



**NOTICE OF MEETING  
OF THE  
GOVERNING BODY OF  
COPPERAS COVE, TEXAS**

*An agenda information packet is available for public inspection  
in the Copperas Cove Public Library, City Hall and  
on the City's Web Page, [www.ci.copperas-cove.tx.us](http://www.ci.copperas-cove.tx.us)*

Notice is hereby given that a **Regular Council Meeting** of the City of Copperas Cove, Texas, will be held on the **3rd day of June 2008** at **7:00 p.m.** in the City Hall Council Chambers at 507 South Main Street, Copperas Cove, Texas 76522, at which time the following subjects will be discussed:

**A. CALL TO ORDER**

**B. INVOCATION AND PLEDGE OF ALLEGIANCE**

**C. ROLL CALL**

**D. ANNOUNCEMENTS**

**E. PUBLIC RECOGNITION – None.**

**F. CITIZENS FORUM** At this time, citizens will be allowed to speak on any matter other than personnel matters, matters under litigation, or matters on the regular agenda, for a length of time not to exceed five minutes per person. Thirty minutes total has been allotted for this section.

**G. CONSENT AGENDA** All matters listed under this item are considered to be routine by the City Council and will be enacted by one motion. There will not be separate discussion of these items. If discussion is desired, that item will be removed from the consent agenda and will be considered separately.

1. Consideration and action on approval of minutes from the May 16, 2008 special council meeting. **Jane Lees, City Secretary**
2. Consideration and action on authorizing the release of funds in the amount of \$2,850 from the Hotel Occupancy Tax Fund to the boys and Girls Club of Copperas Cove. **Wanda Bunting, Director of Financial Services**

## H. PUBLIC HEARINGS/ACTION

1. Public Hearing on Ordinance No. 2008-18, amending the 2007-08 fiscal year budget for the City of Copperas Cove. **Wanda Bunting, Director of Financial Services**
2. Public hearing on the application for Economic Development Funds to be submitted to the Downtown Revitalization Program under the Texas Capital Fund (TCF). **Andrea M. Gardner, City Manager**
3. Public hearing on the creation of a Tax Increment Reinvestment Zone for the Valley at Great Hills proposed development. **Andrea M. Gardner, City Manager**

## I. ACTION ITEMS

1. Consideration and action on purchasing two play structures and two swing sets from Total Recreation Products, Game Time. **Ken Wilson, Director of Community Services**
2. Consideration and action on Resolution No. 2008-19, authorizing the City Manager to enter into an agreement with Local Government Services, LLC, for cable television franchise management services to determine compliance with the City's ordinance. **Wanda Bunting, Director of Financial Services**
3. Consideration and action on Resolution No. 2008-17 of the City of Copperas Cove, Texas, finding and determining that a certain area of the City contains conditions which are detrimental to the public health, safety and welfare of the community and constitutes a blighted area. **Andrea M. Gardner, City Manager**
4. Consideration and action on Resolution No. 2008-18, supporting the Northeast Bypass Project. **Andrea M. Gardner, City Manager**
5. Consideration and action on authorizing the City Manager to enter into a commercial lease agreement with Donlie McMullin Realty. **Andrea M. Gardner, City Manager**

## J. STAFF REPORTS

1. Texas Department of Transportation update. **Andrea M. Gardner, City Manager**

## K. REPORTS OF ADVISORY COMMITTEES AND BOARDS – None.

## L. ITEMS FOR FUTURE AGENDAS

**M. EXECUTIVE SESSION**

**N. RECONVENE INTO OPEN SESSION FOR POSSIBLE ACTION RESULTING FROM ANY ITEMS POSTED AND LEGALLY DISCUSSED IN EXECUTIVE SESSION**

**O. ADJOURNMENT**

The City Council reserves the right to adjourn into Executive Session at any time regarding any issue on this agenda for which it is legally permissible.

City Hall is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to the meeting. Please contact the City Secretary at (254) 547-4221, (254) 547-6063 TTY, or FAX (254) 547-5116 for information or assistance.

I, the undersigned authority, do hereby certify that the above Notice of Meeting of the Governing Body of the City of Copperas Cove was posted at \_\_\_\_\_ p.m., May 30, 2008 on the glass front door of City Hall, a place convenient and readily accessible to the general public at all times.

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Jane Lees, CMC, City Secretary



**NOTICE OF WORKSHOP  
OF THE  
GOVERNING BODY OF  
COPPERAS COVE, TEXAS**

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public inspection in the Copperas Cove Public Library, City Hall and on the  
City's Web Page [www.ci.copperas-cove.tx.us](http://www.ci.copperas-cove.tx.us)*

Notice is hereby given that a **Workshop** of the City of Copperas Cove, Texas will be held on the **3rd day of June 2008**, at **6:00 p.m.**, in the City Hall Council Chambers at 507 South Main Street, Copperas Cove, Texas 76522 at which time the following subjects will be discussed:

**A. CALL TO ORDER**

**B. ROLL CALL**

**C. WORKSHOP ITEMS**

1. Presentation, discussion and recommendations of the Code Enforcement Review Committee. **Robert Schumacher, Chairperson, Code Enforcement Ordinance Review Committee**

**D. ADJOURNMENT**

City Hall is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to the meeting. Please contact the City Secretary at (254) 547-4221, (254) 547-6063 TTY, or FAX (254) 547-5116 for information or assistance.

I, the undersigned authority, do hereby certify that the above Notice of Meeting of the Governing Body of the City of Copperas Cove was posted at 12:00 p.m., May 30, 2008 on the glass front door of City Hall, a place convenient and readily accessible to the general public at all times.

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Jane Lees, CMC, City Secretary

**CITY OF COPPERAS COVE  
CITY COUNCIL SPECIAL MEETING MINUTES  
MAY 16, 2008 – 5:00 P.M.**

**A. CALL TO ORDER**

Robert L. Reeves, Mayor Pro-Tem, called the Special Meeting of the City Council of the City of Copperas Cove, Texas to order at 5:00 p.m.

**B. INVOCATION AND PLEDGE OF ALLEGIANCE**

Council Member Peterson gave the Invocation, and led the Pledge of Allegiance.

**C. ROLL CALL**

**ALSO PRESENT**

Robert L. Reeves  
Larry D. Sheppard  
Mark E. Peterson  
Ray Don Clayton

Jane Lees, City Secretary

**D. PUBLIC HEARINGS/ACTION – None.**

**E. ACTION ITEMS**

1. Consideration and action on Resolution 2008-15, canvassing returns, declaring the results, and naming eligible runoff election candidates of a General Election held on May 10, 2008 for Council Member Positions Six and Seven. ***Jane Lees, City Secretary***

Jane Lees, City Secretary gave an overview of agenda item E-1.

Mary Howell, Election Judge, read the final tabulated results of the General Election:

		Early Voting	Election Day	Total Votes
City Council Position 6	John F. Gallen	310	116	426
	Bill L. Stephens	172	127	299
	Willie C. Goode	394	191	585
City Council Position 7	Frank Seffrood	321	143	464
	Sandor Vegh	123	63	186
	Danny Palmer	80	46	126
	Joseph Solomon	261	116	377
	Rick Ott	113	79	192

Council Member Clayton made a motion to approve Resolution No. 2008-15, canvassing the results of the General Election held May 10, 2008, and declaring that John F. Gallen and Willie C. Goode are eligible for the runoff election for Position 6, and Frank Seffrood and

Joseph Solomon are eligible for Position 7. Council Member Peterson seconded the motion, which passed unanimously.

**F. ADJOURNMENT**

There being no further business, Mayor Pro-tem Reeves adjourned the meeting at 5:05 p.m.

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Robert L. Reeves, Mayor Pro Tem

Attest:

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Jane Lees, City Secretary



1356

**BOYS & GIRLS CLUBS OF CENTRAL TEXAS, INC.**

THE POSITIVE PLACE FOR KIDS!  
304 W AVE B  
KILLEEN, TX 76541  
(254) 699-5809

UNION STATE BANK SINCE 1928  
P.O. BOX 790 KILLEEN, TX 76540-0790  
FLORENCE-KILLEEN-GEORGETOWN  
LIBERTY HILL-ROUND ROCK  
88-1056-1149

PAY TO THE ORDER OF SARA HICKMAN

\$ \*\*1,500.00

One Thousand Five Hundred and 00/100 \*\*\*\*\* DOLLARS

SARA HICKMAN

*Wallace Vernon*

MEMO CHILDREN'S FREE CONCERT

⑈001356⑈ ⑆14910565⑆

⑈27027120⑈

MP

**BOYS & GIRLS CLUBS OF CENTRAL TEXAS, INC.**

SARA HICKMAN  
FUND RAISING:Supplies

5/12/2008

1,500.00

1356

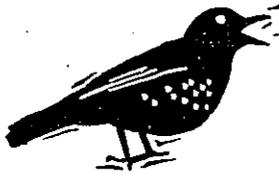
UNION STATE BANK CHILDREN'S FREE CONCERT

1,500.00

COPY

Security Features Included. Details on back.

00097407-05



the  
**dahan agency**

506 Titans Circle  
Murfreesboro, TN 37127  
615.494.7704  
dahanagency@gmail.com

COPY

COPY

## ARTIST SERVICES AGREEMENT

THIS AGREEMENT made on April 11, 2008 between Sara Hickman (herein referred to as the ARTIST) and The Boys and Girls Clubs of Central Texas (herein referred to as the PURCHASER). It is understood and mutually agreed that the Purchaser engages the Artist to perform the following engagement upon all the terms and conditions hereinafter set forth:

1. PLACE OF ENGAGEMENT: **Music at the Gap**

- a. Venue Address: **TBA (will be at a school site, unsure which one as of this writing) – Artist and Purchaser to Advance**

Buyer Info:

- b. Name: **Francie Charles**  
c. Company: **Boys & Girls Clubs of Central Texas**  
d. Address: **304 West Avenue B - Killeen**  
e. Office Phone: **254-699-5808**  
f. Office Fax: **254-699-5692**  
g. Cell Phone: **254-371-4550**  
h. Email: **fcharles@cbgclub.org**

2. DATE(S) OF ENGAGEMENT: **Thursday, May 22, 2008**

3. SHOW SCHEDULE:

# Of Shows: 1  
No. of Sets: 2  
Set Length: 45 minutes each  
Showtime(s) TBD – Artist to advance  
Soundcheck: TBD – Artist to advance  
Load In: TBD – Artist to advance  
Doors Open: TBD – Artist to advance  
Onstage: TBD – Artist to advance

4. BILLING: **Sara Hickman's Family Show**

5. ARTIST'S FEE: **\$1500 flat fee**

Tickets Free Capacity: 200 Gross Potential: \$1500

6. FEE(S) TO BE PAID AS FOLLOWS: **Artist fee shall be paid in full prior to showtime in cash or certified funds**

7. TRAVEL AND ACCOMODATIONS: **None**

8. SUPPORT TALENT: **None**

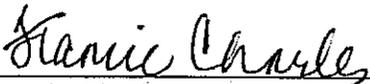
9. **Sound and lights to be provided by the Purchaser.**

10. Artist shall retain all income from sale of Merchandise in the venue. Purchaser shall provide adequate space, lighting and tables for sale of such Merchandise.
11. The additional Terms and Conditions set forth on the rider attached constitute a part of this Agreement. Should there be any inconsistencies between the Terms and Conditions set forth on the attached, the Terms and Conditions of such Rider shall be controlling.
12. FORCE MAJEURE: If either party is prevented from performing the obligations created because of illness, Act of God (defined as fire, flood, accident, riot, order of any authority or any other calamity), or if by reason of strikes, lockouts, or any causes beyond the control of either the parties, neither party shall be liable for the balance of the contract.

COPY

IN WITNESS WHEREOF the parties have executed this Agreement on the date first above written.

PURCHASER:



Francie Charles  
Boys & Girls Clubs of Central Texas

ARTIST:



Charlie B. Dahan, authorized signator for  
Sara Hickman



COPY

**SARA HICKMAN  
TECHNICAL RIDER**

Purchaser shall provide the following at no cost to the Artist:

**Technical**

- A. Artist requires appropriate Sound and Lights for the venue and qualified personnel to run them.

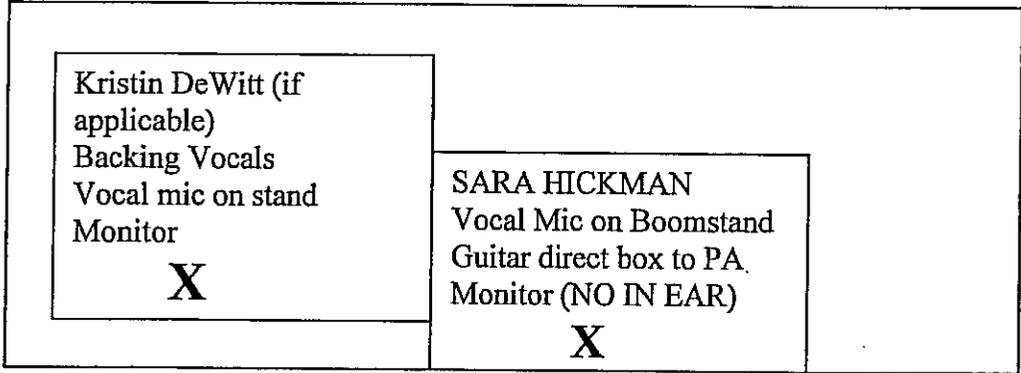
**Hospitality**

Purchaser shall provide three (3) hot meals OR fifteen (\$15) dollars per person times three (3) person meal buy-out. Buy-out is payable at load-in.

**Artist's dressing room:**

- 1. One (1) clean, comfortable room to accommodate three (3) people with tables, chairs, mirror and restroom facilities.
- 2. Purchaser shall provide in dressing room one (1) hour prior to show time (for three people):
  - a. Assorted regular and diet soft drinks, ice and cups
  - b. Four (4) twelve (12) ounce bottles of water
  - c. Coffee and tea service
  - d. Assorted juices
  - e. Four (4) clean bath sized towels.

**STAGE PLOT:**



**Front of House**



COPY

# invoice

Boys and Girls Club of Coryell County  
1216 Phil Street  
Copperas Cove, TX 75622

INVOICE#BG407

**Project** Music at the Gap Website Changes, Posters, Ad, Media Pickup

**Start Date** APR 2008

**End Date** APR 2008

DATE	HOURS x RATE	TOTAL
MAY 6, 2008	6 hrs. x \$75/hr	\$450.00

Please make all checks payable to Jennifer E. Wallace.

Thank You,

Jennifer E. Wallace  
5236 Mercedes • Dallas, TX 75206  
214.821.9676

CLEMENTS BOYS & GIRLS CLUB, INC.  
GENERAL OPERATING ACCOUNT  
304 W AVE B  
KILLEEN, TX 76541  
(254) 699-5808

EXTRACO  
PO BOX 1427  
KILLEEN, TX 76540  
88-58-1119

11168

1/28/2008

PAY TO THE ORDER OF KERRVILLE FOLK FESTIVAL

\$ \*\*900.00

DOLLARS

Nine Hundred and 00/100\*\*\*\*\*

KERRVILLE FOLK FESTIVAL  
PO BOX 291466  
KERRVILLE TX 78029

COPY

*Wallace Vernon*  
AUTHORIZED SIGNATURE

MEMO: MUSIC AT THE GAP ADS

⑈011168⑈ ⑆111900581⑆ 0036014882⑈

CLEMENTS BOYS & GIRLS CLUB, INC. • GENERAL OPERATING ACCOUNT

11168

KERRVILLE FOLK FESTIVAL  
ADMINISTRATIVE EXPENSES:Advertisi MUSIC AT THE GAP ADS FOR 2008

1/28/2008

900.00

EXTRACO

MUSIC AT THE GAP ADS

900.00

*Celebrating Songwriters*  
**KERRVILLE**  
**FOLK**  
**FESTIVAL**  
*... Since 1972*

**Invoice**

Date	Invoice #
12/13/07	20081

PO Box 291466  
 Kerrville, TX 78029

COPY

<b>Bill To</b>
Boys & Girls Club of Coryell County 1216 Phil Ave Copperas Cove, TX 76522

<b>Additional Info.</b>
Jon Charles (254) 547-5578 jon@bgclubcc.org

Description	Qty	Rate	Amount
2008 Season Ticket Package	1	1,200.00	1,200.00
Less 25% (non profit rate)			-300.00
ADS IN 2 DIFFERENT PROGRAMS - OVER 30,000 DISTRIBUTION - JC			
			\$900
		Sales Tax (6.75%)	na
		Total	\$900
		Payments / Credits	
		Balance Due	\$900

Kerrville Folk Festival, Inc

# City of Copperas Cove

## City Council Agenda Item Report

June 3, 2008

### Agenda Item No. G-2

Contact – Wanda Bunting, Director of Financial Services, 547-4221  
wbunting@ci.copperas-cove.tx.us

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**SUBJECT: Consideration and action on authorizing the release of funds in the amount of \$2,850 from the Hotel Occupancy Tax Fund to the Boys and Girls Club of Copperas Cove.**

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#### 1. BACKGROUND/HISTORY

During the FY 2007-08 budget process, the Boys & Girls Club of Copperas Cove submitted a funding request in the amount of \$13,000 to cover expenditures associated with “Music at the Gap”. On September 4, 2007, the FY 2007-08 Budget was adopted by City Council.

#### 2. FINDINGS/CURRENT ACTIVITY

It was agreed during the budget process that upon presentation of an invoice, receipts and proof of payment, the Boys & Girls Club of Copperas Cove could seek reimbursement from the City of Copperas Cove’s Hotel Occupancy Tax Fund for expenditures incurred as a result of “Music at the Gap”.

On February 5, 2008, the City of Copperas Cove released the first \$200 to cover the deposit for the performer at the June 21, 2008 “Music at the Gap” event.

At this time, the City of Copperas Cove is presented with an invoice for \$2,850 with receipts and proof of payments to cover the May 22, 2008 performer’s fee, the Graphic Artist’s fee, and the Advertising for all Music at the Gap events.

#### 3. FINANCIAL IMPACT

At this time, the City has a request for \$2,850 of the \$13,000 budget approved in the FY 2007-08 Hotel Occupancy Tax Fund budget to reimburse expenditures incurred for “Music at the Gap”.

#### 4. ACTION OPTIONS/RECOMMENDATION

City Staff recommends that City Council authorize the release of funds in the amount of \$2,850 from the Hotel Occupancy Tax Fund to the Boys & Girls Club of Copperas Cove.

**ORDINANCE NO. 2008-18**

**AN ORDINANCE APPROVING AND ADOPTING AN AMENDMENT TO THE BUDGET FOR OPERATING THE MUNICIPAL GOVERNMENT OF THE CITY OF COPPERAS COVE FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2007, AND ENDING ON SEPTEMBER 30, 2008; REPEALING ALL ORDINANCES AND APPROPRIATIONS IN CONFLICT WITH THE PROVISIONS OF THIS ORDINANCE; AND ESTABLISHING A SAVINGS CLAUSE AND AN EFFECTIVE DATE.**

**WHEREAS,** the City Council desires to amend the operating budget of the municipal government of the City of Copperas Cove for the fiscal year October 1, 2007 to September 30, 2008; and

**WHEREAS,** said budget amendments have been submitted to the City Council by the City Manager in accordance with the City Charter; and

**WHEREAS,** public notices of public hearings upon this budget have been duly and legally made as required by City Charter and law.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COPPERAS COVE:**

**SECTION I.**

That the City Council of the City of Copperas Cove ratify, approve and adopt the amendments to the budget considered for the fiscal year of October 1, 2007 to September 30, 2008, as identified in "Attachment A" of this ordinance.

**SECTION II.**

That all ordinances for which provision has heretofore been made are hereby expressly repealed if in conflict with the provisions of this ordinance.

**SECTION III.**

That should any part, portion, or section of this ordinance be declared invalid or inoperative or void for any reason by a court of competent jurisdiction, such decision, opinion or judgment shall in no way affect the remaining portions, parts, or sections or parts of section of this ordinance, which provisions shall be, remain and continue to be in full force and effect.

**SECTION IV.**

That this ordinance shall take effect and be in full force and effect from and after its passage and publication according to law.

**PASSED, APPROVED AND ADOPTED** this 17th day of June 2008, at a regular called meeting of the City Council of the City of Copperas Cove, Texas, which meeting was held in compliance with the Open Meetings Act, *Tex. Gov't Code* 551.001, et.seq., at which meeting a quorum was present and voting.

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Robert Reeves, Mayor Pro Tem

ATTEST:

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Jane Lees, City Secretary

APPROVED AS TO FORM:

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James R. Thompson, City Attorney

**CITY OF COPPERAS COVE, TEXAS**  
**FISCAL YEAR 2007-08 BUDGET**  
**GENERAL FUND**  
**SUMMARY OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**

Description	Actual FY 2006-07	Budget * FY 2007-08	Proposed Amendment	Amended Budget FY 2007-08
<b>BEGINNING FUND BALANCE:</b>				
Unreserved, Undesignated	\$ 1,000,000	\$ 2,384,115	\$ -	\$ 2,384,115
Unreserved, Designated	2,206,650	1,000,000		\$ 1,000,000
<b>TOTAL BEGINNING FUND BALANCE</b>	<b>\$ 3,206,650</b>	<b>\$ 3,384,115</b>	<b>\$ -</b>	<b>\$ 3,384,115</b>
<b>REVENUES:</b>				
Taxes	\$ 9,118,362	\$ 9,854,672	\$ -	\$ 9,854,672
Permits & Licenses	218,578	248,250		248,250
Fees	740,008	1,019,187		1,019,187
Fines	761,074	953,308		953,308
Administrative Reimbursements	1,200,500	1,300,500		1,300,500
Miscellaneous Revenue	508,954	373,415	84,000	457,415
<b>TOTAL REVENUES</b>	<b>\$ 12,547,477</b>	<b>\$ 13,749,332</b>	<b>\$ 84,000</b>	<b>\$ 13,833,332</b>
<b>EXPENDITURES:</b>				
City Council (21)	\$ 29,205	\$ 42,700	\$ -	\$ 42,700
City Manager (22)	231,622	210,331		210,331
City Secretary (23)	128,543	149,139	(3,900)	145,239
City Attorney (24)	96,455	135,180		135,180
Finance (31)	533,887	545,619		545,619
Grants Administration (32)	68,508	-		-
Human Resources (34)	163,521	176,796	3,000	179,796
Information Systems (35)	194,257	210,299	2,200	212,499
Municipal Court (41)	303,228	361,583		361,583
Police (42)	3,692,332	4,404,725		4,404,725
Public Information Office (4250)	-	54,990		54,990
Animal Control (43)	180,912	214,943		214,943
Fire/EMS (44)	3,014,327	3,041,232		3,041,232
Emergency Management (4420)	47,234	31,539		31,539
Engineering (51)	97,043	166,629		166,629
Building Development (52)	251,000	298,327	1,650	299,977
Streets (53)	892,654	1,042,545		1,042,545
Parks and Recreation (54)	855,828	950,423		950,423
Fleet Services (55)	241,321	237,231		237,231
Public Works (56)	37,166	40,386		40,386
Facility Maintenance (57)	153,131	174,984		174,984
Planning (61)	183,666	161,026	1,650	162,676
Library (71)	475,772	526,563		526,563
Code & Health (72)	151,216	155,289	1,650	156,939
Non-Departmental (75)	437,386	423,968	37,750	461,718
<b>TOTAL EXPENDITURES</b>	<b>\$ 12,460,215</b>	<b>\$ 13,756,447</b>	<b>\$ 44,000</b>	<b>\$ 13,800,447</b>
<b>ENDING FUND BALANCE:</b>				
Unreserved, Undesignated	\$ 2,293,912	\$ 2,377,000		\$ 2,417,000
Capital Improvement Reserve	-	-		-
Unreserved, Designated	1,000,000	1,000,000		1,000,000
<b>TOTAL ENDING FUND BALANCE</b>	<b>\$ 3,293,912</b>	<b>\$ 3,377,000</b>	<b>\$ 40,000</b>	<b>\$ 3,417,000</b>
<b>IDEAL FUND BALANCE</b>	<b>\$ 3,115,054</b>	<b>\$ 3,439,112</b>		<b>\$ 3,450,112</b>
<b>OVER (UNDER) IDEAL FUND BALANCE</b>	<b>\$ 178,858</b>	<b>\$ (62,112)</b>		<b>\$ (33,112)</b>

\* This budget reflects the budget amendment that was approved by City Council on May 20, 2008.

**CITY OF COPPERAS COVE  
FISCAL YEAR 2007-08 BUDGET  
WATER & SEWER FUND  
SUMMARY OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE**

Description	Actual FY 2006-07	Budget * FY 2007-08	Proposed Amendment	Amended Budget FY 2007-08
<b>BEGINNING FUND BALANCE:</b>				
Unreserved, Undesignated	\$ 1,735,449	\$ 2,029,827	\$ -	\$ 2,029,827
<b>TOTAL BEGINNING FUND BALANCE</b>	<b>\$ 1,735,449</b>	<b>\$ 2,029,827</b>	<b>\$ -</b>	<b>\$ 2,029,827</b>
Water Revenue	\$ 4,264,604	\$ 4,886,653	\$ -	\$ 4,886,653
Sewer Revenue	3,320,234	3,288,492	130,000	3,418,492
Senior Citizen Discount	(125,564)	(140,300)	-	(140,300)
Water Tap Fees	100,312	122,000	-	122,000
Sewer Tap Fees	25,890	30,000	-	30,000
Connect Fee	56,160	55,000	-	55,000
Composting Sales Revenue	10,781	15,000	-	15,000
Subtotal	<b>\$ 7,652,416</b>	<b>\$ 8,256,845</b>	<b>\$ 130,000</b>	<b>\$ 8,386,845</b>
Meter Box Reset Fee	\$ 150	\$ -	\$ -	\$ -
Admin Reimb-Drainage	20,000	20,000	-	20,000
Interest Revenue	151,974	140,000	-	140,000
Late Charge For Billing	236,276	250,000	12,000	262,000
Miscellaneous Revenues	44,573	50,000	-	50,000
Insurance Proceeds	434	500	-	500
Riser Forfeiture Revenue	3,800	3,000	-	3,000
Action Proceeds	601	1,000	-	1,000
Subtotal	<b>\$ 457,808</b>	<b>\$ 464,500</b>	<b>\$ 12,000</b>	<b>\$ 476,500</b>
<b>TOTAL REVENUES</b>	<b>\$ 8,110,224</b>	<b>\$ 8,721,345</b>	<b>\$ 142,000</b>	<b>\$ 8,863,345</b>
<b>EXPENSES:</b>				
Water & Sewer Operations (80)	\$ 140,462	\$ 163,350	\$ -	\$ 163,350
Utility Administration (81)	543,242	547,313	-	547,313
Water Distribution (82)	985,583	1,134,190	80,000	1,214,190
Sewer Collection (83)	400,611	502,259	-	502,259
Wastewater Treatment (84)	1,000,392	995,291	130,000	1,125,291
Composting (84-01)	146,078	163,253	-	163,253
Non-Departmental (85)	4,875,921	5,093,867	2,500	5,096,367
<b>TOTAL EXPENSES</b>	<b>\$ 8,092,290</b>	<b>\$ 8,599,523</b>	<b>\$ 212,500</b>	<b>\$ 8,812,023</b>
<b>ENDING FUND BALANCE:</b>				
Unreserved, Undesignated	\$ 1,753,382	\$ 2,151,649	\$ (70,500)	\$ 2,081,149
Capital Improvement Reserve	-	-	-	-
<b>TOTAL ENDING FUND BALANCE</b>	<b>\$ 1,753,382</b>	<b>\$ 2,151,649</b>	<b>\$ (70,500)</b>	<b>\$ 2,081,149</b>
<b>IDEAL FUND BALANCE</b>	<b>\$ 2,023,072</b>	<b>\$ 2,149,881</b>	<b>\$ -</b>	<b>\$ 2,203,006</b>
<b>OVER (UNDER) IDEAL FUND BALANCE</b>	<b>\$ (269,690)</b>	<b>\$ 1,768</b>	<b>\$ -</b>	<b>\$ (121,857)</b>

\* This budget reflects the budget amendment that was approved by City Council on May 20, 2008.

**CITY OF COPPERAS COVE  
FISCAL YEAR 2007-08 BUDGET  
SOLID WASTE FUND  
SUMMARY OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE**

Description	Actual FY 2006-07	Budget * FY 2007-08	Proposed Amendment	Amended Budget FY 2007-08
<b>BEGINNING FUND BALANCE:</b>				
Unreserved, Undesignated	\$ 402,645	\$ 653,725	\$ -	\$ 653,725
<b>TOTAL BEGINNING FUND BALANCE</b>	<b>\$ 402,645</b>	<b>\$ 653,725</b>	<b>\$ -</b>	<b>\$ 653,725</b>
<b>REVENUES:</b>				
Garbage Collection Fees	\$ 2,234,410	\$ 2,296,267	\$ 3,500	\$ 2,299,767
Senior Discount	(37,208)	(38,325)		(38,325)
Sanitary Landfill Fees	398,508	425,000		425,000
Recycling Proceeds	41,899	45,000		45,000
Sale of Kraft Bags	17,071	10,500		10,500
Sale of Scrap Metal	9,168	18,000		18,000
Container Reload-On Site	11,242	13,500		13,500
Rtn Svce-Overload Container	490	1,000		1,000
Auto-Lid Locks	796	1,250		1,250
Rear Load Dumpster Rental	1,291	2,800		2,800
Roll-Off Rental Income	40,266	55,000		55,000
Subtotal	<u>\$ 2,717,932</u>	<u>\$ 2,829,992</u>	<u>\$ 3,500</u>	<u>\$ 2,833,492</u>
Interest Revenue	\$ 32,239	\$ 33,000		\$ 33,000
Late Charge For Billing	118,138	120,000		120,000
Auction Proceeds	2,205	1,000		1,000
Miscellaneous Revenues	1,205	2,700		2,700
Subtotal	<u>\$ 153,787</u>	<u>\$ 156,700</u>	<u>\$ -</u>	<u>\$ 156,700</u>
<b>TOTAL REVENUES</b>	<b>\$ 2,871,719</b>	<b>\$ 2,986,692</b>	<b>\$ 3,500</b>	<b>\$ 2,990,192</b>
<b>EXPENSES:</b>				
Solid Waste Operations (90)	\$ 199,864	\$ 205,723		\$ 205,723
Solid Waste Collection - Residential (91-01)	279,849	328,212		328,212
Solid Waste Collection - Recycling (91-02)	110,601	148,125		148,125
Solid Waste Collection - Brush (91-03)	127,633	120,274		120,274
Solid Waste Collection - Commercial (91-04)	271,902	362,273		362,273
Solid Waste Collection - KCCB (91-05)	12,754	22,200		22,200
Solid Waste Disposal (92)	1,051,020	1,222,381		1,222,381
Non-Departmental (95)	438,633	503,095	2,500	505,595
<b>TOTAL EXPENSES</b>	<b>\$ 2,492,256</b>	<b>\$ 2,912,283</b>	<b>\$ 2,500</b>	<b>\$ 2,914,783</b>
<b>ENDING FUND BALANCE:</b>				
Unreserved, Undesignated	\$ 782,108	\$ 728,134	\$ 1,000	\$ 729,134
<b>TOTAL ENDING FUND BALANCE</b>	<b>\$ 782,108</b>	<b>\$ 728,134</b>	<b>\$ 1,000</b>	<b>\$ 729,134</b>
<b>IDEAL FUND BALANCE</b>	<b>\$ 623,064</b>	<b>\$ 728,071</b>		<b>\$ 728,696</b>
<b>OVER (UNDER) IDEAL FUND BALANCE</b>	<b>\$ 159,044</b>	<b>\$ 63</b>		<b>\$ 438</b>

\* This budget reflects the budget amendment that was approved by City Council on May 20, 2008.

**CITY OF COPPERAS COVE  
FISCAL YEAR 2007-08 BUDGET  
DRAINAGE UTILITY FUND  
SUMMARY OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE**

Description	Actual FY 2006-07	Budget * FY 2007-08	Proposed Amendment	Amended Budget FY 2007-08
<b>BEGINNING FUND BALANCE:</b>				
Unreserved, Undesignated	\$ 358,352	\$ 385,402	\$ -	\$ 385,402
<b>TOTAL BEGINNING FUND BALANCE</b>	<u>\$ 358,352</u>	<u>\$ 385,402</u>	<u>\$ -</u>	<u>\$ 385,402</u>
<b>REVENUES:</b>				
Drainage Utility Fee	\$ 805,892	\$ 842,539		\$ 842,539
Subtotal Drainage Utility Revenue	<u>\$ 805,892</u>	<u>\$ 842,539</u>	<u>\$ -</u>	<u>\$ 842,539</u>
Other Revenue				
Miscellaneous Revenues	434	3,579		3,579
Interest Revenue	44,436	37,000		37,000
Subtotal	<u>\$ 44,870</u>	<u>\$ 40,579</u>	<u>\$ -</u>	<u>\$ 40,579</u>
<b>TOTAL REVENUES</b>	<u>\$ 850,762</u>	<u>\$ 883,118</u>	<u>\$ -</u>	<u>\$ 883,118</u>
<b>EXPENSES:</b>				
Drainage	\$ 878,264	\$ 1,051,485	\$ -	\$ 1,051,485
Non-Departmental	2,895	3,547	2,500	6,047
<b>TOTAL EXPENSES</b>	<u>\$ 881,159</u>	<u>\$ 1,055,032</u>	<u>\$ 2,500</u>	<u>\$ 1,057,532</u>
<b>ENDING FUND BALANCE:</b>				
Unreserved, Undesignated	\$ 327,955	\$ 213,488		\$ 210,988
<b>TOTAL ENDING FUND BALANCE</b>	<u>\$ 327,955</u>	<u>\$ 213,488</u>	<u>\$ (2,500)</u>	<u>\$ 210,988</u>
<b>IDEAL FUND BALANCE **</b>	\$ 220,290	\$ 263,758		\$ 264,383
<b>OVER (UNDER) IDEAL FUND BALANCE</b>	\$ 107,665	\$ (50,270)		\$ (53,395)

\* This budget reflects the budget amendment that was approved by City Council on May 20, 2008.

\*\* This fund is a Special Revenue Fund of the City and is not required to meet the 25% ideal fund balance.

## NOTICE OF PUBLIC HEARING

On June 3, 2008, during a Regular City Council Meeting, the City Council of the City of Copperas Cove will hold the required public hearing on the ordinance to amend the FY 2007-08 Budget for the City of Copperas Cove. The June 3, 2008 City Council Meeting will begin at 7:00 pm and will be held in the City Council Chambers at City Hall, 507 South Main Street, Copperas Cove, Texas 76522.

The proposed amendments to the FY 2007-08 Annual Budget are as follows:

	<b>Increase (Decrease)</b>
<b>General Fund</b>	
Revenues	\$ 84,000
Expenditure Appropriations	\$ 44,000
<b>Water and Sewer Fund</b>	
Revenues	\$142,000
Expense Appropriations	\$212,500
<b>Solid Waste Fund</b>	
Revenues	\$ 3,500
Expense Appropriations	\$ 2,500
<b>Drainage Utility Fund</b>	
Expenditure Appropriations	\$ 2,500

# City of Copperas Cove

## City Council Agenda Item Report

June 3, 2008

### Agenda Item H-1

Contact – Wanda Bunting, Director of Financial Services, 547-4221  
wbunting@ci.copperas-cove.tx.us

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SUBJECT: **Public Hearing on Ordinance No. 2008-18, amending the 2007-08 fiscal year budget for the City of Copperas Cove.**

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#### 1. BACKGROUND/HISTORY

The 2007-08 budget was adopted on September 4, 2007, with a budget amendment approved on May 20, 2008. According to Section 6.16(b)(1) of the Copperas Cove City Charter, in order for the City Council to amend the 2007-08 budget it must first hold a public hearing on the proposed amendments. The Charter also provides a requirement that when fund balance is to be used to fund increases in expenditures that two public hearings be held. The proposed budget amendment will require the use of fund balance. This public hearing will be the first of two public hearings held as required by the Charter. The second Public Hearing will be on June 17, 2008.

#### 2. FINDINGS/CURRENT ACTIVITY

The General Fund requires a redistribution of \$3,900 and an increase of 44,000 in expenditure appropriations. Revenue appropriation increases reflect a total of \$84,000 which offsets the expenditure appropriations. In order to adequately fund the expenditures for the following departmental budgets, a budget amendment is required:

- City Secretary (\$3,900)
- Human Resources \$3,000
- Information Systems \$2,200
- Building & Development \$1,650
- Planning \$1,650
- Code and Health \$1,650
- Non-Departmental \$37,750

The redistribution of appropriations includes the following:

- Salary savings in the City Secretary are being allocated to Human Resources for additional costs required for employee physicals and testing requirements and to cover a portion of the Information Systems request.

Increases include:

- Information Systems request includes the purchase of software.
- Do to the overflow of the City Hall facilities, the City staff will be recommending a relocation of the Planning, Building Development, and Code and Health departments to another location. The up front cost estimates are projected to be first month's rent on a building that the City staff will propose to purchase on a lease / purchase option. The cost will be split between the three departments mentioned above.
- Lobbyist advocate services, previously discussed by the City Council and a selection committee appointed, are included in the Non-Departmental account. Also included in the non-departmental account are funds for personnel related legal issues and the hard cost not to exceed \$1,500 associated with Grant Development Services contract for the Downtown Revitalization Grant application process approved by City Council on May 20, 2008.

General Fund revenue increases include the following:

- Miscellaneous Revenues                      \$ 84,000

Miscellaneous revenue increases included a reimbursement of funds that were not utilized by employees for medical or child care reimbursement in the plan year, City staff's costs that were reimbursed for radio frequency issues, and funds received from the Downtown Association for the Grant application fees.

The Water and Sewer Fund will require an increase in expense appropriations in the amount of \$212,500. Revenue appropriation increases reflect a total of \$142,000 which offsets a portion of the expense appropriations. The fund balance is reduced by the difference of \$70,500 in order to adequately fund the expenses for the following departmental budgets:

- Water Distribution                              \$ 80,000
- Wastewater Treatment                        \$130,000
- Non-Departmental                              \$ 2,500

Increases include:

- Water Distribution includes an estimated increase for utilities.
- Wastewater Treatment includes an increase for repair and maintenance of a blower at the Wastewater Treatment Plant and an estimated increase for utilities.
- Non-Departmental includes an increase for lobbyist advocate services previously discussed and a selection committee appointed by the City Council.

Increases above included electric utility account increases of \$200,000 in the Water and Sewer Fund. These electric utility accounts are under review and City staff will be bringing forward a recommendation to audit the electric utility bills.

Water and Sewer revenue increases include the following:

- Sewer Revenue \$ 130,000
- Late Charge for Billings \$ 12,000

The Solid Waste Fund will require an increase of 2,500 in expense appropriations. Revenue appropriation increases reflect a total of \$3,500 which offsets the expense appropriation increases. The revenues adequately fund the expenses for the following departmental budgets:

- Non-Departmental \$ 2,500

Increases include:

- Non-Departmental increase for lobbyist advocate services previously discussed and a selection committee appointed by the City Council.

Solid Waste Fund revenue increases include the following:

- Garbage Collection Fees \$ 3,500
- The Drainage Utility Fund will require an increase of \$2,500 in expenditure appropriations. The expenditure increase is to a non-departmental account for lobbyist advocate services previously discussed and a selection committee appointed by the City Council.

**3. FINANCIAL IMPACT**

See attached ordinance and proposed amendments.

**4. ACTION OPTIONS/RECOMMENDATION**

City Staff recommends that the City Council hold a public hearing on Ordinance No. 2008-18 amending the fiscal year 2007-08 Budget.

# City of Copperas Cove

## City Council Agenda Item Report

June 3, 2008

### Agenda Item No. H-2

Contact – Andrea M. Gardner, City Manager, 547-4221  
agardner@ci.copperas-cove.tx.us

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**SUBJECT: Public Hearing on the application for Economic Development Funds to be submitted to the Downtown Revitalization Program under the Texas Capital Fund (TCF).**

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**1. BACKGROUND/HISTORY**

The City of Copperas Cove plans to apply to the Downtown Revitalization Program under the Texas Capital Fund (TCF) for Economic Development Funds. The City has not previously applied for Downtown Revitalization Program funding.

**2. FINDINGS/CURRENT ACTIVITY**

The purpose of the public hearing is to allow citizens an opportunity to discuss the citizen participation plan, development of local housing, comprehensive planning and community development needs, the amount of TCF funding available, all eligible TCF activities, and the use of past Texas Community Development Program (TCDP) funds.

**3. FINANCIAL IMPACT**

N/A

**4. ACTION OPTIONS/RECOMMENDATION**

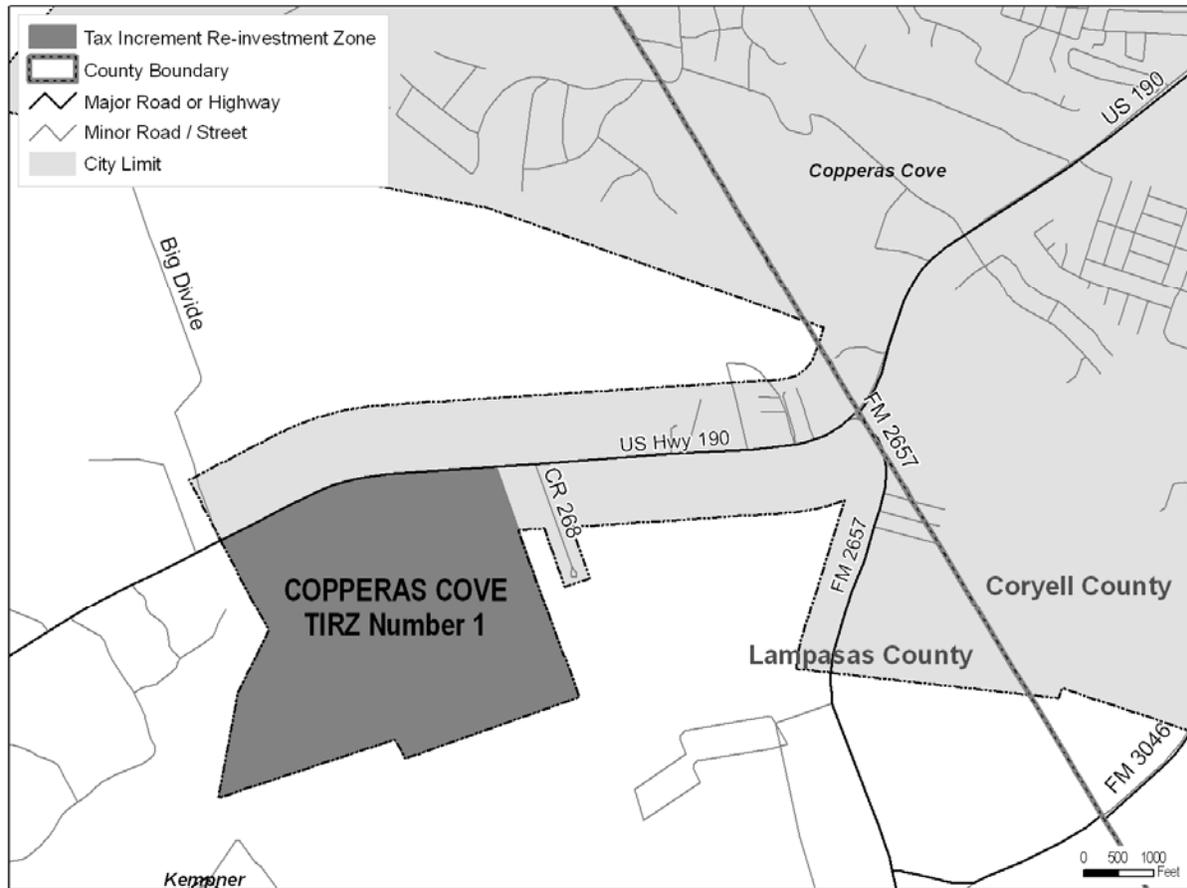
City Staff recommends that the City Council hold a Public Hearing on the application for Economic Development Funds to be submitted to the Downtown Revitalization Program under the Texas Capital Fund (TCF).

**NOTICE OF PUBLIC HEARING FOR CREATION OF REINVESTMENT ZONE NUMBER ONE, CITY OF COPPERAS COVE, TEXAS FOR TAX INCREMENT FINANCING PURPOSES PURSUANT TO CHAPTER 311, TEXAS TAX CODE.**

Notice is hereby given that the City Council of the City of Copperas Cove will hold a public hearing on Tuesday, June 3, 2008, beginning at 7:00 p.m. in the City Council Chambers, City Hall, 507 S. Main Street, Copperas Cove, Texas 76522 on the creation of Reinvestment Zone Number One, City of Copperas Cove, Texas (the "Zone") for tax increment financing purposes pursuant to Chapter 311 of the Texas Tax Code and its benefits to the City and the properties to be included in the Zone. The proposed Reinvestment Zone as detailed in the following boundary map includes approximately 375 acres of land within the City of Copperas Cove, and contains substantially open, vacant and unserved property. Tentative plans include the expenditure of public funds for eligible project costs including the construction of new water, sanitary sewer, and roadway infrastructure, parks and recreational facilities, as well as engineering, legal, and administrative costs of the Zone. The general impact of the creation of the Zone will be to increase the value of taxable properties through the construction of new public and private improvements.

All persons are invited to attend the hearing and speak for or against the creation of the Zone, its proposed boundaries or the concept of tax increment financing. Owners of property in the proposed Zone may protest orally or in writing the inclusion of their property in the Zone. The boundaries of the proposed Reinvestment Zone are described below.

**PROPOSED BOUNDARY OF TAX INCREMENT REINVESTMENT ZONE**



City Secretary  
City of Copperas Cove

# **City of Copperas Cove**

## **City Council Agenda Item Report**

**June 3, 2008**

### **Agenda Item No. H-3**

**Contact – Andrea M. Gardner, City Manager, 547-4221**  
agardner@ci.copperas-cove.tx.us

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**SUBJECT: Public Hearing on the creation of a Tax Increment Reinvestment Zone for the Valley at Great Hills proposed development.**

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#### **1. BACKGROUND/HISTORY**

On June 21, 2007, the concept of a Tax Increment Reinvestment Zone (TIRZ) was presented and discussed in a Special Meeting of the Copperas Cove City Council and Copperas Cove Economic Development Board. As a result, Hawes Hill Calderon LLP was hired by the Copperas Cove Economic Development Corporation in July 2007 to assist the City with the creation of a TIRZ for the proposed development known as the Valley at Great Hills.

On April 15, 2008, the City Council authorized the City Manager to execute notification documents declaring the City of Copperas Cove's intent to create a Tax Increment Reinvestment Zone and request waiver of the 60-day notice requirement from Lampasas County and Lampasas Independent School District. Lampasas County agreed to waive the 60-day notice required by Texas Tax Code Chapter 311 on April 28, 2008 and the Lampasas Independent School District agreed to waive the 60-day notice required by Texas Tax Code Chapter 311 on May 1, 2008.

#### **2. FINDINGS/CURRENT ACTIVITY**

Chapter 311 of the Texas Tax Code requires the municipality or county intending to create a reinvestment zone to hold a public hearing on the creation of the zone and its benefits to the municipality or county and to property in the proposed zone. At the hearing an interested person may speak for or against the creation of the zone, its boundaries, or the concept of tax increment financing.

Additionally, Chapter 311 of the Texas Tax Code requires notice of the hearing be published in a newspaper having general circulation in the municipality or county not later than the seventh day before the date of the hearing. As such, a notice of the public hearing and the proposed boundary of the TIRZ was published in the Copperas Cove Leader Press on Friday, May 23, 2008.

**3. FINANCIAL IMPACT**

N/A

**4. ACTION OPTIONS/RECOMMENDATION**

City Staff recommends that the City Council hold a Public Hearing on the creation of a Tax Increment Reinvestment Zone for the Valley at Great Hills proposed development.

# City of Copperas Cove City Council Agenda Item Report

June 3, 2008

## Agenda Item No. I-1

Contact – Ken Wilson, Director of Community Services, 547-4221  
kwilson@ci.copperas-cove.tx.us

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**SUBJECT: Consideration and action on purchasing two play structures and two swing sets from Total Recreation Products, Game Time.**

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### 1. BACKGROUND/HISTORY

During the 2008 budget process a need was identified to update play ground equipment at several Parks within the City of Copperas Cove. In an effort to improve the quality of facilities with in the City of Copperas Cove and upgrade the existing structures, City staff recommended the replacement of play structures at Kate Street Park and City Park. The play structures will be designed to meet the American Society for Testing and Materials, accommodate children ages 5-12 and will include a 3 bay swing-set at each of the Parks. The swing set will have six swings with two toddler swings at each location.

### 2. FINDINGS/CURRENT ACTIVITY

Currently the Parks and Recreation Department has received three Buy Board Quotes and two Texas Cooperative Purchasing Network quotes from three vendors. The Company with the lowest Buy Board quote for the play structures and installation is Total Recreation Products, Game Time.

### 3. FINANCIAL IMPACT

The Financial impact of the two play structures and two swing sets using the Buy Board quote is \$69,442.93 from Total Recreation Products, Game Time. Funds for the purchase of the play structures are included in the 2008 tax notes.

### 4 ACTION OPTIONS/RECOMMENDATION

City Staff recommends City Council to authorize the City Manager to enter into an agreement with Total Recreation Products, Game Time, in the amount \$69,442.93 for the purchase of two play structures and two swing sets.

**RESOLUTION NO. 2008-19**

**A RESOLUTION OF THE CITY OF COPPERAS COVE, TEXAS, TO AUTHORIZE THE CITY MANAGER TO EXECUTE A CABLE TELEVISION FRANCHISE MANAGEMENT SERVICE AGREEMENT WITH LOCAL GOVERNMENT SERVICES, LLC.**

**WHEREAS**, the City of Copperas Cove desires to regulate and oversee the provision of cable television services; and

**WHEREAS**, Local Government Services, LLC "LGS" has available a cable television franchise management service to assist the City in such regulation; and

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COPPERAS COVE, TEXAS:**

**Section 1.**

The City Manager of the City of Copperas Cove is hereby authorized to execute a cable television franchise management service agreement with LGS on behalf of the City in substantially the same form as Appendix A which is attached to and made part of this resolution.

**PASSED, APPROVED AND ADOPTED** on this 3rd day of June 2008, at a regular meeting of the City Council of the City of Copperas Cove, Texas.

\_\_\_\_\_  
Robert Reeves, Mayor Pro Tem

**ATTEST:**

\_\_\_\_\_  
Jane Lees, City Secretary

**APPROVED AS TO FORM:**

\_\_\_\_\_  
James R. Thompson, City Attorney

APPENDIX A  
AGREEMENT BETWEEN  
THE CITY OF COPPERAS COVE, TEXAS  
AND  
LOCAL GOVERNMENT SERVICES, LLC  
FOR CABLE TELEVISION FRANCHISE FEE PAYMENT COMPLIANCE SERVICE

WHEREAS, the City of Copperas Cove ("City") desires to provide regulation and oversight of cable television services being provided to the citizens of the City;

WHEREAS, Local Government Services, LLC ("LGS") has available a cable television franchise fee payment compliance service; and,

WHEREAS, the City has a need for such cable television franchise fee compliance service.

THEREFORE, THE CITY AND LGS AGREE AS FOLLOWS:

Section 1. Service options provided to the City of Copperas Cove

LGS assures that its services will be accomplished in a timely manner with the cooperation and assistance of the City. In this regard, the City agrees to designate a contact whom LGS will contact and who will regularly review, discuss regarding the services provided, the time for performance of the services, and to assist in arranging meetings, conferences, and other arrangements with LGS to facilitate the performance of services by LGS and to ensure that all information and issues required for review by LGS are made available to LGS. LGS agrees to provide, directly or through its agents or subcontractors, the following services:

- a)   x   Assist the City in performing a franchise fee payment compliance review to determine compliance with City's Cable Television Franchise Ordinance for the period January 1, 2004 through December 31, 2007 (unless limited by the City's Cable Television Franchise Ordinance) related to franchise fee payments including a jurisdictional coding test to determine if City streets have been correctly coded in the cable company's billing database. LGS shall also assist the City in enforcing the franchise fee payment provisions of the City's Franchise (LGS is not responsible for cost associated with filing for court action or legal representation in a court proceeding).

In the event that the City at a later date desires to obtain additional services offered by LGS the parties to the agreement may execute an addendum or addenda to this agreement for the City to obtain such services

Section 2. Effective Date, Payment and Termination.

- a) This agreement shall become effective upon the signature by the parties.

- b) The City chooses the following payment option for the franchise fee compliance review service:  
           Initial payment of \$2,000.00 plus 50% of any amount recovered for the City and pre approved out of pocket expenses if applicable.

           Initial payment of \$5,000.00 plus 25% of any amount recovered by the City and pre approved out of pocket expenses if applicable.

           Initial payment of \$5,000.00 and final payment of \$5,000.00 upon completion of work without any contingency fee assessed plus pre approved out of pocket expenses if applicable.

Out of pocket expenses shall include, but are not limited to postage, transportation, meals and must be approved by the City in advance. LGS shall provide to the City documentation sufficient to substantiate any out of pocket costs.

- c) For the payment option chosen by the City listed in Section 2 b above the City shall pay LGS the initial payment of the total obligation when this Agreement is executed and upon completion of the review the applicable payment for the option chosen above within fourteen (14) days following the recovery of any franchise fees that are owed to the City or completion of the work performed by LGS. The City agrees to utilize whatever reasonable enforcement remedies that exist in the City's current cable television franchise ordinance to assist LGS in obtaining the information necessary for LGS to perform the review and to recover any franchise fees due. Failure of the City to enforce its ordinance will relieve LGS from any obligations to the City.
- d) Either party may terminate this agreement at any time upon thirty (30) days written notice to the other party. All fees and costs incurred to the date of receipt of the notice shall be paid to LGS. If LGS fails to perform any work on behalf of the City upon receipt of notice to terminate, LGS shall refund to the City the total obligation of the City.

Section 3. Hold Harmless and Indemnification.

Each party shall bear the responsibility for liability for negligence, errors or omissions of its own officers, agents, employees or subcontractors in carrying out this agreement.

Section 4. Assignment/Transfer

LGS is prohibited from assigning or transferring any of its obligations of this Agreement without obtaining prior approval of the City.

Section 5. Amendments.

This contract may be amended by future written agreements executed on behalf of the City and LGS.

Section 6. Law Applicable.

This agreement shall be construed under the laws of the State of Texas.

EXECUTED ON BEHALF OF THE CITY OF COPPERAS COVE THIS \_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_.

ATTEST:

City Manager: \_\_\_\_\_  
City of Copperas Cove

By \_\_\_\_\_

EXECUTED ON BEHALF OF LOCAL  
GOVERNMENT SERVICES, LLC

(SEAL)

By   
Member

**TEXAS MUNICIPAL LEAGUE  
CABLE FRANCHISE MANAGEMENT SERVICE PROGRAM**

**FEES RECOVERED AND REVENUE GENERATED FOR PARTICIPATING  
MEMBERS**

**FRACHISE FEES AND POLE ATTACHMENT FEES RECOVERED FROM  
AUDITS SINCE PROGRAM'S INCEPTION EFFECTIVE 5-06-08**

Beverly Hills	\$5,000.00
Buda	\$16,000.00
Coleman	\$10,000.00
Flatonia	\$500.00
Fort Stockton	\$55,000.00
Granbury	\$11,000.00
Hallsville	\$5,500.00
Harker Heights	\$45,000.00
Hearne	\$5,000.00
Helotes	\$75,000.00
Huntsville	\$15,000.00
Jefferson	\$3,000.00
Junction	\$785.37
Mineral Wells	\$45,000.00
Muleshoe	\$1,000.00
Port Neches	\$1,920.82
Port Arthur	\$5,423.75
Nederland	\$2,569.71
Orange	\$27,099.86
San Saba	\$21,000.00
Shenandoah	\$1,000.00
Spearman	\$1,500.00
Stamford	\$9,000.00
Sundown	\$500.00
Sweetwater	\$26,000.00
Weimar	\$6,000.00
West University Place	\$9,000.00
Yoakum	\$13,300.00
<b>Total</b>	<b>\$417,099.51</b>

**OTHER REVENUE RECOVERED**

Yoakum- Assisted City in negotiating for a \$15,000.00 cash settlement in exchange for allowing cable company to close local office.

**Total Revenue Recovered \$432,099.51**

## **POLE ATTACHMENT FEE REVENUE**

Brady- increased pole attachment fees from \$5.00 per pole to \$10.00 per pole affecting 1,083 poles and increase of \$5,415.00.

Castroville- increased pole attachment fees from \$1.90 per pole to \$10.00 per pole affecting 965 poles for an increase in pole attachment revenue of \$7,816.50 annually.

Coleman- increased pole attachment fees from \$5.00 per pole to \$10.00 per pole affecting 1,291 poles for an increase in pole attachment revenue of \$6,455.00 annually.

Granbury- increased pole attachment fees from \$3.50 per pole to \$15.00 per pole affecting 921 poles for an increase of in pole attachment revenue of \$10,591.50 annually.

Hearne- increased pole attachment fees from \$1.50 per pole to \$8.00 per pole affecting 1,168 poles for an increase of \$7,592.00 annually.

Hondo- increased pole attachment fees from \$0 per pole to \$10.00 per pole affecting 2,041 poles for an increase of \$20,410.00 annually.

Mason- increased pole attachment fees from \$2.00 per pole to \$10.00 per pole for an estimated 600 poles for an increase of \$4,800 annually.

San Saba- increased pole attachment rates from \$4.00 per pole to \$10.00 per pole for an estimated 1,271 poles for an increase in annual pole attachment revenue of \$7,626.00

**Total Increase In Annual Pole Attachment Fees \$70,706.00**

## **OTHER REVENUE GENERATED**

Coleman- Negotiated head end lease on public property increasing revenue by \$11,800.00 annually.

Hamilton- Negotiated head end lease on public property increasing revenue by \$3,600.00 annually.

Fort Stockton- Negotiated land lease for cell tower for \$9,000.00 annually.

Pittsburg- Negotiated new water tower less for \$21,000.00 annually.

**Total Other Revenue Generated Annually \$45,400.00**

# City of Copperas Cove

## City Council Agenda Item Report

June 3, 2008

### Agenda Item I-2

Contact – Wanda Bunting, Director of Financial Services 547-4221  
wbunting@ci.copperas-cove.tx.us

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**SUBJECT: Consideration and action on Resolution No. 2008-19, authorizing the City Manager to enter into an agreement with Local Government Services, LLC for cable television franchise management services to determine compliance with the City's ordinance.**

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#### 1. BACKGROUND/HISTORY

Cable Franchise Management Service is being offered to members of the Texas Municipal League (TML). These services are offered to assist cities in conducting franchise fee payment compliance reviews. Local Government Services, LLC "LGS" is offering the service and has offered the service to other Cities as you can see in the attached files. This review will ensure that Time Warner's franchise payments over the past four years 2004-2007 were in compliance with the City's ordinance and ensure that accounts are coded correctly for future franchise payment calculations.

#### 2. FINDINGS/CURRENT ACTIVITY

LGS is offering three payment options to cover the cost of the review:

Option 1:

- Cost of \$2,000 plus 50% of any amount recovered for the City.

Option 2:

- Cost of \$5,000 plus 25% of any amount recovered by the City.

Option 3:

- Cost of \$10,000 without any contingency fee assessed.

Additional out-of-pocket costs may occur for direct costs associated with postage or travel related expenditures. Any additional out-of-pocket costs will require approval by the City Manager in advance.

**3. FINANCIAL IMPACT**

The \$2,000 will be expended from the General Fund operating budget for FY 2007-2008. The budget amendment that will be presented to City Council on June 3, 2008 and June 17, 2008 includes this expenditure. If any other out-of-pocket costs are necessary, they will be covered by the General Fund operating budget.

**4. ACTION OPTIONS/RECOMMENDATION**

City Staff recommends authorizing the City Manager to enter into an agreement with LGS under Option 1, which is the lowest cost to the City with the potential for additional franchise revenues.

**RESOLUTION 2008-17**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COPPERAS COVE, TEXAS, FINDING AND DETERMINING THAT A CERTAIN AREA OF THE CITY CONTAINS CONDITIONS WHICH ARE DETRIMENTAL TO THE PUBLIC HEALTH, SAFETY, AND WELFARE OF THE COMMUNITY AND CONSTITUTES A BLIGHTED AREA.**

**WHEREAS,** The City Council of the City of Copperas Cove has reviewed and evaluated conditions within the designated downtown area; and

**WHEREAS** The City Council has found conditions in the designated downtown area of Copperas Cove which are detrimental to the public health, safety and welfare of the community as follows:

Infrastructure which is inadequate to the needs of the area, including lack of or deteriorated walkways, inadequate parking, absence of accessibility for handicapped persons to commercial and other public buildings in the area, and inadequate lighting in the central area of the city.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COPPERAS COVE, TEXAS, THAT:** The area identified on the attached Exhibit "A" as the designated downtown area of Copperas Cove has been determined to be a blighted area.

**PASSED, APPROVED, AND ADOPTED** on this 3rd day of June 2008 at a regular meeting of the City Council of the City of Copperas Cove, which meeting was held in compliance with the Open Meetings Act, *Tex. Gov't. Code, §551.001, et.seq.* at which meeting a quorum was present and voting.

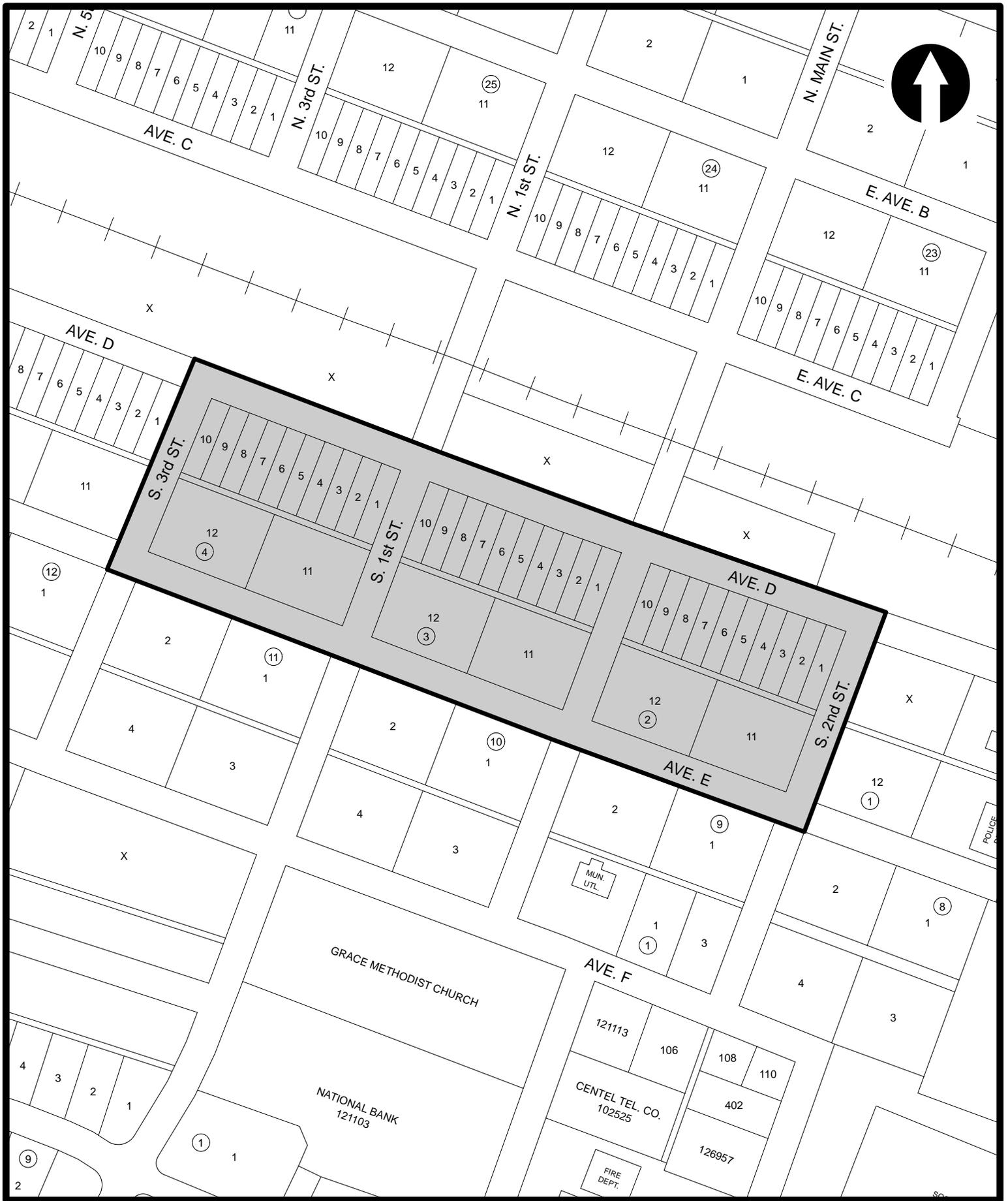
\_\_\_\_\_  
Robert L. Reeves, Mayor Pro Tem

**ATTEST:**

\_\_\_\_\_  
Jane Lees, City Secretary

**APPROVED AS TO FORM:**

\_\_\_\_\_  
James R. Thompson, City Attorney



DESIGNATED AREA  
 Resolution No. 2008-17

1" = 200'

# City of Copperas Cove

## City Council Agenda Item Report

June 3, 2008

### Agenda Item No. I-3

Contact – Andrea M. Gardner, City Manager, 547-4221  
agardner@ci.copperas-cove.tx.us

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**SUBJECT:** Consideration and action on Resolution No. 2008-17 of the City of Copperas Cove, Texas, finding and determining that a certain area of the City contains conditions which are detrimental to the public health, safety and welfare of the community and constitutes a blighted area.

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#### 1. BACKGROUND/HISTORY

The City of Copperas Cove is in the process of applying for a Texas Capital Fund Downtown Revitalization Program Grant. The grant program is to aid in the elimination of area slum/blight for Texas communities. These communities must also be designated as non-entitlement cities, generally having a population of less than 50,000. The Downtown Revitalization Program (DRP) can provide funding for renovation and/or construction of sidewalks, lighting, drainage and other infrastructure improvements in the City's downtown area.

#### 2. FINDINGS/CURRENT ACTIVITY

City Staff has determined the infrastructure to be inadequate to the needs of the area, including lack of or deteriorated walkways, inadequate parking, absence of accessibility for handicapped persons to commercial and other public buildings in the area, and inadequate lighting in the central area of the City.

#### 3. FINANCIAL IMPACT

N/A

#### 4. ACTION OPTIONS/RECOMMENDATION

City Staff recommends adoption of Resolution No. 2008-17 of the City of Copperas Cove, Texas finding and determining that a certain area of the City contains conditions which are detrimental to the public health, safety and welfare of the community and constitutes a blighted area.

**RESOLUTION NO. 2008-18**

**A RESOLUTION OF THE CITY COUNCIL OF THE  
CITY OF COPPERAS COVE, TEXAS,  
SUPPORTING THE NORTHEAST BYPASS  
PROJECT.**

- WHEREAS,** the Northeast Loop would serve to relieve traffic congestion that exists on FM 116, FM 1113 and US Highway 190 in Copperas Cove; and
- WHEREAS,** the proposed Northeast Loop would enable convenient high speed access to the Fort Hood entryway, thus relieving the heavily congested Fort Hood Main Gate along US Highway 190 in Bell County; and
- WHEREAS,** a new military access control point planned by Fort Hood on the widened portion of Tank Destroyer Boulevard would serve current and long term military access needs for Fort Hood and those living in northwest Copperas Cove; and
- WHEREAS,** the proposed loop would serve as a direct link connecting US Highway 190 and FM 116 without requiring motorists to traverse the congested US Highway 190, FM 1113 and FM 116 through the Copperas Cove Central Business District; and
- WHEREAS,** improvements to Tank Destroyer Boulevard, as well as, the extension of Tank Destroyer Boulevard, were approved by the Texas Transportation Commission as one of four transportation infrastructure improvements for Fort Hood; and
- WHEREAS,** most military-related access within the area utilizes FM 116, FM 1113 and US Highway 190 to enter through the Main Gate of Fort Hood on US Highway 190 in Bell County; and
- WHEREAS,** the proposed project is included in the Killeen-Temple Urban Transportation Study (KTUTS) MPO's Metropolitan Transportation Plan; and
- WHEREAS,** a Value Engineering Study was conducted by the Texas Department of Transportation; and
- WHEREAS,** City of Copperas Cove staff submitted a Federal Appropriations Request for Fiscal Year 2009 in the amount of \$5,000,000.

**PASSED, APPROVED, AND ADOPTED** on this 3rd day of June 2008, at a regular meeting of the City Council of the City of Copperas Cove, Texas which meeting was held in compliance with the Open Meetings Act, *Tex. Gov't. Code, §551.001, et.seq.* at which meeting a quorum was present and voting.

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Robert L. Reeves, Mayor Pro Tem

**ATTEST:**

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Jane Lees, City Secretary

**APPROVED AS TO FORM:**

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James R. Thompson, City Attorney

# City of Copperas Cove

## City Council Agenda Item Report

June 3, 2008

### Agenda Item No. I-4

Contact – Andrea M. Gardner, City Manager, 547-4221  
agardner@ci.copperas-cove.tx.us

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**SUBJECT: Consideration and action on Resolution No. 2008-18, supporting the Northeast Bypass Project.**

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#### 1. BACKGROUND/HISTORY

On August 26, 2004, a Texas Department of Transportation Minute Order was approved for widening and extending Tank Destroyer Boulevard connecting to FM 116 North in Copperas Cove. The Texas Department of Transportation is also proposing a one-mile connection to Tank Destroyer Boulevard widening and extension project. The connection would tie, on the south end, to US Highway 190 near the proposed interchange for the US Highway 190 South Copperas Cove Bypass. On the north end the connection would tie to the current Tank Destroyer Boulevard at the point where Tank Destroyer Boulevard is approved to be extended to the northwest and connect to FM 116. This proposed one-mile connection will form a Northeast Loop around Copperas Cove from US Highway 190 to FM 116 when combined with the extension portion of the approved Tank Destroyer Boulevard project.

#### 2. FINDINGS/CURRENT ACTIVITY

In October 2007, the Texas Department of Transportation engineering consultants with participation from City of Copperas Cove staff, Fort Hood staff and Texas Department of Transportation staff conducted a Value Engineering Study. The study indicated various opportunities exist to reduce the total project cost. A portion of the opportunities would require changes to the original project scope; however, the Texas Department of Transportation is reviewing all measures.

#### 3. FINANCIAL IMPACT

The original estimated construction cost for the proposed connection from US Highway 190 to Tank Destroyer Boulevard is \$17,500,000. An additional \$7,750,000 is required for the addition of grade separations and increased roadwork to construct the already approved Tank Destroyer Boulevard. Therefore, the total estimated construction cost for this project is \$33,750,000.

If all opportunities revealed by the Value Engineering Study were utilized, the total project cost could to be reduced to approximately \$14.9 million.

**4. ACTION OPTIONS/RECOMMENDATION**

City Staff recommends approval of Resolution No. 2008-18, supporting the Northeast Bypass Project.



TEXAS ASSOCIATION OF REALTORS®  
**COMMERCIAL LEASE**

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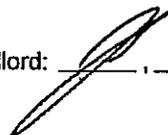
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**ADDENDA & EXHIBITS (check all that apply)**

- Exhibit \_\_\_\_\_
- Exhibit \_\_\_\_\_
- Commercial Lease Addendum for Broker's Fee
- Commercial Lease Expense Reimbursement Addendum
- Commercial Lease Addendum for Extension Option
- Commercial Lease Addendum for Percentage Rent
- Commercial Lease Parking Addendum
- Commercial Landlord's Rules and Regulations
- Commercial Lease Guaranty
- Commercial Lease Right of First Refusal Addendum
- Commercial Lease Addendum for Optional Space
- Commercial Leasehold Construction Addendum
- Non appropriation amendment
- provided by City of Copperas Cove

(TAR-2101) 5-26-06 Initialed for Identification by Tenant: \_\_\_\_\_, \_\_\_\_\_, and Landlord:  \_\_\_\_\_



TEXAS ASSOCIATION OF REALTORS®

COMMERCIAL LEASE

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1. PARTIES: The parties to this lease are:

Tenant: City of Copperas Cove ; and

Landlord: Donlie McMullin Realty

2. LEASED PREMISES:

A. Landlord leases to Tenant the following described real property, known as the "leased premises," along with all its improvements (Check only one box):

[X] (1) Multiple-Tenant Property: Suite or Unit Number A containing approximately 2300 square feet of rentable area in (project name) at 214 West Ave. E (address) in Copperas Cove (city), CORYELL (county), Texas, which is legally described on attached Exhibit Survey Attached or as follows:

[ ] (2) Single-Tenant Property: The real property at: (address) in (city), (county), Texas, which is legally described on attached Exhibit or as follows:

B. If Paragraph 2A(1) applies:

- (1) "Property" means the building or complex in which the leased premises are located, inclusive of any common areas, drives, parking areas, and walks; and
(2) the parties agree that the rentable area of the leased premises may not equal the actual or useable area within the leased premises and may include an allocation of common areas in the Property.

3. TERM:

A. Term: The term of this lease is 24 months and 0 days, commencing on: December 31, 2008 (Commencement Date) and ending on December 31, 2010 (Expiration Date).

- B. **Delay of Occupancy:** If Tenant is unable to occupy the leased premises on the Commencement Date because of construction on the leased premises to be completed by Landlord that is not substantially complete or a prior tenant's holding over of the leased premises, Landlord will not be liable to Tenant for such delay and this lease will remain enforceable. In the event of such a delay, the Commencement Date will automatically be extended to the date Tenant is able to occupy the Property and the Expiration Date will also be extended by a like number of days, so that the length of this lease remains unchanged. If Tenant is unable to occupy the leased premises after the 90th day after the Commencement Date because of construction on the leased premises to be completed by Landlord that is not substantially complete or a prior tenant's holding over of the leased premises, Tenant may terminate this lease by giving written notice to Landlord before the leased premises become available to be occupied by Tenant and Landlord will refund to Tenant any amounts paid to Landlord by Tenant. This Paragraph 3B does not apply to any delay in occupancy caused by cleaning or repairs.
- C. Unless the parties agree otherwise, Tenant is responsible for obtaining a certificate of occupancy for the leased premises if required by a governmental body.

**4. RENT AND EXPENSES:**

- A. **Base Monthly Rent:** On or before the first day of each month during this lease, Tenant will pay Landlord base monthly rent as described on attached Exhibit \_\_\_\_\_ or as follows:

from <u>December 31, 2008</u>	to <u>December 31, 2010</u>	:	\$ <u>2,300.00</u>	;
from _____	to _____	:	\$ _____	;
from _____	to _____	:	\$ _____	;
from _____	to _____	:	\$ _____	;
from _____	to _____	:	\$ _____	;

- B. **First Full Month's Rent:** The first full base monthly rent is due on or before June 30, 2008

- C. **Prorated Rent:** If the Commencement Date is on a day other than the first day of a month, Tenant will pay Landlord as prorated rent, an amount equal to the base monthly rent multiplied by the following fraction: the number of days from the Commencement Date to the first day of the following month divided by the number of days in the month in which this lease commences. The prorated rent is due on or before the Commencement Date.

- D. **Additional Rent:** In addition to the base monthly rent and prorated rent, Tenant will pay Landlord all other amounts, as provided by the attached (*Check all that apply.*):

- (1) Commercial Expense Reimbursement Addendum
- (2) Commercial Percentage Rent Addendum
- (3) Commercial Parking Addendum
- (4) \_\_\_\_\_

All amounts payable under the applicable addenda are deemed to be "rent" for the purposes of this lease.

- E. **Place of Payment:** Tenant will remit all amounts due Landlord under this lease to the following person at the place stated or to such other person or place as Landlord may later designate in writing:

Name: Donlie McMullin Realty  
 Address: 202 South First Copperas Cove Texas 76522

- F. **Method of Payment:** Tenant must pay all rent timely without demand, deduction, or offset, except as permitted by law or this lease. If Tenant fails to timely pay any amounts due under this lease or if any check of Tenant is returned to Landlord by the institution on which it was drawn, Landlord after

providing written notice to Tenant may require Tenant to pay subsequent amounts that become due under this lease in certified funds. This paragraph does not limit Landlord from seeking other remedies under this lease for Tenant's failure to make timely payments with good funds.

G. Late Charges: If Landlord does not actually receive a rent payment at the designated place of payment within 5 days after the date it is due, Tenant will pay Landlord a late charge equal to 5% of the amount due. In this paragraph, the mailbox is not the agent for receipt for Landlord. The late charge is a cost associated with the collection of rent and Landlord's acceptance of a late charge does not waive Landlord's right to exercise remedies under Paragraph 20.

H. Returned Checks: Tenant will pay \$ 25.00 (not to exceed \$25) for each check Tenant tenders to Landlord which is returned by the institution on which it is drawn for any reason, plus any late charges until Landlord receives payment.

**5. SECURITY DEPOSIT:**

A. Upon execution of this lease, Tenant will pay \$ 2,300.00 to Landlord as a security deposit.

B. Landlord may apply the security deposit to any amounts owed by Tenant under this lease. If Landlord applies any part of the security deposit during any time this lease is in effect to amounts owed by Tenant, Tenant must, within 10 days after receipt of notice from Landlord, restore the security deposit to the amount stated.

C. Within 60 days after Tenant surrenders the leased premises and provides Landlord written notice of Tenant's forwarding address, Landlord will refund the security deposit less any amounts applied toward amounts owed by Tenant or other charges authorized by this lease.

**6. TAXES:** Unless otherwise agreed by the parties, Landlord will pay all real property ad valorem taxes assessed against the leased premises.

**7. UTILITIES:**

A. The party designated below will pay for the following utility charges to the leased premises and any connection charges for the utilities. (Check all that apply.)

	<u>N/A</u>	<u>Landlord</u>	<u>Tenant</u>
(1) Water	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(2) Sewer	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(3) Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(4) Gas	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(5) Telephone	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(6) Trash	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(7) Cable	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(8) _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(9) All other utilities	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

B. The party responsible for the charges under Paragraph 7A will pay the charges directly to the utility service provider. The responsible party may select the utility service provider except that if Tenant selects the provider, any access or alterations to the Property or leased premises necessary for the utilities may be made only with Landlord's prior consent, which Landlord will not unreasonably withhold. If Landlord incurs any liability for utility or connection charges for which Tenant is responsible to pay and Landlord pays such amount, Tenant will immediately upon written notice from Landlord reimburse Landlord such amount.

- C. **Notice:** Tenant should determine if all necessary utilities are available to the leased premises and are adequate for Tenant's intended use.
- D. **After-Hours HVAC Charges:** "HVAC services" means heating, ventilating, and air conditioning of the leased premises. (Check one box only.)
  - (1) Landlord is obligated to provide the HVAC services to the leased premises only during the Property's operating hours specified under Paragraph 9C.
  - (2) Landlord will provide the HVAC services to the leased premises during the operating hours specified under Paragraph 9C for no additional charge and will, at Tenant's request, provide HVAC services to the leased premises during other hours for an additional charge of \$ \_\_\_\_\_ per hour. Tenant will pay Landlord the charges under this paragraph immediately upon receipt of Landlord's invoice. Hourly charges are charged on a half-hour basis. Any partial hour will be rounded up to the next half hour. Tenant will comply with Landlord's procedures to make a request to provide the additional HVAC services under this paragraph.
  - (3) Tenant will pay for the HVAC services under this lease.

**8. INSURANCE:**

- A. During all times this lease is in effect, Tenant must, at Tenant's expense, maintain in full force and effect from an insurer authorized to operate in Texas:
  - (1) public liability insurance in an amount not less than \$1,000,000.00 on an occurrence basis naming Landlord as an additional insured; and
  - (2) personal property damage insurance for Tenant's business operations and contents on the leased premises in an amount sufficient to replace such contents after a casualty loss.
- B. Before the Commencement Date, Tenant must provide Landlord with a copy of insurance certificates evidencing the required coverage. If the insurance coverage is renewed or changes in any manner or degree at any time this lease is in effect, Tenant must, not later than 10 days after the renewal or change, provide Landlord a copy of an insurance certificate evidencing the renewal or change.
- C. If Tenant fails to maintain the required insurance in full force and effect at all times this lease is in effect, Landlord may:
  - (1) purchase insurance that will provide Landlord the same coverage as the required insurance and Tenant must immediately reimburse Landlord for such expense; or
  - (2) exercise Landlord's remedies under Paragraph 20.
- D. Unless the parties agree otherwise, Landlord will maintain in full force and effect insurance for: (1) fire and extended coverage in an amount to cover the reasonable replacement cost of the improvements of the Property; and (2) any public liability insurance in an amount that Landlord determines reasonable and appropriate.
- E. If there is an increase in Landlord's insurance premiums for the leased premises or Property or its contents that is caused by Tenant, Tenant's use of the leased premises, or any improvements made by or for Tenant, Tenant will, for each year this lease is in effect, pay Landlord the increase immediately after Landlord notifies Tenant of the increase. Any charge to Tenant under this Paragraph 8E will be equal to the actual amount of the increase in Landlord's insurance premium.

**9. USE AND HOURS:**

- A. Tenant may use the leased premises for the following purpose and no other: Any Legal Purpose  
\_\_\_\_\_  
\_\_\_\_\_

- B. Unless otherwise specified in this lease, Tenant will operate and conduct its business in the leased premises during business hours that are typical of the industry in which Tenant represents it operates.
- C. The Property maintains operating hours of *(specify hours, days of week, and if inclusive or exclusive of weekends and holidays)*: N/A

**10. LEGAL COMPLIANCE:**

- A. Tenant may not use or permit any part of the leased premises or the Property to be used for:
  - (1) any activity which is a nuisance or is offensive, noisy, or dangerous;
  - (2) any activity that interferes with any other tenant's normal business operations or Landlord's management of the Property;
  - (3) any activity that violates any applicable law, regulation, zoning ordinance, restrictive covenant, governmental order, owners' association rules, tenants' association rules, Landlord's rules or regulations, or this lease;
  - (4) any hazardous activity that would require any insurance premium on the Property or leased premises to increase or that would void any such insurance;
  - (5) any activity that violates any applicable federal, state, or local law, including but not limited to those laws related to air quality, water quality, hazardous materials, wastewater, waste disposal, air emissions, or other environmental matters;
  - (6) the permanent or temporary storage of any hazardous material; or
  - (7) \_\_\_\_\_

B. "Hazardous material" means any pollutant, toxic substance, hazardous waste, hazardous material, hazardous substance, solvent, or oil as defined by any federal, state, or local environmental law, regulation, ordinance, or rule existing as of the date of this lease or later enacted.

C. Landlord does not represent or warrant that the leased premises or Property conform to applicable restrictions, zoning ordinances, setback lines, parking requirements, impervious ground cover ratio requirements, and other matters that may relate to Tenant's intended use. Tenant must satisfy itself that the leased premises may be used as Tenant intends by independently investigating all matters related to the use of the leased premises or Property. Tenant agrees that it is not relying on any warranty or representation made by Landlord, Landlord's agent, or any broker concerning the use of the leased premises or Property.

**11. SIGNS:**

- A. Tenant may not post or paint any signs at, on, or about the leased premises or Property without Landlord's written consent. Landlord may remove any unauthorized sign, and Tenant will promptly reimburse Landlord for its cost to remove any unauthorized sign.
- B. Any authorized sign must comply with all laws, restrictions, zoning ordinances, and any governmental order relating to signs on the leased premises or Property. Landlord may temporarily remove any authorized sign to complete repairs or alterations to the leased premises or the Property.
- C. By providing written notice to Tenant before this lease ends, Landlord may require Tenant, upon move-out and at Tenant's expense, to remove, without damage to the Property or leased premises, any or all signs that were placed on the Property or leased premises by or at the request of Tenant. Any signs that Landlord does not require Tenant to remove and that are fixtures, become the property of the Landlord and must be surrendered to Landlord at the time this lease ends.

**12. ACCESS BY LANDLORD:**

- A. ~~During Tenant's normal business hours Landlord may enter the leased premises for any reasonable purpose, including but not limited to purposes for repairs, maintenance, alterations, and showing the leased premises to prospective tenants or purchasers. Landlord may access the leased premises after Tenant's normal business hours if: (1) entry is made with Tenant's permission; or (2) entry is necessary to complete emergency repairs. Landlord will not unreasonably interfere with Tenant's business operations when accessing the leased premises.~~
- B. During the last 30 days of this lease, Landlord may place a "For Lease" or similarly worded sign in the leased premises.

**13. MOVE-IN CONDITION:** Tenant has inspected the leased premises and accepts it in its present (as-is) condition unless expressly noted otherwise in this lease. Landlord and any agent have made no express or implied warranties as to the condition or permitted use of the leased premises or Property.

**14. MOVE-OUT CONDITION AND FORFEITURE OF TENANT'S PERSONAL PROPERTY:**

- A. At the time this lease ends, Tenant will surrender the leased premises in the same condition as when received, except for normal wear and tear. Tenant will leave the leased premises in a clean condition free of all trash, debris, personal property, hazardous materials, and environmental contaminants.
- B. If Tenant leaves any personal property in the leased premises after Tenant surrenders possession of the leased premises, Landlord may: (1) require Tenant, at Tenant's expense, to remove the personal property by providing written notice to Tenant; or (2) retain such personal property as forfeited property to Landlord.
- C. "Surrender" means vacating the leased premises and returning all keys and access devices to Landlord. "Normal wear and tear" means deterioration that occurs without negligence, carelessness, accident, or abuse.
- D. By providing written notice to Tenant before this lease ends, Landlord may require Tenant, upon move-out and at Tenant's expense, to remove, without damage to the Property or leased premises, any or all fixtures that were placed on the Property or leased premises by or at the request of Tenant. Any fixtures that Landlord does not require Tenant to remove become the property of the Landlord and must be surrendered to Landlord at the time this lease ends.

**15. MAINTENANCE AND REPAIRS:**

- A. Cleaning: Tenant must keep the leased premises clean and sanitary and promptly dispose of all garbage in appropriate receptacles.  Landlord  Tenant will provide, at its expense, janitorial services to the leased premises that are customary and ordinary for the property type. Tenant will maintain any grease trap on the Property which Tenant uses, including but not limited to periodic emptying and cleaning, as well as making any modification to the grease trap that may be necessary to comply with any applicable law.
- B. Repairs of Conditions Caused by a Party: Each party must promptly repair a condition in need of repair that is caused, either intentionally or negligently, by that party or that party's guests, patrons, invitees, contractors or permitted subtenants.
- C. Repair and Maintenance Responsibility: Except as otherwise provided by this Paragraph 15, the party designated below, at its expense, is responsible to maintain and repair the following specified items in the leased premises (if any). The specified items must be maintained in clean and good operable condition. If a governmental regulation or order requires a modification to any of the specified items, the party designated to maintain the item must complete and pay the expense of the modification. The

specified items include and relate only to real property in the leased premises. Tenant is responsible for the repair and maintenance of its personal property. (Check all that apply.)

	<u>N/A</u>	<u>Landlord</u>	<u>Tenant</u>
(1) Foundation, exterior walls, roof, and other structural components	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(2) Glass and windows	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(3) Fire protection equipment and fire sprinkler systems	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(4) Exterior & overhead doors, including closure devices, molding locks, and hardware	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(5) Grounds maintenance, including landscaping and irrigation systems	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(6) Interior doors, including closure devices, frames, molding, locks, and hardware	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(7) Parking areas and walks	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(8) Plumbing systems, drainage systems, electrical systems, and mechanical systems, except systems or items specifically designated otherwise	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(9) Ballast and lamp replacement	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(10) Heating, Ventilation and Air Conditioning (HVAC) systems	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(11) Signs and lighting:			
(a) Pylon	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(b) Facia	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(c) Monument	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(d) Door/Suite	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(12) Extermination and pest control, excluding wood-destroying insects	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(13) Fences and Gates	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(14) Storage yards and storage buildings	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(15) Wood-destroying insect treatment and repairs	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(16) Cranes and related systems	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(17) _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(18) _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(19) All other items and systems.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

D. Repair Persons: Repairs must be completed by trained, qualified, and insured repair persons.

E. HVAC Service Contract: If Tenant maintains the HVAC system under Paragraph 15C(10), Tenant  is  is not required to maintain, at its expense, a regularly scheduled maintenance and service contract for the HVAC system. The maintenance and service contract must be purchased from a HVAC maintenance company that regularly provides such contracts to similar properties. If Tenant fails to maintain a required HVAC maintenance and service contract in effect at all times during this lease, Landlord may do so and charge Tenant the expense of such a maintenance and service contract or exercise Landlord's remedies under Paragraph 20.

F. Common Areas: Landlord will maintain any common areas in the Property in a manner as Landlord determines to be in the best interest of the Property. Landlord will maintain any elevator and signs in the common area. Landlord may change the size, dimension, and location of any common areas, provided that such change does not materially impair Tenant's use and access to the leased premises. Tenant has the non-exclusive license to use the common areas in compliance with Landlord's rules and restrictions. Tenant may not solicit any business in the common areas or interfere with any other person's right to use the common areas. This paragraph does not apply if Paragraph 2A(2) applies.

- G. Notice of Repairs: Tenant must promptly notify Landlord of any item that is in need of repair and that is Landlord's responsibility to repair. All requests for repairs to Landlord must be in writing.
- H. Failure to Repair: Landlord must make a repair for which Landlord is responsible within a reasonable period of time after Tenant provides Landlord written notice of the needed repair. If Tenant fails to repair or maintain an item for which Tenant is responsible within 10 days after Landlord provides Tenant written notice of the needed repair or maintenance, Landlord may: (1) repair or maintain the item, without liability for any damage or loss to Tenant, and Tenant must immediately reimburse Landlord for the cost to repair or maintain; or (2) exercise Landlord's remedies under Paragraph 20.

**16. ALTERATIONS:**

- A. Tenant may not alter, improve, or add to the Property or the leased premises without Landlord's written consent. Landlord will not unreasonably withhold consent for the Tenant to make reasonable non-structural alterations, modifications, or improvements to the leased premises.
- B. Tenant may not alter any locks or any security devices on the Property or the leased premises without Landlord's consent. If Landlord authorizes the changing, addition, or rekeying of any locks or other security devices, Tenant must immediately deliver the new keys and access devices to Landlord.
- C. If a governmental order requires alteration or modification to the leased premises, the party obligated to maintain and repair the item to be modified or altered as designated in Paragraph 15 will, at its expense, modify or alter the item in compliance with the order and in compliance with Paragraphs 16A and 17.
- D. Any alterations, improvements, fixtures or additions to the Property or leased premises installed by either party during the term of this lease will become Landlord's property and must be surrendered to Landlord at the time this lease ends, except for those fixtures Landlord requires Tenant to remove under Paragraph 11 or 14 or if the parties agree otherwise in writing.

17. **LIENS**: Tenant may not do anything that will cause the title of the Property or leased premises to be encumbered in any way. If Tenant causes a lien to be filed against the Property or leased premises, Tenant will within 20 days after receipt of Landlord's demand: (1) pay the lien and have the lien released of record; or (2) take action to discharge the lien. Tenant will provide Landlord a copy of any release Tenant obtains pursuant to this paragraph.

18. **LIABILITY**: To the extent permitted by law, Landlord is NOT responsible to Tenant or Tenant's employees, patrons, guests, or invitees for any damages, injuries, or losses to person or property caused by:

- A. an act, omission, or neglect of: Tenant; Tenant's agent; Tenant's guest; Tenant's employees; Tenant's patrons; Tenant's invitees; or any other tenant on the Property;
- B. fire, flood, water leaks, ice, snow, hail, winds, explosion, smoke, riot, strike, interruption of utilities, theft, burglary, robbery, assault, vandalism, other persons, environmental contaminants, or other occurrences or casualty losses.

19. **INDEMNITY**: Each party will indemnify and hold the other party harmless from any property damage, personal injury, suits, actions, liabilities, damages, cost of repairs or service to the leased premises or Property, or any other loss caused, negligently or otherwise, by that party or that party's employees, patrons, guests, or invitees.

**20. DEFAULT:**

- A. If Landlord fails to comply with this lease within 30 days after Tenant notifies Landlord of Landlord's failure to comply, Landlord will be in default and Tenant may seek any remedy provided by law. If, however, Landlord's non-compliance reasonably requires more than 30 days to cure, Landlord will not be in default if the cure is commenced within the 30-day period and is diligently pursued.

- B. If Landlord does not actually receive at the place designated for payment any rent due under this lease within 5 days after it is due, Tenant will be in default. If Tenant fails to comply with this lease for any other reason within 10 days after Landlord notifies Tenant of its failure to comply, Tenant will be in default.
- C. If Tenant is in default, Landlord may: (i) terminate Tenant's right to occupy the leased premises by providing Tenant with at least 3 days written notice; and (ii) accelerate all rents which are payable during the remainder of this lease or any renewal period without notice or demand. Landlord will attempt to mitigate any damage or loss caused by Tenant's breach by using commercially reasonable means. If Tenant is in default, Tenant will be liable for:
- (1) any lost rent;
  - (2) Landlord's cost of reletting the leased premises, including brokerage fees, advertising fees, and other fees necessary to relet the leased premises;
  - (3) repairs to the leased premises for use beyond normal wear and tear;
  - (4) all Landlord's costs associated with eviction of Tenant, such as attorney's fees, court costs, and prejudgment interest;
  - (5) all Landlord's costs associated with collection of rent such as collection fees, late charges, and returned check charges;
  - (6) cost of removing any of Tenant's equipment or fixtures left on the leased premises or Property;
  - (7) cost to remove any trash, debris, personal property, hazardous materials, or environmental contaminants left by Tenant or Tenant's employees, patrons, guests, or invitees in the leased premises or Property;
  - (8) cost to replace any unreturned keys or access devices to the leased premises, parking areas, or Property;
  - (9) any other recovery to which Landlord may be entitled under this lease or under law.
21. **ABANDONMENT, INTERRUPTION OF UTILITIES, REMOVAL OF PROPERTY, AND LOCKOUT:** Chapter 93 of the Texas Property Code governs the rights and obligations of the parties with regard to: (a) abandonment of the leased premises; (b) interruption of utilities; (c) removal of Tenant's property; and (d) "lock-out" of Tenant.
22. **HOLDOVER:** If Tenant fails to vacate the leased premises at the time this lease ends, Tenant will become a tenant-at-will and must vacate the leased premises immediately upon receipt of demand from Landlord. No holding over by Tenant, with or without the consent of Landlord, will extend this lease. Tenant will indemnify Landlord and any prospective tenants for any and all damages caused by the holdover. Rent for any holdover period will be 2 times the base monthly rent plus any additional rent calculated on a daily basis and will be immediately due and payable daily without notice or demand.
23. **LANDLORD'S LIEN AND SECURITY INTEREST:** To secure Tenant's performance under this lease, Tenant grants to Landlord a lien and security interest against all of Tenant's nonexempt personal property that is in the leased premises or Property. This lease is a security agreement for the purposes of the Uniform Commercial Code. Landlord may file a copy of this lease as a financing statement.
24. **ASSIGNMENT AND SUBLETTING:** Landlord may assign this lease to any subsequent owner of the Property. Tenant may not assign this lease or sublet any part of the leased premises without Landlord's written consent. An assignment of this lease or subletting of the leased premises without Landlord's written consent is voidable by Landlord. If Tenant assigns this lease or sublets any part of the leased premises, Tenant will remain liable for all of Tenant's obligations under this lease regardless if the assignment or sublease is made with or without the consent of Landlord.

**25. RELOCATION:**

- A. By providing Tenant with not less than 90 days advanced written notice, Landlord may require Tenant to relocate to another location in the Property, provided that the other location is equal in size or larger than the leased premises then occupied by Tenant and contains similar leasehold improvements. Landlord will pay Tenant's reasonable out-of-pocket moving expenses for moving to the other location. "Moving expenses" means reasonable expenses payable to professional movers, utility companies for connection and disconnection fees, wiring companies for connecting and disconnecting Tenant's office equipment required by the relocation, and printing companies for reprinting Tenant's stationary and business cards. A relocation of Tenant will not change or affect any other provision of this lease that is then in effect, including rent and reimbursement amounts, except that the description of the suite or unit number will automatically be amended.
- B. Landlord may not require Tenant to relocate to another location in the Property without Tenant's prior consent.

**26. SUBORDINATION:**

- A. This lease and Tenant's leasehold interest are and will be subject, subordinate, and inferior to:
- (1) any lien, encumbrance, or ground lease now or hereafter placed on the leased premises or the Property that Landlord authorizes;
  - (2) all advances made under any such lien, encumbrance, or ground lease;
  - (3) the interest payable on any such lien or encumbrance;
  - (4) any and all renewals and extensions of any such lien, encumbrance, or ground lease;
  - (5) any restrictive covenant affecting the leased premises or the Property; and
  - (6) the rights of any owners' association affecting the leased premises or Property.
- B. Tenant must, on demand, execute a subordination, attornment, and non-disturbance agreement that Landlord may request that Tenant execute, provided that such agreement is made on the condition that this lease and Tenant's rights under this lease are recognized by the lien-holder.

- 27. ESTOPPEL CERTIFICATES:** Within 10 days after receipt of a written request from Landlord, Tenant will execute and deliver to Landlord an estoppel certificate that identifies the terms and conditions of this lease.

**28. CASUALTY LOSS:**

- A. Tenant must immediately notify Landlord of any casualty loss in the leased premises. Within 20 days after receipt of Tenant's notice of a casualty loss, Landlord will notify Tenant if the leased premises are less than or more than 50% unusable, on a per square foot basis, and if Landlord can substantially restore the leased premises within 120 days after Tenant notifies Landlord of the casualty loss.
- B. If the leased premises are less than 50% unusable and Landlord can substantially restore the leased premises within 120 days after Tenant notifies Landlord of the casualty, Landlord will restore the leased premises to substantially the same condition as before the casualty. If Landlord fails to substantially restore within the time required, Tenant may terminate this lease.
- C. If the leased premises are more than 50% unusable and Landlord can substantially restore the leased premises within 120 days after Tenant notifies Landlord of the casualty, Landlord may: (1) terminate this lease; or (2) restore the leased premises to substantially the same condition as before the casualty. If Landlord chooses to restore and does not substantially restore the leased premises within the time required, Tenant may terminate this lease.
- D. If Landlord notifies Tenant that Landlord cannot substantially restore the leased premises within 120 days after Tenant notifies Landlord of the casualty loss, Landlord may: (1) choose not to restore and terminate this lease; or (2) choose to restore, notify Tenant of the estimated time to restore, and give Tenant the option to terminate this lease by notifying Landlord within 10 days.

E. If this lease does not terminate because of a casualty loss, rent will be reduced from the date Tenant notifies Landlord of the casualty loss to the date the leased premises are substantially restored by an amount proportionate to the extent the leased premises are unusable.

29. **CONDEMNATION:** If after a condemnation or purchase in lieu of condemnation the leased premises are totally unusable for the purposes stated in this lease, this lease will terminate. If after a condemnation or purchase in lieu of condemnation the leased premises or Property are partially unusable for the purposes of this lease, this lease will continue and rent will be reduced in an amount proportionate to the extent the leased premises are unusable. Any condemnation award or proceeds in lieu of condemnation are the property of Landlord and Tenant has no claim to such proceeds or award. Tenant may seek compensation from the condemning authority for its moving expenses and damages to Tenant's personal property.

30. **ATTORNEY'S FEES:** Any person who is a prevailing party in any legal proceeding brought under or related to the transaction described in this lease is entitled to recover prejudgment interest, reasonable attorney's fees, and all other costs of litigation from the nonprevailing party.

31. **REPRESENTATIONS:**

A. Tenant's statements in this lease and any application for rental are material representations relied upon by Landlord. Each party signing this lease represents that he or she is of legal age to enter into a binding contract and is authorized to sign the lease. If Tenant makes any misrepresentation in this lease or in any application for rental, Tenant is in default.

B. Landlord is not aware of any material defect on the Property that would affect the health and safety of an ordinary person or any environmental hazard on or affecting the Property that would affect the health or safety of an ordinary person, except: N/A

C. Each party and each signatory to this lease represents that: (1) it is not a person named as a Specially Designated National and Blocked Person as defined in Presidential Executive Order 13224; (2) it is not acting, directly or indirectly, for or on behalf of a Specially Designated and Blocked Person; and (3) is not arranging or facilitating this lease or any transaction related to this lease for a Specially Designated and Blocked Person. Any party or any signatory to this lease who is a Specially Designated and Blocked person will indemnify and hold harmless any other person who relies on this representation and who suffers any claim, damage, loss, liability or expense as a result of this representation.

32. **BROKERS:**

A. The brokers to this lease are:

<u>Cooperating Broker</u>		<u>License No.</u>	<u>Donlie McMullin</u>	<u>Principal Broker</u>	<u>333739</u>	<u>License No.</u>
<u>Address</u>		<u>202 South First Copperas Cove Texas</u>				
<u>Phone</u>	<u>Fax</u>	<u>Phone</u>	<u>Fax</u>			
<u>E-mail</u>		<u>E-mail</u>				

Cooperating Broker represents Tenant.

Principal Broker: (Check only one box)  
 represents Landlord only.  
 represents Tenant only.  
 is an intermediary between Landlord and Tenant.

B. Fees:

- (1) Principal Broker's fee will be paid according to: *(Check only one box)*.
  - (a) a separate written commission agreement between Principal Broker and:
    - Landlord  Tenant.
  - (b) the attached Addendum for Broker's Fee.
- (2) Cooperating Broker's fee will be paid according to: *(Check only one box)*.
  - (a) a separate written commission agreement between Cooperating Broker and:
    - Principal Broker  Landlord  Tenant.
  - (b) the attached Addendum for Broker's Fee.

33. **ADDENDA:** Incorporated into this lease are the addenda, exhibits and other information marked in the Addenda and Exhibit section of the Table of Contents. If Landlord's Rules and Regulations are made part of this lease, Tenant agrees to comply with the Rules and Regulations as Landlord may, at its discretion, amend from time to time.

34. **NOTICES:** All notices under this lease must be in writing and are effective when hand-delivered, sent by mail, or sent by facsimile transmission to:

Tenant at the leased premises,  
and a copy to: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

Tenant also consents to receive notices by e-mail at: \_\_\_\_\_

Landlord at: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

and a copy to: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

Landlord also consents to receive notices by e-mail at: \_\_\_\_\_

35. **SPECIAL PROVISIONS:**

If the City Council does not appropriate the funds to lease there will be a 6 month lease penalty to terminate this lease early.

Please see attached.

*Lease Rate starts at \$1.00 per square Foot and will be Adjusted up or Down Depending on size of Building*



**36. AGREEMENT OF PARTIES:**

- A. Entire Agreement: This lease contains the entire agreement between Landlord and Tenant and may not be changed except by written agreement.
- B. Binding Effect: This lease is binding upon and inures to the benefit of the parties and their respective heirs, executors, administrators, successors, and permitted assigns.
- C. Joint and Several: All Tenants are jointly and severally liable for all provisions of this lease. Any act or notice to, or refund to, or signature of, any one or more of the Tenants regarding any term of this lease, its renewal, or its termination is binding on all Tenants.
- D. Controlling Law: The laws of the State of Texas govern the interpretation, performance, and enforcement of this lease.
- E. Severable Clauses: If any clause in this lease is found invalid or unenforceable by a court of law, the remainder of this lease will not be affected and all other provisions of this lease will remain valid and enforceable.
- F. Waiver: Landlord's delay, waiver, or non-enforcement of acceleration, contractual or statutory lien, rental due date, or any other right will not be deemed a waiver of any other or subsequent breach by Tenant or any other term in this lease.
- G. Quiet Enjoyment: Provided that Tenant is not in default of this lease, Landlord covenants that Tenant will enjoy possession and use of the leased premises free from material interference.
- H. Force Majeure: If Landlord's performance of a term in this lease is delayed by strike, lock-out, shortage of material, governmental restriction, riot, flood, or any cause outside Landlord's control, the time for Landlord's performance will be abated until after the delay.
- I. Time: Time is of the essence. The parties require strict compliance with the times for performance.

**Brokers are not qualified to render legal advice, property inspections, surveys, engineering studies, environmental assessments, tax advice, or compliance inspections. The parties should seek experts to render such services. READ THIS LEASE CAREFULLY. If you do not understand the effect of this Lease, consult your attorney BEFORE signing.**

\_\_\_\_\_  
 Tenant  
 By \_\_\_\_\_ Date \_\_\_\_\_  
 Printed Name \_\_\_\_\_  
 Title \_\_\_\_\_

\_\_\_\_\_  
 Landlord  
 By \_\_\_\_\_ Date 5/30/08  
 Printed Name Jagh Smith  
 Title Donnie McMullin

\_\_\_\_\_  
 Tenant  
 By \_\_\_\_\_ Date \_\_\_\_\_  
 Printed Name \_\_\_\_\_  
 Title \_\_\_\_\_

\_\_\_\_\_  
 Landlord  
 By \_\_\_\_\_ Date \_\_\_\_\_  
 Printed Name \_\_\_\_\_  
 Title \_\_\_\_\_



TEXAS ASSOCIATION OF REALTORS®

COMMERCIAL LEASE ADDENDUM FOR EXTENSION OPTION

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ADDENDUM TO THE COMMERCIAL LEASE BETWEEN THE UNDERSIGNED PARTIES CONCERNING THE LEASED PREMISES AT 214 West Ave. E, Copperas Cove, TX 76522

- A. At Tenant's option, Tenant may extend the term of above-referenced lease for 5 additional term(s) of 12 months each.
B. Tenant may exercise Tenant's option(s) to extend under Paragraph A only by providing written notice to Landlord at least 60 days before the end of the then current term of the lease.
C. Tenant may not exercise Tenant's option(s) to extend under Paragraph A if the lease is terminated before Tenant exercises its option to extend or Tenant is in breach of the lease at the time Tenant exercises its option to extend.
D. During the additional term(s), all provisions of the lease will continue as in effect immediately before the extension(s) commences except the base monthly rent during the additional term(s) will be:

Table with 5 rows showing rent amounts and dates: (1) \$ 2,400.00 from January 1, 2010 to January 28, 2011; \$ 2,500.00 from January 28, 2011 to January 28, 2012; \$ 2,600.00 from January 28, 2012 to January 28, 2013; \$ 2,700.00 from January 28, 2013 to January 28, 2014; \$ 2,800.00 from January 28, 2014 to January 28, 2015.

- (2) adjusted to reflect increases in the Consumer Price Index for "All Urban Consumers, U.S. City Average, All Items", issued by the Bureau of Labor Statistics of the U.S. Department of Labor.
(3) the prevailing rental rate on the 45th day before the additional term commences for premises of comparable size, quality, condition, improvements, utility, location, and length of term for tenants of similar credit standing as Tenant.

E. If Paragraph D(3) applies and the parties do not agree on the amount of the prevailing rental rate for the additional term before the 30th day before the additional term commences, each party will employ a state-certified appraiser and deliver the appraiser's written opinion of the prevailing rental rate to the other

(TAR-2104) 5-26-06 Initialed for Identification by Tenant: \_\_\_\_\_, \_\_\_\_\_, and Landlord: \_\_\_\_\_ Page 1 of 2

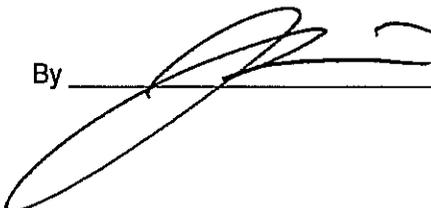
party not later than the 15th day before the additional term commences. If the appraisers' opinions do not vary by more than 10%, the prevailing rental rate will be the average of the two opinions. If the appraisers' opinions vary by more than 10%, the appraisers will jointly select a third appraiser whose fees will be shared equally by the parties. If a third appraiser is engaged, the prevailing rental rate will be the average of the two opinions that are closest in amount. If either party fails to employ or timely deliver an appraiser's opinion as required by this paragraph, the opinion rendered by the appraiser employed by the other party will determine the prevailing rental rate.

F. Special Provisions:

\_\_\_\_\_  
Tenant

Donlie McMullin Realty  
\_\_\_\_\_  
Landlord

By \_\_\_\_\_  
Date

By  \_\_\_\_\_ 5/30/08  
Date

\_\_\_\_\_  
Tenant

\_\_\_\_\_  
Landlord

By \_\_\_\_\_  
Date

By \_\_\_\_\_  
Date

1. NON-APPROPRIATION AMENDMENTS. All of Section 6 of the Master Lease is deleted and replaced with the following:

"6. TERMINATION FOR GOVERNMENTAL NON-APPROPRIATIONS.

"6.1 For the Lease, Lessee represents and warrants: that it has appropriated and budgeted the necessary funds to make all

Rent Payments required pursuant to such Lease for the remainder of the fiscal year in which the Lease Term commences; and

that it currently intends to make Rent Payments for the full Lease Term as scheduled in the applicable Payment Schedule if

funds are appropriated for the Rent Payments in each succeeding fiscal year by its governing body. Without contractually

committing itself to do so, Lessee reasonably believes that moneys in an amount sufficient to make all Rent Payments can and

will lawfully be appropriated and made available for such Rent Payments. All Rent Payments shall be payable out of the

general funds of Lessee or out of other funds legally available for such Rent Payments. Lessor agrees that the Lease will not

be a general obligation of Lessee and the Lease shall not constitute a pledge of either the full faith and credit of Lessee or the

taxing power of Lessee.

"6.2 If Lessee's governing body fails to appropriate sufficient funds in any fiscal year for Rent Payments or other payments

due under the Lease and if other funds are not legally available for such payments, then a "Non-Appropriation Event" shall be

deemed to have occurred. If a Non-Appropriation Event occurs, then: (a) Lessee shall give Lessor immediate notice of such

Non-Appropriation Event and provide written evidence of such failure by Lessee's governing body; (b) on the Return Date,

Lessee shall return to Lessor all, but not less than all, of the Equipment covered by the Lease, at Lessee's sole expense, in

accordance with Section 21 hereof (provided, that if under applicable State law Lessee's obligation to pay the expenses of

returning the Equipment would render the Lease void or unenforceable under State law, then Lessee shall not be obligated to



pay the expenses of returning the Equipment under section 21 hereof, but Lessee shall be required to cooperate with Lessor

in Lessor's taking possession of the Equipment); and (c) the Lease shall terminate on the Return Date without penalty to

Lessee, provided, that Lessee shall pay all Rent Payments and other amounts payable under the Lease for which funds shall

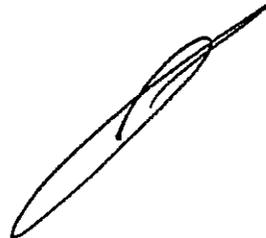
have been appropriated or are otherwise legally available, provided further, that Lessee shall pay month-to-month rent at the

rate set forth in the Lease for each month or part thereof that Lessee fails to return the Equipment under this Section 6.2.

"Return Date" means the last day of the fiscal year for which appropriations were made for the Rent Payments due under the

Lease."

Section 12A, would like for it to read under (1) that entry into the premises would be by written permission only

A handwritten signature or scribble, possibly a name, written in black ink. It consists of several overlapping loops and a long, thin tail extending to the right.



TEXAS ASSOCIATION OF REALTORS®

COMMERCIAL LEASE RIGHT OF FIRST REFUSAL ADDENDUM

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ADDENDUM TO THE COMMERCIAL LEASE BETWEEN THE UNDERSIGNED PARTIES CONCERNING THE LEASED PREMISES AT 214 West Ave. E, Copperas Cove, TX 76522

A. "Additional space" means all or part of the following areas along with all its improvements:

- (1) the following floors in the Property:
(2) the following suites in the Property, presently identified, as: Suite B
(3)

The parties agree that the rentable area of the additional space may not equal the actual or useable area within the additional space and may include an allocation of common areas in the Property.

B. If Landlord receives an acceptable written offer from another person to lease the additional space at a time when the above-referenced lease is in effect, Landlord will notify Tenant of the offer. Not later than 7 days after Tenant receives Landlord's notice of the offer, Tenant may notify Landlord that Tenant will lease the additional space identified in the offer under the same terms and conditions in the offer. If Tenant notifies Landlord that Tenant will lease the additional space identified in the offer, Tenant must execute a written lease for the additional space identified in the offer or amend the above-referenced lease, as Landlord may require, not later than days after Tenant receives Landlord's notice. If Tenant fails to timely comply with this paragraph, Landlord may lease the additional space identified in the offer to the person who made the offer. If Tenant does not exercise its right to lease the additional space identified in the offer and Landlord does not lease the additional space identified in the offer to the person who made the offer, Tenant does not retain the right of refusal under this addendum for any subsequent offers Landlord receives for the additional space identified in the offer.

C. An offer for part of the additional space affects the parties' rights and obligations only to the part of the additional space identified in the offer. Rights and obligations to parts of the additional space not identified in the offer are not affected. An offer to renew a lease for the additional space from a tenant occupying the additional space is not an offer to lease the additional space for the purposes of this addendum.

D. Special Provisions:

Tenant
By
Date

Donlie McMullin Realty
Landlord
By
Date

Tenant
By
Date

Landlord
By
Date



TEXAS ASSOCIATION OF REALTORS®  
**COMMERCIAL LEASEHOLD CONSTRUCTION ADDENDUM**  
**(Landlord to Complete Construction)**

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**ADDENDUM TO THE COMMERCIAL LEASE BETWEEN THE UNDERSIGNED PARTIES CONCERNING THE LEASED PREMISES AT 214 West Ave. E, Copperas Cove, TX 76522**

A. On or before October 1, 2008, Landlord will substantially complete the improvements to the leased premises as described below.

- (1) Landlord will complete the following improvements:  
 Landlord will construct Building.  
 Plans will be approved by City Manager

Any Delays in permitting Process will be added to Time for Completion

- (2) On or before \_\_\_\_\_, Tenant will specify in a separate written notice to Landlord the improvements that Tenant desires Landlord to complete. If Landlord objects to any desired improvement, Tenant will promptly amend Tenant's notice to comply with Landlord's objections. Landlord will not unreasonably object to Tenant's desired improvements.

B. On or before \_\_\_\_\_, Landlord will notify Tenant of the total cost to complete the improvements described in Paragraph A, including but not limited to costs of construction, permits, and plans. The total cost to complete the improvements may not exceed \_\_\_\_\_ (maximum cost). Landlord will pay \_\_\_\_\_ of the cost to complete the improvements and Tenant will pay the remainder. If the total cost to complete the improvements exceeds the maximum cost, the lease will terminate and have no further effect unless a party notifies the other party within \_\_\_\_\_ days after Landlord notifies Tenant of the cost to complete the improvements that it will pay the excess.

C. Unless otherwise agreed by the parties in writing, any amount required to be paid by Tenant under this addendum must be paid by Tenant to Landlord before construction of the improvements commences.

D. All construction required by this addendum will be performed by trained and qualified persons in a good workman-like manner and will comply with applicable building codes, local ordinances, governmental regulations, and statutes (e.g., ADA, Architectural Barriers). Landlord will obtain any required certificate of occupancy.

(TAR-2111) 5-26-06                      Initialed for Identification by Tenant: \_\_\_\_\_, \_\_\_\_\_, and Landlord: \_\_\_\_\_, \_\_\_\_\_

Donlie McMullin Realty 202 S. 1st Street, Copperas Cove TX 76522  
 Phone: 254-547-0172                      Fax:                      Jack Smith

E. Tenant may, at reasonable times during construction, inspect the construction of the improvements. Tenant may object to any deficiencies in the completion of the improvements by providing specific written notice to Landlord and Landlord will promptly cure the deficiencies. Upon completion of the improvements, Tenant will acknowledge in writing (e.g., TAR No. 2113) that the improvements have been completed and that Tenant accepts the leased premises for the purposes of the lease.

F. Paragraph 3B of the lease governs any delay in the commencement of the lease or occupancy by Tenant caused by the construction of the improvements.

G. Special Provisions:

\_\_\_\_\_  
Tenant  
\_\_\_\_\_  
Landlord *Donlie McMullin*

By \_\_\_\_\_ Date \_\_\_\_\_  
By *[Signature]* \_\_\_\_\_ Date \_\_\_\_\_

\_\_\_\_\_  
Tenant  
\_\_\_\_\_  
Landlord  
By \_\_\_\_\_ Date \_\_\_\_\_  
By \_\_\_\_\_ Date \_\_\_\_\_

# City of Copperas Cove

## City Council Agenda Item Report

June 3, 2008

### Agenda Item I-5

Contact – Andrea M. Gardner, City Manager, 547-4221  
agardner@ci.copperas-cove.tx.us

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**SUBJECT: Consideration and action on authorizing the City Manager to enter into a commercial lease agreement with Donlie McMullin Realty.**

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#### 1. BACKGROUND/HISTORY

The current office space at City Hall no longer meets the needs for office space, equipment and records storage. As a result, City staff has resorted to storing equipment and records at off-site storage facilities. The total cost associated with the off-site storage is approximately \$219.10 per month, with expectations this amount will increase in the near future.

#### 2. FINDINGS/CURRENT ACTIVITY

With other projects continually having a higher priority and funding constraints, the construction or relocation of City Hall is fast becoming a distant future option. In an effort to provide additional space, City staff has reviewed multiple options over the past year. One such option came into existence with the possibility of the Coryell County Appraisal District planning to locate a satellite office in Copperas Cove. As a result of this opportunity, City staff and the Chief Appraiser for Coryell County discussed the option of leasing an office facility that would provide common use areas for both entities, therefore reducing the monthly expense for both.

The current City Departments being considered for relocation are Planning, Building Inspections and Code Enforcement. The proposed lease term is 24 months, commencing on December 31, 2008 and expiring on December 31, 2010. The lease agreement includes non-appropriations language and has been reviewed by the City Attorney.

#### 3. FINANCIAL IMPACT

The monthly lease price is \$1.00 per square foot with the square footage for the City's portion guaranteed not to exceed 2400 square feet, thus the total monthly lease payment will not exceed \$2,400.

Funding for the deposit amount of \$2,300 plus the first month's lease amount of \$2,300 is due by June 30, 2008. Current funding for the deposit and first month's lease amount is not available in the FY 2008 Budget; therefore, funding is included in the proposed budget amendment included on the June 3, 2008 agenda and planned for inclusion on the June 17, 2008 agenda.

Should the City Council elect not to provide funding for the lease of the facility in the FY 2009 Adopted Budget, the agreement does include non-appropriations language.

**4. OPTIONS/RECOMMENDATION**

City Staff recommends authorization be granted to the City Manager to enter into a commercial lease agreement with Donlie McMullin Realty.