financing plan.

TIF districts do not utilize any revenue produced from increases in the assessed valuation of business personal property. Also, owners of real property located within a TIF district continue to pay the full amount of taxes due. Inclusion of real property in a reinvestment zone does not change, reduce, or freeze either the level of taxes that must be paid or the tax rate that is imposed. Local governments also continue to collect and deposit in their general funds the property taxes that are generated from the district’s base value and from any portion of the tax increment that is not contributed to the district.

The chart which follows below illustrates how increased tax revenues from real properties in a reinvestment zone flow to a taxing unit and to the tax increment fund and how the taxing entity continues to collect and retain taxes generated from the district’s base value.



Under certain TIF programs, cash accumulates in the tax increment fund and is used to purchase public improvements on a “pay-as-you-go” basis. More commonly, as with the Zone, a private developer (or a public entity as is the case with this proposed TIF district) will provide cash to construct public improvements, with the tax increment fund eventually reimbursing the private developer or public agency for its costs.

although the TIF district will greatly benefit from this project, it is not necessary for the district to financially contribute to it.



The design of this project is presently underway; its construction is scheduled to occur in late 2015 or early 2016.

Projected Taxable Private Improvements

With the construction of the water project and the improvements to Pleasant Run, it is projected that two distribution centers, each containing 600,000 square feet, will be constructed during the life of the TIF district. The estimated value of each distribution center (excluding land) is expected to be \$20 million, thus producing a total increase in the district's assessed valuation of \$40 million.

This projection is based on the characteristics of the distribution centers that have been built in the "inland port" area over the past several years.



Recent Inland Port Area Distribution Centers			
Project	2014 Assessed Value of Facility	Square Footage	Year Built
Unilever	\$24.1 million	660,000 sf	2008
Whirlpool	\$36.6 million	1,020,000 sf	2010
L'Oreal	\$28.9 million	554,600 sf	2013
BMW	\$17.3 million	293,592 sf	2013
Ace Hardware	\$18.9 million	472,836 sf	2013
Proctor & Gamble	\$45 million*	1,400,000 sf	2014

* Estimate; facility under construction.

This projection is also based on the proposed TIF district's proximity to these recent developments and to Union Pacific's intermodal facility. As shown below, these facilities encircle the proposed TIF district and are located no more than about two-to-three miles from this area. Such proximity would thus seem to indicate that the TIF district is located in an area where the anticipated development is likely to occur once the necessary infrastructure is in place.



The first distribution center is expected to be completed in 2018 which will be about three years after the water project and the Pleasant Run improvements are constructed. The second distribution center is expected to be completed within five years of this first facility.

As the proposed TIF district is presently undeveloped and uninhabited, no displacement is expected when the projected development occurs.

Section 4

Financing Plan

Financial Assumptions

Projecting what the future will be for any subject is always difficult and predicting economic activity may be especially so. As a result, this plan has been developed to be as prudent and cautious as possible, to heavily rely upon the characteristics and the pattern of development that is presently occurring, and to perhaps even under-state the amount of increment and growth that could be generated. It has, for instance, been assumed that the City's current tax rate of \$.8675 will remain unchanged for the twenty-three years that this district would be in place. While as taxpayers, this is something that everyone would like to see, it is not likely to happen, and as the tax rate changes, even by a small portion, it will increase the amount of revenue that the district will be able to collect.

Similarly, it has been assumed that there will be no appreciation whatsoever in the value of the land in this district over the next twenty-three years even though the City's entire tax base grew at an annual average rate of 1.9% for the period of 2004-2013 and even though the construction of new physical improvements tends to increase the value of not only the land on which it sits, but on nearby parcels. It is also being assumed that when each of the two projected distribution centers is built, the value of each facility will annually increase by the aforementioned 1.9%.

It has also been assumed that there will not be a reduction in the utilization of the agriculture tax exemption that is presently being claimed on thirty of the district's thirty-five parcels (three of the five non-exempted properties are electrical corridors owned by Oncor and so will not ever be further developed, and the two remaining parcels contain only 71 of the district's 1337.4 acres). In making this assumption, it is assumed that if a property currently receiving the exemption is developed, the land will continue to receive the exemption (the constructed development, however, will not).

Although this premise (which cannot actually happen—if a site is developed, it cannot also receive an agriculture exemption) would allow the development's physical improvement to be taxed at its full market value, its impact on this plan's financial considerations is not insignificant as land claiming this exemption is only taxed at about 6% of its market value. Indeed, were this exemption to be discontinued, the district's current assessed valuation would instantly increase from about \$2.2 million to \$19.6 million, and just this change—even without any accompanying physical improvements—would be enough to provide almost one-half of the City's reimbursement to the County.

Because the purpose of this district is to reimburse Dallas County for the City's share of the water project, this financing plan has also been formulated to show

the minimum amount of new development needed in order to do this. As a result, while distribution centers larger than 600,000 square feet and with values much higher than \$20 million are presently being constructed near the proposed TIF area, it has been projected that only more “modestly-sized” facilities will be constructed. Similarly, while it is possible that additional supportive development (like eating establishments, copy centers, gas stations, and convenience stores) will occur, the plan is again anticipating only the minimum amount of development needed in order to produce a total TIF contribution of \$2.15 million.

Proposed Level of City Financial Participation

It is proposed that only the City will financially participate in this TIF district, that it will contribute 33% of any generated increment to the district beginning on January 1, 2018, and that it will continue to do so for twenty years until either the City’s total contribution reaches \$2.15 million or the district expires on December 31, 2037, whichever occurs first. Such terms are consistent with the April 28, 2014 water project funding agreement that the City has entered into with Dallas County.

Projected Change in Tax Base/Generated Increment

The preliminary 2014 assessed taxable value of the property located within the proposed TIF district is \$2,186,970. Should these values be finalized by the Dallas Central Appraisal District (DCAD) and the TIF district be created before December 31, 2014, then this figure will serve as the “base value” for the TIF district. All future calculations of whether increment has been generated during a particular year will use this figure as a starting point.

As mentioned in Section 3 of this plan, it is anticipated that a \$20 million distribution center will be completed in 2018. An identical second facility is projected to be completed by 2023.

As shown below, these developments are projected to increase the district’s current assessed valuation from about \$2.2 million to \$58.3 million in 2037 and to generate almost \$2.3 million in incremental revenue by 2036; this would enable the City to fully reimburse the County for its \$2.15 million share of the upcoming Lancaster-Wilmer water project and allow the TIF district to expire one year ahead of schedule.

PROJECTED TIF INCREMENT SCHEDULE						
TIF Year	Tax Year	Property Value Total	Anticipated Captured Value	City Participation Rate	City TIF Contribution	Accumulative City TIF Contribution
Base	2014	\$2,186,970	n/a	n/a	n/a	n/a
1	2015	\$2,186,970	-0-	-0-	-0-	-0-
2	2016	\$2,186,970	-0-	-0-	-0-	-0-

PROJECTED TIF INCREMENT SCHEDULE						
TIF Year	Tax Year	Property Value Total	Anticipated Captured Value	City Participation Rate	City TIF Contribution	Accumulative City TIF Contribution
3	2017	\$2,186,970	-0-	-0-	-0-	-0-
4	2018	\$22,186,970	\$20,000,000	33%	\$57,255	\$57,255
5	2019	\$22,566,970	\$20,038,000	33%	\$57,364	\$114,619
6	2020	\$24,028,390	\$21,841,420	33%	\$62,527	\$177,146
7	2021	\$24,443,377	\$22,256,407	33%	\$63,715	\$240,861
8	2022	\$24,866,249	\$22,679,279	33%	\$64,926	\$305,787
9	2023	\$45,297,155	\$43,110,185	33%	\$123,414	\$429,201
10	2024	\$46,116,249	\$43,929,279	33%	\$125,759	\$554,960
11	2025	\$46,950,905	\$44,763,935	33%	\$128,148	\$683,108
12	2026	\$47,801,420	\$45,614,450	33%	\$130,583	\$813,691
13	2027	\$48,668,094	\$46,481,124	33%	\$133,064	\$946,755
14	2028	\$49,551,235	\$47,364,265	33%	\$135,592	\$1,082,347
15	2029	\$50,451,157	\$48,264,187	33%	\$138,168	\$1,220,515
16	2030	\$51,368,176	\$49,181,206	33%	\$140,793	\$1,361,308
17	2031	\$52,302,619	\$50,115,649	33%	\$143,469	\$1,504,777
18	2032	\$53,254,816	\$51,067,846	33%	\$146,194	\$1,650,971
19	2033	\$54,225,105	\$52,038,135	33%	\$148,972	\$1,799,943
20	2034	\$55,213,830	\$53,026,860	33%	\$151,803	\$1,951,746
21	2035	\$56,221,340	\$54,034,370	33%	\$154,687	\$2,106,433
22	2036	\$57,247,993	\$55,061,023	33%	\$157,626	\$2,264,059
23	2037	\$58,294,153	\$56,107,183	33%	\$160,621	\$2,424,680

Proposed TIF Project Costs

It is proposed that the City will allocate \$2.15 million of the increment generated by this district for the reimbursement of the City's share of the Dallas County water project. This will be the only project that the TIF district funds. Generated increment will be remitted to the County each year that such increment is produced and will continue until the City's total contribution reaches \$2.15 million or the TIF district expires, whichever occurs first.

Financial Feasibility

Based upon the conservative financial assumptions used in this analysis, the actual growth trends that are occurring in the "inland port" area, and the impact that the Dallas County \$10 million water project will have on the area, the proposed Inland Port Water Project TIF district is financially feasible.

Appendix A

List of Parcels Comprising Proposed TIF District

Parcel	DCAD Tax Account	Street Address
1	65072187510060000	1101 E. Pleasant Run Road
2	65086718010040100	1900 Cornell Road
3	65072187510010000	1200 E. Pleasant Run Road
4	65072187510020000	1601 E. Pleasant Run Road
5	65072187510020100	1625 E. Pleasant Run Road
6	65072187510030000	1701 E. Pleasant Run Road
7	65072187510040100	1801 E. Pleasant Run Road
8	65072187510040000	1901 E. Pleasant Run Road
9	65072187510050000	2001 E. Pleasant Run Road
10	65112838510010000	1607 Greene Road
11	65043233510030000	1401 Greene Road
12	65043233518010000	1225 Greene Road
13	65043233510030100	1215 Greene Road
14	65043233510030200	1201 Greene Road
15	65043233510030300	1201 Greene Road
16	65072187518000000	1111 E. Pleasant Run Road
17	65043233510010000	1001 Greene Road
18	65043233510010100	1001 Greene Road
19	65072087010070000	901 Greene Road
20	65072087010070100	901 Greene Road
21	65112336010100000	801 E. Pleasant Run Road
22	65112336010090000	1301 N. Lancaster-Hutchins
23	65112336010080000	645 E. Pleasant Run Road
24	65112838510080100	1535 E. Beltline Road
25	65112838510080000	1535 E. Beltline Road
26	65112838510160000	2101 E. Beltline Road
27	65112838510150000	2421 W. Beltline Road
28	65050314010030000	1101 W. Beltline Road
29	65050314010010100	2501 Greene Road
30	65112838510050000	2201 Greene Road
31	65112838510140000	2111 Greene Road
32	65112838510130000	2101 Greene Road
33	65112838510120000	2021 Greene Road
34	65112838510110000	2011 Greene Road
35	65112838510100000	2001 Greene Road