



**NOTICE OF A REGULAR MEETING
THE BRENHAM CITY COUNCIL
THURSDAY, APRIL 5, 2018 AT 1:00 P.M.
SECOND FLOOR CITY HALL
COUNCIL CHAMBERS
200 W. VULCAN ST.
BRENHAM, TEXAS**

- 1. Call Meeting to Order**
- 2. Invocation and Pledges to the US and Texas Flags – City Manager James Fisher**
- 3. Proclamation**
 - **National Animal Care and Control Appreciation Week**
 - **Opioid Awareness and Health Day**
- 4. Citizens Comments**

Pages 1-2

CONSENT AGENDA

5. Statutory Consent Agenda

The Statutory Consent Agenda includes non-controversial and routine items that Council may act on with one single vote. A councilmember may pull any item from the Consent Agenda in order that the Council discuss and act upon it individually as part of the Regular Agenda.

5-a. Minutes from the March 22, 2018 Regular City Council Meeting **Pages 3-11**

WORK SESSION

- 6. Discuss and Review of the FY2017-18 First Quarter Financial Report**

Pages 12-30

PUBLIC HEARING

7. **Public Hearing to Consider Amending Appendix A – “Zoning” of the Code of Ordinances of the City of Brenham to Amend Part II, Division 2, Section 6, B-4 Neighborhood Business District, (Section 6.02), Permitted Uses (Non-Residential), to Add Fitness Facilities (Personal and Small Group Training Only) as a Permitted Use in the B-4 Neighborhood Business District (Case No. P-18-003)** **Pages 31-35**
8. **Public Hearing, Discussion and Receipt of Input Related to the Proposed Creation of Reinvestment Zone Number 42 Requested by D Bar B Sausage & Meats, LLC for Commercial Tax Phase-In Incentive on a Certain 3.0 Acre Tract of Land Located at 1909 Longwood Dr., Brenham, Texas, Being Described as Lot 2, of the Southwest Industrial Park, Section II, Reserve “B” Partition in the City of Brenham, Phillip Coe Survey, A-31, Washington County, Texas, with Boundaries Further Described in Exhibit “A” of the Ordinance Creating Reinvestment Zone 42, and Designating This Property as Qualifying for Tax Phase-In** **Pages 36-50**

REGULAR SESSION

9. **Discuss and Possibly Act Upon an Ordinance on Its First Reading Amending Appendix A – “Zoning” of the Code of Ordinances of the City of Brenham to Amend Part II, Division 2, Section 6, B-4 Neighborhood Business District, (Section 6.02), Permitted Uses (Non-Residential), to Add Fitness Facilities (Personal and Small Group Training Only) as a Permitted Use in the B-4 Neighborhood Business District (Case No. P-18-003)** **Pages 51-54**
10. **Discuss and Possibly Act Upon an Ordinance on its First Reading for the Creation of Reinvestment Zone Number 42 Requested by D Bar B Sausage & Meats, LLC for Commercial Tax Phase-In Incentive on a Certain 3.0 Acre Tract of Land Located at 1909 Longwood Dr., Brenham, Texas, Being Described as Lot 2, of the Southwest Industrial Park, Section II, Reserve “B” Partition in the City of Brenham, Phillip Coe Survey, A-31, Washington County, Texas, with Boundaries Further Described in Exhibit “A” of the Ordinance Creating Reinvestment Zone 42, and Designating This Property as Qualifying for Tax Phase-In** **Pages 55-61**
11. **Discuss and Possibly Act Upon a Professional Services Agreement with Rostan Solutions LLC for Services Related to All Aspects of Federal Public Assistance and Mitigation Assistance Following a Declared Disaster Incident and Authorize the Mayor to Execute Any Necessary Documentation** **Pages 62-69**
12. **Discuss and Possibly Act Upon a Memorandum of Agreement Between the City of Brenham and Blinn College for the Use of Blinn Softball Field at Hohlt Park and Authorize the Mayor to Execute Any Necessary Documentation** **Pages 70-75**

13. Discuss and Possibly Act Upon an Addendum to the Landfill Contract with Clean Harbors Environmental Services, Inc. Related to Landfill Disposal Rates and Authorize the Mayor to Execute Any Necessary Documentation **Pages 76-83**
14. Discuss and Possibly Act Upon a Contract with Ricoh USA, Inc. for Leased Office Automation Equipment and Authorize the Mayor to Execute Any Necessary Documentation **Pages 84-98**
15. Discuss and Possibly Act Upon a Request for a Noise Variance from the Brenham Maifest Association for the 2018 Maifest Events to be Held on April 28, 2018, May 3, 2018, May 4, 2018 and May 5, 2018 and Authorize the Mayor to Execute Any Necessary Documentation **Pages 99-101**
16. Discuss and Possibly Act Upon a Request for a Noise Variance from Calvary Baptist Church for a National Day of Prayer Event to be Held on May 3, 2018 from 12:00 p.m. – 1:00 p.m. at the Courthouse Gazebo and Authorize the Mayor to Execute Any Necessary Documentation **Pages 102-103**

EXECUTIVE SESSION

17. Section 551.071 and Section 551.072, Texas Government Code – Consultation with Attorney and Deliberation Regarding Real Property – Discussion and Deliberation, and Consultation with City Attorney, Regarding the Lease Between City of Brenham and Brenham Heritage Museum, Inc. Concerning the Real Property Located at 105 S. Market Street, and Associated Issues **Page 104**
18. Section 551.071 – Texas Government Code – Consultation with Attorney – Deliberation Regarding the Construction Contract Between the City of Brenham and GCP Contractors, LLC, Including But Not Limited to a Tender, Release and Substitution Agreement, the Termination of Said Contract and Other Associated Matters and Available Remedies **Page 105**

RE-OPEN REGULAR SESSION

19. Discuss and Possibly Act Upon a Tender, Release and Substitution Agreement, the Termination of the Construction Contract Between the City of Brenham and GCP Contractors, LLC, and Other Associated Matters and Available Remedies, and Authorize the Mayor to Execute Any Necessary Documentation **Page 106**
20. Administrative/Elected Officials Report
 - Request from Brenham Housing Authority to Terminate the Police Protection Agreement

Administrative/Elected Officials Reports: Reports from City Officials or City staff regarding items of community interest, including expression of thanks, congratulations or condolences; information regarding holiday schedules; honorary or salutory recognitions of public officials, public employees or other citizens; reminders about upcoming events organized or sponsored by the City; information regarding social, ceremonial, or community events organized or sponsored by a non-City entity that is scheduled to be attended by City officials or employees; and announcements involving imminent threats to the public health and safety of people in the City that have arisen after the posting of the agenda.

Adjourn

Executive Sessions: The City Council for the City of Brenham reserves the right to convene into executive session at any time during the course of this meeting to discuss any of the matters listed, as authorized by Texas Government Code, Chapter 551, including but not limited to §551.071 – Consultation with Attorney, §551.072 – Real Property, §551.073 – Prospective Gifts, §551.074 - Personnel Matters, §551.076 – Security Devices, §551.086 - Utility Competitive Matters, and §551.087 – Economic Development Negotiation

CERTIFICATION

I certify that a copy of the April 5, 2018 agenda of items to be considered by the City of Brenham City Council was posted to the City Hall bulletin board at 200 W. Vulcan, Brenham, Texas on April 2, 2018 at **12:45 PM.**

Kacey A. Weiss, TRMC

Deputy City Secretary

Disability Access Statement: This meeting is wheelchair accessible. The accessible entrance is located at the Vulcan Street entrance to the City Administration Building. Accessible parking spaces are located adjoining the entrance. Auxiliary aids and services are available upon request (interpreters for the deaf must be requested twenty-four (24) hours before the meeting) by calling (979) 337-7567 for assistance.

I certify that the attached notice and agenda of items to be considered by the City Council was removed by me from the City Hall bulletin board on the ____ day of _____, 2018 at _____ AM PM.

Signature

Title

PROCLAMATION

WHEREAS, In 2017, the Brenham Pet Adoption and Care Center responded to 1,204 calls for service. In addition to field work, Animal Services and Control Staff is devoted to animal welfare, humane education, and spay and neuter awareness; and

WHEREAS, The National Animal Care and Control Association has designated the second week of April each year as Animal Care and Control Appreciation Week; and

WHEREAS, This week of appreciation is designed to give recognition to the hard-working men and women of Animal Care and Control who risk their lives and devote huge amounts of personal time and resources, while they serve the public like other public safety and law enforcement agencies empowered with the same duties; and

WHEREAS, The City of Brenham would like to express its sincere thanks and appreciation for the outstanding service Brenham Animal Services and Control Officers provide on a daily basis to the Citizens of Brenham and to various Public Safety, Public Service Agencies and Departments; and

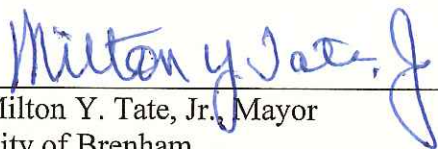
WHEREAS, Animal Care and Control Appreciation Week is a great time of year for Animal Care and Control agencies to connect with the community through local media outlets. Use of this time provides heightened awareness and informs the community of the services provided by Animal Care and Control and educates as many people as possible of the immense effort expended daily by their Animal Control Officers; and

WHEREAS, The City of Brenham recognizes the Animal Services Staff for the many dedicated and long hours of service they perform in serving the animals and the community;

NOW, THEREFORE I, Milton Y. Tate, Jr., Mayor of the City of Brenham, Texas do hereby proclaim April 8-14, 2018 as

National Animal Care and Control Appreciation Week




Milton Y. Tate, Jr., Mayor
City of Brenham

PROCLAMATION

- WHEREAS,** Texas and the City of Brenham value the health and safety of all our citizens; and
- WHEREAS,** The Brazos Valley Council on Alcohol and Substance Abuse (BVCASA), a 501 (c) 3 non-profit organization serving seven counties of the Brazos Valley Region, including Washington County, mission is to provide quality prevention, treatment and intervention services resulting in increased wellness and security in the region; and
- WHEREAS,** The Community Alcohol and Substance Awareness Partnership (CASAP) is a community coalition within the BVCASA agency focused on educating communities about the risks related to prescription opioid abuse and limiting accessibility to excess or expired medications; and
- WHEREAS,** Opioid overdoses have become a major cause of health risk throughout our country, state and region; and
- WHEREAS,** It is the goal of BVCASA and CASAP Coalition to provide a Town Hall meeting to address the nature of the opioid problem; offer professional explanation of the effects of opioids on the brain and body; and
- WHEREAS,** All citizens are urged to participate in the Town Hall meeting and to work all year long to protect our community from the dangers of opioid addiction and overdose;

NOW, THEREFORE I, Milton Y. Tate Jr., Mayor of the City of Brenham, do hereby proclaim April 26, 2018 as

Opioid Awareness and Health Day



Milton Y. Tate Jr.
Milton Y. Tate Jr., Mayor
City of Brenham

Brenham City Council Minutes

A regular meeting of the Brenham City Council was held on March 22, 2018 beginning at 1:00 p.m. in the Brenham City Hall, City Council Chambers, at 200 W. Vulcan Street, Brenham, Texas.

Members present:

Mayor Milton Y. Tate, Jr.
Mayor Pro Tem Andrew Ebel
Councilmember Susan Cantey
Councilmember Danny Goss
Councilmember Keith Herring
Councilmember Weldon Williams, Jr.

Members absent:

Councilmember Charlie Pyle

Others present:

City Attorney Cary Bovey, City Secretary Jeana Bellinger, Deputy City Secretary Kacey Weiss, Assistant City Manager – Chief Financial Officer Carolyn Miller, Comptroller Stacy Hardy, Human Resources Director Susan Nienstedt, Sara Parker, Kaci Konieczny, Cynthia Longhofer, Director of Community Services Wende Ragonis, Jennifer Eckermann, Tammy Jaster, Fire Chief Ricky Boeker, Interim Police Chief Rusty Pancoast, Dant Lange, Jared Campbell, Public Works Director Dane Rau, Assistant City Manager of Public Utilities Lowell Ogle, Debbie Gaffey, Allison Harper, Darlene Konieczny, Jo Ann Hynes, Kristi Jackson, Tara Wellmann, Christi Korth, Angeline Howard, Ande Bostain, Terry Fielder, Kelsey Toy, Dylan Hohlt, Shawn Bolenbarr, Jaquan Busby, Josh Daniels, Josh Gonzales, Ty Spivey and Terrence Hancock

Citizens present:

Gloria Nix, Page Michel, Candi Eaton, Jenny Mills, Michele Kwiatowski, David Bockhorn and Beth Rothermel

Media Present:

Arthur Hahn, Brenham Banner Press; and Mark Whitehead, KWHI

1. Call Meeting to Order

2. **Invocation and Pledges to the US and Texas Flags – Councilmember Herring**
3. **Special Presentation – Blue Bell Aquatic Center**
 - **Best of Aquatics Award for Community Outreach by Aquatics International**
 - **Recognition by the Texas Public Pool Association**
4. **Service Recognitions**
 - **Angeline Howard, Finance** **5 Years**
 - **Terry Fielder, Sewer Construction** **30 Years**
5. **Special Introduction**
 - **Animal Services Manager, Allison Harper**
6. **Citizens Comments**

There were no citizen comments.

CONSENT AGENDA

7. **Statutory Consent Agenda**
 - 7-a. **Minutes from the February 1, 2018 and February 15, 2018 Regular City Council Meetings and the March 1, 2018 Special City Council Meeting**

A motion was made by Councilmember Herring and seconded by Mayor Pro Tem Ebel to approve the Statutory Consent Agenda Item 7-a. as presented.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Andrew Ebel	Yes
Councilmember Susan Cantey	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Charlie Pyle	Absent
Councilmember Weldon Williams	Yes

REGULAR SESSION

8. Discuss and Possibly Act Upon the Acceptance of the Audit from Seidel Schroeder for Fiscal Year 2017

Assistant City Manager – Chief Financial Officer Carolyn Miller and Seidel Schroeder Audit Partner, Michele Kwiatowski, presented this item. Kwiatowski advised Council that state law requires that all general-purpose local governments publish, within six months of the close of the fiscal year, a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Kwiatowski advised the financial statements present fairly, in all material aspects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Brenham, Texas. Kwiatowski stated that pursuant to State requirements, and on behalf of the Finance Department, she would like to present the Comprehensive Annual Financial Report (CAFR) of the City of Brenham for the fiscal year ended September 30, 2017.

A motion was made by Mayor Pro Tem Ebel and seconded by Councilmember Cantey to accept the audit from Seidel Schroeder for Fiscal Year 2017.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Andrew Ebel	Yes
Councilmember Susan Cantey	Yes
Councilmember Danny Goss	Abstain
Councilmember Keith Herring	Yes
Councilmember Charlie Pyle	Absent
Councilmember Weldon Williams	Yes

WORK SESSION

9. Presentation of the First Quarter Report by the Washington County Convention and Visitors Bureau

Jenny Mills with the Washington County Convention and Visitors Bureau presented this item. Mills focused on the highlights featured in the First Quarter Report for October – December 2017, pointing out the visitor statistics, major tourism events, advertising placements and editorial coverage.

10. Discussion and Presentation of the Main Street Brenham 2018 Work Plan

Main Street Manager Jennifer Eckermann presented this item. Eckermann explained that Main Street Brenham follows the 4-point approach in its downtown revitalization efforts – design, organization, promotion and economic restructuring. Eckermann highlighted the plans of each of these committees for the coming year.

RE-OPEN REGULAR SESSION

11. Discuss and Possibly Act Upon an Equipment Financing Proposal with Bank of Brenham for Replacement Virtual Server Environment Equipment and Authorize the Mayor to Execute Any Necessary Documentation

Assistant City Manager – Chief Financial Officer Carolyn Miller presented this item. Miller explained that this is a companion item for the financing of equipment for the Information Technology Department as presented by Kevin Schmidt, IT Department Manager, at the February 15, 2018 City Council meeting. Miller stated the FY17-18 adopted budget included the lease purchase of Virtual Server Environment Replacement Equipment for the IT Department. Miller advised that Bancorp South, Bank of Brenham and JPMorgan Chase submitted proposals.

A motion was made by Councilmember Cantey and seconded by Councilmember Williams to approve an equipment financing proposal with Bank of Brenham for replacement virtual server equipment for 3 years at an interest rate of 3.08% with annual payments of principal and interest, each in arrears, equal to \$30,509.67 beginning one year from date of funding and authorize the Mayor Pro Tem to execute any necessary documentation.

Mayor Pro Tem Ebel called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Abstain
Mayor Pro Tem Andrew Ebel	Yes
Councilmember Susan Cantey	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Charlie Pyle	Absent
Councilmember Weldon Williams	Yes

12. Discuss and Possibly Act Upon a Professional Services Agreement with Strand Associates, Inc. for Storm Sewer and Sidewalk Improvements Along Church Street and Park Street and Authorize the Mayor to Execute Any Necessary Documentation

Public Works Director Dane Rau presented this item. Rau explained that over the past few years' staff has received complaints or heard concerns regarding multiple areas throughout the City that have drainage and/or flooding issues. Rau stated the project is to construct storm sewer and sidewalk improvements along Church Street and Park Street in the southern part of downtown. Rau advised that this area has had interest from potential investors; however, the lack of adequate drainage facilities is deterring economic development. Rau explained that with potential new investment, this area is now positioned for growth and redevelopment, which may increase pedestrian and retail traffic.

A motion was made by Councilmember Herring and seconded by Councilmember Cantey to approve a Professional Services Agreement with Strand Associates, Inc. for storm sewer and sidewalk improvements along Church Street and Park Street up to an amount not to exceed \$71,280 and authorize the Mayor to execute any necessary documentation.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Andrew Ebel	Yes
Councilmember Susan Cantey	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Charlie Pyle	Absent
Councilmember Weldon Williams	Yes

13. Discuss and Possibly Act Upon a Proposed Rate Increase by Waste Connections Inc. for Commercial Sanitation Services Within the City of Brenham and Authorize the Mayor to Execute Any Necessary Documentation

Public Works Director Dane Rau presented this item. Rau explained that on March 22, 2016 the City of Brenham entered into an exclusive agreement with Progressive Waste (now known as Waste Connections) to provide commercial garbage collection to local businesses and industries within the city limits. Rau stated the original agreement was for five (5) years with a commencement date of May 1, 2016. Rau advised that due to the most recent Consumer Price Index changes from 2017-2018 combined with increased disposal fees, Waste Connections has informed staff that a 3.86% increase is needed at this time to cover those additional operational costs. Rau noted that if approved, the increased rates would become effective May 1, 2018.

A motion was made by Councilmember Cantey and seconded by Mayor Pro Tem Ebel to approve a 3.86% rate increase by Waste Connections Inc. for Commercial Sanitation Services within the City of Brenham and authorize the Mayor to execute any necessary documentation.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Andrew Ebel	Yes
Councilmember Susan Cantey	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Charlie Pyle	Absent
Councilmember Weldon Williams	Yes

14. Discuss and Possibly Act Upon Bid No. 18-007 for Mowing and Cleanup Services for Various City Departments and Authorize the Mayor to Execute Any Necessary Documentation

Public Works Director Dane Rau presented this item. Rau explained that on February 27th, the Purchasing Department opened bids for the annual Mowing and Cleanup Services that are performed throughout the city. Rau stated there were four bids received. Rau noted that originally, in 2016, this bid consisted of 18 locations along with code enforcement, but due to operational changes and the addition of the Owsley Gardens, library expansion and Jackson Street Park, it has increased to 21 locations. Rau explained that based on the bid recap, Gene's Services submitted the lowest bid. Rau stated that staff feels very comfortable awarding the bid to Gene's Services since he has been the current vendor for the past five years. Rau advised that total costs expected annually based off 32 mowing's per year is \$55,191.00.

A motion was made by Councilmember Williams and seconded by Councilmember Cantey to award Bid No. 18-007 to Gene's Services for mowing and cleanup services for various city departments and authorize the Mayor to execute any necessary documentation.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Andrew Ebel	Yes
Councilmember Susan Cantey	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Charlie Pyle	Absent
Councilmember Weldon Williams	Yes

15. Discuss and Possibly Act Upon the Acceptance of a Donation in the Amount of \$20,000.00 to the Brenham Pet Adoption and Care Center and Authorize the Mayor to Execute Any Necessary Documentation

Interim Police Chief Rusty Pancoast presented this item. Pancoast explained that Robert and Angela Knauss have given a donation to the animal shelter for \$20,000.00 and requested that the money be split between the construction of Phase 2 at the Animal Shelter and animal adoption and community outreach efforts.

A motion was made by Councilmember Cantey and seconded by Mayor Pro Tem Ebel to accept a donation in the amount of \$20,000.00 from the Knauss Family to the Brenham Pet Adoption and Care Center and authorize the Mayor to execute any necessary documentation.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Andrew Ebel	Yes
Councilmember Susan Cantey	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Charlie Pyle	Absent
Councilmember Weldon Williams	Yes

16. Discuss and Possibly Act Upon a Request for a Noise Variance from Jesus Christ is the Answer for a Church Gathering on March 23, 2018 from 7:00 p.m. – 10:00 p.m. at Fireman's Park and Authorize the Mayor to Execute Any Necessary Documentation

Deputy City Secretary Kacey Weiss presented this item. Weiss stated that the church gathering will be from 7:00 p.m. – 10:00 p.m. at Fireman's Park and they will be using a sound amplification system. Weiss noted that the Brenham Police Department and the Brenham Fire Department have approved the noise variance request.

A motion was made by Councilmember Herring and seconded by Councilmember Cantey to approve a request for a noise variance from Jesus Christ is the Answer for a church gathering to be held on March 23, 2018 from 7:00 p.m. – 10:00 p.m. at Fireman's Park and authorize the Mayor to execute any necessary documentation.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Andrew Ebel	Yes
Councilmember Susan Cantey	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Charlie Pyle	Absent
Councilmember Weldon Williams	Yes

Council adjourned into Executive Session at 1:53 p.m.

EXECUTIVE SESSION

17. **Section 551.087 – Texas Government Code – Economic Development Negotiations – Discuss and Deliberate Project Chatt Regarding Commercial or Financial Information that the City Has Received from a Business Prospect and the Offer of Financial or Other Incentives to a Business Prospect that the City Seeks to Have Locate In or Near the City of Brenham and With Which the City is Conducting Economic Development Negotiations**
18. **Section 551.071 and Section 551.072, Texas Government Code – Consultation with Attorney and Deliberation Regarding Real Property – Discussion and Deliberation, and Consultation with City Attorney, Regarding the Lease Between City of Brenham and Brenham Heritage Museum, Inc. Concerning the Real Property Located at 105 S. Market Street, and Associated Issues**
19. **Section 551.071 – Texas Government Code – Consultation with Attorney – Deliberation Regarding the Construction Contract Between the City of Brenham and GCP Contractors, LLC, Including But Not Limited to a Tender, Release and Substitution Agreement, the Termination of Said Contract and Other Associated Matters and Available Remedies**

Executive Session adjourned at 2:01 p.m.

RE-OPEN REGULAR SESSION

20. **Discuss and Possibly Act Upon a Tender, Release and Substitution Agreement, the Termination of the Construction Contract Between the City of Brenham and GCP Contractors, LLC, and Other Associated Matters and Available Remedies, and Authorize the Mayor to Execute Any Necessary Documentation**

This item was passed.

21. Administrative/Elected Officials Report

Assistant City Manager – Chief Financial Officer Carolyn Miller reported on the following:

- City offices will be closed March 30th for the Good Friday Holiday.
- A letter was sent to the Governor's office last week requesting that the City be considered for Opportunity Zone funding.

Fire Chief Ricky Boeker reported on the following:

- Fire Department fish fry is March 23rd at the Fireman's Training Center.

City Secretary Jeana Bellinger reported on the following:

- Staff has prepared a Get Well Soon Banner for Councilmember Pyle, it is available today in the lobby for Councilmembers to sign.

Public Works Director Dane Rau reported on the following:

- Spring Clean-Up begins today.
- New signage has been placed on City Hall.

Interim Police Chief Rusty Pancoast reported on the following:

- Search for a new Police Chief is continuing and the finalist interviews are scheduled for April 4th.

The meeting was adjourned.

Milton Y. Tate, Jr.
Mayor

Jeana Bellinger, TRMC, CMC
City Secretary



AGENDA ITEM 6

DATE OF MEETING: April 5, 2018	DATE SUBMITTED: March 27, 2018	
DEPT. OF ORIGIN: Finance	SUBMITTED BY: Carolyn D. Miller	
MEETING TYPE: ☒ REGULAR ☐ SPECIAL ☐ EXECUTIVE SESSION	CLASSIFICATION: ☐ PUBLIC HEARING ☐ CONSENT ☐ REGULAR ☒ WORK SESSION	ORDINANCE: ☐ 1 ST READING ☐ 2 ND READING ☐ RESOLUTION
AGENDA ITEM DESCRIPTION: Discuss and Review of the FY2017-18 First Quarter Financial Report		
SUMMARY STATEMENT: See attached Financial Performance Report and Financial Statements for General Fund and Five Utility Funds		
STAFF ANALYSIS (For Ordinances or Regular Agenda Items): A. PROS: B. CONS:		
ALTERNATIVES (In Suggested Order of Staff Preference):		
ATTACHMENTS: (1) FY2017-18 First Quarter Financial Report from CFO; and (2) Financial Performance Reports for General Fund and Five Utility Funds		
FUNDING SOURCE (Where Applicable):		
RECOMMENDED ACTION:		
APPROVALS: James Fisher		



MEMORANDUM

To: Mayor, Council and City Manager

From: Carolyn D. Miller
Assistant City Manager - Chief Financial Officer

Subject: FY2017-18 First Quarter Financial Report

Date: March 27, 2018

The Finance Division is pleased to provide financial performance reports for the period ending December 31, 2017. The General Fund and the five major utility funds are presented. The General Fund includes a comparison of the first quarter actual versus the prior year and a comparison to budget. The utility funds include a first quarter comparison of actual to budget and a comparison to the annual budget. We are also presenting the Electric and Gas Funds without the impact of wholesale power/commodity costs and the associated pass-thru revenue.

Actual to Budget Comparison

The General Fund and the five utility funds experienced *favorable actual net revenues* for the first quarter. Relative to budget, the City experienced favorable performance in all funds except for Electric Distribution Fund and the Water Fund which were behind budget due to lower consumption. The City of Brenham's financial performance continues to be positive and no unusual or unanticipated trends are noted.

FINANCIAL PERFORMANCE SUMMARY

Fund	For Period Ending December 31, 2017				
	YTD Revenues	YTD Expenditures	Actual Net Revenues (Loss)	Budgeted Net Revenues (Loss)	Actual to Budget Comparison
General	\$ 4,104,971	\$ 4,093,412	\$ 11,560	\$ (292,048)	\$ 303,608
Electric Distribution	\$ 1,645,790	\$ 1,605,247	\$ 40,543	\$ 65,237	\$ (24,694)
Gas Distribution	\$ 337,561	\$ 316,485	\$ 21,076	\$ 6,307	\$ 14,769
Water	\$ 1,066,794	\$ 923,705	\$ 143,089	\$ 151,769	\$ (8,681)
Wastewater	\$ 1,046,341	\$ 907,913	\$ 138,428	\$ 21,989	\$ 116,439
Sanitation	\$ 767,444	\$ 619,081	\$ 148,363	\$ 116,896	\$ 31,467

GENERAL FUND

The General Fund posted actual net revenues of \$11,560 , compared to a budgeted net loss of (\$292,048). Revenues variances are noted below:

- Property taxes are higher than budget by \$86,788;
- Sales taxes are behind budget by \$24,158;
- Licenses, permits and fees are \$42,870 higher than budget with court fees accounting for \$28,700;
- Miscellaneous revenues are higher by \$41,025 with \$23,000 from a local government purchasing cooperative rebate program.

Transfers from the utility funds for shared services are tracking with budgeted levels.

Operating expenditures were favorable to budget by \$244,295 and specific categories are detailed below:

- Personnel is under budget by \$76,380 due to vacant positions in Development Services, Police, Streets, and Information Technology;
- Services are under budget by \$125,182 related mainly to the non-renewal of the New World contract for \$52,619, and the Compensation Study for \$40,000 which was not completed in first quarter;
- Sundry category is favorable by \$42,468 due to the savings from liability/casualty insurance renewal and the unallocated portion of the city manager's contingency.

Capital expenditures are tracked in Fund 236 Equipment Fund and are presented in Exhibit I.

ELECTRIC DISTRIBUTION

The Electric Fund had favorable distribution net revenues of \$40,543 for the first quarter as compared to budgeted income of \$65,237. Detail information is provided below:

- Total revenues were lower than budget by \$38,180 due to lower Kwh consumption;
- Departmental expenditures were slightly favorable to budget by \$19,310;
- Franchise taxes paid to the General Fund were lower than budget by \$6,654;
- Capital expenditures were ahead of budget by \$12,478 with \$7,310 of this variance due to a FY17 expenditure carryover of a new radio system installed on Jeffries Tower.

Capital expenditures are shown on the second page of the 1st quarter financial report.

GAS DISTRIBUTION

For the first quarter, the Gas Fund distribution posted favorable net revenues of \$21,076 compared to a budgeted income of \$6,307. Detail information is provided below:

- Total revenues were on track with budget;
- Departmental expenditures were lower than budget by \$7,497;
- Franchise taxes paid to the General Fund were on track with budget.

Capital expenditures are shown on the second page of the 1st quarter financial report.

WATER FUND

The Water Fund experienced favorable net revenues of \$143,089 for the first quarter, which was lower than the budgeted performance of \$151,769. Detail information is provided below:

- On the volume side, water consumption was lower than budget by 5.5 million gallons and revenues were unfavorable to budget by \$29,312;
- Department expenditures were favorable to budget by \$15,911;
- Franchise taxes paid to the General fund were \$2,017 lower than budget.

Capital expenditures are shown on the second page of the 1st quarter financial report.

WASTEWATER FUND

Net revenues for the Wastewater Fund were \$138,428 for the first quarter compared to budgeted performance of \$21,989. Detail information is provided below:

- Utility revenues were ahead of budget by \$126,550 due to significantly higher surcharges and increased revenue from outside waste haulers;
- Departmental expenditures were on track with budget;
- Franchise taxes paid to the General Fund were \$7,825 higher than budget.

Capital expenditures are shown on the second page of the 1st quarter financial report.

SANITATION FUND

The combined operations of the Sanitation Fund posted favorable net revenues of \$148,363 for the first quarter compared to budgeted performance of \$116,896. In the Sanitation Fund, operating resources are derived from four business units: Residential Collections, Collection Station, Transfer Station and Recycling Center.

- The favorable combined revenue variance of \$15,338 is primarily due to a Transfer Station rate increase after the budget was finalized;
- Combined departmental expenditures were favorable to budget by \$31,747 due to lower landfill disposal costs.

Capital expenditures are shown on the third page of the 1st quarter financial report.

CONCLUSION

As noted in the opening paragraph, all funds experienced favorable actual net revenues for the first quarter of FY18. The City of Brenham's financial performance continues to be positive and no unusual or unanticipated trends are noted.

After you have reviewed this quarterly financial performance report, should you have any questions or comments prior to the council meeting, please do not hesitate to contact Lowell Ogle, Debbie Gaffey or me directly.

NOTE: The financial performance reports for the General Fund and five utility funds are attached to this memorandum, and are an integral part of the quarterly financial performance report.

**GENERAL FUND
1ST QUARTER PERFORMANCE**



EXHIBIT A

TOTAL OPERATING RESOURCES

ACTUAL VERSUS PRIOR YEAR			ACTUAL VERSUS BUDGET		
YTD ACT FY17	YTD ACT FY18	FAV/(UNFAV) VARIANCE	YTD BUD FY18	YTD ACT FY18	FAV/(UNFAV) VARIANCE
REVENUES					
2,550,481	2,899,327	348,845	2,665,449	2,899,327	233,878
(1,594,028)	(1,823,438)	(229,410)	(1,676,348)	(1,823,438)	(147,090)
1,235,061	1,251,441	16,380	1,275,599	1,251,441	(24,158)
591,280	593,553	2,273	595,916	593,553	(2,363)
5,042	(1,859)	(6,901)	5,520	(1,859)	(7,379)
2,787,836	2,919,023	131,187	2,866,135	2,919,023	52,888
SUBTOTAL TAXES					
204,567	239,343	34,777	196,473	239,343	42,870
56,586	75,706	19,121	34,681	75,706	41,025
17,304	19,781	2,477	16,446	19,781	3,335
6,218	7,555	1,337	5,137	7,555	2,417
3,072,510	3,261,408	188,898	3,118,871	3,261,408	142,537
TOTAL REVENUES					
2,120,470	820,611	(1,299,859)	823,411	820,611	(2,800)
TRANSFERS-IN					
84,694	22,952	(61,742)	89,016	22,952	(66,064)
INTERLOCAL AGREEMENTS					
5,277,675	4,104,971	(1,172,703)	4,031,298	4,104,971	73,673
TOTAL OP RESOURCES					

(1) Approximately 67% of property tax revenue is collected in the first quarter. A portion is deferred to cover operating expenditures later in the year.

(2) Reflects October 2017 to December 2017 sales tax collected in December 2017 to February 2018.

EXHIBIT B

TOTAL USES OF OPERATING RESOURCES

ACTUAL VERSUS PRIOR YEAR			ACTUAL VERSUS BUDGET		
YTD ACT FY17	YTD ACT FY18	FAV/(UNFAV) VARIANCE	YTD BUD FY18	YTD ACT FY18	FAV/(UNFAV) VARIANCE
EXPENDITURES					
3,660,032	3,879,347	(219,315)	4,123,642	3,879,347	244,295
232,930	197,905	35,025	188,033	197,905	(9,871)
11,208	16,160	(4,952)	11,672	16,160	(4,488)
3,904,169	4,093,412	(189,242)	4,323,347	4,093,412	229,935
TOTAL EXPENDITURES					
900,000	0	900,000	0	0	0
TRANSFERS-OUT					
4,804,169	4,093,412	710,758	4,323,347	4,093,412	229,935
TOTAL USES OP RESOURCES					

(3) Excludes uncollectible accounts.

**GENERAL FUND
1ST QUARTER PERFORMANCE**



EXHIBIT C

NET REVENUES

ACTUAL VERSUS PRIOR YEAR			ACTUAL VERSUS BUDGET		
YTD	YTD	FAV/(UNFAV)	YTD	YTD	FAV/(UNFAV)
ACT FY17	ACT FY18	VARIANCE	BUD FY18	ACT FY18	VARIANCE
5,277,675	4,104,971	(1,172,703)	4,031,298	4,104,971	73,673
4,804,169	4,093,412	710,758	4,323,347	4,093,412	229,935
473,505	11,560	(461,945)	(292,048)	11,560	303,608
TOTAL OP RESOURCES					
TOTAL USES OP RESOURCES					
NET REVENUES					

EXHIBIT D

UNRESTRICTED FUND BALANCE

ACTUAL VERSUS PRIOR YEAR			ACTUAL VERSUS BUDGET		
YTD	YTD	FAV/(UNFAV)	YTD	YTD	FAV/(UNFAV)
ACT FY17	ACT FY18	VARIANCE	BUD FY18	ACT FY18	VARIANCE
4,113,901	4,519,591	405,691	4,519,591	4,519,591	0
473,505	11,560	(461,945)	(292,048)	11,560	303,608
0	0	0	0	0	0
BEGINNING BALANCE					
NET REVENUES					
NON-BUDGET/CAFR ADJS					
4,587,406	4,531,151	(56,255)	4,227,543	4,531,151	303,608
ENDING BALANCE					

EXHIBIT E

DAYS COVERAGE

ACTUAL VERSUS PRIOR YEAR			ACTUAL VERSUS BUDGET		
YTD	YTD	FAV/(UNFAV)	YTD	YTD	FAV/(UNFAV)
ACT FY17	ACT FY18	VARIANCE	BUD FY18	ACT FY18	VARIANCE
CALCULATION					
3,072,510	3,261,408	188,898	3,118,871	3,261,408	142,537
84,694	22,952	(61,742)	89,016	22,952	(66,064)
3,157,204	3,284,360	127,156	3,207,887	3,284,360	76,473
34,599	35,993	1,393	35,155	35,993	838
4,587,406	4,531,151	(56,255)	4,227,543	4,531,151	303,608
3,113,955	3,239,369	125,414	3,163,944	3,239,369	75,425
1,473,451	1,291,782	(181,669)	1,063,599	1,291,782	228,183
133	126	(7)	120	126	6
90-DAY POLICY					
EXCESS/(SHORTFALL)					
(7) DAYS COVERAGE					

(4) Annualized

**GENERAL FUND
1ST QUARTER PERFORMANCE**



EXHIBIT F

DEPARTMENT EXPENDITURES BY CATEGORY

ACTUAL VERSUS PRIOR YEAR			EXPENSE CATEGORY	ACTUAL VERSUS BUDGET		
YTD	YTD	FAV/(UNFAV)		YTD	YTD	FAV/(UNFAV)
ACT FY17	ACT FY18	VARIANCE		BUD FY18	ACT FY18	VARIANCE
2,410,953	2,680,504	(269,551)	PERSONNEL	2,756,884	2,680,504	76,380
169,729	220,732	(51,003)	SUPPLIES	225,975	220,732	5,243
140,768	152,021	(11,253)	MAINTENANCE	137,278	152,021	(14,743)
551,530	471,619	79,911	SERVICES	596,801	471,619	125,182
107,420	73,321	34,100	CAPITAL	83,085	73,321	9,765
279,631	281,150	(1,519)	SUNDRY	323,618	281,150	42,468
3,660,032	3,879,347	(219,315)	TOTAL	4,123,642	3,879,347	244,295

EXHIBIT G

DEPARTMENT EXPENDITURES BY DEPARTMENT

ACTUAL VERSUS PRIOR YEAR				ACTUAL VERSUS BUDGET		
YTD	YTD	FAV/(UNFAV)		YTD	YTD	FAV/(UNFAV)
ACT FY17	ACT FY18	VARIANCE		BUD FY18	ACT FY18	VARIANCE
DEPARTMENT						
213,830	268,526	(54,696)	DEPT 121 - ADMINISTRATION	281,605	268,526	13,079
105,545	103,453	2,092	DEPT 122 - COMMUNITY DEVELOPMENT	123,481	103,453	20,028
50,407	52,508	(2,101)	DEPT 123 - HUMAN RESOURCES	56,503	52,508	3,995
34,564	36,743	(2,179)	DEPT 125 - MAIN STREET	42,090	36,743	5,348
29,867	32,302	(2,434)	DEPT 128 - ENGINEERING SERVICES	32,754	32,302	453
149,908	168,467	(18,559)	DEPT 131 - MAINTENANCE	174,216	168,467	5,749
236,959	250,148	(13,188)	DEPT 133 - FINANCE	251,313	250,148	1,165
68,055	75,102	(7,047)	DEPT 135 - PURCHASING/WAREHOUSE	77,402	75,102	2,299
196,505	236,215	(39,710)	DEPT 141 - STREETS	266,094	236,215	29,879
264,897	267,266	(2,369)	DEPT 144 - PARKS	276,200	267,266	8,934
166,400	138,653	27,747	DEPT 146 - LIBRARY	153,908	138,653	15,255
13,867	29,860	(15,994)	DEPT 148 - AIRPORT	31,645	29,860	1,785
88,197	108,696	(20,499)	DEPT 049 - COMMUNITY PRGRMS/MKTING	113,407	108,696	4,711
160,337	153,381	6,956	DEPT 149 - AQUATIC CENTER	162,517	153,381	9,137
210,638	112,557	98,081	DEPT 050 - CITY COMMUNICATIONS	232,163	112,557	119,606
926,321	925,362	959	DEPT 151 - POLICE	938,732	925,362	13,370
392,278	493,404	(101,126)	DEPT 152 - FIRE	459,646	493,404	(33,758)
78,873	109,566	(30,693)	DEPT 154 - ANIMAL SHELTER/CONTROL	110,864	109,566	1,298
110,534	116,854	(6,320)	DEPT 155 - MUNICIPAL COURT	124,817	116,854	7,964
63,914	79,424	(15,510)	DEPT 167 - GENERAL GOVT SERVICES	79,523	79,424	99
98,136	120,859	(22,723)	DEPT 172 - INFORMATION TECHNOLOGY	134,759	120,859	13,900
3,660,032	3,879,347	(219,315)	TOTAL	4,123,642	3,879,347	244,295

GENERAL FUND
1ST QUARTER PERFORMANCE



EXHIBIT H

CAPITAL EXPENDITURE DETAIL

ACTUAL VERSUS PRIOR YEAR			ITEM	ACTUAL VERSUS BUDGET		
YTD ACT FY17	YTD ACT FY18	FAV/(UNFAV) VARIANCE		YTD BUD FY18	YTD ACT FY18	FAV/(UNFAV) VARIANCE
1,520	0	1,520	DEPT 122 - ROLLER LAMINATOR (1/2 COST)	0	0	0
6,500	0	6,500	DEPT 141 - KAWASAKI MULE (USED)	0	0	0
1,336	0	1,336	DEPT 141 - WACKER PACKER	0	0	0
3,271	0	3,271	DEPT 141 - DRAINAGE AREA ANALYSIS	0	0	0
11,799	0	11,799	DEPT 144 - PAINT MACHINE FOR FIELDS	0	0	0
3,705	0	3,705	DEPT 144 - EXPRESSION SWINGS	0	0	0
10,851	0	10,851	DEPT 146 - LANDSCAPING	0	0	0
1,956	0	1,956	DEPT 146 - TEEN ROOM GAMING EQUIPMENT	0	0	0
17,265	0	17,265	DEPT 151 - UPGRADE IN CAR CAMERAS	0	0	0
11,632	0	11,632	DEPT 152 - HANDHELD RADIOS	0	0	0
248	0	248	DEPT 152 - STRIPE PARKING LOT	0	0	0
1,978	0	1,978	DEPT 154 - HANDHELD RADIO	0	0	0
35,361	0	35,361	DEPT 141 - REHAB TO VARIOUS STREETS	0	0	0
0	41,758	(41,758)	DEPT 050 - RMS SYSTEM	41,685	41,758	(73)
0	3,426	(3,426)	DEPT 131 - PORTABLE PRESSURE WASHER	3,500	3,426	74
0	17,670	(17,670)	DEPT 149 - CONCRETE BACK PARKING LOT	17,000	17,670	(670)
0	1,199	(1,199)	DEPT 151 - SHREDDER	1,200	1,199	1
0	9,268	(9,268)	DEPT 172 - SWITCHES	19,700	9,268	10,433
107,420	73,321	34,100	TOTAL	83,085	73,321	9,765

EXHIBIT I

CAPITAL EXPENDITURE DETAIL - FUND 236 EQUIPMENT FUND

ACTUAL VERSUS PRIOR YEAR			ITEM	ACTUAL VERSUS BUDGET		
YTD ACT FY17	YTD ACT FY18	FAV/(UNFAV) VARIANCE		YTD BUD FY18	YTD ACT FY18	FAV/(UNFAV) VARIANCE
3,300	0	3,300	DEPT 122 - PERMIT/INSPECTION SOFTWARE	0	0	0
11,325	0	11,325	DEPT 146 - MICROFILM READER	0	0	0
49,438	0	49,438	DEPT 151 - POLICE VEHICLES	0	0	0
0	2,400	(2,400)	DEPT 049 - CITY WEBSITE RE-DESIGN	53,710	2,400	51,310
0	3,342	(3,342)	DEPT 125 - WAYFINDING SIGNAGE	0	3,342	(3,342)
0	29,679	(29,679)	DEPT 131 - CITY HALL EXTERIOR REFURB	85,000	29,679	55,321
64,063	35,421	28,642	TOTAL	138,710	35,421	103,289

**CITY OF BRENHAM
ELECTRIC FUND DISTRIBUTION
FY18 1ST QUARTER PERFORMANCE**

	YTD				ANNUAL	YTD ACTUAL
\$	FY18 ACTUAL	FY18 BUDGET	FAV/(UNFAV) TO BUDGET	FAV/(UNFAV) % TO BUDGET	FY18 BUDGET	AS % TO BUDGET
FUNDING RESOURCES FROM CURRENT OPERATIONS						
REVENUES						
DISTRIBUTION CONSUMPTION REVENUES	1,373,145	1,397,790	(24,645)	-1.8%	5,824,126	23.6%
OTHER DISTRIBUTION REVENUES	114,184	126,869	(12,685)	-10.0%	655,514	17.4%
TOTAL DISTRIBUTION REVENUES	1,487,329	1,524,659	(37,331)	-2.4%	6,479,640	23.0%
TRANSFERS-IN	158,461	159,311	(850)	-0.5%	674,687	23.5%
TOTAL FUNDING RESOURCES	1,645,790	1,683,970	(38,180)	-2.3%	7,154,327	23.0%
USES OF FUNDING RESOURCES BEFORE CAPITAL REQ						
OPERATING EXPENDITURES						
DEPARTMENT EXPENDITURES (DEPTS 100, 110, 132, 160, 161)						
- PERSONNEL & BENEFITS	475,434	485,930	10,496	2.2%	2,115,090	22.5%
- SUPPLIES (FUEL, COMPUTERS, ETC)	33,773	37,072	3,299	8.9%	131,425	25.7%
- MAINTENANCE (VEHICLES, EQUIPMENT, PLANT, ETC)	24,907	23,785	(1,122)	-4.7%	115,600	21.5%
- SERVICES (UTILITIES, CONSULTANTS, CONTRACTS, ETC)	95,894	97,016	1,122	1.2%	461,206	20.8%
- NON CAPITAL (SMALL ITEM - \$1,000 TO \$14,999 - PURCHASES)	3,076	10,640	7,565	71.1%	43,700	7.0%
- SUNDRY (UNCOLLECTIBLE ACCTS, TRAVEL, CRED CARD FEES, ETC)	40,682	38,632	(2,050)	-5.3%	167,006	24.4%
TOTAL DEPARTMENT EXPENDITURES	673,765	693,075	19,310	2.8%	3,034,028	22.2%
FRANCHISE FEE (27% CONSUMPTION REVENUES)	370,749	377,403	6,654	1.8%	1,572,514	23.6%
TRANSFERS TO GENERAL FUND (FOR SHARED SERVICES)	454,266	454,266	0	0.0%	1,817,064	25.0%
TOTAL OPERATING EXPENDITURES	1,498,780	1,524,744	25,964	1.7%	6,423,606	23.3%
DEBT SERVICE						
CURRENT DEBT SCHEDULE (ACCRUAL BASIS)	34,614	34,614	0	0.0%	138,455	25.0%
TOTAL USES OF FUNDING RESOURCES BEFORE CAPITAL REQ	1,533,394	1,559,358	25,964	1.7%	6,562,061	23.4%
NET FUNDING RESOURCES (LOSS) BEFORE CAP REQ	112,396	124,612	(12,216)	-9.8%	592,267	19.0%
CAPITAL - REVENUE OR RESERVE FUNDING REQUIREMENTS	71,853	59,375	(12,478)	-21.0%	821,510	8.7%
RESERVE CONTRIBUTIONS (RESERVE USES)	40,543	65,237	(24,694)	-37.9%	(229,243)	-17.7%
POWER COSTS OVER/(UNDER) COLLECTION						
	355,579	287,267	68,312	23.8%	96,659	367.9%
FUND BALANCE						
BEGINNING (WORKING CAPITAL BASIS) OCT 1, 2017	9,587,564	9,587,564	0	0.0%	9,587,564	100.0%
NET DISTRIBUTION REVENUES	40,543	65,237	(24,694)	-37.9%	(229,243)	-17.7%
POWER COSTS OVER/(UNDER) COLLECTION	355,579	287,267	68,312	23.8%	96,659	367.9%
CAFR ADJUSTMENTS	0	0	0	NA	0	NA
EST ENDING (WORKING CAPITAL BASIS) DEC 31, 2017	9,983,686	9,940,068	43,618	0.4%	9,454,980	105.6%

CITY OF BRENHAM
ELECTRIC FUND DISTRIBUTION
FY18 1ST QUARTER PERFORMANCE

\$	YTD				ANNUAL	YTD ACTUAL
	FY18 ACTUAL	FY18 BUDGET	FAV/(UNFAV) TO BUDGET	FAV/(UNFAV) % TO BUDGET	FY18 BUDGET	AS % TO BUDGET
DEPARTMENTS EXPENDITURES DETAIL						
100 NON-DEPT DIRECT						
SERVICES (BOND ISSUE COSTS)	0	0	0	NA	0	NA
110 NON-DEPT MISC						
SUNDRY (UNCOLLECTIBLE ACCTS, INVENTORY ADJ, CREDIT CD FEES)	9,819	9,000	(819)	-9.1%	92,385	10.6%
132 UTILITY BILLING/CUSTOMER SVC						
PERSONNEL	74,999	74,998	(0)	0.0%	327,794	22.9%
SUPPLIES	14,157	15,123	966	6.4%	52,900	26.8%
MAINTENANCE	0	0	0	NA	0	NA
SERVICES	44,051	43,605	(446)	-1.0%	172,175	25.6%
NON CAPITAL	0	0	0	NA	0	NA
CAPITAL	0	0	0	NA	40,000	NA
SUNDRY	60	100	40	39.7%	3,700	1.6%
TOTAL	133,266	133,826	559	0.4%	596,569	22.3%
160 PUBLIC UTILITIES						
PERSONNEL	196,635	197,484	848	0.4%	861,349	22.8%
SUPPLIES	8,762	9,522	760	8.0%	25,100	34.9%
MAINTENANCE	279	97	(182)	-187.6%	1,200	23.3%
SERVICES	33,108	34,033	925	2.7%	50,371	65.7%
NON CAPITAL	0	0	0	NA	1,800	0.0%
CAPITAL	0	0	0	NA	34,000	0.0%
SUNDRY	6,125	4,864	(1,261)	-25.9%	13,653	44.9%
TOTAL	244,909	246,000	1,091	0.4%	987,473	24.8%
161 ELECTRIC						
PERSONNEL	203,800	213,448	9,648	4.5%	925,947	22.0%
SUPPLIES	10,854	12,427	1,573	12.7%	53,425	20.3%
MAINTENANCE	24,628	23,688	(940)	-4.0%	114,400	21.5%
SERVICES	18,736	19,378	643	3.3%	238,660	7.9%
NON CAPITAL	3,076	10,640	7,565	71.1%	41,900	7.3%
CAPITAL (SEE NEXT PAGE)	71,853	59,375	(12,478)	-21.0%	747,510	9.6%
SUNDRY	24,678	24,668	(10)	0.0%	44,268	55.7%
TOTAL	357,624	363,624	6,000	1.7%	2,166,110	16.5%
161 ELECTRIC CAPITAL DETAIL						
UTILITY LINES	10,462	7,000	(3,462)	NA	126,000	8.3%
UTILITY LINE-CONTINGENCY	22,664	20,000	(2,664)	-13.3%	65,000	34.9%
UTILITY LINES-CONTRACTORS	5,277	5,000	(277)	NA	210,000	2.5%
TRANSFORMERS	19,373	20,000	627	NA	215,000	9.0%
METERS	184	3,000	2,816	93.9%	12,000	1.5%
SVC INSTALL	2,855	1,500	(1,355)	-90.3%	6,000	47.6%
MACHINERY/LARGE EQUIPMENT	0	0	0	NA	20,000	0.0%
STREET LIGHTS/SIGNALS	3,727	2,875	(852)	-29.7%	7,000	53.2%
VEHICLES/LARGE EQUIPMENT	0	0	0	NA	86,510	0.0%
SCADA/COMMUNICATIONS	0	0	0	NA	0	NA
WIRELESS MESH	7,310	0	(7,310)	NA	0	NA
FIBER EXPANSION	0	0	0	NA	0	NA
TOTAL	71,853	59,375	(12,478)	-21.0%	747,510	9.6%
TOTAL O&M AND CAPITAL	817,471	811,825	(5,646)	-0.7%	4,590,048	17.8%

**CITY OF BRENHAM
GAS FUND DISTRIBUTION
FY18 1ST QUARTER PERFORMANCE**

\$	YTD				ANNUAL FY18 BUDGET	YTD ACTUAL AS % TO BUDGET
	FY18 ACTUAL	FY18 BUDGET	FAV/(UNFAV) TO BUDGET	FAV/(UNFAV) % TO BUDGET		
FUNDING RESOURCES FROM CURRENT OPERATIONS						
REVENUES						
DISTRIBUTION CONSUMPTION REVENUES	331,066	330,838	227	0.1%	1,438,427	23.0%
OTHER DISTRIBUTION REVENUES	6,496	4,800	1,696	35.3%	18,260	35.6%
TOTAL DISTRIBUTION REVENUES	337,561	335,638	1,923	0.6%	1,456,687	23.2%
TRANSFERS-IN	0	0	0	NA	0	NA
TOTAL FUNDING RESOURCES	337,561	335,638	1,923	0.6%	1,456,687	23.2%
USES OF FUNDING RESOURCES BEFORE CAPITAL REQs						
OPERATING EXPENDITURES						
DEPARTMENT EXPENDITURES (DEPTS 100, 110, 162)						
- PERSONNEL & BENEFITS	91,296	89,606	(1,690)	-1.9%	388,635	23.5%
- SUPPLIES (FUEL, COMPUTERS, ETC)	4,892	6,682	1,790	26.8%	25,725	19.0%
- MAINTENANCE (VEHICLES, EQUIPMENT, PLANT, ETC)	1,624	1,650	26	1.6%	28,400	5.7%
- SERVICES (UTILITIES, CONSULTANTS, CONTRACTS, ETC)	4,874	7,071	2,197	31.1%	49,746	9.8%
- NON CAPITAL (SMALL ITEM - \$1,000 TO \$14,999 - PURCHASES)	2,656	8,775	6,119	69.7%	57,611	4.6%
- SUNDRY (UNCOLLECTIBLE ACCTS, TRAVEL, CRED CARD FEES, ETC)	5,518	4,573	(945)	-20.7%	13,605	40.6%
TOTAL DEPARTMENT EXPENDITURES	110,860	118,357	7,497	6.3%	563,722	19.7%
FRANCHISE FEE (7% CONSUMPTION REVENUES)	48,500	50,268	1,768	3.5%	221,862	21.9%
TRANSFERS TO GENERAL FUND (FOR SHARED SERVICES)	97,719	97,720	1	0.0%	390,880	25.0%
TRANSFERS TO ELECTRIC FUND (FOR SHARED SERVICES)	46,776	47,031	255	0.5%	196,711	23.8%
TOTAL OPERATING EXPENDITURES	303,855	313,376	9,521	3.0%	1,373,175	22.1%
DEBT SERVICE						
CURRENT DEBT SCHEDULE (ACCRUAL BASIS)	0	0	0	NA	0	NA
TOTAL USES OF FUNDING RESOURCES BEFORE CAPITAL REQs	303,855	313,376	9,521	3.0%	1,373,175	22.1%
NET FUNDING RESOURCES (LOSS) BEFORE CAP REQs	33,706	22,262	11,444	51.4%	83,512	40.4%
CAPITAL - REVENUE OR RESERVE FUNDING REQUIREMENTS	12,630	15,955	3,325	20.8%	151,570	8.3%
RESERVE CONTRIBUTIONS (RESERVE USES)	21,076	6,307	14,769	234.2%	(68,058)	-31.0%
COMMODITY COSTS OVER/(UNDER) COLLECTION	(91,506)	(95,429)	3,923	-4.1%	31,372	-291.7%
FUND BALANCE						
BEGINNING (WORKING CAPITAL BASIS) OCT 1, 2017	1,270,153	1,270,153	0	0.0%	1,270,153	100.0%
NET DISTRIBUTION REVENUES	21,076	6,307	14,769	234.2%	6,307	334.2%
COMMODITY COSTS OVER/(UNDER) COLLECTION	(91,506)	(95,429)	3,923	-4.1%	(95,429)	95.9%
OASIS INTERCONNECT CHARGE	0	0	0	NA	0	NA
CAFR ADJUSTMENTS	0	0	0	NA	0	NA
ENDING (WORKING CAPITAL BASIS) DEC 31, 2017	1,199,723	1,181,031	18,692	1.6%	1,181,031	101.6%

**CITY OF BRENHAM
GAS FUND DISTRIBUTION
FY18 1ST QUARTER PERFORMANCE**

	YTD				ANNUAL	YTD ACTUAL
\$	FY18 ACTUAL	FY18 BUDGET	FAV/(UNFAV) TO BUDGET	FAV/(UNFAV) % TO BUDGET	FY18 BUDGET	AS % TO BUDGET
DEPARTMENTS EXPENDITURES DETAIL						
110 NON-DEPT MISC						
SUNDRY (UNCOLLECTIBLE ACCTS, INVENTORY ADJ, CREDIT CD FEES)	1,310	0	(1,310)	NA	7,000	18.7%
160 GAS CAPITAL DETAIL						
804.00 UTILITY LINES						
62C-54 POLY VALVE ADDITIONS	199	0	(199)	NA	33,920	0.6%
804.10 UTILITY LINE-CONTINGENCY						
62C-53 W. JEFFSN BRDG STL MAIN RPLCMT	2,385	6,000	3,615	60.2%	10,000	23.9%
808.00 METERS						
62C-17 ANNUAL SERVICE REPLACEMENTS	5,995	0	(5,995)	NA	0	NA
62C-18 ANNUAL NEW SERVICE INSTALLS	1,884	5,490	3,606	65.7%	21,960	8.6%
	7,879	5,490	(2,389)	-43.5%	21,960	35.9%
808.10 SVC INSTALL						
62C-18 ANNUAL NEW SERVICE INSTALLS	1,662	3,050	1,388	45.5%	14,000	11.9%
809.00 GAS REGULATORS						
62C-18 ANNUAL NEW SERVICE INSTALLS	505	1,415	910	64.3%	6,000	8.4%
810.00 MACHINERY/EQUIPMENT						
REPLACE MCELROY FUSION MACHINE	0	0	0	NA	19,190	0.0%
813.00 VEHICLES/LARGE EQUIPMENT						
REPLACE UNIT #56 WITH CNG VEHICLE	0	0	0	NA	46,500	0.0%
TOTAL CAPITAL	12,630	15,955	3,325	20.8%	151,570	8.3%

CITY OF BRENHAM
WATER FUND
FY18 YTD 1ST QUARTER PERFORMANCE

\$	YTD				ANNUAL	YTD ACTUAL
	FY18 ACTUAL	FY18 BUDGET	FAV/(UNFAV) TO BUDGET	FAV/(UNFAV) % TO BUDGET	FY18 BUDGET	AS % TO BUDGET
FUNDING RESOURCES FROM CURRENT OPERATIONS						
REVENUES						
CONSUMPTION REVENUES	1,035,635	1,064,456	(28,822)	-2.7%	4,066,940	25.5%
OTHER REVENUES	31,160	31,650	(490)	-1.5%	401,800	7.8%
TOTAL DISTRIBUTION REVENUES	1,066,794	1,096,106	(29,312)	-2.7%	4,468,740	23.9%
TRANSFERS-IN	0	0	0	NA	0	NA
TOTAL FUNDING RESOURCES	1,066,794	1,096,106	(29,312)	-2.7%	4,468,740	23.9%
USES OF FUNDING RESOURCES BEFORE CAPITAL REQ						
OPERATING EXPENDITURES						
DEPARTMENT EXPENDITURES (DEPTS 100, 110, 163, 164)						
- PERSONNEL & BENEFITS	160,015	166,416	6,401	3.8%	724,074	22.1%
- SUPPLIES (FUEL, COMPUTERS, ETC)	75,986	81,407	5,421	6.7%	371,470	20.5%
- MAINTENANCE (VEHICLES, EQUIPMENT, PLANT, ETC)	15,207	22,541	7,334	32.5%	189,041	8.0%
- SERVICES (UTILITIES, CONSULTANTS, CONTRACTS, ETC)	69,539	69,682	143	0.2%	357,980	19.4%
- NON CAPITAL (SMALL ITEM - \$1,000 TO \$14,999 - PURCHASES)	12,712	9,854	(2,858)	-29.0%	31,854	39.9%
- SUNDRY (UNCOLLECTIBLE ACCTS, TRAVEL, CRED CARD FEES, ETC)	8,853	8,323	(530)	-5.4%	36,620	24.2%
TOTAL DEPARTMENT EXPENDITURES	342,312	358,223	15,911	4.4%	1,711,039	20.0%
FRANCHISE FEE (7% CONSUMPTION REVENUES)	72,495	74,512	2,017	2.7%	284,686	25.5%
PURCHASE COSTS (4200 ACRE FEET)	77,700	77,125	(575)	-0.7%	308,500	25.2%
TRANSFERS TO GENERAL FUND (FOR SHARED SERVICES)	103,914	103,915	1	0.0%	415,658	25.0%
TRANSFERS TO ELECTRIC FUND (FOR SHARED SERVICES)	58,566	58,876	310	0.5%	251,878	23.3%
TOTAL OPERATING EXPENDITURES	654,987	672,650	17,664	2.6%	2,971,761	22.0%
DEBT SERVICE						
CURRENT DEBT SCHEDULE (ACCRUAL BASIS)	235,687	235,687	0	0.0%	942,746	25.0%
TOTAL USES OF FUNDING RESOURCES BEFORE CAPITAL REQ	890,673	908,337	17,664	1.9%	3,914,507	22.8%
NET FUNDING RESOURCES (LOSS) BEFORE CAP REQ	176,121	187,769	(11,648)	-6.2%	554,233	31.8%
CAPITAL - REVENUE OR RESERVE FONDING REQUIREMENTS	33,032	36,000	2,968	8.2%	1,024,730	3.2%
RESERVE CONTRIBUTIONS (RESERVE USES)	143,089	151,769	(8,681)	-5.7%	(470,497)	-30.4%
FUND BALANCE						
BEGINNING (WORKING CAPITAL BASIS) OCT 1, 2017	1,488,370	1,488,370	0	0.0%	1,488,370	100.0%
NET DISTRIBUTION REVENUES	143,089	151,769	(8,681)	-5.7%	(470,497)	94.3%
CAFR ADJUSTMENTS	0	0	0	NA	0	NA
ESTIMATED ENDING (WORKING CAPITAL BASIS)	1,631,459	1,640,139	(8,681)	-0.5%	1,640,139	99.5%

**CITY OF BRENHAM
WATER FUND
FY18 YTD 1ST QUARTER PERFORMANCE**

	YTD				ANNUAL	YTD ACTUAL
\$	FY18 ACTUAL	FY18 BUDGET	FAV/(UNFAV) TO BUDGET	FAV/(UNFAV) % TO BUDGET	FY18 BUDGET	AS % TO BUDGET
DEPARTMENTS EXPENDITURES DETAIL						
100 NON-DEPT DIRECT						
SERVICES (BOND AGT FEES & ISSUANCE COSTS)	13,994	0	(13,994)	NA	750	1865.9%
110 NON-DEPT MISC						
SUNDRY (UNCOLLECTIBLE ACCTS & INVENTORY ADJ)	713	0	(713)	NA	18,000	4.0%
063 FEMA/GRANT PROJECTS						
FEMA/GRANT RELATED CAPITAL (SEE NEXT PAGE)	8,595	10,000	1,405	NA	237,085	3.6%
163 WATER TREATMENT DEPT						
PERSONNEL & BENEFITS	103,455	110,570	7,115	6.4%	481,756	21.5%
SUPPLIES (FUEL, COMPUTERS, ETC)	70,660	75,260	4,601	6.1%	351,650	20.1%
MAINTENANCE (VEHICLES, EQUIPMENT, PLANT, ETC)	4,509	8,125	3,616	44.5%	129,500	3.5%
SERVICES (UTILITIES, CONSULTANTS, CONTRACTS, ETC)	48,671	61,262	12,591	20.6%	319,811	15.2%
NON CAPITAL (SMALL ITEM - \$1,000 TO \$14,999 - PURCHASES)	0	0	0	NA	10,000	0.0%
CAPITAL (SEE NEXT PAGE)	6,620	7,000	380	NA	560,204	1.2%
SUNDRY (UNCOLLECTIBLE ACCTS, TRAVEL, CRED CARD FEES, ETC)	4,830	4,436	(394)	-8.9%	11,136	43.4%
TOTAL	238,745	266,653	27,908	10.5%	1,864,057	12.8%
164 WATER CONSTRUCTION DEPT						
PERSONNEL & BENEFITS	56,560	55,846	(714)	-1.3%	242,318	23.3%
SUPPLIES (FUEL, COMPUTERS, ETC)	5,326	6,146	820	13.3%	19,819	26.9%
MAINTENANCE (VEHICLES, EQUIPMENT, PLANT, ETC)	10,698	14,416	3,718	25.8%	59,541	18.0%
SERVICES (UTILITIES, CONSULTANTS, CONTRACTS, ETC)	6,873	8,420	1,547	18.4%	37,419	18.4%
NON CAPITAL (SMALL ITEM - \$1,000 TO \$14,999 - PURCHASES)	12,712	9,854	(2,858)	-29.0%	21,854	58.2%
CAPITAL (SEE NEXT PAGE)	17,817	19,000	1,183	6.2%	227,441	7.8%
SUNDRY (UNCOLLECTIBLE ACCTS, TRAVEL, CRED CARD FEES, ETC)	3,310	3,887	577	14.8%	7,484	44.2%
TOTAL	113,297	117,570	4,273	3.6%	615,876	18.4%
TOTAL O&M AND CAPITAL EXPENDITURES	375,344	394,223	18,879	4.8%	2,735,769	13.7%
BOND PROCEEDS - WTP COATINGS REHAB PROJECT					655,000	
1ST QUARTER YTD EXPENDITURES					(48,138)	
FY17 REIMBURSEMENT					(38,912)	
BALANCE					567,950	

**CITY OF BRENHAM
WASTEWATER FUND
FY18 1ST QUARTER PERFORMANCE**

	YTD				ANNUAL FY18 BUDGET	YTD ACTUAL AS % TO BUDGET
	FY18 ACTUAL	FY18 BUDGET	FAV/(UNFAV) TO BUDGET	FAV/(UNFAV) % TO BUDGET		
\$						
FUNDING RESOURCES FROM CURRENT OPERATIONS						
REVENUES						
CONSUMPTION REVENUES	1,003,595	891,808	111,787	12.5%	3,567,425	28.1%
OTHER REVENUES	42,746	27,984	14,762	52.8%	124,434	34.4%
TOTAL DISTRIBUTION REVENUES	1,046,341	919,792	126,550	13.8%	3,691,859	28.3%
TRANSFERS-IN	0	0	0	NA	0	NA
TOTAL FUNDING RESOURCES	1,046,341	919,792	126,550	13.8%	3,691,859	28.3%
USES OF FUNDING RESOURCES BEFORE CAPITAL REQ						
OPERATING EXPENDITURES						
DEPARTMENT EXPENDITURES (DEPTS 100, 110, 165, 166)						
- PERSONNEL & BENEFITS	120,839	121,926	1,088	0.9%	528,156	22.9%
- SUPPLIES (FUEL, COMPUTERS, ETC)	38,975	31,585	(7,390)	-23.4%	122,399	31.8%
- MAINTENANCE (VEHICLES, EQUIPMENT, PLANT, ETC)	52,887	52,011	(875)	-1.7%	281,700	18.8%
- SERVICES (UTILITIES, CONSULTANTS, CONTRACTS, ETC)	119,922	127,702	7,780	6.1%	601,441	19.9%
- NON CAPITAL (SMALL ITEM - \$1,000 TO \$14,999 - PURCHASES)	16,248	15,624	(624)	-4.0%	34,949	46.5%
- SUNDRY (UNCOLLECTIBLE ACCTS, TRAVEL, CRED CARD FEES, ETC)	25,935	26,044	109	0.4%	39,964	64.9%
TOTAL DEPARTMENT EXPENDITURES	374,805	374,893	87	0.0%	1,608,609	23.3%
FRANCHISE FEE (7% CONSUMPTION REVENUES)	70,252	62,427	(7,825)	-12.5%	249,720	28.1%
TRANSFERS TO GENERAL FUND (FOR SHARED SERVICES)	65,436	65,435	(1)	0.0%	261,740	25.0%
TRANSFERS TO ELECTRIC FUND (FOR SHARED SERVICES)	31,701	31,869	168	0.5%	136,338	23.3%
TOTAL OPERATING EXPENDITURES	542,194	534,623	(7,571)	-1.4%	2,256,407	24.0%
DEBT SERVICE						
CURRENT DEBT SCHEDULE (ACCRUAL BASIS)	356,188	356,188	0	0.0%	1,424,753	25.0%
TOTAL USES OF FUNDING RESOURCES BEFORE CAPITAL REQ	898,383	890,811	(7,571)	-0.8%	3,681,160	24.4%
NET FUNDING RESOURCES (LOSS) BEFORE CAP REQ	147,959	28,981	118,978	410.5%	10,699	1382.9%
CAPITAL - REVENUE OR RESERVE FDIING REQUIREMENTS	9,530	6,992	(2,539)	-36.3%	247,568	3.8%
RESERVE CONTRIBUTIONS (RESERVE USES)	138,428	21,989	116,439	529.5%	(236,869)	-58.4%
FUND BALANCE						
BEGINNING (WORKING CAPITAL BASIS) OCT 1, 2017	689,490	689,490	0	0.0%	689,490	100.0%
NET REVENUES	138,428	21,989	116,439	529.5%	21,989	629.5%
CAFR ADJUSTMENTS	0	0	0	NA	0	NA
ESTIMATED ENDIING (WORKING CAPITAL BASIS)	827,918	711,479	116,439	16.4%	711,479	116.4%

**CITY OF BRENHAM
WASTEWATER FUND
FY18 1ST QUARTER PERFORMANCE**

	YTD				ANNUAL FY18 BUDGET	YTD ACTUAL AS % TO BUDGET
	FY18 ACTUAL	FY18 BUDGET	FAV/(UNFAV) TO BUDGET	FAV/(UNFAV) % TO BUDGET		
\$						
DEPARTMENTS EXPENDITURES DETAIL						
066 FEMA & BOND EXPENDITURES CAPITAL (SEE BELOW)	5,653	0	(5,653)	NA	35,412	16.0%
100 NON-DEPT DIRECT SERVICES (BOND ISSUANCE COSTS)	18,400	0	(18,400)	NA	0	NA
110 NON-DEPT MISC SUNDRY (UNCOLLECTIBLE ACCTS & INVENTORY ADJ)	128	0	(128)	NA	10,000	1.3%
165 WASTEWATER CONSTRUCTION DEPT						
PERSONNEL & BENEFITS	36,920	37,602	682	1.8%	162,617	22.7%
SUPPLIES (FUEL, COMPUTERS, ETC)	2,191	4,156	1,965	47.3%	14,028	15.6%
MAINTENANCE (VEHICLES, EQUIPMENT, PLANT, ETC)	16,276	14,781	(1,495)	-10.1%	55,400	29.4%
SERVICES (UTILITIES, CONSULTANTS, CONTRACTS, ETC)	1,362	3,565	2,203	61.8%	7,022	19.4%
NON CAPITAL (SMALL ITEM - \$1,000 TO \$14,999 - PURCHASES)	13,020	12,524	(496)	NA	13,049	99.8%
CAPITAL (SEE BELOW)	3,878	6,992	3,114	44.5%	173,836	2.2%
SUNDRY (UNCOLLECTIBLE ACCTS, TRAVEL, CRED CARD FEES, ETC)	3,406	3,602	197	5.5%	5,122	66.5%
TOTAL	77,052	83,221	6,169	7.4%	431,074	17.9%
166 WASTEWATER TREATMENT DEPT						
PERSONNEL & BENEFITS	83,919	84,325	406	0.5%	365,539	23.0%
SUPPLIES (FUEL, COMPUTERS, ETC)	36,784	27,429	(9,355)	-34.1%	108,371	33.9%
MAINTENANCE (VEHICLES, EQUIPMENT, PLANT, ETC)	36,611	37,230	619	1.7%	226,300	16.2%
SERVICES (UTILITIES, CONSULTANTS, CONTRACTS, ETC)	100,160	124,137	23,977	19.3%	594,419	16.9%
NON CAPITAL (SMALL ITEM - \$1,000 TO \$14,999 - PURCHASES)	3,228	3,100	(128)	-4.1%	21,900	14.7%
CAPITAL (SEE BELOW)	0	0	0	NA	38,320	NA
SUNDRY (UNCOLLECTIBLE ACCTS, TRAVEL, CRED CARD FEES, ETC)	22,401	22,442	41	0.2%	24,842	90.2%
TOTAL	283,103	298,663	15,560	5.2%	1,379,691	20.5%
TOTAL O&M AND CAPITAL EXPENDITURES	384,336	381,884	(2,452)	-0.6%	1,856,177	20.7%

**CITY OF BRENHAM
SANITATION FUND
FY18 YTD 1ST QUARTER PERFORMANCE**

	YTD				ANNUAL FY18 BUDGET	YTD ACTUAL AS % TO BUDGET
	FY18 ACTUAL	FY18 BUDGET	FAV/(UNFAV) TO BUDGET	FAV/(UNFAV) % TO BUDGET		
\$						
FUNDING RESOURCES FROM CURRENT OPERATIONS						
REVENUES						
TRANSFER STATION	285,294	270,682	14,612	5.4%	1,128,271	25.3%
COLLECTION STATION	134,564	143,314	(8,750)	-6.1%	806,108	16.7%
RECYCLING CENTER STATION	19,184	15,107	4,076	27.0%	126,320	15.2%
RESIDENTIAL COLLECTION (NET COMMERCIAL)	328,402	323,003	5,399	1.7%	990,502	33.2%
TOTAL DISTRIBUTION REVENUES	767,444	752,106	15,338	2.0%	3,051,201	25.2%
TRANSFERS-IN	0	0	0	NA	0	NA
TOTAL FUNDING RESOURCES	767,444	752,106	15,338	2.0%	3,051,201	25.2%
USES OF FUNDING RESOURCES BEFORE CAPITAL REQs						
OPERATING EXPENDITURES						
DEPARTMENT EXPENDITURES (DEPTS 100, 110, 042, 043, 140 & 142)						
- PERSONNEL & BENEFITS	160,527	165,085	4,559	2.8%	717,859	22.4%
- SUPPLIES (FUEL, COMPUTERS, ETC)	34,089	37,686	3,597	9.5%	231,250	14.7%
- MAINTENANCE (VEHICLES, EQUIPMENT, PLANT, ETC)	29,566	36,350	6,784	18.7%	135,200	21.9%
- SERVICES (UTILITIES, CONSULTANTS, CONTRACTS, ETC)	207,441	231,320	23,879	10.3%	1,074,545	19.3%
- NON CAPITAL (SMALL ITEM - \$1,000 TO \$14,999 - PURCHASES)	4,320	0	(4,320)	NA	0	NA
- SUNDRY (UNCOLLECTIBLE ACCTS, TRAVEL, CRED CARD FEES, ETC)	17,715	14,963	(2,752)	-18.4%	23,463	75.5%
TOTAL DEPARTMENT EXPENDITURES	453,658	485,405	31,747	6.5%	2,182,317	20.8%
FRANCHISE FEE (7% CONSUMPTION REVENUES)	20,512	20,207	(305)	-1.5%	59,335	34.6%
TRANSFERS TO GENERAL FUND (FOR SHARED SERVICES)	84,276	84,275	(2)	NA	337,098	25.0%
TRANSFERS TO ELECTRIC FUND (FOR SHARED SERVICES)	21,418	21,535	117	0.5%	89,760	23.9%
TOTAL OPERATING EXPENDITURES	579,864	611,421	31,557	5.2%	2,668,510	21.7%
DEBT SERVICE						
CURRENT DEBT SCHEDULE	23,789	23,789	0	NA	95,157	25.0%
TOTAL USES OF FUNDING RESOURCES BEFORE CAPITAL REQs	603,653	635,211	31,557	5.0%	2,763,667	21.8%
NET FUNDING RESOURCES (LOSS) BEFORE CAP REQs	163,791	116,896	46,895	40.1%	287,534	57.0%
CAPITAL - REVENUE OR RESERVE FUNDING REQUIREMENTS	15,428	0	(15,428)	NA	414,000	3.7%
RESERVE CONTRIBUTIONS (RESERVE USES)	148,363	116,896	31,467	26.9%	(126,466)	-117.3%
BUSINESS LINE NET REVENUES						
TRANSFER STATION	74,415	30,547	43,869	143.6%	(170,973)	-43.5%
COLLECTION STATION	(24,273)	(7,553)	(16,720)	221.4%	179,010	-13.6%
RECYCLING CENTER STATION	(35,410)	(36,296)	886	-2.4%	(115,628)	30.6%
RESIDENTIAL COLLECTION (NET COMMERCIAL)	133,630	130,198	3,432	2.6%	(18,875)	-708.0%
	148,363	116,896	31,467	26.9%	(126,466)	-117.3%
FUND BALANCE						
BEGINNING (WORKING CAPITAL BASIS) OCT 1, 2017	1,052,493	1,052,493	0	0.0%	1,052,493	100.0%
NET DISTRIBUTION REVENUES	148,363	116,896	31,467	26.9%	116,896	126.9%
CAFR ADJUSTMENTS	0	0	0	NA	0	NA
EST ENDING BALANCE	1,200,856	1,169,389	31,467	2.7%	1,169,389	102.7%

**CITY OF BRENHAM
SANITATION FUND
FY18 YTD 1ST QUARTER PERFORMANCE**

\$	YTD				ANNUAL FY18 BUDGET	YTD ACTUAL AS % TO BUDGET
	FY18 ACTUAL	FY18 BUDGET	FAV/(UNFAV) TO BUDGET	FAV/(UNFAV) % TO BUDGET		
DEPARTMENTS EXPENDITURES DETAIL						
110 NON-DEPT MISC						
UNCOLLECTIBLE ACCTS (UNCOLLECTIBLE ACCTS - 142)	0	0	0	NA	3,300	0.0%
INVENTORY ADJUSTMENTS	0	0	0	NA	500	0.0%
OTHER SUNDRY (CREDIT CARDS - 043)	1,362	1,250	(112)	NA	5,000	27.2%
TOTAL	1,362	1,250	(112)	NA	8,800	15.5%
042 TRANSFER STATION DEPT						
PERSONNEL & BENEFITS	61,174	60,571	(603)	-1.0%	264,186	23.2%
SUPPLIES (FUEL, COMPUTERS, ETC)	13,463	20,025	6,562	32.8%	73,950	18.2%
MAINTENANCE (VEHICLES, EQUIPMENT, PLANT, ETC)	16,275	18,050	1,775	9.8%	68,500	23.8%
SERVICES (UTILITIES, CONSULTANTS, CONTRACTS, ETC)	73,299	96,110	22,811	23.7%	527,543	13.9%
NON CAPITAL (SMALL ITEM - \$1,000 TO \$14,999 - PURCHASES)	0	0	0	NA	0	NA
CAPITAL (SEE NEXT PAGE)	0	0	0	NA	193,000	0.0%
SUNDRY (UNCOLLECTIBLE ACCTS, TRAVEL, CRED CARD FEES, ETC)	5,709	4,631	(1,078)	-23.3%	4,931	115.8%
TOTAL	169,919	199,387	29,468	14.8%	1,132,110	15.0%
043 COLLECTION STATION DEPT						
PERSONNEL & BENEFITS	28,837	29,961	1,124	3.8%	130,138	22.2%
SUPPLIES (FUEL, COMPUTERS, ETC)	5,999	5,121	(878)	-17.2%	26,950	22.3%
MAINTENANCE (VEHICLES, EQUIPMENT, PLANT, ETC)	5,428	10,000	4,572	45.7%	38,100	14.2%
SERVICES (UTILITIES, CONSULTANTS, CONTRACTS, ETC)	55,122	56,154	1,032	1.8%	231,294	23.8%
NON CAPITAL (SMALL ITEM - \$1,000 TO \$14,999 - PURCHASES)	0	0	0	NA	0	NA
CAPITAL (SEE NEXT PAGE)	11,648	0	(11,648)	NA	0	NA
SUNDRY (UNCOLLECTIBLE ACCTS, TRAVEL, CRED CARD FEES, ETC)	4,280	1,874	(2,406)	-128.4%	2,374	180.3%
TOTAL	111,315	103,110	(8,205)	-8.0%	428,856	26.0%
140 RECYCLING CENTER DEPT						
PERSONNEL & BENEFITS	31,732	34,103	2,370	7.0%	148,477	21.4%
SUPPLIES (FUEL, COMPUTERS, ETC)	4,129	4,920	791	16.1%	13,650	30.2%
MAINTENANCE (VEHICLES, EQUIPMENT, PLANT, ETC)	2,572	2,650	78	2.9%	8,300	31.0%
SERVICES (UTILITIES, CONSULTANTS, CONTRACTS, ETC)	2,692	4,491	1,799	40.1%	15,544	17.3%
NON CAPITAL (SMALL ITEM - \$1,000 TO \$14,999 - PURCHASES)	4,320	0	(4,320)	NA	0	NA
CAPITAL (SEE NEXT PAGE)	3,780	0	(3,780)	NA	36,000	10.5%
SUNDRY (UNCOLLECTIBLE ACCTS, TRAVEL, CRED CARD FEES, ETC)	1,139	1,114	(25)	-2.2%	1,264	90.1%
TOTAL	50,363	47,277	(3,087)	-6.5%	223,235	22.6%
142 RESIDENTIAL COLLECTION DEPT						
PERSONNEL & BENEFITS	38,784	40,451	1,667	4.1%	175,058	22.2%
SUPPLIES (FUEL, COMPUTERS, ETC)	10,498	7,620	(2,877)	-37.8%	116,700	9.0%
MAINTENANCE (VEHICLES, EQUIPMENT, PLANT, ETC)	5,291	5,650	359	6.4%	20,300	26.1%
SERVICES (UTILITIES, CONSULTANTS, CONTRACTS, ETC)	76,329	74,566	(1,763)	-2.4%	300,164	25.4%
NON CAPITAL (SMALL ITEM - \$1,000 TO \$14,999 - PURCHASES)	0	0	0	NA	0	NA
CAPITAL (SEE NEXT PAGE)	0	0	0	NA	185,000	0.0%
SUNDRY (UNCOLLECTIBLE ACCTS, TRAVEL, CRED CARD FEES, ETC)	5,226	6,094	868	14.2%	6,094	85.8%
TOTAL	136,127	134,381	(1,746)	-1.3%	803,316	16.9%
TOTAL O&M AND CAPITAL EXPENDITURES	469,086	485,405	16,319	3.4%	2,596,317	18.1%

**CITY OF BRENHAM
SANITATION FUND
FY18 YTD 1ST QUARTER PERFORMANCE**

	YTD				ANNUAL FY18 BUDGET	YTD ACTUAL AS % TO BUDGET
	FY18 ACTUAL	FY18 BUDGET	FAV/(UNFAV) TO BUDGET	FAV/(UNFAV) % TO BUDGET		
\$						
042 TRANSFER STATION CAPITAL DETAIL						
813.00 HAUL TRUCK	0	0	0	NA	123,000	0.0%
813.00 HAUL TRAILER	0	0	0	NA	70,000	0.0%
TOTAL	0	0	0	NA	193,000	0.0%
043 COLLECTION STATION CAPITAL DETAIL						
815.00 DRAINAGE IMPROVEMENTS PHASE 3	11,648	0	(11,648)	NA	0	NA
140 RECYLING CENTER CAPITAL DETAIL						
810.00 REPLACE BALER	0	0	0	NA	18,000	0.0%
810.00 NEW CAN BALER	0	0	0	NA	18,000	0.0%
815.00 RETAINING WALL/PRIVACY FENCE	3,780	0	(3,780)	NA	0	NA
TOTAL	3,780	0	(3,780)	NA	36,000	10.5%
142 RESIDENTIAL COLLECTION CAPITAL DETAIL						
813.00 REPLACE GARBAGE TRUCK	0	0	0	NA	185,000	NA
TOTAL CAPITAL EXPENDITURES	15,428	0	(15,428)	NA	414,000	3.7%



AGENDA ITEM 7

DATE OF MEETING: April 5, 2018		DATE SUBMITTED: February 27, 2018	
DEPT. OF ORIGIN: Development Services		SUBMITTED BY: Lori Lakatos	
MEETING TYPE:	CLASSIFICATION:	ORDINANCE:	
☒ REGULAR	☒ PUBLIC HEARING	☐ 1 ST READING	
☐ SPECIAL	☐ CONSENT	☐ 2 ND READING	
☐ EXECUTIVE SESSION	☐ REGULAR	☐ RESOLUTION	
	☐ WORK SESSION		
AGENDA ITEM DESCRIPTION: Public Hearing to Consider Amending Appendix A – “Zoning” of the Code of Ordinances of the City of Brenham to Amend Part II, Division 2, Section 6, B-4 Neighborhood Business District, (Section 6.02), Permitted Uses (Non-Residential), to Add Fitness Facilities (Personal and Small Group Training Only) as a Permitted Use in the B-4 Neighborhood Business District (Case No. P-18-003)			
SUMMARY STATEMENT: This is the Public Hearing for the request by Presley Walcik and Andy Adams, Washington County Athletics to amend the Zoning Ordinance to allow fitness facilities as permitted uses within the B-4 Neighborhood Business District. Two Public Comments were made at the Planning and Zoning Commission Public Hearing on January 22, 2018. The recommended text amendment is to add the following: (22) Fitness facilities (personal and small group training only) On Monday, February 26, 2018, the Planning and Zoning Commission voted unanimously to recommend approval of this request.			
STAFF ANALYSIS (For Ordinances or Regular Agenda Items): A. PROS: B. CONS:			
ALTERNATIVES (In Suggested Order of Staff Preference):			
ATTACHMENTS: (1) Staff Report			
FUNDING SOURCE (Where Applicable):			
RECOMMENDED ACTION: Discussion only			
APPROVALS: James Fisher			



CASE NUMBER P-18-003
TEXT AMENDMENT

REQUEST:

This is a request by Pressley Walcik (Owner) and Washington County Athletics, Andy Adams (Applicant) to amend the City of Brenham's Code of Ordinances, Appendix A – Zoning, Part II, Division 2, Section 6.02) Permitted uses: (Nonresidential) by allowing fitness facilities as a permitted use in the B-4 Neighborhood Business District

BACKGROUND:

In December 2017, Andy Adams with Washington County Athletics requested a zoning verification letter for 107 W. First Street. Staff informed Mr. Adams that the property is located within the B-4 Neighborhood Business District and that fitness facilities are not permitted within that district under the Zoning Ordinance.

On December 11, 2017, the City of Brenham received a Zoning Ordinance text amendment application (Exhibit "A") from Mr. Walcik and Mr. Adams requesting to allow fitness facilities as a permitted use within the B-4 Neighborhood Business District.

PROPOSED AMENDMENT:

(Sec. 6.02) Permitted uses:

(Nonresidential)

"(22) Fitness facilities"

ANALYSIS:

The City's Zoning Ordinance currently allows fitness facilities within the B-1 Local Business/Residential Mixed Use District, B-2 Commercial, Research and Technology District, and B-3 Historical Central Business District. The B-4 district was established to encourage a mix of commercial, office, service, residential, and governmental uses while preserving the historical/commercial character of the district.

The B-1, B-2, B-3, and B-4 Districts have similar permitted uses. As the B-4 district is a transition area it appears that the fitness facilities use was overlooked since it is allowed in the other three districts.

PUBLIC COMMENTS:

The Notice of Public Hearing was published in the paper on January 11, 2018 and the public hearing was held before the Planning and Zoning Commission on January 22, 2018. The Planning and Zoning Commission tabled any action on this item until the February 26, 2018 meeting.

The Notice of Public Hearing was published in the paper on February 20, 2018 for the March 8, 2018 City Council meeting. Any public comments will be provided in the Planning & Zoning Commission and City Council packets or during the public hearing.

STAFF RECOMMENDATION:

Staff recommends APPROVAL of Case Number P-18-003 with the proposed additional language to the request.

“(22) Fitness facilities (personal and small group training only)”

EXHIBITS:

A. Zoning Text Amendment Application

EXHIBIT "A"
ZONING TEXT AMENDMENT APPLICATION



For office use only

APPLICATION NO. _____

MEETING DATE: _____

DATE SUBMITTED: 12-11-17

FILING FEE: _____

CITY OF BRENHAM -- DEVELOPMENT SERVICES DEPARTMENT
ZONING TEXT AMENDMENT APPLICATION

APPLICATION REQUIREMENTS: Applications will be conditionally accepted on the presumption that the information, materials, and signatures are complete and accurate. If the application is incomplete or inaccurate, your request may be delayed until corrections or additions are received.

Property Owners

Name: Pressley Walcik

Contact Person, If Business _____ Title: _____

Address: P.O. Box 234

City: New Ulm State: Texas Zip: 78950

Telephone Number: 979-732-7018 E-mail Address: pressley@walcikconstruction.com

Applicant

Name: Washington County Athletics

Contact Person, If Business Andy Adams Title: Owner/Coach

Address: 1172 S. Berlin Road

City: Brenham State: Texas Zip: 77833

Telephone Number: 281-844-4682 E-mail Address: andy@brenhamcrossfit.com

Statement of Purpose -- Identify the existing section(s) of the Zoning Ordinance for which the Text Amendment is proposed, the proposed revised language and the reason(s) for the requested Text Amendment (attach additional sheets as necessary):

Appendix A "Zoning" of the Code of Ordinances of the City of Brenham, Texas, Part II,
Division 2, Section 6.02 - Permitted Uses (Non-residential)

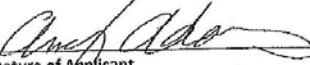
General Description of Property Affected by Amendment (attach additional sheets as necessary):

107 W. First Street (existing building to be used for a fitness facility)

Statement of Facts which the Applicant believes Justify the Amendment (attach additional sheets as necessary):

Fitness facilities are currently allowed as permitted uses in the B-1, B-2 and B-3 Zoning Districts so B-4 is the only "B" Zoning District that doesn't permit fitness facilities. The B-4 District allows for entertainment and amusement, arts and crafts studios, dancing or music academies and studios, etc., therefore, a fitness facility would be definitely be a fit for this zoning district.

This is to certify that the information on this form is COMPLETE, TRUE, and CORRECT and the under signed is authorized to make this application. I understand that submitting this application does not constitute approval and incomplete applications will result in delays and possible denial.

X 
Signature of Applicant

12-8-17
Date

X 
Signature of Owner

12-8-17
Date



AGENDA ITEM 8

DATE OF MEETING: April 5, 2018	DATE SUBMITTED: April 2, 2018	
DEPT. OF ORIGIN: Brenham EDF	SUBMITTED BY: Candi Eaton	
MEETING TYPE: ☒ REGULAR ☐ SPECIAL ☐ EXECUTIVE SESSION	CLASSIFICATION: ☒ PUBLIC HEARING ☐ CONSENT ☐ REGULAR ☐ WORK SESSION	ORDINANCE: ☐ 1 ST READING ☐ 2 ND READING ☐ RESOLUTION
AGENDA ITEM DESCRIPTION: Public Hearing, Discussion and Receipt of Input Related to the Proposed Creation of Reinvestment Zone Number 42 Requested by D Bar B Sausage & Meats, LLC for Commercial Tax Phase-In Incentive on a Certain 3.0 Acre Tract of Land Located at 1909 Longwood Dr., Brenham, Texas, Being Described as Lot 2, of the Southwest Industrial Park, Section II, Reserve "B" Partition in the City of Brenham, Phillip Coe Survey, A-31, Washington County, Texas, with Boundaries Further Described in Exhibit "A" of the Ordinance Creating Reinvestment Zone 42, and Designating This Property as Qualifying for Tax Phase-In		
SUMMARY STATEMENT: Prior to considering the creation of a Reinvestment Zone for implementing a Tax Phase-In incentive for D Bar B Sausage & Meats, LLC. (Kountry Boys Sausage), the City Council is required to hold a Public Hearing to receive input regarding the proposal.		
STAFF ANALYSIS (For Ordinances or Regular Agenda Items): A. PROS: B. CONS:		
ALTERNATIVES (In Suggested Order of Staff Preference):		
ATTACHMENTS: (1) Tax Phase-In Application from D Bar B Sausage & Meats, LLC.		
FUNDING SOURCE (Where Applicable):		
RECOMMENDED ACTION: Public Hearing only.		
APPROVALS: James Fisher		



MEMO

To: Mayor Tate and City Council
From: Brenham Economic Development Foundation *gm*
Date: March 2, 2018
Re: Kountry Boys Tax Phase-In Application

The Brenham Economic Development Foundation respectfully requests your consideration of an application for Tax Phase-In from Kountry Boys Sausage.

Kountry Boys has plans to construct a new commercial sausage making facility at their Brenham plant in the Southwest Industrial Park. Their current facility for making sausage is in Bellville (Austin County). That facility will be fully relocated to the new plant in Brenham.

JOB RETENTION: Kountry Boys will **create approximately 10 new jobs** during the first year of operations. Kountry Boys will also provide additional benefits including health plan and 401K to their employees.

CAPITAL INVESTMENT: Kountry Boys will be **investing approximately \$4 million** in capital for this project. \$500,000 will be used to purchase new pieces of machinery. \$3.5 million be used to construct a new building and expand it off of their current facility.

NEW TAXES PAID: If Kountry Boys is granted tax phase-in, based on projected values, they will pay a **total of \$51,540.41 in new taxes in its first year of operation (\$20,680 to the City of Brenham)**. The company will receive an abatement of \$37,227.60 in year-one (\$18,612.00 from the City). At the end of its tax phase-in period, Kountry Boys will have paid a **total of \$383,697.60 in new taxes (\$89,388.82 to the City)**, and will have received a total abatement of \$148,910.40 (\$74,448.00 from the City). At no point in the tax phase-in process does any company receive abatements on taxes for Blinn College or Brenham ISD.

Attached you will find:

- A) Tax Phase-In Application
- B) Company Overview
- C) Site Map
- D) Tax Phase-In Calculation
- E) Tax Phase-In Overview

If you have any questions, please contact Page Michel or Candi Eaton at the Brenham EDF office at 979-836-8927 or edf@brenhamtexas.com.

Brenham Economic Development Foundation

314 S. Austin Street | Brenham TX 77833

Office: (979) 836-8927

Page Michel, President/CEO | Candi Eaton, Project Manager

www.BrenhamEDF.com

TAX PHASE-IN APPLICATION

This application must be filed in conformance with the City of Brenham/Washington County Guidelines and Criteria for Tax Phase-In. The application must be filed prior to the beginning of construction or installation of equipment. Approval of this application is discretionary with the City Council and/or Commissioner's Court. All applications submitted to the City of Brenham must be received 20 days before the publication deadline.

APPLICANT INFORMATION

Company Name	D BAR B SAUSAGE & MEATS, LLC (DBA: KOUNTRY BOYS SAUSAGE)	
Address of HQ	1909 LONGWOOD DR	Annual Sales 10,000,000
	BRENHAM, TEXAS 77833	Years in Business 20
Company President	BRIAN BENDER	Total Employees 72
Authorized Signature		Brenham Address:
Title	PRESIDENT / OWNER	1909 LONGWOOD DR
Date	03/01/2018	BRENHAM, TEXAS 77833
Contact Person	BRIAN BENDER	Telephone (979) 830-0660

Attach a description of the Company including a brief history, corporate structure and business plan and annual statement, if available.

PROJECT INFORMATION

Type of Targeted Enterprise:

☐ Agriculture/ Aquaculture Facility; ☒ Manufacturing/Assembly; ☐ Distribution; ☐ Research

Products and services to be provided: **SMOKED MEAT MANUFACTURING**

SITE INFORMATION

Address	1909 LONGWOOD DR, BRENHAM, TEXAS 77833
Legal Description	SOUTHWEST INDUSTRIAL PARK, SECTION II, RESERVE "B" PARTITION
	LOT 2, 3.00 ACRES

Attach map showing project location.

☐ New Facilities ☒ Expansion of Existing Facilities ☐ Modernization/Remodel

ECONOMIC INFORMATION

Construction Estimates

Start Date	<u>2nd Quarter 2018</u>	Contract Amount	<u>\$4 Million</u>
Completion Date	<u>1st Quarter 2019</u>	# Construction Jobs	<u>63</u>

Estimated Appraised Values	<u>Land</u>	<u>Building/Equipment</u>	<u>Personal Property</u>
Value before Tax Phase-In begins	<u>\$33,000</u>	<u>\$350,000</u>	<u>\$458,700</u>
Value after Tax Phase-In expires	<u>\$33,000</u>	<u>\$3,850,000</u>	<u>\$595,200</u>

PERMANENT EMPLOYMENT INFORMATION

Will this project create or retain a minimum of 10 jobs at an average base salary of \$36,000/year, or higher, including benefits throughout the tax phase-in process? ☒ Yes ☐ No

Estimated number of jobs to be created	Total	Washington County Residents	Out of County Residents
After first year	10	--	--
End of tax phase-in	15	--	--

Estimated number of jobs to be retained	Total	Washington County Residents	Out of County Residents
After first year	--	--	--
End of tax phase-in	--	--	--

CHECK LIST FOR APPLICATION FOR TAX PHASE-IN

All applicants for tax incentives should provide the following:

	<u>Attached</u>	<u>N/A</u>
(a) A description of waste and by-products, including any air or water pollution generated by the business.	☐	☒
(b) A drawing showing location of the property, all roadways within	☒	☐
(c) 500 feet, current land uses and zoning within 500 feet and a complete metes and bounds description if the property is not platted.	☐	☒
(d) Itemized estimated cost of the real property and improvements proposed.	☒	☐
(e) A description of financing methods and projected time when costs or obligations are to be incurred.	☒	☐
(f) The amount and duration of any tax phase-in requested.	☒	☐
(g) Any other incentives requested.	☐	☒
(h) A description of reason for requesting incentives.	☒	☐
(i) Impact on the project scope and/or location of the project if incentives are not granted.	☒	☐
(j) Description of tax phase-in requested or to be requested from other applicable taxing entities.	☒	☐
(k) Details of job types and number employed in each.	☒	☐
(l) Wages and benefits per job type.	☒	☐
(m) Schedule of job creation/retention during the tax phase-in period.	☒	☐
(n) Estimated number and type of employees to be hired/retained from the local labor force.	☒	☐
(o) Estimated number and type of employees that will be relocated into the local area.	☒	☐
(p) Projected total payroll.	☒	☐
(q) Projected utility volume: electricity, natural gas and water.	☒	☐
(r) Projected Annual Sales tax.	☐	☒
(s) Projected goods and services purchased from local vendors.	☒	☐
(t) Description of utility lines and other infrastructure requirement by the City and by the Project.	☐	☒

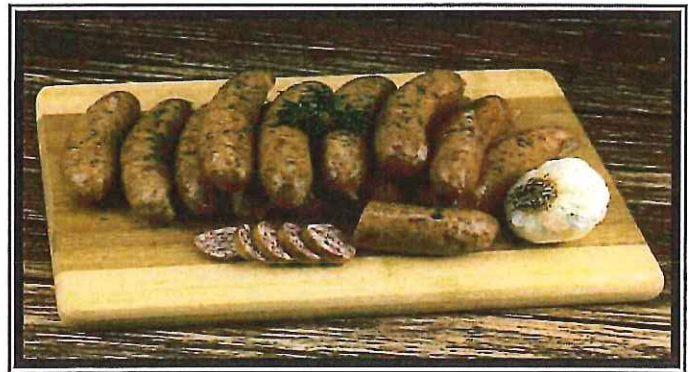
ADDITIONAL PROJECT INFORMATION

- (a) N/A
- (b) attached
- (c) Land Cost: Notes:
 Building Cost: \$ 3,500,000.00
 Equipment Cost: \$ 500,000.00
Total: \$ 4,000,000.00
- (d) The building cost will be financed with Citizens State Bank. The equipment will be financed from an equipment credit line with a major financial institution.
- (e) Tax phase-in is requested for 6 years as presented in the tax abatement schedule.
- (f) None
- (g) The incentives will help facilitate the expansion of Kountry Boys Sausage Brenham location which will increase the company's employment in the County and will make the project more financially feasible.
- (h) If the tax phase-in incentive is not granted, the cost for the expansion will be substantially higher.
- (i) Requesting tax phase-in from the City of Brenham and Washington County.
- (j) Packaging Department - 1 Manager & 14 employees; Processing Department - 1 Manager & 16 employees; Day Shift Manager - 1; Night Shift Manager - 1
- (k) Packaging Department \$9/hr - \$12/hr; Processing Department \$9 - \$15.20/hr; Day Shift Manager \$15/hr; Night Shift Manager \$15.85/hr all full time employees are offered health insurance and 401k benefits
- (l) Kountry Boys has plans to initially create 10 jobs in its first year of operations and increase the number of jobs to 15 by the end of the tax phase-in.
- (m) The local labor force will always take priority, however, Kountry Boys Sausage expects to hire any skilled labor from within a 1-hour drive-time radius of Brenham.
- (n) Current employees working at the Bellville facility live within a 30-45 mile radius of Brenham. We do not know at this time how many of those employees will relocate to Brenham or commute to Brenham.
- (o) \$2 million
- (p) Estimates: 408,480 kwh/year; 3240 MMBtu/year; 2,515,320 gallons/year water
- (q) Not applicable
- (r) Kountry Boys Sausage will use local vendors as much as possible during the construction phase
- (s) Not applicable



Kountry Boys Sausage was established in 1998 in Brenham, Texas. It all started with a delicious family recipe, rich with our German, Polish and Czech Heritage. All of our products begin with lean-cuts of meat and the freshest herbs and spices. Our sausage is then stuffed into natural casings and hickory smoked to perfection. Our coarse-ground sausage is not made with any fillers, dyed casings, or additives, just wholesome country goodness.

What started out as a small family business has expanded and can be found in over 500 stores statewide and beyond. Since our specialty sausage products were proudly introduced in 1998, we have been edging our way to the top of many stores in which our sausage is sold. But of course, there is no better judge for our fine tasting products than your very own taste buds. We encourage you to try our time-honored tradition for yourself.



TAX PHASE-IN CALCULATION

PROJECT INFORMATION

Project:	City Girl
Business Name:	D Bar B Sausage & Meats, LLC (Kountry Boys)
Prepared for:	Brian Bender
Date Prepared:	1/29/2018 3/1/2018 3/12/2018
	Rev A Rev B

ESTIMATED ABATEMENT TOTAL
\$148,910.40

Jurisdiction	Tax Rate	Tax Value
City of Brenham*	0.5170	\$ 20,680.00
Washington County*	0.5171	\$ 20,684.00
Blinn College	0.0601	\$ 2,404.00
Brenham ISD	1.1250	\$ 45,000.00
City/County Combined Tax*	1.0341	\$ 41,364.00
Total Tax	2.2192	\$ 88,768.00

*Only City and County tax are available for possible abatement

TAX ABATEMENT SUMMARY		VALUE	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	TOTAL
TABLE 1A									
Property Improvements by an Existing Local Business	Rate		45%	45%	45%	40%	30%	20%	
	City	0.5170	\$9,306.00	\$9,306.00	\$9,306.00	\$8,272.00	\$6,204.00	\$4,136.00	\$46,530.00
	County	0.5171	\$9,307.80	\$9,307.80	\$9,307.80	\$8,273.60	\$6,205.20	\$4,136.80	\$46,539.00
Table 1A Totals:		\$4,000,000.00	\$18,613.80	\$18,613.80	\$18,613.80	\$16,545.60	\$12,409.20	\$8,272.80	\$93,089.00
TABLE 2									
Jobs Created and/or Retained	Rate		45%	40%	30%	20%			
	City	0.5170	\$9,306.00	\$8,272.00	\$6,204.00	\$4,136.00			\$27,918.00
	County	0.5171	\$9,307.80	\$8,273.60	\$6,205.20	\$4,136.80			\$27,923.40
Table 2 Totals:		10	\$18,613.80	\$16,545.60	\$12,409.20	\$8,272.80			\$55,841.40
TAXES ABATED TOTALS									
TAXES ABATED	Rate		90%	85%	75%	60%	30%	20%	
	City	0.5170	\$18,612.00	\$17,578.00	\$15,510.00	\$12,408.00	\$6,204.00	\$4,136.00	\$74,448.00
	County	0.5171	\$18,615.60	\$17,581.40	\$15,513.00	\$12,410.40	\$6,205.20	\$4,136.80	\$74,462.40
TOTAL TAXES ABATED:			\$37,227.60	\$35,159.40	\$31,023.00	\$24,818.40	\$12,409.20	\$8,272.80	\$148,910.40

TAXES TO BE PAID SUMMARY		VALUE	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	TOTAL
TAXES PAID									
TAXES PAID	City	0.5170	\$2,068.00	\$3,102.00	\$5,170.00	\$8,272.01	\$14,476.01	\$16,544.01	\$49,632.03
	County	0.5171	\$2,068.40	\$3,102.60	\$5,171.00	\$8,273.59	\$14,478.79	\$16,547.19	\$49,641.57
	Blinn	0.0601	\$2,404.00	\$2,404.00	\$2,404.00	\$2,404.00	\$2,404.00	\$2,404.00	\$14,424.00
Taxes Paid:			\$45,000.00	\$45,000.00	\$45,000.00	\$45,000.00	\$45,000.00	\$45,000.00	\$270,000.00
Taxes Paid:			\$51,540.40	\$53,608.60	\$57,745.00	\$63,949.60	\$76,358.80	\$80,495.20	\$383,697.60

Tax abatement is based on Washington CAD appraised value so these numbers may vary. This document provides an estimate based on projected investment.

Tax Phase-In Schedule Calculation

Overview of the Tax Phase-In Incentive

Based on Policies in the City of Brenham and Washington County, Texas

Definition:

- Tax Phase-In means the partial, temporary exemption from property taxes, with the purpose of stimulating economic development.
- Only ad valorem property taxes are eligible, and only on certain qualifying property. Brenham Independent School District and Blinn College taxes are to be paid in full at all times.

Guidelines and Criteria:

In order to be eligible for tax phase-in, the planned improvement at a minimum must:

- Be a facility used or to be used by a primary jobs employer according to Exhibit A (except for a location in the Downtown Zone).
- The project must add new value to the tax roll of eligible property: a minimum of \$300,000 for a business new to Brenham or \$150,000 for an existing local business. For development in the Downtown Zone, the added value must be a minimum of \$50,000.
- Within the first year and throughout the phase-in period, the applicant must maintain or create a minimum of ten (10) jobs at an average salary of \$36,000/year, or higher, including any benefits (except for a location in the Downtown Zone).
- **PLEASE NOTE:** A facility is eligible for tax phase-in if it has applied for the incentive before construction begins, and it meets the complete guidelines and criteria under the Tax Phase-In Policy.
- Tax Phase-In may be granted for new or existing facilities.
- Eligible property for tax phase-in may include the value of buildings, structures, fixed machinery and equipment, site improvements plus that office space and related fixed improvements necessary or convenient to the operation and administration of the facility.

- Property that is not eligible for the tax phase-in incentives include:
 - *land
 - *animals
 - *inventories
 - *supplies
 - *tools
 - *furnishings and other forms of moveable personal property
 - *vehicles
 - *vessels
 - *aircraft
 - *housing or residential property (except for property owners in a Downtown Zone)
 - *hotels/motels
 - *fauna
 - *flora
 - *retail facilities (except for property owners in a Downtown Zone)
 - *deferred maintenance investments
 - *improvements by the generation or transmission of electrical energy not wholly consumer by a new facility or expansion
 - *any improvements including those to produce, store or distribute natural gas or fluids that are integral to the operation of the facility, or
 - *property owned or used by the State of Texas or its political subdivisions or by any organization owned, operated or directed by a political subdivision of the State of Texas.

Application:

- Any present or potential owner of taxable property in the City of Brenham and/or Washington County may request the creation of a Reinvestment Zone and Tax Phase-In Incentive by filing a written request with the Brenham City Manager and/or Washington County Judge.
- After the receipt of the application, the county will make a decision within 90 days. The decision-making process may involve an economic impact study, plus city council and county commissioner's court meetings.
- If accepted, the business receiving tax phase-in will be required to provide a sworn statement and documents, verifying compliance each year. Failure to provide the required documents shall result in termination of the Tax Phase-In agreement.

For further details and confidential assistance, contact:

ECONOMIC DEVELOPMENT FOUNDATION OF BRENHAM
 314 SOUTH AUSTIN STREET • BRENHAM, TEXAS 77833
 PHONE: [979] 836 8927 FAX: [979] 836 3563
 EMAIL: EDF@BRENHAMTEXAS.COM

EXHIBIT A
PRIMARY JOBS EMPLOYER DEFINITION

Sec. III (a)

Be a facility used or to be used by a Primary Jobs Employer.

"Primary job" means a job that is:

- (i) available at a company for which a majority of the products or services of that company are ultimately exported to regional, statewide, national, or international markets infusing new dollars into the local economy; and
- (ii) included in one of the following sectors of the North American Industry Classification System (NAICS):

NAICS Sector #	Description
111	Crop Production
112	Animal Production
113	Forestry and Logging
11411	Commercial Fishing
115	Support Activities for Agriculture and Forestry
211-213	Mining
221	Utilities
311-339	Manufacturing
42	Wholesale Trade
48-49	Transportation and Warehousing
51 (excluding 512131 and 512132)	Information (excluding motion picture theaters and drive-in motion picture theaters)
523-525	Securities, Commodity Contracts, and Other Financial Investments and Related Activities; Insurance Carriers and Related Activities; Funds, Trusts, and Other Financial Vehicles
5413, 5415, 5416, 5417, and 5419	Architectural, Engineering, and Related Services; Computer System Design and Related Services; Management, Scientific, and Technical Consulting Services; Scientific Research and Development Services; Other Professional, Scientific, and Technical Services
551	Management of Companies and Enterprises
56142	Telephone Call Centers
922140	Correctional Institutions

EXHIBIT B
TAX PHASE-IN INCENTIVE SCHEDULES

Applicants may receive property Tax Phase-In incentive according to the schedules in Tables 1 and 2, depending on their combination of property value creation and job creation/retention.

TABLE 1 (earns 50% of incentive)

1A - Property Improvements by an Existing Local Business

Level	Amount of Valuation of Eligible Improvements as determined by the Tax Appraisal District:		Percent of property tax to be abated each year							
	From	To	1	2	3	4	5	6	7	8
1	\$ 150,000	\$1,000,000	45	40	30	20	0	0	0	0
2	\$1,000,001	\$2,500,000	45	45	40	30	20	0	0	0
3	\$2,500,001	\$4,000,000	45	45	45	40	30	20	0	0
4	\$4,000,001	\$5,500,000	45	45	45	45	40	30	20	0
5	More than	\$5,500,000	45	45	45	45	45	40	30	20

1B - Property Improvements by a New Business

Level	Amount of Valuation of Eligible Improvements as determined by the Tax Appraisal District:		Percent of property tax to be abated each year							
	From	To	1	2	3	4	5	6	7	8
1	\$ 300,000	\$1,000,000	45	40	30	20	0	0	0	0
2	\$1,000,001	\$2,500,000	45	45	40	30	20	0	0	0
3	\$2,500,001	\$4,000,000	45	45	45	40	30	20	0	0
4	\$4,000,001	\$5,500,000	45	45	45	45	40	30	20	0
5	More than	\$5,500,000	45	45	45	45	45	40	30	20

TABLE 2 (earns 50% of incentive)

2 - Jobs Created & Retained - by Existing Businesses or New/Relocating Businesses

Level	The number of new and/or retained full-time employees with an average salary level of \$36,000+/year including benefits averaged during the twelve calendar months prior to the tax assessment date of January 1:		Percent of property tax to be abated each year							
	From	To	1	2	3	4	5	6	7	8
1	10	19	45	40	30	20	0	0	0	0
2	20	29	45	45	40	30	20	0	0	0
3	30	39	45	45	45	40	30	20	0	0
4	40	49	45	45	45	45	40	30	20	0
5	50 and more		45	45	45	45	45	40	30	20

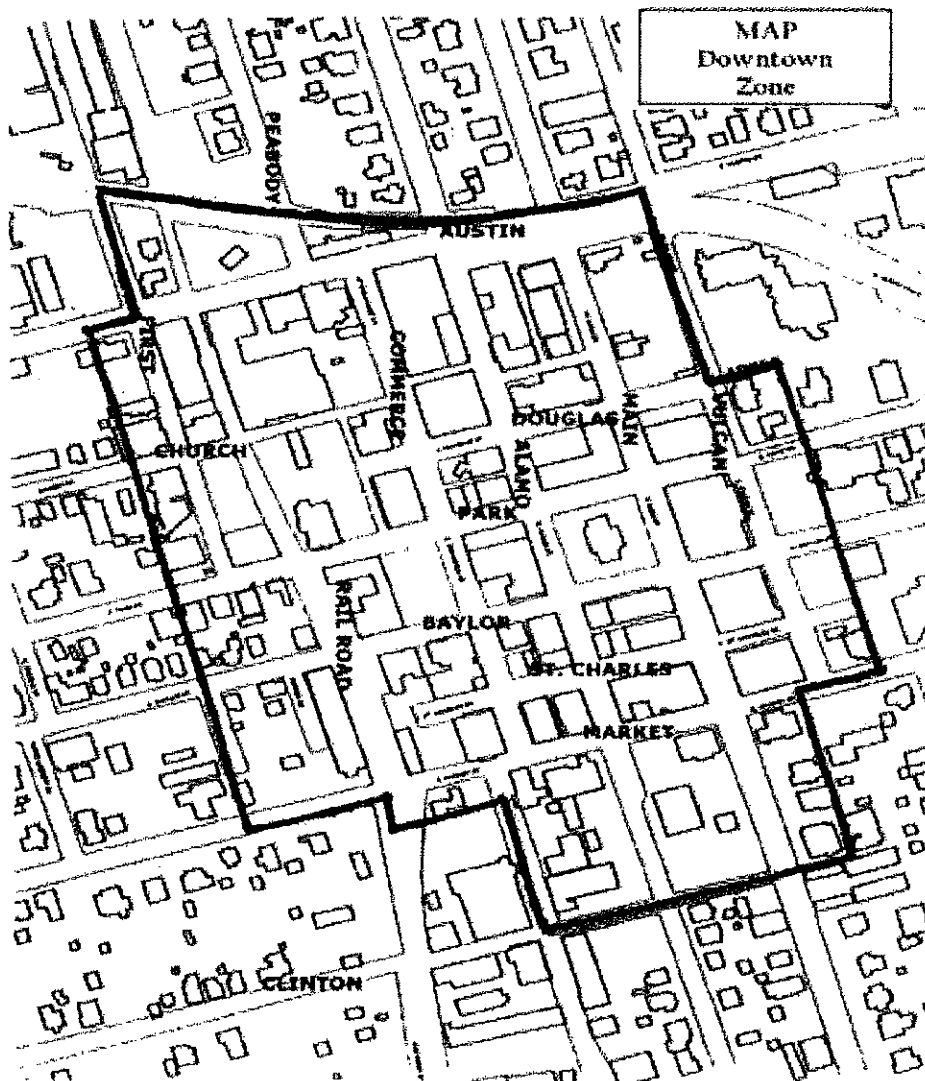
TABLE 3 Downtown Zone

Amount of valuation of
downtown reinvestment
determined by tax appraisal:

Percent of property tax to be abated each year

Valuation	1	2	3	4	5	6	7	8
\$ 50,000 to \$150,000	90	90	90	60	40	20	0	0
\$150,001 to \$250,000	90	90	90	90	60	40	20	0
\$250,001 and beyond	90	90	90	90	90	60	40	20

EXHIBIT C
MAP OF DOWNTOWN ZONE



**SOUTHWEST INDUSTRIAL PARK SECTION II
RESERVE "F" PARTITION
CITY OF BRENHAM, PHILIP COE SURVEY A-31
WASHINGTON COUNTY, TEXAS**

TO BE SITUED LOT 1 COMMENCING 1,200 AC. OUT OF RESERVE "F"
OF SOUTHWEST INDUSTRIAL PARK SECTION II SHOWN ON PLAT HEREOF
RECORDED IN 2284 & 2285 OF THE WASHINGTON COUNTY PLAT FILE.

PLANNING COMMISSION APPROVAL
Approved this 10th day of April, 1993 by
the Planning Commission of the City of Brenham, Texas.

Carol M. Neal
Mayor
Gary A. Stobbs
Secretary

APPROVAL BY CITY COUNCIL
Approved this 6th day of May, 1993 by
the City Council of the City of Brenham, Texas.

Robert Applegate
Mayor
Kevin L. Spivey
Secretary

OWNER ACKNOWLEDGMENT

THE BRENHAM INDUSTRIAL FOUNDATION, INC., owner of the land
herein does hereby make this Subdivision of said
property in accordance with the plat shown herein.

W. F. Stork
W. F. Stork, President

**STATE OF TEXAS
COUNTY OF WASHINGTON**
This instrument was acknowledged before me on this 10th day of April, 1993 by *W. F. Stork*, President of The Brenham Industrial Foundation, Inc., it being his duly authorized act and deed, and he is duly qualified to execute this instrument, on behalf of said corporation.

Barbara H. Stork
Notary Public
State of Texas
My Notary Seal
Notary's Name (Printed)
Barbara H. Stork

THE BRENHAM INDUSTRIAL BANK
This instrument was acknowledged before me on this 10th day of April, 1993 by *W. F. Stork*, President of The Brenham Industrial Bank, it being his duly authorized act and deed, and he is duly qualified to execute this instrument, on behalf of said corporation.

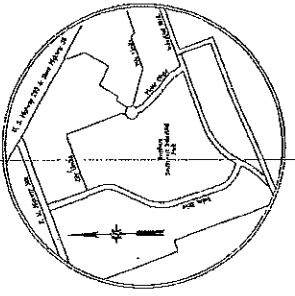
W. F. Stork
W. F. Stork, Vice President

**STATE OF TEXAS
COUNTY OF WASHINGTON**
This instrument was acknowledged before me on this 10th day of April, 1993 by *W. F. Stork*, President of The Brenham Industrial Bank, it being his duly authorized act and deed, and he is duly qualified to execute this instrument, on behalf of said corporation.

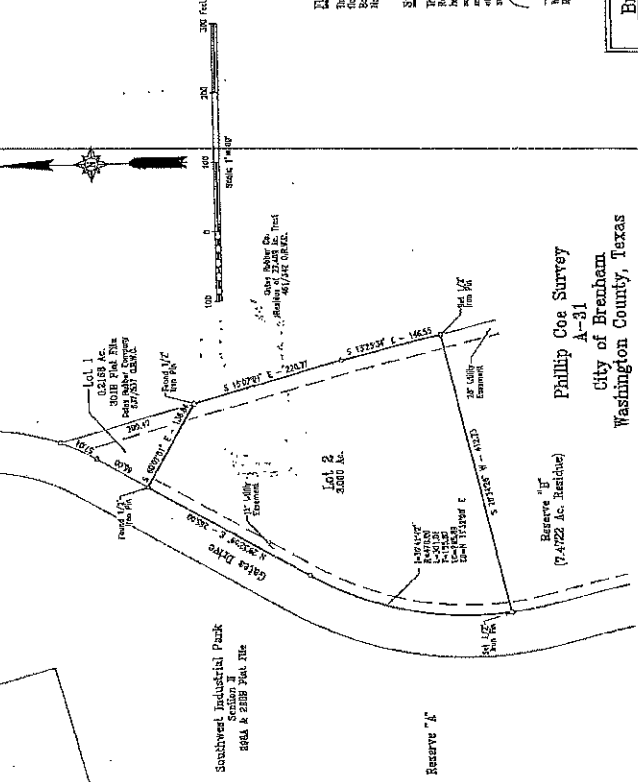
W. F. Stork
Notary Public
State of Texas
My Notary Seal
Notary's Name (Printed)
W. F. Stork

**THE STATE OF TEXAS
COUNTY OF WASHINGTON**
I, *W. F. Stork*, County Clerk in and for said County, do hereby certify that the foregoing instrument, with its exhibits, is a true and correct copy of the original as the same appears in the Public Records of said County, and that the same is duly recorded in the Public Records of said County, and that the same is duly acknowledged by the said County of Washington, Texas.

W. F. Stork
County Clerk
Washington County, Texas



Location Map



Notes
This tract or parcel of land does not lie within the actual flood hazard area according to the 100/100 Peak Flood Hazard Study for the City of Brenham, Texas, as shown on the Flood Hazard Map, dated May 24, 1977.

Surveyor's Certificate
This is to certify that I, William H. Stork, Registered Professional Land Surveyor No. 1270, have surveyed and laid out the above described tract of land, and that the same is in accordance with the plat shown herein, and that the same is duly acknowledged by the said County of Washington, Texas.

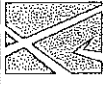
W. H. Stork
William H. Stork
Registered Professional Land Surveyor No. 1270

Brenham Industrial Foundation	
PLANNING AND ASSOCIATES	
PHILIP COE SURVEY	
A-31	
Washington County, Texas	
Date: April 12, 1993	
Revised: Professional Land Surveyor No. 1270	
Surveyor	William H. Stork
Plat No.	1270
Page	4/12/93
Book	2284
Page	1
Section	1
Range	10N
Meridian	10N
County	Washington
State	Texas
City	Brenham
Address	1000 E. 1st St.
Phone	713-231-1111
Fax	713-231-1111
E-mail	info@brenhamindustrial.com
Website	http://www.brenhamindustrial.com

Copy Filed
Original

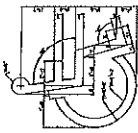
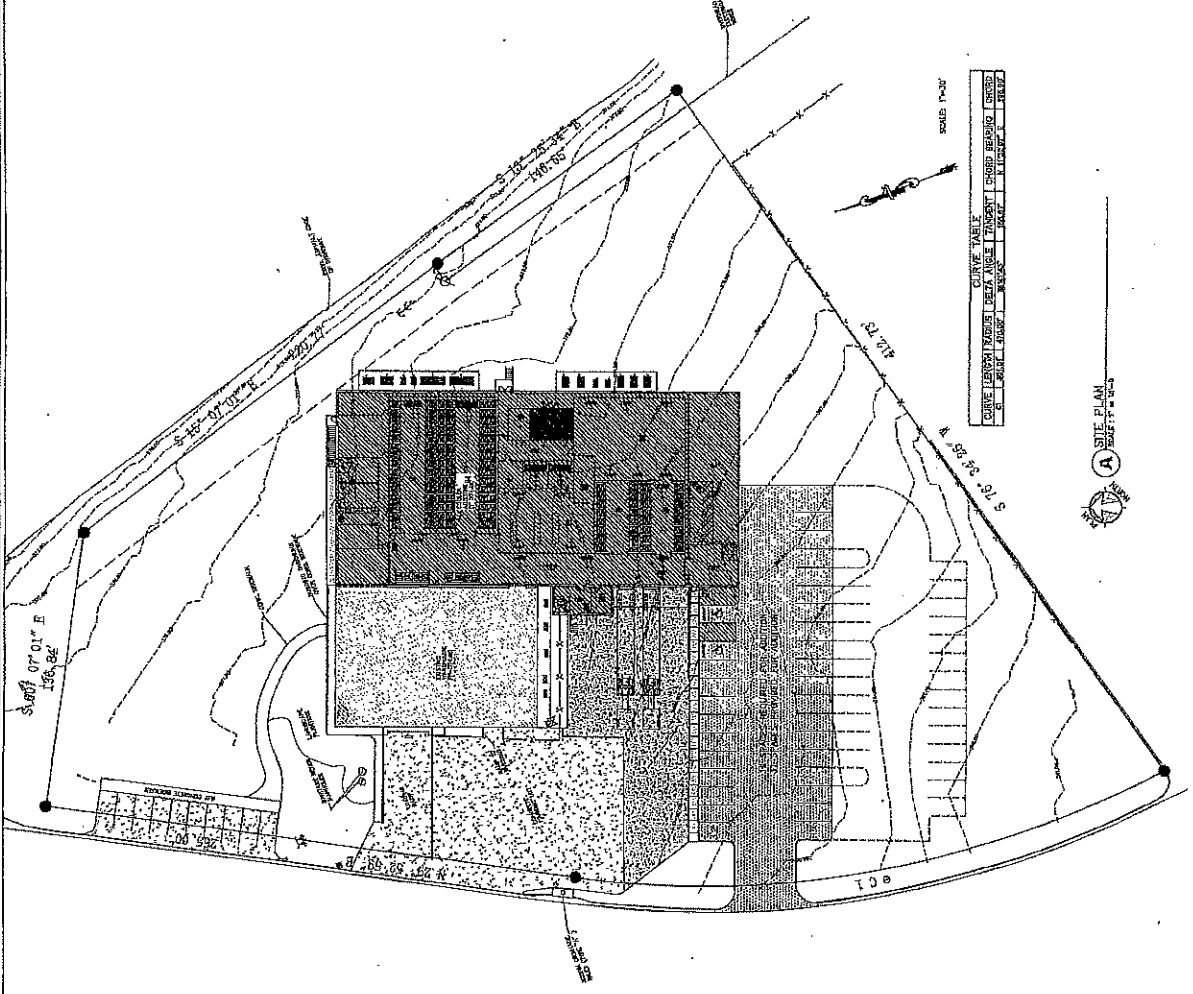
Processing Facility Addition
Site Plan
For Kountry Boy Sausage
Brenham, Texas

DATE	REVISION
11/11/11	1
11/11/11	2
11/11/11	3
11/11/11	4
11/11/11	5
11/11/11	6
11/11/11	7
11/11/11	8
11/11/11	9
11/11/11	10

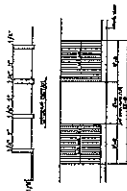


Jmet
DESIGN
DRAFTING AND
DESIGN, INC.
11111 N. HIGHWAY 101
SUITE 100
BRENHAM, TEXAS 77834
TEL: 781-333-1111
WWW.JMETDESIGN.COM

THIS PLAN IS A PRELIMINARY DESIGN. IT IS NOT TO BE USED FOR CONSTRUCTION. THE DESIGNER ASSUMES NO LIABILITY FOR ANY ERRORS OR OMISSIONS. THE USER OF THIS PLAN ASSUMES ALL LIABILITY FOR ANY ERRORS OR OMISSIONS. THE DESIGNER ASSUMES NO LIABILITY FOR ANY ERRORS OR OMISSIONS. THE USER OF THIS PLAN ASSUMES ALL LIABILITY FOR ANY ERRORS OR OMISSIONS.



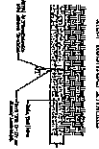
1 CAR STOP DETAIL
SCALE: 1/2" = 1'-0"



2 ADA RAMP DETAIL
SCALE: 1/2" = 1'-0"

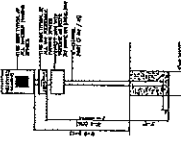


3 STRIPING DETAIL
SCALE: 1/2" = 1'-0"

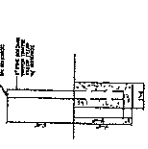


4 ADA RAMP DETAIL
SCALE: 1/2" = 1'-0"

5 TYPICAL SIDEWALK DETAILS
SCALE: 1/2" = 1'-0"



6 ADA SIGN
SCALE: 1/2" = 1'-0"



7 ADA SIGN
SCALE: 1/2" = 1'-0"



AGENDA ITEM 9

DATE OF MEETING: April 5, 2018	DATE SUBMITTED: February 27, 2018
DEPT. OF ORIGIN: Development Services	SUBMITTED BY: Lori Lakatos
MEETING TYPE: ☒ REGULAR ☐ SPECIAL ☐ EXECUTIVE SESSION	CLASSIFICATION: ☐ PUBLIC HEARING ☐ CONSENT ☒ REGULAR ☐ WORK SESSION
ORDINANCE: ☒ 1 ST READING ☐ 2 ND READING ☐ RESOLUTION	
AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon an Ordinance on Its First Reading Amending Appendix A – “Zoning” of the Code of Ordinances of the City of Brenham to Amend Part II, Division 2, Section 6, B-4 Neighborhood Business District, (Section 6.02), Permitted Uses (Non-Residential), to Add Fitness Facilities (Personal and Small Group Training Only) as a Permitted Use in the B-4 Neighborhood Business District (Case No. P-18-003)	
SUMMARY STATEMENT: This is a request by Pressley Walcik and Andy Adams, Washington County Athletics to amend the Zoning Ordinance to allow fitness facilities as a permitted use within the B-4 Neighborhood Business District. Two Public Comments were made at the Planning and Zoning Commission Public Hearing on January 22, 2018. The recommended text amendment is to add the following: (22) Fitness facilities (personal and small group training only) On Monday, February 26, 2018, the Planning and Zoning Commission voted unanimously to recommend approval of this request.	
STAFF ANALYSIS (For Ordinances or Regular Agenda Items): A. PROS: B. CONS:	
ALTERNATIVES (In Suggested Order of Staff Preference):	
ATTACHMENTS: (1) Ordinance	
FUNDING SOURCE (Where Applicable):	

RECOMMENDED ACTION: Approve an Ordinance on Its First Reading Amending Appendix A – “Zoning” of the Code of Ordinances of the City of Brenham to Amend Part II, Division 2, Section 6, B-4 Neighborhood Business District, (Section 6.02), Permitted Uses (Non-Residential), to Add Fitness Facilities (Personal and Small Group Training Only) as a Permitted Use in the B-4 Neighborhood Business District (Case No. P-18-003)

APPROVALS: James Fisher

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF BRENHAM, TEXAS, AMENDING APPENDIX A – “ZONING” OF THE CODE OF ORDINANCES BY AMENDING PART II, DIVISION 2, SECTION 6, B-4 NEIGHBORHOOD BUSINESS DISTRICT, (SECTION 6.02), PERMITTED USES, (NONRESIDENTIAL), TO ADD FITNESS FACILITIES (PERSONAL AND SMALL GROUP TRAINING ONLY) AS A PERMITTED USE IN THE B-4 NEIGHBORHOOD BUSINESS DISTRICT.

WHEREAS, the City of Brenham has received a request that Appendix A – “Zoning” of the Code of Ordinances be amended; and

WHEREAS, the Planning & Zoning Commission and the City Council of the City of Brenham, Texas, have published notice and conducted public hearings regarding the request to amend Appendix A – “Zoning” of the Code of Ordinances; and

WHEREAS, all persons desiring to comment on the proposal were given a full and complete opportunity to be heard; and

WHEREAS, this amendment was recommended for approval by the City of Brenham Planning & Zoning Commission in its final report during its regular meeting February 26, 2018; and

WHEREAS, the City Council deems it appropriate to approve the amendment of Appendix A – “Zoning” of the Code of Ordinances as described herein;

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BRENHAM, TEXAS THAT APPENDIX A – “ZONING” OF THE CODE OF ORDINANCE OF THE CITY OF BRENHAM, TEXAS BE AMENDED IN THE FOLLOWING MANNER:

SECTION 1

That Appendix A – “Zoning” of the Code of Ordnnances of the City of Brenham, Texas Part II, Division 2, Section 6, B-4 Neighborhood Business District, (Sec. 6.02), Permitted uses, (Nonresidential), is hereby amended to add the following use as a permitted use in the B-4 Neighborhood Business District:

(22) Fitness facilities (personal and small group training only)

SECTION 2

This Ordinance shall take effect as provided by the Charter of the City of Brenham, Texas.

PASSED and **APPROVED** on its first reading this the ____ day of _____, 2018.

PASSED and **APPROVED** on its second reading this the ____ day of _____, 2018.

Milton Y. Tate, Jr.
Mayor

ATTEST:

Jeana Bellinger, TRMC, CMC
City Secretary



AGENDA ITEM 10

DATE OF MEETING: April 5, 2018	DATE SUBMITTED: March 29, 2018	
DEPT. OF ORIGIN: Brenham EDF	SUBMITTED BY: Candi Eaton	
MEETING TYPE: ☒ REGULAR ☐ SPECIAL ☐ EXECUTIVE SESSION	CLASSIFICATION: ☐ PUBLIC HEARING ☐ CONSENT ☒ REGULAR ☐ WORK SESSION	ORDINANCE: ☒ 1ST READING ☐ 2ND READING ☐ RESOLUTION
AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon an Ordinance on its First Reading for the Creation of Reinvestment Zone Number 42 Requested by D Bar B Sausage & Meats, LLC. for Commercial Tax Phase-In Incentive on a Certain 3.0 Acre Tract of Land Located at 1909 Longwood Dr., Brenham, Texas, Being Described as Lot 2, of the Southwest Industrial Park, Section II, Reserve “B” Partition in the City of Brenham, Phillip Coe Survey, A-31, Washington County, Texas, with Boundaries Further Described in Exhibit “A” of the Ordinance Creating Reinvestment Zone 42, and Designating This Property as Qualifying for Tax Phase-In.		
SUMMARY STATEMENT: The EDF has been working with D Bar B Sausage & Meats, LLC (Kountry Boys Sausage) over the past year in a site selection process to consolidate operations with three locations in contention. The Tax Phase-In incentive led to the decision to construct a new facility adjacent to its existing building in the Southwest Industrial Park in Brenham. The use of the Tax Phase-In incentive will help Kountry Boys invest in the construction materials and necessary equipment and help offset the initial costs of an expansion here. This project will create 10+ jobs and provide a positive economic impact to the local Brenham economy.		
STAFF ANALYSIS (For Ordinances or Regular Agenda Items): A. PROS: Approve the ordinance creating Reinvestment Zone Number 42 and contribute to the future economic development of the City of Brenham. B. CONS: If the ordinance creating Reinvestment Zone Number 42 is not approved, this project would not be eligible for the incentive that led to the site selection in the City of Brenham.		
ALTERNATIVES (In Suggested Order of Staff Preference):		
ATTACHMENTS: (1) Ordinance for 1 st Reading		
FUNDING SOURCE (Where Applicable):		

RECOMMENDED ACTION: Approve an Ordinance on its First Reading for the Creation of Reinvestment Zone Number 42 Requested by D Bar B Sausage & Meats, LLC. for Commercial Tax Phase-In Incentive on a Certain 3.0 Acre Tract of Land Located at 1909 Longwood Dr., Brenham, Texas, Being Described as Lot 2, of the Southwest Industrial Park, Section II, Reserve “B” Partition in the City of Brenham, Phillip Coe Survey, A-31, Washington County, Texas, with Boundaries Further Described in Exhibit “A” of the Ordinance Creating Reinvestment Zone 42, and Designating This Property as Qualifying for Tax Phase-In.

APPROVALS: James Fisher

ORDINANCE NO. _____

AN ORDINANCE DESIGNATING ALL OF THAT CERTAIN 3.0 ACRE TRACT OR PARCEL OF LAND LYING AND BEING LOT 2, OF THE SOUTHWEST INDUSTRIAL PARK, SECTION II, RESERVE "B" PARTITION, IN THE CITY OF BRENHAM, PHILLIP COE SURVEY, A-31, WASHINGTON COUNTY, TEXAS, BEING THE SAME PROPERTY DESCRIBED IN A DEED DATED AUGUST 17, 2007, EXECUTED BY DOUBLE B FOODS, INC. TO D BAR B SAUSAGE & MEATS, LLC, RECORDED IN VOLUME 1255, PAGE 038, OFFICIAL RECORDS OF WASHINGTON COUNTY, TEXAS, SAID PROPERTY BEING LOCATED AT 1909 LONGWOOD DRIVE, BRENHAM, TEXAS, AND SAID PROPERTY BOUNDARIES BEING MORE FULLY DESCRIBED IN EXHIBIT "A" ATTACHED HERETO AND INCORPORATED HEREIN FOR ALL PURPOSES, AS REINVESTMENT ZONE NUMBER FORTY-TWO FOR COMMERCIAL TAX PHASE-IN, CITY OF BRENHAM, TEXAS AS PROVIDED IN CHAPTER 312, TEXAS TAX CODE; ESTABLISHING THE NUMBER OF YEARS FOR THE ZONE, AUTHORIZING AN AGREEMENT FOR EXEMPTION FROM TAXATION THE INCREASE IN VALUE OF CERTAIN PROPERTY IN ORDER TO ENCOURAGE DEVELOPMENT AND REDEVELOPMENT AND OTHER MATTERS RELATING THERETO; AND FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, the City Council of the City of Brenham, Texas, ("City") desires to encourage supervised improvements by property owners and lessees through tax phase-in procedures within its jurisdiction by the creation of a reinvestment zone as authorized by Chapter 312, Texas Tax Code (the "Act"); and

WHEREAS, on the 5th day of April 2018, the City Council held a public hearing to receive comments concerning the designation of proposed Reinvestment Zone Number Forty-Two. The notice of such hearing was published on Monday, March 26, 2018, such date being not later than the seventh day before the date of the public hearing; and

WHEREAS, the City called a public hearing and published notice of such public hearing as required by Section 312.201 of the Act; and has delivered written notice to the presiding officer of the governing body of each taxing unit within the jurisdiction of the proposed Reinvestment Zone Number Forty-Two for Commercial Tax Phase-In; and

WHEREAS, at said public hearing the City presented evidence that such proposed designation would be reasonably likely to contribute to the retention or expansion of primary employment or to attract major investment in the zone that would be a benefit to the property, that the proposed improvements are feasible and practical, that said improvements would be a benefit to the land included in the zone and that would contribute to the economic development of the City; and

WHEREAS, the designation of the proposed reinvestment zone is consistent with the City's policies adopted by Council Resolution No. R-17-024 on the 7th day of December, 2017, and will benefit the land included within the Reinvestment Zone after the expiration of the Agreement; and

WHEREAS, the City at such public hearing invited any interested person or his attorney to appear and contend for or against the creation of the reinvestment zone, the boundaries of the proposed reinvestment zone, whether all or part of the territory which is referred to as City of Brenham Reinvestment Zone Number Forty-Two for Commercial Tax Phase-In, should be included in such proposed reinvestment zone, and obtain tax phase-in; and

WHEREAS, at such hearing recommendations were given as to the number of years the reinvestment zone would be designated, the number of years in which an agreement would be available, as well as the percentage of potential tax exemption under the aforesaid tax phase-in guidelines and criteria to be applied to taxable real property which is redeveloped.

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

Section 1. That the facts and recitations contained in the preamble of this Ordinance are hereby found and declared to be true and correct and are incorporated herein for all purposes.

Section 2. That the City, after conducting such hearing and having further studied recommendations, as well as the evidence presented at the public hearing, has made the following findings based on the evidence and testimony presented to it:

- a) That the public hearing on the adoption of the reinvestment zone under the provisions of the Act has been properly called, held and conducted and that notice of such hearing has been published as required by law and has been sent to the respective taxing units within the proposed reinvestment zone; and
- b) That the City has jurisdiction to hold and conduct said public hearing on the creation of the proposed reinvestment zone pursuant to the Act; and

- c) That creation of the proposed reinvestment zone with boundaries described herein will result in improvements made after the passage of this Ordinance and the execution of tax phase-in agreements, that are feasible and practical and will benefit the City, its residents and property owners in the reinvestment zone; and
- d) That the proposed designation will be reasonably likely to contribute to the retention or expansion of primary employment or to attract major investments to the zone that would be a benefit to the property and contribute to economic development of the City.

Section 3. That the City hereby creates Reinvestment Zone Number Forty-Two, designated as all of that certain 3.0 acre tract or parcel of land lying and being Lot 2, of the Southwest Industrial Park, Section II, Reserve “B” Partition in the City of Brenham, Phillip Coe Survey, A-31, Washington County, Texas, being the same property described in a deed dated August 17, 2007, executed by Double B Foods, Inc. to D Bar B Sausage & Meats, LLC, recorded in Volume 1255, Page 038, Official Records of Washington County, Texas, said property being located at 1909 Longwood Dr., Brenham, Texas, and said property boundaries being more fully described in Exhibit “A” attached hereto and incorporated herein for all purposes, and such reinvestment zone shall hereafter be identified as Reinvestment Zone Number Forty-Two for Commercial Tax Phase-In, City of Brenham, Texas.

Section 4. That the designation of Reinvestment Zone Number Forty-Two for Commercial Tax Phase-In, shall expire five (5) years from the date of this Ordinance, unless renewed as provided by the Act, or at an earlier time designated by subsequent ordinance.

Section 5. That written agreements as provided in the Act with owners of eligible property located within the reinvestment zone shall be for a period of up to ten (10) years, and that the eligible property that is subject to the above mentioned exemption from taxation shall be the improvements to the property in conformity with the City's criteria and guidelines, and written agreements shall provide for an exemption from taxation of the total increase in value of the eligible property over its value in the year the agreement is executed. The written agreement will require that all taxes be current at the time of execution of agreement and be kept current to all taxing entities during the term of said agreement.

Section 6. That said designation of Reinvestment Zone Number Forty-Two for Commercial Tax Phase-In and the written agreement thereof are in accordance with the City of Brenham’s “Policy Statement on Property Tax Phase-In Incentive for Selected Commercial Enterprises” and will be a benefit to the land which will be included within the Reinvestment Zone and to the City of Brenham after the expiration of the agreement.

Section 7. That if any provision of this Ordinance shall be held to be invalid or unconstitutional, the remainder of such ordinance shall continue in full force and effect the same as if such invalid or unconstitutional provision had never been a part of it.

Section 8. That it is hereby officially found and determined that the meeting at which this Ordinance is passed is open to the public as required by law and that public notice of the time, place and purpose of said meeting was given as required.

PASSED AND APPROVED, on its first reading this the ____ day of April 2018.

PASSED AND APPROVED, on its second reading this the ____ day of April 2018.

Milton Y. Tate, Jr.
Mayor

ATTEST:

Jeana Bellinger, TRMC, CMC
City Secretary

EXHIBIT “A”

Lot 2, containing 3.0 acres of land, of the Southwest Industrial Park, Section II, Reserve “B” Partition, City of Brenham, Phillip Coe Survey, Abstract 31, Washington County, Texas, according to the map or plat thereof, recorded in Plat Cabinet File No. 319A, Plat Records of Washington County, Texas.



AGENDA ITEM 11

DATE OF MEETING: April 5, 2018	DATE SUBMITTED: March 28, 2018
DEPT. OF ORIGIN: Engineering	SUBMITTED BY: Lori Lakatos
MEETING TYPE: ☒ REGULAR ☐ SPECIAL ☐ EXECUTIVE SESSION	CLASSIFICATION: ☐ PUBLIC HEARING ☐ CONSENT ☒ REGULAR ☐ WORK SESSION
ORDINANCE: ☐ 1 ST READING ☐ 2 ND READING ☐ RESOLUTION	
AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon a Professional Services Agreement with Rostan Solutions LLC for Services Related to All Aspects of Federal Public Assistance and Mitigation Assistance Following a Declared Disaster Incident and Authorize the Mayor to Execute Any Necessary Documentation	
SUMMARY STATEMENT: Since 2016 the City of Brenham has been trying to recover from the April and May 2016 storm damage. The City has been working through the FEMA public assistance process. This process has become tedious and we need additional help to be able to navigate through the federal process. City Staff released a request for proposal (RFP) for professional services related to all aspects of federal public assistance and mitigation assistance following declared disaster incident. The notice was published on February 15 and 22, 2018. The submittals were due on March 5, 2018. There were five submittals. Based on the evaluation and discussion amongst City staff, Rostan Solutions LLC is being recommended by staff to help the City to get through the disaster recovery process.	
STAFF ANALYSIS (For Ordinances or Regular Agenda Items): A. PROS: B. CONS:	
ALTERNATIVES (In Suggested Order of Staff Preference):	
ATTACHMENTS: (1) Request for Proposal Notification; and (2) Request for Proposal	
FUNDING SOURCE (Where Applicable): 2017 Certificates of Obligation	

RECOMMENDED ACTION: Approve a Professional Services Agreement with Rostan Solutions LLC for services related to all aspects of federal public assistance and mitigation assistance following a declared disaster incident in an amount not to exceed \$200,000 and authorize the Mayor to execute any necessary documentation

APPROVALS: James Fisher



City of Brenham

Milton Y. Tate Jr.
Mayor

James Fisher
City Manager

REQUEST FOR PROPOSAL PUBLIC ASSISTANCE / HAZARD MITIGATION & GRANT MANAGEMENT CONSULTING / DISASTER RECOVERY SERVICES

The City of Brenham, Texas is soliciting proposals from qualified firms for Professional Services related to all aspects of Federal Public Assistance and Mitigation Assistance for declared disaster events in Washington County.

Sealed proposals shall be addressed to the Office of the City Secretary, City of Brenham, 200 W. Vulcan St., Suite 206, Brenham, Texas 77833, and shall be labeled **“Public Assistance / Hazard & Grant Management Consulting / Disaster Recovery Services, DO NOT OPEN”**. Mailed bids, by USPS, must be addressed to P.O. Box 1059, Brenham, Texas 77834-1059. Bids shall be submitted no later than **2:00P.M., Local Time on March 5, 2018**. Bids may be submitted in person, electronically, by mail, or delivery service. Responses will NOT be accepted by fax.

Electronic submittals will be accepted at llakatos@cityofbrenham.org, with “RFQ - PUBLIC ASSISTANCE / HAZARD MITIGATION & GRANT MANAGEMENT CONSULTING / DISASTER RECOVERY SERVICES” in the subject line.

The proposal specifications may be obtained, at no charge at the City of Brenham, Engineering Department or email Lori Lakatos, P.E., City Engineer, at llakatos@cityofbrenham.org.

The City of Brenham reserves the right to reject any or all proposals and to waive any minor technicalities. All proposals received after the closing time designated will be returned unopened.

Upon consideration of the proposals, the City of Brenham reserves the right to accept or to reject any and all proposals, to waive technicalities and to make any investigation deemed necessary concerning the proposers ability to provide the services as covered by the specifications, and to accept what in their judgment is the most advantageous proposal. The City of Brenham reserves all rights to negotiate with any or all firms submitting qualifications. Small and minority business, women’s business enterprises, and labor surplus area firms are encourages to submit qualifications and firms using subcontractors must solicit such firms in the subcontracting process.

1st Publication: February 15, 2018
2nd Publication: February 22, 2018



CITY OF BRENHAM, TEXAS

Request for Proposal

Public Assistance / Hazard Mitigation & Grant Management Consulting / Disaster Recovery Services

The City of Brenham is soliciting proposals from qualified firms for Professional Services Related to all aspects of Federal Public Assistance and Mitigation Assistance following a declared disaster incident.

Sealed proposals shall be submitted in an envelope marked on the outside with "Public Assistance / Hazard Mitigation & Grant Management Consulting / Disaster Recovery Services" to:

Physical Address

City of Brenham
City Secretary's Office
Suite 206
200 W. Vulcan Street
Brenham, Texas 77833

Mailing Address

City of Brenham
City Secretary's Office
Suite 206
P.O. Box 1059,
Brenham, Texas 77834-1059

Requests will be received at the above address until 2:00 P.M. on March 5, 2018, at which time they will be publicly opened. The CLIENT reserves the right to reject any or all proposals submitted and to waive any minor technicalities. CLIENT reserves all rights to negotiate with any or all firms submitting qualifications. Small and minority businesses, women's business enterprises, and labor surplus area firms are encouraged to submit qualifications and firms using subcontractors must solicit such firms in the subcontracting process.

Solicitation Intent

The intent of this Request for Proposals (RFP) is to obtain sealed proposals from qualified and experienced consultants who are interested in assisting the City of Brenham with Disaster Recovery efforts and federal funding pursuits including, but not limited to the FEMA Public Assistance and Hazard Mitigation Grant Programs. The services will be in the support of the recovery associated with damage sustained in the April 2016 Storm Event, May 2016 Storm Event, and Hurricane Harvey. The selected consultant must have knowledge of and provide all services in full compliance with all applicable local, State, and Federal laws, regulations, executive orders, and FEMA requirements.

Please follow the instructions in the RFP Response Requirements Section. The executed contract will meet all rules for Federal grants, as provided for in Title 44 Code of Federal Regulations and 2 CFR 200.317 through 200.326 and Appendix II. The Successful Respondent(s) will be awarded a contract effective from the date TBD, not before the beginning of the declared incident period. This contract and all services procured through this RFP will only be associated with the declared events.

Project Summary

The City of Brenham is in Washington County, Texas and has been declared by the President of the United States to receive federal assistance for the recovery from the April 2016 Storm Event, May 2016 Storm Event, and Hurricane Harvey. Work under this contract is expected to include, but not be limited to the following:

- Provide assistance to the City of Brenham with regard to disaster recovery and mitigation efforts and compliance with applicable local, State, and Federal laws, regulations, executive orders, and FEMA requirements.
- Provide guidance in recovering reimbursement for the repair/replacement of the loss of public and critical infrastructure.
- Collaborate with the City of Brenham staff and other consultants on project formulation, including damage assessments; information gathering; project development; preparation of grant applications, project worksheets and other project submittals to the pertinent State and Federal agencies.
- Assist with the management of Federal / State administered grants and Local / State coordination issues.
- Assist in the pursuit of federal funding, eligibility, coordination with insurance claims, reimbursements, reporting, documentation, compliance, appeals, audits, extensions, amendments, and closeouts.
- Assist with improvements, alternatives, and non-traditional issues which affect federal grants eligibility.
- Assist with the environmental concerns for stabilization and remediation of hazardous threats from environmental impacts caused by the incident and in compliance with federal regulatory requirements and best practices.
- Develop Hazard Mitigation Strategies, planning elements, Proposals, and Grant Applications as appropriate.
- Assist with the development of procurement packages for professional services that align with the federal grant program requirements
- Coordinate and interface with engineering and design effort for repair and/or construction of damaged facilities and infrastructure that will comply with grant eligibility and cost reasonableness determinations. Provide oversight of repair/construction efforts to ensure work complies with applicable federal grant requirements and guidelines.
- Assist in establishing programmatic document control, establishing a file retention system and data management processes to ensure disaster records are complete and ready for audit.
- Assist with the closeout of Projects, including preparing and review of final closeout packages for completed work for compliance with federal grant program requirements.

Any contracts / subcontracts issued under this procurement must comply with the necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible, in accordance with 2 CFR 200.321. Note: The use of any Contractor, or Sub-Contractor, that has been declared debarred by the Office of Federal

Contract Compliance Programs (OFCCP) is prohibited. A complete list of federally disbarred contractors can be found at www.sam.gov. It is the sole responsibility of the Consultant to ensure that any subcontractor(s) or sub-consultant(s) are in good standing with the OFCCP and not on the debarment list.

RFP Response Requirements

The following are required elements of a proposal submitted for this procurement:

- a) Requesting the RFP document: To receive RFP documents, please contact City of Brenham Engineering Department, Lori Lakatos, P.E., City Engineer, at (979) 337-7215 and llakatos@cityofbrenham.org.
- b) Any questions can be e-mailed to the City of Brenham, Engineering Department, Lori Lakatos, P.E., City Engineer, at llakatos@cityofbrenham.org no later than 4:00 P.M. February 23, 2018. Any Addenda to this RFP will be emailed to those firms which have notified the City of Brenham of their intention to submit a proposal.
- c) It remains the sole responsibility of the offering firm to contact the City of Brenham prior to submitting a proposal to ascertain if any addenda have been issued, to obtain all such addenda, and acknowledge any addenda with each proposal.
- d) Preparation and Format: Proposals should be prepared in a clear and concise manner to meet the requirements of the RFP. Proposals must be signed by an authorized representative or contracting agent of the firm. The Respondent shall include pricing for additional anticipated labor categories, including other non-labor related project costs.
- e) Proposal Delivery: Proposals are due no later than 2:00 P.M. March. The complete submittal, consisting of 1 original and 2 copies of the proposal must be delivered to the City of Brenham in a sealed package, clearly marked on the outside "Public Assistance / Hazard Mitigation & Grant Management Consulting / Disaster Recovery Services" and addressed to:

Physical Address

City of Brenham
City Secretary's Office
Suite 206
200 W. Vulcan Street
Brenham, Texas 77833

Mailing Address

City of Brenham
City Secretary's Office
Suite 206
P.O. Box 1059,
Brenham, Texas 77834-1059

Hand delivered submittals shall be taken to the City of Brenham office at the above address. Digital submittals of the proposals are acceptable and must be emailed to llakatos@cityofbrenham.org, with "RFQ - PUBLIC ASSISTANCE / HAZARD MITIGATION & GRANT MANAGEMENT CONSULTING / DISASTER RECOVERY SERVICES" in the subject line. The City of Brenham reserves the right to reject any or all proposals submitted and to waive any minor technicalities.

- a) Cover letter with the name, address, phone number, fax number, and email address of the person or firm submitting the proposal. Provide the name of the project manager / primary contact person and person authorized to contract for the firm.
- b) In order to demonstrate the Respondent has sufficient qualifications, resources and experience to provide the Services under this RFP, please provide the following information:
 - A brief history of the firm and an overview of the Proposer's experience indicating resources, understanding, qualifications, background, etc. in providing the services related to "Public Assistance / Hazard Mitigation & Grant Management Consulting / Disaster Recovery Services" experience, including:
 - How many and which FEMA regions have you performed in?
 - Demonstrate the respondent's experience related to FEMA and other federal agencies that provide disaster recovery assistance.
 - Demonstrate the respondent's knowledge and experience with the alternative procedures implemented by FEMA within the past five years.
 - Describe your specific experience and magnitude of work with municipalities and school districts.
 - Include percentage of dollars recovered versus actual project costs.
 - Identify the key individual(s) who will be working on this project and summarize their qualifications and experience. Provide resumes of key individuals.
- c) Discuss recent experience of the Respondent which demonstrates current capacity to provide the services requested in this RFP.
- d) Environmental concerns: Demonstrate that the respondent can provide assistance and oversight of environmental issues, and ensure that regulatory compliance is documented.
- e) Describe the benefits that the City of Brenham will realize in selecting the Respondent's firm or team for this project. Benefits may include unique or specialized processes or organization, staff qualifications, capabilities, specialized experience, best practices or other factors that distinguish the Respondent from other Respondents.
- f) Discuss additional scope of work items which are not mentioned in the Project Summary that, based upon your experience, will be of assistance to the City of Brenham in its disaster recovery efforts.
- g) Briefly summarize any other appropriate factors, not already provided in response to the questions and requests listed herein, about the Respondent's qualifications that are relevant to the consideration of the Respondent for this Project.

- h) Provide at least three (3) references for which Respondent has performed similar services within the last five (5) years. Provide at least one (1) reference directly related to your experience working with educational institutions.
- i) List of ALL current contracts underway as a result of April 2016 Storm Events, May 2016 Storm Events, and Hurricane Harvey.
- j) Provide a summary of any litigation, claim(s), or contract disputes filed by or against the offeror in the past five (5) years which is related to the services that offeror provides in the regular course of business. State if there are NO litigation claim(s) or contract dispute(s) filed by or against the Offeror in the past five (5) years.
- k) Project Approach/Plan: Explain the Respondent's understanding of the project and outline the Respondent's proposed approach to completing the anticipated scope of work.
- l) Provide a copy of the firm's current Certificate(s) of Liability insurance.
- m) Proposed Compensation: Submit hourly rates for services including rates by position. The City of Brenham reserves the right to negotiate terms as needed to improve elements of the proposal to best meet the needs of the City of Brenham, including cost.
- n) Cost-center Tracking: The services provided under this contract should be eligible for reimbursement as a direct and direct administrative cost (reference Disaster Assistance Policy DAP9525.9, Section 324 Management Costs and Direct Administrative Costs and Recovery Policy 9525.14, Grantee Administrative Costs). To maximize the City of Brenham's ability to recover the cost of services provided under this contract, the firm may be required to track time on a project by project basis. Invoices submitted to the City of Brenham for payment may reflect this project by project breakdown and must provide sufficient backup documentation to ensure reimbursement eligibility.
- o) Financial Stability: If requested by the City of Brenham during a contract negotiation phase, provide information substantiating the firm's sustainability as a business.

TERMS OF CONTRACT: The City of Brenham reserves the right to negotiate and revise stated contract terms and conditions prior to the firm and City of Brenham executing an agreement.

EVALUATION CRITERIA:

<u>Criteria</u>	<u>Scoring value</u>
Federal Funding Experience / Qualifications	25%
Environmental Experience / Qualifications	20%
References	15%
Project Approach/Plan/Staffing	30%
Pricing	10%



AGENDA ITEM 12

DATE OF MEETING: April 5, 2018		DATE SUBMITTED: March 29, 2018	
DEPT. OF ORIGIN: Public Works		SUBMITTED BY: Dane Rau	
MEETING TYPE:	CLASSIFICATION:	ORDINANCE:	
☒ REGULAR	☐ PUBLIC HEARING	☐ 1ST READING	
☐ SPECIAL	☐ CONSENT	☐ 2ND READING	
☐ EXECUTIVE SESSION	☒ REGULAR	☐ RESOLUTION	
	☐ WORK SESSION		
AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon a Memorandum of Agreement Between the City of Brenham and Blinn College for the Use of Blinn Softball Field at Hohlt Park and Authorize the Mayor to Execute Any Necessary Documentation			
SUMMARY: During the construction of Hohlt Park in 2000 the City of Brenham and Blinn College partnered on the use of a softball field and a dressing room which was the future home of Blinn Softball. At the time, Blinn College contributed \$200,000 toward the construction of the dressing room and field so that this could be the primary field used by Blinn. During this time, a MOA was agreed upon and has been in place for the past 18 yrs. The former MOA laid out what Blinn College was responsible for and what the City of Brenham was to provide. During these 18 years, it has been a great partnership and an asset to have Blinn Softball at Hohlt Park. In the previous MOA's there was no monetary amount that Blinn College provided to the City of Brenham for maintenance of the field, only the initial \$200,000 for construction. Last fall City of Brenham and Blinn College staff met to discuss a new MOA and how to move forward so that both parties would benefit equally. A detailed cost was outlined with the annual maintenance of the Blinn Field which was part of our Parks Maintenance daily, weekly, and monthly duties. It was determined that annually the City of Brenham spends on average \$19,986 on the maintenance of the field. Blinn Softball primarily uses this field for practice, games and tournaments. The City of Brenham does have the right to utilize the field for tournament ball play during Blinn Softball's offseason. Blinn also has exclusive rights to the dressing room in which they pay for all maintenance costs related to the facility. In the new MOA, the City and Blinn College have agreed that an initial payment of \$10,000 for maintenance costs will be made in 2018 and each year thereafter will increase by \$1,250 until 2027 when the \$20,000 will be reached and the MOA will end. By agreeing to this MOA, it shows that both parties are working together and also are fair to the assets that are used. We appreciate Blinn understanding our approach with this new MOA and we look forward to working with Blinn College for many years.			

STAFF ANALYSIS (For Ordinances or Regular Agenda Items):
A. PROS: Field is the home to Blinn College Softball where both entities are not duplicating services and utilizing one asset. In addition, we will now be getting support on maintenance costs. B. CONS: None
ALTERNATIVES (In Suggested Order of Staff Preference):
ATTACHMENTS: (1) Memorandum of Agreement
FUNDING SOURCE (Where Applicable):
RECOMMENDED ACTION: Approve a Memorandum of Agreement between the City of Brenham and Blinn College for the use of Blinn Softball Field at Hohlt Park and authorize the Mayor to execute any necessary documentation
APPROVALS: James Fisher

**MEMORANDUM OF AGREEMENT
BETWEEN BLINN COLLEGE AND THE CITY OF BRENHAM, TEXAS
FOR THE USE OF BLINN SOFTBALL FIELD AT HOHLT PARK**

Parties: City of Brenham, Texas (hereinafter also referred to as "City") and Blinn College (hereinafter also referred to as "College")

Recitals: Recognizing that cooperation is essential to provide a first class intercollegiate softball field in the City of Brenham, the City and the College have agreed as follows:

1. Whereas, this Memorandum of Agreement (hereinafter referred to as "MOA") is a renewal and update of the Memorandum of Agreement Between the City and the College for the use of the softball field; and
2. Whereas, the City obtained land and constructed Hohlt Park ("Park") for the benefit of local residents; and
3. Whereas, within the Park, the City constructed several athletic fields for the use and enjoyment of athletic teams, including a softball field ("Field"); and
4. Whereas, in consideration for the promises and covenants this and the former MOA, the College contributed \$200,000.00 to assist the City with the development of the Park and the Field; and
5. Whereas, the City has constructed and maintains the Field; and
6. Whereas, Blinn desires compensate the City for a portion of the costs necessary to maintain the Field;

NOW THEREFORE, Blinn College and the City of Brenham hereby agree to the following terms and conditions regarding the use and maintenance of the Field:

1. Recitals. The foregoing Recitals are hereby incorporated into this MOA between the parties for all purposes.
2. Term. This MOA shall be valid for a term of nine (9) years beginning March 20, 2018 and continuing through March 20, 2027, unless earlier terminated by mutual consent of both parties or as otherwise set forth herein ("Term").
3. Compensation. On or before September 15th each year that this MOA is in effect, Blinn shall pay to the City the following amounts in accordance with the following schedule:

<u>Amount Due to City:</u>	<u>Due Date – On or Before:</u>
\$10,000.00	9/15/2018
\$11,250.00	9/15/2019
\$12,500.00	9/15/2020
\$13,750.00	9/15/2021
\$15,000.00	9/15/2022
\$16,250.00	9/15/2023
\$17,500.00	9/15/2024
\$18,750.00	9/15/2025
\$20,000.00	9/15/2026

Blinn shall make the payments as forth above to:

City of Brenham
Attn: City Secretary
P.O. Box 1059
Brenham, TX 77833

4. Use of Softball Field.

- a. City agrees to provide the College the right to exclusive use of the Field for its intercollegiate softball team's scheduled softball season, including all practices, games and tournaments.
- b. During the College's intercollegiate softball off-season from approximately mid-May through the beginning of September of each year, the City retains its right to use the Field for games and tournament play.
 - i. As required by City's Code of Ordinances, each organization which is approved by the City to use the Field will be required to submit an annual refundable security deposit. This deposit rate has been set and approved by the City's Parks Advisory Board and the deposit rate will not change unless approved and modified by the Parks Advisory Board.
 - ii. If the City exercises its right to schedule the Field for championship games, playoff games, or tournament play during the College's intercollegiate softball off-season, the City will notify Blinn in writing when the Field is scheduled to be occupied for such games or tournament play,
- c. At no point in time for the Term of this MOA will the Field be permitted for league play except by the College's intercollegiate softball team.

5. Dressing Room Building at the Field. For the Term of this MOA, the College's intercollegiate softball team will have exclusive rights to use and occupy the dressing room building adjacent to the Field, This dressing room building is owned by the City. However, the College will have the right to make modifications to the inside of the building as they see fit. At no point in time shall the College make any structural modifications to the outside of the building that changes the appearance as it relates to other infrastructure in the Park.

- a. Permanent improvements or modifications inside the dressing room building may be made by Blinn College at its expense.
- b. The College agrees to maintain and repair all components related to the Dressing Room Building for the term of this MOA so that it remains in good order. The College will be responsible for all routine maintenance including, but not limited to, carpet cleaning, ice machine repair and/or replacement, washer and dryer repair and/or replacement, HVAC repair and/or replacement, and upkeep with locksmith-related repairs and/or replacements.

6. Maintenance of the Field. The City agrees to maintain the Field in good order for use for intercollegiate softball practices and games throughout the Term of this MOA. Maintenance of the Field shall include maintenance of the lights within the Field and the scoreboard. During the Term of this MOA, permanent improvements and additions other than routine maintenance will be mutually agreed upon by both parties in writing prior to commencement of construction of permanent improvements or additions.

7. Contact Information. The parties to this MOA shall designate a contact person who will be responsible for implementing this MOA. The contact person for the City of Brenham will be Casey Redman, Parks Superintendent or his designated representative. The City's Parks Superintendent can be reached at (979) 337-7235. The contact person for Blinn College is Rick Church, Head Softball Coach / Division Chair. The College contact person can be reached at (979) 830-4033. Any notice required by this MOA shall be forwarded to each respective party at the following addresses:

City of Brenham
Attn: City Secretary
P.O. Box 1059
Brenham, TX 77833

Blinn College
Attn: Office of the Chancellor
902 College Avenue
Brenham, TX 77833

8. Miscellaneous Provisions:

- a. *Entire Agreement.* This MOA constitutes the entire agreement between the parties, including all covenants and agreements, between the parties with respect to the subject matter herein and supersedes any and all other agreements, either oral in writing. Each party to the MOA acknowledges that no representation, inducements, promise or agreement, oral or otherwise, have been made by any other party or anyone acting on behalf of any party which are not embodied herein and that no other agreements, statement, or promise not contained in this MOA shall be valid or binding, unless a modification has been properly executed.
- b. *Modification.* This MOA may be modified at any time by written agreement of the authorized representative of both parties. Such amendments will require the signatures of all parties affected by such an amendment.
- c. *Cooperation.* The City and the College agree to cooperate with each other, in good faith, at all times during the term hereof in order to achieve the purposes and intent of this MOA. The City and the College are separate governmental entities, and as such, are responsible for any injury, claim, or cause of action arising out of their participation or control of this MOA as may be provided by applicable law.
- d. *Termination.* Either party may terminate this MOA by giving written notice of intent to terminate upon at least 365 calendar days in advance of the effective termination date. Notice of termination shall be given to all parties covered by this MOA.
- e. *Invalid Provisions.* Any clause, sentence, paragraph, or article of this MOA which is determined by a court of competent jurisdiction to be invalid, illegal, or unenforceable in any respect shall not be deemed to impair, invalidate, or nullify the remainder of this MOA if the MOA can be given effect without the invalid portion.
- f. *Applicable Laws; Venue.* This MOA shall be construed in accordance with the laws of the State of Texas. Exclusive venue for any claim, cause of action, lawsuit, or other legal proceeding arising out of this MOA shall be in Washington County, Texas.

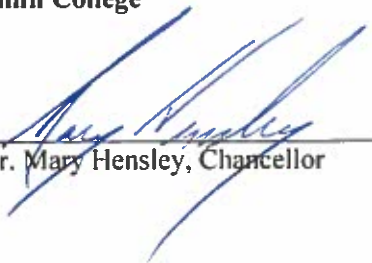
The parties have executed this instrument hereto as follows:

Executed this ____ day of _____, 2018.

City of Brenham, Texas

Milton Y. Tate, Jr., Mayor

Blinn College



Dr. Mary Hensley, Chancellor



AGENDA ITEM 13

DATE OF MEETING: April 5, 2018	DATE SUBMITTED: March 29, 2018	
DEPT. OF ORIGIN: Public Works	SUBMITTED BY: Dane Rau	
MEETING TYPE: ☒ REGULAR ☐ SPECIAL ☐ EXECUTIVE SESSION	CLASSIFICATION: ☐ PUBLIC HEARING ☐ CONSENT ☒ REGULAR ☐ WORK SESSION	ORDINANCE: ☐ 1 ST READING ☐ 2 ND READING ☐ RESOLUTION
AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon an Addendum to the Landfill Contract with Clean Harbors Environmental Services, Inc. Related to Landfill Disposal Rates and Authorize the Mayor to Execute Any Necessary Documentation		
SUMMARY: In 2015, an agreement was signed with the Clean Harbors Landfill located in Altair, TX. This agreement allowed the City of Brenham to dispose of waste by the ton for \$16.86/ton. It was a one-year agreement, which extended each additional year unless one party or the other wanted to terminate. In June of 2017, Clean Harbors notified the City of Brenham about a small rate increase on all tipping fees associated with the customers who utilize the landfill. At this time a 5%, increase was expected. In preparation of this increase, the City of Brenham increased the tipping fees at the Brenham Transfer Station beginning on October 1, 2017. It has been sometime before the paperwork arrived and the amendment was presented to staff by Clean Harbors. With the amendment to the 2015 agreement, the only aspect that changes is the rate, which will increase by \$.80/ton. This was a 4.8% increase. Based on the amount of tonnage hauled to Altair this will affect our expenditures by roughly \$14,500. As stated, this was expected around the first of the year and we have adjusted our rates at the Transfer Station to offset this increase. We do enjoy our relationship with Altair and the rate that they offer. We do occasionally have to send loads to the Carlos Landfill operated by BVSWMMA Inc and the gate rate at that facility is \$26.69/ton and is the same distance. We would respectfully ask Council to approve the amendment proposed by Clean Harbors for an increase of \$.80/ton equaling \$17.66/ton of waste disposed.		
STAFF ANALYSIS (For Ordinances or Regular Agenda Items): A. PROS: Rate increase was already planned for January but will not go into effect now until April and we planned for this increase with rates in October at the Transfer Station. B. CONS: A small increase that will be passed along to everyone for disposal fees		
ALTERNATIVES (In Suggested Order of Staff Preference):		

ATTACHMENTS: (1) Addendum; (2) 2015 Contract; and (3) Exhibit “A”
FUNDING SOURCE (Where Applicable): 106-5-042-406.60
RECOMMENDED ACTION: Approve an Addendum to the Landfill Contract with Clean Harbors Environmental Services, Inc. related to Landfill Disposal Rates and authorize the Mayor to execute any necessary documentation
APPROVALS: James Fisher

STATE OF TEXAS §
§
COUNTY OF WASHINGTON §

On Page 2 of 4 of the Agreement, General Conditions, the item entitled “DISPOSAL” is modified to read as follows:

DISPOSAL

Profile / Waste Code	Waste Description	Price / UOM
CH1006048B / CNO	MUNICIPAL WASTE	\$17.66 / Ton

On Page 2 of 4 of the Agreement, items # 6 and #7 of the General Conditions are modified to read as follows:

6. Disposal Price: \$16.10/Ton + \$0.62/Ton - Recovery Fee = \$16.72/TON - (Disposal price/Recovery Fee/State fee - wrapped together totaling \$17.66/ton.
7. State Fee Per Ton: \$0.94 = \$17.66/TON(Disposal, recovery fee and state fee all inclusive price)

This Addendum shall be effective April 9, 2018, and shall prevail over any provision or term contained in the Agreement dated and effective June 5, 2015, and any other agreement between the CITY and CLEAN HARBORS, to the extent said instruments may be inconsistent with the terms of this Addendum. Except as expressly amended by this Addendum, all other terms and conditions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, CITY and CLEAN HARBORS have hereby entered into this Agreement to be effective on April 9, 2018.

CITY OF BRENHAM, TEXAS

By: _____

Hon. Milton Y. Tate, Jr., Mayor

Date: _____

CLEAN HARBORS ENVIRONMENTAL SERVICES, INC.

By: _____

Printed Name:

Title:

Date: _____

**WASTE TRANSPORTATION & DISPOSAL AGREEMENT***

Customer Name:

Customer Address:

City of Brenham (BR2174)

This Agreement is between the Customer identified below ("Customer"), and Clean Harbors Environmental Services, Inc. ("Clean Harbors"). In consideration of the mutual covenants contained herein, the parties agree as follows:

Article 1. Term

This Agreement shall have an initial term of one (1) year from the date hereof and shall continue in effect from year to year thereafter provided. Either party may terminate this Agreement at any time upon thirty (30) days prior written notice.

Article 2. Services*

This Agreement shall govern all labpack, transportation, and disposal services ("Services") provided by Clean Harbors to Customer. **This Agreement does not apply to emergency response services.**

Article 3. Waste Materials

Waste materials to be handled pursuant to this Agreement shall be agreed upon in advance in writing by Clean Harbors and Customer. At the time Customer requests the Services of Clean Harbors, Customer shall provide a Waste Profile Sheet or similar document ("Waste Profile") to Clean Harbors completely and accurately describing the waste materials.

Article 4. Transfer of Waste and Title

Waste materials which are discovered to be non-conforming may be rejected by Clean Harbors. Title, risk of loss and all other incidents of ownership to non-conforming wastes shall remain at all times with Customer. Waste materials shall be considered non-conforming if the waste materials are not properly packaged or labeled; or if the waste materials contain constituents or have characteristics or properties not disclosed on the Waste Profile. Customer shall pay Clean Harbors its reasonable expenses and charges for the handling, transporting, storing and caring for and, if applicable, disposing of such non-conforming waste materials.

Article 5. Payment Terms

Payment terms shall be thirty (30) days from the date of Customer's receipt of invoice. Interest will be charged at the rate of 1.5% per month, or the maximum amount allowed by law, on all amounts outstanding more than thirty (30) days. The payment terms set forth herein are contingent upon the approval of Clean Harbors' Credit Department. The failure of Clean Harbors to exercise its rights under this article at any time shall not constitute a waiver of Clean Harbors' continuing right to do so.

Article 6. Customer Warranties

Customer warrants that it has legal title or authority to waste; that the description of the waste materials on the Waste Profile is accurate and complete; that waste materials will conform to such description; that containers of waste materials will be marked, labeled and otherwise conform with all applicable law; and that it has communicated to Clean Harbors those hazards known by the Customer to be associated with the handling, transportation, treatment, storage, and disposal of the waste materials.

Article 7. Indemnification

Clean Harbors ("Indemnifying Party") agrees to indemnify, save harmless and defend the Customer ("Indemnified Party") from and against any and all losses, liabilities, claims, penalties, forfeitures, suits, and the cost and expenses incident thereto (including cost of defense, settlement and reasonable attorneys' fees) which the Indemnified Party may hereafter incur, or pay out as a result of death or bodily injuries to any person, destruction or damage to any property, contamination of or adverse effects on the environment or any violation of applicable federal, state and local laws, regulations, by-laws or ordinances to the extent caused by: (1) the Indemnifying

Party's breach of any term of this Agreement, or (2) the negligence or willful misconduct of the Indemnifying Party, its employees, or agents. Clean Harbors shall not be liable to Customer for indirect, incidental, consequential, or special damages, including loss of use or lost profits.

Article 8. Insurance

Clean Harbors shall maintain at its own expense during the term of this Agreement the following insurance coverages:

COVERAGE	LIMITS
a. Worker's Compensation	Statutory
b. Employer's Liability	\$2,000,000
c. General Commercial Liability	\$2 million per occurrence \$4 million aggregate
d. Automobile	\$5 million combined single limit
e. Contractors Pollution Liability	\$10 million each Claim \$10 million all Claims

Article 9. Excuse of Performance

The performance of this Agreement, except for the payment of money for Services already rendered, may be suspended by either party in the event performance of this Agreement is prevented by a cause(s) beyond its reasonable control. In the event of disruption of Services under any such circumstances, Clean Harbors will make every reasonable effort to reopen the disposal site to accept waste as soon as practicable after the cessation of suspension of the cause of suspension of Services, and it will take all reasonable steps to overcome the cause of cessation of Services.

Article 10. Additional Provisions

Entire Agreement: This Agreement represents the entire understanding and agreement between the parties. Additional, conflicting or different terms on any Purchase Order or other preprinted document issued by Customer shall be void and are hereby expressly rejected by Clean Harbors. Any modifications to this Agreement shall be in writing and shall be signed by Customer and Clean Harbors.

Law to Apply: The validity, interpretation and performance of this Agreement shall be governed and construed in accordance with the Laws of the State of Texas and the parties agree to submit to the jurisdiction of the courts of the State of Texas for any disputes arising under this Agreement. Venue for any lawsuit, claim or legal proceeding arising out of this Agreement shall be in Washington County, Texas.

Severability: If any provision of this Agreement is declared illegal, void or unenforceable, the remaining provisions will not be affected but will remain in full force and effect.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives.

CUSTOMER: City of Brenham
Milton Y. Tate, Jr.
CLEAN HARBORS
ENVIRONMENTAL
SERVICES, INC.

Milton Y. Tate, Jr. William O'Connor
Signature Signature
Milton Y. Tate, Jr. William O'Connor
Print Name Print Name
Mayor Sr. Vice President
Title Title
Date: 6/5/15 Date: 6/25/15

Customer to complete shaded area.



March 29, 2018
Clean Harbors Quote #2892691

DISPOSAL

Profile / Waste Code	Waste Description	Price / UOM
CH1006048B / CNO	MUNICIPAL WASTE	\$17.66 / Ton

TRANSPORTATION

Transportation Hub	Vehicle Type	Unit Rate	Unit of Measure
Altair, TX Facility	Rolloff Trailer Single Container	N/A	N/A

Transportation is being provided by customer.

Accessorials

Rolloff Poly Liner	\$86.00 Each
Rolloff Container with Tarp & Bows	\$21.00 per Day
Bin Top Stabilization	\$300.00 Each
Drop off fee	\$272.00 Each
Washout of Rolloff, Intermodal or Dump Trailer	\$256.00 Each

GENERAL CONDITIONS

1. Except where superseded by an existing services agreement the following terms and conditions apply to this quoted business.
2. Prices effective April 9th, 2018
3. Terms: Net 30 Days. Invoice to be emailed.
4. Interest will be charged at 1.5% per month or the maximum allowed by law for all past due amounts.
5. Local, state and federal fees/taxes applying to the generating location/receiving facilities are not included in disposal pricing and will be added to each invoice as applicable.
6. Disposal Price: \$16.10/Ton + \$0.62/Ton - Recovery Fee = \$16.72/TON - (Disposal price/Recovery Fee/State fee - wrapped together totaling \$17.66/ton.
7. State Fee Per Ton: \$0.94 = \$17.66/TON(Disposal, recovery fee and state fee all inclusive price)
8. State Tax: \$0.00 (provided customer provides tax exempt certificates).
9. Materials subject to additional charges if they do not conform to the listed specifications.
10. Surcharges are applied to the total quantity shipped, not to any prorated portion of the shipment.
11. Tank wash does not include an entry. If one is required, additional charges will apply.
12. Electronically submitted profiles will be approved at no charge. Paper profiles will be charged at \$75.00 each.



March 29, 2018
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GENERAL CONDITIONS

13. Clean Harbors supports many invoice delivery options (E-mail, Electronic Invoicing, EDI, Etc.). Pricing is based on Clean Harbors' standard invoice delivery method of E-mail. If another delivery method is required there could be an additional service fee per invoice. Any alternate delivery methods must be reviewed and approved by Clean Harbors prior to acceptance and implementation.
14. A Recovery Fee is included in the disposal price of your bulk waste.
15. Pickups that require same day or next day service may be subject to additional charges.
16. Out of Service (OSD) for PCB incinerables should be clearly identified in Section 14 of the manifest. Prices for these items are only effective if received within 6 months of the OSD.
17. In the event there is a dispute between the parties, and either party brings an action to interpret this Agreement, or to enforce any right that such party may have hereunder, or in the event an appeal is taken from any judgement or decree of a trial court, the party ultimately prevailing in such action will be entitled to receive from the other party its costs and reasonable attorney's fees to be determined by the court in which such action is brought.

WASTE CLASSIFICATIONS SPECIFICATIONS

Waste Code	Description
CNO	MUNICIPAL WASTE Non-pourable at 70°F No free liquid Must be able to pass (paint filter/penetration) tests Must be able to be landfilled Biodegrade-able absorbents will be stabilized prior to land No herbicide, pesticides, or cyanides Source of PCB < 50 ppm PRIMARY DISPOSAL METHOD: NON HAZARDOUS LANDFILL ***** No Free Liquid Non-hazardous Must be biodegradable No PCB pH – 2.1 to 12.4 PRIMARY DISPOSAL METHOD: NON HAZARDOUS LANDFARM



March 29, 2018
Clean Harbors Quote #2892691

Page 4 of 4

ACKNOWLEDGEMENT

Your signature below indicates your acceptance of the pricing and terms detailed in the quote above.

Thank you for the opportunity to be of service.

Signature

PO#

Date

Print Name

Quote #2892691



AGENDA ITEM 14

DATE OF MEETING: April 5, 2018	DATE SUBMITTED: March 29, 2018															
DEPT. OF ORIGIN: Purchasing	SUBMITTED BY: Sara Parker															
<table style="width: 100%; border: none;"> <tr> <td style="width: 33%; vertical-align: top;">MEETING TYPE:</td> <td style="width: 33%; vertical-align: top;">CLASSIFICATION:</td> <td style="width: 33%; vertical-align: top;">ORDINANCE:</td> </tr> <tr> <td>☒ REGULAR</td> <td>☐ PUBLIC HEARING</td> <td>☐ 1ST READING</td> </tr> <tr> <td>☐ SPECIAL</td> <td>☐ CONSENT</td> <td>☐ 2ND READING</td> </tr> <tr> <td>☐ EXECUTIVE SESSION</td> <td>☒ REGULAR</td> <td>☐ RESOLUTION</td> </tr> <tr> <td></td> <td>☐ WORK SESSION</td> <td></td> </tr> </table>		MEETING TYPE:	CLASSIFICATION:	ORDINANCE:	☒ REGULAR	☐ PUBLIC HEARING	☐ 1 ST READING	☐ SPECIAL	☐ CONSENT	☐ 2 ND READING	☐ EXECUTIVE SESSION	☒ REGULAR	☐ RESOLUTION		☐ WORK SESSION	
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☐ SPECIAL	☐ CONSENT	☐ 2 ND READING														
☐ EXECUTIVE SESSION	☒ REGULAR	☐ RESOLUTION														
	☐ WORK SESSION															
AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon a Contract with Ricoh USA, Inc. for Leased Office Automation Equipment and Authorize the Mayor to Execute Any Necessary Documentation																
SUMMARY STATEMENT: Earlier this year, a survey of the City's photocopier fleet was conducted to determine needs for upgrades, additions, or replacements. It was determined that five machines need to be replaced with new and upgraded units. Purchasing staff researched several brands and models. Quotes were requested from Dahill Xerox and Ricoh USA, Inc. Although not the lowest in price, Ricoh proved to be the Best Value choice based on user preference, features and contract terms. The base cost will be \$12,600 per year and includes maintenance, parts, labor and all supplies except paper. Ricoh pricing is from U.S. Communities Cooperative Contract No. 4400003732. The five copiers that are being replaced will be sold through GovDeals.																
STAFF ANALYSIS (For Ordinances or Regular Agenda Items): A. PROS: Best value to City. B. CONS:																
ALTERNATIVES (In Suggested Order of Staff Preference):																
ATTACHMENTS: (1) U.S. Communities Product Schedule with Purchase Option (Revision pending); (2) U.S. Communities Master Lease Agreement; (3) U.S. Communities Equipment Sale and Maintenance Agreement; and (4) Order Agreement																
FUNDING SOURCE (Where Applicable): Budget. Various departments																

RECOMMENDED ACTION: Approve a 3 year lease contract with Ricoh USA, Inc. for leased automation equipment in the amount of \$12,600 per year and authorize the Mayor to execute any necessary documentation

APPROVALS: James Fisher



Ricoh USA, Inc.
70 Valley Stream Parkway
Malvern, PA 19355

U.S. Communities Product Schedule with Purchase Option

Product Schedule Number: _____
Master Lease Agreement Number: _____

This U.S. Communities Product Schedule with Purchase Option (this "Schedule") is between Ricoh USA, Inc. ("we" or "us") and CITY OF BRENHAM, as customer or lessee ("Customer" or "you"). This Schedule constitutes a "Schedule," "Product Schedule," or "Order Agreement," as applicable, under the U.S. Communities Master Lease Agreement (together with any amendments, attachments and addenda thereto, the "Lease Agreement") identified above, between you and _____.

All terms and conditions of the Lease Agreement are incorporated into this Schedule and made a part hereof. If we are not the lessor under the Lease Agreement, then, solely for purposes of this Schedule, we shall be deemed to be the lessor under the Lease Agreement. It is the intent of the parties that this Schedule be separately enforceable as a complete and independent agreement, independent of all other Schedules to the Lease Agreement.

CUSTOMER INFORMATION

CITY OF BRENHAM				Sara Parker			
Customer (Bill To) 200 W VULCAN ST				Billing Contact Name PO BOX 1059			
Product Location Address BRENHAM TX 77833-3149				Billing Address (if different from location address) BRENHAM TX 77834-1059			
City	County	State	Zip	City	County	State	Zip
Billing Contact Telephone Number (979)337-7247				Billing Contact Facsimile Number		Billing Contact E-Mail Address sparker@cityofbrenham.org	

PRODUCT DESCRIPTION ("Product")

Qty	Product Description	Make & Model
3	RICOH MPC4504 BRANDING SET	
1	RICOH MP402SPF BRANDING SET	
1	RICOH MPC4504 BRANDING SET	

Qty	Product Description: Make & Model

PAYMENT SCHEDULE

Minimum Term (months) 36	Minimum Payment (Without Tax) \$ 1,050.00	Minimum Payment Billing Frequency ☒ Monthly ☐ Quarterly ☐ Other: _____	Advance Payment ☐ 1 st Payment ☐ 1 st & Last Payment ☐ Other: _____
---	--	--	--

Sales Tax Exempt: ☒ Yes (Attach Exemption Certificate)

Addendum Attached: ☐ Yes (Check if yes and indicate total number of pages _____)

Customer Billing Reference Number (P.O.#, etc.) _____

TERMS AND CONDITIONS

- The first Payment will be due on the Effective Date. If the Lease Agreement uses the terms "Lease Payment" and "Commencement Date" rather than "Payment" and "Effective Date," then, for purposes of this Schedule, the term "Payment" shall have the same meaning as "Lease Payment," and the term "Effective Date" shall have the same meaning as "Commencement Date."
- You, the undersigned Customer, have applied to us to rent the above-described Product for lawful commercial (non-consumer) purposes. **THIS IS AN UNCONDITIONAL, NON-CANCELABLE AGREEMENT FOR THE MINIMUM TERM INDICATED ABOVE**, except as otherwise provided in the Lease Agreement, if applicable. If we accept this Schedule, you agree to rent the above Product from us, and we agree to rent such Product to you, on all the terms hereof, including the terms and conditions of the Lease Agreement. **THIS WILL ACKNOWLEDGE THAT YOU HAVE READ AND UNDERSTAND THIS SCHEDULE AND THE LEASE AGREEMENT AND HAVE RECEIVED A COPY OF THIS SCHEDULE AND THE LEASE AGREEMENT.**

3. Purchase Option.

The parties agree that the purchase option for the Product is a \$1.00 purchase option plus applicable taxes. In connection with such option, Customer further agrees as follows:

- notwithstanding anything to the contrary in the Lease Agreement, with respect to this Schedule only: It is the mutual intention of the parties that Customer shall be considered the owner of the Product (excluding all Software, which is owned and licensed to you by the Software Supplier) for

- various purposes, including federal income tax purposes, as of the Effective Date. You are entitled to all federal income tax benefits afforded to the owner of the Product, but we shall not be liable to you if you fail to secure or obtain such benefits. You will keep the Product free of all liens and encumbrances. You hereby grant to us a security interest in the Product covered by this Schedule (including any replacements, substitutions, additions, attachments and proceeds) as security for the payment of the amounts due or to become due under each Schedule.
- (ii) in the event of default under the Lease Agreement or this Schedule, we may exercise all rights and remedies of a secured party under applicable law, in addition to any and all rights and remedies we may otherwise have under the Lease Agreement, including, without limitation, the right to repossess the Product free and clear of any of your rights and interests in the Product, and
- (iii) notwithstanding anything to the contrary in the Lease Agreement, if no default has occurred and is continuing under the Lease Agreement or this Schedule and all of your obligations under this Schedule have been satisfied, we will release any security interest that we may have in the Product, you shall have no obligation to provide any end-of-term notice to us, and this Schedule will terminate and not be renewed.

4. WE MAKE NO REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, WITH RESPECT TO THE LEGAL, TAX OR ACCOUNTING TREATMENT OF THE LEASE AGREEMENT, THIS SCHEDULE OR THE TRANSACTIONS EVIDENCED THEREBY. YOU ACKNOWLEDGE THAT WE ARE NOT AN AGENT OR A FIDUCIARY OF CUSTOMER. YOU WILL OBTAIN YOUR OWN LEGAL, TAX AND ACCOUNTING ADVICE AND WILL MAKE YOUR OWN DETERMINATION OF THE PROPER TREATMENT OF THE LEASE AGREEMENT AND THIS SCHEDULE.
5. Additional Provisions (if any) are: _____

THE PERSON SIGNING THIS SCHEDULE ON BEHALF OF THE CUSTOMER REPRESENTS THAT HE/SHE HAS THE AUTHORITY TO DO SO.

CUSTOMER	Accepted by: RICOH USA, INC.
By: X _____ Authorized Signer Signature	By: _____ Authorized Signer Signature
Printed Name: _____	Printed Name: _____
Title: _____ Date: _____	Title: _____ Date: _____



Ricoh USA, Inc.
70 Valley Stream Parkway
Malvern, PA 19355

U.S. Communities Master Lease Agreement

Number: _____

CUSTOMER INFORMATION

Full Legal Name CITY OF BRENHAM				
Address PO BOX 1059				
City BREHMAN	State TX	Zip 77834-1059	Contact Sara Parker	Telephone Number (979)337-7247
Federal Tax ID Number <i>(Do Not Insert Social Security Number)</i>	Facsimile Number		E-mail Address sparker@cityofbrenham.org	

This U.S. Communities Master Lease Agreement ("Lease Agreement") has been written in clear, easy to understand English. When we use the words "you", "your" or "Customer" in this Lease Agreement, we mean you, our customer, as indicated above. When we use the words "we", "us" or "our" in this Lease Agreement, we mean Ricoh USA, Inc. ("Ricoh") or, if we assign this Lease Agreement or any Schedules executed in accordance with this Lease Agreement, pursuant to Section 13 below, the Assignee (as defined below). Our corporate office is located at 70 Valley Stream Parkway, Malvern, Pennsylvania 19355.

1. **Agreement.** This Lease Agreement is executed pursuant to the contract by and between Ricoh USA, Inc. (successor-in-interest to Ricoh Americas Corporation) and Fairfax County (the "County") on behalf of the U.S. Communities Government Purchasing Alliance and all public agencies, non-profits and higher education entities ("Participating Public Agencies"), having a Contract ID number of 4400003732 and the contract period is from February 11, 2013 to June 30, 2019, with the option to renew for no more than three (3) years (the "Contract Period"), one year at a time, or any combination thereof (the "Contract"). Notwithstanding the foregoing, any Schedule entered into during the Contract Period shall continue in full force and effect for the entire lease term set forth in the Schedule. We agree to lease or rent, as specified in any equipment schedule executed by you and us and incorporating the terms of this Lease Agreement by reference (a "Schedule"), to you, and you agree to lease or rent, as applicable, from us, subject to the terms of this Lease Agreement and such Schedule, the personal and intangible property described in such Schedule. The personal and intangible property described on a Schedule (together with all attachments, replacements, parts, substitutions, additions, repairs, and accessories incorporated in or affixed to the property and any license or subscription rights associated with the property) will be collectively referred to as "Product." The manufacturer of the tangible Product shall be referred to as the "Manufacturer." To the extent the Product includes intangible property or associated services such as periodic software licenses and prepaid data base subscription rights, such intangible property shall be referred to as the "Software."
2. **Schedules; Delivery and Acceptance.** This Lease Agreement shall consist of the terms and conditions of the Contract and this Lease Agreement and any Schedule issued pursuant thereto. As it pertains to this Lease Agreement, the order of precedence of the component parts of the Lease Agreement shall be as follows: (a) the terms and conditions of this Lease Agreement and Schedule issued pursuant thereto, and (b) the terms and conditions of the Contract. The foregoing order of precedence shall govern the interpretation of this Lease Agreement in cases of conflict or inconsistency therein. Each Schedule that incorporates this Lease Agreement shall be governed by the terms and conditions of this Lease Agreement and the Contract, as well as by the terms and conditions set forth in such individual Schedule. Each Schedule shall constitute a complete agreement separate and distinct from this Lease Agreement and any other Schedule. In the event of a conflict between the terms of this Lease Agreement and any Schedule, the terms of such Schedule shall govern and control, but only with respect to the Product subject to such Schedule. The termination of this Lease Agreement will not affect any Schedule executed prior to the effective date of such termination. When you receive the Product and it is installed, you agree to inspect it to determine it is in good working order. Scheduled Payments (as specified in the applicable Schedule) will begin on or after the Product acceptance date ("Effective Date"). You agree to sign and return to us a delivery and acceptance certificate (which may be done electronically) within five (5) business days after any Product is installed confirming that the Product has been delivered, installed, and is in good condition and accepted for all purposes under the Lease Agreement.
3. **Term; Payments.**
 - (a) The first scheduled Payment (as specified in the applicable Schedule) ("Payment") will be due on the Effective Date or such later date as we may designate. The remaining Payments will be due on the same day of each subsequent month, unless otherwise specified on the applicable Schedule. To the extent not prohibited by applicable law, if any Payment or other amount payable under any Schedule is not received within ten (10) days of its due date, you will pay to us, in addition to that Payment, a one-time late charge of 5% of the overdue Payment (but in no event greater than the maximum amount allowed by applicable law). To the extent not prohibited by applicable law, you agree to pay \$25.00 for each check returned for insufficient funds or for any other reason.
 - (b) In the event that Customer terminates the Maintenance Agreement (as hereunder defined) between Customer and the Servicer relating to the Product provided hereunder due to a material breach by Servicer of its service obligations, including any Product service levels specified therein, which remained uncured for thirty (30) days following written notice of breach (in the manner expressly permitted by and in accordance with such Maintenance Agreement), Ricoh shall use reasonable efforts to assist Customer in selecting a replacement Servicer. This Section 3(b) shall not alter, restrict, diminish or waive the rights, remedies or benefits that Customer may have against Servicer under the Maintenance Agreement.
 - (c) A Schedule may be terminated in whole or in part by the Customer in accordance with this Section 3(c) whenever the Customer shall determine that such a termination is in the best interest of the Customer. Any such termination shall be effected by delivery to Ricoh, at least thirty (30) working days prior to the effective date of such termination date, of a notice of termination specifying the extent to which performance shall be terminated. In the event of such termination, Customer agrees to return the Product to us in the manner required under Section 14 of this Lease Agreement and to pay to us (as compensation for loss of our bargain and not as a penalty), with respect to such terminated Product, financed Software and any Software Licenses, an amount which shall be equal to the monthly Payment for such Product, financed Software and/or Software License, as applicable, times the number of months remaining in the term of such Schedule (or any renewal of such Schedule) and/or any financing agreement with respect to the financed Software and/or Software License, plus any other amounts then due and payable under this Lease Agreement, Schedule and/or financing agreement with respect to such Product, Software and/or Software License, including, but not limited to, any lease payments and maintenance payments. Ricoh shall supply the Customer with the actual number of Payments remaining and the total amount due, and the Customer shall be relieved of all unpaid amounts for anticipated profit on unperformed services under any Maintenance Agreement (including any amount included in the monthly Payment that is attributable to maintenance, supplies, or any other service cost).
 - (d) You also agree that, except (a) as set forth in Section 18 below entitled "State and Local Government Provisions" and (b) for the best interest of the Customer as set forth in Section 3(c), THIS IS AN UNCONDITIONAL, NON-CANCELABLE AGREEMENT FOR THE MINIMUM TERM INDICATED ON ANY SCHEDULE TO THIS LEASE AGREEMENT. All Payments to us are "net" and unconditional and are not subject to set off, defense, counterclaim or reduction for any reason. You agree that you will remit payments to us in the form of company checks (or personal checks in

the case of sole proprietorships), direct debit or wires only. You also agree that cash and cash equivalents are not acceptable forms of payment for this Lease Agreement or any Schedule and that you will not remit such forms of payment to us. Payment in any other form may delay processing or be returned to you. Furthermore, only you or your authorized agent as approved by us will remit payments to us.

4. **Product Location, Use and Repair.** You will keep and use the Product only at the Product Location shown in the applicable Schedule. You will not move the Product from the location specified in the applicable Schedule or make any alterations, additions or replacements to the Product without our prior written consent, which consent will not be unreasonably withheld. At your own cost and expense, you will keep the Product eligible for any Manufacturer's certification as to maintenance and in compliance with applicable laws and in good condition, except for ordinary wear and tear. You shall engage Ricoh, its subsidiaries or affiliates, or an independent third party (the "Servicer") to provide maintenance and support services pursuant to a separate agreement for such purpose ("Maintenance Agreement"). You may make alterations, additions or replacements (collectively, "Additions") and add Software to the Product provided that such Additions and Software do not impair the value or originally intended function or purpose of the Product and is not subject to any lien or security interest in favor of any other party; provided, further, that you remove such Additions and Software at your own cost and expense at the expiration or termination of the applicable Schedule. All Additions and Software which are not removed at the expiration or termination of the applicable Schedule will become part of the Product and our property at no cost or expense to us. We may inspect the Product upon proper notice to the customer at any reasonable time during normal working hours.
5. **Taxes and Fees.** To the extent not prohibited by applicable law and unless and to the extent you are exempt and provide a valid exemption certificate to us, in addition to the payments under this Lease Agreement, you agree to pay all taxes (other than property taxes), assessments, fees and charges governmentally imposed upon our purchase, ownership, possession, leasing, renting, operation, control or use of the Product. If we are required to pay upfront sales or use tax and you opt to pay such tax over the term of the lease and not as a lump sum at lease inception, then you agree to pay us a "Sales Tax Administrative Fee" equal to 3.5% of the total tax due per year, to be included as part of the Payment. A valid sales and use tax exemption certificate must be provided to us within ninety (90) days of the first invoice to receive a credit/waiver of sales tax.
6. **Warranties.** We transfer to you, without recourse, for the term of each Schedule, any written warranties made by the Manufacturer or Software Supplier (as defined in Section 10 of this Lease Agreement) with respect to the Product leased or rented pursuant to such Schedule. **YOU ACKNOWLEDGE THAT YOU HAVE SELECTED THE PRODUCT BASED ON YOUR OWN JUDGMENT AND YOU HEREBY AFFIRMATIVELY DISCLAIM RELIANCE ON ANY ORAL REPRESENTATION CONCERNING THE PRODUCT MADE TO YOU.** However, if you enter into a Maintenance Agreement with Servicer with respect to any Product, no provision, clause or paragraph of this Lease Agreement shall alter, restrict, diminish or waive the rights, remedies or benefits that you may have against Servicer under such Maintenance Agreement. **WE MAKE NO WARRANTY, EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.** The only warranties, express or implied, made to you are the warranties (if any) made by the Manufacturer and/or Servicer to you in any documents, other than this Lease Agreement, executed by and between the Manufacturer and/or Servicer and you. **YOU AGREE THAT, NOTWITHSTANDING ANYTHING TO THE CONTRARY, WE ARE NOT RESPONSIBLE FOR, AND YOU WILL NOT MAKE ANY CLAIM AGAINST US FOR, ANY CONSEQUENTIAL, SPECIAL, OR INDIRECT DAMAGES.**
7. **Loss or Damage.** You are responsible for any theft of, destruction of, or damage to the Product (collectively, "Loss") from any cause at all, whether or not insured, from the time of Product acceptance by you until it is delivered to us at the end of the term of the Schedule. You are required to make all Payments even if there is a Loss. You must notify us in writing immediately of any Loss. Then, you shall be responsible to either (a) repair the Product so that it is in good condition and working order, eligible for any Manufacturer's certification, (b) pay us the amounts specified in Section 12 below, or (c) replace the Product with equipment of like age and capacity.
8. **Liability and Insurance.** You agree to maintain insurance, through self-insurance or otherwise, to cover the Product for all types of loss, including, without limitation, theft, in an amount not less than the full replacement value and you will name us as an additional insured and loss payee on your insurance policy. In addition, you agree to maintain comprehensive public liability insurance, which, upon our request, shall be in an amount acceptable to us and shall name us as an additional insured. Such insurance will provide that we will be given thirty (30) days advance notice of any cancellation. Upon our request, you agree to provide us with evidence of such insurance in a form reasonably satisfactory to us. If you fail to maintain such insurance or to provide us with evidence of such insurance, we may (but are not obligated to) obtain insurance in such amounts and against such risks as we deem necessary to protect our interest in the Product. Such insurance obtained by us will not insure you against any claim, liability or loss related to your interest in the Product and may be cancelled by us at any time. You agree to pay us an additional amount each month to reimburse us for the insurance premium and an administrative fee, on which we or our affiliates may earn a profit. In the event of loss or damage to the Product, you agree to remain responsible for the Payment obligations under this Lease Agreement until the Payment obligations are fully satisfied.
9. **Title; Recording.** We are the owner of and will hold title to the Product (except for any Software). You will keep the Product free of all liens and encumbrances. Except as reflected on any Schedule, you agree that this Lease Agreement is a true lease. However, if any Schedule is deemed to be intended for security, you hereby grant to us a purchase money security interest in the Product covered by the applicable Schedule (including any replacements, substitutions, additions, attachments and proceeds) as security for the payment of the amounts under each Schedule. You authorize us to file a copy of this Lease Agreement and/or any Schedule as a financing statement, and you agree to promptly execute and deliver to us any financing statements covering the Product that we may reasonably require; provided, however, that you hereby authorize us to file any such financing statement without your authentication to the extent permitted by applicable law.
10. **Software or Intangibles.** To the extent that the Product includes Software, you understand and agree that we have no right, title or interest in the Software, and you will comply throughout the term of this Lease Agreement with any license and/or other agreement ("Software License") entered into with the supplier of the Software ("Software Supplier"). You are responsible for entering into any Software License with the Software Supplier no later than the Effective Date, provided, however, if you do not enter into the Software License, then we may choose not to lease such Software to you under this Lease Agreement.
11. **Default.** Each of the following is a "Default" under this Lease Agreement and all Schedules: (a) you fail to pay any Payment or any other amount within thirty (30) days of its due date, (b) any representation or warranty made by you in this Lease Agreement is false or incorrect and/or you do not perform any of your other obligations under this Lease Agreement or any Schedule and/or under any other agreement with us or with any of our affiliates and this failure continues for thirty (30) days after we have notified you of it, (c) a petition is filed by or against you or any guarantor under any bankruptcy or insolvency law or a trustee, receiver or liquidator is appointed for you, any guarantor or any substantial part of your assets, (d) you or any guarantor makes an assignment for the benefit of creditors, (e) any guarantor dies, stops doing business as a going concern or transfers all or substantially all of such guarantor's assets, or (f) you stop doing business as a going concern or transfer all or substantially all of your assets.
12. **Remedies.** If a Default occurs, we may do one or more of the following: (a) we may cancel or terminate this Lease Agreement and/or any or all Schedules; (b) we may require you to immediately pay to us, as compensation for loss of our bargain and not as a penalty, a sum equal to: (i) all past due Payments and all other amounts then due and payable under this Lease Agreement or any Schedule, and (ii) the present value of all unpaid Payments for the remainder of the term of each Schedule plus the present value of our anticipated value of the Product at the end of the initial term of any Schedule (or any renewal of such Schedule), each discounted at a rate equal to 3% per year to the date of default, and we may charge you interest on all amounts due us from the date of default until paid at the rate of 1.5% per month, but in no event more than the maximum rate permitted by applicable law. We agree to apply the net proceeds (as specified below in this Section) of any disposition of the Product to the amounts that you owe us; (c) we may require you to deliver the Product to us as set forth in Section 14; (d) to the extent not prohibited by applicable law, we or our representative may peacefully repossess the Product without a court order (it being agreed that we will provide you with written notice of Default prior to initiating recovery of the Product and will endeavor to contact you telephonically to schedule a convenient time to recover the Product); (e) we may exercise any and all other rights or remedies available to a lender, secured party or lessor under the Uniform Commercial Code ("UCC"), including, without limitation, those set forth in Article 2A of the UCC, and at law or in equity; (f) we may immediately terminate your right to use the Software including the disabling (on-site or by remote communication) of any

Software; (g) we may demand the immediate return and obtain possession of the Software and re-license the Software at a public or private sale; (h) we may cause the Software Supplier to terminate the Software License, support and other services under the Software License, and/or (i) at our option, we may sell, re-lease, or otherwise dispose of the Product under such terms and conditions as may be acceptable to us in our discretion. If we take possession of the Product (or any Software, if applicable), we may sell or otherwise dispose of it with or without notice, at a public or private disposition, and to apply the net proceeds (after we have deducted all costs, including reasonable attorneys' fees) to the amounts that you owe us. You agree that, if notice of sale is required by law to be given, ten (10) days notice shall constitute reasonable notice. If applicable, you will remain responsible for any deficiency that is due after we have applied any such net proceeds. To the extent permitted by applicable law, in the event an action is brought to enforce or interpret this Lease Agreement, the prevailing party shall be entitled to reimbursement of all costs including, but not limited to, reasonable attorney fees and court costs incurred.

13. Ownership of Product; Assignment. YOU HAVE NO RIGHT TO SELL, TRANSFER, ENCUMBER, SUBLET OR ASSIGN THE PRODUCT OR THIS LEASE AGREEMENT OR ANY SCHEDULE WITHOUT OUR PRIOR WRITTEN CONSENT (which consent shall not be unreasonably withheld). You agree that we may sell or assign all or a portion of our interests, but not our obligations, in the Product and/or this Lease Agreement or any Schedule without notice to you even if less than all the Payments have been assigned. In the event the remit to address for Payments is changed during the term of this Lease Agreement or any Schedule, then Ricoh or the Assignee will provide notice to you. In that event, the assignee (the "Assignee") will have such rights as we assign to them but none of our obligations (we will keep those obligations) and the rights of the Assignee will not be subject to any claims, defenses or set offs that you may have against us. No assignment to an Assignee will release Ricoh from any obligations Ricoh may have to you hereunder. The Maintenance Agreement you have entered into with a Servicer will remain in full force and effect with Servicer and will not be affected by any such assignment. You acknowledge that the Assignee did not manufacture or design the Product and that you have selected the Manufacturer, Servicer and the Product based on your own judgment.

14. Renewal; Return of Product. UNLESS EITHER PARTY NOTIFIES THE OTHER IN WRITING AT LEAST THIRTY (30) DAYS, BUT NOT MORE THAN ONE HUNDRED TWENTY (120) DAYS, PRIOR TO THE EXPIRATION OF THE MINIMUM TERM OR EXTENSION OF SUCH SCHEDULE, AFTER THE MINIMUM TERM OR ANY EXTENSION OF ANY SCHEDULE TO THIS LEASE AGREEMENT, SUCH SCHEDULE WILL AUTOMATICALLY RENEW ON A MONTH-TO-MONTH BASIS; PROVIDED, HOWEVER, THAT AT ANY TIME DURING ANY MONTH-TO-MONTH RENEWAL, WE HAVE THE RIGHT, UPON THIRTY (30) DAYS NOTICE, TO DEMAND THAT THE PRODUCT BE RETURNED TO US IN ACCORDANCE WITH THE TERMS OF THIS SECTION 14. Notwithstanding the foregoing, nothing herein is intended to provide, nor shall be interpreted as providing, (a) you with a legally enforceable option to extend or renew the terms of this Lease Agreement or any Schedule, or (b) us with a legally enforceable option to compel any such extension or renewal. At the end of or upon termination of each Schedule, you shall immediately make arrangements to have the Product subject to such expired Schedule picked up by us (or our designee), in as good condition as when you received it, except for ordinary wear and tear. Ricoh (or our designee) shall bear shipping charges. You must pay additional monthly Payments at the same rate as then in effect under a Schedule, until (i) you provide notice to us prior to the expiration of the minimum term or extension of any Schedule and (ii) the Product is picked up by us or our designees and is received in good condition and working order by us or our designees. Notwithstanding anything to the contrary set forth in this Lease Agreement, the parties acknowledge and agree that we shall have no obligation to remove, delete, preserve, maintain or otherwise safeguard any information, images or content retained by or resident in any Products leased by you hereunder, whether through a digital storage device, hard drive or other electronic medium ("Data Management Services"). If desired, you may engage Ricoh to perform Data Management Services at then-prevailing contracted rates pursuant to your Maintenance Agreement or other agreement with Ricoh. You acknowledge that you are responsible for ensuring your own compliance with legal requirements in connection with data retention and protection and that we do not provide legal advice or represent that the Products will guarantee compliance with such requirements. The selection, use and design of any Data Management Services, and any decisions arising with respect to the deletion or storage of data, as well as the loss of any data resulting therefrom, shall be your sole and exclusive responsibility.

15. Miscellaneous. It is the intent of the parties that this Lease Agreement and any Schedule shall be deemed and constitute a "finance lease" as defined under and governed by Article 2A of the UCC. ORAL AGREEMENTS OR COMMITMENTS TO LOAN MONEY, EXTEND CREDIT OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT INCLUDING PROMISES TO EXTEND OR RENEW SUCH DEBT ARE NOT ENFORCEABLE. YOU AGREE THAT THE TERMS AND CONDITIONS CONTAINED IN THE CONTRACT, THIS LEASE AGREEMENT, AND IN EACH SCHEDULE MAKE UP THE ENTIRE AGREEMENT BETWEEN US REGARDING THE LEASING OR RENTAL OF THE PRODUCT AND SUPERSEDE ALL PRIOR WRITTEN OR ORAL COMMUNICATIONS, UNDERSTANDINGS OR AGREEMENTS BETWEEN THE PARTIES RELATING TO THE SUBJECT MATTER CONTAINED HEREIN, INCLUDING, WITHOUT LIMITATION, PURCHASE ORDERS. Any purchase order, or other ordering documents, will not modify or affect this Lease Agreement or any Schedule and shall serve only the purpose of identifying the equipment ordered. You authorize us to supply any missing "configure to order" number ("CTO"), other equipment identification numbers (including, without limitation, serial numbers), agreement/schedule identification numbers and/or dates in this Lease Agreement or any Schedule. You acknowledge that you have not been induced to enter into this Lease Agreement by any representation or warranty not expressly set forth in this Lease Agreement. Neither this Lease Agreement nor any Schedule is binding on us until we sign it. ANY CHANGE IN ANY OF THE TERMS AND CONDITIONS OF THIS LEASE AGREEMENT OR ANY SCHEDULE MUST BE IN WRITING AND SIGNED BY BOTH PARTIES. If we delay or fail to enforce any of its rights under this Lease Agreement with respect to any or all Schedules, we will still be able to enforce those rights at a later time. All notices shall be given in writing and sent either (a) by certified mail, return receipt requested, or recognized overnight delivery service, postage prepaid, addressed to the party receiving the notice at the address shown on the front of this Lease Agreement, or (b) by facsimile transmission, with oral confirmation, to the facsimile number shown below such party's signature on this Lease Agreement. Either party may change its address or facsimile number by giving written notice of such change to the other party. Notices shall be effective on the date received. Each of our respective rights and indemnities will survive the termination of this Lease Agreement and each Schedule. If more than one customer has signed this Lease Agreement or any Schedule, each customer agrees that its liability is joint and several. It is the express intent of the parties not to violate any applicable usury laws or to exceed the maximum amount of time price differential or interest, as applicable, permitted to be charged or collected by applicable law, and any such excess payment will be applied to payments in the order of maturity, and any remaining excess will be refunded to you. We make no representation or warranty of any kind, express or implied, with respect to the legal, tax or accounting treatment of this Lease Agreement and any Schedule and you acknowledge that we are an independent contractor and not your fiduciary. You will obtain your own legal, tax and accounting advice related to this Lease Agreement or any Schedule and make your own determination of the proper accounting treatment of this Lease Agreement or any Schedule. We may receive compensation from the Manufacturer or supplier of the Product in order to enable us to reduce the cost of leasing or renting the Product to you under this Lease Agreement or any Schedule below what we otherwise would charge. If we received such compensation, the reduction in the cost of leasing or renting the Product is reflected in the Minimum Payment specified in the applicable Schedule. To the fullest extent permitted by applicable law, you authorize us or our agent to obtain credit reports and make credit inquiries regarding you and your financial condition and to provide your information, including payment history, to our assignee and third parties having an economic interest in this Lease Agreement, any Schedule or the Product.

16. Governing Law; Jurisdiction; Waiver of Trial By Jury and Certain Rights and Remedies Under The Uniform Commercial Code. YOU AGREE THAT THIS LEASE AGREEMENT AND ANY SCHEDULE WILL BE GOVERNED UNDER THE LAW FOR THE STATE WHERE YOUR PRINCIPAL PLACE OF BUSINESS OR RESIDENCE IS LOCATED. YOU ALSO CONSENT TO THE VENUE AND NON-EXCLUSIVE JURISDICTION OF ANY COURT LOCATED IN THE STATE WHERE YOUR PRINCIPAL PLACE OF BUSINESS OR RESIDENCE IS LOCATED TO RESOLVE ANY CONFLICT UNDER THIS LEASE AGREEMENT. TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW, THE PARTIES TO THIS LEASE AGREEMENT EACH WAIVE THE RIGHT TO TRIAL BY JURY IN THE EVENT OF A LAWSUIT. TO THE EXTENT PERMITTED BY APPLICABLE LAW, YOU WAIVE ANY AND ALL RIGHTS AND REMEDIES CONFERRED UPON A CUSTOMER OR LESSEE BY SECTIONS 508-522 OF ARTICLE 2A OF THE UCC THAT YOU MAY HAVE AGAINST US (BUT NOT AGAINST THE

MANUFACTURER OF THE PRODUCT) TO HELP THE GOVERNMENT FIGHT THE FUNDING OF TERRORISM AND MONEY LAUNDERING ACTIVITIES. FEDERAL LAW REQUIRES ALL FINANCIAL INSTITUTIONS TO OBTAIN, VERIFY AND RECORD INFORMATION THAT IDENTIFIES EACH PERSON WHO OPENS AN ACCOUNT. WHAT THIS MEANS FOR YOU: WHEN YOU OPEN AN ACCOUNT, WE WILL ASK FOR YOUR NAME, ADDRESS AND OTHER INFORMATION THAT WILL ALLOW US TO IDENTIFY YOU. WE MAY ASK TO SEE IDENTIFYING DOCUMENTS.

17. **Counterparts; Facsimiles.** Each Schedule may be executed in counterparts. The counterpart which has our original signature and/or is in our possession or control shall constitute chattel paper as that term is defined in the UCC and shall constitute the original agreement for all purposes, including, without limitation, (a) any hearing, trial or proceeding with respect to such Schedule, and (b) any determination as to which version of such Schedule constitutes the single true original item of chattel paper under the UCC. If you sign and transmit a Schedule to us by facsimile or other electronic transmission, the facsimile or such electronic transmission of such Schedule, upon execution by us (manually or electronically, as applicable), shall be binding upon the parties. You agree that the facsimile or other electronic transmission of a Schedule containing your facsimile or other electronically transmitted signature, which is manually or electronically signed by us, shall constitute the original agreement for all purposes, including, without limitation, those outlined above in this Section. You agree to deliver to us upon our request the counterpart of such Schedule containing your original manual signature.

18. **State and Local Government Provisions.** If the Customer is a State or political subdivision of a State, as those terms are defined in Section 103 of the Internal Revenue Code, the following additional terms and conditions shall apply:

- (a) **Essentiality.** During the term of this Lease Agreement and any Schedule, the Product will be used solely for the purpose of performing one or more governmental or proprietary functions consistent with the permissible scope of your authority. You represent and warrant that the use of the Product is essential to performing such governmental or proprietary functions.
- (b) **Non-Appropriation/Non-Substitution.** (i) If your governing body fails to appropriate sufficient monies in any fiscal period for rentals and other payments coming due under a Schedule to this Lease Agreement in the next succeeding fiscal period for any equipment which will perform services and functions which in whole or in part are essentially the same services and functions performed by the Product covered by any such Schedule, then a "Non-Appropriation" shall be deemed to have occurred. (ii) If a Non-Appropriation occurs, then: (A) you must give us immediate notice of such Non-Appropriation and provide written notice of such failure by your governing body at least sixty (60) days prior to the end of the then current fiscal year or if Non-Appropriation has not occurred by such date, immediately upon Non-Appropriation; (B) no later than the last day of the fiscal year for which appropriations were made for the rental due under any Schedule to this Lease Agreement (the "Return Date"), you shall make available to us (or our designee) all, but not less than all, of the Product covered by such Schedule to this Lease Agreement, at your sole expense, in accordance with the terms hereof; and (C) any Schedule to this Lease

Agreement shall terminate on the Return Date without penalty or expense to you and you shall not be obligated to pay the rentals beyond such fiscal year, provided that (x) you shall pay any and all rentals and other payments due up through the end of the last day of the fiscal year for which appropriations were made and (y) you shall pay month-to-month rent at the rate set forth in any such Schedule for each month or part thereof that you fail to make available to us (or our designee) the Product as required herein. (iii) Upon any such Non-Appropriation, upon our request, you will provide an opinion of independent counsel or other legally designated authority (who shall be reasonably acceptable to us), in form reasonably acceptable to us, confirming the Non-Appropriation and providing reasonably sufficient proof of such Non-Appropriation.

- (c) **Funding Intent.** You represent and warrant to us that you presently intend to continue this Lease Agreement and any Schedule hereto for the entire term of such Schedule and to pay all rentals relating to such Schedule and to do all things lawfully within your power to obtain and maintain funds from which the rentals and all other payments owing under such Schedule may be made. The parties acknowledge that appropriation for rentals is a governmental function to which you cannot contractually commit yourself in advance and this Lease Agreement shall not constitute such a commitment. To the extent permitted by law, the person or entity in charge of preparing your budget will include in the budget request for each fiscal year during the term of each Schedule, respectively, to this Lease Agreement an amount equal to the rentals (to be used for such rentals) to become due in such fiscal year, and will use all reasonable and lawful means available to secure the appropriation of money for such fiscal year sufficient to pay all rentals coming due during such fiscal year.
- (d) **Authority and Authorization.** (i) You represent and warrant to us that (A) you are a State or political subdivision of a State, as those terms are defined in Section 103 of the Internal Revenue Code; (B) you have the power and authority to enter into this Lease Agreement and all Schedules to this Lease Agreement; (C) this Lease Agreement and all Schedules to this Lease Agreement have been duly authorized, executed and delivered by you and constitute valid, legal and binding agreement(s) enforceable against you in accordance with their terms; and (D) no further approval, consent or withholding of objections is required from any governmental authority with respect to this Lease Agreement or any Schedule to this Lease Agreement. (ii) If and to the extent required by us, you agree to provide us with an opinion of independent counsel or other legally designated authority (who shall be reasonably acceptable to us) confirming the foregoing and other related matters, in form and substance acceptable to us. (iii) You agree to take all required actions and to file all necessary forms, including IRS Forms 8038-G or 8038-GC, as applicable, to preserve the tax exempt status of this Lease Agreement and all Schedules thereto. (iv) You agree to provide us with any other documents that we may reasonably request in connection with the foregoing and this Lease Agreement.
- (e) **Assignment.** You agree to acknowledge any assignment to the Assignee in writing, if so requested, and, if applicable, to keep a complete and accurate record of all such assignments in a manner that complies with Section 149(a) of the Internal Revenue Code and the regulations promulgated thereunder.

IN WITNESS WHEREOF, the parties have executed this Lease Agreement as of the dates set forth below.

THE PERSON SIGNING THIS LEASE AGREEMENT ON BEHALF OF THE CUSTOMER REPRESENTS THAT HE/SHE HAS THE AUTHORITY TO DO SO.

CUSTOMER By: X _____ <i>Authorized Signer Signature</i> Printed Name: _____ Title: _____ Date: _____ Facsimile Number: _____	Accepted by: RICOH USA, INC. By: _____ <i>Authorized Signer Signature</i> Printed Name: _____ Title: _____ Date: _____ Facsimile Number: _____
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U.S. COMMUNITIES
EQUIPMENT SALE AND MAINTENANCE AGREEMENT
(EQUIPMENT SALES, BREAK-FIX SERVICES)

CUSTOMER INFORMATION					
Legal Name	CITY OF BRENHAM				
Bill To Address	PO BOX 1059				
City	BRENHAM	State	TX	Zip Code	77834-1059

This Equipment Sale and Maintenance Agreement ("Maintenance Agreement") sets forth the terms pursuant to which Customer may acquire equipment, software, and/or hardware products and maintenance services identified on an Order (defined below) from Ricoh USA, Inc. ("RicoH"). This Maintenance Agreement is executed pursuant to the contract by and between Ricoh USA, Inc. (successor-in-interest to Ricoh Americas Corporation) and Fairfax County (the "County") on behalf of the U.S. Communities Government Purchasing Alliance and all public agencies, non-profits and higher education entities ("Participating Public Agencies"), having a Contract ID number of 4400003732 and the contract period is from February 11, 2013 to June 30, 2019, with the option to renew for no more than three (3) years (the "Contract Period"), one year at a time, or any combination thereof (the "Contract"). Notwithstanding the foregoing, any Maintenance Agreement and Order entered into during the Contract Period shall continue in full force and effect for the entire term set forth in the Order. To the extent that Customer purchases or leases Equipment from Ricoh under the Contract and also desires for Ricoh to provide maintenance services for such Equipment under the order (the "Order"), then the terms and conditions of this Maintenance Agreement shall apply. This Maintenance Agreement shall consist of the terms and conditions of the Contract and this Maintenance Agreement. As it pertains to this Maintenance Agreement, the order of precedence of the component parts of the Maintenance Agreement shall be as follows: (a) the terms and conditions of this Maintenance Agreement and (b) the terms and conditions of the Contract. The foregoing order of precedence shall govern the interpretation of this Maintenance Agreement in cases of conflict or inconsistency therein.

1. MAINTENANCE SERVICES COVERAGE. Ricoh shall provide to Customer maintenance services under an Order, during Ricoh business hours, 8:00am to 5:00pm Monday through Friday excluding holidays ((i) New Year's Day; (ii) Memorial Day; (iii) 4th of July; (iv) Labor Day; (v) Thanksgiving; (vi) Day after Thanksgiving; and (vii) Christmas Day) ("Normal Business Hours"), as follows (collectively, the "Maintenance Services"):

(a) During the term of the Order, Ricoh will provide the Maintenance Services necessary to keep the covered Equipment in, or restore the covered Equipment to, good working order. Maintenance Services will include lubrication, cleaning, adjustments and replacement of maintenance parts deemed necessary by Ricoh due to normal usage (other than consumable parts). In the event the Equipment becomes unserviceable as a result of normal usage, replacement parts will be furnished and installed on an exchange basis and will be new OEM; provided, however, if such OEM part is not available and in order to restore the functionality of the Equipment, Ricoh shall be permitted to use a reconditioned or used part until such time as the new OEM part becomes available and is installed in the Equipment. All parts removed due to replacement will become the property of Ricoh. The provision of Maintenance Services does not assure uninterrupted operation of the covered Equipment.

(b) If available, Maintenance Services requested and performed outside Normal Business Hours will be charged to Customer at applicable time and material rates set forth in the Contract.

(c) The Maintenance Services provided by Ricoh will not include the following: (i) Repairs resulting from misuse (including without limitation to improper voltage or the use of supplies that do not conform to Ricoh's specifications); (ii) Repairs made necessary by service performed by persons other than authorized Ricoh representatives; (iii) Replacement of consumable parts which are consumed in normal Equipment operation, unless specifically included in the Order; (iv) Removable cassette, copy cabinet, exit trays, or any item not related to the mechanical or electrical operation of the Equipment; (v) Unless

otherwise agreed, consumable supplies such as toner, developer, paper or supplies that are consumed in the normal operation of the Equipment; (vi) Repairs and/or service calls resulting from attachments or accessories not acquired from Ricoh; (vii) Any Software, system support or related connectivity unless otherwise agreed in the Order; (viii) Electrical work external to the Equipment, including problems resulting from overloaded or improper circuits; (ix) Charges for installation of the Equipment or de-installation and/or movement of the Equipment from one location to another; or (x) Repair of damage or increase in service time caused by: accident, disaster (which shall include but not be limited to fire, flood, water, wind and lightning), transportation, neglect, power transients, abuse or misuse, failure of the Customer to follow Ricoh's published operating instructions, and unauthorized modifications or repair of Equipment by persons other than authorized representatives of Ricoh.

(d) In the absence of a separate maintenance agreement for any software, if Ricoh is engaged to provide software support under an Order, during Normal Business Hours, Ricoh will provide advice by telephone, email or via the Ricoh or developer's website following receipt of a request from Customer to diagnose faults in the software and advice to rectify such faults. Such support may be provided remotely.

(e) Damage to the Equipment or its parts arising out of, or other causes beyond, the control of Ricoh are not covered by an Order and may subject Customer to a surcharge or to cancellation of the Maintenance Services by Ricoh. In addition, Ricoh may terminate an Order if the Equipment is modified, damaged, altered or serviced by personnel other than those employed by Ricoh or are authorized by Ricoh to provide service and maintenance for the Equipment.

(f) Service necessitated as a result of inadequate key operator involvement, operator caused damage, lack of recommended service, or use of inadequate or incompatible supplies may result in service being rendered on a time-and-material basis in addition to the Maintenance Charges (as defined in Section 5).

2. MAINTENANCE SERVICE CALLS. Maintenance service calls under an Order will be made during Normal Business Hours at the installation address shown on the Order. Travel and labor-time for the service calls after Normal Business Hours, on weekends and on holidays, if and when available, will be charged at overtime rates in effect at the time the service call is made. Ricoh representatives will not handle, disconnect or repair unauthorized attachments or components. Customer is responsible for disconnecting and re-connecting unauthorized attachments or components. Customer hereby indemnifies and holds Ricoh and its employees and representatives harmless for claims for damages to any unauthorized parts, components or accessories resulting from service performed on Equipment covered by an Order.

3. RECONDITIONING. Rebuilding, reconditioning or major overhauls necessitated by usage not in accordance with manufacturer's published specifications, which shall be provided upon Customer's request, are not covered by an Order. In addition, if Ricoh determines that a reconditioning is necessary as a result of normal wear and tear of materials and age factors caused by normal usage in order to keep the Equipment in working condition, Ricoh will submit to Customer an estimate of the needed repairs and the cost for such repairs (which costs will be in addition to the charges payable under this Maintenance Agreement). If the Customer does not authorize such reconditioning, Ricoh may, at its option: (a) discontinue service of the Equipment under an Order and refund any unused portion of the Maintenance Charges, or (b) refuse to renew an Order upon its expiration. After any such termination, Ricoh will make service available on a "Time and Material Rate" basis at Ricoh's then prevailing rates at the time of service.

4. TERM. Each Order shall become effective on the delivery and Customer acceptance of the Equipment and/or solution and shall continue for the term specified therein (the "Initial Term") so long as no ongoing default exists on Customer's part. At the expiration of the Initial Term or any renewal term, unless Customer provides written notice of its intention not to renew within thirty (30) days of the expiration of the Initial Term or any renewal term, the Order shall automatically renew on a month-to-month basis. In addition to any other rights or remedies which either party may have under this Maintenance Agreement or at law or equity, either party shall have the right to cancel the Services provided under this Maintenance Agreement immediately: (i) if the other party fails to pay any fees or charges or any other payments required under this Maintenance Agreement when due and payable, and

such failure continues for a period of thirty (30) days after being notified in writing of such failure; or (ii) if the other party fails to perform or observe any other material covenant or condition of this Maintenance Agreement, and such failure or breach shall continue un-remedied for a period of thirty (30) days after such party is notified in writing of such failure or breach.

5. MAINTENANCE CHARGES.

(a) Maintenance service charges ("Maintenance Charges") will be payable by the Customer in accordance with the terms set forth in the Order.

(b) Customer acknowledges and agrees that: (i) the transfer of the Equipment from the location indicated on the face hereof may result in an increase of Maintenance Charges or the termination of an Order; (ii) if an Order includes toner, toner usage is based on manufacturer supply consumption rates. Ricoh will determine and deliver supplies in accordance with agreed upon usage. Consumption of covered supply products varying significantly from expected usage may result in additional charges for supplies, or as otherwise agreed to by the parties. Maintenance Charges are based on standard 8.5x11 images. Ricoh reserves the right to assess additional images charges for non-standard images, including 11x17 images.

6. USE OF RICOH RECOMMENDED SUPPLIES. Ricoh products are designed to give excellent performance with Ricoh recommended supplies, including paper, developer, toner, and fuser oil. If the Customer uses other than Ricoh recommended supplies, and if such supplies are defective or not acceptable for use with the Equipment and cause abnormally frequent service calls or service problems, then Ricoh may, at its option, assess a surcharge or terminate an Order. If so terminated, Customer will be offered service on a time and materials basis at Ricoh's then prevailing rates. It is not a condition of an Order that the Customer use only Ricoh brand supplies.

7. METER READINGS. As part of its Services, Ricoh may, at its discretion and dependent upon device capabilities, provide remote meter reading and equipment monitoring services using its @Remote solution. If @Remote is not selected by the Customer, Customer shall be responsible and agrees to provide Ricoh true and accurate meter readings monthly and in any reasonable manner requested by Ricoh. If accurate meter readings are not provided, Ricoh reserves the right to estimate the meter readings from previous meter readings.

8. CUSTOMER OBLIGATIONS. Customer agrees to provide a proper place for the use of the Equipment, including electric service as specified by the manufacturer. Customer will provide adequate facilities (at no charge) for use by Ricoh representatives in connection with the maintenance of the Equipment hereunder within a reasonable distance of the Equipment. Customer agrees to provide "360 degree" service access to the Equipment, subject to Customer's usual security procedures. Customer will provide a key operator for the Equipment and will make operators available for instruction in use and care of the Equipment. All supplies for use with the Equipment will be provided by the Customer and will meet manufacturer specifications. It is the responsibility of the Customer to have the supplies available "on site" for servicing. Customer agrees that any systems utilizing similar supplies must be covered under similar inclusive maintenance programs. If any software, system support or related connectivity services are included as part of the Order as determined by Ricoh, Ricoh shall provide any such services at Customer's location set forth in the Order as applicable, or on a remote basis. Customer shall provide Ricoh with such access to Customer's facilities, networks and systems as may be reasonably necessary for Ricoh to perform such services.

9. WARRANTY DISCLAIMER. OTHER THAN THE OBLIGATIONS SET FORTH EXPRESSLY IN THIS MAINTENANCE AGREEMENT, RICOH DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR USE, OR FITNESS FOR A PARTICULAR PURPOSE. RICOH SHALL NOT BE RESPONSIBLE FOR ANY INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, DAMAGES ARISING OUT OF THE USE OR PERFORMANCE OF THE EQUIPMENT OR THE LOSS OF USE OF THE EQUIPMENT. RICOH'S TOTAL AGGREGATE LIABILITY TO CUSTOMER UNDER THE MAINTENANCE AGREEMENT, IF ANY, SHALL IN NO EVENT EXCEED THE TOTAL OF THE FEES PAID TO RICOH IN CONNECTION WITH THE

MAINTENANCE SERVICES.

10. SERVICE LEVELS.

(a) Response Time. Ricoh will provide a one hour (1) phone response to service calls measured from receipt of the Customer's call. Ricoh service technicians will meet a four (4) business hour response time for all Customer service calls located within a major metropolitan area and eight (8) hour average response time for all Customer service calls located fifty (50) miles or greater from a Ricoh service center. Response time is measured in aggregate for all Equipment covered by the Order.

(b) Uptime. Ricoh will service the Equipment provided under an Order to be operational with a quarterly uptime average of 95% (based on manufacturer's performance standards and an 8-hour day, during Normal Business Hours), excluding preventative and interim maintenance time. Downtime will begin at the time Customer places a service call to Ricoh. Customer agrees to make the Equipment available to Ricoh for scheduled preventative and interim maintenance. Customer further agrees to give Ricoh advance notice of any critical and specific uptime needs Customer may have so that Ricoh can schedule with Customer interim and preventative maintenance in advance of such needs.

(c) Replacement of Equipment. Should a unit of Equipment or an accessory not be able to be maintained in conformance with manufacturer's specifications, Ricoh shall, at its own expense, replace such Equipment with another unit of the same product designation as that Equipment and Ricoh shall bear all installation, transportation, removal and rigging charges in connection with the installation of such replacement unit; provided, however that (a) the replacement unit may be a reconditioned or otherwise used unit rather than a new unit; and (b) if a replacement unit of the same product designation as the unit of Equipment it replaces is not available, the replacement unit may be a product of substantially similar or greater capabilities.

11. DATA MANAGEMENT SERVICES. The parties acknowledge and agree that Ricoh shall have no obligation to remove, delete, preserve, maintain or otherwise safeguard any information, images or content retained by or resident in any Equipment serviced and maintained by Ricoh, whether through a digital storage device, hard drive or other electronic medium ("Data Management Services"). If desired, Customer may engage Ricoh to perform Data Management Services at then-prevailing Contract rates. Customer acknowledges that Customer is responsible for ensuring its own compliance with legal requirements in connection with data retention and protection and that Ricoh does not provide legal advice or represent that the Equipment and Services will guarantee compliance with such requirements. The selection, use and design of any Data Management Services, and any decisions arising with respect to the deletion or storage of data, as well as the loss of any data resulting therefrom, shall be the sole and exclusive responsibility of Customer. If desired, Customer may engage Ricoh to perform the following Data Management Services, and the parties shall enter into a written work order setting the details of any such engagement:

- **Hard Drive Surrender Service.** Under this option, a Ricoh service technician can remove the hard drive from the applicable equipment (set forth on a work order) and provide Customer with custody of the hard drive before the equipment is removed from the Customer's location, moved to another department or any other disposition of the equipment. The cost for the Hard Drive Surrender Services shall be as set forth in the Contract.
- **DataOverwriteSecurity System (DOSS).** DOSS is a Ricoh product designed to overwrite the sector of the hard drive used for data processing to prevent recovery. Additionally, DOSS also offers the option of overwriting the entire hard drive up to nine (9) times.

12. PURCHASES OF EQUIPMENT FOR CASH. In the event that Customer desires to purchase equipment or products from Ricoh from time to time, it may do so by issuing a Purchase Order/Sales Order to Ricoh for that purpose. In connection with any equipment purchase from Ricoh, Ricoh shall transfer to Customer any equipment warranties made by the equipment manufacturer, to the extent transferable and without recourse. Customer agrees to confirm delivery and acceptance of all equipment purchased under this Agreement within ten (10) business days after any equipment is delivered and installed (if installation has been agreed to by the parties) by signing a delivery and acceptance certificate

(in a form to be provided by Ricoh) or written delivery acknowledgement. Ricoh reserves the right to make equipment deliveries in installments. All claims for damaged equipment shall be deemed waived unless made in writing, delivered to Ricoh within ten (10) business days after delivery of equipment to Customer; provided, however, Ricoh shall not be responsible for damage to equipment caused by the Customer, its employees, agents or contractors. Ricoh warrants to Customer that at the time of delivery and for a period of ninety (90) days thereafter the Ricoh-manufactured equipment will be free from any defects in material and workmanship; provided, however, the foregoing warranty shall not apply in the event (i) the Ricoh-manufactured equipment is installed, wired, modified, altered, moved or serviced by anyone other than Ricoh, (ii) the Ricoh-manufactured equipment is installed, stored and utilized and/or maintained in a manner not consistent with Ricoh specifications, (iii) a defective or improper non-Ricoh accessory or supply or part is attached to or used in the Ricoh-manufactured equipment. Except to the extent of any applicable and validated exemption, Customer agrees to pay any applicable taxes that are levied on or payable as a result of the use, sale, possession or ownership of the equipment purchased hereunder, other than income taxes of Ricoh.

13. MISCELLANEOUS. This Maintenance Agreement shall be governed by the laws of the State where the Customer's principal place of business or residence is located both as to interpretation and performance, without regard to its choice of law requirements. This Maintenance Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original. In order to expedite the ordering and delivery process, and for the convenience of the Customer, this Maintenance Agreement establishes the terms and conditions between the parties governing all services. Any documents issued by Customer to procure services at any time for any reason, even if they do not expressly reference or incorporate this Maintenance Agreement, will not modify or affect this Maintenance Agreement notwithstanding the inclusion of any additional or different terms or conditions in any such ordering document and shall serve only the purpose of identifying the services ordered and shall be subject to the terms and conditions of this Maintenance Agreement.

IN WITNESS WHEREOF, the parties have executed this Maintenance Agreement as of the date first written above.

CUSTOMER

By: _____
Name: _____
Title: _____
Date: _____

RICOH USA, INC.

By: _____
Name: _____
Title: _____
Date: _____

ORDER AGREEMENT

Sale Type : LEASE

Master Maintenance and Sale Agreement Date:	NEW	Sale Type :	LEASE
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BILL TO INFORMATION			
Customer Legal Name: CITY OF BRENHAM			
Address Line 1: PO BOX 1059		Contact: Parker,Sara	
Address Line 2:		Phone: (979)337-7247	
City: BRENHAM		E-mail: sparker@cityofbrenham.org	
ST / Zip: TX/77834-1059	County: WASHINGTON	Fax:	

ADDITIONAL ORDER INFORMATION	
Check All That Apply:	
♦ Sales Tax Exempt (Attach Valid Exemption Certificate) ♦ PO Included PO# _____ ♦ Syndication	♦ Fixed Service Charge ♦ PS Service (Subject to and governed by separate Statement of Work) ♦ IT Service (Subject to and governed by separate Statement of Work)
♦ Add to Existing Service Contract # _____	

This is an Order made pursuant to the terms and conditions of the above referenced Master Agreement(s) between Customer and Ricoh USA, Inc. The signature below indicates that the customer accepts all terms and conditions of the applicable Master Agreement(s) for this sale, including by not limited to the terms set forth in the Master Agreement(s) and any Exhibit A thereto, all of which are incorporated herein by reference and made part of this Order. Each party agrees that electronic signatures of the parties on this Order will have the same force and effect as manual signature. Ricoh may accept this Order by either its signature or by commencing performance (e.g. Product delivery, Initiating Services, etc.).

SERVICE INFORMATION					
Service Term (Months)		Base Billing Frequency		Overage Billing Frequency	
36 Months		MONTHLY		MONTHLY	
Service Type	Guaranteed Group Total Allowance (Per Base Billing Frequency)		Group Overages		Service Base (Per Base Billing Frequency)
Gold	B/W	15,000	B/W	\$0.008	\$120.00
	Color	0	Color	\$0.0428	

SHIP TO INFORMATION			
Customer Name: BRENHAM CITY OF			
Address Line 1: 200 W VULCAN ST		Contact: Parker,Sara	
Address Line 2:		Phone: (979)337-7247	
City: BRENHAM		E-mail: sparker@cityofbrenham.org	
ST / Zip: TX/77833-3149	County: WASHINGTON	Fax:	

PRODUCT INFORMATION	
Product Description	Qty
RICOH MPC4504 BRANDING SET	3
RICOH MP402SPF BRANDING SET	1
RICOH MPC4504 BRANDING SET	1



BASIC CONNECTIVITY / PS / IT SERVICES INFORMATION	
BASIC CONNECTIVITY / PS / IT Services Description	Quantity
TS NETWORK & SCAN - PRINTER	1
TS NETWORK & SCAN - SEG BC4	1

ORDER TOTALS		
Service Type Offerings:	Product Total:	
Gold: Includes all supplies and staples. Excludes paper.	BASIC CONNECTIVITY / PS / IT Services:	
Silver: Includes all supplies. Excludes paper and staples.	Buyout:	
Bronze: Parts and labor only. Excludes paper, staples and supplies.	Grand Total: (Excludes Tax)	
Additional Provisions:		
Per US Communities Contract 4400003732		

Accepted by Customer	Accepted: Ricoh USA, Inc.
Authorized Signature: _____	Authorized Signature: _____
Printed Name: _____	Printed Name: _____
Title: _____	Title: _____
Date: _____	Date: _____





AGENDA ITEM 15

DATE OF MEETING: April 5, 2018	DATE SUBMITTED: March 26, 2018	
DEPT. OF ORIGIN: Administration	SUBMITTED BY: Kacey Weiss	
MEETING TYPE: ☒ REGULAR ☐ SPECIAL ☐ EXECUTIVE SESSION	CLASSIFICATION: ☐ PUBLIC HEARING ☐ CONSENT ☒ REGULAR ☐ WORK SESSION	ORDINANCE: ☐ 1 ST READING ☐ 2 ND READING ☐ RESOLUTION
AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon a Request for a Noise Variance from the Brenham Maifest Association for the 2018 Maifest Events to be Held on April 28, 2018, May 3, 2018, May 4, 2018 and May 5, 2018 and Authorize the Mayor to Execute Any Necessary Documentation		
SUMMARY STATEMENT: The Color Fun Run will be held on April 28, 2018, and will begin at 9:00 a.m. They will have speakers playing music. The Maifest Celebration will be held May 3 rd , May 4 th and May 5 th . Activities include a carnival, bands and the coronations. Both the Police Department and the Fire Department have approved the noise variance request.		
STAFF ANALYSIS (For Ordinances or Regular Agenda Items): A. PROS: B. CONS:		
ALTERNATIVES (In Suggested Order of Staff Preference):		
ATTACHMENTS: (1) Noise Variance Request forms		
FUNDING SOURCE (Where Applicable):		
RECOMMENDED ACTION: Approve a request for a noise variance from the Brenham Maifest Association for the 2018 Maifest Events to be held on April 28, 2018, May 3, 2018, May 4, 2018 and May 5, 2018 and authorize the Mayor to execute any necessary documentation		
APPROVALS: James Fisher		

NOISE VARIANCE REQUEST

Application Fee \$10.00

1. Name of sponsoring organization: Maifest
2. Name and address of individual making application on behalf of sponsoring organization: Megan Sommer; 3627 Deer Rd., Brenham TX 77833
3. Purpose of the Event: Fundraiser for Maifest
4. Location of Event: Henderson Park
5. Date of the event: April 28, 2018
6. Time of Event: 9am
7. Event Set-up: From: 7:30am To: 8:30am
Event Clean-up: From: 11am To: 11:30am
8. You are required to describe the following:
 - a) Types of Activities Planned and any additional information specific to this event: 1 mile Color Fun Run
Music
 - b) Bands/Musical Instruments: None
 - c) Sound amplification equipment: Speaker
 - d) Cleanup provisions: None

Megan Sommer
Name of Applicant (Printed or Typed)

Date: 3/1/2018

Megan Sommer
Applicant or Authorized Person's Signature

Phone: 713-201-4371

Have you ever been found guilty of a criminal offense involving crimes against property, moral turpitude, and/or a felony by any Court? Yes ☒ No. If "Yes", please identify the offense, State of conviction and penalty imposed (attach additional sheets if necessary):

Paid 03/12/18
Cash \$10.00 PS

NOISE VARIANCE REQUEST

Application Fee \$10.00

1. Name of sponsoring organization: Brenham Maifest Association
2. Name and address of individual making application on behalf of sponsoring organization: Catherine Kenjura PO Box 1588
Brenham TX 77834
3. Purpose of the Event: Annual Celebration of Brenham Heritage
4. Location of Event: Fireman's Park
5. Date of the event: May 3, 4, 5
6. Time of Event: 12:00 pm - 12:00 am
7. Event Set-up: From: 7:00 am To: 12:00 pm
Event Clean-up: From: 12:00 pm To: 3:00 pm
8. You are required to describe the following:
 - a) Types of Activities Planned and any additional information specific to this event: Carnival, kid's activities, coronations, live music
 - b) Bands/Musical Instruments: multiple band & amplified instruments
 - c) Sound amplification equipment: Kevin Schmidt (City of Brenham) has info.
 - d) Cleanup provisions: volunteers, paid contractors, board members

Catherine Kenjura

Name of Applicant (Printed or Typed)

Date: 3/23/18

[Signature]
Applicant or Authorized Person's Signature

Phone: 979-277-5124

Have you ever been found guilty of a criminal offense involving crimes against property, moral turpitude, and/or a felony by any Court? Yes ☒ No ☐ If "Yes", please identify the offense, State of conviction and penalty imposed (attach additional sheets if necessary):



AGENDA ITEM 16

DATE OF MEETING: April 5, 2018	DATE SUBMITTED: March 26, 2018															
DEPT. OF ORIGIN: Administration	SUBMITTED BY: Kacey Weiss															
<table style="width: 100%; border: none;"> <tr> <td style="width: 33%; vertical-align: top;">MEETING TYPE:</td> <td style="width: 33%; vertical-align: top;">CLASSIFICATION:</td> <td style="width: 33%; vertical-align: top;">ORDINANCE:</td> </tr> <tr> <td>☒ REGULAR</td> <td>☐ PUBLIC HEARING</td> <td>☐ 1ST READING</td> </tr> <tr> <td>☐ SPECIAL</td> <td>☐ CONSENT</td> <td>☐ 2ND READING</td> </tr> <tr> <td>☐ EXECUTIVE SESSION</td> <td>☒ REGULAR</td> <td>☐ RESOLUTION</td> </tr> <tr> <td></td> <td>☐ WORK SESSION</td> <td></td> </tr> </table>		MEETING TYPE:	CLASSIFICATION:	ORDINANCE:	☒ REGULAR	☐ PUBLIC HEARING	☐ 1 ST READING	☐ SPECIAL	☐ CONSENT	☐ 2 ND READING	☐ EXECUTIVE SESSION	☒ REGULAR	☐ RESOLUTION		☐ WORK SESSION	
MEETING TYPE:	CLASSIFICATION:	ORDINANCE:														
☒ REGULAR	☐ PUBLIC HEARING	☐ 1 ST READING														
☐ SPECIAL	☐ CONSENT	☐ 2 ND READING														
☐ EXECUTIVE SESSION	☒ REGULAR	☐ RESOLUTION														
	☐ WORK SESSION															
AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon a Request for a Noise Variance from Calvary Baptist Church for a National Day of Prayer Event to be Held on May 3, 2018 from 12:00 p.m. – 1:00 p.m. at the Courthouse Gazebo and Authorize the Mayor to Execute Any Necessary Documentation																
SUMMARY STATEMENT: Pastor Billy Sutherland from Calvary Baptist Church has requested a noise variance for a National Day of Prayer event to be held on May 3, 2018 from 12:00 p.m. – 1:00 p.m. at the courthouse gazebo. They will be using sound amplification equipment. Both the Police Department and the Fire Department have approved the noise variance request.																
STAFF ANALYSIS (For Ordinances or Regular Agenda Items): A. PROS: B. CONS:																
ALTERNATIVES (In Suggested Order of Staff Preference):																
ATTACHMENTS: (1) Noise Variance Request																
FUNDING SOURCE (Where Applicable):																
RECOMMENDED ACTION: Approve a request for a noise variance from Calvary Baptist Church for a National Day of Prayer event to be held on May 3, 2018 from 12:00 p.m. – 1:00 p.m. at the courthouse gazebo and authorize the Mayor to execute any necessary documentation																
APPROVALS: James Fisher																

NOISE VARIANCE REQUEST

Application Fee \$10.00

1. Name of sponsoring organization: CALVARY BAPTIST CHURCH
2. Name and address of individual making application on behalf of sponsoring organization: Billy Sutherland 321 E CROSSWINDS CT
BROWHAM TX 77833
3. Purpose of the Event: NATIONAL DAY OF PRAYER
4. Location of Event: COUNTY COURTHOUSE GAZEBO
5. Date of the event: MAY 3, 2018
6. Time of Event: 11:00 AM - 2:00 PM (MORE LIKELY NOON - 1 PM)
7. Event Set-up: From: 11:30 A To: NOON
Event Clean-up: From: 12:45 To: 1:15 P
8. You are required to describe the following:
 - a) Types of Activities Planned and any additional information specific to this event: PRAYER, SINGING, FELLOWSHIP
 - b) Bands/Musical Instruments: PROBABLY "BAND IN A BOX" (DIGITAL MUSIC)
 - c) Sound amplification equipment: SMALL PORTABLE SOUND SYSTEM
 - d) Cleanup provisions: OUR TEAM WILL ASSURE CLEANUP

BILLY SUTHERLAND
Name of Applicant (Printed or Typed)

Date: 2/8/18

[Signature]
Applicant or Authorized Person's Signature

Phone: 713 703 1246

Have you ever been found guilty of a criminal offense involving crimes against property, moral turpitude, and/or a felony by any Court? Yes X No. If "Yes", please identify the offense, State of conviction and penalty imposed (attach additional sheets if necessary):



AGENDA ITEM 17

DATE OF MEETING: April 5, 2018	DATE SUBMITTED: March 29, 2018	
DEPT. OF ORIGIN: Administration	SUBMITTED BY: James Fisher	
MEETING TYPE: ☐ REGULAR ☐ SPECIAL ☒ EXECUTIVE SESSION	CLASSIFICATION: ☐ PUBLIC HEARING ☐ CONSENT ☒ REGULAR ☐ WORK SESSION	ORDINANCE: ☐ 1 ST READING ☐ 2 ND READING ☐ RESOLUTION
AGENDA ITEM DESCRIPTION: Section 551.071 and Section 551.072, Texas Government Code – Consultation with Attorney and Deliberation Regarding Real Property – Discussion and Deliberation, and Consultation with City Attorney, Regarding the Lease Between City of Brenham and Brenham Heritage Museum, Inc. Concerning the Real Property Located at 105 S. Market Street, and Associated Issues		
SUMMARY STATEMENT: To be discussed in Executive Session.		
STAFF ANALYSIS (For Ordinances or Regular Agenda Items): A. PROS: B. CONS:		
ALTERNATIVES (In Suggested Order of Staff Preference):		
ATTACHMENTS: None		
FUNDING SOURCE (Where Applicable):		
RECOMMENDED ACTION: None		
APPROVALS: Milton Y. Tate, Jr.		



AGENDA ITEM 18

DATE OF MEETING: April 5, 2018	DATE SUBMITTED: March 29, 2018	
DEPT. OF ORIGIN: Administration	SUBMITTED BY: James Fisher	
MEETING TYPE: ☐ REGULAR ☐ SPECIAL ☒ EXECUTIVE SESSION	CLASSIFICATION: ☐ PUBLIC HEARING ☐ CONSENT ☒ REGULAR ☐ WORK SESSION	ORDINANCE: ☐ 1 ST READING ☐ 2 ND READING ☐ RESOLUTION
AGENDA ITEM DESCRIPTION: Section 551.071 – Texas Government Code – Consultation with Attorney – Deliberation Regarding the Construction Contract Between the City of Brenham and GCP Contractors, LLC, Including But Not Limited to a Tender, Release and Substitution Agreement, the Termination of Said Contract and Other Associated Matters and Available Remedies		
SUMMARY STATEMENT: To be discussed in Executive Session.		
STAFF ANALYSIS (For Ordinances or Regular Agenda Items): A. PROS: B. CONS:		
ALTERNATIVES (In Suggested Order of Staff Preference):		
ATTACHMENTS: None		
FUNDING SOURCE (Where Applicable):		
RECOMMENDED ACTION: None		
APPROVALS: Milton Y. Tate, Jr.		



AGENDA ITEM 19

DATE OF MEETING: April 5, 2018	DATE SUBMITTED: March 29, 2018
DEPT. OF ORIGIN: Administration	SUBMITTED BY: James Fisher
MEETING TYPE: ☒ REGULAR ☐ SPECIAL ☐ EXECUTIVE SESSION	CLASSIFICATION: ☐ PUBLIC HEARING ☐ CONSENT ☒ REGULAR ☐ WORK SESSION
ORDINANCE: ☐ 1 ST READING ☐ 2 ND READING ☐ RESOLUTION	
AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon a Tender, Release and Substitution Agreement, the Termination of the Construction Contract Between the City of Brenham and GCP Contractors, LLC, and Other Associated Matters and Available Remedies, and Authorize the Mayor to Execute Any Necessary Documentation	
SUMMARY STATEMENT: As discussed in Executive Session	
STAFF ANALYSIS (For Ordinances or Regular Agenda Items): A. PROS: B. CONS:	
ALTERNATIVES (In Suggested Order of Staff Preference):	
ATTACHMENTS: None	
FUNDING SOURCE (Where Applicable):	
RECOMMENDED ACTION: As discussed in Executive Session	
APPROVALS: Milton Y. Tate, Jr.	