



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

Monday, February 10, 2014 - 6:30 PM

6:30 P.M. WORK SESSION:

1. Receive training on Roll Call Pro features and use.

Adjourn Work Session

7:00 P.M. REGULAR MEETING:

CALL TO ORDER

INVOCATION: Ministerial Alliance

PLEDGE OF ALLEGIANCE: Mayor Pro Tem James Daniels

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 January 27, 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 designating representatives of the City of Lancaster authorized to transmit and withdraw funds and take all other actions deemed necessary or appropriate for the investment of local funds in TexPool/TexPool Prime; providing for the addition and deletion of an authorized representative.

ACTION:

4. Discuss and consider a motion to reconsider Ordinance No. 2014-01-01, which amended the Lancaster Code of Ordinances, Chapter 14, the Lancaster Development Code, by amending Section 14.1204 Sign Type Specifications, by deleting Subsection K, Political Signs in its entirety and replacing it with a new Subsection K.
5. Discuss and consider an ordinance amending Ordinance No. 2006-04-13, The Code of Ordinances by repealing and replacing Chapter 14, Lancaster Development Code, by amending Section 14.1204, sign type specifications, by deleting subsection K, political signs, in its entirety and replacing with a new Subsection K.
6. Discuss and Consider a Resolution Authorizing the City Manager to execute an agreement with the City of Wilmer for the sale of wholesale treated water.

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 February 7, 2014 @ 4:10 p.m. and copies thereof were provided to the Mayor, Mayor Pro-Tempore, Deputy Mayor Pro-Tempore and Council members.

Sorangel O. Arenas
City Secretary

LANCASTER CITY COUNCIL
Work Session Agenda Communication
February 10, 2014

Item 1

Receive training on Roll Call Pro features and use.

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

Goal: Financially Sound City Government

Background

The previous voting system became obsolete and maintenance and repairs were not feasible. We have acquired Roll Call Pro for Council utilization, the new system is considered user friendly and aims to improve efficiency throughout the meeting process.

Staff will introduce Roll Call Pro to City Council and provide brief training on its features and use.

Submitted by:
Sorangel O. Arenas

LANCASTER CITY COUNCIL

Agenda Communication

February 10, 2014

Item 1

Consider approval of minutes from the City Council Regular Meeting held January 27, 2014.

Background

Attached for your review and consideration are minutes from the:

- City Council Regular Meeting held January 27, 2014

Submitted by:

Sorangel O. Arenas, City Secretary

MINUTES

LANCASTER CITY COUNCIL MEETING OF JANUARY 27, 2014

The City Council of the City of Lancaster, Texas, met in Regular session in the Council Chambers of City Hall on January 27, 2014 at 7:04 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
LaShonjia Harris
Deputy Mayor Pro Tem Nina Morris

City Staff Present:

Opal Mauldin Robertson, City Manager
Thomas Griffith, Fire Chief
Cheryl Wilson, Police Chief
Sean Johnson, Parks, Recreation and Library Services Director
Dori Lee, Human Resources Director
Rona Stringfellow, Managing Director Public Works / Development Services
Ed Brady, Economic Development Director
Mark Divita, Airport Manager
Austin James, Lead Community Relations Assistant
Robert E. Hager, City Attorney
Angie Arenas, City Secretary

Call to Order:

Mayor Knight called the meeting to order at 7:04 p.m. on January 27, 2014.

Invocation:

Pastor John Richardson with Zion Chapel gave the invocation.

Pledge of Allegiance:

Mayor Marcus E. Knight led the pledge of allegiance.

Citizens Comments:

Austin James, 211 N. Henry Street, announced an opportunity to participate in the update of the City's Comprehensive Plan through a Community Charrette on February 1, 2014 at the Lancaster Recreation Center from 9:30 a.m. - 3:30 p.m. noting registration is requested through the City's website; and encouraged all residents to participate in the survey regarding the Comprehensive Plan which is available on the City's website. Mr. James encouraged citizens to like and follow the City's social media pages, Facebook and Twitter.

Consent Agenda:

City Secretary Arenas read the consent agenda.

- C1. Consider approval of minutes from the City Council Regular Meeting held January 13, 2014.**

- C2. Consider a resolution declaring certain board, commission and committee position(s) vacant due to excessive absences.**
- C3. Consider a resolution authorizing the purchase and installation of a Public Safety Radio System from Blair Communications through an Interlocal Agreement with Houston Galveston Area Council (HGAC) for a total amount not to exceed \$438,947.25.**
- C4. Consider a resolution designating the equestrian trail at the Bear Creek Nature Park as the Cleo Hearn Equestrian Trail at Bear Creek Nature Park.**
- C5. Consider a resolution approving the terms and conditions of the City owned T-Hangar non-commercial lease from building 680 at the Lancaster Regional Airport.**
- C6. Consider a resolution approving the terms and conditions of the City owned T-Hangar non-commercial lease from building 670 at Lancaster Regional Airport.**
- C7. Consider a resolution approving and accepting the bylaws of the Veterans Memorial Library Board.**
- C8. Consider a resolution authorizing the purchase of one (1) bus from Rush Bus Centers through an Interlocal Agreement with BuyBoard; authorizing the City Manager to issue a purchase order in an amount not to exceed \$84,842.54.**
- C9. Consider a resolution approving the terms and conditions of an Interlocal Cooperation Agreement by and between the City of Lancaster and The North Central Texas Council of Governments (NCTCOG) for the purpose of electronic warrant payment services.**

Councilmember Mejia pulled consent item C3, C8.
Councilmember Harris pulled consent item C4.

MOTION: Councilmember Mejia made a motion, seconded by Mayor Pro Tem Daniels, to approve consent items C1, C2, C5-C7, and C9. The vote was cast 7 for, 0 against.

Councilmember Mejia stated that this item [item C3] was being pulled because Public Safety Radio has been an ongoing issue, and he wanted to ensure citizens that the City is not loosely spending such a large amount of money, the City is federally mandated to spend the money to be in compliance with the radio system.

MOTION: Councilmember Strain-Burk made a motion, seconded by Councilmember Mejia, to approve consent item C3 as presented. The vote was cast 7 for, 0 against.

Councilmember Harris requested background information [item C4] and asked to hear the origin of the request from Sean Johnson, Director of Parks, Recreation, and Library Services.

Director Johnson noted that in December the Parks and Recreation Advisory Board was approached by members of the community, specifically former board member Coy Poitier with the suggestion of honoring longtime resident and rodeo aficionado Cleo Hearn. Mr. Hearn's historical significance was noted as well as the mention of a special called meeting that was held by the Parks and Recreation Advisory Board for the purpose of renaming the equestrian trail which in turn led to the issue being brought before Council.

Councilmember Harris commended Director Johnson as well as the Parks and Recreation Advisory Board for recognizing Cleo Hearn.

Mayor Knight suggested creating an opportunity of recognition for Mr. Hearn in the form of some type of event.

MOTION: Councilmember Strain-Burk made a motion, seconded by Mayor Pro Tem Daniels, to approve item C4 as presented. The vote was cast 7 for, 0 against.

Councilmember Mejia stated that this item [item C8] was being pulled from the consent agenda in order to inform citizens of the poor state of the current bus, which prompted the City to spend this amount of money to purchase a new bus. Councilmember Mejia inquired about the cost to repair the current bus.

City Manager Mauldin Robertson stated that it would cost an excess of \$25,000.00 in parts alone excluding labor.

Councilmember Jaglowski inquired where the money to purchase bus would come from. City Manager Mauldin Robertson noted that Council established an equipment replacement program several years ago that stated that anything in the fund balance in excess of 12% was allocated to the equipment replacement fund and capital improvement fund in which the funds are already allocated in that fund for the purchase of equipment as dictated by the equipment replacement schedule.

Councilmember Jaglowski asked when we could see the bus in motion; at that time Director Johnson stated that the purchasing informant mentioned it would take 120 to 150 days.

Mayor Knight inquired if arrangements had been made to facilitate the program in the meantime. Director Johnson stated that recreation staff has been using a 12 passenger van and the senior bus to keep the program running.

Councilmember Harris noted that the City is a working class community and the after school program is an all-around investment; Councilmember Mejia noted that the purchase had already been budgeted for; the City was just moving forward sooner than planned and that this was an investment in our kids and future.

MOTION: Councilmember Mejia made a motion, seconded by Councilmember Strain-Burk to approve item C8 as presented. The vote was cast 7 for, 0 against.

- 1. Conduct a public hearing and consider an ordinance amending the Lancaster Code of Ordinances, Chapter 14, the Lancaster Development Code, by amending Section 14.1204 Sign Type Specifications, by deleting Subsection K, Political Signs in its entirety and replacing it with a new Subsection K, Political Signs to provide for electioneering at polling locations.**

City Manager Opal Mauldin Robertson stated that on June 14, 2013 the State Legislature passed House Bill 259 which modified the Texas Election Code. A public entity which controls a public building used for a polling location is now required to allow electioneering at that site, specifically noted is the Lancaster Veteran's Memorial Library. The City's current ordinance does not allow electioneering on public property this item is brought forward to amend the current ordinance with the understanding that the signs will not impact visibility nor can it be within the distance required within the election code. Any questions can be directed to staff or City Attorney, Robert E. Hager.

Councilmember Strain-Burk inquired if signs being placed on vehicles parked in polling areas were included in the new bill; City Manager Robertson confirmed and added that electioneering is only allowed on election site during the election period, no other City facilities or times.

Councilmember Mejia asked how long the signs are allowed to be posted. City Attorney Hager stated that the law allows signs to be posted while the polling site is open. City Manager Robertson noted that City staff would not be strictly enforcing the "pick up at 7 p.m. and put out at 7 a.m." for ease of operational perspective. The City will rely on an "honor system."

Councilmember Harris inquires about any other amendments because her greatest concern is if the "honor system" is compromised and suggests something be set into place to decrease potential confusion. City Attorney Hager states that the best approach is to realize that the signs are going to be up for two weeks and an important note is to protect the infrastructure.

Deputy Mayor Pro Tem Morris asks that if signs are allowed to stay up during the entire election period and someone, not employed by the City, picks them up; is the City liable? City Attorney Hager states that the City is not liable and that would be an ethics or criminal violation.

MOTION: Deputy Mayor Pro Tem Morris made a motion, seconded by Councilmember Strain-Burk, to close the public hearing. The vote was cast 7 for, 0 against.

MOTION: Councilmember Strain-Burk made a motion, seconded by Deputy Mayor Pro Tem Morris, to approve an ordinance amending the Lancaster Code of Ordinances, Chapter 14, the Lancaster Development Code, by amending Section 14.1204 Sign Type Specifications, by deleting Subsection K, Political Signs in its entirety and replacing it with a new Subsection K, Political Signs to provide for electioneering at polling locations. The vote was cast 7 for, 0 against.

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

The meeting was adjourned at 7:33 p.m.

ATTEST:

APPROVED:

Sorangel O. Arenas, City Secretary

Marcus E. Knight, Mayor

LANCASTER CITY COUNCIL

Agenda Communication

February 10, 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 2013-2014 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 670-112 (1,018 sqft) for a tenant, Mr. Paul Hendershot.

Considerations

- **Operational** - The City T-hangar non-commercial lease is used for private aircraft owners.
- **Legal** - The lease agreement was reviewed and approved 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 T-hangar is \$205.00 per month.
- **Public Information** – This item is being considered at a regular 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 10th day of February 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 **10th** day of **February**, 2014, between the City of Lancaster, Texas, a municipal corporation, ("LESSOR") and **Paul Hendershot**, (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 **670-112**, located at the Airport, and consisting of approximately **1,018** 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 **10th** day of **February** 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 **\$205.00** 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: Paul Hendershot

1415 Main St, #801

Dallas, TX 75202

585-503-6730

Phendershot2430@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

February 10, 2014

Item 3

Consider a resolution designating representatives of the City of Lancaster authorized to transmit and withdraw funds and take all other actions deemed necessary or appropriate for the investment of local funds in TexPool/TexPool Prime; providing for the addition and deletion of an authorized representative.

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

Goal 1: Financially Sound City Government

Background

The City currently invests its resources with TexPool. TexPool requires the passage of a resolution by the governing body to add or remove primary and secondary representatives to make transactions. The City's accounts are currently established for internal transfer (from one City TexPool account to another), deposit (from the City depository checking account to TexPool), and withdrawal (from the TexPool account to the City depository checking account) transactions only.

The primary and secondary representatives are required to attend mandatory training for operation of the investment portfolio.

Considerations

- **Operational** - This resolution adds and assigns primary responsibility to Cynthia Pearson, Finance Director, and removes Sheree Haynes, and Susan Cluse and continues Opal Mauldin Robertson, City Manager to the authorized representative list.
- **Legal** - The resolution is the form prescribed by TexPool.
- **Financial** - There is no cost for adding or removing representatives to the account.
- **Public Information** – This item is considered at a regular meeting of the City Council noticed 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
-

Submitted by:

Opal Mauldin Robertson, City Manager



RESOLUTION AMENDING AUTHORIZED REPRESENTATIVES

WHEREAS, City of Lancaster - Location number 000077341

(Participant Name & Location Number)

("Participant") is a local government of the State of Texas and is empowered to delegate to a public funds investment pool the authority to invest funds and to act as custodian of investments purchased with local investment funds; and

WHEREAS, it is in the best interest of the Participant to invest local funds in investments that provide for the preservation and safety of principal, liquidity, and yield consistent with the Public Funds Investment Act; and

WHEREAS, the Texas Local Government Investment Pool ("TexPool/ Texpool *Prime*"), a public funds investment pool, were created on behalf of entities whose investment objective in order of priority are preservation and safety of principal, liquidity, and yield consistent with the Public Funds Investment Act.

NOW THEREFORE, be it resolved as follows:

- A. That the individuals, whose signatures appear in this Resolution, are Authorized Representatives of the Participant and are each hereby authorized to transmit funds for investment in TexPool / TexPool *Prime* and are each further authorized to withdraw funds from time to time, to issue letters of instruction, and to take all other actions deemed necessary or appropriate for the investment of local funds.
- B. That an Authorized Representative of the Participant may be deleted by a written instrument signed by two remaining Authorized Representatives provided that the deleted Authorized Representative (1) is assigned job duties that no longer require access to the Participant's TexPool / TexPool *Prime* account or (2) is no longer employed by the Participant; and
- C. That the Participant may by Amending Resolution signed by the Participant add an Authorized Representative provided the additional Authorized Representative is an officer, employee, or agent of the Participant;

List the Authorized Representatives of the Participant. Any new individuals will be issued personal identification numbers to transact business with TexPool Participant Services.

1. Name: Opal Mauldin Robertson Title: City Manager
Phone/Fax/Email: 972-218-1304, 972-275-0919, orobertson@lancaster-tx.com
Signature: _____

2. Name: Cynthia Pearson Title: Finance Director
Phone/Fax/Email: 972-218-1322, 972-275-0901, cpearson@lancaster-tx.com
Signature: _____

ORIGINAL SIGNATURE AND DOCUMENT REQUIRED

TEX – REP

3. Name: _____ Title: _____
Phone/Fax/Email: _____
Signature: _____

4. Name: _____ Title: _____
Phone/Fax/Email: _____
Signature: _____

List the name of the Authorized Representative listed above that will have primary responsibility for performing transactions and receiving confirmations and monthly statements under the Participation Agreement.

Name Cynthia Pearson

In addition and at the option of the Participant, one additional Authorized Representative can be designated to perform only inquiry of selected information. This limited representative cannot perform transactions. If the Participant desires to designate a representative with inquiry rights only, complete the following information.

5. Name: _____ Title: _____
Phone/Fax/Email: _____

D. That this Resolution and its authorization shall continue in full force and effect until amended or revoked by the Participant, and until TexPool Participant Services receives a copy of any such amendment or revocation. This Resolution is hereby introduced and adopted by the Participant at its regular/special meeting held on the 10th day February, 20 14.

**Document is to be signed by your Board President, Mayor or County Judge and
attested by your Board Secretary, City Secretary or County Clerk.**

NAME OF PARTICIPANT: City of Lancaster

SIGNED: _____
Signature
Opal Mauldin Robertson
Printed Name
City Manager
Title

ATTEST: _____
Signature
Sorangel O. Arenas
Printed Name
City Secretary
Title

This document supersedes all prior Authorized Representative designations.

ORIGINAL SIGNATURE AND DOCUMENT REQUIRED

TexPool Participant Services • Federated Investors Inc
1001 Texas Ave., Suite 1400 • Houston, TX 77002 • www.texpool.com • 1-866-839-7665

TEX – REP

LANCASTER CITY COUNCIL

Agenda Communication

February 10, 2014

Item 4

Discuss and consider a motion to reconsider Ordinance No. 2014-01-01, which amended the Lancaster Code of Ordinances, Chapter 14, the Lancaster Development Code, by amending Section 14.1204 Sign Type Specifications, by deleting Subsection K, Political Signs in its entirety and replacing it with a new Subsection K.

Goal: Financially Sound City Government

Background

At the January 27, 2014 City Council meeting, Council adopted an ordinance approving the amending of the Lancaster Code of Ordinances, Chapter 14, the Lancaster Development Code, by amending Section 14.1204 Sign Type Specifications, by deleting Subsection K, Political Signs in its entirety and replacing it with a new Subsection K, Political Signs to provide for electioneering at polling locations with a vote of 7 for, 0 against.

Deputy Mayor Pro Tem Morris made a request to reconsider the ordinance. Consultation with the City Attorney outlined the process for reconsideration of an ordinance. The City Attorney indicated that to reconsider the ordinance, the matter must be duly posted on the next Council agenda and the governing body [City Council] must consider a motion, duly seconded, to reconsider the ordinance.

Options/Alternatives

Council may make a motion, duly seconded, to reconsider the ordinance. With a majority vote, the ordinance may be reconsidered. Failure of the motion to reconsider the ordinance results in reaffirming Council's previous action amending the Lancaster Code of Ordinances, Chapter 14, the Lancaster Development Code, by amending Section 14.1204 Sign Type Specifications, by deleting Subsection K, Political Signs in its entirety and replacing it with a new Subsection K, Political Signs to provide for electioneering at polling locations.

Submitted by:

Sorangel O. Arenas, City Secretary

LANCASTER CITY COUNCIL

Agenda Communication

February 10, 2014

Item 5

Discuss and consider an ordinance amending Ordinance No. 2006-04-13, The Code of Ordinances by repealing and replacing Chapter 14, Lancaster Development Code, by amending Section 14.1204, sign type specifications, by deleting subsection K, political signs, in its entirety and replacing with a new Subsection K.

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

Goal: Civic Engagement

Background

At the January 27, 2014 regular meeting City Council approved an amendment to Lancaster Code of Ordinances Chapter 14, the Lancaster Development Code, by amending Section 14.1204 Sign Type Specifications, by deleting Subsection K, Political Signs in its entirety and replacing it with a new Subsection K, to comply.

With Texas Legislature H.B. 259, modifying the Texas Election Code and requiring a public entity that controls or owns a building used as a polling location, to allow electioneering on the premises subject to reasonable regulations. "Electioneering" includes the posting, use, or distribution of political signs or literature.

Section 14.1204 (k) of the City's sign ordinance sets reasonable regulations for electioneering at a polling location that is City property. The Lancaster Veterans Memorial Library is used as a polling location during early voting and on Election Day.

At the request of Deputy Mayor Pro Tem Morris this item is to consider amending section 14.1204 to allow political signs to remain at the polling location throughout the duration of the voting period.

Considerations

- **Operational** – Political signs may not be placed within the 25 foot Visibility Triangle of any intersection. Political signs may not have an effective area greater than 36 square feet and may not be more than eight feet in height, including any supporting poles. Electioneering is not allowed on driveways, parking areas, on medians within parking areas or driveways on the premises of a polling location. Electioneering signs that are attached to vehicles that are lawfully parked at the premises of a polling location are permitted.

- **Legal** – The City Attorney has prepared the draft ordinance.
- **Financial** – There is no financial impact created by this amendment to the sign ordinance.
- **Public Information** – The City of Lancaster Planning and Zoning Commission held a Public Hearing on Tuesday, January 14, 2014, at 7:00 PM. At their meeting the Planning and Zoning Commission recommended approval of the amendment to the sign ordinance, 4 to 0. City Council conducted a public hearing at the January 27, 2014 regular meeting. At the regular Council Meeting council approved the amendment as presented.

Options/Alternatives

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

Attachments

- Ordinance
 - Lancaster Veterans Memorial Library Plat (polling location)
-

Submitted by:

Sorangel O. Arenas, City Secretary

REVISED
AN ORDINANCE OF THE CITY OF LANCASTER, TEXAS

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF LANCASTER, TEXAS, AMENDING THE LANCASTER CODE OF ORDINANCES, CHAPTER 14, THE LANCASTER DEVELOPMENT CODE, BY AMENDING SECTION 14.1204 SIGN TYPE SPECIFICATIONS, BY DELETING SUBSECTION K, POLITICAL SIGNS IN ITS ENTIRETY AND REPLACING IT WITH A NEW SUBSECTION K, POLITICAL SIGNS TO PROVIDE FOR ELECTIONEERING AT POLLING LOCATIONS; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY OF FINE NOT TO EXCEED THE SUM OF FIVE HUNDRED DOLLARS (\$500.00) FOR EACH OFFENSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, on June 14, 2013, the Texas Legislature passed H.B. 259, modifying the Texas Election Code and requiring a public entity that controls or owns a building used as a polling location, to allow electioneering on the premises subject to reasonable regulations; and

WHEREAS, according to this law, “electioneering” includes the posting, use, or distribution of political signs or literature; and

WHEREAS, electioneering includes posting of signs and in order to further the general health, safety and welfare of the citizens, electioneering signs and literature should not be present outside of the time for voting except for a limited period to erect and remove signs, and not be attached to improvements and landscaping; and

WHEREAS, the City Council further finds that the size of electioneering signs shall be limited and they should be set back from the public roadway in order to further traffic safety and remove visual clutter; and

WHEREAS, City Council deems it is in the best interest of the citizens of the City of Lancaster that the current sign regulations be amended and additional regulations be adopted to address concerns that may result from electioneering on public property, including damage to property, traffic safety concerns, and blight; and

WHEREAS, the City Council finds that the adoption of regulations is needed and that they further the public health, safety and welfare of the community.

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

SECTION 1. That Section 14.1204, Sign Type Specifications, of the Lancaster Development Code, be, and the same is hereby, amended to provide for political signs and electioneering at polling locations, to read as follows:

“Sec. 14.1204 Sign Type Specifications

.....

(k) *Political Signs; Electioneering at Polling Locations*

- (1) Political signs are strictly prohibited from any and all public property and rights-of-way within the city, except as provided in subsection (2). Political signs may not be illuminated or have moving elements.

- (2) Electioneering at Polling Locations

1. Definitions

The following words and phrases as used in this article shall have the meanings as set forth in this section:

Electioneering shall mean the posting, use, or distribution of political signs or literature, including the use of tents, chairs, booths, tables or other furniture or devices to post, use or distribute political signs or literature.

Voting period shall mean the period each day during the early voting period and Election Day for any federal, state, county, school district, or municipal authorized election held under law, .

2. Regulations and Exceptions

- (a) The following regulations apply to electioneering on the premises of public property during the voting period.

- (i). It is an offense for any person to leave any electioneering sign or literature on public property that is used as a polling place other than during the voting period as defined herein.

- (ii). It is an offense for any person to engage in electioneering on driveways, parking areas, on medians within parking areas, or driveways on the premises of a polling location unless otherwise designed by the local

election official. This restriction shall not apply to electioneering signs that are attached to vehicles that are lawfully parked at the premises of a polling location.

(iii). It is an offense for any person to attached, place or otherwise affix any electioneering sign, literature or material to any building, tree, shrub, pole or other improvement on public property used as a polling location.

(iv). It is an offense for any person to place any electioneering sign or literature within twenty-five (25) feet of the public road way adjacent to the public property where a polling location is located.

(v). It is an offense for any person to place an electioneering sign on the premises that exceeds thirty-six (36) square feet and is more than eight (8) feet in height, including any supporting poles.

(vi). It is an offense for any person to place an electioneering sign within the twenty five (25) foot Visibility Triangle of any intersection.

(vii). In addition to imposing any criminal penalty, electioneering sign(s) locating in violation of this section may be removed and disposed of by the entity in control of the public property.

(viii). The authority to conduct electioneering on public property under this Article is limited to the property on the premises where the voting is conducted and only for the voting period.”

.....

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

SECTION 3. That should any word, phrase, paragraph, section or phrase of this ordinance or of the Code of Ordinances, as amended hereby, be held to be unconstitutional, illegal or invalid,

the same shall not affect the validity of this ordinance as a whole, or any part or provision thereof other than the part so decided to be unconstitutional, illegal or invalid, and shall not affect the validity of the Code of Ordinances as a whole.

SECTION 4. An offense committed before the effective date of this ordinance is governed by prior law and the provisions of the Code of Ordinances, as amended, in effect when the offense was committed and the former law is continued in effect for this purpose.

SECTION 5. That any person, firm or corporation violating any of the provisions or terms of this ordinance or of the Code of Ordinances, as amended hereby, shall be guilty of a misdemeanor and upon conviction in the Municipal Court of the City of Lancaster, Texas, shall be subjected to a fine not to exceed the sum of Five Hundred Dollars (\$500.00) for each offense; and each and every day such violation is continued shall be deemed to constitute a separate offense.

SECTION 6. That this ordinance 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 by the City Council of the City of Lancaster, Texas, this the _____ day of _____, 2014.

ATTEST:

APPROVED:

Sorangel O. Arenas, City Secretary

Marcus E. Knight, Mayor

APPROVED AS TO FORM:

Robert E. Hager, City Attorney

THE STATE OF TEXAS §
COUNTY OF DALLAS §

BEFORE ME, the undersigned, a Notary Public in and for said State, on this day personally appeared Marcus E. Knight known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same in the capacity herein stated, and for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 27th day of October, 2011.

Della K. Danne
NOTARY PUBLIC IN AND FOR THE STATE OF TEXAS

My Commission Expires: 9-13, 2014

THE STATE OF TEXAS §
COUNTY OF DALLAS §

BEFORE ME, the undersigned, a Notary Public in and for said State, on this day personally appeared _____ known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same in the capacity herein stated, and for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the _____ day of _____,

NOTARY PUBLIC IN AND FOR THE STATE OF TEXAS

My Commission Expires: _____

THE STATE OF TEXAS §
COUNTY OF DALLAS §

BEFORE ME, the undersigned, a Notary Public in and for said State, on this day personally appeared GARY PROBECK known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same in the capacity herein stated, and for the purposes and consideration therein expressed.

GARY PROBECK, R.P.L.S. SURVEYOR

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 11 day of October, 2011.

Daniel J. Danne
NOTARY PUBLIC IN AND FOR THE STATE OF TEXAS

My Commission Expires: 10-11-11

THE STATE OF TEXAS §
COUNTY OF DALLAS §

OWNERS DEDICATION

NOW THEREFORE, KNOW ALL MEN BY THESE PRESENTS:

That Texas Parks and Recreation Foundation, in Trust, for The City of Lancaster, does hereby adopt this plat, designating the herein described tract as AMENDED PLAT LANCASTER CITY PARK NO. 1, an addition to the City of Lancaster, Dallas County, Texas, and do hereby dedicate, in fee simple, to the public use forever any streets, alleys, and floodway management areas shown thereon. The easements shown thereon are hereby reserved for the purposes as indicated. The utility and fire lane easements shall be open to the public, fire and police units, garbage and rubbish collection agencies, and all public and private utilities for each particular use. The maintenance of paving on the utility and fire lane easements is the responsibility of the property owner. No buildings, fences, trees, shrubs, or other improvements or growths shall be constructed, reconstructed, or placed upon, over or across the easements as shown. Said easements being hereby reserved for the mutual use and accommodation of all public utilities using or desiring to use same. All, and any public utility shall have the right to remove and keep removed all or parts of any building, fences, trees, shrubs, or other improvements or growths which in any way may endanger or interfere with the construction, maintenance or efficiency of its respective system on the easements and all public utilities shall at all times have the full right of ingress and egress to or from the said utility easements for the purpose of constructing, reconstructing, inspecting, patrolling, maintaining and adding to or removing all or parts of its respective systems without the necessity at any time of procuring the permission of anyone. (Any public utility shall have the right of ingress and egress to private property for the purpose of reading meters and any maintenance and service required or ordinarily performed by that utility).

Water main and wastewater easements shall also include additional area of working space for construction and maintenance of the systems. Additional easement area is also conveyed for installation and maintenance of manholes, cleanouts, fire hydrants, water service, and wastewater services from the main to the curb or pavement line, and description of such additional easements herein granted shall be determined by their location as installed.

This plat approved subject to all platting ordinances, rules, regulations, and resolutions of the City of Lancaster, Texas;

Texas Parks and Recreation Foundation, in Trust, for The City of Lancaster. This amending plat does not increase the number of lots or alter or remove existing deed restriction or covenants, if any, on this property.

WITNESS, my hand at Dallas, Texas, this the 27th day of October, 2011.

By: Marcus E. Knight
Printed Name: Marcus E. Knight
Title: Mayor

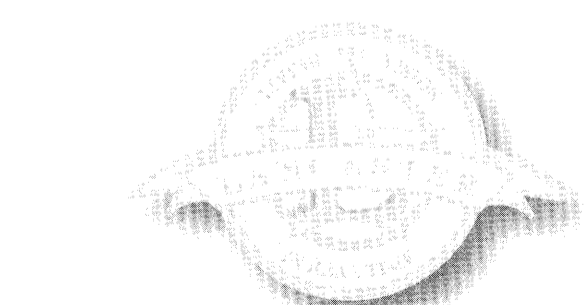
CITY CERTIFICATION

This plat is hereby approved by the Planning and Zoning Commission of the City of Lancaster, Texas.

Mary Jane Collier
Chairperson Planning and Zoning Commission

ATTEST:
Nathaniel Barnett
Signature
Nathaniel Barnett
Date

The Place To Be...



www.lancasterisd.org

TEXAS PARKS AND RECREATION FOUNDATION, IN TRUST
FOR THE CITY OF LANCASTER, TEXAS
P. O. BOX 830309
LANCASTER, TEXAS 75083-0309

SURVEYOR

GARY PROBECK LAND SURVEYING, INC.
P.O. BOX 496135
GARLAND, TEXAS 75049-6135
(972) 897-6277 OFFICE
(214) 501-4180 FAX

THE STATE OF TEXAS §
COUNTY OF DALLAS §

OWNERS CERTIFICATE

WHEREAS Texas Parks and Recreation Foundation, in Trust, for The City of Lancaster, is the owner of a 152.4012 acre tract of land situated in the M M Miller Survey, Abstract Number 874, having a Patent date of July 15, 1864, Patent Number 364, Patent Volume 10, Certificate Number 419, and being a part of that certain tract of land as conveyed by Coffman Investments, L.P. and Diane Coffman Garvin, by Warranty Deed dated January 12, 1998, to the Texas Parks and Recreation Foundation, in Trust, for The City of Lancaster, as recorded in Volume 98008, Page 5004, of the Deed Records of Dallas, Dallas County, Texas, and being the remainder of Lancaster City Park Addition No. 1, an addition to the City of Lancaster, Texas, according to the Map or Plat thereof recorded in Volume 2001105 Page 5, of the Deed Records of Dallas, Dallas County, Texas, and being all of Lots 1, 2, and 3, Block 1, and being more particularly described as follows:

BEGINNING at a 1/2" iron rod found for the southwest corner of Lot 1R, Block 2, of the Replat of Lancaster City Park Addition No. 1, an addition to the City of Lancaster, Texas, according to the Map or Plat thereof recorded in Instrument Number 200800298752, of the Deed Records of Dallas, Dallas County, Texas, and being at the intersection of the north right of way line of Veterans Memorial Parkway (90' R.O.W.) with the east right of way line of North Dallas Avenue (S.H. 342) (120' R.O.W.) also being the most westerly corner of the herein described tract of land;

THENCE NORTH 55° 47' 55" EAST, leaving the east right of way line of said North Dallas Avenue, with the north right of way line of said Veterans Memorial Parkway, and the south right of way line of said Replat of Lancaster City Park No. 1, a distance of 180.00 feet, to a 1/2" iron rod found for the Point of Beginning of a curve to the right having a radius of 850.00 feet, a chord bearing of North 75° 56' 59" East, and a chord distance of 428.48 feet;

THENCE northeasterly, through a central angle of 38° 18' 08", an arc distance of 434.52 feet, to a 1/2" iron rod found for corner;

THENCE SOUTH 84° 53' 58" EAST, a distance of 359.90 feet, to a 1/2" iron rod found for the Point of Beginning of a curve to the left, having a radius of 540.00 feet, a chord bearing of North 67° 57' 57" East, and a chord distance of 482.57 feet;

THENCE northeasterly, through a central angle of 54° 16' 11", an arc distance of 511.48 feet, to a 1/2" found for corner and the terminus of said Veterans Memorial Parkway;

THENCE SOUTH 48° 10' 06" EAST, leaving the north right of way line of said Veterans Memorial Parkway, with the east terminus right of way line, a distance of 14.17 feet, to a 1/2" iron rod found for corner;

THENCE EAST, continuing with the south right of way line of said Replat of Lancaster City Park No. 1, a distance of 18.11 feet, to a 1/2" iron rod found for corner;

THENCE NORTH 30° 12' 25" EAST, a distance of 701.04 feet, to a 1/2" iron rod found for corner;

THENCE NORTH 89° 59' 13" EAST, a distance of 1250.21 feet, to a 1/2" iron rod found in the west right of way line of Jefferson Street, (80' R.O.W.);

THENCE SOUTH 00° 15' 19" WEST, leaving the south line of said Replat of City of Lancaster No. 1, with the west right of way line of said Jefferson Street, a distance of 2168.41 feet, to a 1/2" iron rod found for the northeast corner of Lot 1, Block 5, of Cedar Springs Addition, an addition to the City of Lancaster, Texas, according to the Map or Plat thereof recorded in Volume 10, Page 408-A, of the Map Records of Dallas, Dallas County, Texas;

THENCE WEST, leaving the west right of way line of said Jefferson Street, with the common north line of the said Cedar Springs Addition, and the south line of the said Lancaster City Park No. 1, a distance of 2208.64 feet, to a 1/2" iron rod found for the northwest corner of Lot 1, Block 6, of said Cedar Springs Addition, also being in the east right of way line of said North Dallas Avenue;

THENCE NORTH 33° 12' 05" WEST, a distance of 1451.59 feet, leaving the north line of the said Cedar Springs Addition, with the east right of way line of said North Dallas Avenue, a distance of 1451.59 feet, to the PLACE OF BEGINNING, and containing approximately 4,839,463.1808 square feet, or 111.0686 acres of land, Save and Except 70,436.8304 square feet, or 1.6171 acres in South Veterans Memorial Parkway, and there being 134,880.0659 square feet, or 3.0980 acres in Veterans Memorial Parkway as previously dedicated by said Lancaster City Park No. 1, leaving a total area of 4,834,163.1845 square feet, or 106.3957 acres of land, more or less.

GENERAL NOTES

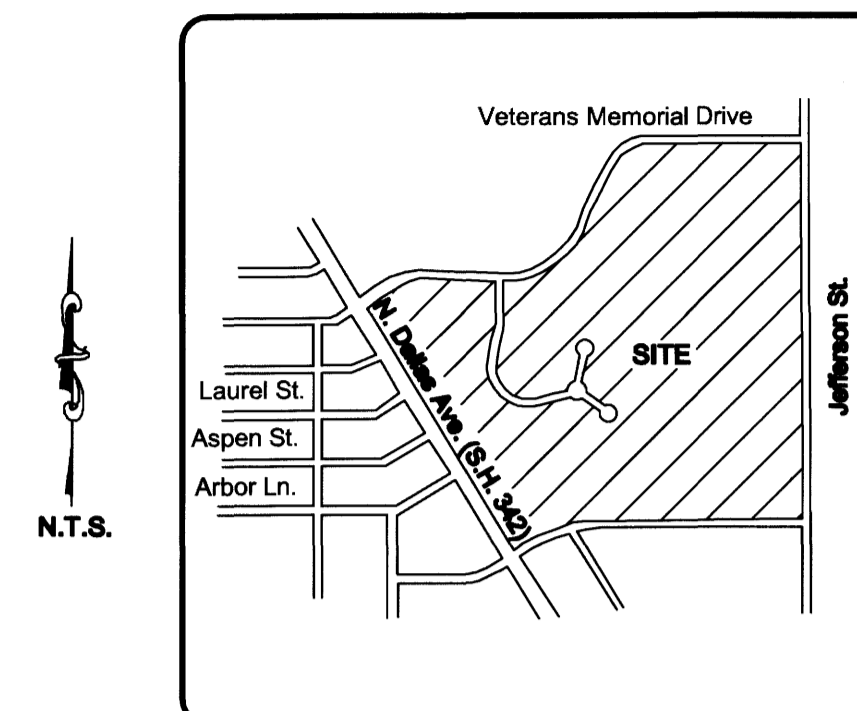
SIS OF BEARING: THE BASIS OF BEARING FOR THIS TRACT IS THE EAST RIGHT WAY LINE OF DALLAS AVENUE (HIGHWAY 342), ACCORDING TO THE PLAT AS CORDED IN VOLUME 2001151 PAGE 5, OF THE DEED RECORDS OF DALLAS COUNTY, TEXAS, AS NORTH 33° 12' 05" WEST.

SURVEYORS CERTIFICATE

I, GARY PROBECK, A REGISTERED PROFESSIONAL LAND SURVEYOR IN THE STATE OF TEXAS, DO HEREBY CERTIFY THAT I HAVE PREPARED THIS PLAT FROM AN ACTUAL ON THE GROUND SURVEY OF THE LAND, AND THAT THE CORNER MONUMENTS SHOWN THEREON WERE PROPERLY PLACED UNDER MY PERSONAL SUPERVISION.

GARY PROBECK, R.P.L.S.
TEXAS REGISTERED PROFESSIONAL LAND SURVEYOR NO. 6361

VICINITY MAP



N.T.S.

Conformed Copy
Official Public Records
John F. Warren, County Clerk
Dallas County, TEXAS
05/02/2012 11:09:33 AM
\$79.00



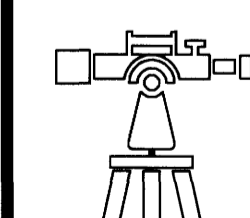
201200125362

AMENDED PLAT
LANCASTER CITY PARK ADDITION NO. 1
LOTS 1R, 2R, AND 3R, BLOCK 1
BEING 106.39 ACRES OUT OF THE
M M MILLER SURVEY ~ ABSTRACT NO. 874
CITY OF LANCASTER ~ DALLAS COUNTY, TEXAS

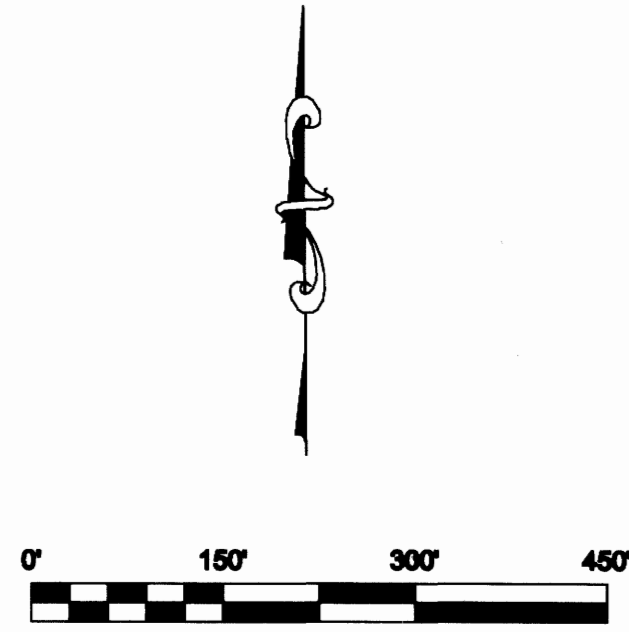
BOUNDARY ~ COMMERCIAL
HOME BUILDING ~ PLATTING
TITLES ~ CONSTRUCTION

GARY PROBECK LAND SURVEYING, INC.
P.O. BOX 496135 ~ GARLAND, TEXAS 75049-6135
OFFICE (972) 897-6277 ~ FAX (214) 501-4180

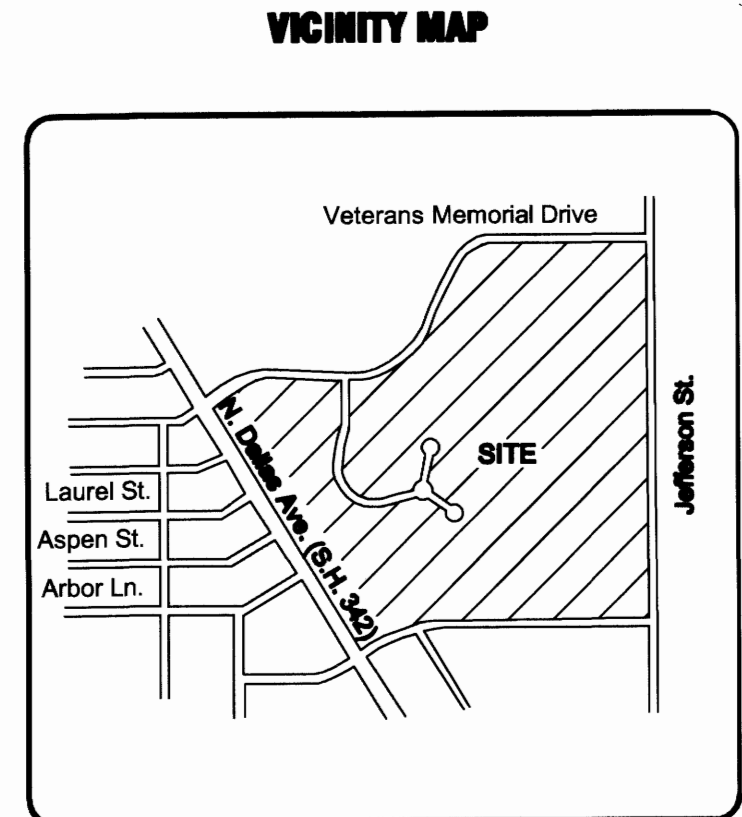
AMENDED PLAT
106.39 ACRES OUT OF THE
M M MILLER SURVEY, ABSTRACT NO. 874
DALLAS COUNTY, TEXAS



DATE: 03-28-11
FIELD DATE: 11-24-10
JOB NO.: 10-0037
DRAWING: 10-0037
PARTY CHIEF: GP
SCALE: 1" = 180'
GF #: N/A
TITLE CO.: N/A
LENDER: N/A
OWNER: CITY OF LANCASTER
REVISIONS:
SHEET 2 OF 2



Replat of
Lancaster City Park No. 1
Lots 1R, 2R, 3R, and 4R, Block 2
Instrument No. 20080028752
D.R.D.C.T.



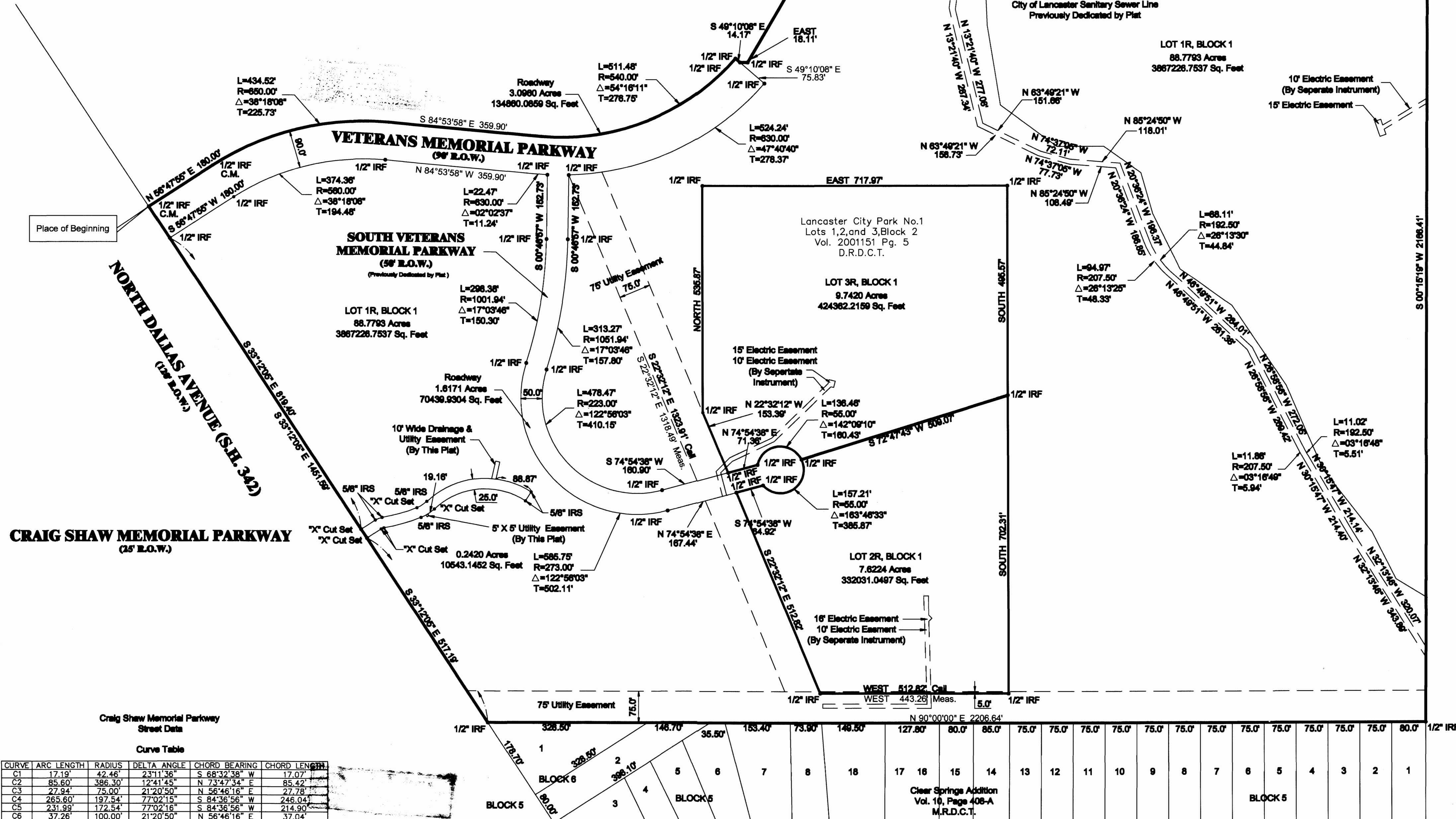
N.T.S.

JEFFERSON STREET
(S.W. R.O.W.)

Conformed Copy
Official Public Records
John F. Warren, County Clerk
Dallas County, TEXAS
05/02/2012 11:09:33 AM
\$79.00



201200125362



Craig Shaw Memorial Parkway
Street Data

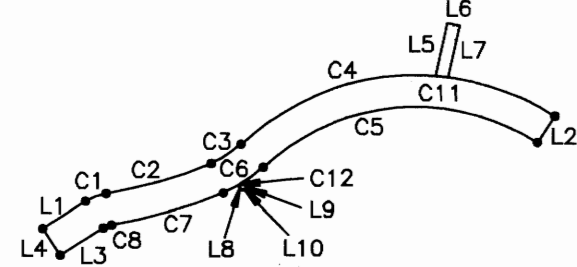
Curve Table

CURVE	ARC LENGTH	RADIUS	DELTA ANGLE	CHORD BEARING	CHORD LENGTH	
C1	17.19'	42.46'	231°11'36"	S 68°32'38" W	17.07'	
C2	85.60'	386.30'	12°41'45"	N 73°47'34" E	85.42'	
C3	22.94'	75.00'	21°20'50"	N 56°46'16" E	27.75'	
C4	265.60'	197.54'	77°02'15"	S 84°36'56" W	245.04'	
C5	231.99'	172.54'	77°02'16"	S 84°36'56" W	214.90'	
C6	37.26'	100.00'	21°20'50"	N 56°46'16" E	37.04'	
C7	91.14'	411.30'	12°41'45"	N 73°47'34" E	90.95'	
C8	7.07'	17.46'	231°11'36"	S 68°32'38" W	7.02'	
C9	10.07'	197.54'	2°55'13"	N 84°06'14" W	10.07'	
C10	5.00'	100.00'	2°55'14"	S 58°30'35" W	5.00'	
C11	10.07'	10.07'	197.54'	2°55'13"	N 84°06'14" W	10.07'
C12	5.00'	5.00'	90.00'	231.54"	N 58°30'35" E	5.00'

Line Table

LINE	BEARING	DISTANCE
L1	N 56°56'50" E	39.87'
L2	S 33°08'01" W	25.00'
L3	S 56°56'50" W	39.80'
L4	N 33°12'05" W	25.00'
L5	S 12°30'28" W	42.30'
L6	N 77°28'32" W	10.00'
L7	N 12°30'28" E	41.14'
L8	N 31°29'25" W	5.00'
L9	N 31°29'25" W	5.00'
L10	S 58°30'35" W	5.00'

Street Detail

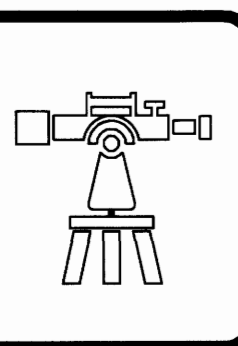


AMENDED PLAT
LANCASTER CITY PARK ADDITION NO. 1
LOTS 1R, 2R, AND 3R, BLOCK 1
BEING 106.39 ACRES OUT OF THE
M M MILLER SURVEY ~ ABSTRACT NO. 874
CITY OF LANCASTER ~ DALLAS COUNTY, TEXAS

BOUNDARY ~ COMMERCIAL
HOME BUILDING ~ PLATTING
TITLES ~ CONSTRUCTION

GARY PROBECK LAND SURVEYING, INC.
P.O. BOX 496135 ~ GARLAND, TEXAS 75049-6135
OFFICE (972) 897-6277 ~ FAX (214) 501-4180

AMENDED PLAT
106.39 ACRES OUT OF THE
M M MILLER SURVEY, ABSTRACT NO. 874
DALLAS COUNTY, TEXAS



DATE: 03-28-11
FIELD DATE: 11-24-10
JOB NO.: 10-0037
DRAWING: 10-0037
PARTY CHIEF: GP
SCALE: 1" = 180'
GF & NA
TITLE CO.: NA
LENDER: NA
OWNER: CITY OF LANCASTER
REVISIONS:
SHEET 1 OF 2



Veterans Memorial Pkwy

Political signs

Tent locations

LANCASTER CITY COUNCIL

Agenda Communication

February 10, 2014

Item 6

Discuss and Consider a Resolution 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.

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

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

Background

The North Central Texas Council of Governments (NCTCOG) has performed a Feasibility study in the Southern Dallas County area to determine the availability and need for additional infrastructure. One of the primary findings of the report indicated the need to improve water infrastructure in the Southern Dallas County region to better serve the growing population and attract additional development regionally.

The Feasibility study also identified that the City of Lancaster's current water demand is substantially lower than the supply capacities. Several surrounding cities including the City of Wilmer has a demand for water that cannot be met through their existing infrastructure.

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.

Considerations

- **Operational** – The contract details the terms and conditions for the sale of wholesale treated water to the City of Wilmer.
- **Financial** – The contract is independent of any future negotiations for the construction of any infrastructure from the City of Lancaster's take point to the City of Wilmer's delivery point. This contract identifies the terms, conditions, rate and rate methodology at which Lancaster would provide wholesale treated water to the City of Wilmer.

- **Legal** – The City Attorney prepared the contract based upon “deal points” discussed at the January 13, 2014 work session and the wholesale rate study prepared for the City of Lancaster.
- **Public Information** – This item is being considered at a regular meeting of the City Council noticed in accordance with the Texas Open Meetings Act.

Alternatives/Options

- 1) Council may authorize staff to present the contract terms and conditions to the City of Wilmer for consideration
- 2) Council may propose changes to the terms and conditions of the contract and authorize staff to present to the City of Wilmer for consideration
- 3) Council may reject the contract and direct staff

Recommendation

Should Council desire to sell wholesale treated water to the City of Wilmer, staff recommends authorization of the contract as presented for consideration which provides for terms, conditions, rate and rate methodology.

Attachments

- Resolution
- Contract
- Management Summary letter – Dated November 22, 2013

Submitted by:

Opal Mauldin Robertson, City Manager
Rona Stringfellow, Managing Director, Public Works and Development Services

CITY OF LANCASTER, TEXAS

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS APPROVING AN AGREEMENT WITH THE CITY OF WILMER FOR THE SALE OF WHOLESALE TREATED WATER AND AUTHORIZING THE CITY MANAGER TO EXECUTE SAID AGREEMENT; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, in accordance with the provisions of the Texas Local Government Code, Chapter 791, the Interlocal Cooperation Act, the City of Lancaster desires to enter into an agreement with the City of Wilmer, Texas for the sale of wholesale treated water; and

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

Section 1. That the City Council hereby approves the contract for the sale of wholesale treated water with the City of Wilmer, Texas attached hereto and incorporated herein as Exhibit A and authorizes the City Manager to execute the Agreement.

Section 2. That any prior Resolution of the City Council in conflict with the provisions contained in this Resolution are hereby repealed and revoked.

Section 3. 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 4. This Resolution shall become effective immediately from and after its passage, as the law and charter in such cases provide.

(Signature Page to Follow)

**PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF
LANCASTER, TEXAS, this __ day of ____, 2014.**

APPROVED:

MARCUS E. KNIGHT, MAYOR

ATTEST:

ANGIE ARENAS, CITY SECRETARY

APPROVED AS TO FORM:

ROBERT E. HAGER, CITY ATTORNEY
(REH/aga)

THE STATE OF TEXAS §
§ WHOLESALE TREATED WATER CONTRACT
CITY OF LANCASTER §

This contract ("Contract") is made by and between the City of Lancaster ("Lancaster") and the City of Wilmer ("Customer") acting by and through their authorized representatives.

WHEREAS, Lancaster and Customer are authorized to enter into this Contract pursuant to Texas Government Code, Chapter 791, the Interlocal Cooperation Act, and other applicable laws; and,

WHEREAS, Lancaster owns, operates, and maintains a potable water system within its corporate limits; and,

WHEREAS, Lancaster purchases potable water on a wholesale basis from the City of Dallas; and,

WHEREAS, Customer desires to purchase potable water from Lancaster on a wholesale basis; and,

WHEREAS, the City of Dallas has agreed that Lancaster may transmit the water purchased on a wholesale basis through its water transmission facilities to in turn sell water to Customer on a wholesale basis; and,

WHEREAS, Lancaster is willing to transmit the potable water to the Customer, and Lancaster desires to make provisions for the delivery and sale of water to Customer as set forth herein under the Terms and Conditions stated;

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

Article I
Term

The term of this Contract shall remain in full force and effect for a term of twenty (20) years, beginning on the first day of the month that Customer begins receiving water from Lancaster (the "Effective Date"). Lancaster and Customer may, upon mutual consent, extend this Contract for one additional five (5) year term upon the written request of Customer presented not later than sixty (60) days prior to the expiration of the Contract.

Article II Scope of Services

2.1 Lancaster agrees to sell and deliver to Customer potable water in accordance with the specifications and restrictions as set forth herein. Lancaster agrees to provide potable water at the Customer's Delivery Point to meet volume and demand requirements of Customer as set forth herein. Customer agrees to take at its Delivery Point(s) all water required for use by Customer during the term of this Contract.

2.2 Delivery of potable water to meet the requirements of Customer is subject to and limited by available system supply and system deliverability, as determined by the City Manager of Lancaster. Such delivery shall not be unreasonably withheld.

2.3 This agreement is for the delivery of water only. This agreement should not be construed in any way to provide that the City of Lancaster is responsible for the design, contracting, construction and/or finance of facilities and/or the acquisition of any right-of-way for the delivery of water from the Lancaster system to the customer.

Article III Demand; Changes in Demand

3.1 Customer shall give reasonable notice to Lancaster of anticipated changes in demand requirements. Such notice shall be given at least 6 months in advance. The City Manager may waive the 6 month notice requirement for good cause shown.

3.2 Customer agrees that Lancaster's capability to provide increases in demand or volume is subject to available supply and deliverability, as determined by the City Manager.

Article IV Delivery Point, Access, Etc.

4.1 Lancaster agrees to deliver water contracted by Customer at Delivery Point(s) as delineated in Exhibit A attached hereto and at such additional points as may be mutually agreed upon by both parties. The cost of all delivery facilities, whether delineated in Exhibit A hereof or mutually agreed upon at a later date, shall be borne solely by Customer. Customer shall be solely responsible for the design, contracting, construction and financing of facilities and acquisition of any right-of-way for delivery of the water from the Lancaster system to the delivery point(s).

4.2 Customer agrees to provide ingress and egress for Lancaster' employees and agents to all its premises inside Customer's boundaries to install, operate, inspect, test, and maintain facilities owned or maintained by Lancaster within city limits of Customer.

4.3 Lancaster agrees to provide ingress and egress for Customer's employees and agents to all premises inside Lancaster' boundaries to install, operate, inspect, test, and maintain facilities, and read meters owned or maintained by Customer within Lancaster.

4.4 It shall be the duty of either party to this Contract to notify the other party in the event that the meter(s) is registering inaccurately or malfunctioning so that the meter(s) can be promptly repaired. Each meter will be operated and maintained so as to record with commercial accuracy. Lancaster will notify Customer prior to any meter tests. Either party has the right to request a meter be tested with the other party having the right to witness such test. If Customer requires an independent testing service be used, a mutually agreed upon tester shall be used. Customer shall pay the cost of said testing service if the meter(s) is found to be accurate. If meter(s) is found inaccurate, Lancaster shall pay the costs of said testing service.

Article V Additional Surface Water Supplies

If within the term of this Contract Customer ceases to take water from Lancaster because such other surface water supplies have been developed or acquired, Customer shall for two years or the balance of this Contract, whichever is less, remain liable for demand charges at the billing level in effect at such cessation. This obligation, once established, shall serve as liquidated damages and it is agreed by the parties that such liquidated damages are a reasonable substitute for compensatory damages which are difficult or impossible to calculate herein. This obligation is intended by the parties not to be a penalty, but instead, a reasonable measure of damages.

Article VI Resale

Customer agrees not to sell water purchased from Lancaster to any person or entity outside Customer's corporate boundaries or service area designated by the Texas Commission on Environmental Quality (TCEQ) (as may be adjusted from time to time) unless Customer has received prior written approval from Lancaster.

Article VII Usage; Rates; and Payments

7.1 There will be a two part wholesale treated water rate, one part based on demand and one part based on volume. The demand rate, explained more fully in section 7.2 below, shall be calculated based on one million gallons per day (MGD) or portion thereof. The volumetric rather, explained more fully in section 7.3 below, shall be calculated based on one thousand (1,000) gallons basis.

7.2 Purchase Price based on Demand. Customer's initial demand rate shall be at the rate established by Lancaster's Wholesale Water Cost of Service Study, prepared by J. Stowe and Company, dated March 20, 2013 and amended November 22, 2013, which is adjusted in accordance with the City of Dallas Ordinance number 29150, effective October 1, 2013. Customer's maximum demand is agreed to be 0.80 MGD. The initial demand rate shall be

\$208,941.00 per MGD as established by Dallas Ordinance 29150. Customer's demand charge shall be \$167,152.80.

7.3 Purchase Price based on Volume. Customer's initial volume rate shall be at the rate established by Lancaster's Wholesale Water Cost of Service Study prepared by J. Stowe and Company dated March 20, 2013 and amended November 22, 2013. Customer's initial volume charge for transportation of treated water, which includes a demand (excess capacity) component, shall be \$1.3479 per thousand (1,000) gallons of water, plus a volume rate of \$0.3673 per one thousand (1,000) gallons of treated water (the volume rate established by the City of Dallas Ordinance 29150 and effective October 1, 2013). Customer's total initial volume charge shall be \$1.7152 per thousand (1,000) gallons, which is a total volumetric charge of \$253,242.

7.4 Customer understands that Lancaster City Council has the right to revise both the volume rate and the demand rate charged by Lancaster to the Customer in light of any change in the rates charged by the City of Dallas to the City of Lancaster. Lancaster may also adjust, on an annual basis, the volume rate based on any changes or amendments to Lancaster's Wholesale Water Cost of Service Study. Lancaster shall provide the Customer a minimum of sixty (60) days written notice to the Customer of any changes in the rates.

7.5 In the event that Customer shall fail to make any such monthly payment or annual payment within the time herein in this section specified, interest on such amount shall accrue at the rate of ten percent (10%) per annum from the date such payment becomes due until paid in full with the interest as herein specified. In the event such payment is not made within thirty (30) days from the date such payment becomes due, Lancaster may at its option discontinue delivery of water to Customer until the amount due Lancaster is paid in full with interest as herein specified.

7.6 Customer agrees to provide adequate security to ensure performance under this Contract in a form mutually agreed to by the parties.

7.7 If Customer imposes mandatory conservation measures pursuant to Customer's Drought Contingency Plan for the purpose of preserving and conserving water resources, Customer shall pay to Lancaster in the amount equal to the actual volume sold to Customer during the time that such conservation measures are imposed on Customer.

Article VIII Curtailment

8.1 Customer agrees that if water supplies or services are curtailed within Lancaster, Lancaster may impose a like curtailment on deliveries to Customer. Customer will cooperate by imposing conservation measures upon its sales.

8.2 Customer agrees to adopt by ordinance a Drought Contingency Plan which contains the same conservation measures as the Lancaster Drought Contingency Plan. Upon request, Customer will furnish a copy of its conservation plan to Lancaster.

Article IX Standards

9.1 Customer shall protect Customer's storage and distribution system from cross connections under the specifications required by health standards of the State of Texas.

9.2 Customer agrees to provide air gaps for any ground storage and backflow preventers for any elevated storage.

9.3 Customer agrees to take reasonable efforts to ensure that Customer's water wells will be operational in the event an emergency or increased demand interferes with Lancaster's ability to supply water to the Customer.

Article X Force Majeure, etc.

10.1 If, for any reason, not reasonably within the control of the party so claiming, either party hereto shall be rendered in whole or in part unable to carry out its obligations under this Contract, then that party's obligation shall be suspended during the continuance of the inability then claimed, but for no longer period. Such party shall endeavor to remove or overcome such inability with all reasonable dispatch.

10.2 Lancaster shall be not liable for damage to Customer's water mains or water system resulting from the rate of flow or quantity of water delivered.

10.3 Customer hereby agrees to hold Lancaster whole and harmless from any claims or damages arising as a result of the chemical or bacteriological content of water provided to the Customer, unless damages resulting from the chemical or bacteriological content of the water are caused by the gross negligence of Lancaster.

10.4 To the extent permitted by law, Customer agrees to defend, indemnify and hold Lancaster, its officers, agents and employees, harmless from any liability in claims, administrative proceedings and lawsuits for judgments, penalties, costs, expenses and attorney's fees for personal injury (including death), property damage, other harm for which recovery of damages is sought, or violations of state or federal laws or regulations that may arise out of or be occasioned by: (a) a breach of this Contract by Customer; (b) the negligent act or omission of Customer in the performance of this Contract or in Customer's day-to-day water or wastewater utility operations; or (c) the conduct of Customer that constitutes a violation of state or federal law or regulations. The indemnity stated above applies regardless of whether the personal injury, death, property damage, other harm or violations are contributed to by the negligence or fault of Lancaster, its officers, agents and employees; provided, however, that the indemnity stated above shall not apply to any liability resulting from Lancaster's sole violation of a state or federal law or regulation or from the sole negligence of Lancaster, its officers, agents, employees or separate contractors, and in the event of the joint or concurring responsibility of Customer and Lancaster, responsibility if any, shall be apportioned comparatively in accordance with the law of the State

of Texas, without waiving governmental immunity or any other defenses of the parties under applicable Texas law. The provisions of this paragraph are solely for the benefit of the parties to this Contract and are not intended to create or grant any rights, contractually or otherwise, to any other person or entity.

Article XI Miscellaneous

11.1 Entire Contract. This Contract constitutes the sole and only Contract between the parties and supersedes any prior understandings written or oral Contracts between the parties with respect to this subject matter. There is no other collateral oral or written agreement between the parties that in any manner relates to the subject matter of this Contract.

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

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

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

11.5 Amendments. This Contract may be amended by the mutual written agreement of the parties to it in writing and attached to and incorporated in this Contract.

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

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

11.8 Notice. Any notice required or permitted to be delivered hereunder may be sent by first class mail, overnight courier or by confirmed telefax or facsimile to the address specified

below, or to such other party or address as either party may designate in writing, and shall be deemed received three (3) days after delivery set forth herein:

If intended for Lancaster:

City Manager
City Of Lancaster
211 N. Henry Street
Lancaster, Texas 75146

With copy to:

Director of Public Works
City of Lancaster
P.O. Box 940
Lancaster, Texas 75146

If intended for Customer:

_____, Mayor
City of Wilmer, Texas
128 N. Dallas Ave.
Wilmer, Texas 75172

With copy to:

City Administrator
City of Wilmer
128 N. Dallas Ave.
Wilmer, Texas 75172

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

11.10 Exhibits. The Exhibits attached hereto are incorporated herein and made a part hereof for all purposes.

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

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

11.13 Recitals. The recitals to this Contract are incorporated herein.

EXECUTED on this _____ day of _____ 2014.

CITY OF LANCASTER, TEXAS

By: _____
Opal Mauldin-Robertson, City Manager

ATTEST:

By: _____
Angie Arenas, City Secretary

APPROVED AS TO FORM:

By: _____
Robert Hager, City Attorney
(REH/mpm/60477)

EXECUTED on this _____ day of _____ 2014.

CITY OF WILMER, TEXAS

By: _____
Name: A. Hector Casarez
Title: Mayor

ATTEST:

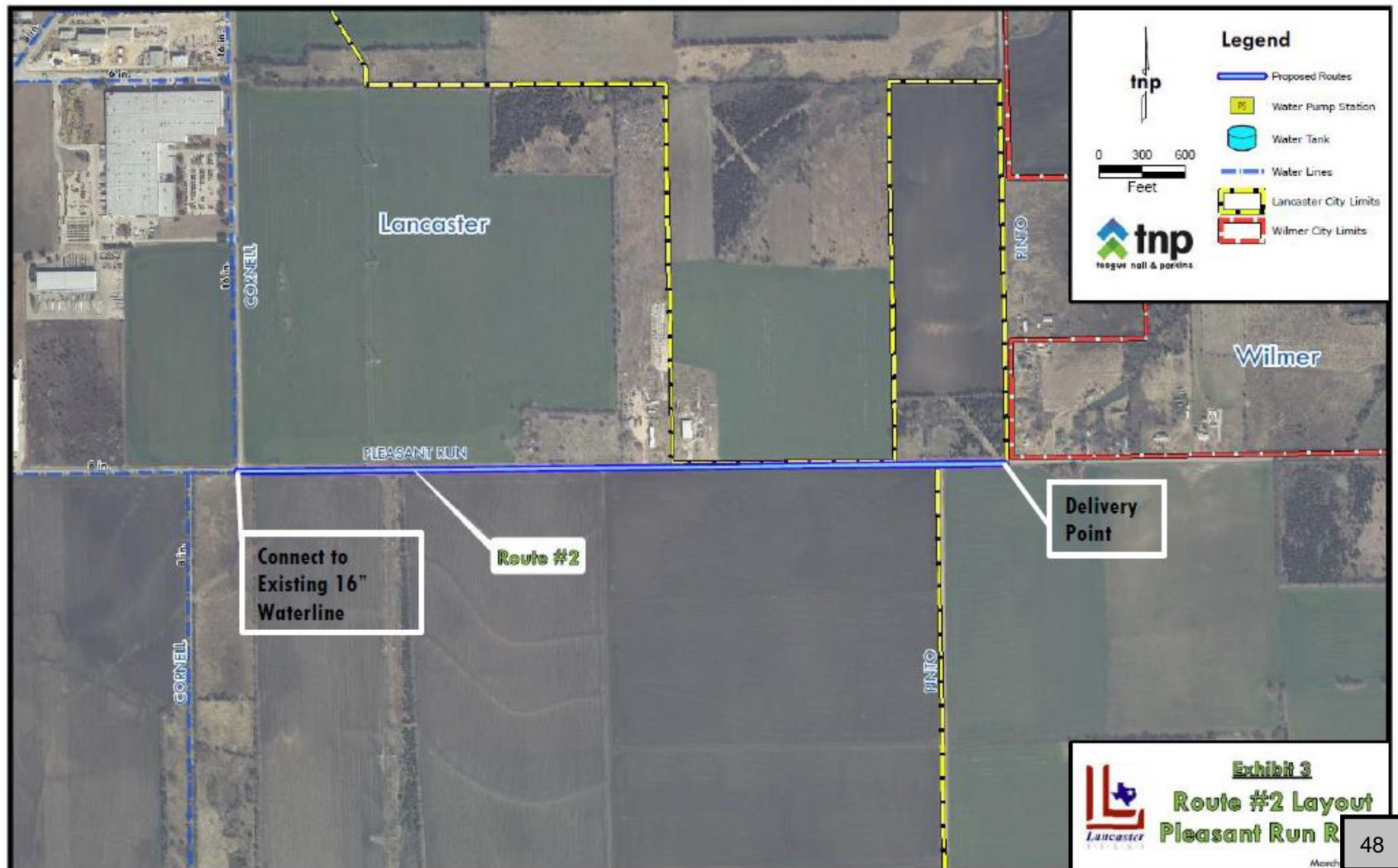
By: _____
_____, City Secretary

EXHIBIT A
Route and Delivery Points

EXHIBIT A
Route and Delivery Points



Route #2 – Pleasant Run Road (5350 LF)





*A Division of
NewGen Strategies & Solutions, LLC*

1300 E Lookout Drive, Ste 100
Richardson, TX 75082
t 972 680 2000
f 972 680 2007

515 Congress Avenue, Ste 1515
Austin, TX 78701
t 512 479 7900
f 512 479 7905

DRAFT

November 22, 2013

Ms. Shwetha Pandurangi, P.E., CFM
City Engineer
City of Lancaster, Texas
211 N. Henry St.
Lancaster, Texas 75146

Subject: **Draft Management Summary Report – Updated Wholesale Water Rate Study**

Dear Ms. Pandurangi:

In January 2013, J. Stowe & Co., a division of NewGen Strategies & Solutions, LLC., (“J. Stowe & Co.”) was retained by the City of Lancaster, Texas (“City”) to calculate a preliminary estimate of the wholesale water rate to be charged by the City of Lancaster to the City of Wilmer (“Wilmer”) for the delivery of treated water from Dallas Water Utilities (“DWU”). We were subsequently retained in October 2013 to update our initial calculations to reflect the following:

1. Increased wholesale purchase source costs from DWU;
2. Update the City’s cost of providing service to reflect the adopted FY 2014 budget and projected operations and maintenance costs (“O&M”) associated with the Wilmer transmission line; and
3. Update assumed demand projections provided by the Wilmer.

Based on the calculations performed, Table 1 below presents the updated rates and total charges recommended for service to Wilmer.

In discussions between the City and Wilmer, it is our understanding that three (3) alternative rate designs have been considered.

1. The first rate design would add together the demand charge for DWU and the City and the volumetric charges for DWU and the City.
2. The second alternative considered is a straight volumetric charge adding together the effective rates for DWU and for the City.
3. Finally, the third design considered is establishing the demand charge equal to the DWU demand charge, and then adding the DWU volumetric rate to the effective rate for the City.

Table 2 below summarizes these rate designs under the updated rates.

Table 1 Summary of Recommended Rates / Charges				
	<u>Rate</u>	<u>Volumes</u>	<u>Annual Charge</u>	<u>Effective Rate per 1,000 gallons</u>
Component A – DWU Charges				
Demand	\$ 208,941	0.80	\$ 167,153	\$ 1.1321
Volume	0.3673	147,646	54,230	0.3673
Total			\$ 221,383	\$ 1.4994
Component B – Lancaster Charges				
Demand	\$ 80,189	0.80	\$ 64,151	\$ 0.4345
Volume	0.9134	147,646	134,861	0.9134
Total			\$ 199,012	\$ 1.3479
Total Charges			\$ 420,395	\$ 2.8473

Table 2 Alternative Rate Designs			
	<u>Rate Design 1</u>	<u>Rate Design 2</u>	<u>Rate Design 3</u>
Component A – DWU Charges			
Demand Charge (per MGD)	\$ 208,941		\$ 208,941
Volumetric Charge (Per 000 gal)	0.3673	\$ 1.4994	0.3673
Component B – Lancaster Charges			
Demand Charge (Per MGD)	\$ 80,189		
Volumetric Charge (Per 000 gal)	0.9134	\$ 1.3479	\$ 1.3479
Total Rate			
Demand Charge (Per MGD)	\$ 289,130		\$ 208,941
Volumetric Charge (Per 000 gal)	1.2807	\$ 2.8473	1.7152
Wilmer Service Level			
Demand (MGD)	0.80	0.80	0.80
Volume (000's gallons)	147,646	147,646	147,646
Charges to Wilmer ⁽¹⁾			
Demand	\$ 231,304	\$0	\$ 167,153
Volumetric	189,091	420,395	253,242
Total	\$ 420,395	\$ 420,395	\$ 420,395

(1) Calculations may be inexact due to rounding

November 22, 2013

Page 3

With regards to rate design, each structure will produce the same level of revenue under the projected service demands. However, maximizing the level of revenue the City can recover within the fixed demand charge will ensure stability in the City's revenue stream year-round and will insulate the City from potential variances in Wilmer's service demands. The most advantageous design for the City is Rate Design 1 in which the majority of the cost is recovered in a fixed, monthly charge. The least advantageous is Rate Design 2 in which all of the City's monthly charges are variable. We recommend the City consider either Rate Design 1 or Rate Design 3 in establishing a contract with Wilmer.

J. Stowe & Co. appreciates the opportunity to assist the City in performing this update to the original Wholesale Water Rate Study. If you, other City staff, or City Council members should have any questions regarding this letter and/or require additional information, please do not hesitate to contact me at 972.680.2000 or via e-mail at cekrut@jstoweco.com.

Very truly yours,

A handwritten signature in black ink that reads "Chris D. Ekrut". The signature is written in a cursive, flowing style.

Chris Ekrut
Director
J. Stowe & Co.