NOTICE OF REGULAR CITY COUNCIL MEETING
CITY OF TOMBALL, TEXAS

MONDAY, FEBRUARY 20, 2017

6:00 P.M.

Notice is hereby given of a meeting of the Tomball City Council, to be held on Monday, February 20, 2017 at 6:00 P.M., City Hall, 401 Market Street, Tomball, Texas 77375, for the purpose of considering the following agenda items. All agenda items are subject to action. The Tomball City Council reserves the right to meet in a closed session for consultation with attorney on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551, of the Texas Government Code.

1.0 Call to Order

2.0 Invocation

- Led by Pastor Bryan Donahoo, Graceview Baptist Church

3.0 Pledges to U.S. and Texas Flags

4.0 Public Comments and Receipt of Petitions *[At this time, anyone will be allowed to speak on any matter other than personnel matters or matters under litigation, for length of time not to exceed three minutes. No Council/Board discussion or action may take place on a matter until such matter has been placed on an agenda and posted in accordance with law.]*

5.0 Reports and Announcements

- February 28, 2017 – ***Trailride Reception*** – 12 Noon at the Depot
- Tomball Police Department Annual Data Capture Report (SB 1074)

- March 1 and 2, 2017 – ***Shattered Lives Event*** – **Tomball Memorial High School**
- March 11, 2017 – **2nd Saturday at the Depot**
- April 8, 2017 – ***7th Annual 5K Bunny Run and 1 Mile Kids Walk***
- April 8, 2017 – **2nd Saturday at the Depot**
- May 6-7, 2017 – ***Rails & Tails Mudbug Festival***
- May 27, 2017 – **Tomball Honky Tonk Music Festival** and **Chili Challenge**
- Reports by City staff and members of council about items of community interest on which no action will be taken:
  - Glenn Windsor – Quarterly Investment Report for Period Ending December 31, 2016. The Public Funds Investment Act requires that a report of the City's Investments be presented to Council on a quarterly basis. The investment report includes a listing of all investments together with information relating to diversification, cost vs. market values, yield information, and weighted average maturities. On December 31, 2016, the City had total cash and cash equivalents in the amount of $69,660,639. A copy of the report is attached for your review.

6.0 Approve the Minutes of the February 6, 2017 Regular Tomball City Council Meeting

7.0 New Business:

7.1 Consideration to approve Zoning Case P17-0001: Request by GREVIS Properties for a Conditional Use Permit to operate a Mobile Food Court at 403 East Main Street. The property is approximately 0.28 acres, legally described as Lot 24, Block 80 Tomball Townsite Lot 24 Replat, generally located at the southeast corner of East Main Street and Chestnut Street and is zoned Old Town & Mixed Use.

- Conduct Public Hearing on **Zoning Case P17-0001**

- Adopt, on First Reading, Ordinance No. 2017-02, an Ordinance of the City of Tomball, Texas, Amending Chapter 50 (Zoning) of the Tomball Code of Ordinances by Granting a Conditional Use Permit (CUP) to Grevis Properties, to Operate a "Mobile Food Court" at 403 East Main Street; Said Property Being Approximately 0.28 Acres, and Being Legally Described as Lot 24 Block 80 Tomball Townsite Lot 24 Replat, Harris County, Texas, Generally Located at the Southeast Corner of East Main Street and Chestnut Street; Providing Requirements and Conditions for This CUP; Containing Findings and Other Provisions Relating to the Subject; Providing a Penalty in an Amount Not to Exceed $2,000 for Violations Hereof; and Providing for Severability.

7.2 Consideration to approve Zoning Case P16-0189: Request by Ryan Bailey, on behalf of ADAPT Programs, LLC, for a Conditional Use Permit to operate an Institution for alcoholic, narcotic or psychiatric patients at 13628 Michel Road. The property is approximately 1 acre, legally described as Reserve B, Block 1 Falcon Subdivision, generally located on the south side of Michel Road, between Johnson Road and SH 249 and is zoned Commercial.

- Conduct Public Hearing on Zoning Case P16-0189
- Adopt, on First Reading, Ordinance No. 2017-03, an Ordinance of the City of Tomball, Texas, Amending Chapter 50 (Zoning) of the Tomball Code of Ordinances by Granting a Conditional Use Permit (CUP) to Ryan Bailey, on Behalf of Adapt Programs, LLC, to Operate an "Institution for Alcoholic, Narcotic or Psychiatric Patients" at 13628 Michel Road; Said

Property Being Approximately 1.00 Acre, and Being Legally Described as Reserve B Block 1 Falcon, Tomball, Harris County, Texas, Generally Located on the South Side of Michel Road, Between Johnson Road and SH 249; Providing Requirements and Conditions for This CUP; Containing Findings and Other Provisions Relating to the Subject; Providing a Penalty in an Amount Not to Exceed $2,000 for Violations Hereof; and Providing for Severability.

7.3 Approve Resale Deed for Property acquired by Foreclosure Tax Sale in Cause No. 2001-30026, styled *City of Tomball, et al vs. J. W. Whitt, et al,* said Property being described as: Lot No. 35, Block No. 76, Tomball, Located in Harris County Texas and Being More Particularly Described in Volume 367, Page 513 of the Deed Records of Harris County, Texas, HCAD Acct No. 035-274-076-0035, to Christie Craig and Steven Craig, in the Amount of $5,100.00; Located at 0 Carrell Street, Tomball

7.4 Consideration to Partially Accept Bids Received for Project No. 2017-06, Three (3) Fleet Replacement Vehicles, Reject Remaining Bids, and Award BuyBoard Contract to Caldwell Country

7.5 Award Engineering Contract for Medical Complex Segment 4B and South Persimmon Street to Gunda Corporation LLC in the Amount of $3,349,467.00

7.6 Consideration to Reject Bid Received for Project No. 2017-09, Facility Maintenance: City Hall & IT/Marketing Annex

7.7 Approve Resolution No. 2017-05, a Resolution of the City of Tomball, Texas, Adopting the City of Tomball's Investment Policy, as Set Out in City of Tomball Administrative Policy No. 13, Entitled *"Investment Policy"*

8.0 Adjournment

C E R T I F I C A T I O N

I hereby certify that the above notice of meeting was posted on the bulletin board of City Hall, City of Tomball, Texas, a place readily accessible to the general public at all times, on the 16th day of February 2017 by 5:00 p.m., and remained posted for at least 72 continuous hours preceding the scheduled time of said meeting.

Doris Speer

____

Doris Speer

City Secretary, TRMC

This facility is wheelchair accessible and accessible parking spaces are available Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please feel free to contact the City Secretary's office at (281) 290-1002 or FAX (281) 351-6256 for further information.

AGENDAS MAY ALSO BE VIEWED ONLINE AT www.ci.tomball.tx.us.

Regular City Council
Agenda Item
Data Sheet

Meeting Date: February 20, 2017

Topic:

- Led by Pastor Bryan Donahoo, Graceview Baptist Church

Background:

Origination:

Recommendation:

Party(ies) responsible for placing this item on agenda:

ACTION TAKEN

Approval	Readings Passed	Other
☐ Yes ☐ No	☐ 1st ☐ 2nd	

Regular City Council
Agenda Item
Data Sheet

Meeting Date: February 20, 2017

Topic:

- February 28, 2017 – ***Trailride Reception*** – 12 Noon at the Depot
- Tomball Police Department Annual Data Capture Report (SB 1074)
- March 1 and 2, 2017 – ***Shattered Lives Event*** – **Tomball Memorial High School**
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- April 8, 2017 – **2nd Saturday at the Depot**
- May 6-7, 2017 – ***Rails & Tails Mudbug Festival***
- May 27, 2017 – **Tomball Honky Tonk Music Festival** and **Chili Challenge**
- Reports by City staff and members of council about items of community interest on which no action will be taken:
    - Glenn Windsor – Quarterly Investment Report for Period Ending December 31, 2016. The Public Funds Investment Act requires that a report of the City's Investments be presented to Council on a quarterly basis. The investment report includes a listing of all investments together with information relating to diversification, cost vs. market values, yield information, and weighted average maturities. On December 31, 2016, the City had total cash and cash equivalents in the amount of $69,660,639. A copy of the report is attached for your review.

Background:

Origination:
Various

Recommendation:
N/A

Party(ies) responsible for placing this item on agenda:
City Secretary

ACTION TAKEN

Approval	Readings Passed	Other
☐ Yes ☐ No	☐ 1st ☐ 2nd	

ATTACHMENTS:

Trailride Reception
Tomball Police Department Annual Data Capture Report (SB1074)
7th Annual 5K Bunny Run and 1 Mile Kids Walk
Quarterly Investment Report for Period Ending December 31, 2016

HOWDY PARTNER!

It's Rodeo time and the Sam Houston trail riders are headin' our way. Meet the cowboys, cowgals, and rodeo clowns, then enjoy some old style western fun as the riders meander through Tomball!

The annual Trail ride Reception is February 28th at the historic Tomball Depot - 201 South Elm Street from high-noon 'til 2 p.m.

There'll be free grub for too! . . . Call 281-351-5484 for information.

TOMBALL POLICE DEPARTMENT

ANNUAL CONTACT DATA REPORT

2016

POLICE CONTACT DATA

Tomball Police Department

Mission Statement

The mission of the Tomball Police Department is to protect and serve the citizens of Tomball. As members of the Tomball Police Department, we dedicate ourselves to providing fair impartial and ethical police service to all members of the community with the highest degree of integrity, professionalism and respect.

Oath of Honor

On my Honor I will never betray my Profession, my integrity, my Character, or the Public trust. I will always have the courage to hold myself and others accountable for our actions. I will always uphold the Constitution, my community, and the Agency I serve.

TIER 1- PARTIAL EXEMPTION RACIAL PROFILING REPORT

Agency Name: TOMBALL POLICE DEPARTMENT

Reporting Date: 02/01/1017

TCOLE Agency Number: 201228

Chief Administrator: BILLY TIDWELL

Agency Contact Information: Email: btidwell@tomballtx.gov

TOMBALL POLICE DEPARTMENT

400 Fannin St

Tomball TX. 77375

This Agency claims partial racial profiling report exemption because:

Our vehicles that conduct motor vehicle stops are equipped with video and audio equipment and we maintain videos for 90 days

Certification to This Report 2.132 (Tier 1) - Partial Exemption

Article 2.132 (b) CCP Law Enforcement Policy on Racial Profiling

TOMBALL POLICE DEPARTMENT, has adopted a detailed written policy on racial profiling. Our Policy

1) Clearly defines acts constituting racial profiling;
2) Strictly prohibits peace officers employed by the TOMBALL POLICE DEPARTMENT. From engaging in racial profiling;
3) Implements a process by which an individual may file a complaint with the TOMBALL POLICE DEPARTMENT. If the individual believes that a peace officer employed by the TOMBALL POLICE DEPARTMENT. has engaged in racial profiling with respect to the individual;
4) Provides public education relating to the agency's complaint process: **PRESS RELEASE**
5) Requires appropriate corrective action to be taken against a peace officer employed by the TOMBALL POLICE DEPARTMENT. who after an investigation, is shown to have engaged in racial profiling in violation of the TOMBALL POLICE DEPARTMENT'S policy adopted under this article;

6) Requires collection of information relating to motor vehicle stops in which a citation is issued and to arrest made as a result of the individual detained.
   a) (B) whether a search was conducted and if so, whether the individual detained consented to the search and
   b) (C) whether the peace officer knew the race or ethnicity of the individual detained before detaining that individual; and
7) require the Chief administrator of the agency, regardless of whether the administrator is elected, employed, or appointed , to submit an annual report of the information collected under Subdivision(6) to:
   a) the commission on Law Enforcement Officer Standards and Education; and
   b) the governing body of each county or municipality served by the agency, if the agency is an agency of a county, municipality, or other political subdivision of the state.

I certify these policies are in effect.

Executed by: Billy Tidwell

Chief of Police

TOMBALL POLICE DEPARTMENT

Date: 02/01/2017

CHART I

2016 Activity

DEMOGRAPHICS:

	NUMBER	PERCENTAGE
HISPANIC	9,555	24.30%
WHITE	23,751	60.36%
BLACK	3,550	9.01%
ASIAN	1,583	4.01%
AMERICAN INDIAN	146	0.37%
MIDDLE EASTERN	0	0.00%
OTHER	766	1.95%
TOTAL	39,351	100%

** NUMBER OBTAINED FROM THE U.S. CENSUS 2010 Demographic Profile Data for 77375

CONTACTS:

	CITATIONS	PERCENTAGE
HISPANIC	1,411	20.28%
WHITE	4,574	65.75%
BLACK	807	11.60%
ASIAN	86	1.24%
AMERICAN INDIAN	0	0.00%
MIDDLE EASTERN	39	0.56%
OTHER	40	0.57%
TOTAL	6,957	100%

** CITATIONS COUNT OBTAINED FROM TOMBALL RACIAL PROFILING DATA AND TOMBALL MUNICIPAL COURTS

ARRESTS:

	ARREST/RESULT OF STOP	PERCENTAGE ARRESTED
HISPANIC	8	12%
WHITE	55	80%
BLACK	6	9%
ASIAN	0	0%
AMERICAN INDIAN	0	0%
MIDDLE EASTERN	0	0%
OTHER	0	0%
TOTAL	69	100%

**NUMBERS OBTAINED FROM TOMBALL RACIAL PROFILE DATA RECORDS

CHART II
2016 Activity

SEARCHED:

	NUMBER SEARCHED	PERCENTAGE OF TOTAL
HISPANIC	7	5.93%
WHITE	95	80.51%
BLACK	14	11.86%
ASIAN	1	0.85%
AMERICAN INDIAN	0	0.00%
MIDDLE EASTERN	0	0.00%
OTHER	1	0.85%
TOTAL	118	100%

**INFORMATION RECORDED ON CITATIONS, NUMBERS OBTAINED FROM TOMBALL RACIAL PROFILING DATA.

SEARCHED - COMPARISON:

	CONSENSUAL SEARCH		PC/SEARCH	
HISPANIC	3	0.05%	4	7.27%
WHITE	53	84.13%	42	76.36%
BLACK	7	11.11%	7	12.73%
ASIAN	0	0.00%	1	1.82%
AMERICAN INDIAN	0	0.00%	0	0.00%
MIDDLE EASTERN	0	0.00%	0	0.00%
OTHER	0	0.00%	1	1.82%
TOTAL	63	100%	55	100%

**INFORMATION OBTAINED FROM TOMBALL RACIAL PROFILE DATA RECORDS. *PC-PROBABLE CAUSE

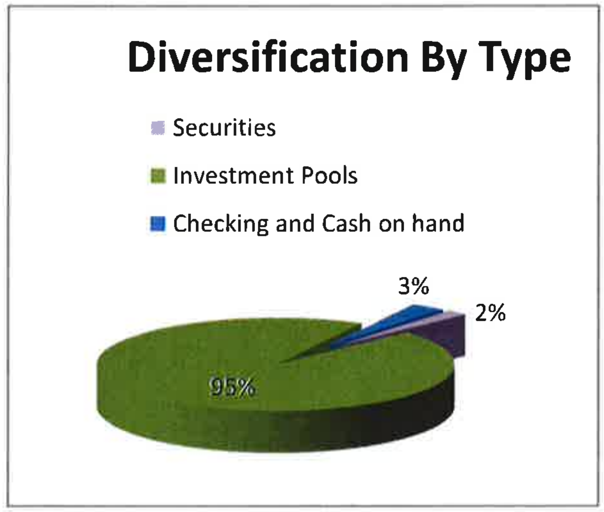
	YES	NO
ETHNICITY KNOWN BEFORE STOP?	96	6861


BUNNY RUN
TOMBALL, TEXAS
HOP TO IT, Y'ALL!
Saturday, April 8th
• 5K run and 1-mile walk throughout downtown
• Run starts at 8 a.m. at the historic downtown Depot, 201 South Elm Street
• Best blinged bunny ears and tutu contest
• Mascot Depot Dash
• Vendors, snacks and more
• Register NOW at Racesonline.com
THIS INFORMATION IS BEING DISTRIBUTED AS A COMMUNITY SERVICE AND TOMBALL ISD IS NOT A SPONSORING ORGANIZATION
Call 281-351-5484 for info
2017

CITY OF TOMBALL
PORTFOLIO DIVERSIFICATION
December 31, 2016

By Type

		Current Market Value	Percent Portfolio
Securities	$	1,387,804	1.99%
Investment Pools		66,062,620	94.83%
Checking and Cash on hand		2,210,215	3.17%
Total Portfolio	$	69,660,639	

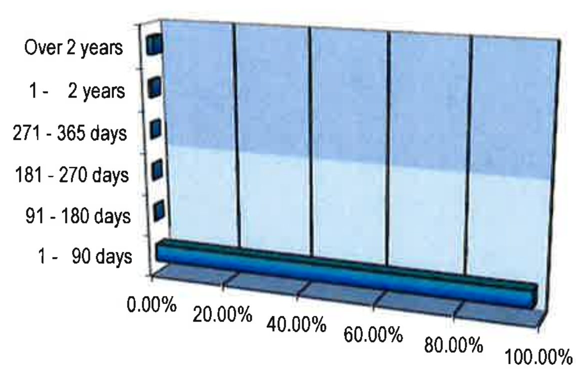


Safety of principal is the first priority of any Public investing portfolio. The City of Tomball invests in Securities of Federal, State and Local Governments, in Texas CLASS and in the state pool, TexPool. These investments are in securities with a rating of A-1/P-1 or higher and pools with Standard & Poor's highest rating of AAAm. Our charter requires that we maintain reserves of no less than 90 days and no more than one year of the current budgeted expenditures. The City currently has reserves in excess of the charter requirement.

By Maturity

		Current Market Value	Percent Portfolio
1 - 90 days	$	68,272,835	98.01%
91 - 180 days		-	-
181 - 270 days		-	-
271 - 365 days		-	-
1 - 2 years		383,716	0.55%
Over 2 years		1,004,088	1.44%
Total Portfolio	$	69,660,639	

Diversification by Maturity



Ensuring adequate liquidity is available to cover all expenditures is the second priority of any public investing program. The City staff forecasts cash flow and ladders the maturity of investments to ensure funds are adequate when needed. A portion of funds are kept in overnight investments as a buffer for any unexpected expenditures. These overnight investments (TexPool, Texas CLASS) have been performing according to market in the yield category as well as providing liquidity.

CITY OF TOMBALL
INVESTMENT PORTFOLIO SUMMARY
ACTIVITY FOR QUARTER ENDING
December 31, 2016

ALL CITY FUNDS (POOLED)

INVESTMENTS	COST	MARKET	RATIO	YTM at COST	BENCHMARK YTM**
Beginning of period	1,411,524	1,400,843	0.9924	1.130%	0.59%
Purchases	-	-			
Maturities	-	-			
Change in value	-	(13,039)			
Sales					
End of period	1,411,524	1,387,804	0.9832	1.130%	0.85%

Total Accrued Interest at end of period: $ 6,886

**Benchmark security is the One-year U. S. Treasury Bill
Weighted average maturity of the portfolio at quarter end is 849 days.

This report is in compliance with the investment strategies as approved and the Public Funds Investment Act.

Treasurer

Asst. Treasurer

CITY OF TOMBALL
INVESTMENTS IN SECURITIES
PORTFOLIO AS OF DECEMBER 31, 2016

SECURITY DESCRIPTION	CUSIP NUMBER	RATING	MATURITY DATE	INTEREST YIELD	MARKET VALUE	DAYS AFTER 12/31/16	INDIVIDUAL MARKET VALUE/TOTAL	WAM DAYS x PERCENT
1) Kansas St. Dev. Fin. Auth. Revenue- 2.608%	485429Y32	A+	4/15/2020	1.300%	505,870	1201	36.451%	437.78
2) Federal Farm Credit Bank- 1.25%	3133EFV38	AA+	3/29/2019	1.250%	498,218	818	35.900%	293.66
3) Boerne, TX- 2.00%	097041LE5	AA	3/1/2018	0.840%	383,716	425	27.649%	117.51
TOTALS				**1.130%**	**1,387,804**	**815**	**100.000%**	**848.95**

CITY OF TOMBALL
CASH AND CASH EQUIVALENTS
FOR QUARTER ENDING
December 31, 2016

FUNDS	CASH AND CASH EQUIVALENTS					INVESTMENTS		
MAJOR FUNDS	TEXAS CLASS	TEXPOOL	OPERATING ACCOUNT	CASH ON HAND	TOTAL CASH AND CASH EQUIVALENTS	INVESTMENT SECURITIES	TOTAL INVESTMENTS	TOTAL CASH, CASH EQUIVALENTS AND INVESTMENTS
General	$ 2,545,349	$ 8,449,890	$ 178,378	$ 1,898	$ 11,175,515	$ 505,870	$ 505,870	$ 11,681,385
Debt Service	$ 953,759	$ 2,949,768	$ 609,737	$ -	$ 4,513,264	$ 383,716	$ 383,716	$ 4,896,980
Enterprise	$ 2,712,406	$ 4,158,242	$ 469,005	$ 600	$ 7,340,253	$ 498,218	$ 498,218	$ 7,838,471
OTHER FUNDS								
Special Revenue	$ 76,361	$ 14,165	$ 12,432	$ -	$ 102,958	$ -	$ -	$ 102,958
Housing Trust	$ -	$ -	$ 50,002	$ -	$ 50,002	$ -	$ -	$ 50,002
Municipal Court Building Security	$ 101,814	$ 150,196	$ 5,451	$ -	$ 257,461	$ -	$ -	$ 257,461
Municipal Court Technology	$ 61,088	$ 163,477	$ 2,193	$ -	$ 226,758	$ -	$ -	$ 226,758
Hotel Occupancy Tax	$ 101,814	$ 395,165	$ 64,543	$ -	$ 561,522	$ -	$ -	$ 561,522
Red Light Camera Program	$ -	$ 512,231	$ 2,789	$ -	$ 515,020	$ -	$ -	$ 515,020
Tomball "Fun Runs"	$ -	$ -	$ 8,610	$ -	$ 8,610	$ -	$ -	$ 8,610
General Capital Projects	$ 50,907	$ 34,181,408	$ 630,675	$ -	$ 34,862,990	$ -	$ -	$ 34,862,990
Business Park	$ -	$ 1,944,164	$ -	$ -	$ 1,944,164	$ -	$ -	$ 1,944,164
Fleet Replacement	$ 458,163	$ 1,299,005	$ 67,492	$ -	$ 1,824,660	$ -	$ -	$ 1,824,660
Water Capital Recovery	$ 101,814	$ 1,678,248	$ 6,740	$ -	$ 1,786,802	$ -	$ -	$ 1,786,802
Sewer Capital Recovery	$ 152,721	$ 1,729,388	$ 2,627	$ -	$ 1,884,736	$ -	$ -	$ 1,884,736
Health Insurance Trust	$ -	$ 1,100,996	$ 97,043	$ -	$ 1,198,039	$ -	$ -	$ 1,198,039
Tomball Legacy Fund	$ -	$ 20,081	$ -	$ -	$ 20,081	$ -	$ -	$ 20,081
TOTALS	$ 7,316,196	$ 58,746,424	$ 2,207,717	$ 2,498	$ 68,272,835	$ 1,387,804	$ 1,387,804	$ 69,660,639

Regular City Council
Agenda Item
Data Sheet

Meeting Date: February 20, 2017

Topic:

Approve the Minutes of the February 6, 2017 Regular Tomball City Council Meeting

Background:

Origination:

Recommendation:

Party(ies) responsible for placing this item on agenda:

ACTION TAKEN

Approval	Readings Passed	Other
☐ Yes ☐ No	☐ 1st ☐ 2nd	

ATTACHMENTS:

Draft Minutes of the February 6, 2017 Regular City Council Meeting

MINUTES OF REGULAR CITY COUNCIL MEETING
CITY OF TOMBALL, TEXAS

MONDAY, FEBRUARY 6, 2017

6:00 P.M.

1.0 Call to Order

The Council meeting was called to order at 6:00 p.m. by Mayor Fagan. Other members present:

Councilman Hudgens
Councilman Stoll
Councilman Townsend
Councilman Klein Quinn
Councilman Degges

Others present:

City Manager – George Shackelford
Assistant City Manager – Robert Hauck
City Secretary – Doris Speer
City Attorney – Loren Smith
Police Chief – Billy Tidwell
Fire Chief – Randy Parr
Marketing Director – Mike Baxter
Finance Director – Glenn Windsor
Director of Public Works – David Esquivel
Director of Community Development – Craig Meyers
Assistant City Engineer – Beth Jones
Assistant City Planner – Amelia Lindley
Executive Director-TEDC – Kelly Violette
Community Events Coordinator – Denise Fiore
Community Center Manager – Rosalie Dillon
Assistant City Secretary – Tracy Garcia

2.0 The invocation was led by Pastor Russell Hall, Tomball United Methodist Church.

3.0 Pledges to U. S. and Texas Flags were led by Randy Parr.

4.0 No public comments were received.

5.0 Reports and Announcements:

- February 11, 2017 – 2nd Saturday at the Depot
- February 17, 2017 – Last day to apply for Place on Ballot for the May 6, 2017 City General Election – 5 p.m. deadline
- February 28, 2017 – ***Trailride Reception*** *– 12 Noon at the Depot*
- March 11, 2017 – **2nd Saturday at the Depot**
- Reports by City staff and members of Council about items of community interest on which no action will be taken

6.0 Motion was made by Councilman Townsend, second by Councilman Stoll, to approve the Minutes of the January 16, 2017 Regular Council Meeting.

Motion carried unanimously.

7.0 Old Business:

7.1 Motion was made by Councilman Townsend, second by Councilman Stoll, to read Ordinance No. 2016-32 by caption only on First Reading.

Motion carried unanimously.

Mayor Fagan opened the floor for public comments regarding the requested CUP and the following public comments were received:

Britt Heald 127 Cherry Oak Lane, 77316	-	Expressed her opposition to the proposed CUP.
Mary Harvey 405 S. Walnut, 77375	-	Expressed her opposition to the proposed CUP.
Marie Heffernan 13615 Country Hill Ct., 77375	-	Did not wish to speak, but asked that her opposition to the proposed CUP be read into the record.
Paul Cheney 19103 Logan Timbers Ln., 77375	-	Expressed his opposition to the proposed CUP.

Samantha Heard 212 S. Pine St., 77375	-	Expressed her opposition to the proposed CUP.
Salvador Medrano 17222 Pinion Creek Cr., 77355	-	Did not wish to speak, but asked that his opposition to the proposed CUP be read into the record.
Lisa Daniels 403 Epps St., 77375	-	Expressed her opposition to the proposed CUP.
George McGovern 505 Tall Pines Dr., 77354	-	Expressed his opposition to the proposed CUP.
Rodney K. Hutson 9431 Rosie Lane, 77354	-	Expressed his opposition to the proposed CUP.

Motion was made by Councilman Stoll, second by Councilman Townsend, to adopt, on First Reading, Ordinance No. 2016-32, an Ordinance of the City of Tomball, Texas, Amending Chapter 50 (Zoning) of the Tomball Code of Ordinances by Granting a Conditional Use Permit (CUP) to Aaron Edwards, on Behalf of Tomball Renewal Center, to Operate a "Rehabilitation Care Facility (Halfway House)" at 401 ½ Commerce Street and to Operate an "Institution for Alcoholic, Narcotic or Psychiatric Patients" at 401 Commerce Street; Said Property Being Approximately 0.17 Acres, and Being Legally Described as Lots 22, 23 & 24 Block 18 Tomball, Harris County, Texas, Generally Located at the Southwest Corner of Commerce Street and North Oak Street; Providing Requirements and Conditions for This CUP; Containing Findings and Other Provisions Relating to the Subject; Providing a Penalty in an Amount Not to Exceed $2,000 for Violations Hereof; and Providing for Severability. Vote was as follows:

Councilman Hudgens	Nay
Councilman Stoll	Nay
Councilman Degges	Aye
Councilman Townsend	Nay
Councilman Klein Quinn	Nay

Motion FAILED, 4 votes Nay, 1 vote Aye.

7.2 Motion was made by Councilman Townsend, second by Councilman Hudgens, to adopt, on Second Reading, Ordinance No. 2017-01, an Ordinance Reducing the Prima Facie Speed Limit Established for Vehicles under the Provisions of §545.356, Texas Transportation Code, upon the Basis of an Engineering and

Traffic Investigation, upon SH249 Frontage Roads/Access Roads, for a Temporary Reduction of Speed during Construction Only, from the Intersection of Heidi Lane and SH 249, North to the Harris/Montgomery County Line, within the Corporate Limits of the City of Tomball as set out in This Ordinance; and Providing a Penalty of a Fine in an Amount Not to Exceed Two Hundred Dollars ($200.00) for the Violation of This Ordinance. Vote was as follows:

Councilman Hudgens	Aye
Councilman Stoll	Aye
Councilman Degges	Aye
Councilman Townsend	Aye
Councilman Klein Quinn	Aye

Motion carried unanimously.

8.0 New Business:

8.1 Executive Session: The City Council recessed at 7:15 p.m. into Executive Session as Authorized by Title 5, Chapter 551, Government Code, the Texas Open Meetings Act, for the Following Purpose(s):

- Sec. 551.087 – Deliberations Regarding Economic Development
- Sec. 551.072 – Deliberations Regarding the Purchase, Exchange, Lease, or Value of Real Property
-

Upon reconvening into Regular Session at 8:47 p.m., the following action was taken:

8.2 Motion was made by Councilman Townsend, second by Councilman Stoll, to approve the Amended Strategic Partnership Agreement with NewQuest Properties, Harris County Municipal Utility District No. 273 and the City of Tomball for Property Consisting of 153.0194 Acres at the Southwest Corner of State Highway and the Grand Parkway, with the following addition to Section 5.05: *"Finally, the District will provide a copy of the bond application within ten (10) days of the District's submittal of a bond application to the Texas Commission on Environmental Quality."*

Motion, as AMENDED, carried unanimously.

8.3 Motion was made by Councilman Townsend, second by Councilman Stoll, to approve the Amended Development Agreement with NewQuest Properties, Harris County Municipal Utility District No. 273 and the City of Tomball for Property Consisting of 153.0194 Acres at the Southwest Corner of State Highway and the Grand Parkway, with the following additions to Section 2.01, *"or when* *i. water, wastewater, drainage, street, road, park and recreational facilities have been completed to serve at least 90% of the developable acreage within the land within the District; and*

ii. the Developer or developers in the District, or their successors or assigns, have been reimbursed by the District to the maximum extent permitted by the rules of the Texas Commission on Environmental Quality or the City assumes any obligation of the District for such reimbursement to the developers under such rules and pursuant to the terms of any reimbursement agreements between the District and such developers."

Motion, as AMENDED, carried unanimously.

8.4 Motion was made by Councilman Townsend, second by Councilman Stoll, to approve Resolution No. 2017-04, a Resolution Declaring the Intention of the City of Tomball, Texas, to Institute Proceedings to Annex Certain Territory; Describing Such Territory; Setting the Dates, Times, and Places for Two Public Hearings at Which All Interested Parties Shall Have an Opportunity to be Heard; Providing for Publication of Notices of Such Public Hearings; and Directing Preparation of a Municipal Service Plan for the Territory Proposed to be Annexed (Tract 1: 65.6190 acres of land in the William Perkins Survey, Abstract No. 621, the T. A. Duclos Survey, Abstract No. 1473, and in the C. W. Hall Survey, Abstract No. 1639, Harris County, Texas).

Motion carried unanimously.

8.5 Motion was made by Councilman Townsend, second by Councilman Stoll, to reappoint Jeffie Cappadonna, Rodney Hutson, M.D., and Paige Cassel to their respective positions on the Tourism Advisory Committee for Terms Expiring December 5, 2016; new terms will expire December 5, 2019.

Motion carried unanimously.

8.6 Motion was made by Councilman Townsend, second by Councilman Stoll, to reappoint Jarmon Wolfe, Billy Hemby, and Brett Tynes to their respective regular positions and Rock Pilgrim and Rob Maxwell to their respective alternate positions on the City of Tomball Board of Adjustments (BOA), for Terms Expiring March 2, 2017; new terms will expire March 2, 2019.

Motion carried unanimously.

8.7 Motion was made by Councilman Townsend, second by Councilman Stoll, to approve the proposed amendments to the Long-Term Use Agreement between the City of Tomball and Tomball Farmers Market Allowing Tomball Farmers Market to Use City of Tomball Property Located at 105-A Cherry Street.

Motion carried unanimously.

8.8 Motion was made by Councilman Townsend, second by Councilman Stoll, to approve the Special Event Guidelines for Races and Events held at the Depot that Include Road Closures, Alcohol Sales, and In-Kind Donations, with an amendment to the application allowing non-profit organizations to provide information regarding the Tomball charitable organizations that will receive funds from the profits of their races/events.

Motion, as AMENDED, carried unanimously.

9.0 Motion was made by Councilman Townsend, second by Councilman Stoll, to adjourn.

Motion carried unanimously.

Meeting adjourned.

PASSED AND APPROVED this the ___20th___ day of ___February___ 2017.

________________________	________________________
Doris Speer, TRMC, CMC	Gretchen Fagan
City Secretary	Mayor

Regular City Council
Agenda Item
Data Sheet

Meeting Date: February 20, 2017

Topic:

Consideration to approve Zoning Case P17-0001: Request by GREVIS Properties for a Conditional Use Permit to operate a Mobile Food Court at 403 East Main Street. The property is approximately 0.28 acres, legally described as Lot 24, Block 80 Tomball Townsite Lot 24 Replat, generally located at the southeast corner of East Main Street and Chestnut Street and is zoned Old Town & Mixed Use.

- Conduct Public Hearing on **Zoning Case P17-0001**
- Adopt, on First Reading, Ordinance No. 2017-02, an Ordinance of the City of Tomball, Texas, Amending Chapter 50 (Zoning) of the Tomball Code of Ordinances by Granting a Conditional Use Permit (CUP) to Grevis Properties, to Operate a "Mobile Food Court" at 403 East Main Street; Said Property Being Approximately 0.28 Acres, and Being Legally Described as Lot 24 Block 80 Tomball Townsite Lot 24 Replat, Harris County, Texas, Generally Located at the Southeast Corner of East Main Street and Chestnut Street; Providing Requirements and Conditions for This CUP; Containing Findings and Other Provisions Relating to the Subject; Providing a Penalty in an Amount Not to Exceed $2,000 for Violations Hereof; and Providing for Severability.

Background:

On Monday, February 13, 2017 after conducting a public hearing, the Planning and Zoning Commission unanimously voted to recommend approval of Zoning Case P17-0001.

Origination:

GREVIS Properties, LLC

Recommendation:

Approval

Party(ies) responsible for placing this item on agenda:

Craig T. Meyers, Community Development Director

ACTION TAKEN

Approval	Readings Passed	Other
☐ Yes ☐ No	☐ 1st ☐ 2nd	

ATTACHMENTS:

Ordinance No. 2017-02
Notice of Public Hearing
Property Owner Notification
P17-0001 Staff Report

ORDINANCE NO. 2017-02

AN ORDINANCE OF THE CITY OF TOMBALL, TEXAS, AMENDING CHAPTER 50 (ZONING) OF THE TOMBALL CODE OF ORDINANCES BY GRANTING A CONDITIONAL USE PERMIT (CUP) TO GREVIS PROPERTIES, TO OPERATE A "MOBILE FOOD COURT" AT 403 EAST MAIN STREET; SAID PROPERTY BEING APPROXIMATELY 0.28 ACRES, AND BEING LEGALLY DESCRIBED AS LOT 24 BLOCK 80 TOMBALL TOWNSITE LOT 24 REPLAT, HARRIS COUNTY, TEXAS, GENERALLY LOCATED AT THE SOUTHEAST CORNER OF EAST MAIN STREET AND CHESTNUT STREET; PROVIDING REQUIREMENTS AND CONDITIONS FOR THIS CUP; CONTAINING FINDINGS AND OTHER PROVISIONS RELATING TO THE SUBJECT; PROVIDING A PENALTY IN AN AMOUNT NOT TO EXCEED $2,000 FOR VIOLATIONS HEREOF; AND PROVIDING FOR SEVERABILITY.

*   *   *   *   *   *   *   *   *

Whereas, GREVIS Properties, has requested a CUP to operate a "Mobile Food Court" on approximately 0.28 acres of land, legally described as Lot 24 Block 80 Tomball Townsite Lot 24 Replat, Harris County, Texas, generally located at the southeast corner of Main Street and Chestnut Street, in the City of Tomball, Harris County, Texas, (the "Property"), and

Whereas, at least fifteen (15) days after publication in the official newspaper of the City of the time and place of a public hearing and at least ten (10) days after written notice of that hearing was mailed to the owners of land within two hundred feet of the Property in the manner required by law, the Planning & Zoning Commission held a public hearing on the requested CUP; and

Whereas, the public hearing was held before the Planning & Zoning Commission at least forty (40) calendar days after the City's receipt of the requested CUP; and

Whereas, the Planning & Zoning Commission recommended in its final report that City Council approve the requested CUP; and

Whereas, at least fifteen (15) days after publication in the official newspaper of the City of the time and place of a public hearing for the requested CUP, the City Council held the public hearing for the requested CUP and the City Council considered the final report of the Planning & Zoning Commission; and

Whereas, the City Council deems it appropriate to grant the requested CUP.

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

Section 1. The facts and matters set forth in the preamble of this Ordinance are hereby found to be true and correct.

Section 2. A CUP to operate a "Mobile Food Court" at the Property and subject to the terms and conditions set forth below is hereby granted to GREVIS Properties.

Section 3. The Official Zoning District Map of the City shall be revised and amended to show the CUP authorized for the Property, with the appropriate references thereon to the number and effective date of this Ordinance and a brief description of the nature of the CUP authorized.

Section 4. This Ordinance shall in no manner amend, change, supplement, or revise any provision of any ordinance of the City, save and except the granting of the CUP as herein provided.

Section 5. The CUP granted hereby shall be null and void after the expiration of two (2) years from the date of adoption hereof unless the Property is being used in accordance with the CUP herein authorized within said two-year period, or unless an extension of time is approved by City Council.

Section 6. Any person who shall violate any provision of this Ordinance shall be deemed guilty of a misdemeanor and, upon conviction, shall be fined in an amount not to exceed $2,000. Each day of violation shall constitute a separate offense.

Section 8. In the event any clause, phrase, provision, sentence, or part of this Ordinance or the application of the same to any person or circumstance shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair, or invalidate this Ordinance as a whole or any part or provision hereof other than the part declared to be invalid or unconstitutional; and the City Council of the City of Tomball, Texas, declares that it would have passed each and every part of the same notwithstanding the omission of any such part thus declared to be invalid or unconstitutional, whether there be one or more parts.

FIRST READING:

READ, PASSED AND APPROVED AS SET OUT BELOW AT THE MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL HELD ON THE 20TH DAY OF FEBRUARY 2017.

COUNCILMAN HUDGENS ________
COUNCILMAN STOLL ________
COUNCILMAN DEGGES ________
COUNCILMAN TOWNSEND ________
COUNCILMAN QUINN ________

SECOND READING:

READ, PASSED AND APPROVED AS SET OUT BELOW AT THE MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL HELD ON THE 6TH DAY OF MARCH 2017.

COUNCILMAN HUDGENS ________
COUNCILMAN STOLL ________
COUNCILMAN DEGGES ________
COUNCILMAN TOWNSEND ________

COUNCILMAN QUINN ________

____
Gretchen Fagan, Mayor

ATTEST:

____
Doris Speer, City Secretary

NOTICE OF PUBLIC HEARING
CITY OF TOMBALL
PLANNING & ZONING COMMISSION (P&Z)
FEBRUARY 13, 2017
&
CITY COUNCIL
FEBRUARY 20, 2017

Notice is Hereby Given that a Public Hearing will be held by the P&Z of the City of Tomball on **Monday, February 13, 2017, at 6:00 P.M.,** and by the City Council of the City of Tomball on **Monday, February 20, 2017, at 6:00 P.M.** at City Hall, 401 Market Street, Tomball Texas. On such dates, the P&Z and City Council will consider the following:

Zoning Case P16-0189: Request by Ryan Bailey, on behalf of ADAPT Programs, LLC, for a Conditional Use Permit to operate an *Institution for alcoholic*, *narcotic or psychiatric patients* at 13628 Michel Road. The property is approximately 1 acre, legally described as Reserve B, Block 1 Falcon Subdivision, generally located on the south side of Michel Road, between Johnson Road and SH 249 and is zoned Commercial.

Zoning Case P17-0001: Request by GREVIS Properties for a Conditional Use Permit to operate a *Mobile Food Court* at 403 East Main Street. The property is approximately 0.28 acres, legally described as Lot 24, Block 80 Tomball Townsite Lot 24 Replat, generally located at the southeast corner of East Main Street and Chestnut Street and is zoned Old Town & Mixed Use.

At the public hearings, parties of interest and citizens will have the opportunity to be heard. All citizens of the City of Tomball, and any other interested parties, are invited to attend. Applications are available for public inspection Monday through Friday, except holidays, at the Public Works Building, located at 501 James Street, Tomball, TX 77375. Further information may be obtained by contacting the Assistant City Planner, Amelia Lindley, at (281) 290-1410 or at alindley@tomballtx.gov.

C E R T I F I C A T I O N

I hereby certify that the above notice of meeting was posted on the bulletin board of City Hall; City of Tomball, Texas, a place readily accessible to the general public at all times, on the **9th** day of **February 2017** by 5:00 p.m., and remained posted for at least 72 continuous hours preceding the scheduled time of said meeting.

Kim Chandler

Kim Chandler
Secretary of the Board

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please feel free to contact the City Secretary's office at (281) 290-1002 or FAX (281) 351-6256 for further information. AGENDAS MAY ALSO BE VIEWED ONLINE AT www.tomballtx.gov.

Notice of Public Hearing

YOU ARE INVITED TO ATTEND Public Hearings before the **PLANNING & ZONING COMMISSION** and **CITY COUNCIL** of the City of Tomball regarding the following item:

CASE NUMBER: P17-0001

APPLICANT/OWNER: GREVIS Properties

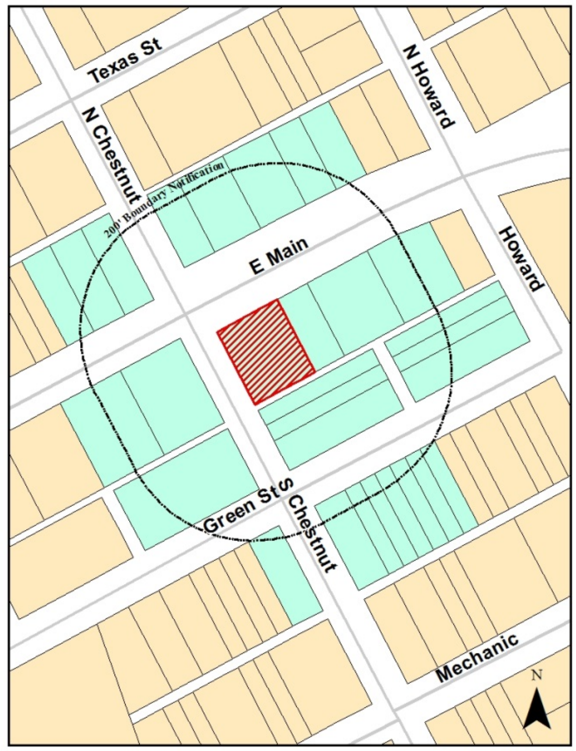
LOCATION: Southeast corner of East Main Street and Chestnut Street

PROPOSAL: A Conditional Use Permit to operate a *Mobile Food Court* at 403 East Main Street. The property is approximately 0.28 acres, legally described as Lot 24, Block 80 Tomball Townsite Lot 24 Replat, and is zoned Old Town & Mixed Use.

CONTACT: Amelia Lindley
PHONE: (281) 290-1410
E-MAIL: alindley@tomballtx.gov

Interested parties may contact the City of Tomball between 8:00 a.m. and 5:00 p.m. Monday through Friday for further information. The application is available for public review Monday through Friday, except holidays, between the hours of 8:00 a.m. and 5:00 p.m. in the Community Development Department office, located at 501 James Street, Tomball, TX 77375. The staff report will be available no later than 4:00 p.m. on the Friday preceding the meeting.

This notice is being mailed to all owners of real property within 200 feet of the request as such ownership appears on the last approved Harris County Appraisal District tax roll. Interested parties may appear and speak on the project or the staff recommendation at the meeting. Written comments may also be submitted for consideration.



Planning & Zoning Commission
Public Hearing:
Monday, February 13, 2017, 6:00 PM

City Council Public Hearing:
***Monday, February 20, 2017, 6:00 PM**

The Public Hearings will be held in the City Council Chambers, City Hall 401 Market Street, Tomball, Texas

*Should the Planning & Zoning Commission vote to table the recommendation on the case, the date and time of a future meeting will be specified and the City Council will not review the subject case until such a recommendation is forwarded to the City Council by the Planning & Zoning Commission.

Conditional Use Permit (CUP) Staff Report

Planning & Zoning Commission Public Hearing Date: February 13, 2017
City Council Public Hearing Date: February 20, 2017

Rezoning Case:	P17-0001
Property Owner(s):	GREVIS Properties, LLC
Applicant(s):	GREVIS Properties, LLC
Legal Description:	Lot 24 Block 80 Tomball Townsite Lot 24 Replat
Location:	Southeast corner of East Main Street and Chestnut Street (Exhibit "A")
Area:	0.3 acres
Comp Plan Designation:	Mixed Use (Exhibit "B")
Present Zoning and Use:	Old Town and Mixed Use (Exhibit "C") / Undeveloped property with vacant structure (Exhibit "D")
Proposed Use(s):	403 Eats
Request:	CUP to allow the operation of a *Mobile Food Court*

Adjacent Zoning & Land Uses:

North: Old Town and Mixed Use / Chakra Haven and GB General Contractors

South: Old Town and Mixed Use / Alley and undeveloped property and single-family residence

West: Old Town and Mixed Use / Car Clinic

East: Old Town and Mixed Use / Vacant lease space

BACKGROUND

In December 2016, City Staff met with the applicant to discuss the proposed operation of a mobile food court at 403 East Main Street. City Staff explained to the applicant that a text amendment to allow *Mobile food courts* would be effective in January 2017, allowing for a Conditional Use Permit (CUP) to be considered by the Planning & Zoning Commission and City Council. On January 3, 2017 City Council voted to approve the text amendment.

ANALYSIS

According to Section 50-81 (f) of the Chapter 50 (Zoning), when considering applications for a CUP, the City shall, on the basis of the concept plan and other information submitted, evaluate the impact of the conditional use on and the compatibility of the use with surrounding properties and neighborhoods to ensure the appropriateness of the use at a particular location. Specific considerations shall include the extent to which:

1. **The proposed use at the specified location is consistent with the goals, objectives, and policies contained in the adopted Comprehensive Plan;**

   The Comprehensive Plan identifies the subject site as Mixed Use which includes a mix of office and retail/commercial. It is the goal of the Comprehensive Plan that this area be an assortment of different land uses. This specific area, and the City as a whole, does not have this type of land use or anything similar.

2. **The proposed use is consistent with the general purpose and intent of the applicable zoning district regulations;**

   According to the Zoning Ordinance, "a conditional use is a land use which, because of its unique nature, is compatible with the permitted land uses in a given zoning district only upon a determination that the external effects of the use in relation to the existing and planned uses of adjoining property and the neighborhood can be mitigated through imposition of certain standards and conditions."

   According to Section 50-79 (Old Town and Mixed Use District), the zoning district encourages diverse and unique land uses. The proposed use is consistent with the intent of the Old Town and Mixed Use Zoning District.

3. **The proposed use meets all supplemental standards specifically applicable to the use as set forth in the Zoning Ordinance;**

   Should the CUP application be approved by City Council, the applicant will be required to submit site and building plan applications and supporting documents to the City for review and approval. Specific details of site modifications will be shown at the time of plan review. It appears the proposed use will meet all supplemental standards (see Figure "F").

4. **The proposed use is compatible with and preserves the character and integrity of adjacent development and neighborhoods and, as required by the particular circumstances, includes improvements or modifications either on-site or within the public rights-of-way to mitigate development-related adverse impacts;**

   The proposed use appears to be compatible with the adjacent developments. There is a blend of many different land uses in the immediate area including auto repair shops, construction companies, an insurance agency, and general retail shops.

5. **The proposed use is not materially detrimental to the public health, safety, convenience and welfare, or results in material damage or prejudice to other property in the vicinity.**

   Staff does not anticipate any adverse effects on surrounding properties.

PUBLIC COMMENT

Property owners within 200 feet of the project site were mailed notification of this proposal on January 19, 2017. A sign was placed on the property on January 27, 2017 and Notice of Public

Hearing was published in the paper on February 1, 2017. One public comment form in opposition has been received as of the date of this report.

RECOMMENDATION

Based on the findings outlined in the analysis section of this staff report, City staff recommends approval of Zoning Case P17-0001.

EXHIBITS

A. Aerial Photo
B. Comprehensive Plan
C. Zoning Map
D. Site Photos
E. CUP Application
F. Concept Plan and Alternative Landscape Plan

Exhibit "A"
Aerial Photo

Exhibit "B"
Comprehensive Plan

Exhibit "C"
Zoning Map

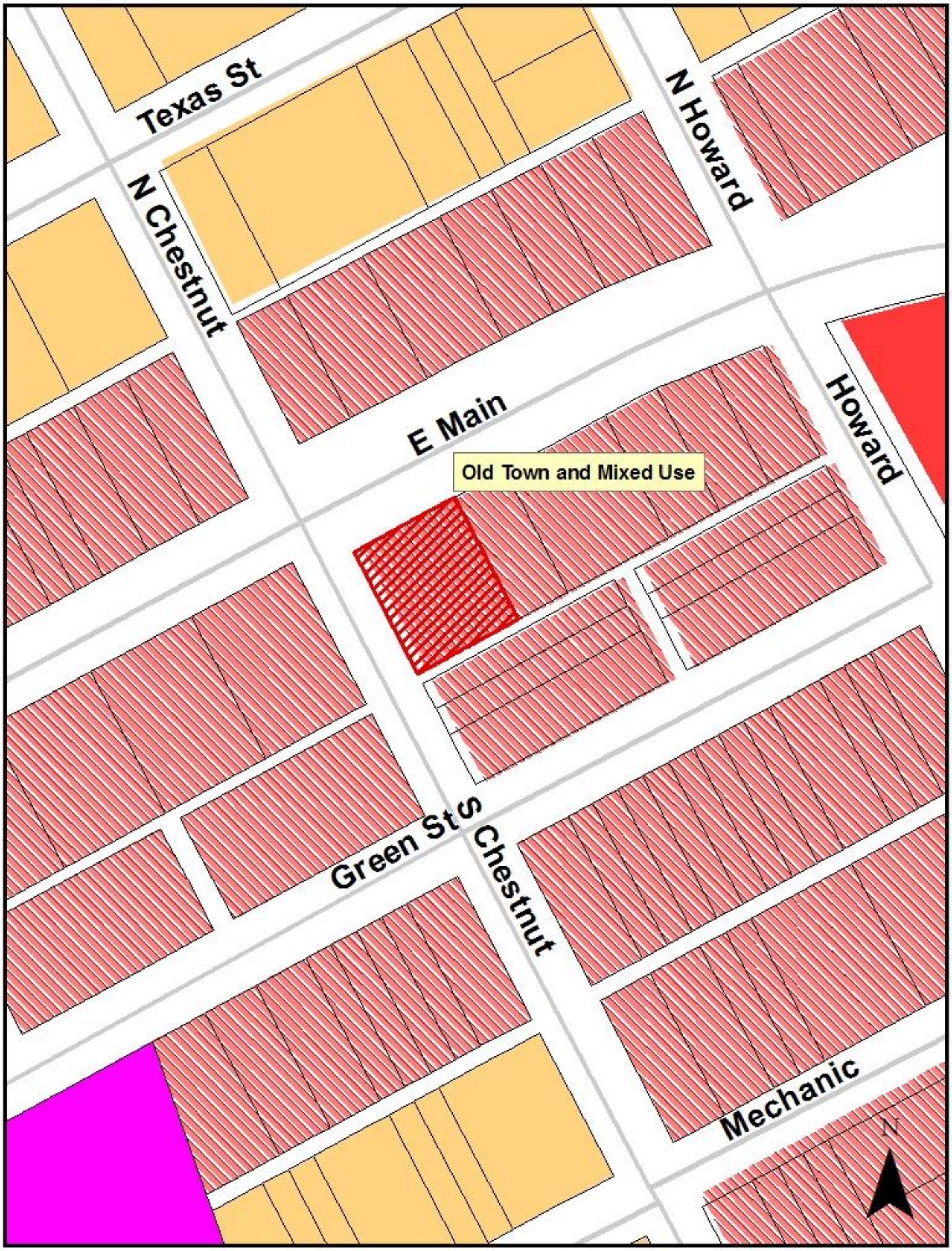


Exhibit "D"
Site Photo

Figure 1: Site view from Main Street
(Source: Google)

Figure 2: Site view from South Chestnut Street
(Source: Google)

Exhibit "E"
CUP Application

Revised 5/19/15

APPLICATION FOR CONDITIONAL USE PERMIT

Community Development Department
Planning Division

RECEIVED
JAN 04 REC'D
BY: Jones

A conditional use is a land use which, because of its unique nature, is compatible with the permitted land uses in a given zoning district only upon a determination that the external effects of the use in relation to the existing and planned uses of adjoining property and the neighborhood can be mitigated through imposition of certain standards and conditions.

No conditional use shall be established and no building permit shall be issued for any use designated as a conditional use within any zoning district until a conditional use permit (CUP) is approved and issued in accordance with the provisions of Section 50-34 of the Code of Ordinances.

APPLICATION SUBMITTAL: 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 project may be delayed until corrections or additions are received.

Applicant

Name: GREVIS Properties Title:

Mailing Address: 407 E Main City: Tomball State: TX

Zip: 77375

Phone: (281) 330-4538 Fax: (281) 357-4380 Email: mikefagan@gretcheninsure.com

Owner

Name: GREVIS Properties Title:

Mailing Address: same City: State:

Zip:

Phone: ( ) Fax: ( ) Email:

Engineer/Surveyor (if applicable)

Name: David Kelly Title: PE

Mailing Address: 3322 Wellspring Lake Drive City: Fulshear State: TX

Zip: 77441

Phone: (281) 346-2616 Fax: (281) 346-2616 Email: david.kelly@dpkengineering.com

Description of Proposed Project: Food Truck Park

Physical Location of Property: 403 E Main, Tomball, Tx 77375

[General Location – approximate distance to nearest existing street corner]

Legal Description of Property: Corner of East Main and South Chestnut

[Survey/Abstract No. and Tracts; or platted Subdivision Name with Lots/Block]

HCAD Identification Number: 0352750800023 Acreage: .2755 acres

Current Use of Property: n/a

Proposed Use of Property: Food Truck Park

Please note: A courtesy notification sign will be placed on the subject property during the public hearing process and will be removed when the case has been processed.

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 Michael R Fogo 1/4/17

Signature of Applicant **Date**

x Michael R Fogo 1/4/17

Signature of Owner

CITY OF TOMBALL
281-351-5484

REC#: 00964144 1/04/2017 3:52 PM
OPER: RP TERM: 005
REF#: W 1131

TRAN: 130.0000 PLANNING AND ZONING
GREVIS PROPERTIES
403 E MAIN
100-5442
CONDITIONAL USE PER 600.00CR

TENDERED: 600.00 CHECK
APPLIED: 600.00-

CHANGE: 0.00

January 4, 2017

City of Tomball Planning Department

RE: **Conditional Use Permit 403 Eats**

403 East Main, Tomball, TX 77375

My wife and I have purchased property located at 403 East Main in Tomball and want to open Tomball's first food Truck Park. We are very involved with the City of Tomball and have had our insurance office in Tomball for 15 years, the last 8 years, we have been in our office on Main Street.

Tomball has become known for our dining and entertainment, with "mom & pop" locations at the forefront. With the revitalization in "old town" Tomball, the need for additional dining options are increasing. Food Trucks have become extremely popular over the past few years and we believe a Food Truck Park would add to the Tomball experience.

Our plan is to open 403 Eats in 2017. As the operator of the park, we will provide electrical, water and grease removal for the trucks, as well as an indoor seating area and children's play area. This approach will allow for "permanent" food trucks to come Tomball. We plan on having 3 to 6 month leases for the trucks for stability and flexibility. The trucks will provide a variety of foods, attracting various consumers.

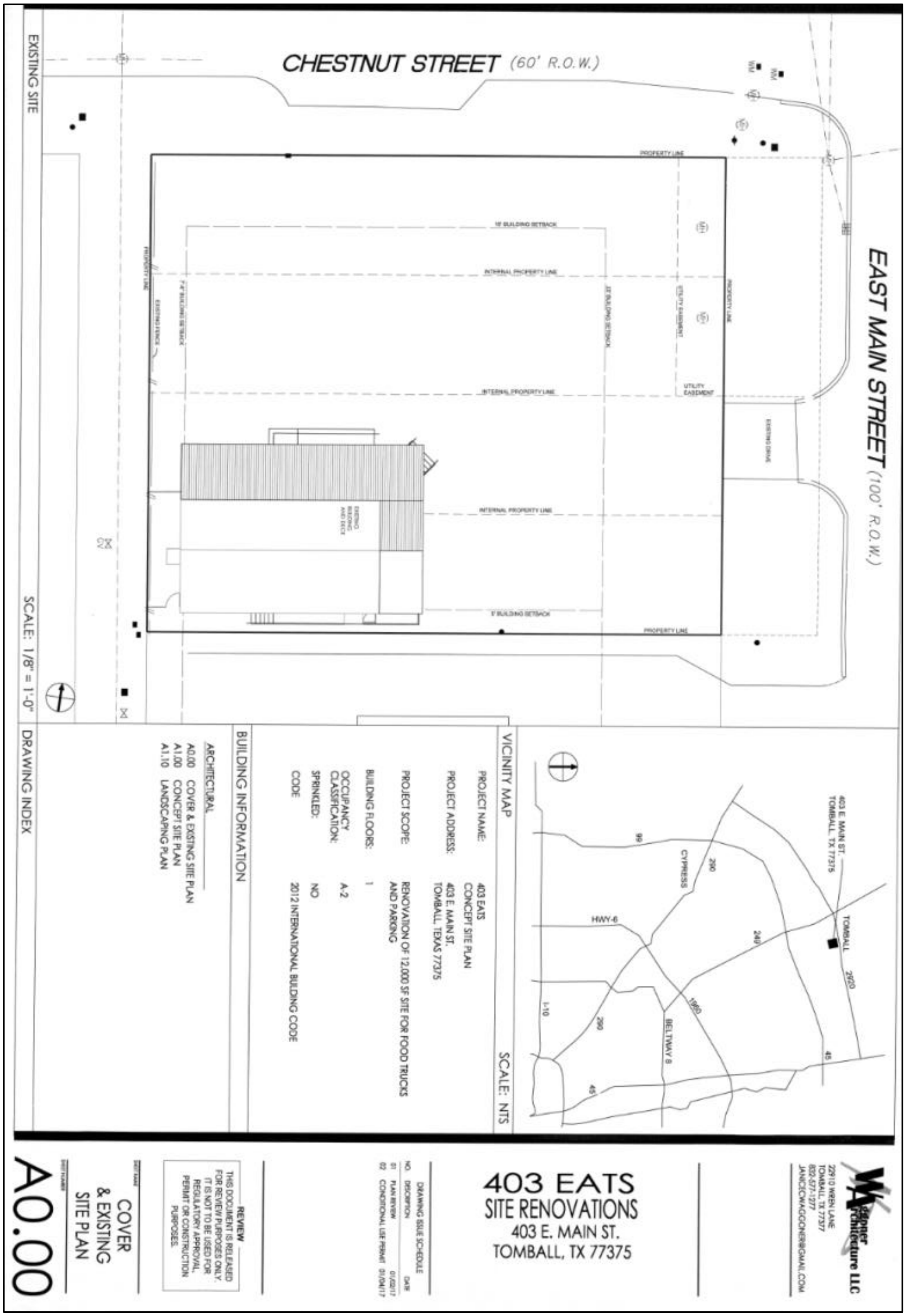
We are located on the east side of Main Street and there are extremely limited dining choices. 403 Eats bring business to the east side of town. Merchants surrounding the location are excited about the possibilities and the increased retail traffic we will bring.

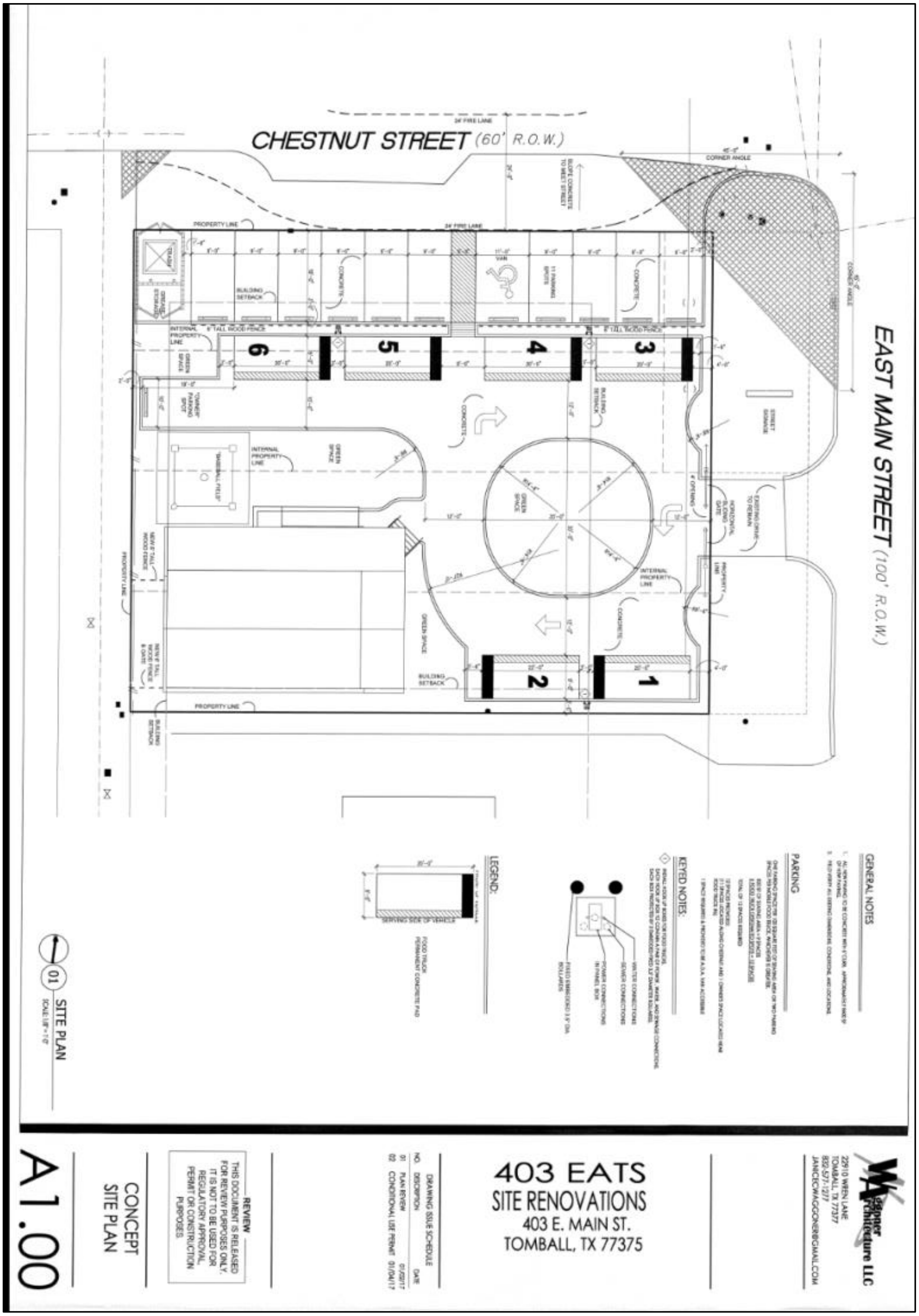
Michael R Fagan

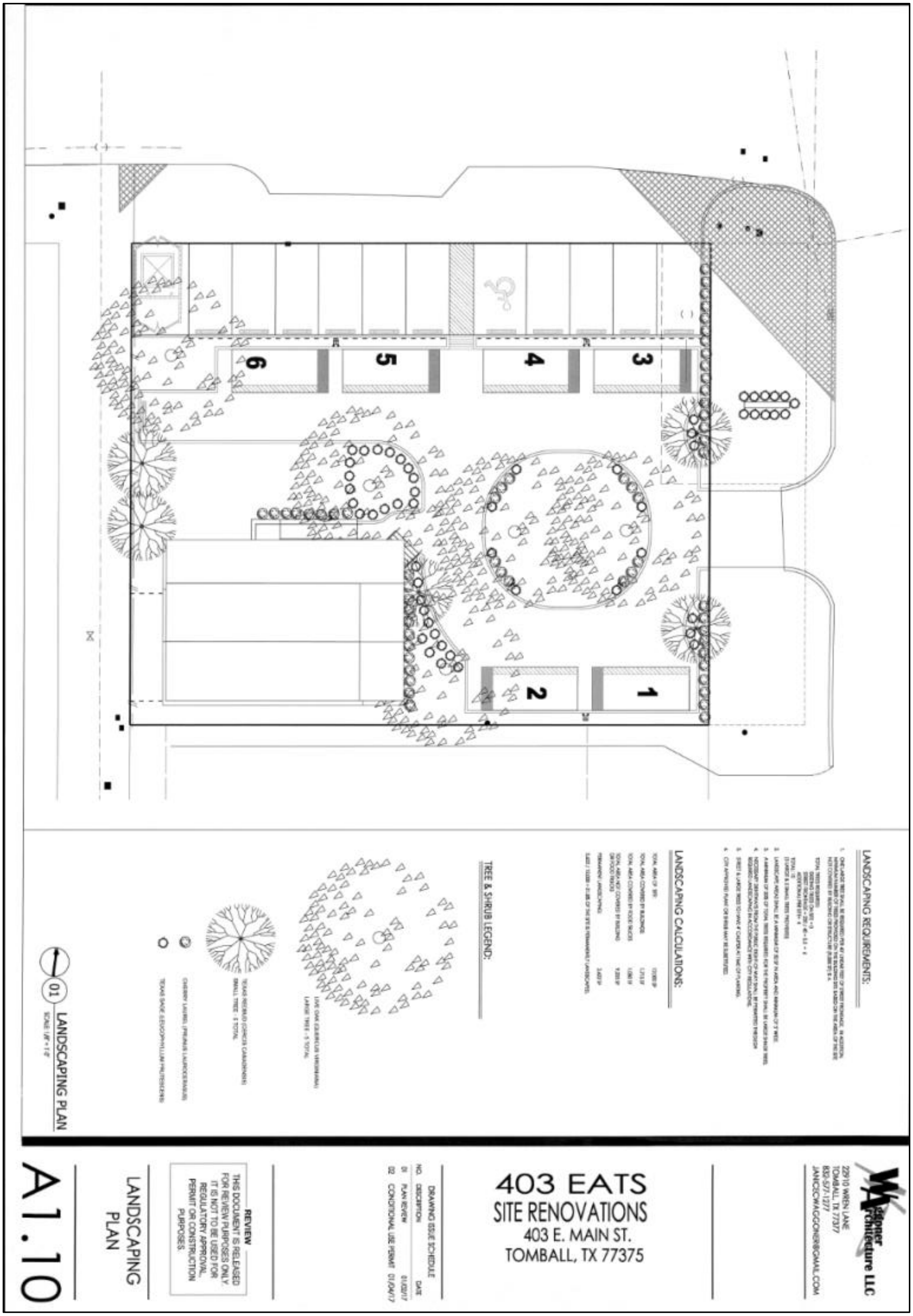
Michael Fagan

403 Eats...Tomball Food Park

Figure "F"
Concept Plan and Alternative Landscape Plan




CHESTNUT STREET (60' R.O.W.)
EAST MAIN STREET (100' R.O.W.)
6
5
4
3
2
1
LEGEND:
KEYED NOTES:
PARKING
GENERAL NOTES
01 SITE PLAN
403 EATS
SITE RENOVATIONS
403 E. MAIN ST.
TOMBALL, TX 77375
REVIEW
THIS DOCUMENT IS RELEASED FOR REVIEW PURPOSES ONLY. IT IS NOT TO BE USED FOR REGULATORY APPROVAL, PERMIT OR CONSTRUCTION PURPOSES.
CONCEPT
SITE PLAN
A1.00


LANDSCAPING REQUIREMENTS:
LANDSCAPING CALCULATIONS:
TREE & SHRUB LEGEND:
LIVE OAK (QUERCUS VIRGINIANA)
LARGE TREE - 5 TOTAL
TEXAS REDBUD (CERCIS CANADENSIS)
SMALL TREE - 5 TOTAL
CHERRY LAUREL (PRUNUS LAUROCERASUS)
TEXAS SAGE (LEUCOPHYLLUM FRUTESCENS)
01 LANDSCAPING PLAN
SCALE: 1/8" = 1'-0"
Waggoner Architecture LLC
22910 WREN LANE
TOMBALL, TX 77377
832-577-1277
JANICECWAGGONER@GMAIL.COM
403 EATS
SITE RENOVATIONS
403 E. MAIN ST.
TOMBALL, TX 77375
DRAWING ISSUE SCHEDULE
NO. DESCRIPTION DATE
01 PLAN REVIEW 01/02/17
02 CONDITIONAL USE PERMIT 01/04/17
REVIEW
THIS DOCUMENT IS RELEASED FOR REVIEW PURPOSES ONLY. IT IS NOT TO BE USED FOR REGULATORY APPROVAL, PERMIT OR CONSTRUCTION PURPOSES.
LANDSCAPING PLAN
A1.10
1
2
3
4
5
6

Regular City Council
Agenda Item
Data Sheet

Meeting Date: February 20, 2017

Topic:

Consideration to approve Zoning Case P16-0189: Request by Ryan Bailey, on behalf of ADAPT Programs, LLC, for a Conditional Use Permit to operate an Institution for alcoholic, narcotic or psychiatric patients at 13628 Michel Road. The property is approximately 1 acre, legally described as Reserve B, Block 1 Falcon Subdivision, generally located on the south side of Michel Road, between Johnson Road and SH 249 and is zoned Commercial.

- Conduct Public Hearing on Zoning Case P16-0189
- Adopt, on First Reading, Ordinance No. 2017-03, an Ordinance of the City of Tomball, Texas, Amending Chapter 50 (Zoning) of the Tomball Code of Ordinances by Granting a Conditional Use Permit (CUP) to Ryan Bailey, on Behalf of Adapt Programs, LLC, to Operate an "Institution for Alcoholic, Narcotic or Psychiatric Patients" at 13628 Michel Road; Said Property Being Approximately 1.00 Acre, and Being Legally Described as Reserve B Block 1 Falcon, Tomball, Harris County, Texas, Generally Located on the South Side of Michel Road, Between Johnson Road and SH 249; Providing Requirements and Conditions for This CUP; Containing Findings and Other Provisions Relating to the Subject; Providing a Penalty in an Amount Not to Exceed $2,000 for Violations Hereof; and Providing for Severability.

Background:

On Monday, February 13, 2017 after conducting a public hearing, the Planning and Zoning Commission unanimously voted to recommend approval of Zoning Case P16-0189

Origination:

Community Development Department

Recommendation:

Approval

Party(ies) responsible for placing this item on agenda:

Planning Division

ACTION TAKEN

Approval	Readings Passed	Other
☐ Yes ☐ No	☐ 1st ☐ 2nd	

ATTACHMENTS:

Ordinance
Notice of Public Hearing
Property Owner Notification
P16-0189 Staff Report

ORDINANCE NO. 2017-03

AN ORDINANCE OF THE CITY OF TOMBALL, TEXAS, AMENDING CHAPTER 50 (ZONING) OF THE TOMBALL CODE OF ORDINANCES BY GRANTING A CONDITIONAL USE PERMIT (CUP) TO RYAN BAILEY, ON BEHALF OF ADAPT PROGRAMS, LLC, TO OPERATE AN "INSTITUTION FOR ALCOHOLIC, NARCOTIC OR PSYCHIATRIC PATIENTS" AT 13628 MICHEL ROAD; SAID PROPERTY BEING APPROXIMATELY 1.00 ACRE, AND BEING LEGALLY DESCRIBED AS RESERVE B BLOCK 1 FALCON, TOMBALL, HARRIS COUNTY, TEXAS, GENERALLY LOCATED ON THE SOUTH SIDE OF MICHEL ROAD, BETWEEN JOHNSON ROAD AND SH 249; PROVIDING REQUIREMENTS AND CONDITIONS FOR THIS CUP; CONTAINING FINDINGS AND OTHER PROVISIONS RELATING TO THE SUBJECT; PROVIDING A PENALTY IN AN AMOUNT NOT TO EXCEED $2,000 FOR VIOLATIONS HEREOF; AND PROVIDING FOR SEVERABILITY.

* * * * * * * * *

Whereas, Ryan Bailey, on behalf of ADAPT Programs, LLC, has requested a CUP to operate an "Institution for alcoholic, narcotic or psychiatric patients" at 13628 Michel Road on approximately 1.00 acre of land, legally described as Reserve B Block 1 Falcon, generally located on the south side of Michel Road, between Johnson Road and SH 249, in the City of Tomball, Harris County, Texas, (the "Property"), and

Whereas, at least fifteen (15) days after publication in the official newspaper of the City of the time and place of a public hearing and at least ten (10) days after written notice of that hearing was mailed to the owners of land within two hundred feet of the Property in the manner required by law, the Planning & Zoning Commission held a public hearing on the requested CUP; and

Whereas, the public hearing was held before the Planning & Zoning Commission at least forty (40) calendar days after the City's receipt of the requested CUP; and

Whereas, the Planning & Zoning Commission recommended in its final report that City Council approve the requested CUP; and

Whereas, at least fifteen (15) days after publication in the official newspaper of the City of the time and place of a public hearing for the requested CUP, the City Council held the public hearing for the requested CUP and the City Council considered the final report of the Planning & Zoning Commission; and

Whereas, the City Council deems it appropriate to grant the requested CUP.

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

Section 1. The facts and matters set forth in the preamble of this Ordinance are hereby found to be true and correct.

Section 2. A CUP to operate an "Institution for alcoholic, narcotic or psychiatric patients" at the Property and subject to the terms and conditions set forth below, is hereby granted to Ryan Bailey, on behalf of ADAPT Programs, LLC.

Section 3. The Official Zoning District Map of the City shall be revised and amended to show the CUP authorized for the Property, with the appropriate references thereon to the number and effective date of this Ordinance and a brief description of the nature of the CUP authorized.

Section 4. This Ordinance shall in no manner amend, change, supplement, or revise any provision of any ordinance of the City, save and except the granting of the CUP as herein provided.

Section 5. The CUP granted hereby shall be null and void after the expiration of two (2) years from the date of adoption hereof unless the Property is being used in accordance with the CUP herein authorized within said two-year period, or unless an extension of time is approved by City Council.

Section 6. Any person who shall violate any provision of this Ordinance shall be deemed guilty of a misdemeanor and, upon conviction, shall be fined in an amount not to exceed $2,000. Each day of violation shall constitute a separate offense.

Section 8. In the event any clause, phrase, provision, sentence, or part of this Ordinance or the application of the same to any person or circumstance shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair, or invalidate this Ordinance as a whole or any part or provision hereof other than the part declared to be invalid or unconstitutional; and the City Council of the City of Tomball, Texas, declares that it would have passed each and every part of the same notwithstanding the omission of any such part thus declared to be invalid or unconstitutional, whether there be one or more parts.

FIRST READING:

READ, PASSED AND APPROVED AS SET OUT BELOW AT THE MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL HELD ON THE 20th DAY OF FEBRUARY 2017.

COUNCILMAN HUDGENS	________
COUNCILMAN STOLL	________
COUNCILMAN DEGGES	________
COUNCILMAN TOWNSEND	________
COUNCILMAN QUINN	________

SECOND READING:

READ, PASSED AND APPROVED AS SET OUT BELOW AT THE MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL HELD ON THE 6th DAY OF MARCH 2017.

COUNCILMAN HUDGENS	________
COUNCILMAN STOLL	________
COUNCILMAN DEGGES	________
COUNCILMAN TOWNSEND	________
COUNCILMAN QUINN	________

____
Gretchen Fagan, Mayor

ATTEST:

____
Doris Speer, City Secretary

NOTICE OF PUBLIC HEARING
CITY OF TOMBALL
PLANNING & ZONING COMMISSION (P&Z)
FEBRUARY 13, 2017
&
CITY COUNCIL
FEBRUARY 20, 2017

Notice is Hereby Given that a Public Hearing will be held by the P&Z of the City of Tomball on **Monday, February 13, 2017, at 6:00 P.M.,** and by the City Council of the City of Tomball on **Monday, February 20, 2017, at 6:00 P.M.** at City Hall, 401 Market Street, Tomball Texas. On such dates, the P&Z and City Council will consider the following:

Zoning Case P16-0189: Request by Ryan Bailey, on behalf of ADAPT Programs, LLC, for a Conditional Use Permit to operate an *Institution for alcoholic*, *narcotic or psychiatric patients* at 13628 Michel Road. The property is approximately 1 acre, legally described as Reserve B, Block 1 Falcon Subdivision, generally located on the south side of Michel Road, between Johnson Road and SH 249 and is zoned Commercial.

Zoning Case P17-0001: Request by GREVIS Properties for a Conditional Use Permit to operate a *Mobile Food Court* at 403 East Main Street. The property is approximately 0.28 acres, legally described as Lot 24, Block 80 Tomball Townsite Lot 24 Replat, generally located at the southeast corner of East Main Street and Chestnut Street and is zoned Old Town & Mixed Use.

At the public hearings, parties of interest and citizens will have the opportunity to be heard. All citizens of the City of Tomball, and any other interested parties, are invited to attend. Applications are available for public inspection Monday through Friday, except holidays, at the Public Works Building, located at 501 James Street, Tomball, TX 77375. Further information may be obtained by contacting the Assistant City Planner, Amelia Lindley, at (281) 290-1410 or at alindley@tomballtx.gov.

C E R T I F I C A T I O N

I hereby certify that the above notice of meeting was posted on the bulletin board of City Hall; City of Tomball, Texas, a place readily accessible to the general public at all times, on the **9th** day of **February 2017** by 5:00 p.m., and remained posted for at least 72 continuous hours preceding the scheduled time of said meeting.

Kim Chandler

Kim Chandler
Secretary of the Board

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please feel free to contact the City Secretary's office at (281) 290-1002 or FAX (281) 351-6256 for further information. AGENDAS MAY ALSO BE VIEWED ONLINE AT www.tomballtx.gov.

Notice of Public Hearing

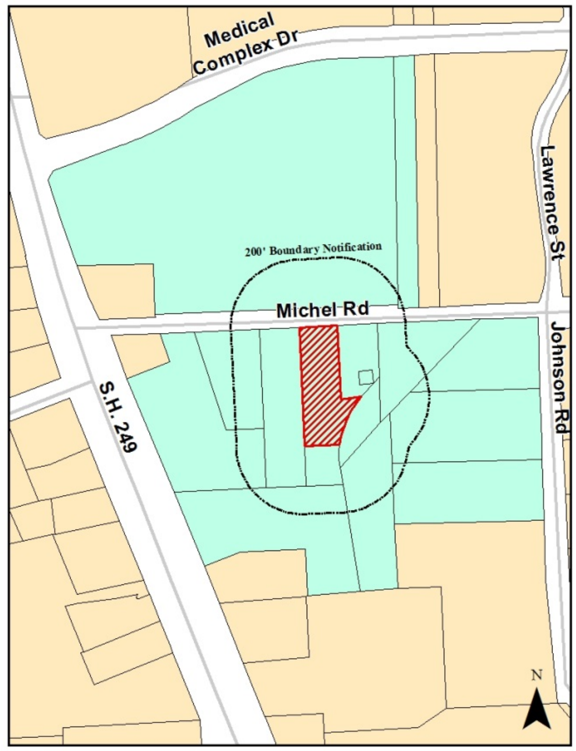
YOU ARE INVITED TO ATTEND Public Hearings before the **PLANNING & ZONING COMMISSION** and **CITY COUNCIL** of the City of Tomball regarding the following item:

CASE NUMBER: P16-0189

APPLICANT/OWNER: Ryan Bailey, on behalf ADAPT Programs LLC

LOCATION: South side of Michel Road, between Johnson Road and SH 249

PROPOSAL: A Conditional Use Permit to operate an *Institution for alcoholic, narcotic or psychiatric patients* at 13628 Michel Road. The property is approximately 1 acre, legally described as Reserve B, Block 1 Falcon Subdivision, and is zoned Commercial.



CONTACT: Amelia Lindley
PHONE: (281) 290-1410
E-MAIL: alindley@tomballtx.gov

Interested parties may contact the City of Tomball between 8:00 a.m. and 5:00 p.m. Monday through Friday for further information. The application is available for public review Monday through Friday, except holidays, between the hours of 8:00 a.m. and 5:00 p.m. in the Community Development Department office, located at 501 James Street, Tomball, TX 77375. The staff report will be available no later than 4:00 p.m. on the Friday preceding the meeting.

This notice is being mailed to all owners of real property within 200 feet of the request as such ownership appears on the last approved Harris County Appraisal District tax roll. Interested parties may appear and speak on the project or the staff recommendation at the meeting. Written comments may also be submitted for consideration.

Planning & Zoning Commission Public Hearing:
Monday, February 13, 2017, 6:00 PM

City Council Public Hearing:
***Monday, February 20, 2017, 6:00 PM**

The Public Hearings will be held in the City Council Chambers, City Hall
401 Market Street, Tomball, Texas

*Should the Planning & Zoning Commission vote to table the recommendation on the case, the date and time of a future meeting will be specified and the City Council will not review the subject case until such a recommendation is forwarded to the City Council by the Planning & Zoning Commission.

Conditional Use Permit (CUP) Staff Report

Planning & Zoning Commission Public Hearing Date: February 13, 2017
City Council Public Hearing Date: February 20, 2017

Rezoning Case:	P16-0189
Property Owner(s):	Falcon Commercial Properties, LLC
Applicant(s):	Ryan Bailey, on behalf of ADAPT Programs, LLC
Legal Description:	Reserve B, Block 1 Falcon Subdivision
Location:	South side of Michel Road, between Johnson Road and SH 249 at 13628 Michel Road (Exhibit "A")
Area:	1 acre
Comp Plan Designation:	Employment/Office (Exhibit "B")
Present Zoning and Use:	Commercial (Exhibit "C") / Medical office center (Exhibit "D")
Proposed Use(s):	Intensive Outpatient Program
Request:	CUP to allow the operation of an *institution for alcoholic, narcotic or psychiatric patients*

Adjacent Zoning & Land Uses:

North: Commercial / Texas Sports Medicine Center and Affinity Medical Associates

South: Commercial / Undeveloped land

West: Commercial / Undeveloped land

East: Commercial / Pediatric Clinic

BACKGROUND

In December 2016, City staff met with the applicant to discuss his proposed operations in one of the suites at 13628 Michel Road. The applicant explained that he has leased Suite 200 at the property on Michel Road with the intentions of opening an outpatient drug and alcohol treatment center.

Staff informed the applicant that the proposed land use, *institution for alcoholic, narcotic or psychiatric patients*, requires the approval of a Conditional Use Permit through the Planning & Zoning Commission and City Council.

ANALYSIS

According to Section 50-2 (Definitions), an *institution for alcoholic, narcotic or psychiatric patients* "means an institution offering out-patient treatment to alcoholic, narcotic or psychiatric patients".

According to Section 50-81 (f) of the Zoning Ordinance, when considering applications for a CUP, the City shall, on the basis of the concept plan and other information submitted, evaluate the impact of the conditional use on and the compatibility of the use with surrounding properties and neighborhoods to ensure the appropriateness of the use at a particular location. Specific considerations shall include the extent to which:

1. **The proposed use at the specified location is consistent with the goals, objectives, and policies contained in the adopted Comprehensive Plan;**

   The Comprehensive Plan identifies the subject site as Employment / Office which is includes professional offices and small business office suites. The proposed operations are consistent with the goals of the Comprehensive Plan.

2. **The proposed use is consistent with the general purpose and intent of the applicable zoning district regulations;**

   According to the Zoning Ordinance, "a conditional use is a land use which, because of its unique nature, is compatible with the permitted land uses in a given zoning district only upon a determination that the external effects of the use in relation to the existing and planned uses of adjoining property and the neighborhood can be mitigated through imposition of certain standards and conditions."

   According to Section 50-77 (Commercial District) the Commercial Zoning District "is intended to provide commercial and service-related establishments". The proposed operations will offer services to people who are recovering from substance abuse.

3. **The proposed use meets all supplemental standards specifically applicable to the use as set forth in the Zoning Ordinance;**

   Should the CUP application be approved by City Council, the applicant will be required to submit a building plan application and supporting documents to the City for review and approval. Specific details of site modifications will be shown at the time of plan review.

4. **The proposed use is compatible with and preserves the character and integrity of adjacent development and neighborhoods and, as required by the particular circumstances, includes improvements or modifications either on-site or within the public rights-of-way to mitigate development-related adverse impacts;**

   The proposed use appears to be compatible with the adjacent developments. In the same complex, there is a medical supply company, Sentido Health, an eye center, Universal Eye Center, a family medical office, Sun Family Practice, and a pediatric clinic, Tomball Health Care-Pediatrics: Karr C Alan MD. It is also across the street from Affinity Medical Associates and Texas Sports Medicine Center.

   This area appears to be a good fit for medical related land uses.

5. **The proposed use is not materially detrimental to the public health, safety, convenience and welfare, or results in material damage or prejudice to other property in the vicinity.**

   Staff does not anticipate any adverse effects on surrounding properties.

PUBLIC COMMENT

Property owners within 200 feet of the project site were mailed notification of this proposal on January 19, 2017. A sign was placed on the property on January 27, 2017 and Notice of Public Hearing was published in the paper on February 1, 2017. No public comments forms have been received as of the date of this report.

RECOMMENDATION

Based on the findings outlined in the analysis section of this staff report, City staff recommends approval of Zoning Case P16-0189.

EXHIBITS

A. Aerial Photo
B. Comprehensive Plan
C. Zoning Map
D. Site Photo
E. CUP Application

Exhibit "A"
Aerial Photo

Exhibit "B"
Comprehensive Plan

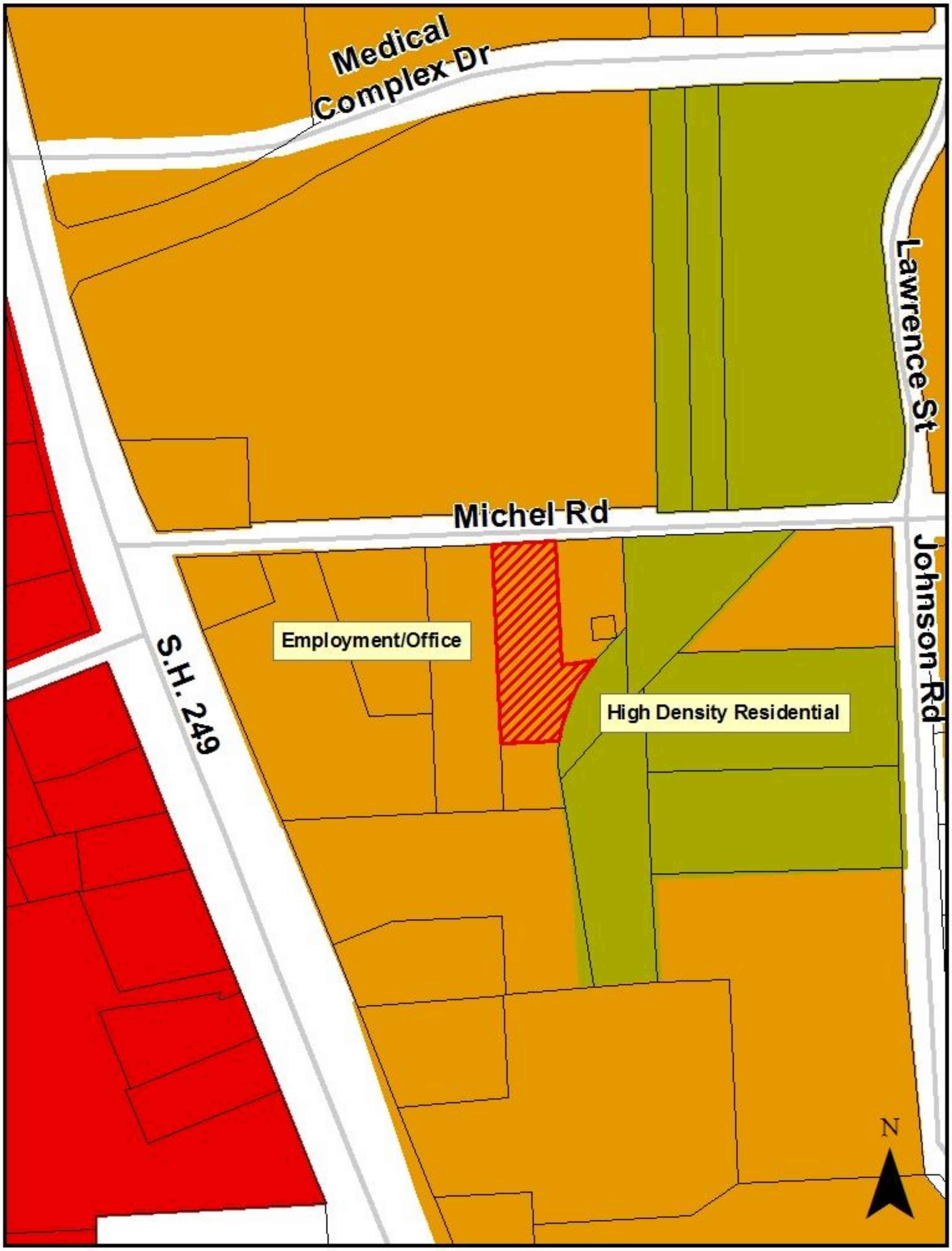


Exhibit "C"
Zoning Map

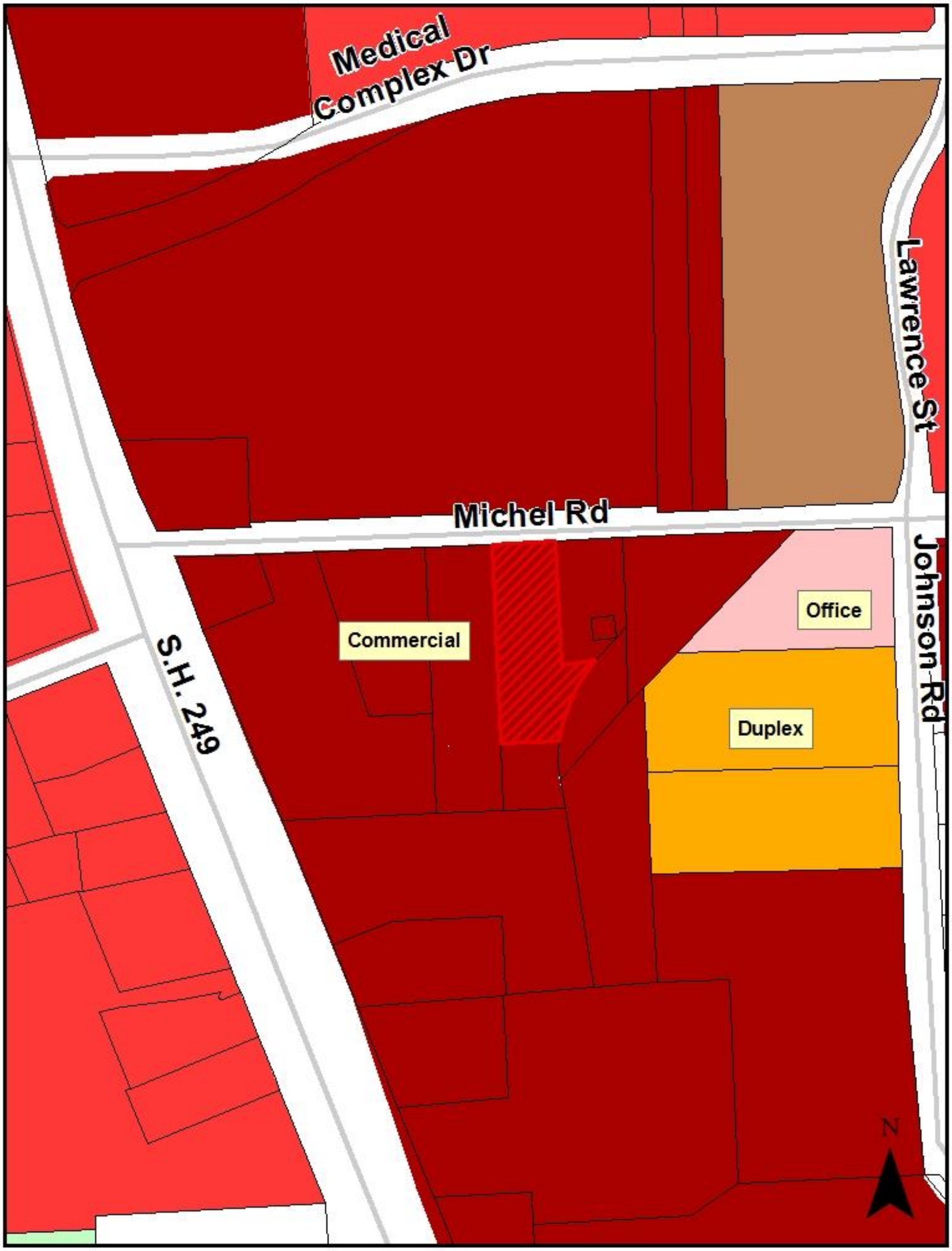


Exhibit “D”
Site Photo

Exhibit "E"
CUP Application

Revised 5/19/15

THE CITY OF TOMBALL, TEXAS FOUNDED 1907

APPLICATION FOR CONDITIONAL USE PERMIT

Community Development Department
Planning Division

RECEIVED
DEC 20 2016
BY:

A conditional use is a land use which, because of its unique nature, is compatible with the permitted land uses in a given zoning district only upon a determination that the external effects of the use in relation to the existing and planned uses of adjoining property and the neighborhood can be mitigated through imposition of certain standards and conditions.

No conditional use shall be established and no building permit shall be issued for any use designated as a conditional use within any zoning district until a conditional use permit (CUP) is approved and issued in accordance with the provisions of Section 50-34 of the Code of Ordinances.

APPLICATION SUBMITTAL: 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 project may be delayed until corrections or additions are received.

Applicant
Name: Ryan Bailey with ADAPT PROGRAMS, LLC Title: Owner
Mailing Address: 6066 Delano Street City: Houston State: TX
Zip: 77003
Phone: (713) 9924238 Fax: (___) ______ Email: ryanjbailey8@gmail.com

Owner
Name: Fanshawe Venture, LTD Title: Owner
Mailing Address: P.O. Box 690342 City: Houston State: TX
Zip: 77269
Phone: 281 630.5105 Fax: (N/A Email: NKGill@sbcglobal.net

Engineer/Surveyor (if applicable)
Name: ______ Title: ______
Mailing Address: ______ City: ______ State: ______
Zip: ______
Phone: (___) ______ Fax: (___) ______ Email: ______

Description of Proposed Project: Outpatient Treatment in Tomball

Physical Location of Property: 13628 Michel Road, Tomball, Texas, 77375 Suite 200

[General Location – approximate distance to nearest existing street corner]

Legal Description of Property: RES B BLK 1 Falcon

[Survey/Abstract No. and Tracts; or platted Subdivision Name with Lots/Block]

HCAD Identification Number: 1262470010002 Acreage: 1.009

Current Use of Property: Not occupied, last use was a PCP offices

Proposed Use of Property: Outpatient Drug and Alcohol Treatment - ADAPT Programs, LLC

Please note: A courtesy notification sign will be placed on the subject property during the public hearing process and will be removed when the case has been processed.

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 ______________________ 12/16/2016

Signature of Applicant **Date**

X ______________________ 12/16/2016.

Signature of Owner **Date**

CITY OF TOMBALL
281-351-5484

REC#: 00961803 12/20/2016 9:40 AM
OPER: RP TERM: 005
REF#: W 557

TRAN: 130.0000 PLANNING AND ZONING
RYAN BAILET
13628 MICHEL ROAD TOMBALL
100-5442
CONDITIONAL USE PER 600.00CR

TENDERED: 600.00 CHECK
APPLIED: 600.00-

CHANGE: 0.00

Date: December 19, 2016
To: Community Development Department Planning Division – Tomball, Texas
From: Ryan Bailey
Contact: 713.992.4238

I am writing this letter to request a Conditional Use Permit for ADAPT Programs, LLC to operate an outpatient substance abuse treatment facility at 13628 Michel Road, Tomball, Texas 77375, Suite 200.

It is our understanding, from speaking with Amelia Lindley, that a conditional use permit will be needed to operate a treatment facility in Tomball. Effective as of December 1, 2016, ADAPT Programs is the tenant of lease property 13628 Michel Road, Tomball, Texas, 77375, Suite 200 zoned as commercial use according to the zoning map on the tomballtx.gov website. The planned use of the lease property is to provide outpatient treatment to males and females of all ages. Outpatient treatment consist of counselor lead individual and group therapy sessions 3-4 days a week for a total of about 10 hours. ADAPT Programs provides evidence based, client-center treatment that is proven to help people recover from substance abuse issues. Our program is absence based, which means no one may be under the influence of any mood alternating substance while on ADAPT Programs property.

ADAPT Programs is a state licensed substance abuse treatment provider. ADAPT Programs operates 9 substance abuse treatment facilities in the greater South Houston area and has plans to start expanding to North Houston/Texas - (Current locations - Angleton, Alvin, Brazos, Freeport, League City, Houston, Liberty, Manvel, Texas City, Huntsville).

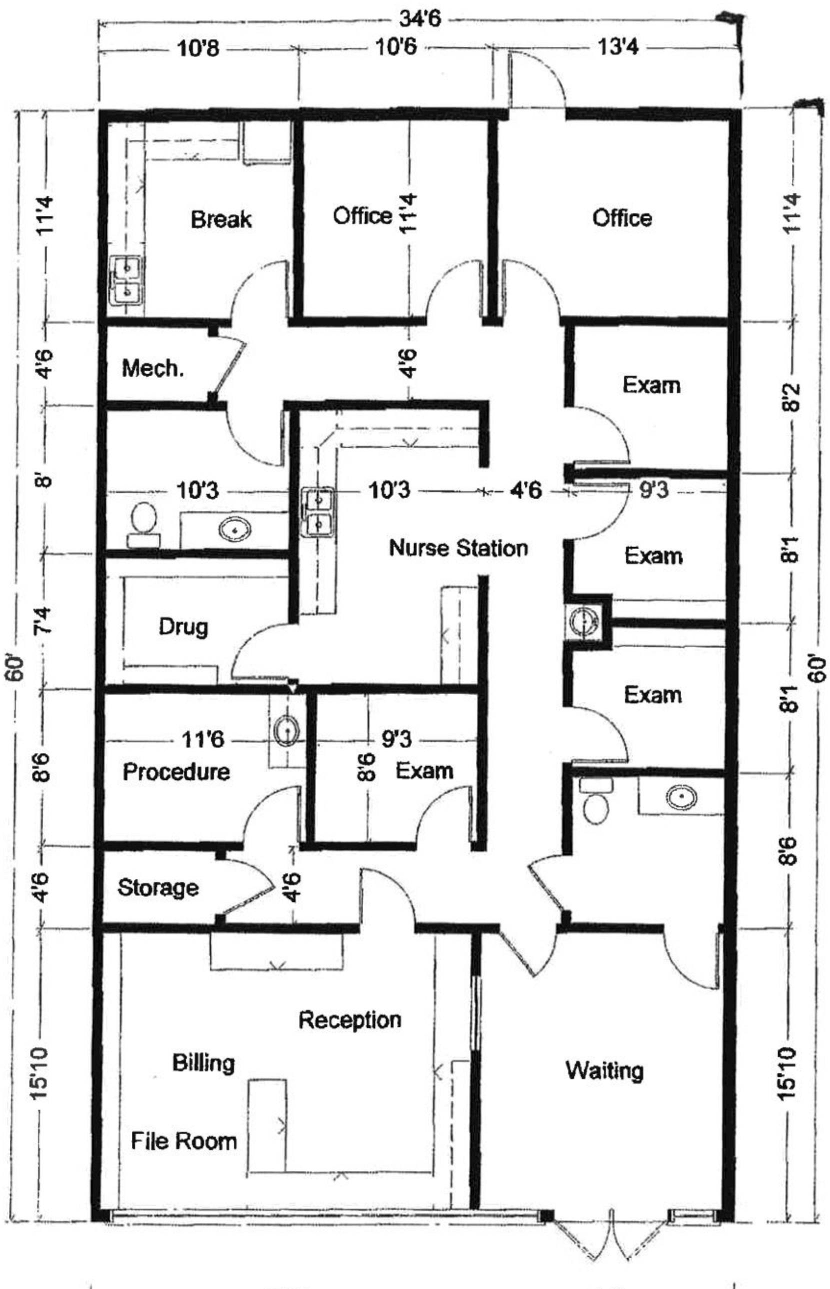
ADAPT Programs goal is to spread treatment options across smaller counties/cities in Texas to make good help readily available to anyone that needs it. Substance abuse is one of the biggest epidemics facing this county right now and our community as a whole is lost and needs guidance on how to properly address and treat the issue. We believe that Tomball is very underserved as far a treatment goes and believe that we can be very beneficial to the city and its community as a whole in helping feel this gap.

Both myself and my partner, Joe Gardzina, have battled with addictions personally and in the life's of family members and have found it to be our life's mission to provide hope, treatment and spiritual guidance to those that have lost it through their own personal struggles with addiction.

We look forward to become a valued member of the Tomball community moving into 2017.

Best Regards,

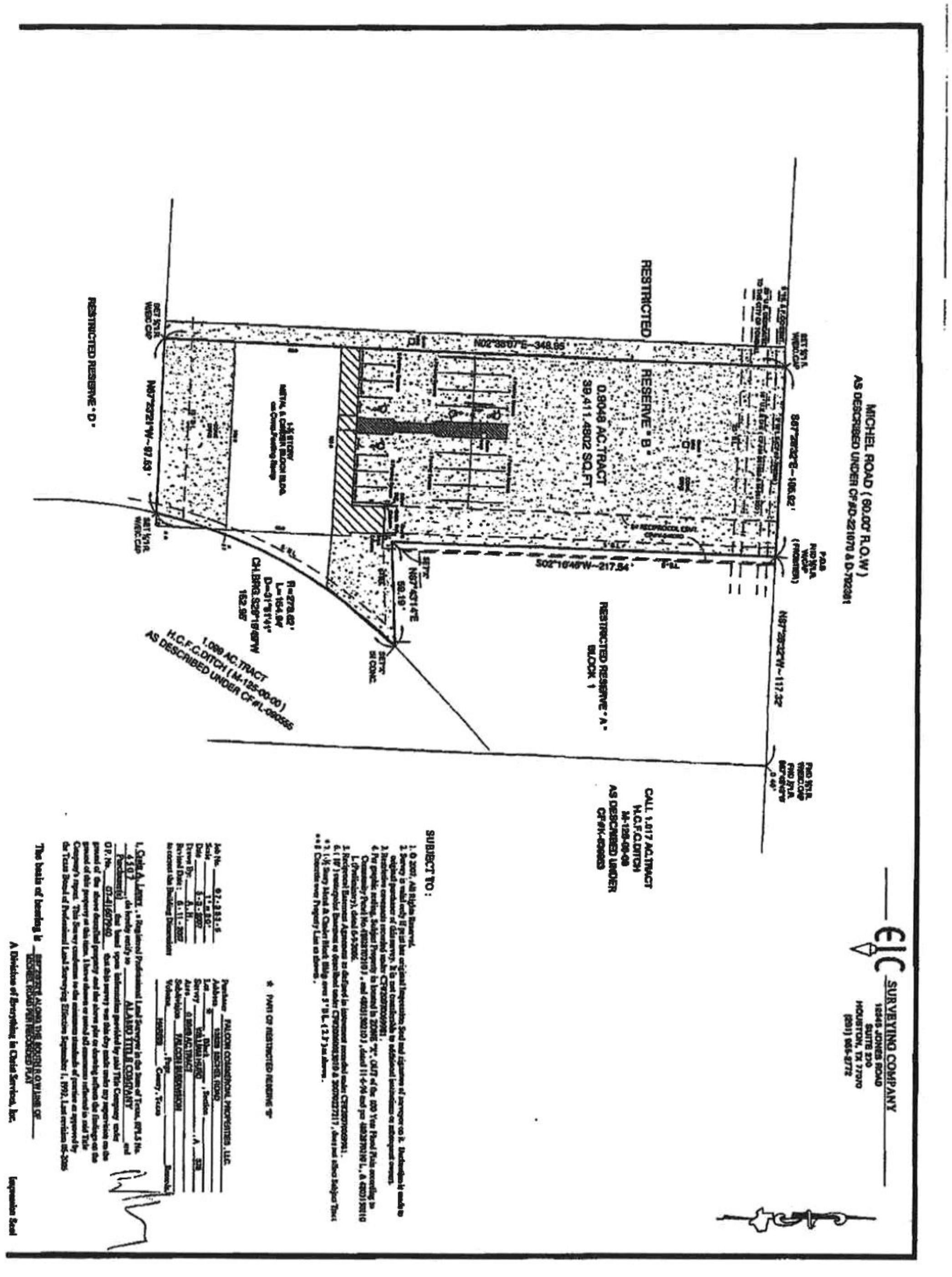
Ryan Bailey, ADAPT Programs, LLC



~2000 Sq. Ft.

13628 Michel Road

Suite 200


EIC SURVEYING COMPANY
12345 JONES ROAD
SUITE 270
HOUSTON, TX 77070
(281) 955-2772
MICHEL ROAD (60.00' R.O.W)
S87°28'32"E~106.92'
N87°28'32"W~117.32'
RESTRICTED
RESERVE "B"
0.9048 AC.TRACT
39,411.4802 SQ.FT.
RESTRICTED RESERVE "A"
BLOCK 1
CALL 1.017 AC.TRACT
H.C.F.C.DITCH
AS DESCRIBED UNDER
N67°43'14"E
58.19'
R=278.62'
L=154.94'
D=31°51'41"
CH.BRG.S29°19'49"W
152.95'
N87°23'21"W~97.53'
RESTRICTED RESERVE "D"
SUBJECT TO :
ALAMO TITLE COMPANY
The basis of bearing is
A Division of Everything in Christ Services, Inc.
Impression Seal

EIC SURVEYING COMPANY

12345 Jones Road, Suite 270
Houston, TX 77070
(281) 955-2772
Fax (281) 955-6678

All that certain tract or parcel containing 0.9048 acre, (39,411.4802 square feet), of land out of Restricted Reserve "B" in Block 1 of Falcon Subdivision, a subdivision in Harris County, Texas according to the map or plat thereof filed for record under Film Code No. 572223 of the Harris County Map Records, said 0.9048 acre tract of land being more particularly described by metes and bounds as follows:

BEGINNING at a 5/8" iron rod with cap (found stamped Frontier) in the South right-of-way line of Michel Road, (60.00 feet in width), as described in an instrument filed for record under Harris County Clerk's File No. D-221070 and D-792381 marking the Northwest corner of restricted Reserve "A" in Block 1 of said Falcon Subdivision, the Northerly-Northeast corner of said Restricted Reserve "B", and the Northerly-Northeast corner of the herein described 0.9048 acre tract of land;

THENCE S 02°16'46" W, a distance of 217.54 feet along the common line of said Restricted Reserve "A" and said Restricted Reserve "B" to an "x" (set) in concrete marking the Southwest corner of said Restricted Reserve "A", an interior corner of said Restricted Reserve "B", and an interior corner of the herein described 0.9048 acre tract of land;

THENCE N 87°43'14" E, a distance of 59.19 feet along the common line of said Restricted Reserve "A" and said Restricted Reserve "B" to an "x" (set) in concrete in the Northwesterly line of that certain call 1.099 acre tract being a Harris County Flood Control Ditch (M-125-00-00) as described in a deed filed for record under Harris County Clerk's File No. L-090555 marking the Southerly-Southeast corner of said Restricted Reserve "A", the Easterly-Northeast corner of said Restricted Reserve "B", and the Easterly-Northeast corner of the herein described 0.9048 acre tract of land, same point being in a curve to the left having a radius of 278.62 feet;

THENCE Southwesterly, along the common line of said 1.099 acre tract and said Restricted Reserve "B", with said curve to the left through a central angle of 31°51'41", a chord bearing and distance of S 29°19'49" W, 152.95 feet, an arc distance of 154.94 feet to an "x" (set) in concrete marking the Northeast corner of Restricted Reserve "D" in Block 1 of said Falcon Subdivision, the Easterly-Southeast corner of said Restricted Reserve "B", and the Southeast corner of the herein described 0.9048 acre tract of land;

THENCE N 87°23'21" W, a distance of 97.53 feet along the common line of said Restricted Reserve "B" and said Restricted Reserve "D" to a 5/8" iron rod with E.I.C. cap (set) marking the Southwest corner of the herein described 0.9048 acre tract of land;

THENCE N 02°38'07" E, a distance of 348.95 feet to a 5/8" iron rod with E.I.C. cap (set) in the North line of said Restricted Reserve "B" and in the South right-of-way line of said Michel Road marking the Northwest corner of the herein described 0.9048 acre tract of land;

THENCE S 87°28'32" E, a distance of 105.92 feet along the South right-of-way line of said Michel Road and the North line of said Restricted Reserve "B" to the POINT OF BEGINNING and containing 0.9048 acre, (39,411.4802 square feet), of land.

Surveyed on the ground May 3, 2007.
Job No. 07-353-05 (see corresponding plat).
The basis of bearing is S 87°28'32" E along the South right-of-way line of Michel Road per recorded plat.

STATE OF TEXAS REGISTERED CRAIG A. LANEY 4507 PROFESSIONAL LAND SURVEYOR

Regular City Council
Agenda Item
Data Sheet

Meeting Date: February 20, 2017

Topic:

Approve Resale Deed for Property acquired by Foreclosure Tax Sale in Cause No. 2001-30026, styled *City of Tomball, et al vs. J. W. Whitt, et al,* said Property being described as: Lot No. 35, Block No. 76, Tomball, Located in Harris County Texas and Being More Particularly Described in Volume 367, Page 513 of the Deed Records of Harris County, Texas, HCAD Acct No. 035-274-076-0035, to Christie Craig and Steven Craig, in the Amount of $5,100.00; Located at 0 Carrell Street, Tomball

Background:

When taxes are owed on a property resulting in a foreclosure, those properties may be sold through a bid process with proceeds paid to the taxing entities for back taxes. The subject property is located at 0 Carrell Street in Tomball. We request approval of the sale of the property to Steven and Christie Craig, in the amount of $5,100.00.

The City of Tomball will receive $795.19 in post-judgment and back taxes/interest and the property will return to the tax roles under new ownership.

Origination:

Perdue, Brandon, Fielder, Collins and Mott, LLP, Attorneys at Law

Recommendation:

Staff recommends approval.

Party(ies) responsible for placing this item on agenda:

Doris Speer, City Secretary

ACTION TAKEN

Approval	Readings Passed	Other
☐ Yes ☐ No	☐ 1st ☐ 2nd	

ATTACHMENTS:

Resale Deed - Lot 35 Block 76 - COT to Christie Craig and Steve Craig
Bid Analysis - Lot 35 Block 76
HCAD Map Lot 35 Block 76

Notice of confidentiality rights: If you are a natural person, you may remove or strike any of the following information from this instrument before it is filed for record in the public records: your social security number or your driver's license number.
(Language pursuant to Section 11.008 of the Texas Property Code)

THE STATE OF TEXAS	§	
	§	RESALE DEED
COUNTY OF HARRIS	§	

KNOW ALL MEN BY THESE PRESENTS that the CITY OF TOMBALL FOR ITSELF AND AS TRUSTEE FOR TOMBALL INDEPENDENT SCHOOL DISTRICT, HARRIS COUNTY EDUCATION DISTRICT and HARRIS COUNTY, acting by and through its duly elected official ("GRANTOR") as authorized by Section 34.05, Texas Property Tax Code, for and in consideration of the sum of TEN DOLLARS AND 00/100 ($10.00) AND OTHER GOOD AND VALUABLE CONSIDERATION, in hand paid by CHRISTIE CRAIG AND STEVEN CRAIG ("GRANTEE") the receipt of which is hereby acknowledged and confessed, has conveyed and quitclaimed and by these presents do convey and quitclaim unto said grantee all right, title and interest of the CITY OF TOMBALL, TRUSTEE, FOR THE USE AND BENEFIT OF ITSELF AND ALL OTHER TAXING UNITS THAT ESTABLISHED TAX LIENS IN CAUSE NO. 2001-30026, in the property herein conveyed, acquired by tax foreclosure sale heretofore held, in Cause No. 2001-30026, styled *City of Tomball, et al vs. J.W. Whitt,* said property being described as:

> LOT NO. 35, BLOCK NO. 76, TOMBALL, LOCATED IN HARRIS COUNTY TEXAS AND BEING MORE PARTICULARLY DESCRIBED IN VOLUME 367, PAGE 513 OF THE DEED RECORDS OF HARRIS COUNTY, TEXAS. (ACCOUNT #035-274-076-0035)

This conveyance is made and accepted subject to the following matters to the extent that the same are in effect at this time: any and all rights of redemption, restrictions, covenants, conditions, easements, encumbrances and outstanding mineral interests, if any, relating to the hereinabove described property, but only to the extent they are still in effect, shown of record in the hereinabove mentioned County and State, and to all zoning laws, regulations and ordinances of municipal and/or other governmental authorities, if any but only to the extent that they are still in effect, relating to the hereinabove described property.

TO HAVE AND TO HOLD said premises, together with all and singular the rights, privileges and appurtenances thereto in any manner belonging unto the said CHRISTIE CRAIG AND STEVEN CRAIG, their heirs and assigns forever, so that neither the CITY OF TOMBALL, TRUSTEE, FOR THE USE AND BENEFIT OF ITSELF AND ALL OTHER TAXING UNITS THAT ESTABLISHED TAX LIENS IN CAUSE NO. 2001-30026 nor any person claiming under it or them shall at any time hereafter have, claim or demand any right or title to the aforesaid premises or appurtenances, or any part thereof.

Grantee accepts the property in "AS IS, WHERE IS" condition, subject to any environmental conditions that might have or still exist on said property and subject to the rights of any parties in possession of the property.

Post judgment taxes and taxes for the current year are assumed by Grantee.

IN TESTIMONY WHEREOF, THE CITY OF TOMBALL, TRUSTEE, FOR THE USE AND BENEFIT OF ITSELF AND ALL OTHER TAXING UNITS THAT ESTABLISHED TAX LIENS IN CAUSE NO. 2001-30026 have caused these presents to be executed this ________day of ______________________ 2017.

CITY OF TOMBALL, TRUSTEE, FOR THE USE AND BENEFIT OF ITSELF AND ALL OTHER TAXING UNITS THAT ESTABLISHED TAX LIENS IN CAUSE NO. 2001-30026

____

GRETCHEN FAGAN, MAYOR

THE STATE OF TEXAS §
COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared Gretchen Fagan, Mayor of City of Tomball, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _______ day of

__________________________, 2017.

____

NOTARY PUBLIC, in and for the
STATE OF TEXAS
My Commission Expires: ____________

AFTER RECORDING, RETURN TO:
Perdue, Brandon, Fielder, Collins & Mott, L.L.P.
1235 North Loop West, Suite 600
Houston, Texas 77008

Grantee: Christie Craig
Steven Craig
22546 Walden Way.
Tomball, TX 77375

PRIVATE RESALE BID ANALYSIS

Cause Number:	2001-30026	Strike Off Date:		4/26/2002
Style:	Tomball vs. Whitt	Property Value:	$	5,100.00
Account Number(s):	035-274-076-0035	Minimum Bid at first sale:	$	5,100.00
Bid Amount:	**$ 5,100.00**	Redemption Expired:		4/26/2004
Bidder Name:	**Christie Craig and Steven Craig**	Amount Accompanying Offer:	$	416.25
Total collected:	$ 5,516.25			

Judgment Information

Tax Entity	Tax Years	Amount Due	
City of Tomball	1980-2000	$	804.64
Tomball ISD	1980-2000	$	2,850.67
Harris County	1981-2000	$	1,068.10
Total:		$	4,723.41

Costs

Publication Fee (Tax Sale): (Payable to Daily Court Review)	$	175.00
Court Costs: (Payable to Chris Daniel include Constable sale fee)	$	235.00
Tax Master Fee: (Payable to Cmichael Landrum-269th)	$	50.00
Original Deed Fee: (Payable to PBFCM)	$	11.00
Abstract Fee: (Payable to PBFCM)	$	200.00
Total:	**$**	**671.00**

Other Costs *(paid seperately)*

Resale Deed Fee: (Payable to PBFCM)	$	20.00
Total	**$**	**20.00**

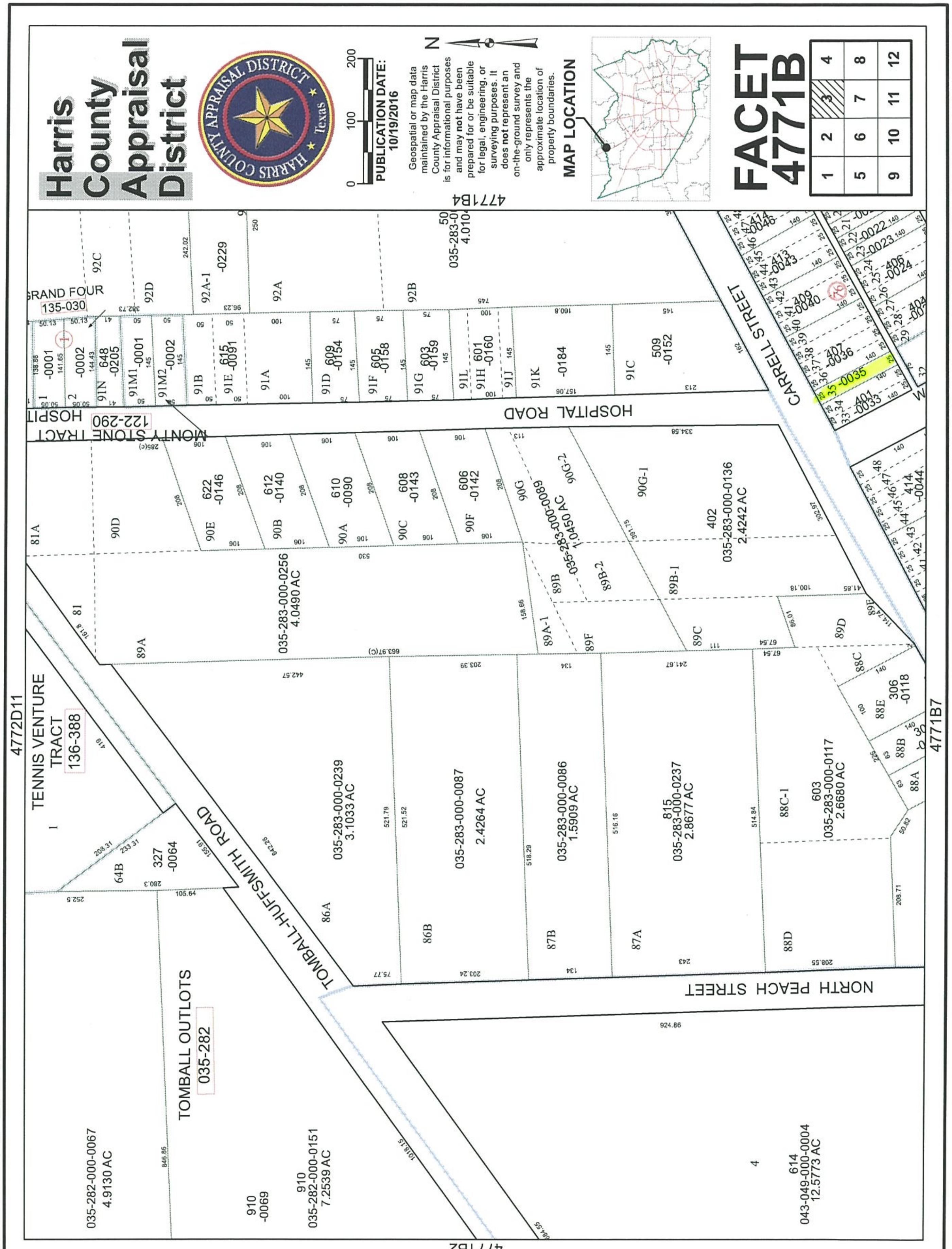
Post Judgment Taxes *(paid seperately)*

Tax Entity	Tax Years	Amount Due	
City of Tomball	2001	$	40.70
Tomball	2001	$	244.26
Harris County	2001	$	111.29
	Total:	$	396.25

Proposed Distribution

Bid Amount:	$ 5,100.00	Costs:	$ 671.00
Net Distribute:	$ 4,429.00		

Tax Entity	%	Amount to Disburse		Apply to:
City of Tomball	17%	$	754.49	amount for 1980-2000 based on 11/2001 p/i
Tomball ISD	60%	$	2,672.99	amount for 1980-2000 based on 11/2001 p/i
HC	23%	$	1,001.53	amount for 1981-2000 based on 11/2001 p/i
Costs		$	691.00	Judgment costs/tax sale/ tax resale
City of Tomball	**2001**	$	40.70	p/j taxes based on jan 2017 p/i
Tomball ISD	**2001**	$	244.26	p/j taxes based on jan 2017 p/i
Harris County	**2001**	$	111.29	p/j taxes based on jan 2017 p/i
	Total:	**$**	**5,516.25**	


Harris County Appraisal District
HARRIS COUNTY APPRAISAL DISTRICT Texas
0 100 200
PUBLICATION DATE: 10/19/2016
Geospatial or map data maintained by the Harris County Appraisal District is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and only represents the approximate location of property boundaries.
MAP LOCATION
FACET 4771B
1 2 3 4
5 6 7 8
9 10 11 12
N
4771B4
4772D11
4771B7
4771B2
GRAND FOUR 135-030
MONTY STONE TRACT 122-290
TENNIS VENTURE TRACT 136-388
TOMBALL OUTLOTS 035-282
HOSPITAL ROAD
CARRELL STREET
TOMBALL-HUFFSMITH ROAD
NORTH PEACH STREET
035-283-000-0256 4.0490 AC
035-283-000-0089 1.0450 AC
402 035-283-000-0136 2.4242 AC
035-283-000-0239 3.1033 AC
035-283-000-0087 2.4264 AC
035-283-000-0086 1.5909 AC
815 035-283-000-0237 2.8677 AC
603 035-283-000-0117 2.6680 AC
035-282-000-0067 4.9130 AC
910 035-282-000-0151 7.2539 AC
910 -0069
614 043-049-000-0004 12.5773 AC
327 -0064
306 -0118
509 -0152
035-283-0 4.010

Regular City Council
Agenda Item
Data Sheet

Meeting Date: February 20, 2017

Topic:

Consideration to Partially Accept Bids Received for Project No. 2017-06, Three (3) Fleet Replacement Vehicles, Reject Remaining Bids, and Award BuyBoard Contract to Caldwell Country

Background:

In an effort to obtain the most favorable pricing, sealed bids were solicited for the purchase of one (1) ¾ ton crew cab truck, one (1) full size SUV (1/2 chassis) and one (1) full size cargo van. Bid packets were available at the Public Works Administration Building or could be electronically delivered by request. A total of seven vendors requested the bid packages and one bid was received for the ¾ ton crew cab truck (FD) and full size cargo van (PW) from Grapevine Chrysler Jeep Dodge; no bids were received for the full size SUV (PD).

Based on the submitted bid and review of the specifications staff recommends approval of the full size cargo van to Grapevine Chrysler Jeep Dodge in the amount of $23,901.00 and rejecting the ¾ ton crew cab.

Staff recommends the 3/4 ton crew cab be purchased through BuyBoard as noted below. The Buyboard price for the 3/4 ton crew cab is $1,479 more, but the price is justified by difference in specifications and the fleet standardization aspect.

Staff recommends purchasing the remaining requested Police Department SUV (PD), Ford Police Interceptor (PD) and 3/4 ton crew cab (FD) in the amount of $94,308.00 from Caldwell Country through Buyboard Contract.

Origination:

Public Works Department

Recommendation:

Public Works staff recommends approval of the cargo van to Grapevine Chrysler Jeep Dodge n the amount of $23,901.00, rejecting the 3/4 ton crew cab truck from Grapevine Chrysler Jeep Dodge and award the purchase of the SUV, Police Interceptor and 3/4 ton crew cab truck to Caldwell Country through BuyBoard Contract in the amount of $94,308.00. Total budget for these four (4) vehicles is $181,812. After purchase and outfitting vehicles, we will be an estimated $20,000 under budget on this purchase.

Funding:

Yes

Account Number:650-651-6405

Party(ies) responsible for placing this item on agenda:

Meagan Mageo, Project Coordinator

ACTION TAKEN

Approval	Readings Passed	Other
☐ Yes ☐ No	☐ 1st ☐ 2nd	

ATTACHMENTS:

Bid Tabulation
BuyBoard Quote - Chevrolet 2500
BuyBoard Quote - Chevrolet Tahoe
BuyBoard Quote - Ford Police Interceptor

Bid Number 2017-06 - Three (3) Fleet Replacement Vehicles
Bid Tabulation

Company: Grapevine DCJ

Description: 2017 Ram 2500 Crew Cab

Specs/Model Submitted	Price	Delivery & Associated Cost	Total Bid
No	$33,881.00	Included	$33,881.00

Company: Grapevine DCJ

Description: 2017 Ram Promaster 1500 (1/2 ton chassis)

Specs/Model Submitted	Price	Delivery & Associated Cost	Total Bid
No	$25,211.00	Included	$25,211.00

Company: Grapevine DCJ

Description: 2017 Ram Promaster 1500 (3/4 ton chassis)

Specs/Model Submitted	Price	Delivery & Associated Cost	Total Bid
No	$23,901.00	Included	$23,901.00

QUOTE# 00AA CONTRACT PRICING WORKSHEET

End User: CITY OF TOMBALL	Contractor: CALDWELL COUNTRY
Contact Name: MEAGAN MAGEO	CALDWELL COUNTRY
Email: MMAGEO@TOMBALLTX.GOV	Prepared By: Averyt Knapp
Phone #: 281-290-1411	Email: aknapp@caldwellcountry.com
Fax #: 281-351-4735	Phone #: 800-299-7283 or 979-567-6116
Location City & State: TOMBALL, TX	Fax #: 979-567-0853
Date Prepared: JANUARY 26, 2017	Address: P. O. Box 27, Caldwell, TX 77836
Contract Number: BUY BOARD #521-16	Tax ID # 14-1856872
Product Description: 2017 CHEVROLET 2500HD SILVERADO 4X2 CREW CAB SWB CC25743	

A Base Price & Options:	$34,960

B Fleet Quote Option:

Code	Description	Cost	Code	Description	Cost
	4X2-CREW CAB, LT PACKAGE, 6.0L-V8 GAS, 6-SPD AUTOMATIC, 4.10 LOCKING REAR AXLE DIFFERENTIAL, 18" CHROMED ALUMINUM WHEELS, LT265/70R18E ALL SEASON TIRES, FULL BUCKETS W/OEM FULL LENGTH CONSOLE, FULL RUBBER FLOOR, AMFM-STEREO MY LINK W/8" SCREEN, POWER SEAT, POWER WINDOWS, POWER LOCKS, POWER MIRRORS, KEYLESS ENTRY, 4" BLACK ROUND ASSIST OEM STEPS, FRONT HALOGEN FOG LAMPS, SPRAY ON BEDLINER, WIRELESS CHARING, HEATED DRIVER AND FRONT PASSENGER SEATING, RED DOOR HANDLES, 60/40 SPLIT BENCH W/UNDER SEAT STORAGE BIN, OEM HD TRAILER TOW PACKAGE W/WIRING CONNECTOR, 6.5' BED, REAR STEP BUMPER	INCL			
	GM WARRANTY 5YR/100,000 MILES POWERTRAIN @ N/C	INCL		CALDWELL COUNTRY	
				PO BOX 27	
				CALDWELL,TEXAS 77836	

Subtotal B	INCL

C Unpublished Options					
Code	Description	Cost	Code	Description	Cost

Subtotal C	
D Other Price Adjustments (Installation, Delivery, Etc…)	
Subtotal D	INCL
E Unit Cost Before Fee & Non-Equipment Charges(A+B+C+D)	$34,960
Quantity Ordered X	1
Subtotal E	$34,960
F Non-Equipment Charges (Trade-In, Warranty, Etc…)	
BUYBOARD FEE	$400
G. Color of Vehicle: RED HOT G7C	INCL
H. Total Purchase Price (E+F)	$35,360

Estimated Delivery Date:	75-90 DAYS APPX

QUOTE# 00A-TPD

CONTRACT PRICING WORKSHEET

End User: CITY OF TOMBALL	Contractor: CALDWELL COUNTRY
Contact Name: RICK GRASSI	CALDWELL COUNTRY
Email: RGRASSI@TOMBALLTX.GOV	Prepared By: Averyt Knapp
Phone #: 832-250-4500	Email: aknapp@caldwellcountry.com
Fax #:	Phone #: 800-299-7283 or 979-567-6116
Location City & State: TOMBALL, TX	Fax #: 979-567-0853
Date Prepared: OCTOBER 31, 2016	Address: P. O. Box 27, Caldwell, TX 77836
Contract Number: BUY BOARD #430-13	Tax ID # 14-1856872

Product Description: 2017 CHEVROLET TAHOE CC15706

A Base Price & Options:	$32,820

B Fleet Quote Option:

Code	Description	Cost	Code	Description	Cost
	4X2-FIVE PASSENGER, 5.3LV8, 6-SPD AUTOMATIC, AIR CONDITION FRONT/REAR, BUCKETS W/FULL LENGTH CONSOLE, AMFM-CD W/BLUETOOTH, CARPET FLOOR W/MATS, TILT, CRUISE, POWER SEAT, POWER WINDOWS, POWER LOCKS, KEYLESS ENTRY W/REMOTE START, POWER ADJUSTABLE PEDALS, ALUMINUM WHEELS, DEEP TINT GLASS, RUNNING BOARDS, REAR VIEW CAMERA	INCL			
	GM WARRANTY 5YR/100,000 MILES POWERTRAIN @ N/C	INCL		CALDWELL COUNTRY	
				PO BOX 27	
				CALDWELL, TEXAS 77836	

Subtotal B	INCL

C Unpublished Options

Code	Description	Cost	Code	Description	Cost

Subtotal C	

D Other Price Adjustments (Installation, Delivery, Etc…)	
Subtotal D	INCL
E Unit Cost Before Fee & Non-Equipment Charges (A+B+C+D)	$32,820
X Quantity Ordered	1
Subtotal E	$32,820
F Non-Equipment Charges (Trade-In, Warranty, Etc…)	
BUYBOARD FEE	$400
G. Color of Vehicle: TUNGSTEN	INCL
H. Total Purchase Price (E+F)	$33,220

Estimated Delivery Date:	60-90 DAYS

QUOTE# 00B-TPD	CONTRACT PRICING WORKSHEET
End User: CITY OF TOMBALL	Contractor: CALDWELL COUNTRY
Contact Name: RICK GRASSI BRANDON PATIN	CALDWELL COUNTRY
Email: CRGGRASSI@TOMBALLTX.GOV BPATIN@TOMBALLTX.GOV	Prepared By: Averyt Knapp
Phone #: 832-250-4500 281-351-5451 (BRANDON P.)	Email: aknapp@caldwellcountry.com
Fax #:	Phone #: 800-299-7283 or 979-567-6116
Location City & State: TOMBALL, TX	Fax #: 979-567-0853
Date Prepared: NOVEMBER 1, 2016	Address: P. O. Box 27, Caldwell, TX 77836
Contract Number: BUY BOARD #430-13	Tax ID # 27-3037856

Product Description: 2017 FORD SUV INTECEPTOR PPV K8A

A Base Price & Options:	$26,128

B Fleet Quote Option:

Code	Description	Cost	Code	Description	Cost
	LH SPOTLIGHT, PPV, 3.7L-V6, 6-SPD AUTOMATIC, FRONT AIR CONDITION/REAR AIR CONDITION, TILT, POWER WINDOWS, POWER LOCKS, POWER MIRRORS, MANUAL KEY, CLOTH BUCKET FRONT/VINYL REAR BENCH, FULL RUBBER FLOOR, FRONT HEADLAMP HOUSING PROVISION, REAR TAILLAMP HOUSING PROVISION, COURTESY LAMP DISABLE, KEYLESS ENTRY	INCL			
	GM WARRANTY 5YR/100,000 MILES POWERTRAIN @ N/C	INCL		CALDWELL COUNTRY	
				PO BOX 27	
				CALDWELL, TEXAS 77836	

Subtotal B	INCL

C Unpublished Options

Code	Description	Cost	Code	Description	Cost

18

Subtotal C	
D Other Price Adjustments (Installation, Delivery, Etc…)	
Subtotal D	INCL
E Unit Cost Before Fee & Non-Equipment Charges (A+B+C+D)	$26,128
Quantity Ordered X	1
Subtotal E	$26,128
F Non-Equipment Charges (Trade-In, Warranty, Etc…)	
BUYBOARD	$400
G. Color of Vehicle: BLACK SOLID	INCL
H. Total Purchase Price (E+F)	$26,528

Estimated Delivery Date:	UNIT CURRENTLY IN STOCK

Regular City Council
Agenda Item
Data Sheet

Meeting Date: February 20, 2017

Topic:

Award Engineering Contract for Medical Complex Segment 4B and South Persimmon Street to Gunda Corporation LLC in the Amount of $3,349,467.00

Background:

As a part of the continual development and construction of the major east-west corridor of Medical Complex Drive, Segment 4B will be from the intersection of the existing Agg Road and S. Persimmon Street to Hufsmith Korhville. The project will also include the construction of South Persimmon from the existing Agg Road to the new TEDC Business Park. By completing this segment, Medical Complex will have connection from the Tomball Parkway (SH 249) to Hufsmith Korhville and with the addition of South Persimmon Street will provide additional access and development opportunities for the area as well as the business park.

The project will consist of a constructed two lane road with a center turn lane with future expansion to a full four (4) lane build out of Medical Complex; the Persimmon section will be at full build out with two (2) lanes. The extension of water, sewer and gas will be included along with sidewalks along the south side of Medical Complex. The storm drainage will be phased to ultimately convey the flow of M118 thru the Business Park.

Estimated cost for the project including right of way acquisition is $17,184,561.40. City acquired the funding for this project from the sale of Certificates of Obligation as well as funding from the Tomball Economic Development Corporation.

Gunda Engineering has been an integral part of the development of this project providing multiple options and initial studies on the M118 drainage. This engineering contract includes the basic engineering services for the roadway, utilities and drainage needs for the road segments. This contract also covers the specialized services of land surveying (topographic, boundary, ROW & easement, parcels for land acquisition and as builts), Geotechnical investigation, environmental assessments, drainage modeling, traffic engineering, land acquisition services and project representatives during construction. The preliminary project schedule is approximately 24 months.

Origination:

Public Works

Recommendation:

Public Works staff recommends awarding the engineering contract for Medical Complex Segment 4B and South Persimmon Street to Gunda Corporation, LLC in the amount of $3,349,467.00.

Funding:

Yes

Account Number:400-154-6409

Party(ies) responsible for placing this item on agenda:

David Esquivel, Public Works Director

ACTION TAKEN

Approval	Readings Passed	Other
☐ Yes ☐ No	☐ 1st ☐ 2nd	

ATTACHMENTS:

Contract - Gunda Corporation
Preliminary Project Schedule
Budget Summary

PROFESSIONAL SERVICES AGREEMENT
FOR
ENGINEERING SERVICES
RELATED TO
ENGINEERING & PLANNING PROJECT NO. 2017-10005
CITY OF TOMBALL
MEDICAL COMPLEX SEGMENT 4B & SOUTH PERSIMMON
CONSTRUCTION DOCUMENT PREPARATION

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

THIS AGREEMENT made on the _______ day of ________,2017 entered into, and executed by and between the City of Tomball, Texas (the "City"), a municipal corporation of the State of Texas, and Gunda Corporation, LLC ("Engineer").

WITNESSETH:

WHEREAS, the City desires to prepare construction bid documents for Medical Complex Segment 4B from intersection of South Persimmon and Agg Road east to Hufsmith-Kohrville and South Persimmon from the South Persimmon and Agg Road south to the Tomball Business & Technology Park at the M118 Channel in the City of Tomball (the "Project"); and

WHEREAS, the services of a professional engineering firm are necessary to project planning, project design, preparation of construction documents, and construction phase services, and

WHEREAS, the Engineer represents that it is fully capable and qualified to provide professional services to the City related to professional engineering and professional land surveying;

NOW, THEREFORE, the City and Engineer, in consideration of the mutual covenants and agreements herein contained, do mutually agree as follows:

SECTION I
SCOPE OF AGREEMENT

Engineer agrees to perform certain professional engineering services as defined in Attachment "A" attached hereto and made a part hereof for all purposes, hereinafter sometimes referred to as "Scope of Work," and for having rendered such services, the City agrees to pay Engineer compensation as stated in Section VII.

SECTION II
CHARACTER AND EXTENT OF SERVICES

Engineer shall do all things necessary to render the engineering services and perform the Scope of Work in a professional and workmanlike manner. It is expressly understood and agreed that Engineer is an Independent Contractor in the performance of the services agreed to herein. It is further understood and agreed that Engineer shall not have the authority to obligate or bind the City, or make representations or commitments on behalf of the City or its officers or employees without the express prior approval of the City. The City shall be under no obligation to pay for services rendered not identified in Attachment "A" without prior written authorization from the City.

SECTION III
OWNERSHIP OF WORK PRODUCT

Engineer agrees that the City shall have the right to use all exhibits, maps, reports, analyses and other documents prepared or compiled by Engineer pursuant to this Agreement. The City shall be the absolute and unqualified owner of all studies, exhibits, maps, reports, analyses, determinations, recommendations, computer files, and other documents prepared or acquired pursuant to this Agreement with the same force and effect as if the City had prepared or acquired the same.

SECTION IV
TIME FOR PERFORMANCE

The time for performance of the Scope of Work is an estimated 730 calendar day duration beginning from the execution date of this Agreement. Upon written request of Engineer, the City may grant time extensions to the extent of any delays caused by the City or other agencies with which the work must be coordinated and over which Engineer has no control.

SECTION V
COMPLIANCE AND STANDARDS

Engineer agrees to perform the work hereunder in accordance with generally accepted standards applicable thereto and shall use that degree of care and skill commensurate with the applicable profession to comply with all applicable state, federal, and local laws, ordinances, rules, and regulations relating to the work to be performed hereunder and Engineer's performance.

SECTION VI
INDEMNIFICATION

To the fullest extent permitted by Texas Local Government Code Section 271.904, Engineer shall and does hereby agree to indemnify, hold harmless and defend the City, its officers, agents, and employees against liability for damage caused by or resulting from an act of negligence, intentional tort, intellectual property infringement, or failure to pay a subcontractor or supplier committed by the Engineer, the Engineer's agent, consultant under contract, or another entity over which the Engineer exercises control.

SECTION VII
ENGINEER'S COMPENSATION

For and in consideration of the services rendered by Engineer pursuant to this Agreement, the City shall pay Engineer only for the actual work performed under the Scope of

Work, on the basis set forth in Attachment "A," up to an amount not to exceed $ 3,349,467.00 including reimbursable expenses as identified in Attachment "A."

SECTION VIII
TERMINATION

The City may terminate this Agreement at any time by giving written notice to Engineer. Upon receipt of such notice, Engineer shall discontinue all services in connection with the performance of this Agreement and shall proceed to promptly cancel all existing orders and contracts insofar as such orders or contracts are chargeable to the Agreement. As soon as practicable after receipt of notice of termination, Engineer shall submit a sworn statement, showing in detail the services performed under this Agreement to the date of termination. The City shall then pay Engineer for such services performed under this Agreement as those services bear to the total services called for under this Agreement, less such payments on account of the charges as have been previously made. Copies of all completed or partially completed designs, maps, studies, documents and other work product prepared under this Agreement shall be delivered to the City when and if this Agreement is terminated.

SECTION IX
ADDRESSES, NOTICES AND COMMUNICATIONS

All notices and communications under this Agreement shall be mailed by certified mail, return receipt requested, to Engineer at the following address:

Gunda Corporation, LLC
6161 Savoy, Suite 550
Houston, Texas 77036
Attn: Kyle A. Bertrand, P.E., Senior Project Manager

All notices and communications under this Agreement shall be mailed by certified mail, return receipt requested, to the City at the following address:

City of Tomball
501 W. Market Street
Tomball, Texas 77375
Attn: David Esquivel, PE, Director of Public Works

SECTION X
LIMIT OF APPROPRIATION

Prior to the execution of this Agreement, Engineer has been advised by the City and Engineer clearly understands and agrees, such understanding and agreement being of the absolute essence to this Agreement, that the City shall have available only those sums as expressly provided for under this Agreement to discharge any and all liabilities which may be incurred by the City and that the total compensation that Engineer may become entitled to hereunder and the total sum that the City shall become liable to pay to Engineer hereunder shall not under any conditions, circumstances, or interpretations hereof exceed the amounts as provided for in this Agreement.

SECTION XI
SUCCESSORS AND ASSIGNS

The City and Engineer bind themselves and their successors and assigns to the other party of this Agreement and to the successors and assigns of such other party, in respect to all covenants of this Agreement. Engineer shall not assign, sublet, or transfer its interest in this Agreement without the written consent of the City. Nothing herein shall be construed as creating any personal liability on the part of any officer or agent of the City or any public body which may be a party hereto.

SECTION XII
MODIFICATIONS

This instrument, including Attachment "A," contains the entire Agreement between the parties relating to the rights herein granted and the obligations herein assumed. To the extent there is a conflict between the provisions of this Agreement and the provisions of Attachment "A," this Agreement shall control. Any oral or written representations or modifications concerning this instrument shall be of no force and effect excepting a subsequent modification in writing signed by both parties hereto.

SECTION XIII
ADDITIONAL SERVICES OF ENGINEER

If authorized in writing by the City, Engineer shall furnish, or obtain from others, Additional Services that may be required because of significant changes in the scope, extent or character of the portions of the Project designed or specified by the Engineer, as defined in Attachment "A." These Additional Services, plus reimbursable expenses, will be paid for by the Owner on the basis set forth in Attachment "A," up to the amount authorized in writing by the City.

SECTION XIV
CONFLICTS OF INTEREST

Pursuant to the requirements of the Chapter 176 of the Texas Local Government Code, Engineer shall fully complete and file with the City Secretary a Conflict of Interest Questionnaire.

SECTION XV
PAYMENT TO ENGINEER FOR SERVICES AND REIMBURSABLE EXPENSES

Invoices for Basic and Additional Services and reimbursable expenses will be prepared in accordance with Engineer's standard invoicing practices and will be submitted to the City by Engineer at least monthly. Invoices are due and payable thirty (30) days after receipt by the City.

SECTION XVI
INSURANCE

Engineer shall procure and maintain insurance in accordance with the terms and conditions set forth in Attachment "B," for protection from workers' compensation claims,

claims for damages because of bodily injury, including personal injury, sickness or disease or death, claims or damages because of injury to or destruction of property including loss of use resulting therefrom, and claims of errors and omissions.

SECTION XVII
MISCELLANEOUS PROVISIONS

A. This Agreement is subject to the provisions of the Texas Prompt Payment Act, Chapter 2250 of the Texas Government Code. The approval or payment of any invoice shall not be considered to be evidence of performance by Engineer or of the receipt of or acceptance by the City of the work covered by such invoice.

B. Venue for any legal actions arising out of this Agreement shall lie exclusively in the federal and state courts of Harris County, Texas.

C. This Agreement is for sole benefit of the City and Engineer, and no provision of this Agreement shall be interpreted to grant or convey to any other person any benefits or rights.

D. Contractor further covenants and agrees that it does not and will not knowingly employ an undocumented worker. An "undocumented worker" shall mean an individual who, at the time of employment, is not (a) lawfully admitted for permanent residence to the United States, or (b) authorized by law to be employed in that manner in the United States.

IN WITNESS WHEREOF, the City of Tomball has lawfully caused this Agreement to be executed by the Assistant City Manager of said City and attested by the City Secretary and Gunda Corporation LLC, acting by and through its duly authorized officer/representative, does now sign, execute, and deliver this instrument.

EXECUTED on this ______ day of ______________________, 2017.

ENGINEER:
Gunda Corporation, LLC

By: Rajesh Tanwani
Name: Rajesh Tanwani, PE
Title: Vice President

ATTEST:

____
Doris Speer, City Secretary

CITY OF TOMBALL, TEXAS

____
George Shackelford, City Manager

ATTACHMENT "A"

SCOPE OF SERVICES AND DELIVERABLE DOCUMENTS
ENGINEERING & PLANNING PROJECT NO. 2017-10005
CITY OF TOMBALL
MEDICAL COMPLEX SEGMENT 4B & SOUTH PERSIMMON
CONSTRUCTION DOCUMENT PREPARATION

1.0 GENERAL

The Engineer shall provide professional engineering services as described in the Contract, and as further defined by this Attachment A, Scope of Services. Reference to Director throughout Exhibit A refers to the Director of Public Works.

1.1 Description of Project

The Project generally is described as follows:

Part 1: Construction of Medical Complex Segment 4B from the intersection of South Persimmon and Agg Road to Hufsmith-Kohrville. Anticipated construction will include the southern portion of the ultimate boulevard roadway, sidewalk, and city utility extensions. (Note: design services will include full boulevard roadway with phase 1 – half boulevard bid documents)

Part 2: Construction of South Persimmon from the existing South Persimmon/Agg Road intersection south to the Tomball Business & Technology Park at the M118 Channel. Anticipated construction will include 41' back-to back concrete roadway with curb and city utility extensions.

Anticipated City utility extensions include 12-inch water main, 10-12-inch sanitary sewer, and 4-inch natural gas, 24-inch RCP to 10'x8' RCB storm sewer, storm water detention for mitigation of the proposed improvements, intersection and approach improvements, street lighting, and sidewalk. (water main, sanitary sewer, and natural gas sizing provided by City)

Acquisition of new and/or additional rights-of-way and utility easements will be required for construction of the proposed improvements.

The engineer's opinion of probable construction costs for the proposed improvements is $14,100,000 with anticipated ROW and easement cost of approximately $2,200,000.

1.2 Reference Standards and Criteria

A. "City of Tomball Engineering & Planning Department, Infrastructure Design Manual," hereinafter referred to as "City Design Manual." If manual has not been published at the time of contracting, the Engineer shall identify applicable standards and criteria to be utilized for City concurrence.

B. Technical Paper No. 100 – "Storm Sewer Design Applications for the City of Houston, Texas, Capital Improvement Plan Projects" is encouraged by the City of Tomball for storm projects.

C. TxDOT Design Manuals, Standard Details, and Specifications

D. Harris County Public Infrastructure Design Manuals, Standard Details, and Specifications

1.3 Review of Existing Information

A. Existing utility information, existing record drawings of previous contracts, and existing survey information are readily available to the Engineer and the public. The Director shall provide access to such information. It is the responsibility of the Engineer to physically gather this information from all available sources.

B. The Engineer shall review applicable existing information and develop independent recommendations based on the information. It is expected that the investigative work involved in these previous engineering efforts will not be duplicated, except as included in this Scope of Services.

2.0 BASIC SERVICES

2.1 General

A. The Engineer shall reference the City's Project Title and City's Engineering & Planning Project Number on all correspondence and submittals.

B. The Engineer shall manage the efforts of the Project team members and Consultants, assign manpower, delegate responsibilities, review work progress, monitor conformance to the scope regarding the budget and schedule, and otherwise direct the progress of the work.

C. Periodic meetings shall be held to review the progress of the engineering effort, or to address other issues which may arise. The Director shall initiate meetings that include the Engineer and his Consultants, and if necessary, the Director and other applicable parties. The Engineer shall prepare and deliver meeting record memorandum of decisions and action items to the City within 3 working days after each meeting.

D. The Engineer shall notify the Director immediately of any deviation from the Scope of Engineering Services and Fee agreed to in this Scope of Services. The Engineer shall not perform services outside of the Contract scope without an Amendment to this Contract.

E. Route all written communication with regulatory agencies, neighborhood associations, and City Council through the Director.

F. Submit invoices on City's standard form, or other approved format, to include a progress report documenting the status of each milestone and/or task noted in the fee schedule to record activities and deliverables completed within the invoice period and to note activities planned for next month.

2.2 Phase I - Preliminary Design

A. Utility Plan Review

1. Refer to the City Design Manual.

2. The Engineer shall research all available information and show on schematic layouts of the project all existing water mains and appurtenances, well collection lines, sanitary sewer and storm water lines and facilities (house service lines, manholes, etc.), and lot lines from subdivision plats, telephone, power, gas, cable TV, and other private utilities.

3. On major transmission pipelines, the Engineer shall contact the various pipeline companies for their assistance to determine the product material, type of pipe material, depth, and routing of pipelines. Names of contacts, dates, times, and other pertinent information obtained at the field meeting shall be recorded.

B. Schedule of Design Activities

1. The Engineer shall submit a schedule that contains actual dates, based on the date of the notice to Proceed and contractual milestones, utilizing calendar days.

C. Preliminary Engineering/Design Summary Report

1. The Engineer shall prepare a Design Summary Report containing initial design assumptions to be supplemented throughout the project with finding of further project investigations, pertinent correspondence, and final design calculations.

2.3 Phase II - Final Design

A. Estimate of Construction Cost

1. The Engineer shall submit an estimate of Construction Cost at the 50 percent, 70 percent, and Final Drawings stages.

B. Agency Approvals and Signatures

1. The Engineer shall obtain required signatures from other governmental agencies, public utilities, and private utilities, which may impact the Project prior to final approval by the Department of Public Works and Engineering. Sufficient time in the project schedule should be allocated to secure these approvals. Governmental agencies include, but are not limited to, Harris County and Harris County Flood Control District. Utility signatures include, but are not limited to, SBC, Centerpoint Energy Entex, Inc., AT&T, and cable TV.

2. Obtain necessary approvals (permits, license agreements, etc.) from TXDOT, railroad and pipeline companies prior to final approval by the Department of Public Works and Engineering. Sufficient time in the project schedule should be allocated to secure these approvals prior to bid advertisement.

C. Engineering

1. The Engineer is responsible for quality of the final design.

2. The Engineer shall specify the minimum acceptable performance and/or material standards associated with temporary facilities and structures that are determined necessary to implement the Project, that are potentially cause for significant disruption to local communities or businesses, and that are not solely for the convenience of the contractor.

3. The Engineer shall review results from additional services prior to submittal to the City and where applicable, incorporated this information into the Final Design documents. Such additional services may include, but not be limited to, survey, geotechnical, environmental, traffic control, storm water pollution prevention plans, street lighting plans, tree mitigation/planting plans and special studies.

4. The Engineer shall incorporate the City Standard Details as applicable. The Engineer shall review each Standard Details and edit as necessary to suit Project-specific requirements and to meet the design intent of the Project. Revisions to the Standard Details shall not be incorporated based solely on Engineer's preference, but are subject to review and acceptance by the Director. The Engineer shall notify the Director of all proposed changes to Standard Details and provide reasons for such proposed changes. The Engineer shall prepare additional nonstandard details necessary for bidding and construction of the Project.

5. The Engineer shall prepare specifications in accordance with the Construction Specification Institute (CSI) standard format adopted by the City. The Engineer shall use the City Standard Specifications Table of Contents for Construction Documents as a guide for organization of the Contract Documents. The City Standard Specifications are prepared to include the requirements, features, construction materials, and related items desired by the City based on the City's experience needs. The Engineer shall review each Standard Specification and supplement as necessary to suite Project-specific requirements and to meet the design intent of the Project. Supplements to the Standard Specifications shall not be incorporated based solely on the Engineer's preferences. Supplements are subject to review and acceptance the Director. The Engineer shall prepare additional nonstandard specification necessary for bidding and construction of the Project.

6. The Engineer shall incorporate the front-end documents provided by the City into the Project specifications.

7. The Engineer shall verify findings from Utility Plan Review with the results of the Route and Site Topographical Survey Services (see Additional Services) and identify potential conflicts during construction. Proposed designs shall strive to avoid conflicts where physically and financially feasible. Relocations of private utilities shall be coordinated with the City as early in design process as possible.

D. Bidding Services

1. The Engineer shall assist the City in conducting the pre-bid conference, and submit meeting minutes within 3 working days.

2. The Engineer shall prepare necessary addenda to address issues or clarifications necessary for completion of the bidding process.

3. The Engineer shall furnish a tabulation of bids received with a written recommendation for the award of a construction contract, and submit within 24-hours after the bid opening.

2.4 Phase III - Construction Phase Services

A. The Engineer shall make site visits during times when the contractor is actively performing major construction activities. The site visits should be one visit per site location monthly, after the contractor has mobilized and is working. These visits may be combined with any site visits made to resolve field problems relating to the construction.

B. Upon the completion of a site visit by the Engineer, a "Construction Site Observation/Status Report" shall be submitted to the City. This report shall include, as a minimum, the following:

1. Introduction and project description;

2. Status of Submittals (shop drawings, RFIs, and RFPs);

3. Site observation - to include discussion on whether the work observed was in general conformance with the contract documents;

4. Closing remarks;

5. Location maps;

6. Site photos.

C. Requests for Information (RFI) will normally be generated by the Construction Contractor when a situation or condition is anticipated or encountered in the field that may not be fully addressed in the Construction Contract Documents. RFIs are to be reviewed and a complete and fully responsive written answer provided to the City within 48 hours, or as otherwise directed.

D. The Engineer shall submit the as-built record drawings within 30 days after receipt of contractor red-lined as-builts.

3.0 ADDITIONAL SERVICES

Unless otherwise authorized or modified by the Director, the Engineer shall perform Additional Services in accordance with the following:

3.1 Survey (Subconsultant Proposal attached for additional clarification)

A. Investigative Survey – Project limits as illustrated on attached Exhibit

1. Establish horizontal and vertical control to include installation of permanent monuments a maximum distance of 1000-foot.

2. Obtain six (6) cross sections along M118 Drainage Channel, 3 upstream & 3 downstream at 50’ intervals for use in Drainage Study.

3. Locate property lines and ownership along the proposed route.

4. Provide investigative/topographic survey along the project limits to include not less than 100-foot cross section to define existing ground contours, existing surface utilities and obtainable flowline data, paving, and drainage.

5. Locate Pipelines along the proposed project limits.

6. Obtain right of entry.

B. Preparation of plan and profile base drawings from topographic survey data is not an additional service but should be considered as part of Basic Engineering Services.

C. All projects must be tied to the Texas State Plane Coordinate System; all coordinates shown or displayed on any drawings must be true State plane coordinates.

D. Route Topographic Survey - Record all topographic features and improvements within the public right-of-way, permanent right-of-way, any contiguous easements to the right-of-way, and any construction right-of-way of the Project and a distance of 25-feet beyond, and on all intersecting streets for a distance of 300-feet beyond the intersection of the right-of-way lines. For paving projects, extend the topographic survey at intersecting streets to 200-feet beyond the end of new pavement. Locate sufficient monumentation to determine lot lines, lot street address, tract lines, and rights-of-way. Identify visible underground structures (by type, type of service, size, invert elevations, and depth) including manholes, inlets, and junction boxes. In general, do not open SWBT, HL&P, and other private utility manholes and junction boxes."

E. Deliverables shall be submitted no later than when the 30% drawings are submitted for review. Deliverables for route topographic survey services to the City include the following:

1. Original survey field books and electronic file.

2. Survey Control Map - A survey map sheet drawn to scale of 1 inch = 100 feet shall show location and give a description of the vertical and horizontal survey control monuments used for the Project. The sheet shall show both the survey base line and the Project alignment and give bearings and distances all control lines. The beginning point, all P.I. points, and endpoint of both the Project alignment and the survey base line shall list the survey control system coordinates and be tied into existing topography. The map shall contain the following: street names, centerline bearings, street intersection station equations, P.C.'s, P.T.s, P.I.'s and curve data. All found property monuments shall be shown on the map with station-offset references made to

the Project alignment. Those property monuments used as control monuments in setting the Project alignment shall be indicated. Project benchmarks, Swing-tie (three-point tie) sketches, benchmark loops, and traverse shall be provided. The survey control map sheet shall be signed sealed, and dated by the registered surveyor responsible for the survey. Scope includes setting five six (5) City of Tomball Monuments.

3. Survey Drawing - Shown results of field survey work, topography, and improvements.

F. Survey services for acquisition of right-of-way, easement, or property shall include:

1. Right-of-way surveys and maps which show and describe the right-of-way, easement, or property to be acquired per City of Houston Standards. (Seventeen parcels estimated.)

a. Overall project layout with acquisition parcels identified should be prepared

b. Each acquisition parcel will have 5 original drawings (no larger than 11"x17") to be signed and ink stamped.

c. Parcel maps should include NAD 83 State Plane Coordinates per City Ordinance 2003-1292

d. Each drawing will include a City of Tomball signature block, the Key Map page and section in title block.

e. For encroachments only, enlarged details of the encroachment(s) will be shown on the drawing for encroachments into street right of way and/or public utility easement, show the right of way, right of way dimension and the street name.

2. Deed research.

3. Metes and bounds descriptions.

G. All geotechnical boring locations shall be surveyed upon completion of the geotechnical investigation. Provide station and offset including true State plane coordinates with an accuracy of plus or minus one foot. The Engineer shall deliver the electronic files of this work to the City.

3.2 Geotechnical Investigation (Subconsultant Proposal attached)

A. Perform in general accordance with the City and Harris County Design Manual(s).

B. Provide geotechnical engineering report, signed and sealed by a Professional Engineer, registered in the State of Texas along with executed Geotechnical Investigative Report Checklist. Final geotechnical reports should be provided in hard copy and in .pdf format on CD for inclusion with bidding documents.

C. Review published literature and provide a general statement regarding geologic faulting in area and make recommendation whether additional study is needed.

D. A boring location map and individual boring logs shall be incorporated into the geotechnical engineering report. All boring locations shall be clearly identified in the field to permit compliance with the Survey Requirements of the City Design Manual.

E. Boring logs shall include as a minimum the following information:

1. City E&P Project Number.

2. Boring number.

3. Boring location-station and either offset or distance from curb, permanent feature.

4. Date of field work.

5. Depth to groundwater (both at end of drilling and at 24-hour readings).

6. Depth to caving.

7. Completion depth.

8. Soil and sample symbology.

9. Soil description - soil type identifications in accordance with the Unified Soil Classification System.

10. Geotechnical analytical data.

F. Provide a soil type report, in compliance with the City Design Manual, signed and sealed by a Professional Engineer, registered in the State of Texas. This should consist of a letter report addressing the OSHA soil types and required trench safety system to be included in the construction specifications.

G. The Engineer shall obtain and review boring logs by others. While the Engineer is not responsible for the accuracy of these borings, this information, along with boring logs gathered during the records review, are to be included in the Geotechnical Engineering Recommendations section of the geotechnical report. Include these logs in the appendix.

H. At each boring location take surface and subsurface roadway core within the existing pavement, area to determine the existing pavement section, including the thickness of the pavement, base and sub grade, and material types.

I. If the potential for contamination exists, or *if* contamination *is* encountered at a bore hole local the Engineer shall immediately notify the Director before proceeding. Comply with all applicable local, state, and federal environmental guidelines.

J. The Engineer shall obtain permits and arrange for access to boring locations on private property.

K. The Engineer shall provide for the safety of boring sites, including traffic control commensurate with the traffic and road conditions while working in street right-of-way.

L. Critical locations (i.e., bayou crossings, railroads, etc.) which occur along the alignment may require site specific geotechnical information. Where the initial alignment borings cannot be positioned so that they provide part or all of this site-specific information, additional borings (to depths in excess of the alignment borings) may be in order. Such cases will be handled on an individual basis.

M. If no water-bearing layer is encountered, one piezometer shall be installed at the deepest boring location.

N. Perform Slope Stability Analysis for projects that are adjacent to the bank of a bayou or creek where the slope stability is of concern.

3.3 Environmental Assessment (Subconsultant Proposal attached)

A. Prepare environmental constraints map for the study area after gathering various inputs including review of aerial photographs, biological elements, hydrological elements, and socioeconomic elements. The findings will be presented on a map utilizing a Geographical /Information System (GIS) application and overlaying the results on a recent aerial photograph of the study area. This preliminary information will assist in providing a means for analysis of the alternatives.

B. Prepare map representing potential wetland areas. This task includes preparation of a scaled map to show potential wetland areas and the limits of Jurisdictional Waters.

C. Prepare environmental assessment (EA) for new roadway that meets TxDOT/FHWA guidelines. EA to include biological and natural resource impact assessment, wetland impact assessment, Hazardous waste impact assessment, historical, cultural, and archeological survey, noise, and air quality analysis.

D. Prepare appropriate Section 404 and 401 Permit along with the required conceptual mitigation plan for submittal to the Corps of Engineers (USACE) for approval consideration. Scope assumes that Section 404 Nationwide Permit will be adequate and that mitigation will not be required.

E. Public meetings on EA are not included in the scope of services.

3.4 Hydraulic Impact Study (Subconsultant Proposal attached)

A. Prepare drainage study to include impact analysis and recommendations for detention, if necessary, and required improvement to facilitate construction of proposed improvements identified in this scope. The study scope will also include analysis of the M118 Basin to identify recommended boundary changes, future channel cross section, and future drainage conveyance lateral trunks (piping and/or surface).

3.5 Special Licenses and Permits (Payment)

A. The actual cost of special licenses and permits, including required inspection fees, shall be reimbursed by the City.

B. This additional service does not include Engineering work associated with Basic Services.

3.6 Traffic Control Plan (TCP)

A. General

1. The specific traffic control work consists of the completed TCP, appropriate specifications and general notes, and traffic control construction cost estimates.
2. The TCP shall show detailed construction sequences and the necessary traffic control phases, complete with all barricades, signing, striping, delineation, detours, temporary traffic signals and any other devices, to protect the traveling public and provide safety to the construction forces.
3. The TCP should be accomplished with the least inconvenience to the traveling public consistent with expeditious completion of the Project in time and costs.

B. Standards and Guidelines:

Construction Sequencing and TCP shall be in accordance with general traffic engineering principles and practices governing traffic control during construction as prescribed by the guidelines of the "Texas Manual on Uniform Traffic Control Devices" (TMUTCD), and City of Houston requirements.

1. The construction of the Project should be scheduled or sequenced to minimize the down time for the contractor and to maximize the utilization of space for the travel ways. Sequencing is accomplished by partitioning the Project into construction phases, which may be further segmented into steps. A "*phase*" is a major portion of the construction, scheduled in a logical progression toward Project completion. A "*step*" is a minor portion of the construction, subordinate to a particular phase.
2. The TCP should clearly distinguish areas of construction with areas of traffic for each phase. The work zone is also to be distinguished from the actual construction limits.
3. Maintain minimum emergency travel lane width of 10-feet at all times. If space is not available within the existing roadway, temporary widening of the pavement section may be necessary to provide a minimum 10-foot emergency travel lane.
4. The TCP should contain the following basic elements:
   a. Project approach signing.
   b. Phasing overview (as applicable).
   c. Detailed plans for each phase of construction and any designated steps.
   d. Necessary TCP details, including appropriate City standards (Barricade & Construction, etc.), typical lane closures, and intersection details

C. Drawings:

1. Engineer shall verify and show existing field conditions of roadways and access to adjacent properties.
2. Engineer shall show traffic control devices and location of traffic flow, indicated by direction arrows, for each phase of the Project.
3. Engineer shall define construction areas by appropriate identifications, such as cross-hatching. Show all barricades, traffic signing, traffic signal changes, detour routing and special intersection treatment details.
4. Engineer shall show only roadways that are existing or to be constructed under the Project. Do not show roadways that have been removed or that will be constructed in future contracts.
5. Engineer shall prepare cross sections for major thoroughfares and for each roadway variation showing the traffic lanes, construction pavement markings, delineators, barriers, buffer zone for barrels and concrete traffic barriers (CTBs), pavement drop-off, and construction details.
6. Engineer shall pictorially represent all construction signing and label with appropriate identification number as shown in TMUTCD. Show and identify all other traffic control devices in the plans and cross sections.
7. Engineer shall use a "typical" TCP detail for portions of the Project wherever possible.

D. General Notes and Specifications"

1. Engineer shall add general noted to the drawings or to the City's Standard General Note Drawing, as required for clarity.

2. Engineer shall include the City Standard Specifications for Traffic Control, and supplement as required.

E. Graphical Standards:

1. Engineer shall use no smaller scales than 1 inch equals 50 feet for details and 1 inch equals 100 feet for overall signage or detour routing. Smaller scales shall require prior approval of the Director.

2. Engineer shall prepare traffic control construction quantities and estimate of Construction Cost.

F. For paving projects, include the following:

1. Engineer shall show temporary traffic control measures required during construction, such as temporary adjustments to traffic signals, installation of contractor-supplied equipment and conduit to provide for proper signal operation, and parking restriction signs in areas where parking is not currently restricted but added roadway capacity is required.

2. Where substantial roadway capacity is being lost during construction, the Engineer shall show placement of contractor-supplied changeable message signs with proposed messages to encourage use of alternative routes by the traveling public.

3.7 Traffic Signal Warrant Studies

A. Prepare traffic signal warrant Study for Medical Complex Segment 4B at Hufsmith-Kohrville.

3.8 Traffic Signal Design

A. Prepare traffic signal plans for Medical Complex Segment 4B at Hufsmith-Kohrville, if warranted.

B. Provide signal book for each proposed signal.

C. Coordinate and obtain power drop location with Centerpoint Energy.

D. Coordinate and obtain approval for improvements in Harris County ROW

3.9 Storm Water Pollution Prevention Plan (SWPPP)

A. Refer to City of Tomball Standard Details and Standard Specifications.

B. Refer to City of Tomball and/or applicable Storm Water Management Handbook for Construction Activities

C. The Engineer shall prepare the following documents in accordance with the above referenced standards and as described below.

1. Pollution Prevention Plan Report, as required.

2. Pollution Prevention Plan drawings having a minimum scale of 1 inch equals to 100 feet and showing all existing and proposed streets, Project alignments, applicable notes, proposed storm water conveyance systems, overland flow arrows, and pollution prevention measures.

3. Pollution Prevention Plan Specifications.

4. Pollution Prevention Plan construction quantities and estimate of Construction Cost.

5. The EPA Notice of Intent form (if required).

3.10 Existing Conditions Survey and Analysis

A. The Engineer shall perform a survey and analyses of the existing conditions at designated locations. The Engineer shall submit the results of the work in a separate report.

B. This special service is used where a separate deliverable is desired, and where the survey/analysis is not directly related to the scope of the new work, thus the engineering cost would not be included in the Basic Services.

Example – Consider a project that includes the mechanical and electrical rehabilitation of an existing pump station at a treatment plant site. Surveying and analyzing the existing conditions of the pump station would not be included under Additional Services, since it is covered under Basic Services with associate enhancement factors (if fee curves are used). However, if on the same project the public Utilities also desired a survey and analysis of the electrical/mechanical systems of the aeration blowers, but no new work to the existing aeration blowers was included, then this would be an example of Additional Services.

3.11 Design Review Committee (DRC) Meeting

A. The engineer shall attend a DRC Meeting to present the preliminary engineering recommendations to the City's Design Review Committee for approval to proceed to final Design. Members of the DRC are City staff and may include senior managers representing engineering, operations, maintenance, and construction divisions. The DRC will evaluate the Engineer's recommendations and approve or modify as appropriate.

B. Within 5 days following the DRC Meeting, the Engineer shall submit a summary of the decisions and action items from the meeting, and a revised Constriction Cost estimate.

3.12 Reproduction

A. Copies of record drawings for use in preparation of preliminary or final engineering design may be secured from the City, as available. Copies from drawings within a project set in the relevant project area should be obtained. Engineers should refrain from ordering "full sets" of drawings when not required.

B. All costs for reproduction of preliminary engineering documents and interim drawings should be included in the basic services for tier respective phases of work. No separate payment will be authorized for such services.

C. Reproduction of bid sets for drawings, project manuals and required reports will be paid in accordance with contract requirements on a reimbursable basis. Authorization for reproduction services should be requested by the Engineer and issued by the City prior to initiation of any reproduction activities associated with the project bidding.

3.13 Street Lighting Plans

A. Street Lighting plans shall be provided, if required, at 1"=40' scale (minimum) consistent with overall layouts.

B. Design consultant will prepare the lighting layout, spacing the streetlights at a distance of approximately 200 feet spacing. The design should include any existing street lighting and generally begin layouts at intersections working away from them.

C. Street lighting plans shall show the proposed street lighting locations, electrical conduits, pull boxes and power feed locations prepared in accordance with published CenterPoint Energy specifications.

D. The lighting layout will be submitted to the City for review and approval. Upon approval of the City, the approved layout will be submitted to CenterPoint Energy for review and cost estimate preparation for temporary or new fixtures. Conduit and pull box costs shall be included in the Engineers Project Construction Cost Estimate.

E. Street Lighting Plans shall include a table showing the locations of the existing and proposed streetlights by station number.

3.14 Tree Protection, Mitigation, and Planting Plan – NOT REQUIRED

3.15 Storm Water Quality Management Plan (SWQMP)

A. Refer to City of Tomball and/or Harris County "Storm Water Quality Management Guidance Manual".

1. Storm Water Quality Management Plans shall be required for projects discharging into Harris County, Harris County Flood Control District, Texas Department of Transportation or other MS4 operator-maintained facilities.

B. The Engineer shall prepare the following documents in accordance with the above-referenced standards and as described below:

1. Storm Water Quality Management Plan, as required.
2. Storm Water Quality Management Plan drawings having a minimum scale of I inch equals to 100 feet and showing all existing and proposed streets, project alignments, applicable notes, proposed storm water conveyance systems, overland flow arrows, and storm water quality measures related to normal operating activities.
3. Storm Water Quality Plan manual, including maintenance and inspection procedures.
4. Storm Water Quality Plan construction quantities and estimate of Construction Cost.

3.16 Land Acquisition Services (Subconsultant Proposals attached)

A. Provide evaluation, appraisal, research, and legal services in support of property acquisition for rights-of-way and easements necessary for construction and maintenance of the proposed improvements by the City of Tomball.

3.17 Project Site Representative

A. Duties and Responsibilities:

l. Schedules: Review the progress schedule, schedule of Shop Drawing submissions and schedule of values prepared by CONTRACTOR and consult with ENGINEER concerning their acceptability.

2. Conferences: Attend preconstruction conferences. Arrange a schedule of progress meetings and other job conferences as required in consultation with ENGINEER and notify those expected to attend in advance. Attend meetings, and maintain and circulate copies of minutes thereof.

3. Liaison:

a. Serve as ENGINEER's liaison with CONTRACTOR, working principally through CONTRACTOR's superintendent and assist him in understanding the intent of the Contract documents. Assist ENGINEER in serving as CITY's liaison with CONTRACTOR when CONTRACTOR's operations affect CITY's on-site operations.

b. As requested by ENGINEER, assist in obtaining from CITY additional details or information, when required at the job site for proper execution of the WORK.

c. Alert CONTRACTOR directly and through his superintendent, to the hazards involved in accepting or acting upon instructions from others, except instructions transmitted directly through the CITY or the ENGINEER.

4. Shop Drawings and Samples:

a. Receive and record data of receipt of Shop Drawings and samples that have been approved by ENGINEER.

b. Receive samples that arc furnished at the site by CONTRACTOR for ENGINEER's approval, and notify ENGINEER of their availability for examination.

c. Advise ENGINEER and CONTRACTOR or his superintendent immediately of the commencement of any Work requiring a Shop Drawing or sample submission if the submission has not been approved by ENGINEER.

5. Review of Work, Rejection of Defective Work, Inspection and Tests:

a. Conduct on-site observations of the Work in progress to assist ENGINEER in determining that the Project is proceeding in accordance with the Contract Documents and that completed Work will conform to the requirements of the Contract Documents.

b. Report to ENGINEER whenever he believes that any Work is unsatisfactory, faulty or defective or does not conform to the requirements of the Contract documents, or does not meet the requirements of any inspections, tests or approvals required to be made. Advise the ENGINEER when he believes Work should be corrected or rejected or should be uncovered for observation, or requires special testing or inspection.

c. Verify that tests, equipment and systems startups and operating and maintenance instructions are conducted as required by the Contract Documents and in presence of the required personnel, and that CONTRACTOR maintains adequate records thereof; observe, record and report to ENGINEER appropriate details relative to the test procedures and startups.

d. Accompany visiting inspectors representing public or other agencies having jurisdiction over the Project, record the outcome of these inspections and report to ENGINEER.

6. Interpretation of Contract Documents: Transmit to CONTRACTOR the ENGINEER's clarification and interpretations of the Contract Documents.

7. Modifications: Consider and evaluate CONTRACTOR's suggestions for modifications to Drawings or Specifications and report them with recommendations to ENGINEER.

8. Records:

    a. Maintain at the job site orderly files for correspondence, reports of job conferences, shop drawings and samples submissions, reproductions of original Contract Documents including all addenda, change orders, field orders, additional Drawings issued subsequent to the execution of the Contract, ENGINEER' s clarifications and interpretations of the Contract Documents, progress reports, and other Project related documents.

    b. Keep a diary or log book, recording hours on the job site, weather conditions, data relative to questions of extras or deductions, list of visiting officials, daily activities, decisions, observations in general and specific observations in more detail as in the case of observing test procedures. Send copies to ENGINEER

    c. Record names, addresses and telephone numbers of all CONTRACTORS, subcontractors and major suppliers of equipment and materials.

9. Reports:

    a. Furnish ENGINEER periodic reports as required of progress of the Work and CONTRACTOR's compliance with the approved progress schedule and schedule of Shop Drawing submission.

    b. Consult with ENGINEER in advance of scheduled major tests, inspections or start of important phases of the Work.

10. Payment Requisitions: Review applications for payment with CONIRACTOR for compliance with the established procedure for their submission and forward them with recommendations to ENGINEER, noting particularly their relation to the schedule of values, Work completed and materials and equipment delivered at the site.

11. Guarantees, Certificates, Maintenance, and Operation Manuals: During the course of the Work, verify that guarantees, certificates, maintenance and operation manuals and other data required to be assembled and furnished by CONTRACTOR are applicable to the items actually installed; and deliver this material to ENGINEER for his review and forwarding to CITY prior to final acceptance of the Project

12. Completion:

    a. Before ENGINEER issues a Certificate of Substantial Completion, submit to CONTRACTOR a list of observed items requiring correction.

    b. Conduct final inspection in the company of CITY, ENGJNEER and CONTRACTOR and prepare a final list of items to be corrected.

    c. Verify that all items on final list have been corrected and make recommendations to ENGINEER concerning acceptance

4.0 DEFINITION OF PHASE II MILESTONES FOR PAYMENT

4.1 Research Utilities

A. Engineer obtains and completes review of available record drawings.

B. Engineer completes the utility plan review, as defined in this Scope of Services.

C. Engineer completes coordination with other agencies, as identified in this Scope of Services.

D. Engineer verifies information obtained in steps A, B, and C above against findings from survey.

E. Engineer obtains maps and correspondence from applicable private utilities, showing and verifying location of existing utilities.

4.2 Plot of Topographical Surveys and Utilities

A. Engineer submits set of plan drawings showing results of topographic survey and location of existing public and private utilities.

4.3 50% Drawings

A. Engineer submits sets of construction drawings including, as a minimum:

    1. Cover sheet

    2. Overall Layout Plan

3. Survey Control Map
4. Plan and profile drawings of existing conditions and existing utilities
5. Plan drawings of proposed improvements
6. Profile drawings of proposed improvements at critical locations and potential conflicts
7. Locations of crossings (RR, HCFCD, TxDOT, etc.), potentially contaminated areas, and proposed real estate acquisitions

B. Engineer submits table of contents for construction specifications.

C. Engineer submits design review checklists (as available).

D. Engineer makes initial coordination effort with private utilities regarding potential conflicts for the project.

4.4 70% Drawings and Draft Specifications

A. Engineer submits sets of construction drawings including, as a minimum:

1. Cover Sheet
2. Index Sheet
3. Overall Layout Plan
4. Survey Control Map
5. Plan and profile drawings of existing conditions, existing utilities, and proposed improvements
6. Details of crossings (RR, HCFCD, TxDOT, etc.), potentially contaminated areas, and proposed real estate acquisitions
7. Standard Details
8. Traffic Control Plan and Detour Plan (if required)
9. Storm Water Pollution Prevention Plan (if required)
10. Tree and plant protection plan (if required)
11. For Paving Project, also include:
    a. Typical roadway section/cross section
    b. Traffic signal Plans (temporary and permanent)
    c. Permanent Paving Marking and Signage Plans
    d. Street Lighting Plans
    e. Drainage Area Maps
    f. Storm Sewer Computations

B. Engineer submits sets of draft construction specifications including as a minimum:

1. Table of Contents
2. Document 00405 (Schedule of Unit Price Work) with all bid items, but excluding quantities
3. Section 01110 (Summary of Work)
4. Completed technical specifications (divisions 2 through 16, as required)
5. All supplemental and non-standard technical specifications included in Divisions 2 through 16 identified.

C. Engineer submits documentation that drawings were submitted to private utilities for final review.

D. Engineers submits design review checklist (as available)

4.5 Final Drawings and Specifications (90% submittal)

A. Engineer submits completed sets of signed and sealed construction drawings, with all private utility and other agency signatures.

B. Engineer submits completed construction specifications.

C. Engineer submits sheet-by-sheet quantity takeoff, flagman hour calculation, and documentation to support the construction duration specified.

D. Engineer provides permit approval, as applicable, from TxDOT, Railroads, U.S. Army corps of Engineers, and Harris County Public Infrastructure Department.

E. Engineer documents submittals of plans to City for Building Permit Application and to Texas Department of Licensing and Regulations for ADA requirements, if applicable.

F. For wastewater projects, Engineer submits Final Engineering Design Report (FEDR) in conformance with TNRCC requirements.

4.6 Bid-ready Drawings and Specifications

A. Engineer submits bid-ready construction documents (signed and sealed construction drawings with all review comments resolved and all required signatures; and completed construction specifications).

B. Engineer documents that application for City Building Permit is approved, if applicable.

4.7 Bidding Services

A. Engineer completes services as per requirements of the Contract and the Scope of Services.

PART B – BASIS OF COMPENSATION AND REIMBURSABLE EXPENSES

ENGINEERING & PLANNING PROJECT NO. 2017-10005
CITY OF TOMBALL
MEDICAL COMPLEX SEGMENT 4B & SOUTH PERSIMMON
CONSTRUCTION DOCUMENT PREPARATION

The following represents the estimated maximum compensation for the scope of services documented in Attachment A, Part A of this agreement. If services beyond those specifically identified are determined necessary during the project, Engineer shall not proceed with those services until such time written approval of the scope and any additional fees are approved by the City of Tomball.

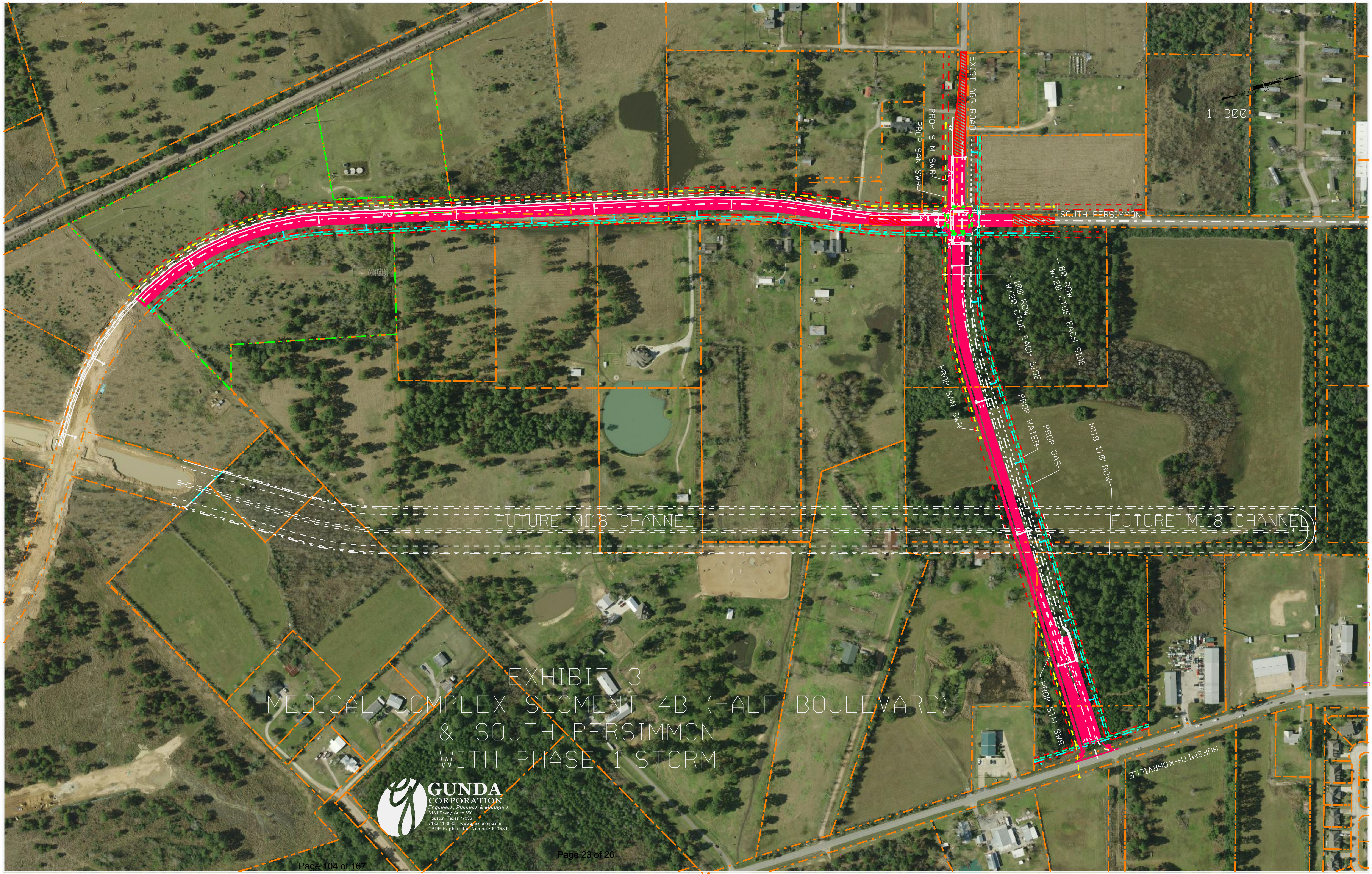
The recommended budget for this scope of services is:

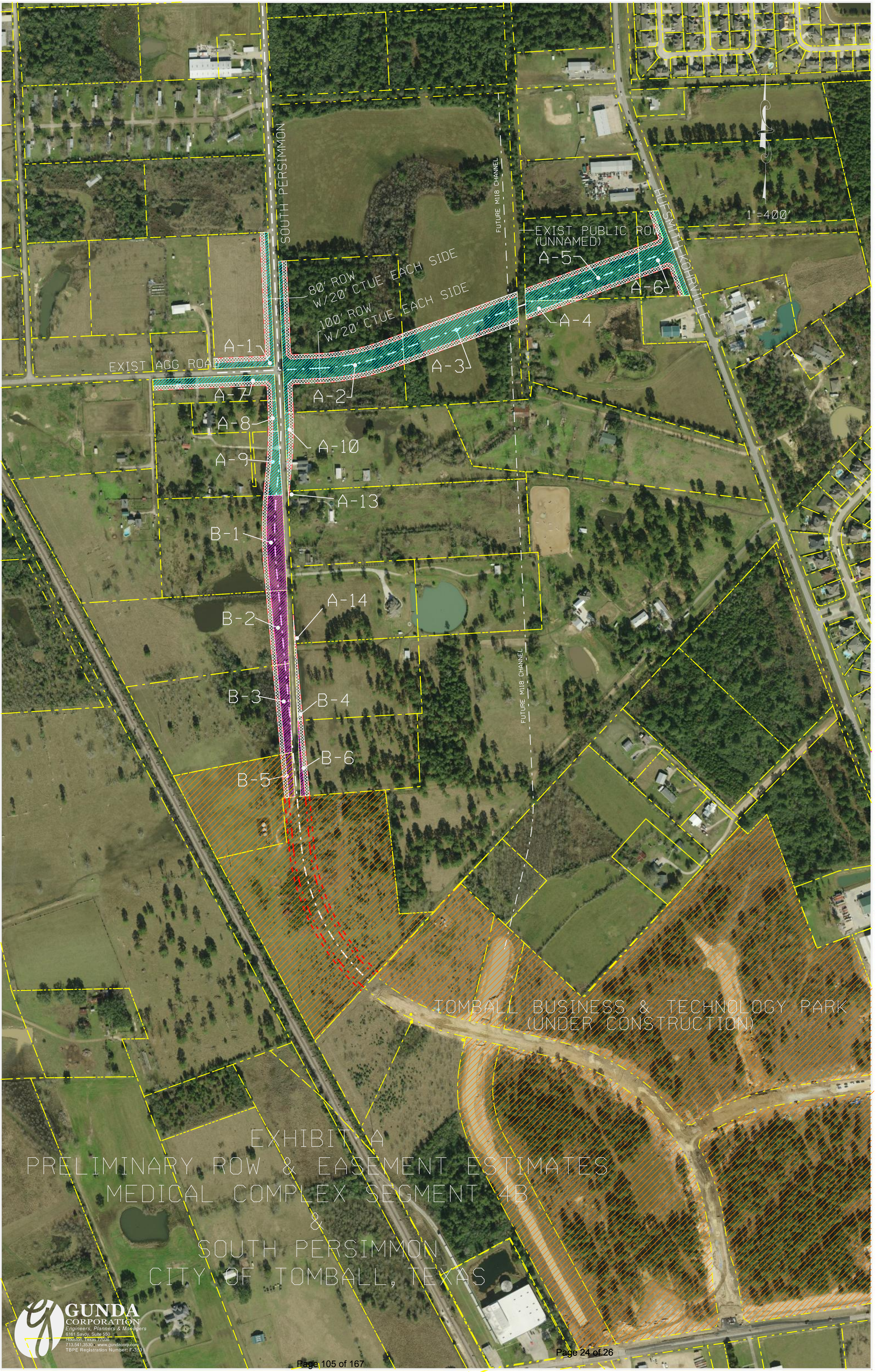
	Consultant Task			Rate	Base Fee	Subconsultant Markup @ 10%	Total Fee
2.0	**BASIC SERVICES**						
	Engineering Basic Services (I, II, & III)	1	L.S.	7.50%	$ 876,236.00	$ -	$ 876,236.00
	Project Management & Miscellaneous Services	1	L.S.	8.00%	$ 248,109.00	$ -	$ 248,109.00
	Post Construction Record Drawings & Certification	6100	L.F.	$ 2.00	$ 12,200.00	N/A	$ 12,200.00
3.0	**ADDITIONAL SERVICES**						
3.1	Land Surveying Service (Kuo & Associates)						
	Topographic Survey for Design & Survey Control Map	6100	L.F.	$ 8.39	$ 51,150.00	$ 5,115.00	$ 56,265.00
	Boundary Survey & ROW/Easement Mapping						
	ROW Parcel + 1 Easement	18	EA	(Ref Sub Proposal)	$ 83,355.00	$ 8,336.00	$ 91,691.00
	As-built Survey - Roadway & Utilities	6100	L.F.	$ 2.77	$ 16,920.00	$ 1,692.00	$ 18,612.00
3.2	Geotechnical Investigation						
	Geotechnical Study (Tolunay Wong Engineers, Inc.)	1	L.S.	$ 50,025.00	$ 50,025.00	$ 5,003.00	$ 55,028.00
	Materials Testing - Construction (Tolunay Wong Engineers, Inc.)	1	L.S.	$ 74,676.00	$ 74,676.00	$ 7,468.00	$ 82,144.00
3.3	Environmental Assessment						
	Phase 1 ESA (Tolunay Wong Engineers, Inc.)	1	L.S.	$ 27,000.00	$ 27,000.00	$ 2,700.00	$ 29,700.00
	Phase 2 ESA (Tolunay Wong Engineers, Inc.)	1	L.S.	$ 30,000.00	$ 30,000.00	$ 3,000.00	$ 33,000.00
	Wetlands Investigation (Tolunay Wong Engineers, Inc.)	1	L.S.	$ 30,000.00	$ 30,000.00	$ 3,000.00	$ 33,000.00
3.4	Drainage Modeling & Design	1	L.S.	$ 110,000.00	$ 110,000.00	$ 11,000.00	$ 121,000.00
3.6	Traffic Control Plan	1	L.S.	$ 35,000.00	$ 35,000.00	N/A	$ 35,000.00
3.7	Traffic Signal Warrant Study	1	L.S.	$ 14,000.00	$ 14,000.00	N/A	$ 14,000.00
3.8	Traffic Signal Design	1	L.S.	$ 40,000.00	$ 40,000.00	N/A	$ 40,000.00
3.9	Storm Water Pollution Prevention	1	L.S.	$ 20,000.00	$ 20,000.00	N/A	$ 20,000.00
3.13	Street Lighting Plans	1	L.S.	$ 15,000.00	$ 15,000.00	N/A	$ 15,000.00
3.15	Storm Water Quality Management Plan (SWQMP)	1	L.S.	$ 20,000.00	$ 20,000.00	N/A	$ 20,000.00
3.16	Real Estate Acquisition Services						
	Attorney (Andrews Kurth)	10	PARCEL	$ 50,000.00	$ 500,000.00	$ 50,000.00	$ 550,000.00
	Negotiation (Universal Field Services)	18	PARCEL	$ 14,875.00	$ 267,750.00	$ 26,775.00	$ 294,525.00
	Real Estate Appraisal (JLL)	18	PARCEL	$ 3,500.00	$ 63,000.00	$ 6,300.00	$ 69,300.00
	Real Estate Appraisal Hearing (JLL)	10	PARCEL	$ 7,000.00	$ 70,000.00	$ 7,000.00	$ 77,000.00
	Assistance/Management for Land Acquisition	270	T&M	$ 270.00	$ 72,900.00	$ 7,290.00	$ 80,190.00
3.17	Project Site Representative/Part Time Inspection	1	L.S.	3.00%	$ 422,567.00	N/A	$ 422,567.00
	Reimbursable Expenses	1	L.S.	$ 45,000.00	$ 45,000.00	N/A	$ 45,000.00
	Subtotal Consultant Fees				$ 3,203,888.00	$ 145,579.00	
	Total Recommended Project Budget						**$ 3,349,467.00**

Notes: 1. Reimbursable Expenses shall be invoiced and paid based on cost of service provided plus 10% markup. These services include travel, deliveries, postage, graphical reproduction, etc.

ATTACHMENT "B"

INSURANCE


EXIST AGG ROAD
PROP STM SWR
PROP SAN SWR
1"=300'
SOUTH PERSIMMON
100' ROW W/20' CTUE EACH SIDE
80' ROW W/20' CTUE EACH SIDE
PROP SAN SWR
PROP WATER
PROP GAS
M118 170' ROW
FUTURE M118 CHANNEL
FUTURE M118 CHANNEL
PROP STM SWR
HUFSMITH-KOHRVILLE
EXHIBIT 3
MEDICAL COMPLEX SEGMENT 4B (HALF BOULEVARD)
& SOUTH PERSIMMON
WITH PHASE 1 STORM
GUNDA
CORPORATION
Engineers, Planners & Managers
6161 Savoy, Suite 550
Houston, Texas 77036
713.541.3530 www.gundacorp.com
TBPE Registration Number: F-3531



SOUTH PERSIMMON
FUTURE M118 CHANNEL
EXIST PUBLIC ROW (UNNAMED)
HIRSCHFIELD
1"=400'
80' ROW W/20' CTUE EACH SIDE
100' ROW W/20' CTUE EACH SIDE
A-1
A-2
A-3
A-4
A-5
A-6
A-7
A-8
A-9
A-10
A-13
A-14
EXIST AGG ROAD
B-1
B-2
B-3
B-4
B-5
B-6
FUTURE M118 CHANNEL
TOMBALL BUSINESS & TECHNOLOGY PARK
(UNDER CONSTRUCTION)
EXHIBIT A
PRELIMINARY ROW & EASEMENT ESTIMATES
MEDICAL COMPLEX SEGMENT 4B
&
SOUTH PERSIMMON
CITY OF TOMBALL, TEXAS
GUNDA CORPORATION
Engineers, Planners & Managers
6161 Savoy, Suite 550
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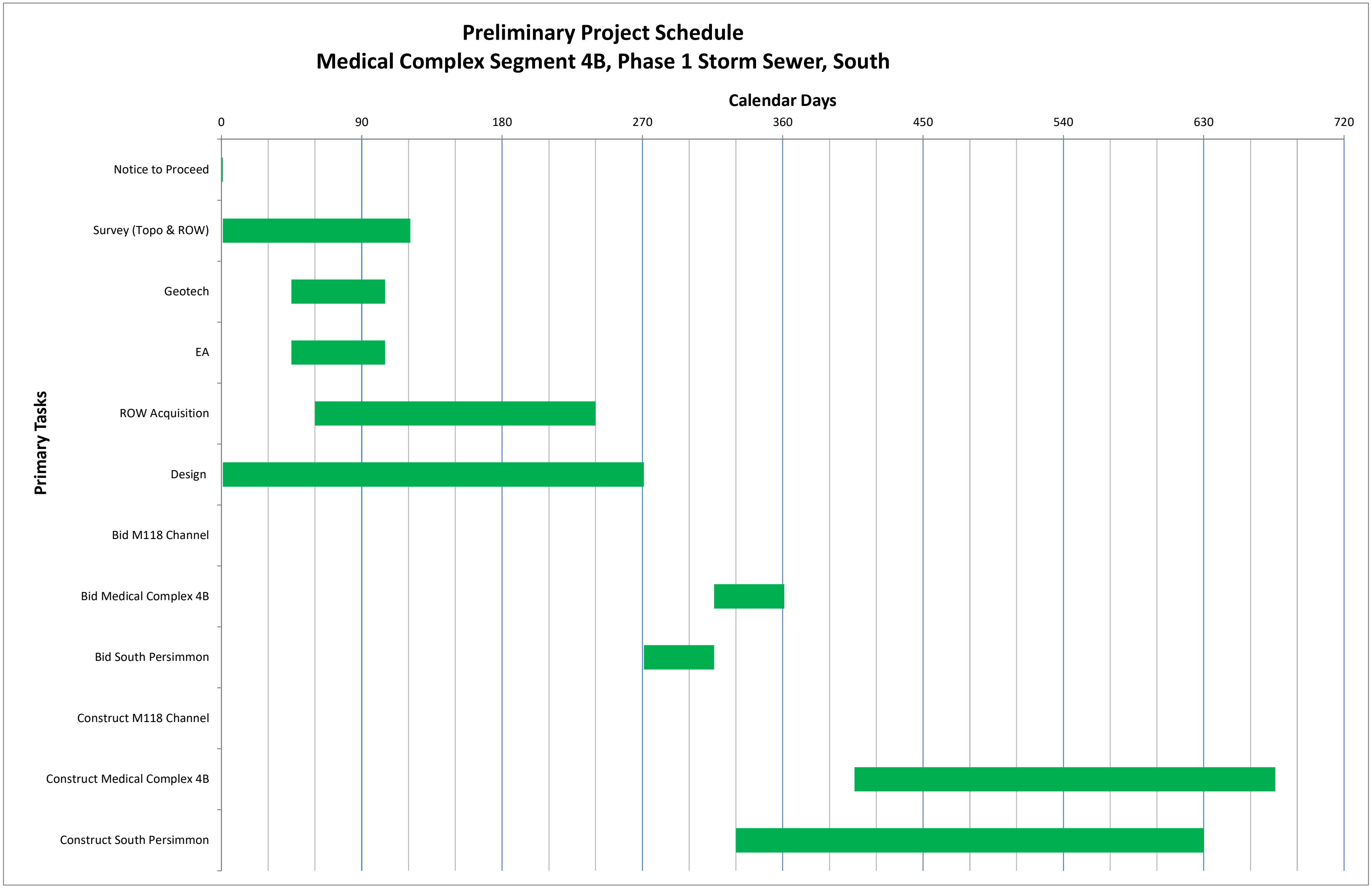
Preliminary Project Schedule
Medical Complex Segment 4B, Phase 1 Storm Sewer, South
Calendar Days
0
90
180
270
360
450
540
630
720
Primary Tasks
Notice to Proceed
Survey (Topo & ROW)
Geotech
EA
ROW Acquisition
Design
Bid M118 Channel
Bid Medical Complex 4B
Bid South Persimmon
Construct M118 Channel
Construct Medical Complex 4B
Construct South Persimmon

EXHIBIT 3

Estimate of Probable Costs

Medical Complex Segment 4B, Phase 1 Storm Sewer, South Persimmon Part 1 & 2

(NO CHANNEL, Sidewalk on South Side Medical Complex)

Cost Summary		**With Land Acquisition Services**	
Estimate of Probable Construction Costs	$	14,648,956.79	2017
ROW & Easement Acquisition	$	2,535,604.61	2017
Estimated Consultant Fees	$	3,420,571.52	
Total Project	**$**	**20,605,132.93**	
Total Project (TEDC Tracts Purchased Outside of this Scope)	**$**	**20,605,132.93**	

Regular City Council Agenda Item Data Sheet

Meeting Date: February 20, 2017

Topic:

Consideration to Reject Bid Received for Project No. 2017-09, Facility Maintenance: City Hall & IT/Marketing Annex

Background:

In an effort to obtain the most favorable pricing, sealed bids were solicited for the painting to the interior City Hall and construction of utility cabinets at the IT/ Marketing Annex Building. Bid packets were available at the Public Works Administration Building or could be electronically delivered by request. A total of nine vendors received information on the bid specifications and upon submission one bid was received. The bid received was submitted by K. Tillman Construction, LLC in the amount of $56,744.00, which is above the budgeted funds for this project. Due to price of the bid staff recommends rejection of the bid and solicitation of quotes for the work.

Origination:

Public Works Department

Recommendation:

Public Works staff recommends rejecting the bid received for bid number 2017-09 and soliciting quotes from eligible vendors.

Funding:

Yes

Account Number:100-114-6206 &

Party(ies) responsible for placing this item on agenda:

ACTION TAKEN

Approval	Readings Passed	Other
☐ Yes ☐ No	☐ 1st ☐ 2nd	

ATTACHMENTS:

Bid Tabulation

Bid Number 2017-09 - Facility Maintenance City Hall & IT/ Marketing Annex Building

Bid Tabulation

Company: K. Tillman Construction

Paint Brand & Bid Bond Submitted	City Hall	IT/ Marketing Annex Bldg	Total Bid
Sherwin Williams	$52,244.00	$4,500.00	$56,744.00
Bid Bond			

Regular City Council Agenda Item Data Sheet

Meeting Date: February 20, 2017

Topic:

Approve Resolution No. 2017-05, a Resolution of the City of Tomball, Texas, Adopting the City of Tomball's Investment Policy, as Set Out in City of Tomball Administrative Policy No. 13, Entitled *"Investment Policy"*

Background:

Administrative Policy No. 13 - Investment Policy identifies those types of investments into which the City may place its funds. The City's policy is constrained by the Texas Public Funds Investment Act. Each year, the Public Funds Investment Act requires that the governing body review and adopt the policy by resolution.

The Investment Policy was last reviewed and adopted at the regular council meeting on September 6, 2016.

At the time of that review, the City had three brokerage firms listed as approved:

Robert W. Baird & Co. Incorporated
Coastal Securities
Wells Fargo Securities, LLC

Since that time, Wells Fargo has closed their Houston office and released all personnel, including the brokers that the City dealt with on many of their trades. Additionally, Coastal Securities was purchased by First Tennessee (a division of First Horizon National Corporation) and will become FTN Financial on April 1, 2017.

The broker that we were using at the Wells Fargo Houston office is now with Cantor Fitzgerald National Markets Group in their Houston office. This broker is familiar with the City of Tomball, our cash flow requirements, and our capital project needs. Based upon our history with this broker, we would like to add the firm of Cantor Fitzgerald to our approved broker listing.

Additionally, as part of the amendment to our policy, we are including a notation that Coastal Securities will become First Tennessee Financial (a division of First Horizon National Corporation) on April 1, 2017.

Finally, and as a result of the last charter change, we are changing the name "City Treasurer" to "Finance Director" where it appears in the current policy.

Origination:

Finance

Recommendation:

Approval of Investment Policy as amended.

Party(ies) responsible for placing this item on agenda:

Glenn Windsor, CPA Finance Director

ACTION TAKEN

Approval	Readings Passed	Other

☐ **Yes** ☐ **No**	☐ **1st** ☐ **2nd**	

ATTACHMENTS:

Resolution No. 2017-05
Amended Investment Policy With Requested Changes Highlighted in Yellow
Current Resolution
Current Investment Policy
Cantor Fitzgerald
First Horizon National Corporation

RESOLUTION NO. 2017-05

A RESOLUTION OF THE CITY OF TOMBALL, TEXAS, ADOPTING THE CITY OF TOMBALL'S INVESTMENT POLICY, AS SET OUT IN CITY OF TOMBALL ADMINISTRATIVE POLICY NO. 13, ENTITLED "INVESTMENT POLICY".

* * * * * * * * * *

WHEREAS, Texas Government Code, Section 2256.005(a), states that "the governing body of an investing entity shall adopt by rule, order, ordinance, or resolution, as appropriate, a written investment policy regarding the investment of its funds and funds under its control"; and

WHEREAS, the governing body of an investing entity shall review its investment policy and investment strategies not less than annually, adopting a written instrument by rule, order, ordinance, or resolution stating that it has reviewed the investment policy and investment strategies and that the written instrument so adopted shall record any changes made to either the investment policy or investment strategies;

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

<u>Section 1</u>. The City Council has reviewed the investment policy and now desires to reaffirm and re-adopt said investment policy, as set forth in City of Tomball Administrative Policy No. 13, entitled "Investment Policy", a copy of which is attached hereto and made a part hereof as Exhibit "A".

<u>Section 2</u>. All resolutions or parts of resolutions inconsistent or in conflict herewith are, to the extent of such inconsistency or conflict, hereby repealed.

<u>Section 3</u>. In the event any clause phrase, provision, sentence, or part of this Resolution or the application of the same to any person or circumstances shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair, or invalidate this Resolution as a whole or any part or provision hereof other than the part declared to be invalid or unconstitutional; and the City Council of the City of Tomball, Texas, declares that it would have passed each and every part of the same notwithstanding the omission of any such part thus declared to be invalid or unconstitutional, whether there be one or more parts.

PASSED, APPROVED, AND RESOLVED this the 20th day of February, 2017.

GRETCHEN FAGAN, Mayor
City of Tomball

ATTEST:

DORIS SPEER, City Secretary
City of Tomball

CITY OF TOMBALL

INVESTMENT POLICY

I. SCOPE OF POLICY

PURPOSE:

This policy is developed to be in accordance with the Public Funds Investment Act, Chapter 2256 and with the Public Funds Collateral Act, Chapter 2257 of the Texas Government Code, as amended. This investment policy applies to the investment activities of the City of Tomball. This policy serves to satisfy the statutory requirement to define and adopt a formal investment policy. The investment portfolio shall be designed and managed in a manner to be responsive to public trust and to be in compliance with legal requirements and limitations.

INVESTMENT FUNDS:

All financial assets of all funds of the City of Tomball, Texas, at the present time and any funds to be created in the future shall be administered in accordance with the provisions of this policy. For investment purposes, all funds of the City shall be combined in a common pool, except as provided by applicable federal or state statues, City ordinance, or other law. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

II. PRIMARY OBJECTIVES

SAFETY OF PRINCIPAL:

The safety of the principal invested always remains the primary and foremost objective. All investments shall be designed and managed in a manner responsive to the public trust and consistent with state and local law. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk, the risk of loss due to the failure of the security issuer or backer, and interest rate risk, the risk that the market value of securities in the portfolio will fall due to changes in general interest rates.

LIQUIDITY:

The City's investment portfolio will remain sufficiently liquid to enable the City to meet operating requirements that might be reasonably anticipated. Liquidity shall be achieved by structuring the portfolio so that investments mature concurrent with forecasted cash flow requirements. Because all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets. A portion of the portfolio will also be placed in interest bearing accounts which offer same day liquidity for short-term funds.

DIVERSIFICATION:

Invested funds shall be diversified to minimize risk resulting from over-concentration of assets in a specific maturity, specific market sector, or specific instruments.

YIELD:

The City's cash management portfolio shall be designed with the objective of attaining reasonable market rates of return on investments, while remaining within the objective of safety and liquidity, throughout budgetary and economic cycles. The investment program shall seek to augment these returns consistent with risk limitations identified herein and prudent investment principles, also taking into account the risk constraints associated with the protection of capital.

MATURITY:

The investment maturity schedule shall correspond with the City's projected cash flow needs. Market risk shall be minimized by diversification of maturity dates. The City has a "buy and hold" portfolio strategy. Maturity dates are matched with cash flow requirements and investments are purchased with the intent to be held until maturity. However, securities may be sold before they mature should it be in the City's best interest. No City investments shall exceed a maturity of more than four years.

INVESTMENT MANAGEMENT:

All participants in the investment process shall seek to act responsibly as custodians of the public trust. They shall avoid any transactions that might impair public confidence in the City's ability to govern effectively. The system of internal controls will be reviewed annually with the independent auditor of the City. The controls shall be designed to prevent loss of public funds due to fraud, employee error, misrepresentation by third parties, unanticipated market changes, or imprudent actions by employees of the City.

III. AUTHORIZED INVESTMENTS

Assets of funds of the government of the City of Tomball may be invested in:

A. Obligations of the United States or its agencies and instrumentalities;

B. Direct obligations of the State of Texas or its agencies and instrumentalities;

C. Collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States;

D. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the State of Texas or the United States or their respective agencies and instrumentalities;

E. Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent;

F. Certificates of Deposit issued by state or national banks with its main office or a branch in the State of Texas, a savings bank with its main office or a branch in the State of Texas, or a state or federal credit union with its main office or a branch in the State of Texas and are guaranteed or insured by the Federal Deposit Insurance Corporation or its successor or the National Credit Union Share Insurance Fund or its successor and are secured by the obligations named within this policy under items A through E above.

G. Repurchase agreements which are fully collateralized, have a defined termination date, are secured by obligations of the United States or its agencies and instrumentalities; are purchased and pledged to the City of Tomball; are held in the City of Tomball's name; are deposited with third-party safekeeping of collateral at the time the investment is made; and are purchased through a primary government securities dealer or state or national bank doing business in the State of Texas evidenced by a fully executed Master Repurchase Agreement on file with the City. The repurchase agreement is a simultaneous agreement to buy, hold for a specified time, and sell back at a future date obligations of the United States or its agencies and instrumentalities, at a market value at the time the funds are disbursed of not less than the principal amount of the funds disbursed.

H. Commercial paper is an authorized investment if the commercial paper:

   a. Has a stated maturity of 270 days or fewer from the date of its issuance; and
   b. Is rated not less than A-1 or P-1 or an equivalent rating by at least:
      i. Two nationally recognized credit rating agencies; or
      ii. One nationally recognized credit rating agency and is fully secured by an irrevocable letter of credit issued by organized and existing under the laws of the United States or any state.

I. An eligible investment pool authorized by the governing body, which must furnish to the City an offering circular or other similar disclosure instrument that contains, at a minimum, the types of investments in which money is allowed to be invested; the maximum average dollar-weighted maturity allowed, based on the stated maturity date, of the pool; the maximum stated maturity date of any investment within the portfolio; the objectives of the pool; the size of the pool; the names of the members of the advisory board of the pool and the dates their terms expire; the custodian bank that will safe-keep the pool's assets; whether the intent of the pool is to maintain a net asset value of one dollar and the risk of market price fluctuation; whether the only source of payment is the assets of the pool at market value or whether there is a secondary source of payment, such as insurance or guarantees, and a description of the secondary source of payment; the name and address of the independent auditor of the pool; the requirements to be satisfied for an entity to deposit funds in and withdraw funds from the pool and any deadlines or other operating policies required for the entity to invest funds in and withdraw funds from the pool; and the performance history of the pool, including yield, average dollar-weighted maturities, and expense ratios.

To maintain eligibility to receive funds from and invest funds on behalf of the City of Tomball, an investment pool must furnish to the City investment transaction confirmations; and a monthly report that contains, at a minimum, the types and percentage breakdown of securities in which the pool is invested, the current average dollar-weighted maturity based on the stated maturity date of the pool, the current percentage of the pool's portfolio in investments that have stated maturities of more than one year, the book value versus the market value of the pool's portfolio, using amortized cost valuation, the size of the pool, the number of participants in the pool, the custodian bank that is safekeeping the assets of the pool, a listing of daily transaction activity of the entity participating in the pool, the yield and expense ratio of the pool, the portfolio managers of the pool and any changes or addenda to the offering circular.

Investment pool yield shall be calculated in accordance with regulations governing the registration of open-end management investment companies under the Investment Company Act of 1940, as promulgated from time to time by the Federal Securities and Exchange Commission.

To be eligible to receive funds from and invest funds on behalf of the City of Tomball, a public funds investment pool created to function as a money market mutual fund must mark its portfolio to market daily, and, to the extent reasonably possible, stabilize at a $1 net asset value.

If the ratio of the market value of the portfolio divided by the book value of the portfolio is less than 0.995 or greater than 1.005, portfolio holdings shall be sold as necessary to maintain the ration between 0.995 and 1.005.

A public funds investment pool must have an advisory board composed: equally of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool, for a public funds investment pool created and managed by a state agency; or of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool, for other investment pools.

To maintain eligibility to receive funds from and invest funds on behalf of the City of Tomball, an investment pool must be continuously rated no lower than AAA or AAA-m or at an equivalent rating by at least one nationally recognized rating service or no lower than investment grade by at least one nationally recognized rating service with a weighted average maturity no greater than 90 days.

Although allowed under State Law, Prime Domestic Bankers' Acceptances, and Money-market mutual funds are not considered suitable investments of the City of Tomball, and the City of Tomball will refrain from making such investments or allowing such instruments to be pledged to the City's deposits or serve as underlying collateral.

IV. RESPONSIBILITY AND CONTROL

DELEGATION OF AUTHORITY:

Management responsibility for the investment program is hereby delegated to the Finance Director, or in the absence of such, Assistant City Manager, or such other person specifically designated by the City Manager or Assistant City Manager. The Finance Director, or designated person by such, shall be responsible for all transactions, compliance with internal controls, and insuring that all safekeeping, custodial, and collateral duties are in compliance with this investment policy and other applicable laws and regulations.

TRAINING REQUIREMENT:

The Finance Director, and any person designated by the Finance Director, City Manager, and/or Assistant City Manager to be responsible for the investment of City funds shall attend an independent and approved source of investment training session no less often than once every two fiscal years and shall receive not less than 10 hours of instruction relating to investment responsibilities under the state statutes. Any person newly designated to duties relating to the investment program shall be required to attend an independent and approved source of investment training session within 12 months of such designation. Training must include education in investment controls, security risks, strategy risks, market risks, diversification of the investment portfolio, and compliance with the Public Funds Investment Act under the Texas Government Code Chapter 2256.

QUARTERLY REPORTS:

The Finance Director, and the person or persons designated by such, shall submit quarterly an investment report that summarizes the investment portfolio for all funds to the City Council. The report shall describe in detail the investment position of the City on the date of the report; be prepared and signed by all investment officers of the City; contain a summary statement, prepared in compliance with generally accepted accounting principles; provide the beginning market value for the reporting period, the additions and changes to the market value during the period, the ending market value for the period, and fully accrued interest for the reporting period; state the book value and market value of each separately invested asset at the beginning and end of the reporting period by the type of asset and fund type invested; state the maturity date of each separately invested asset that has a maturity date; state the account, fund or pooled group fund in City for which each individual investment was acquired; and state the compliance of the investment portfolio of the City's policy as it relates to the strategy. The reports shall be formally reviewed at least annually by an independent auditor, and the result of the review shall be reported to the governing body by that auditor.

CONFLICTS OF INTEREST:

The Finance Director, or any person designated by such to be responsible for investments, shall not be designated as an investment officer for any investing entity other than the City of Tomball. Any person responsible for investments for the City who has a personal business relationship with a business organization offering to engage in an investment transaction with the entity shall file a statement disclosing that personal business interest. Any person responsible for investments for the City who is related within the second degree by affinity or consanguinity to an individual seeking to sell an investment to the City shall file a statement disclosing that relationship. This statement must be filed with the Texas Ethics Commission and the City of Tomball. A personal business relationship is defined as owning 10 percent or more of the voting stock or shares of the business organization or owns $5,000 or more of the fair market value of the business organization; funds received from the business organization exceed 10 percent of the person's gross income for the previous year; or the acquisition of investments from the business organization during the previous year have a book value of $2,500 or more for the person's personal account. Any person involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Employees and investment officials shall disclose to the City Secretary any material financial interest in financial institutions that conduct business within this jurisdiction, and they shall further disclose any large personal financial and/or investment positions that could be related to the performance of the City's portfolio. Any person responsible for investments shall subordinate their personal investment transactions to those of this jurisdiction, particularly with regard to the timing of purchases and sales.

V. COLLATERAL AND SAFEKEEPING

COLLATERAL REQUIRED:

Funds of the City of Tomball shall be secured by collateral, whereby the market value of such collateral shall not be less than the total amount of the sum of the City's deposits, investments and accrued interest less the amount of insurance provided by the United States or an instrumentality of the United States, such as FDIC and FSLIC insurance. All items held for collateral for the City of Tomball shall be qualified investments as stated in items III.A. through III.E. of the City's investment policy.

SECURITY OF COLLATERAL:

All securities owned by thy City or pledged to the City shall be held in safekeeping by the City; in a City approved account in a third party financial institution with a main office in the State of Texas and capital stock and permanent surplus of $5 million or more; the Texas Treasury Safekeeping Trust Company; a federal home loan bank; or with a Federal Reserve Bank. A third party custodian shall be required to issue original safekeeping receipts directly to the City and monthly provide a listing of each specific security, rate description, maturity, CUSIP number, and other information as may be deemed necessary and appropriate by the City. Each safekeeping receipt will be clearly marked that the security is pledged to the City of Tomball. It shall be the sole responsibility of the financial institution to immediately, without notice from the City or cost to the City, replace any nonconforming pledged security.

SUBJECT	NUMBER: 13	EFFECTIVE DATE: July 27, 1992	PAGE 8 OF 8
INVESTMENT POLICY	REVISED: September 6, 2016	APPROVED BY CITY MANAGER: September 6, 2016	
	SUPERSEDES: September 21, 2015	APPROVED BY CITY COUNCIL: September 6, 2016	

DELIVERY VS. PAYMENT:

Treasury Bills, Notes and Bonds and Government Agencies' securities shall be purchased using the delivery vs. payment method. That is, funds shall not be wired or paid until verification has been made that the correct security was received by the City of Tomball or its designated Trustee. The security shall be held in the name of the City. The Trustee's records shall reflect that the City owns such securities. In the event that the security is held by Trustee, the original copy of all safekeeping receipts shall be delivered to the City Treasurer, or person designated by such.

VI. AUTHORIZED BROKERS

The City of Tomball shall annually review, revise, and adopt a list of qualified brokers that are authorized to engage in investment transactions with the City. Following are authorized brokers for the City of Tomball:

Robert W. Baird & Co. Incorporated
Coastal Securities
Wells Fargo Securities, LLC
Cantor Fitzgerald National Markets Group

RESOLUTION NO. 2016-16

A RESOLUTION OF THE CITY OF TOMBALL, TEXAS, ADOPTING THE CITY OF TOMBALL'S INVESTMENT POLICY, AS SET OUT IN CITY OF TOMBALL ADMINISTRATIVE POLICY NO. 13, ENTITLED "INVESTMENT POLICY".

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WHEREAS, Texas Government Code, Section 2256.005(a), states that "the governing body of an investing entity shall adopt by rule, order, ordinance, or resolution, as appropriate, a written investment policy regarding the investment of its funds and funds under its control"; and

WHEREAS, the governing body of an investing entity shall review its investment policy and investment strategies not less than annually, adopting a written instrument by rule, order, ordinance, or resolution stating that it has reviewed the investment policy and investment strategies and that the written instrument so adopted shall record any changes made to either the investment policy or investment strategies;

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

Section 1. The City Council has reviewed the investment policy and now desires to reaffirm and re-adopt said investment policy, as set forth in City of Tomball Administrative Policy No. 13, entitled "Investment Policy", a copy of which is attached hereto and made a part hereof as Exhibit "A".

Section 2. All resolutions or parts of resolutions inconsistent or in conflict herewith are, to the extent of such inconsistency or conflict, hereby repealed.

Section 3. In the event any clause phrase, provision, sentence, or part of this Resolution or the application of the same to any person or circumstances shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair, or invalidate this Resolution as a whole or any part or provision hereof other than the part declared to be invalid or unconstitutional; and the City Council of the City of Tomball, Texas, declares that it would have passed each and every part of the same notwithstanding the omission of any such part thus declared to be invalid or unconstitutional, whether there be one or more parts.

PASSED, APPROVED, AND RESOLVED this the 6th day of September, 2016.

GRETCHEN FAGAN, Mayor
City of Tomball

ATTEST:

DORIS SPEER, City Secretary
City of Tomball

CITY OF TOMBALL

INVESTMENT POLICY

I. SCOPE OF POLICY

PURPOSE:

This policy is developed to be in accordance with the Public Funds Investment Act, Chapter 2256 and with the Public Funds Collateral Act, Chapter 2257 of the Texas Government Code, as amended. This investment policy applies to the investment activities of the City of Tomball. This policy serves to satisfy the statutory requirement to define and adopt a formal investment policy. The investment portfolio shall be designed and managed in a manner to be responsive to public trust and to be in compliance with legal requirements and limitations.

INVESTMENT FUNDS:

All financial assets of all funds of the City of Tomball, Texas, at the present time and any funds to be created in the future shall be administered in accordance with the provisions of this policy. For investment purposes, all funds of the City shall be combined in a common pool, except as provided by applicable federal or state statues, City ordinance, or other law. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

II. PRIMARY OBJECTIVES

SAFETY OF PRINCIPAL:

The safety of the principal invested always remains the primary and foremost objective. All investments shall be designed and managed in a manner responsive to the public trust and consistent with state and local law. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk, the risk of loss due to the failure of the security issuer or backer, and interest rate risk, the risk that the market value of securities in the portfolio will fall due to changes in general interest rates.

LIQUIDITY:

The City's investment portfolio will remain sufficiently liquid to enable the City to meet operating requirements that might be reasonably anticipated. Liquidity shall be achieved by structuring the portfolio so that investments mature concurrent with forecasted cash flow requirements. Because all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets. A portion of the portfolio will also be placed in interest bearing accounts which offer same day liquidity for short-term funds.

DIVERSIFICATION:

Invested funds shall be diversified to minimize risk resulting from over-concentration of assets in a specific maturity, specific market sector, or specific instruments.

YIELD:

The City's cash management portfolio shall be designed with the objective of attaining reasonable market rates of return on investments, while remaining within the objective of safety and liquidity, throughout budgetary and economic cycles. The investment program shall seek to augment these returns consistent with risk limitations identified herein and prudent investment principles, also taking into account the risk constraints associated with the protection of capital.

MATURITY:

The investment maturity schedule shall correspond with the City's projected cash flow needs. Market risk shall be minimized by diversification of maturity dates. The City has a "buy and hold" portfolio strategy. Maturity dates are matched with cash flow requirements and investments are purchased with the intent to be held until maturity. However, securities may be sold before they mature should it be in the City's best interest. No City investments shall exceed a maturity of more than four years.

INVESTMENT MANAGEMENT:

All participants in the investment process shall seek to act responsibly as custodians of the public trust. They shall avoid any transactions that might impair public confidence in the City's ability to govern effectively. The system of internal controls will be reviewed annually with the independent auditor of the City. The controls shall be designed to prevent loss of public funds due to fraud, employee error, misrepresentation by third parties, unanticipated market changes, or imprudent actions by employees of the City.

III. AUTHORIZED INVESTMENTS

Assets of funds of the government of the City of Tomball may be invested in:

A. Obligations of the United States or its agencies and instrumentalities;

B. Direct obligations of the State of Texas or its agencies and instrumentalities;

C. Collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States;

D. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the State of Texas or the United States or their respective agencies and instrumentalities;

E. Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent;

F. Certificates of Deposit issued by state or national banks with its main office or a branch in the State of Texas, a savings bank with its main office or a branch in the State of Texas, or a state or federal credit union with its main office or a branch in the State of Texas and are guaranteed or insured by the Federal Deposit Insurance Corporation or its successor or the National Credit Union Share Insurance Fund or its successor and are secured by the obligations named within this policy under items A through E above.

G. Repurchase agreements which are fully collateralized, have a defined termination date, are secured by obligations of the United States or its agencies and instrumentalities; are purchased and pledged to the City of Tomball; are held in the City of Tomball's name; are deposited with third-party safekeeping of collateral at the time the investment is made; and are purchased through a primary government securities dealer or state or national bank doing business in the State of Texas evidenced by a fully executed Master Repurchase Agreement on file with the City. The repurchase agreement is a simultaneous agreement to buy, hold for a specified time, and sell back at a future date obligations of the United States or its agencies and instrumentalities, at a market value at the time the funds are disbursed of not less than the principal amount of the funds disbursed.

H. Commercial paper is an authorized investment if the commercial paper:

a. Has a stated maturity of 270 days or fewer from the date of its issuance; and
b. Is rated not less than A-1 or P-1 or an equivalent rating by at least:
   i. Two nationally recognized credit rating agencies; or
   ii. One nationally recognized credit rating agency and is fully secured by an irrevocable letter of credit issued by organized and existing under the laws of the United States or any state.

I. An eligible investment pool authorized by the governing body, which must furnish to the City an offering circular or other similar disclosure instrument that contains, at a minimum, the types of investments in which money is allowed to be invested; the maximum average dollar-weighted maturity allowed, based on the stated maturity date, of the pool; the maximum stated maturity date of any investment within the portfolio; the objectives of the pool; the size of the pool; the names of the members of the advisory board of the pool and the dates their terms expire; the custodian bank that will safe-keep the pool's assets; whether the intent of the pool is to maintain a net asset value of one dollar and the risk of market price fluctuation; whether the only source of payment is the assets of the pool at market value or whether there is a secondary source of payment, such as insurance or guarantees, and a description of the secondary source of payment; the name and address of the independent auditor of the pool; the requirements to be satisfied for an entity to deposit funds in and withdraw funds from the pool and any deadlines or other operating policies required for the entity to invest funds in and withdraw funds from the pool; and the performance history of the pool, including yield, average dollar-weighted maturities, and expense ratios.

To maintain eligibility to receive funds from and invest funds on behalf of the City of Tomball, an investment pool must furnish to the City investment transaction confirmations; and a monthly report that contains, at a minimum, the types and percentage breakdown of securities in which the pool is invested, the current average dollar-weighted maturity based on the stated maturity date of the pool, the current percentage of the pool's portfolio in investments that have stated maturities of more than one year, the book value versus the market value of the pool's portfolio, using amortized cost valuation, the size of the pool, the number of participants in the pool, the custodian bank that is safekeeping the assets of the pool, a listing of daily transaction activity of the entity participating in the pool, the yield and expense ratio of the pool, the portfolio managers of the pool and any changes or addenda to the offering circular.

Investment pool yield shall be calculated in accordance with regulations governing the registration of open-end management investment companies under the Investment Company Act of 1940, as promulgated from time to time by the Federal Securities and Exchange Commission.

To be eligible to receive funds from and invest funds on behalf of the City of Tomball, a public funds investment pool created to function as a money market mutual fund must mark its portfolio to market daily, and, to the extent reasonably possible, stabilize at a $1 net asset value.

If the ratio of the market value of the portfolio divided by the book value of the portfolio is less than 0.995 or greater than 1.005, portfolio holdings shall be sold as necessary to maintain the ration between 0.995 and 1.005.

A public funds investment pool must have an advisory board composed: equally of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool, for a public funds investment pool created and managed by a state agency; or of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool, for other investment pools.

To maintain eligibility to receive funds from and invest funds on behalf of the City of Tomball, an investment pool must be continuously rated no lower than AAA or AAA-m or at an equivalent rating by at least one nationally recognized rating service or no lower than investment grade by at least one nationally recognized rating service with a weighted average maturity no greater than 90 days.

Although allowed under State Law, Prime Domestic Bankers' Acceptances, and Money-market mutual funds are not considered suitable investments of the City of Tomball, and the City of Tomball will refrain from making such investments or allowing such instruments to be pledged to the City's deposits or serve as underlying collateral.

IV. RESPONSIBILITY AND CONTROL

DELEGATION OF AUTHORITY:

Management responsibility for the investment program is hereby delegated to the City Treasurer, or in the absence of such, Assistant City Treasurer, or such other person specifically designated by the Treasurer. The City Treasurer, or designated person by such, shall be responsible for all transactions, compliance with internal controls, and insuring that all safekeeping, custodial, and collateral duties are in compliance with this investment policy and other applicable laws and regulations.

TRAINING REQUIREMENT:

The City Treasurer, the Assistant City Treasurer and any person designated by the Treasurer to be responsible for the investment of City funds shall attend an independent and approved source of investment training session no less often than once every two fiscal years and shall receive not less than 10 hours of instruction relating to investment responsibilities under the state statutes. Any person newly designated to duties relating to the investment program shall be required to attend an independent and approved source of investment training session within 12 months of such designation. Training must include education in investment controls, security risks, strategy risks, market risks, diversification of the investment portfolio, and compliance with the Public Funds Investment Act under the Texas Government Code Chapter 2256.

QUARTERLY REPORTS:

The City Treasurer, and the person or persons designated by such, shall submit quarterly an investment report that summarizes the investment portfolio for all funds to the City Council. The report shall describe in detail the investment position of the City on the date of the report; be prepared and signed by all investment officers of the City; contain a summary statement, prepared in compliance with generally accepted accounting principles; provide the beginning market value for the reporting period, the additions and changes to the market value during the period, the ending market value for the period, and fully accrued interest for the reporting period; state the book value and market value of each separately invested asset at the beginning and end of the reporting period by the type of asset and fund type invested; state the maturity date of each separately invested asset that has a maturity date; state the account, fund or pooled group fund in City for which each individual investment was acquired; and state the compliance of the investment portfolio of the City's policy as it relates to the strategy. The reports shall be formally reviewed at least annually by an independent auditor, and the result of the review shall be reported to the governing body by that auditor.

CONFLICTS OF INTEREST:

The City Treasurer, or any person designated by such to be responsible for investments, shall not be designated as an investment officer for any investing entity other than the City of Tomball. Any person responsible for investments for the City who has a personal business relationship with a business organization offering to engage in an investment transaction with the entity shall file a statement disclosing that personal business interest. Any person responsible for investments for the City who is related within the second degree by affinity or consanguinity to an individual seeking to sell an investment to the City shall file a statement disclosing that relationship. This statement must be filed with the Texas Ethics Commission and the City of Tomball. A personal business relationship is defined as owning 10 percent or more of the voting stock or shares of the business organization or owns $5,000 or more of the fair market value of the business organization; funds received from the business organization exceed 10 percent of the person's gross income for the previous year; or the acquisition of investments from the business organization during the previous year have a book value of $2,500 or more for the person's personal account. Any person involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Employees and investment officials shall disclose to the City Secretary any material financial interest in financial institutions that conduct business within this jurisdiction, and they shall further disclose any large personal financial and/or investment positions that could be related to the performance of the City's portfolio. Any person responsible for investments shall subordinate their personal investment transactions to those of this jurisdiction, particularly with regard to the timing of purchases and sales.

V. COLLATERAL AND SAFEKEEPING

COLLATERAL REQUIRED:

Funds of the City of Tomball shall be secured by collateral, whereby the market value of such collateral shall not be less than the total amount of the sum of the City's deposits, investments and accrued interest less the amount of insurance provided by the United States or an instrumentality of the United States, such as FDIC and FSLIC insurance. All items held for collateral for the City of Tomball shall be qualified investments as stated in items III.A. through III.E. of the City's investment policy.

SECURITY OF COLLATERAL:

All securities owned by thy City or pledged to the City shall be held in safekeeping by the City; in a City approved account in a third party financial institution with a main office in the State of Texas and capital stock and permanent surplus of $5 million or more; the Texas Treasury Safekeeping Trust Company; a federal home loan bank; or with a Federal Reserve Bank. A third party custodian shall be required to issue original safekeeping receipts directly to the City and monthly provide a listing of each specific security, rate description, maturity, CUSIP number, and other information as may be deemed necessary and appropriate by the City. Each safekeeping receipt will be clearly marked that the security is pledged to the City of Tomball. It shall be the sole responsibility of the financial institution to immediately, without notice from the City or cost to the City, replace any nonconforming pledged security.

DELIVERY VS. PAYMENT:

Treasury Bills, Notes and Bonds and Government Agencies' securities shall be purchased using the delivery vs. payment method. That is, funds shall not be wired or paid until verification has been made that the correct security was received by the City of Tomball or its designated Trustee. The security shall be held in the name of the City. The Trustee's records shall reflect that the City owns such securities. In the event that the security is held by Trustee, the original copy of all safekeeping receipts shall be delivered to the City Treasurer, or person designated by such.

VI. AUTHORIZED BROKERS

The City of Tomball shall annually review, revise, and adopt a list of qualified brokers that are authorized to engage in investment transactions with the City. Following are authorized brokers for the City of Tomball:

Robert W. Baird & Co. Incorporated
Coastal Securities
Wells Fargo Securities, LLC

National Markets Group

Dynamic, Driven, Innovative, Focused

- As a key component of the Fixed Income business, we have developed a substantial presence in Sales and Trading. A leading team of seasoned professionals has been assembled to help customers meet their goals by delivering solutions in idea generation, fundamental research and execution in a variety of government, agency and credit products.

- In support of the Sales and Trading business, the firm has committed considerable intellectual and operational resources including a broad fixed income operations infrastructure .

- The firm commits capital for the benefit of, rather than in competition with, the customer.

- Our traders and analysts offer the execution and analysis necessary to develop and deliver difficult trades. From a block sale of an on-the-run public bond to a strategic acquisition or disposition of a private note, loan or claim, we can offer both advice and solutions. The capability spans the spectrum of credit quality from highly rated large caps to deeply distressed middle market issuers.

- Our extensive fixed income operations capabilities fuse our relationship, reach, and product expertise, ensuring that our customers can count on the fact that execution with Cantor Fitzgerald will be seamless from consummation to close.

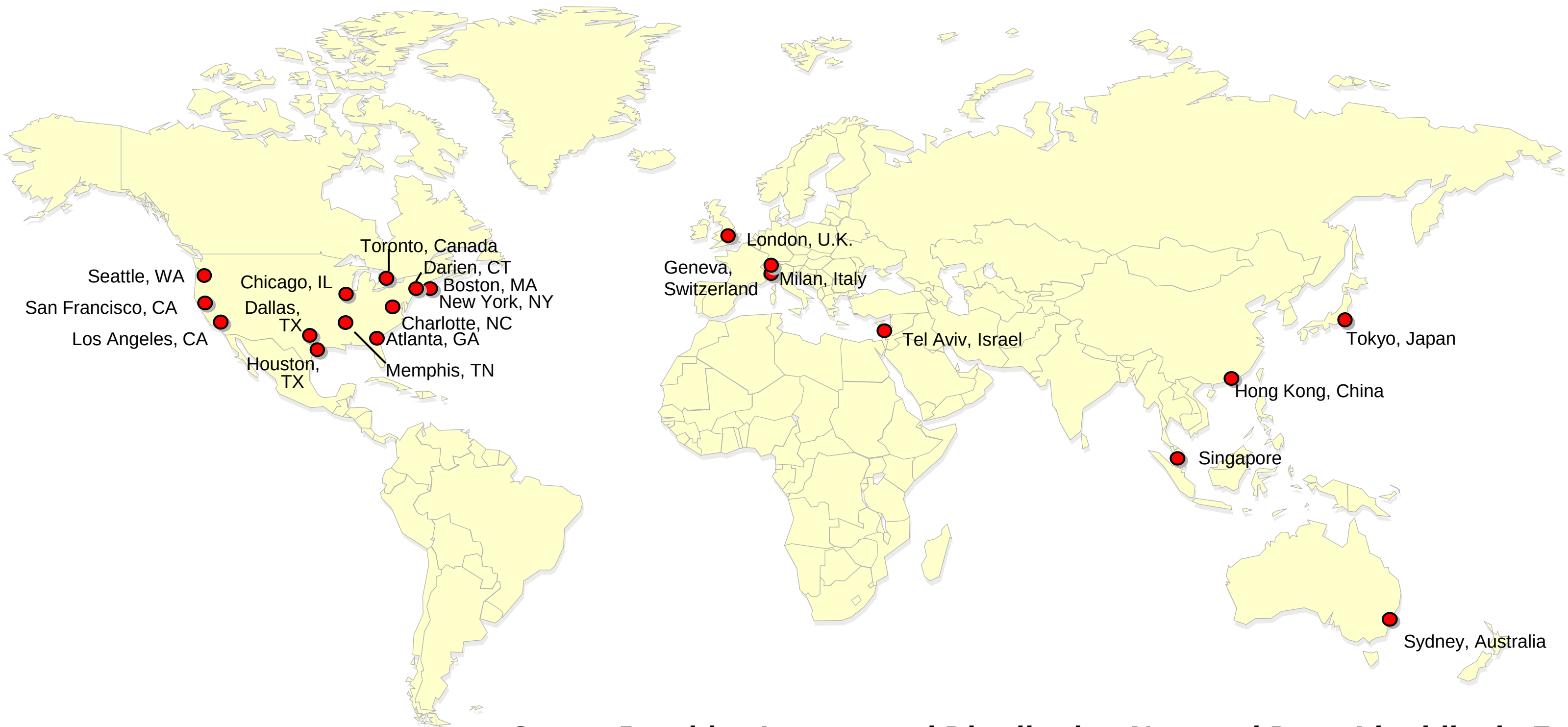
- The Fixed Income operations staff and systems have been drawn together over several years and have evolved to become a key aspect of our product and customer experience.

- US Federal Reserve Primary Broker/Dealer
- Professional Team

  Debt Capital Markets composed of 350+ Fixed Income salespersons and traders

- Position billions of dollars in inventory across a broad range of fixed income products
- Clients include over 2,500 asset managers, hedge funds, pension funds, portfolio managers and corporations
- The Fixed Income division focuses on “Under the Radar Screen” execution, allowing customers to execute discreetly without disturbing the integrity of a market
  - Over $10 billion of transactions in fixed income securities daily ($2.4 trillion per annum)

Global Distribution



Cantor Provides Incremental Distribution Now and Deep Liquidity in Future

- One of the largest sales forces in the industry: 350+ institutional sales and trading professionals provide global access to investors
- Coverage of over 5,000 institutional capital markets clients around the globe ensures maximum liquidity

- Committed focus to the needs of moderate-sized institutional clients

- The Cantor National Markets Group Client Advantage
  - Benefit from a worldwide distribution platform
  - Obtain primary dealer insight into markets
  - Capability to tap liquidity through repurchase agreement market
  - New-issue structured mortgage desk
  - Trading of single-family and commercial mortgage loans
  - Structuring of legacy balance sheet assets and CDO’s
  - Cantor SBA trading desk is an industry leader, providing a two-way flow of loans and securities

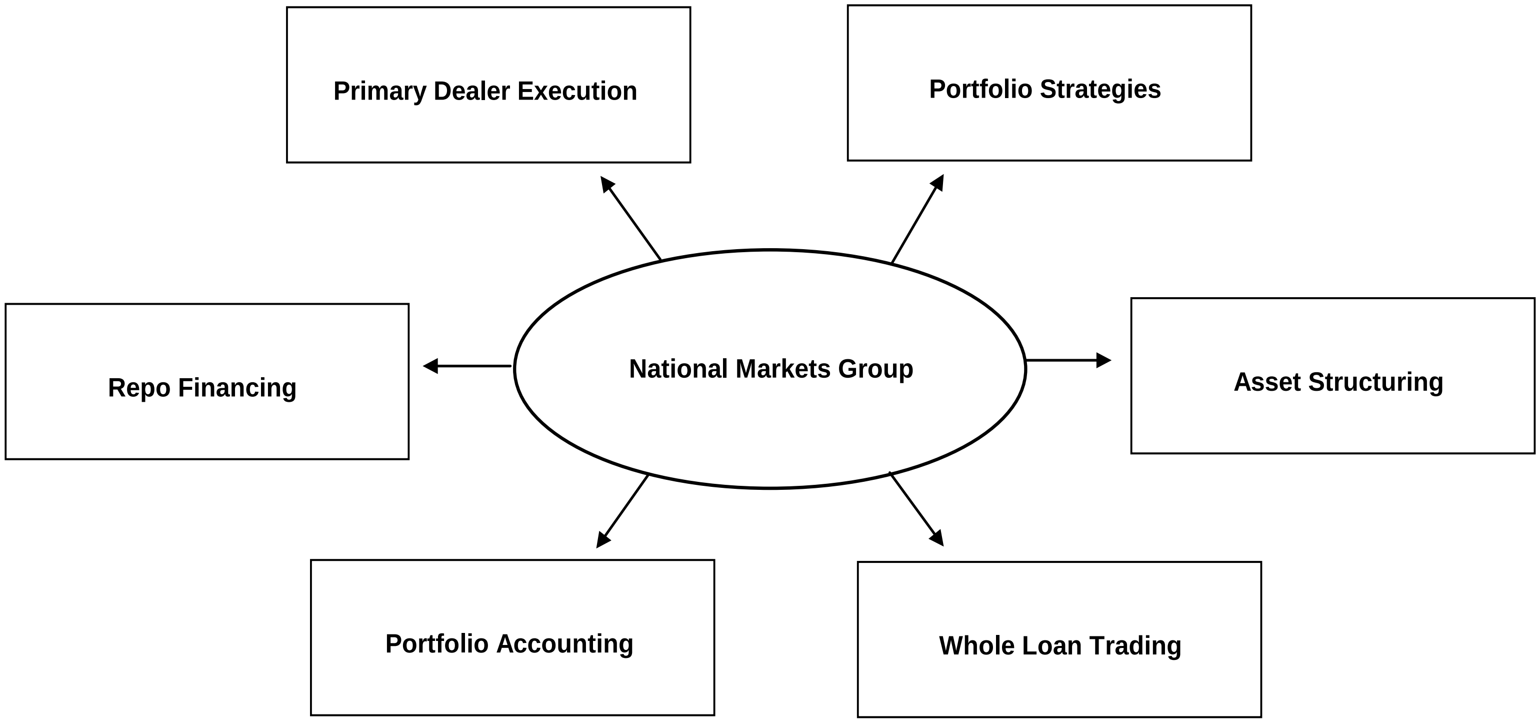
A Committed Staff

- With 50+ professionals in offices in New York, Memphis, Dallas, Los Angeles, Seattle, Houston, Atlanta and Charlotte we offer extremely broad customer and geographic reach and market coverage
- Our sales force brings long relationships with the entire spectrum of fixed income investors, encompassing the institutions and people that define the middle markets :

  Commercial banks
  Insurance companies
  Credit Unions
  Hedge funds
  Municipalities
  Money managers

- Our traders and analysts offer the execution and analysis necessary to develop and deliver difficult transactions. No matter how complex, we offer both advice and solutions

National Markets Group
A Complete Product Set



- Simple goal:

Add value to our client relationships using relevant tools and services:

Portfolio Analytics
In depth cash flow projections, yield analysis, sector allocations

Portfolio Accounting
Fully integrated general ledger interface, user flexibility

Asset Swap Analysis
Cash flow and earnings valuation comparison

Total Return Analysis
OAS and duration, Horizon projections, return attribution

Custom Peer Analysis
Comparative tool generated via regulatory financials

Agency Securities Trading

- Agency desk creates, trades and distributes all types of agency debt
  - Deep relationships with issuers
  - Develop and find value across structure and maturity spectrums
  - Quality execution
  - Offerings:
    - New Issue Underwriting
    - Secondary Trading
    - Callable & Non-Callable Structures

- Credit desk makes markets in a broad array of fixed income products

  - Veteran traders provide strategic insight
  - Deliver innovative solutions to today's challenging issues
  - Committed to strong a customer partnership
  - Products:
    - Municipal Bonds
    - Commercial Paper
    - US Investment Grade and High Yield Corporate Bonds
    - Money Market Instruments

- Mortgage desk positions, creates and trades all forms of mortgage-related debt

  - Experience across the mortgage universe
  - Assist investors in finding solutions that meet specific requirements and objectives
  - On-market execution
  - Products:
    - Agency and non-Agency CMOs
    - Mortgage Pass-Throughs – Fixed and Adjustable
    - Consumer ABS
    - CMBS

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The information contained herein is privileged and confidential information and is intended for use by the intended recipient only. By accepting such information, you agree that you will, and you will cause your directors, partners, officers, employees, affiliates, agents and representatives to, use such information only to evaluate your potential interest in the transaction(s) described herein and for no other purpose, and you will not provide or divulge any such information to any other party or summarize or otherwise refer to such information. You shall be responsible for violations of your directors, partners, officers, employees, affiliates, agents and representatives of the obligations set forth in this paragraph. Notwithstanding the foregoing, you (and each of your employees, representatives or other agents) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of the transactions contemplated by these materials and all materials of any kind (including opinions or other tax analyses) that are provided to you relating to such tax treatment and structure. For this purpose, the tax treatment of a transaction is the purported or claimed U.S. federal income tax treatment of the transaction and the tax structure of a transaction is any fact that may be relevant to understanding the purported or claimed U.S. federal income tax treatment of the transaction.

CF&Co does not provide any tax advice. Any tax statement herein regarding any U.S. federal tax is not intended or written to be used, and cannot be used, by any taxpayer for the purpose of avoiding any penalties. Any such statement herein was written to support the marketing or promotion of the transaction(s) or matter(s) to which the statement relates. Each taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.

FIRST HORIZON NATIONAL CORPORATION

FOURTH QUARTER 2016 FINANCIAL SUPPLEMENT

If you need further information, please contact:
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Other Information

This financial supplement contains forward-looking statements involving significant risks and uncertainties. A number of important factors could cause actual results to differ materially from those in the forward-looking information. Those factors include general economic and financial market conditions, including expectations of and actual timing and amount of interest rate movements including the slope of the yield curve, competition, customer and investor responses to these conditions, ability to execute business plans, geopolitical developments, recent and future legislative and regulatory developments, natural disasters, and items mentioned in this financial supplement and in First Horizon National Corporation's ("FHN") most recent press release, as well as critical accounting estimates and other factors described in FHN's recent filings with the SEC. FHN disclaims any obligation to update any such forward-looking statements or to publicly announce the result of any revisions to any of the forward-looking statements to reflect future events or developments.

Use of Non-GAAP Measures and Regulatory Measures that are not GAAP

Certain measures are included in this financial supplement that are "non-GAAP," meaning (under U.S. financial reporting rules) they are not presented in accordance with generally accepted accounting principles ("GAAP") in the U.S. and also are not codified in U.S. banking regulations currently applicable to FHN. Although other entities may use calculation methods that differ from those used by FHN for non-GAAP measures, FHN's management believes such measures are relevant to understanding the financial condition, capital position, and financial results of FHN and its business segments. Non-GAAP measures are reported to FHN's management and Board of Directors through various internal reports.

Presentation of regulatory measures, some of which follow regulatory definitions rather than GAAP, provides a meaningful base for comparability to other financial institutions subject to the same regulations as FHN. Such measures are used by the various banking regulators in reviewing the performance, stability, and capital adequacy of financial institutions they regulate. Although not GAAP terms, these regulatory measures are not considered "non-GAAP" under U.S. financial reporting rules as long as their presentation conforms to regulatory standards. Regulatory measures used in this financial supplement include: common equity tier 1 capital, generally defined as common equity less goodwill, other intangibles, and certain other required regulatory deductions; tier 1 capital, generally defined as the sum of core capital (including common equity and instruments that cannot be redeemed at the option of the holder) adjusted for certain items under risk based capital regulations; risk weighted assets ("RWA"), which is a measure of total on- and off-balance sheet assets adjusted for credit and market risk, used to determine regulatory capital ratios; and pre-provision net revenue ("PPNR"), calculated by adding the provision/(provision credit) for loan losses to income before income taxes.

The non-GAAP measures presented in this financial supplement are return on average tangible common equity ("ROTCE"), tangible common equity ("TCE") to tangible assets ("TA"), and tangible book value per common share.

Refer to the tabular reconciliation of non-GAAP to GAAP measures and presentation of the most comparable GAAP items on page 22 of this financial supplement.


FIRST HORIZON
NATIONAL CORPORATION
Regional Banking
Consumer
Commercial
Fixed Income
Fixed Income Products
Other Products
Corporate
Corporate Functions
Investment Portfolio
Risk Management
Non-Strategic
National Consumer Lending
TRUPS Loans
Other Exited Businesses

Summary of Fourth Quarter 2016 Notable Items

Segment	Item	Income Statement	Amount	Comments
• Regional Banking & Non-Strategic	Litigation expense	Noninterest Expense: Litigation and regulatory matters	$4.7 million	Pre-tax loss accruals related to legal matters

Consolidated Results for Fiscal Year 2016 vs. 2015

- Net income available to common shareholders was $220.8 million, or $.94 per diluted share in 2016, compared to $79.7 million, or $.34 per diluted share in 2015
- Net interest income ("NII") increased 12 percent in 2016 to $729.1 million from $653.7 million in 2015; Net interest margin ("NIM") increased to 2.94 percent from 2.83 percent
  - The increase in NII was the result of loan growth within the regional bank, the positive impact of higher market rates, lower long-term funding costs, and a larger investment securities portfolio, partially offset by the continued run-off of the non-strategic loan portfolios and lower cash basis interest income in 2016 relative to the prior year
  - Higher market rates, lower long-term funding costs, a decrease in average excess cash held at the Fed during the year, and higher average balances of loans to mortgage companies contributed to the increase in NIM, but were somewhat mitigated by the continued run-off of the non-strategic loan portfolios and a decrease in cash basis interest income relative to 2015
- Noninterest income (including securities gains) increased to $552.4 million in 2016 from $517.3 million in 2015 primarily driven by higher fixed income sales revenue in 2016
- Provision expense was $11.0 million in 2016 compared to $9.0 million in 2015
- Noninterest expense decreased to $.9 billion in 2016 from $1.1 billion in 2015
  - The decrease in noninterest expense was primarily the result of an 84 percent decline in loss accruals related to legal matters and the favorable impact of a $32.7 million reversal of repurchase and foreclosure provision primarily as a result of settlements/recoveries of certain repurchase claims, somewhat offset by an increase in personnel expenses within the regional banking and fixed income segments
- Period-end loans increased 11 percent to $19.6 billion; average loans were $18.3 billion in 2016 compared to $16.6 billion in 2015
  - The increase in period-end and average loans was driven by the third quarter 2016 franchise finance loan purchase, as well as increases in loans to mortgage companies and other commercial loan portfolios within the regional bank, somewhat offset by the continued run-off of the non-strategic loan portfolios
  - The positive impact of the $.5 billion third quarter 2016 franchise finance loan purchase on average loans was somewhat mitigated by the transaction's timing
- Period-end core deposits increased 13 percent to $22.0 billion; average core deposits were $20.3 billion in 2016 compared to $18.4 billion in 2015
  - Increase in period-end and average core deposits was driven by an increase in insured network deposits and other customer deposits
  - The fourth quarter 2015 TrustAtlantic acquisition also contributed to the increase in average core deposits in 2016 compared to the prior year

Fourth Quarter 2016 vs. Third Quarter 2016

Consolidated

- Net income available to common shareholders was $53.3 million, or $.23 per diluted share in fourth quarter, compared to $63.2 million, or $.27 per diluted share in third quarter
- NII increased to $195.6 million in fourth quarter from $185.2 million in third quarter; NIM increased to 3.00 percent in fourth quarter from 2.96 percent in prior quarter
  - NII was favorably impacted by loan growth within the regional bank and the positive impact of higher market rates
  - The increase in NIM was primarily due to higher market rates, somewhat offset by an increase in average excess cash held at the Fed during fourth quarter relative to third quarter
- Noninterest income (including securities gains) was $124.1 million in fourth quarter compared to $148.5 million in prior quarter
  - The decrease was primarily driven by lower fixed income sales revenue
- Noninterest expense increased to $237.9 million in fourth quarter from $233.6 million in third quarter primarily driven by a net increase in loss accruals related to legal matters
- Period-end loans were $19.6 billion in fourth and third quarters; average loans increased 4 percent to $19.4 billion in fourth quarter
- Period-end core deposits were $22.0 billion and $21.0 billion in fourth quarter and third quarter, respectively; average core deposits increased 5 percent linked quarter to $21.7 billion in fourth quarter

Regional Banking

- Pre-tax income was $98.5 million in fourth quarter compared to $102.1 million in third quarter; pre-provision net revenue was $103.2 million and $110.6 million in fourth and third quarters, respectively
- Period-end loans were $17.9 billion and $17.8 billion in fourth and third quarters, respectively; average loans increased 5 percent to $17.7 billion in fourth quarter
  - The increase in average loans was primarily driven by the third quarter 2016 franchise finance loan purchase, as well as increases in other commercial loan portfolios
- Period-end core deposits increased to $18.7 billion in fourth quarter from $18.2 billion in third quarter; average core deposits increased 2 percent to $18.4 billion
- NII increased to $200.7 million in fourth quarter from $190.5 million in third quarter
  - The increase in NII was largely the result of higher average balances of franchise finance loans, higher average balances of other commercial loans, and a higher earnings credit on deposits
- Provision expense was $4.7 million in fourth quarter compared to $8.5 million in the prior quarter
  - Provision in fourth quarter was primarily driven by increased reserves as a result of commercial loan growth
  - Net charge-offs declined by $1.5 million in fourth quarter to $2.0 million driven by a net recovery in the C&I portfolio of $1.6 million
- Noninterest income was $63.3 million in fourth quarter compared to $65.1 million in third quarter; the decrease was largely the result of the favorable impact on third quarter income of a $1.8 million gain on the sale of properties
- Noninterest expense increased to $160.8 million in fourth quarter from $145.0 million in third quarter primarily driven by a $7.0 million net increase in loss accruals related to legal matters
  - Fourth quarter includes $2.7 million of loss accruals related to legal matters compared to a $4.3 million reversal in third quarter
  - Higher personnel-related expenses associated with strategic hires in expansion markets and specialty areas and professional fees also contributed to the linked-quarter expense increase

Fourth Quarter 2016 vs. Third Quarter 2016 (continued)

Fixed Income
- Pre-tax income was $5.9 million in fourth quarter compared to $14.9 million in third quarter
- Noninterest income decreased to $52.1 million in fourth quarter from $72.1 million in the prior quarter
  - Fixed income product revenue was $43.8 million in fourth quarter compared to $59.0 million in third quarter
    - Fixed income product average daily revenue ("ADR") was $718 thousand and $922 thousand in fourth and third quarters, respectively; the decrease was driven by market uncertainties, a sharp increase in rates and lower trading activity
  - Other product revenue decreased $4.8 million to $8.3 million in fourth quarter driven by a decrease in fees from loan and derivative sales
- Noninterest expense decreased to $48.7 million in fourth quarter from $59.6 million in the prior quarter primarily due to lower variable compensation costs

Corporate
- Pre-tax loss was $27.5 million in fourth quarter compared to pre-tax loss of $27.9 million in prior quarter
- NII was negative $17.5 million and negative $18.2 million in fourth and third quarter, respectively
  - Estimated effective duration of the securities portfolio was 4.8 years in fourth quarter compared to 2.5 years in third quarter
    - Higher interest rates in fourth quarter provided an attractive entry point for further moderation of the balance sheet's asset sensitivity. Part of this initiative included bond swaps executed in the fourth quarter to extend the duration of the investment portfolio. Higher interest rates also extended the duration of existing holdings in the investment portfolio
- Noninterest income (including net securities gains) was $4.7 million in fourth quarter compared to $5.1 million in third quarter
- Noninterest expense decreased to $14.6 million in fourth quarter from $14.8 million in prior quarter

Non-Strategic
- Pre-tax income was $4.8 million in fourth quarter compared to $7.0 million in third quarter
- NII was $9.8 million and $10.5 million in fourth and third quarter, respectively
- The provision credit was $4.7 million in fourth quarter compared to a provision credit of $4.5 million in third quarter
  - The level of provision continues to reflect declining balances combined with stable performance within the legacy portfolio
- Noninterest income was $4.0 million in fourth quarter compared to $6.2 million in prior quarter
  - Fourth quarter included a $1.5 million gain related to the reversal of a contingency accrual associated with prior sales of MSR, while third quarter included $4.4 million of gains primarily related to recoveries associated with prior legacy mortgage servicing sales
- Noninterest expense decreased to $13.7 million in fourth quarter from $14.2 million in third quarter driven by a $2.5 million net decline in loss accruals related to legal matters somewhat offset by an increase in legal fees

Asset Quality
- Allowance for loan losses increased to $202.1 million in fourth quarter from $201.6 million in third quarter; the allowance to loans ratio remained flat at 103 basis points in fourth quarter
  - Reserves for the commercial portfolio increased $4.0 million which was partially offset by a $3.5 million decline in consumer portfolio reserves
    - The increase in regional bank commercial reserves was primarily due to increased balances compared to third quarter
- Net recoveries were $.5 million in fourth quarter compared to net charge-offs ("NCOs") of $2.3 million in third quarter
  - Regional bank net charge-offs decreased $1.5 million to $2.0 million in fourth quarter due to a net recovery in C&I of $1.6 million; the net recovery was primarily driven by one credit
  - Non-strategic net recoveries increased $1.3 million to $2.5 million in fourth quarter; the increase was driven by the consumer real estate portfolio
- Nonperforming loans ("NPLs"), excluding loans held-for-sale, decreased to $145.6 million in fourth quarter from $152.1 million in third quarter; the decrease was largely driven by the consumer real estate portfolio
- Nonperforming assets ("NPAs"), excluding loans held-for-sale, were $156.9 million compared to $165.7 million
- 30+ delinquencies as a percentage of total loans increased to 34 basis points in fourth quarter compared to 32 basis points in third quarter; the increase was primarily driven by the consumer portfolio
- TDRs decreased to $354.5 million in fourth quarter from $360.8 million in prior quarter

Taxes
- The effective tax rates for fourth and third quarters were 29.37 percent and 29.68 percent, respectively.
  - The rates reflect the favorable effect from permanent benefits. Permanent benefits primarily consist of tax credit investments, life insurance, and tax-exempt interest

Capital and Liquidity
- Declared $.07 per common share quarterly dividend in fourth quarter, aggregating $16.3 million, which was paid on January 3, 2017
- Declared aggregate preferred quarterly dividend of $1.6 million in fourth quarter which was paid on January 10, 2017
- There were no repurchases of shares under the current share repurchase program in fourth quarter; $189.7 million remains in the stock purchase authorization first announced in 2014, currently scheduled to expire January 31, 2018
- Capital ratios (regulatory capital ratios calculated under the Basel III risk-based capital rules as phased-in; current quarter is an estimate)
  - Total equity to total assets (GAAP) of 9.47 percent in fourth quarter compared to 9.65 percent in prior quarter
  - Tangible common equity to tangible assets (Non-GAAP) of 7.42 percent in fourth quarter compared to 7.58 percent in prior quarter
  - Common Equity Tier 1 of 9.94 percent in fourth quarter compared to 9.81 percent in prior quarter
  - Tier 1 of 11.17 percent in fourth quarter compared to 11.03 percent in prior quarter
  - Total Capital of 12.23 percent in fourth quarter compared to 12.09 percent in prior quarter
  - Leverage of 9.35 percent in fourth quarter compared to 9.52 percent in prior quarter

FHN CONSOLIDATED INCOME STATEMENT

Quarterly/Annually, Unaudited

(Dollars in thousands, except per share data)	4Q16	3Q16	2Q16	1Q16	4Q15	4Q16 Changes vs. 3Q16	4Q16 Changes vs. 4Q15	Twelve months ended 2016	Twelve months ended 2015	2016 vs. 2015
Interest income	**$219,897**	$206,972	$197,376	$193,664	$187,620	6 %	17 %	**$817,909**	$736,405	11 %
Less: interest expense	**24,346**	21,777	21,112	21,590	20,968	12 %	16 %	**88,825**	82,685	7 %
Net interest income	**195,551**	185,195	176,264	172,074	166,652	6 %	17 %	**729,084**	653,720	12 %
Provision for loan losses	**-**	4,000	4,000	3,000	1,000	NM	NM	**11,000**	9,000	22 %
Net interest income after provision for loan losses	**195,551**	181,195	172,264	169,074	165,652	8 %	18 %	**718,084**	644,720	11 %
Noninterest income:										
Fixed income	**51,923**	71,748	77,913	66,977	61,673	(28)%	(16)%	**268,561**	231,337	16 %
Deposit transactions and cash management	**27,504**	27,221	26,991	26,837	28,951	1 %	(5)%	**108,553**	112,843	(4)%
Brokerage, management fees and commissions	**11,003**	10,828	10,665	10,415	11,021	2 %	*	**42,911**	46,496	(8)%
Trust services and investment management	**7,053**	6,885	7,224	6,565	6,873	2 %	3 %	**27,727**	27,577	1 %
Bankcard income (a)	**6,353**	6,260	6,558	5,259	5,607	1 %	13 %	**24,430**	22,238	10 %
Bank-owned life insurance	**3,558**	3,997	3,743	3,389	3,738	(11)%	(5)%	**14,687**	14,726	*
Securities gains/(losses), net	**(132)**	(200)	99	1,574	1,439	34 %	NM	**1,341**	1,378	(3)%
Other (b)	**16,815**	21,806	12,321	13,289	12,930	(23)%	30 %	**64,231**	60,730	6 %
Total noninterest income	**124,077**	148,545	145,514	134,305	132,232	(16)%	(6)%	**552,441**	517,325	7 %
Adjusted gross income after provision for loan losses	**319,628**	329,740	317,778	303,379	297,884	(3)%	7 %	**1,270,525**	1,162,045	9 %
Noninterest expense:										
Employee compensation, incentives, and benefits	**137,324**	145,103	143,370	137,151	136,000	(5)%	1 %	**562,948**	511,633	10 %
Repurchase and foreclosure provision (c)	**(1,104)**	(218)	(31,400)	-	-	NM	NM	**(32,722)**	-	NM
Legal fees	**6,038**	4,750	5,891	4,879	4,601	27 %	31 %	**21,558**	16,287	32 %
Professional fees	**4,827**	4,859	4,284	5,199	4,859	(1)%	(1)%	**19,169**	18,922	1 %
Occupancy	**12,818**	12,722	12,736	12,604	13,853	1 %	(7)%	**50,880**	51,117	*
Computer software (d)	**11,909**	10,400	11,226	11,587	11,432	15 %	4 %	**45,122**	44,724	1 %
Contract employment and outsourcing	**2,696**	2,443	2,497	2,425	3,159	10 %	(15)%	**10,061**	14,494	(31)%
Operations services	**10,913**	10,518	10,521	9,900	9,761	4 %	12 %	**41,852**	39,261	7 %
Equipment rentals, depreciation, and maintenance	**7,959**	6,085	7,182	6,159	8,568	31 %	(7)%	**27,385**	30,864	(11)%
FDIC premium expense	**6,095**	5,721	4,848	4,921	5,098	7 %	20 %	**21,585**	18,027	20 %
Advertising and public relations (e)	**6,093**	6,065	4,481	4,973	5,273	*	16 %	**21,612**	19,187	13 %
Communications and courier	**3,593**	3,883	3,039	3,750	4,089	(7)%	(12)%	**14,265**	15,820	(10)%
Amortization of intangible assets	**1,300**	1,299	1,299	1,300	1,359	*	(4)%	**5,198**	5,253	(1)%
Other (b)	**27,436**	19,928	46,848	22,079	35,688	38 %	(23)%	**116,291**	268,202	(57)%
Total noninterest expense	**237,897**	233,558	226,822	226,927	243,740	2 %	(2)%	**925,204**	1,053,791	(12)%
Income before income taxes	**81,731**	96,182	90,956	76,452	54,144	(15)%	51 %	**345,321**	108,254	NM
Provision for income taxes	**24,008**	28,547	30,016	24,239	2,715	(16)%	NM	**106,810**	10,941	NM
Net income	**57,723**	67,635	60,940	52,213	51,429	(15)%	12 %	**238,511**	97,313	NM
Net income attributable to noncontrolling interest	**2,879**	2,883	2,852	2,851	2,848	*	1 %	**11,465**	11,434	*
Net income attributable to controlling interest	**54,844**	64,752	58,088	49,362	48,581	(15)%	13 %	**227,046**	85,879	NM
Preferred stock dividends	**1,550**	1,550	1,550	1,550	1,550	*	*	**6,200**	6,200	*
Net income available to common shareholders	**$53,294**	$63,202	$56,538	$47,812	$47,031	(16)%	13 %	**$220,846**	$79,679	NM
Common Stock Data										
EPS	**$0.23**	$0.27	$0.24	$0.20	$0.20	(15)%	15 %	**$0.95**	$0.34	NM
Basic shares (thousands)	**232,731**	231,856	231,573	234,651	237,983	*	(2)%	**232,700**	234,189	(1)%
Diluted EPS	**$0.23**	$0.27	$0.24	$0.20	$0.20	(15)%	15 %	**$0.94**	$0.34	NM
Diluted shares (thousands)	**235,590**	234,092	233,576	236,666	240,072	1 %	(2)%	**235,292**	236,266	*
Key Ratios & Other										
Return on average assets (annualized) (f)	**0.80 %**	0.97 %	0.91 %	0.79 %	0.78 %			**0.87 %**	0.38 %	
Return on average common equity ("ROE") (annualized) (f)	**9.00 %**	10.80 %	10.04 %	8.53 %	8.23 %			**9.60 %**	3.64 %	
Return on average tangible common equity ("ROTCE") (annualized) (f) (g)	**9.89 %**	11.90 %	11.10 %	9.44 %	9.07 %			**10.59 %**	3.97 %	
Fee income to total revenue (f)	**38.84 %**	44.54 %	45.21 %	43.55 %	43.97 %			**43.05 %**	44.11 %	
Efficiency ratio (f)	**74.40 %**	69.94 %	70.51 %	74.45 %	81.94 %			**72.27 %**	90.09 %	
Full time equivalent employees	**4,248**	4,246	4,228	4,241	4,260					

Certain previously reported amounts have been reclassified to agree with current presentation.

NM - Not meaningful

* Amount is less than one percent.

(a) 2Q16 increase driven by a significant new relationship.

(b) Refer to the Other Income and Other Expense table on page 7 for additional information.

(c) Expense reversals driven by the settlements/recoveries of certain repurchase claims.

(d) 4Q16 expense increase largely driven by investments in the new digital banking platform.

(e) 4Q16 includes $1.1 million related to CRA initiatives; 3Q16 increase related to a promotional branding campaign.

(f) See Glossary of Terms for definitions of Key Ratios.

(g) This non-GAAP measure is reconciled to ROE (GAAP) in the Non-GAAP to GAAP reconciliation on page 22 of this financial supplement.

FHN OTHER INCOME AND OTHER EXPENSE

Quarterly/Annually, Unaudited

(Thousands)	**4Q16**	3Q16	2Q16	1Q16	4Q15	*4Q16 Changes vs.* 3Q16	4Q15	*Twelve months ended* **2016**	2015	*2016 vs.* 2015
Other Income										
ATM and interchange fees	**$3,047**	$3,081	$2,879	$2,958	$3,133	(1)%	(3)%	**$11,965**	$11,917	*
Electronic banking fees	**1,301**	1,398	1,381	1,397	1,474	(7)%	(12)%	**5,477**	5,840	(6)%
Letter of credit fees	**946**	981	1,115	1,061	988	(4)%	(4)%	**4,103**	4,621	(11)%
Mortgage banking (a)	**2,820**	5,524	598	1,273	1,149	(49)%	NM	**10,215**	3,870	NM
Deferred compensation (b)	**863**	1,038	795	329	(58)	(17)%	NM	**3,025**	(1,369)	NM
Gain/(loss) on extinguishment of debt (c)	**-**	-	-	-	(1)	NM	NM	**-**	5,793	NM
Insurance commissions	**680**	1,262	552	487	769	(46)%	(12)	**2,981**	2,627	13 %
Other service charges	**3,018**	3,004	2,996	2,713	2,751	*	10 %	**11,731**	11,610	1 %
Other (d)	**4,140**	5,518	2,005	3,071	2,725	(25)%	52 %	**14,734**	15,821	(7)%
Total	**$16,815**	$21,806	$12,321	$13,289	$12,930	(23)%	30 %	**$64,231**	$60,730	6 %
Other Expense										
Litigation and regulatory matters (e)	**$4,684**	$260	$26,000	$(475)	$14,185	NM	(67)%	**$30,469**	$187,607	(84)%
Tax credit investments (f)	**1,024**	788	831	706	3,199	30 %	(68)%	**3,349**	4,582	(27)%
Travel and entertainment	**3,240**	2,478	2,495	2,062	2,893	31 %	12 %	**10,275**	9,590	7 %
Employee training and dues	**1,603**	1,360	1,338	1,390	1,537	18 %	4 %	**5,691**	5,390	6 %
Customer relations	**1,451**	1,442	1,483	1,879	1,086	1 %	34 %	**6,255**	5,382	16 %
Miscellaneous loan costs	**628**	676	565	717	835	(7)%	(25)%	**2,586**	2,656	(3)%
Supplies	**1,320**	1,158	930	1,026	1,046	14 %	26 %	**4,434**	3,827	16 %
Foreclosed real estate	**648**	815	(432)	(258)	475	(20)%	36 %	**773**	2,104	(63)%
Other insurance and taxes	**1,939**	2,625	3,014	3,313	2,874	(26)%	(33)%	**10,891**	12,941	(16)%
Other (g)	**10,899**	8,326	10,624	11,719	7,558	31 %	44 %	**41,568**	34,123	22 %
Total	**$27,436**	$19,928	$46,848	$22,079	$35,688	38 %	(23)%	**$116,291**	$268,202	(57)%

Certain previously reported amounts have been reclassified to agree with current presentation.

NM-Not meaningful

* Amount is less than one percent.

(a) 4Q16 includes a $1.5 million gain related to the reversal of a contingency accrual associated with prior sales of MSR; 3Q16 includes $4.4 million of gains primarily related to recoveries associated with prior legacy mortgage servicing sales

(b) Amounts driven by market conditions and are mirrored by changes in deferred compensation expense which is included in employee compensation expense.

(c) 2015 gain related to the extinguishment of $206 million of junior subordinated notes underlying $200 million of trust preferred debt.

(d) 3Q16 includes a $1.8 million gain on the sales of properties; 2015 includes $3.7 million gain on the sale of properties.

(e) 2015 includes $162.5 million related to the settlement of potential claims related to FHN's underwriting and origination of FHA-insured mortgage loans.

(f) 4Q15 includes $2.8 million of impairment related to a tax credit investment accounted for under the equity method.

(g) 2Q16 includes $2.5 million of negative valuation adjustments associated with derivatives related to prior sales of Visa Class B shares; 1Q16 includes $3.7 million of impairment related to branch closures.

FHN CONSOLIDATED PERIOD-END BALANCE SHEET

Quarterly, Unaudited

(Thousands)	4Q16	3Q16	2Q16	1Q16	4Q15	*4Q16 Changes vs.* 3Q16	4Q15
Assets:							
Investment securities	**$3,957,846**	$4,041,934	$4,023,576	$4,028,731	$3,944,166	(2)%	*
Loans held-for-sale	**111,248**	155,215	117,976	116,270	126,342	(28)%	(12)%
Loans, net of unearned income	**19,589,520**	19,555,787	18,589,337	17,574,994	17,686,502	*	11 %
Federal funds sold	**50,838**	27,097	40,570	34,061	114,479	88 %	(56)%
Securities purchased under agreements to resell	**613,682**	802,815	881,732	767,483	615,773	(24)%	*
Interest-bearing cash (a)	**1,060,034**	219,834	321,743	951,920	602,836	NM	76 %
Trading securities	**897,071**	1,320,535	1,162,959	1,226,521	881,450	(32)%	2 %
Total earning assets	**26,280,239**	26,123,217	25,137,893	24,699,980	23,971,548	1 %	10 %
Cash and due from banks	**373,274**	327,639	283,648	280,625	300,811	14 %	24 %
Fixed income receivables (b)	**57,411**	91,997	219,939	114,854	63,660	(38)%	(10)%
Goodwill	**191,371**	191,371	191,307	191,307	191,307	*	*
Other intangible assets, net	**21,017**	22,317	23,616	24,915	26,215	(6)%	(20)%
Premises and equipment, net	**289,385**	279,178	279,676	274,347	275,619	4 %	5 %
Real estate acquired by foreclosure	**16,237**	18,945	20,053	24,521	33,063	(14)%	(51)%
Allowance for loan losses	**(202,068)**	(201,557)	(199,807)	(204,034)	(210,242)	*	(4)%
Derivative assets	**121,654**	160,736	196,989	165,007	104,365	(24)%	17 %
Other assets	**1,406,711**	1,435,379	1,387,756	1,392,160	1,436,291	(2)%	(2)%
Total assets	**$28,555,231**	$28,449,222	$27,541,070	$26,963,682	$26,192,637	*	9 %
Liabilities and Equity:							
Deposits:							
Savings	**$9,428,197**	$8,753,115	$7,960,182	$7,921,344	$7,811,191	8 %	21 %
Other interest-bearing deposits	**5,948,439**	5,605,734	5,720,628	5,371,864	5,388,526	6 %	10 %
Time deposits	**706,700**	732,561	741,992	763,897	788,487	(4)%	(10)%
Total interest-bearing core deposits	**16,083,336**	15,091,410	14,422,802	14,057,105	13,988,204	7 %	15 %
Noninterest-bearing deposits	**5,940,594**	5,890,252	5,684,732	5,717,195	5,535,885	1 %	7 %
Total core deposits (c)	**22,023,930**	20,981,662	20,107,534	19,774,300	19,524,089	5 %	13 %
Certificates of deposit $100,000 and more	**648,433**	592,518	522,643	553,534	443,389	9 %	46 %
Total deposits	**22,672,363**	21,574,180	20,630,177	20,327,834	19,967,478	5 %	14 %
Federal funds purchased	**414,207**	538,284	508,669	588,413	464,166	(23)%	(11)%
Securities sold under agreements to repurchase	**453,053**	341,998	451,129	425,217	338,133	32 %	34 %
Trading liabilities	**561,848**	702,226	789,540	738,653	566,019	(20)%	(1)%
Other short-term borrowings (d)	**83,177**	792,736	543,033	96,723	137,861	(90)%	(40)%
Term borrowings (e)	**1,040,656**	1,065,651	1,076,943	1,323,749	1,312,677	(2)%	(21)%
Fixed income payables (b)	**21,002**	68,897	90,400	56,399	23,072	(70)%	(9)%
Derivative liabilities	**135,897**	144,829	170,619	146,297	108,339	(6)%	25 %
Other liabilities	**467,944**	475,839	588,636	617,449	635,306	(2)%	(26)%
Total liabilities	**25,850,147**	25,704,640	24,849,146	24,320,734	23,553,051	1 %	10 %
Equity:							
Common stock	**146,015**	145,772	145,012	145,342	149,117	*	(2)%
Capital surplus	**1,386,636**	1,376,319	1,362,528	1,371,397	1,439,303	1 %	(4)%
Undivided profits	**1,029,032**	992,264	945,663	905,595	874,303	4 %	18 %
Accumulated other comprehensive loss, net	**(247,654)**	(160,828)	(152,334)	(170,441)	(214,192)	54 %	16 %
Preferred stock	**95,624**	95,624	95,624	95,624	95,624	*	*
Noncontrolling interest (f)	**295,431**	295,431	295,431	295,431	295,431	*	*
Total equity	**2,705,084**	2,744,582	2,691,924	2,642,948	2,639,586	(1)%	2 %
Total liabilities and equity	**$28,555,231**	$28,449,222	$27,541,070	$26,963,682	$26,192,637	*	9 %

NM - Not meaningful

*Amount is less than one percent.

(a) Includes excess balances held at Fed.

(b) Period-end balances fluctuate based on the level of pending unsettled trades.

(c) 4Q16 average core deposits were $21.7 billion.

(d) 4Q16 decrease due to repayment of FHLB borrowings as a result of an inflow of deposits; 3Q16 and 2Q16 increase related to higher FHLB borrowings as a result of increased loan demand.

(e) In 2Q16 $250 million of FTBNA subordinated notes matured.

(f) Consists of preferred stock of subsidiaries.

FHN CONSOLIDATED AVERAGE BALANCE SHEET
Quarterly/Annually, Unaudited

(Thousands)	4Q16	3Q16	2Q16	1Q16	4Q15	*4Q16 Changes vs.* 3Q16	*4Q16 Changes vs.* 4Q15	*Twelve months ended* 2016	*Twelve months ended* 2015	*2016 vs* 2015
Assets:										
Earning assets:										
Loans, net of unearned income:										
Commercial, financial, and industrial (C&I)	**$11,987,562**	$11,281,691	$10,451,954	$9,994,084	$9,720,115	6 %	23 %	**$10,932,679**	$9,477,376	15 %
Commercial real estate	**2,089,314**	1,997,121	1,901,592	1,765,435	1,612,730	5 %	30 %	**1,938,939**	1,425,813	36 %
Consumer real estate	**4,545,646**	4,601,420	4,662,172	4,732,968	4,798,067	(1)%	(5)%	**4,635,213**	4,879,083	(5)%
Permanent mortgage	**429,914**	436,952	435,521	447,800	455,299	(2)%	(6)%	**437,524**	489,190	(11)%
Credit card and other	**361,311**	362,166	360,874	353,661	356,948	*	1 %	**359,515**	352,977	2 %
Total loans, net of unearned income (a)	**19,413,747**	18,679,350	17,812,113	17,293,948	16,943,159	4 %	15 %	**18,303,870**	16,624,439	10 %
Loans held-for-sale	**127,484**	132,434	114,859	122,146	122,046	(4)%	4 %	**124,262**	128,950	(4)%
Investment securities:										
U.S. treasuries	**100**	100	100	100	100	*	*	**100**	100	*
U.S. government agencies	**3,810,207**	3,844,103	3,814,059	3,790,568	3,619,334	(1)%	5 %	**3,814,802**	3,500,159	9 %
States and municipalities	**4,344**	4,516	5,830	5,823	8,881	(4)%	(51)%	**5,124**	12,747	(60)%
Corporate bonds	**10,000**	10,000	10,000	10,000	1,522	*	NM	**10,000**	384	NM
Other	**186,452**	186,632	186,812	185,638	188,813	*	(1)%	**186,385**	183,573	2 %
Total investment securities	**4,011,103**	4,045,351	4,016,801	3,992,129	3,818,650	(1)%	5 %	**4,016,411**	3,696,963	9 %
Trading securities	**1,283,407**	1,155,776	1,269,909	1,142,215	1,307,102	11 %	(2)%	**1,212,864**	1,294,308	(6)%
Other earning assets:										
Federal funds sold	**19,323**	28,049	20,825	25,454	19,832	(31)%	(3)%	**23,414**	27,635	(15)%
Securities purchased under agreements to resell	**792,156**	808,861	891,973	817,963	804,000	(2)%	(1)%	**827,590**	776,302	7 %
Interest-bearing cash (b)	**711,485**	491,164	475,881	1,009,739	913,432	45 %	(22)%	**671,681**	907,619	(26)%
Total other earning assets	**1,522,964**	1,328,074	1,388,679	1,853,156	1,737,264	15 %	(12)%	**1,522,685**	1,711,556	(11)%
Total earning assets	**26,358,705**	25,340,985	24,602,361	24,403,594	23,928,221	4 %	10 %	**25,180,092**	23,456,216	7 %
Allowance for loan losses	**(201,306)**	(200,654)	(201,622)	(208,884)	(208,804)	*	(4)%	**(203,105)**	(221,436)	(8)%
Cash and due from banks	**334,168**	320,549	310,691	316,467	320,147	4 %	4 %	**320,506**	321,602	*
Fixed income receivables	**83,019**	75,255	73,029	74,495	91,510	10 %	(9)%	**76,464**	63,064	21 %
Premises and equipment, net	**282,849**	278,042	275,206	275,764	273,365	2 %	3 %	**277,979**	283,950	(2)%
Derivative assets	**138,451**	170,546	147,561	117,815	131,479	(19)%	5 %	**143,653**	130,790	10 %
Other assets	**1,640,781**	1,624,979	1,621,322	1,639,443	1,639,256	1 %	*	**1,631,638**	1,601,789	2 %
Total assets	**$28,636,667**	$27,609,702	$26,828,548	$26,618,694	$26,175,174	4 %	9 %	**$27,427,227**	$25,635,975	7 %
Liabilities and equity:										
Interest-bearing liabilities:										
Interest-bearing deposits:										
Savings	**$9,202,101**	$8,507,474	$7,865,977	$7,898,580	$7,589,314	8 %	21 %	**$8,371,190**	$7,496,225	12 %
Other interest-bearing deposits	**5,706,246**	5,450,401	5,431,736	5,281,059	4,956,451	5 %	15 %	**5,467,967**	4,748,731	15 %
Time deposits	**717,748**	748,135	755,273	774,345	798,661	(4)%	(10)%	**748,788**	786,918	(5)%
Total interest-bearing core deposits	**15,626,095**	14,706,010	14,052,986	13,953,984	13,344,426	6 %	17 %	**14,587,945**	13,031,874	12 %
Certificates of deposit $100,000 and more	**623,304**	518,630	545,436	511,975	389,682	20 %	60 %	**549,952**	393,109	40 %
Federal funds purchased	**528,266**	598,666	600,381	630,143	569,603	(12)%	(7)%	**589,223**	705,054	(16)%
Securities sold under agreements to repurchase	**378,837**	387,486	490,449	445,964	337,893	(2)%	12 %	**425,452**	370,097	15 %
Trading liabilities	**745,011**	752,270	828,629	758,739	768,721	(1)%	(3)%	**771,039**	733,189	5 %
Other short-term borrowings (c)	**243,527**	252,048	184,602	112,498	128,740	(3)%	89 %	**198,440**	164,951	20 %
Term borrowings (d)	**1,064,206**	1,075,039	1,072,393	1,310,370	1,583,213	(1)%	(33)%	**1,130,169**	1,557,213	(27)%
Total interest-bearing liabilities	**19,209,246**	18,290,149	17,774,876	17,723,673	17,122,278	5 %	12 %	**18,252,220**	16,955,487	8 %
Noninterest-bearing deposits	**6,039,025**	5,874,857	5,654,446	5,470,855	5,627,935	3 %	7 %	**5,760,873**	5,328,762	8 %
Fixed income payables	**63,745**	44,600	30,872	53,004	52,034	43 %	23 %	**48,089**	35,188	37 %
Derivative liabilities	**123,460**	146,063	129,260	122,378	120,728	(15)%	2 %	**130,315**	118,473	10 %
Other liabilities	**454,363**	535,714	583,606	604,410	592,624	(15)%	(23)%	**544,252**	616,878	(12)%
Total liabilities	**25,889,839**	24,891,383	24,173,060	23,974,320	23,515,599	4 %	10 %	**24,735,749**	23,054,788	7 %
Equity:										
Common stock	**145,902**	145,362	145,226	147,287	149,401	*	(2)%	**145,943**	147,031	(1)%
Capital surplus	**1,380,843**	1,369,708	1,367,468	1,405,996	1,443,988	1 %	(4)%	**1,380,972**	1,391,639	(1)%
Undivided profits	**1,015,742**	967,872	924,822	889,209	860,778	5 %	18 %	**949,642**	830,989	14 %
Accumulated other comprehensive loss, net	**(186,714)**	(155,678)	(173,083)	(189,173)	(185,647)	20 %	1 %	**(176,134)**	(179,527)	(2)%
Preferred stock	**95,624**	95,624	95,624	95,624	95,624	*	*	**95,624**	95,624	*
Noncontrolling interest (e)	**295,431**	295,431	295,431	295,431	295,431	*	*	**295,431**	295,431	*
Total equity	**2,746,828**	2,718,319	2,655,488	2,644,374	2,659,575	1 %	3 %	**2,691,478**	2,581,187	4 %
Total liabilities and equity	**$28,636,667**	$27,609,702	$26,828,548	$26,618,694	$26,175,174	4 %	9 %	**$27,427,227**	$25,635,975	7 %

Certain previously reported amounts have been reclassified to agree with current presentation.
NM-Not meaningful
* Amount is less than one percent.
(a) Includes loans on nonaccrual status.
(b) Includes excess balances held at Fed.
(c) 4Q16, 3Q16 and 2Q16 include higher FHLB borrowings as a result of increased loan demand.
(d) In 2Q16 $250 million of FTBNA subordinated notes matured.
(e) Consists of preferred stock of subsidiaries.

FHN CONSOLIDATED NET INTEREST INCOME (a)
Quarterly, Unaudited

(Thousands)	4Q16	3Q16	2Q16	1Q16	4Q15	*4Q16 Changes vs.* 3Q16	4Q15
Interest Income:							
Loans, net of unearned income (b)	**$187,158**	$176,511	$165,550	$160,687	$154,959	6 %	21 %
Loans held-for-sale	**1,602**	1,445	1,198	1,261	1,305	11 %	23 %
Investment securities:							
U.S. government agencies	**23,110**	22,517	22,801	23,273	22,349	3 %	3 %
States and municipalities	**102**	102	106	97	129	*	(21)%
Corporate bonds	**131**	131	132	131	19	*	NM
Other	**1,479**	1,138	1,152	1,201	1,906	30 %	(22)%
Total investment securities	**24,822**	23,888	24,191	24,702	24,403	4 %	2 %
Trading securities	**8,616**	7,110	8,374	8,185	9,360	21 %	(8)%
Other earning assets:							
Federal funds sold	**52**	70	57	80	56	(26)%	(7)%
Securities purchased under agreements to resell (c)	**(186)**	169	322	226	(277)	NM	33 %
Interest-bearing cash	**1,027**	604	574	1,252	636	70 %	61 %
Total other earning assets	**893**	843	953	1,558	415	6 %	NM
Interest income	**$223,091**	$209,797	$200,266	$196,393	$190,442	6 %	17 %
Interest Expense:							
Interest-bearing deposits:							
Savings	**$6,333**	$4,939	$4,146	$4,190	$2,930	28 %	NM
Other interest-bearing deposits	**2,935**	2,592	2,526	2,304	1,312	13 %	NM
Time deposits	**1,033**	1,117	1,148	1,112	1,200	(8)%	(14)%
Total interest-bearing core deposits	**10,301**	8,648	7,820	7,606	5,442	19 %	89 %
Certificates of deposit $100,000 and more	**1,695**	1,379	1,326	1,211	1,013	23 %	67 %
Federal funds purchased	**731**	779	762	797	428	(6)%	71 %
Securities sold under agreements to repurchase	**47**	90	138	59	46	(48)%	2 %
Trading liabilities	**3,848**	3,331	3,782	4,039	4,034	16 %	(5)%
Other short-term borrowings	**373**	385	303	272	262	(3)%	42 %
Term borrowings	**7,351**	7,165	6,981	7,606	9,743	3 %	(25)%
Interest expense	**24,346**	21,777	21,112	21,590	20,968	12 %	16 %
Net interest income - tax equivalent basis	**198,745**	188,020	179,154	174,803	169,474	6 %	17 %
Fully taxable equivalent adjustment	**(3,194)**	(2,825)	(2,890)	(2,729)	(2,822)	(13)%	(13)%
Net interest income	**$195,551**	$185,195	$176,264	$172,074	$166,652	6 %	17 %

NM - Not meaningful
* Amount is less than one percent.
(a) Net interest income adjusted to a fully taxable equivalent ("FTE") basis assuming a statutory federal income tax of 35 percent and, where applicable, state income taxes.
(b) Includes interest on loans in nonaccrual status.
(c) 4Q16 and 4Q15 driven by negative market rates on reverse repurchase agreements.

FHN CONSOLIDATED AVERAGE BALANCE SHEET: YIELDS AND RATES
Quarterly, Unaudited

	4Q16	3Q16	2Q16	1Q16	4Q15
Assets:					
Earning assets (a):					
Loans, net of unearned income (b):					
Commercial loans	**3.75 %**	3.63 %	3.58 %	3.58 %	3.46 %
Consumer loans	**4.06**	4.08	4.08	4.07	3.98
Total loans, net of unearned income (c)	**3.84**	3.76	3.74	3.73	3.63
Loans held-for-sale	**5.03**	4.36	4.17	4.13	4.28
Investment securities:					
U.S. government agencies	**2.43**	2.34	2.39	2.46	2.47
States and municipalities	**9.39**	9.01	7.27	6.70	5.81
Corporate bonds	**5.25**	5.25	5.25	5.25	4.98
Other	**3.17**	2.44	2.47	2.59	4.04
Total investment securities	**2.48**	2.36	2.41	2.48	2.56
Trading securities	**2.69**	2.46	2.64	2.87	2.86
Other earning assets:					
Federal funds sold	**1.07**	0.99	1.11	1.26	1.12
Securities purchased under agreements to resell (d)	**(0.09)**	0.08	0.15	0.11	(0.14)
Interest-bearing cash	**0.57**	0.49	0.48	0.50	0.28
Total other earning assets	**0.23**	0.25	0.28	0.34	0.09
Interest income/total earning assets	**3.37 %**	3.30 %	3.27 %	3.23 %	3.17 %
Liabilities:					
Interest-bearing liabilities:					
Interest-bearing deposits:					
Savings	**0.27 %**	0.23 %	0.21 %	0.21 %	0.15 %
Other interest-bearing deposits	**0.20**	0.19	0.19	0.18	0.10
Time deposits	**0.57**	0.59	0.61	0.58	0.60
Total interest-bearing core deposits	**0.26**	0.23	0.22	0.22	0.16
Certificates of deposit $100,000 and more	**1.08**	1.06	0.98	0.95	1.03
Federal funds purchased	**0.55**	0.52	0.51	0.51	0.30
Securities sold under agreements to repurchase	**0.05**	0.09	0.11	0.05	0.05
Trading liabilities	**2.06**	1.76	1.84	2.14	2.08
Other short-term borrowings (e)	**0.61**	0.61	0.66	0.97	0.81
Term borrowings (f)	**2.76**	2.67	2.60	2.32	2.46
Interest expense/total interest-bearing liabilities	**0.51**	0.47	0.48	0.49	0.49
Net interest spread	**2.86 %**	2.83 %	2.79 %	2.74 %	2.68 %
Effect of interest-free sources used to fund earning assets	**0.14**	0.13	0.13	0.14	0.14
Net interest margin	**3.00 %**	2.96 %	2.92 %	2.88 %	2.82 %

Yields are adjusted to a FTE basis assuming a statutory federal income tax rate of 35 percent and, where applicable, state income taxes.

(a) Earning assets yields are expressed net of unearned income.
(b) Includes loan fees and cash basis interest income.
(c) Includes loans on nonaccrual status.
(d) 4Q16 and 4Q15 driven by negative market rates on reverse repurchase agreements.
(e) 4Q16, 3Q16 and 2Q16 rates driven by higher FHLB borrowings at a rate lower than other short-term borrowings.
(f) Rates are expressed net of unamortized debenture cost for term borrowings.

FHN CAPITAL HIGHLIGHTS
Quarterly, Unaudited

(Dollars and shares in thousands)	**4Q16**	3Q16	2Q16	1Q16	4Q15	*4Q16 Changes vs.* 3Q16	*4Q16 Changes vs.* 4Q15
Common equity tier 1 capital (a) (b)	**$2,377,986**	$2,326,207	$2,260,722	$2,226,621	$2,278,580	2 %	4 %
Tier 1 capital (a) (b)	**2,672,332**	2,615,449	2,538,876	2,493,080	2,572,141	2 %	4 %
Total capital (a)	**2,926,631**	2,868,437	2,788,558	2,744,189	2,836,715	2 %	3 %
Risk-weighted assets ("RWA") (a) (b)	**23,931,220**	23,716,102	22,503,305	21,559,035	21,812,015	1 %	10 %
Average assets for leverage (a) (b)	**28,581,554**	27,481,309	26,715,209	26,519,986	26,109,449	4 %	9 %
Common equity tier 1 ratio (a) (b)	**9.94 %**	9.81 %	10.05 %	10.33 %	10.45 %		
Tier 1 ratio (a) (b)	**11.17**	11.03	11.28	11.56	11.79		
Total capital ratio (a)	**12.23**	12.09	12.39	12.73	13.01		
Leverage ratio (a) (b)	**9.35**	9.52	9.50	9.40	9.85		
Total equity to total assets	**9.47 %**	9.65 %	9.77 %	9.80 %	10.08 %		
Tangible common equity/tangible assets ("TCE/TA") (c)	**7.42 %**	7.58 %	7.63 %	7.61 %	7.82 %		
Period-end shares outstanding	**233,624**	233,235	232,019	232,547	238,587	*	(2)%
Cash dividends declared per common share	**$0.07**	$0.07	$0.07	$0.07	$0.06	*	17 %
Book value per common share	**$9.90**	$10.09	$9.92	$9.68	$9.42		
Tangible book value per common share (c)	**$9.00**	$9.17	$8.99	$8.75	$8.51		
Market capitalization (millions)	**$4,674.8**	$3,552.2	$3,197.2	$3,046.4	$3,464.3		

Certain previously reported amounts have been reclassified to agree with current presentation.
* Amount is less than one percent.
(a) Current quarter is an estimate.
(b) See Glossary of Terms for definition.
(c) TCE/TA and Tangible book value per common share are non-GAAP measures and are reconciled to Total equity to total assets (GAAP) and to Book value per common share (GAAP), respectively, in the Non-GAAP to GAAP reconciliation on page 22 of this financial supplement.

FHN BUSINESS SEGMENT HIGHLIGHTS
Quarterly/Annually, Unaudited

						4Q16 Changes vs.		*Twelve Months Ended*		*2016 vs.*
(Thousands)	**4Q16**	3Q16	2Q16	1Q16	4Q15	3Q16	4Q15	**2016**	2015	2015
Regional Banking										
Net interest income	**$200,719**	$190,510	$178,321	$172,313	$169,600	5 %	18 %	**$741,863**	$655,164	13 %
Noninterest income	**63,324**	65,128	61,275	59,276	62,644	(3)%	1 %	**249,003**	251,586	(1)%
Total revenues	**264,043**	255,638	239,596	231,589	232,244	3 %	14 %	**990,866**	906,750	9 %
Provision for loan losses	**4,692**	8,544	10,883	14,767	5,856	(45)%	(20)%	**38,886**	34,545	13 %
Noninterest expense (a)	**160,815**	144,992	164,342	145,381	147,546	11 %	9 %	**615,530**	562,572	9 %
Income before income taxes	**98,536**	102,102	64,371	71,441	78,842	(3)%	25 %	**336,450**	309,633	9 %
Provision for income taxes	**35,415**	37,086	22,444	25,415	28,131	(5)%	26 %	**120,360**	110,589	9 %
Net income	**$63,121**	$65,016	$41,927	$46,026	$50,711	(3)%	24 %	**$216,090**	$199,044	9 %
Fixed Income										
Net interest income	**$2,541**	$2,412	$3,147	$2,666	$3,901	5 %	(35)%	**$10,766**	$15,517	(31)%
Noninterest income	**52,061**	72,073	78,083	67,122	61,991	(28)%	(16)%	**269,339**	231,314	16 %
Total revenues	**54,602**	74,485	81,230	69,788	65,892	(27)%	(17)%	**280,105**	246,831	13 %
Noninterest expense (b)	**48,732**	59,578	62,883	58,670	54,605	(18)%	(11)%	**229,863**	220,441	4 %
Income before income taxes	**5,870**	14,907	18,347	11,118	11,287	(61)%	(48)%	**50,242**	26,390	90 %
Provision for income taxes	**1,873**	5,458	6,754	3,874	3,971	(66)%	(53)%	**17,959**	8,885	NM
Net income	**$3,997**	$9,449	$11,593	$7,244	$7,316	(58)%	(45)%	**$32,283**	$17,505	84 %
Corporate										
Net interest income/(expense)	**$(17,503)**	$(18,195)	$(15,850)	$(14,364)	$(19,221)	4 %	9 %	**$(65,912)**	$(71,688)	8 %
Noninterest income	**4,670**	5,134	4,909	5,723	5,486	(9)%	(15)%	**20,436**	23,331	(12)%
Total revenues	**(12,833)**	(13,061)	(10,941)	(8,641)	(13,735)	2 %	7 %	**(45,476)**	(48,357)	6 %
Noninterest expense	**14,622**	14,812	16,038	13,442	17,736	(1)%	(18)%	**58,914**	57,943	2 %
Loss before income taxes	**(27,455)**	(27,873)	(26,979)	(22,083)	(31,471)	1 %	13 %	**(104,390)**	(106,300)	2 %
Benefit for income taxes	**(15,130)**	(16,727)	(12,827)	(11,240)	(27,636)	10 %	45 %	**(55,924)**	(80,276)	30 %
Net income/(loss)	**$(12,325)**	$(11,146)	$(14,152)	$(10,843)	$(3,835)	(11)%	NM	**$(48,466)**	$(26,024)	(86)%
Non-Strategic										
Net interest income	**$9,794**	$10,468	$10,646	$11,459	$12,372	(6)%	(21)%	**$42,367**	$54,727	(23)%
Noninterest income (c)	**4,022**	6,210	1,247	2,184	2,111	(35)%	91 %	**13,663**	11,094	23 %
Total revenues	**13,816**	16,678	11,893	13,643	14,483	(17)%	(5)%	**56,030**	65,821	(15)%
Provision/(provision credit) for loan losses	**(4,692)**	(4,544)	(6,883)	(11,767)	(4,856)	(3)%	3 %	**(27,886)**	(25,545)	(9)%
Noninterest expense (d)	**13,728**	14,176	(16,441)	9,434	23,853	(3)%	(42)%	**20,897**	212,835	(90)%
Income/(loss) before income taxes	**4,780**	7,046	35,217	15,976	(4,514)	(32)%	NM	**63,019**	(121,469)	NM
Provision/(benefit) for income taxes	**1,850**	2,730	13,645	6,190	(1,751)	(32)%	NM	**24,415**	(28,257)	NM
Net income/(loss)	**$2,930**	$4,316	$21,572	$9,786	$(2,763)	(32)%	NM	**$38,604**	$(93,212)	NM
Total Consolidated										
Net interest income	**$195,551**	$185,195	$176,264	$172,074	$166,652	6 %	17 %	**$729,084**	$653,720	12 %
Noninterest income	**124,077**	148,545	145,514	134,305	132,232	(16)%	(6)%	**552,441**	517,325	7 %
Total revenues	**319,628**	333,740	321,778	306,379	298,884	(4)%	7 %	**1,281,525**	1,171,045	9 %
Provision for loan losses	**-**	4,000	4,000	3,000	1,000	NM	NM	**11,000**	9,000	22 %
Noninterest expense	**237,897**	233,558	226,822	226,927	243,740	2 %	(2)%	**925,204**	1,053,791	(12)%
Income before income taxes	**81,731**	96,182	90,956	76,452	54,144	(15)%	51 %	**345,321**	108,254	NM
Provision for income taxes	**24,008**	28,547	30,016	24,239	2,715	(16)%	NM	**106,810**	10,941	NM
Net income	**$57,723**	$67,635	$60,940	$52,213	$51,429	(15)%	12 %	**$238,511**	$97,313	NM

Certain previously reported amounts have been reclassified to agree with current presentation.

NM - Not meaningful

(a) 4Q16 includes $2.7 million of loss accruals related to legal matters; 3Q16 includes a $4.3 million reversal of loss accruals related to legal matters; 2Q16 includes $22.0 million of loss accruals related to legal matters.

(b) 2015 includes an $11.6 million charge to litigation and regulatory matters related to the resolution of a legal matter.

(c) 4Q16 includes a $1.5 million gain related to the reversal of a contingency accrual associated with prior sales of MSR; 3Q16 includes $4.4 million of gains primarily related to recoveries associated with prior legacy mortgage servicing sales.

(d) 4Q16 includes $2.0 million of loss accruals related to legal matters; 3Q16 includes $4.5 million of loss accruals related to legal matters; 2Q16 includes a $31.4 million reversal of repurchase and foreclosure provision as a result of the settlements/recoveries of certain repurchase claims, somewhat offset by $4.0 million of loss accruals related to legal matters; 4Q15 includes $14.2 million of loss accruals related to legal matters; 2015 includes $175.8 million of loss accruals related to legal matters, including $162.5 million associated with the settlement of potential claims related to FHN's underwriting and origination of FHA-insured mortgage loans.

FHN REGIONAL BANKING
Quarterly, Unaudited

	4Q16	3Q16	2Q16	1Q16	4Q15	4Q16 Changes vs. 3Q16	4Q16 Changes vs. 4Q15
Income Statement (thousands)							
Net interest income	**$200,719**	$190,510	$178,321	$172,313	$169,600	5 %	18 %
Provision for loan losses	**4,692**	8,544	10,883	14,767	5,856	(45)%	(20)%
Noninterest income:							
NSF / Overdraft fees (a)	**9,707**	10,076	8,905	9,576	11,630	(4)%	(17)%
Cash management fees	**8,659**	7,947	8,612	8,760	8,637	9 %	*
Debit card income	**3,516**	3,496	3,464	3,221	3,302	1 %	6 %
Other	**4,291**	4,215	4,466	4,288	4,382	2 %	(2)%
Total deposit transactions and cash management	**26,173**	25,734	25,447	25,845	27,951	2 %	(6)%
Brokerage, management fees and commissions	**11,003**	10,828	10,665	10,415	11,021	2 %	*
Trust services and investment management	**7,056**	6,900	7,239	6,569	6,889	2 %	2 %
Bankcard income (b)	**6,230**	6,151	6,432	5,132	5,423	1 %	15 %
Other service charges	**2,596**	2,591	2,579	2,318	2,358	*	10 %
Miscellaneous revenue (c)	**10,266**	12,924	8,913	8,997	9,002	(21)%	14 %
Total noninterest income	**63,324**	65,128	61,275	59,276	62,644	(3)%	1 %
Noninterest expense:							
Employee compensation, incentives, and benefits	**58,627**	56,440	53,413	52,173	51,507	4 %	14 %
Other (d)	**102,188**	88,552	110,929	93,208	96,039	15 %	6 %
Total noninterest expense	**160,815**	144,992	164,342	145,381	147,546	11 %	9 %
Income before income taxes	**$98,536**	$102,102	$64,371	$71,441	$78,842	(3)%	25 %
PPNR (e)	**103,228**	110,646	75,254	86,208	84,698	(7)%	22 %
Efficiency ratio (f)	**60.90 %**	56.72 %	68.59 %	62.78 %	63.53 %		
Balance Sheet (millions)							
Average loans	**$17,692**	$16,844	$15,859	$15,224	$14,760	5 %	20 %
Average other earning assets	**37**	46	42	47	42	(20)%	(12)%
Total average earning assets	**17,729**	16,890	15,901	15,271	14,802	5 %	20 %
Average core deposits	**18,444**	18,132	17,869	17,592	17,351	2 %	6 %
Average other deposits	**578**	472	498	461	338	22 %	71 %
Total average deposits	**19,022**	18,604	18,367	18,053	17,689	2 %	8 %
Total period-end deposits	**19,348**	18,742	18,674	18,534	18,077	3 %	7 %
Total period-end assets	**18,772**	18,562	17,434	16,280	16,394	1 %	15 %
Net interest margin (g)	**4.57 %**	4.55 %	4.57 %	4.60 %	4.61 %		
Net interest spread	**3.52**	3.46	3.44	3.42	3.36		
Loan yield	**3.68**	3.61	3.59	3.57	3.48		
Deposit average rate	**0.16**	0.15	0.15	0.15	0.12		
Key Statistics							
Financial center locations	**162**	162	162	174	177	*	(8)%

Certain previously reported amounts have been reclassified to agree with current presentation.
* Amount is less than one percent.
(a) Variability is driven by changes in consumer behavior.
(b) 2Q16 increase driven by a significant new relationship.
(c) 3Q16 includes a $1.8 million gain on the sales of properties.
(d) 4Q16 includes $2.7 million of loss accruals related to legal matters; 3Q16 includes a reversal of loss accruals related to legal matters of $4.3 million; 2Q16 includes $22.0 million of loss accruals related to legal matters; 1Q16 includes $3.7 million of impairment related to branch closures.
(e) Pre-provision net revenue is not a GAAP number but is used in regulatory stress test reporting. The presentation of PPNR in this Financial Supplement follows the regulatory definition.
(f) Noninterest expense divided by total revenue.
(g) Net interest margin is computed using total net interest income adjusted for FTE assuming a statutory federal income tax rate of 35 percent and, where applicable, state income taxes.

FHN FIXED INCOME
Quarterly, Unaudited

	4Q16	3Q16	2Q16	1Q16	4Q15	*4Q16 Changes vs.* 3Q16	*4Q16 Changes vs.* 4Q15
Income Statement (thousands)							
Net interest income	**$2,541**	$2,412	$3,147	$2,666	$3,901	5 %	(35)%
Noninterest income:							
Fixed income product revenue	**43,794**	59,003	69,279	57,583	52,713	(26)%	(17)%
Other (a)	**8,267**	13,070	8,804	9,539	9,278	(37)%	(11)%
Total noninterest income	**52,061**	72,073	78,083	67,122	61,991	(28)%	(16)%
Noninterest expense	**48,732**	59,578	62,883	58,670	54,605	(18)%	(11)%
Income before income taxes	**$5,870**	$14,907	$18,347	$11,118	$11,287	(61)%	(48)%
Efficiency ratio (b)	**89.25 %**	79.99 %	77.41 %	84.07 %	82.87 %		
Fixed income product average daily revenue	**$718**	$922	$1,082	$944	$850	(22)%	(16)%
Balance Sheet (millions)							
Average trading inventory	**$1,281**	$1,153	$1,267	$1,138	$1,303	11 %	(2)%
Average other earning assets	**818**	831	893	822	805	(2)%	2 %
Total average earning assets	**2,099**	1,984	2,160	1,960	2,108	6 %	*
Total period-end assets	**1,817**	2,516	2,540	2,361	1,779	(28)%	2 %
Net interest margin (c)	**0.57 %**	0.55 %	0.64 %	0.63 %	0.82 %		

Certain previously reported amounts have been reclassified to agree with current presentation.
* Amount is less than one percent.
(a) 3Q16 increase driven by higher fees from loan and derivative sales.
(b) Noninterest expense divided by total revenue.
(c) Net interest margin is computed using total net interest income adjusted for FTE assuming a statutory federal income tax rate of 35 percent and, where applicable, state income taxes.

FHN CORPORATE
Quarterly, Unaudited

	4Q16	3Q16	2Q16	1Q16	4Q15	*4Q16 Changes vs.* 3Q16	*4Q16 Changes vs.* 4Q15
Income Statement (thousands)							
Net interest income/(expense)	**$(17,503)**	$(18,195)	$(15,850)	$(14,364)	$(19,221)	4 %	9 %
Noninterest income excluding securities gains/(losses)	**4,802**	5,335	4,810	4,149	4,047	(10)%	19 %
Securities gains/(losses), net	**(132)**	(201)	99	1,574	1,439	34 %	NM
Noninterest expense (a)	**14,622**	14,812	16,038	13,442	17,736	(1)%	(18)%
Loss before income taxes	**$(27,455)**	$(27,873)	$(26,979)	$(22,083)	$(31,471)	1 %	13 %
Average Balance Sheet (millions)							
Average loans	**$86**	$91	$96	$103	$110	(5)%	(22)%
Total earning assets	**$4,795**	$4,617	$4,576	$5,093	$4,830	4 %	(1)%
Net interest margin (b)	**(1.44)%**	(1.55)%	(1.40)%	(1.14)%	(1.56)%		

Certain previously reported amounts have been reclassified to agree with current presentation.
NM - Not meaningful
(a) 2Q16 includes $2.5 million of negative valuation adjustments associated with derivatives related to prior sales of Visa Class B shares; 4Q15 includes $2.8 million of impairment related to a tax credit investment accounted for under the equity method and $2.7 million of costs related to the TrustAtlantic acquisition.
(b) Net interest margin is computed using total net interest income adjusted for FTE assuming a statutory federal income tax rate of 35 percent and, where applicable, state income taxes.

FHN NON-STRATEGIC
Quarterly, Unaudited

	4Q16	3Q16	2Q16	1Q16	4Q15	4Q16 Changes vs. 3Q16	4Q16 Changes vs. 4Q15
Income Statement (thousands)							
Net interest income	**$9,794**	$10,468	$10,646	$11,459	$12,372	(6)%	(21)%
Provision/(provision credit) for loan losses	**(4,692)**	(4,544)	(6,883)	(11,767)	(4,856)	(3)%	3 %
Noninterest income (a)	**4,022**	6,210	1,247	2,184	2,111	(35)%	91 %
Noninterest expense (b)	**13,728**	14,176	(16,441)	9,434	23,853	(3)%	(42)%
Income/(loss) before income taxes	**$4,780**	$7,046	$35,217	$15,976	$(4,514)	(32)%	NM
Average Balance Sheet (millions)							
Loans	**$1,636**	$1,744	$1,856	$1,967	$2,073	(6)%	(21)%
Loans held-for-sale	**96**	100	103	106	109	(4)%	(12)%
Trading securities	**3**	3	3	4	5	*	(40)%
Allowance for loan losses	**(50)**	(53)	(59)	(69)	(76)	(6)%	(34)%
Other assets	**38**	47	46	34	13	(19)%	NM
Total assets	**1,723**	1,841	1,949	2,042	2,124	(6)%	(19)%
Net interest margin (c)	**2.25 %**	2.26 %	2.17 %	2.21 %	2.25 %		
Efficiency ratio (d)	**99.36 %**	85.00 %	NM	69.15 %	NM		

Certain previously reported amounts have been reclassified to agree with current presentation.
NM - Not meaningful
* Amount is less than one percent.

(a) 4Q16 includes a $1.5 million gain related to the reversal of a contingency accrual associated with prior sales of MSR; 3Q16 includes $4.4 million of gains primarily related to recoveries associated with prior legacy mortgage servicing sales.

(b) 4Q16 includes $2.0 million of loss accruals related to legal matters; 3Q16 includes $4.5 million of loss accruals related to legal matters; 2Q16 includes a $31.4 million reversal of repurchase and foreclosure provision as a result of the settlements/recoveries of certain repurchase claims, somewhat offset by $4.0 million of loss accruals related to legal matters; 4Q15 includes $14.2 million of loss accruals related to legal matters.

(c) Net interest margin is computed using total net interest income adjusted for FTE assuming a statutory federal income tax rate of 35 percent and, where applicable, state income taxes.

(d) Noninterest expense divided by total revenue excluding securities gains/(losses).

FHN ASSET QUALITY: CONSOLIDATED
Quarterly, Unaudited

(Dollars in thousands)	**4Q16**	3Q16	2Q16	1Q16	4Q15	*4Q16 Changes vs.* 3Q16	4Q15
Allowance for Loan Losses Walk-Forward							
Beginning reserve	**$201,557**	$199,807	$204,034	$210,242	$210,814	1 %	(4) %
Provision	**-**	4,000	4,000	3,000	1,000	NM	NM
Charge-offs	**(11,369)**	(10,362)	(18,296)	(17,612)	(16,614)	10 %	(32) %
Recoveries	**11,880**	8,112	10,069	8,404	15,042	46 %	(21) %
Ending balance	**$202,068**	$201,557	$199,807	$204,034	$210,242	*	(4) %
Reserve for unfunded commitments	**5,312**	4,802	5,351	5,495	5,926	11 %	(10) %
Total allowance for loan losses plus reserve for unfunded commitments	**$207,380**	$206,359	$205,158	$209,529	$216,168	*	(4) %
Allowance for Loan Losses							
Regional Banking	**$154,082**	$151,397	$146,351	$143,088	$137,586	2 %	12 %
Non-Strategic	**47,986**	50,160	53,456	60,946	72,656	(4) %	(34) %
Total allowance for loan losses	**$202,068**	$201,557	$199,807	$204,034	$210,242	*	(4) %
Nonperforming Assets							
Regional Banking							
Nonperforming loans	**$50,653**	$50,267	$60,754	$72,323	$56,475	1 %	(10) %
Foreclosed real estate (a)	**5,081**	5,811	7,031	11,045	16,298	(13) %	(69) %
Total Regional Banking	**$55,734**	$56,078	$67,785	$83,368	$72,773	(1) %	(23) %
Non-Strategic							
Nonperforming loans	**$93,808**	$100,572	$114,947	$120,335	$120,946	(7) %	(22) %
Nonperforming loans held-for-sale after fair value adjustments	**7,740**	7,791	8,195	8,568	7,846	(1) %	(1) %
Foreclosed real estate (a)	**6,155**	7,867	7,119	6,415	8,679	(22) %	(29) %
Total Non-Strategic	**$107,703**	$116,230	$130,261	$135,318	$137,471	(7) %	(22) %
Corporate							
Nonperforming loans	**$1,186**	$1,211	$896	$927	$1,677	(2) %	(29) %
Total nonperforming assets (a)	**$164,623**	$173,519	$198,942	$219,613	$211,921	(5) %	(22) %
Net Charge-Offs							
Regional Banking	**$2,007**	$3,499	$7,620	$9,265	$(2,787)	(43) %	NM
Non-Strategic	**(2,518)**	(1,249)	607	(57)	4,359	NM	NM
Total net charge-offs	**$(511)**	$2,250	$8,227	$9,208	$1,572	NM	NM
Consolidated Key Ratios (b)							
30+ Delinq. % (c)	**0.34 %**	0.32 %	0.32 %	0.54 %	0.42 %		
NPL %	**0.74**	0.78	0.95	1.10	1.01		
NPA %	**0.80**	0.85	1.03	1.20	1.15		
Net charge-offs %	**NM**	0.05	0.19	0.21	0.04		
Allowance / loans %	**1.03**	1.03	1.07	1.16	1.19		
Allowance / NPL	**1.39 x**	1.33 x	1.13 x	1.05 x	1.17 x		
Allowance / NPA	**1.29 x**	1.22 x	1.05 x	0.97 x	1.03 x		
Allowance / net charge-offs	**NM**	22.51 x	6.04 x	5.51 x	NM		
Other							
Loans past due 90 days or more (d)	**$38,299**	$36,562	$34,175	$36,958	$40,591	5 %	(6) %
Guaranteed portion (d)	**14,664**	13,645	13,822	16,279	16,631	7 %	(12) %
Period-end loans, net of unearned income (millions)	**19,590**	19,556	18,589	17,575	17,687	*	11 %

NM - Not meaningful
* Amount is less than one percent.
(a) Excludes foreclosed real estate from government-insured mortgages.
(b) See Glossary of Terms for definitions of Consolidated Key Ratios.
(c) 30+ Delinquency % includes all accounts delinquent more than one month and still accruing interest.
(d) Includes loans held-for-sale.

FHN ASSET QUALITY: CONSOLIDATED
Quarterly, Unaudited

	4Q16	3Q16	2Q16	1Q16	4Q15	4Q16 Changes vs. 3Q16	4Q16 Changes vs. 4Q15
Key Portfolio Details							
C&I							
Period-end loans ($ millions)	**$12,148**	$12,118	$11,179	$10,239	$10,436	*	16 %
30+ Delinq. % (a) (b)	**0.08%**	0.05%	0.04%	0.37%	0.08%		
NPL %	**0.27**	0.25	0.27	0.38	0.25		
Charge-offs % (qtr. annualized)	**NM**	0.04	0.24	0.23	NM		
Allowance / loans %	**0.74%**	0.72%	0.72%	0.79%	0.71%		
Allowance / charge-offs	**NM**	17.23x	3.21x	3.50x	NM		
Commercial Real Estate							
Period-end loans ($ millions)	**$2,136**	$2,066	$1,969	$1,849	$1,675	3 %	28 %
30+ Delinq. % (a)	**0.01%**	0.18%	0.15%	0.18%	0.27%		
NPL %	**0.13**	0.17	0.40	0.51	0.52		
Charge-offs % (qtr. annualized)	**0.09**	NM	NM	0.10	0.29		
Allowance / loans %	**1.59%**	1.57%	1.54%	1.39%	1.50%		
Allowance / charge-offs	**17.56x**	NM	NM	15.16x	5.39x		
Consumer Real Estate							
Period-end loans ($ millions)	**$4,524**	$4,578	$4,641	$4,690	$4,767	(1)%	(5)%
30+ Delinq. % (a)	**0.93%**	0.86%	0.80%	0.82%	1.00%		
NPL %	**1.83**	1.95	2.31	2.43	2.33		
Charge-offs % (qtr. annualized)	**NM**	NM	0.04	0.10	0.09		
Allowance / loans %	**1.11%**	1.16%	1.27%	1.44%	1.69%		
Allowance / charge-offs	**NM**	NM	29.40x	14.06x	18.49x		
Permanent Mortgage							
Period-end loans ($ millions)	**$423**	$436	$439	$443	$454	(3)%	(7)%
30+ Delinq. % (a)	**2.36%**	2.46%	2.21%	2.50%	2.11%		
NPL %	**6.42**	6.67	6.97	6.83	6.97		
Charge-offs % (qtr. annualized)	**NM**	0.12	NM	NM	NM		
Allowance / loans %	**3.85%**	3.80%	4.01%	4.24%	4.17%		
Allowance / charge-offs	**NM**	31.11x	NM	NM	NM		
Credit Card and Other							
Period-end loans ($ millions)	**$359**	$358	$361	$354	$355	*	1 %
30+ Delinq. % (a)	**1.17%**	1.04%	1.19%	1.13%	1.08%		
NPL %	**0.04**	0.04	0.20	0.38	0.38		
Charge-offs % (qtr. annualized)	**3.25**	2.95	2.73	2.86	2.56		
Allowance / loans %	**3.39%**	3.48%	3.30%	3.23%	3.35%		
Allowance / charge-offs	**1.04x**	1.17x	1.21x	1.13x	1.30x		

NM - Not meaningful
* Amount is less than one percent.
(a) 30+ Delinquency % includes all accounts delinquent more than one month and still accruing interest.
(b) 1Q16 increase was driven by regional bank C&I but over half were favorably resolved in early second quarter 2016.

FHN ASSET QUALITY: REGIONAL BANKING
Quarterly, Unaudited

	4Q16	3Q16	2Q16	1Q16	4Q15	*4Q16 Changes vs.* 3Q16	*4Q16 Changes vs.* 4Q15
Total Regional Banking							
Period-end loans ($ millions)	**$17,935**	$17,789	$16,703	$15,570	$15,571	1 %	15 %
30+ Delinq. % (a)	**0.18%**	0.17%	0.16%	0.39%	0.23%		
NPL %	**0.28**	0.28	0.36	0.46	0.36		
Charge-offs % (qtr. annualized)	**0.05**	0.08	0.19	0.24	NM		
Allowance / loans %	**0.86%**	0.85%	0.88%	0.92%	0.88%		
Allowance / charge-offs	**19.30x**	10.88x	4.78x	3.84x	NM		
Key Portfolio Details							
C&I							
Period-end loans ($ millions)	**$11,728**	$11,698	$10,759	$9,818	$10,015	*	17 %
30+ Delinq. % (a) (b)	**0.08%**	0.05%	0.04%	0.37%	0.08%		
NPL %	**0.24**	0.22	0.24	0.36	0.23		
Charge-offs % (qtr. annualized)	**NM**	0.05	0.25	0.24	NM		
Allowance / loans %	**0.75%**	0.73%	0.74%	0.81%	0.72%		
Allowance / charge-offs	**NM**	16.76x	3.23x	3.48x	NM		
Commercial Real Estate							
Period-end loans ($ millions)	**$2,136**	$2,066	$1,969	$1,849	$1,675	3 %	28 %
30+ Delinq. % (a)	**0.01%**	0.18%	0.15%	0.18%	0.27%		
NPL %	**0.13**	0.17	0.40	0.51	0.52		
Charge-offs % (qtr. annualized)	**0.11**	NM	NM	0.10	0.31		
Allowance / loans %	**1.59%**	1.57%	1.54%	1.39%	1.50%		
Allowance / charge-offs	**14.28x**	NM	NM	14.23x	4.99x		
Consumer Real Estate							
Period-end loans ($ millions)	**$3,643**	$3,608	$3,577	$3,531	$3,515	1 %	4 %
30+ Delinq. % (a)	**0.49%**	0.46%	0.40%	0.46%	0.52%		
NPL %	**0.52**	0.57	0.73	0.76	0.68		
Charge-offs % (qtr. annualized)	**-**	0.01	NM	0.06	0.11		
Allowance / loans %	**0.52%**	0.56%	0.68%	0.75%	0.83%		
Allowance / charge-offs	**NM**	57.14x	NM	11.78x	7.68x		
Credit Card, Permanent Mortgage, and Other							
Period-end loans ($ millions)	**$428**	$417	$398	$372	$366	3 %	17 %
30+ Delinq. % (a)	**1.08%**	0.97%	1.16%	1.18%	1.13%		
NPL %	**0.09**	0.10	0.10	0.28	0.29		
Charge-offs % (qtr. annualized)	**2.79**	2.64	2.54	2.82	2.40		
Allowance / loans %	**3.09%**	3.19%	3.07%	3.06%	3.04%		
Allowance / charge-offs	**1.12x**	1.23x	1.25x	1.10x	1.29x		

ASSET QUALITY: CORPORATE

	4Q16	3Q16	2Q16	1Q16	4Q15	3Q16	4Q15
Permanent Mortgage							
Period-end loans ($ millions)	**$71**	$79	$85	$92	$97	(10)%	(27)%
30+ Delinq. % (a)	**4.37%**	4.37%	4.92%	3.66%	2.92%		
NPL %	**1.66**	1.54	1.06	1.00	1.72		
Charge-offs % (qtr. annualized)	**NM**	NM	NM	NM	NM		
Allowance / loans %	**NM**	NM	NM	NM	NM		
Allowance / charge-offs	**NM**	NM	NM	NM	NM		

NM - Not meaningful
* Amount is less than one percent.
(a) 30+ Delinquency % includes all accounts delinquent more than one month and still accruing interest.
(b) Over half of the loans driving the 1Q16 increase were favorably resolved in early second quarter 2016.

FHN ASSET QUALITY: NON-STRATEGIC
Quarterly, Unaudited

	4Q16	3Q16	2Q16	1Q16	4Q15	*4Q16 Changes vs.* 3Q16	4Q15
Total Non-Strategic							
Period-end loans ($ millions)	**$1,584**	$1,688	$1,801	$1,913	$2,018	(6)%	(22)%
30+ Delinq. % (a)	**1.94%**	1.76%	1.56%	1.59%	1.77%		
NPL %	**5.92**	5.96	6.38	6.29	5.99		
Charge-offs % (qtr. annualized)	**NM**	NM	0.13	NM	0.83		
Allowance / loans %	**3.03%**	2.97%	2.97%	3.19%	3.60%		
Allowance / charge-offs	**NM**	NM	21.90x	NM	4.20x		
Key Portfolio Details							
Commercial							
Period-end loans ($ millions)	**$420**	$420	$420	$421	$422	*	*
30+ Delinq. % (a)	**- %**	- %	- %	0.23%	0.02%		
NPL %	**0.98**	0.99	1.00	0.83	0.83		
Charge-offs % (qtr. annualized)	**NM**	NM	NM	0.03	3.87		
Allowance / loans %	**0.33%**	0.33%	0.33%	0.34%	0.34%		
Allowance / charge-offs	**NM**	NM	NM	10.11x	0.09x		
Consumer Real Estate							
Period-end loans ($ millions)	**$881**	$970	$1,064	$1,160	$1,251	(9)%	(30)%
30+ Delinq. % (a)	**2.76%**	2.34%	2.16%	1.91%	2.34%		
NPL %	**7.26**	7.09	7.59	7.52	6.97		
Charge-offs % (qtr. annualized)	**NM**	NM	0.26	0.21	0.04		
Allowance / loans %	**3.56%**	3.40%	3.27%	3.51%	4.12%		
Allowance / charge-offs	**NM**	NM	12.14x	16.09x	NM		
Permanent Mortgage							
Period-end loans ($ millions)	**$275**	$290	$308	322	$336	(5)%	(18)%
30+ Delinq. % (a)	**2.29%**	2.36%	1.66%	2.22%	1.88%		
NPL %	**9.32**	9.48	9.51	8.95	8.80		
Charge-offs % (qtr. annualized)	**NM**	0.18	NM	NM	NM		
Allowance / loans %	**5.49%**	5.36%	5.53%	5.70%	5.61%		
Allowance / charge-offs	**NM**	29.16x	NM	NM	NM		
Other Consumer							
Period-end loans ($ millions)	**$8**	$8	$9	$10	$9	*	(11)%
30+ Delinq. % (a)	**1.73%**	1.62%	1.06%	1.23%	1.47%		
NPL %	**1.82**	1.83	7.98	7.70	7.28		
Charge-offs % (qtr. annualized)	**NM**	NM	1.15	NM	5.37		
Allowance / loans %	**2.26%**	2.50%	2.83%	4.63%	9.07%		
Allowance / charge-offs	**NM**	NM	2.41x	NM	1.67x		

NM - Not meaningful
* Amount is less than one percent.
(a) 30+ Delinquency % includes all accounts delinquent more than one month and still accruing interest.

FHN: PORTFOLIO METRICS
Unaudited

C&I Portfolio: $12.1 Billion (62.0% of Total Loans) as of December 31, 2016

	% OS
General Corporate, Commercial, and Business Banking Loans	78%
Loans to Mortgage Companies	17%
Trust Preferred Loans	3%
Bank Holding Company Loans	2%

Consumer Real Estate (primarily Home Equity) Portfolio: $4.5 Billion (23.1% of Total Loans)

Origination LTV and FICO for Portfolio as of December 31, 2016	Loan-to-Value			
(excludes whole loan insurance)	<=60%	>60% - <=80%	>80% - 90%	>90%
FICO score greater than or equal to 740	11%	24%	17%	13%
FICO score 720-739	1%	4%	4%	3%
FICO score 700-719	1%	3%	3%	2%
FICO score 660-699	1%	3%	3%	2%
FICO score 620-659	-%	1%	1%	1%
FICO score less than 620	-%	1%	-%	1%

Origination LTV and FICO for Portfolio - Regional Bank as of December 31, 2016	Loan-to-Value			
(excludes whole loan insurance)	<=60%	>60% - <=80%	>80% - 90%	>90%
FICO score greater than or equal to 740	11%	25%	17%	14%
FICO score 720-739	1%	4%	3%	3%
FICO score 700-719	1%	3%	2%	2%
FICO score 660-699	1%	3%	3%	2%
FICO score 620-659	-%	1%	1%	1%
FICO score less than 620	-%	1%	-%	1%

Origination LTV and FICO for Portfolio - Non-Strategic as of December 31, 2016	Loan-to-Value			
(excludes whole loan insurance)	<=60%	>60% - <=80%	>80% - 90%	>90%
FICO score greater than or equal to 740	8%	19%	15%	5%
FICO score 720-739	2%	6%	6%	2%
FICO score 700-719	2%	6%	6%	2%
FICO score 660-699	2%	5%	4%	4%
FICO score 620-659	-%	1%	2%	1%
FICO score less than 620	-%	-%	-%	2%

Consumer Real Estate Portfolio Detail:

		Origination Characteristics				
Vintage	Balances ($B)	W/A Age (mo.)	CLTV	FICO	% TN	% 1st lien
pre-2008	$1.1	132	80%	726	21%	21%
2008	$0.2	103	75%	745	74%	51%
2009	$0.1	91	72%	746	86%	58%
2010	$0.1	77	78%	752	92%	71%
2011	$0.2	65	76%	759	89%	85%
2012	$0.5	54	76%	764	89%	92%
2013	$0.4	43	78%	756	86%	86%
2014	$0.5	30	82%	757	86%	90%
2015	$0.6	18	80%	758	82%	88%
2016	$0.8	6	80%	761	85%	90%
Total	$4.5	60	79%	750 (a)	69%	69%

(a) 750 average portfolio origination FICO; 747 weighted average portfolio FICO (refreshed).

FHN NON-GAAP TO GAAP RECONCILIATION
Quarterly/Annually, Unaudited

						Twelve months ended	
(Dollars and shares in thousands, except per share data)	**4Q16**	3Q16	2Q16	1Q16	4Q15	**2016**	2015
Tangible Common Equity (Non-GAAP)							
(A) Total equity (GAAP)	**$2,705,084**	$2,744,582	$2,691,924	$2,642,948	$2,639,586	**$2,705,084**	$2,639,586
Less: Noncontrolling interest (a)	**295,431**	295,431	295,431	295,431	295,431	**295,431**	295,431
Less: Preferred stock (a)	**95,624**	95,624	95,624	95,624	95,624	**95,624**	95,624
(B) Total common equity	**$2,314,029**	$2,353,527	$2,300,869	$2,251,893	$2,248,531	**$2,314,029**	$2,248,531
Less: Intangible assets (GAAP) (b)	**212,388**	213,688	214,923	216,222	217,522	**212,388**	217,522
(C) Tangible common equity (Non-GAAP)	**$2,101,641**	$2,139,839	$2,085,946	$2,035,671	$2,031,009	**$2,101,641**	$2,031,009
Tangible Assets (Non-GAAP)							
(D) Total assets (GAAP)	**$28,555,231**	$28,449,222	$27,541,070	$26,963,682	$26,192,637	**$28,555,231**	$26,192,637
Less: Intangible assets (GAAP) (b)	**212,388**	213,688	214,923	216,222	217,522	**212,388**	217,522
(E) Tangible assets (Non-GAAP)	**$28,342,843**	$28,235,534	$27,326,147	$26,747,460	$25,975,115	**$28,342,843**	$25,975,115
Average Tangible Common Equity (Non-GAAP)							
(F) Average total equity (GAAP)	**$2,746,828**	$2,718,319	$2,655,488	$2,644,374	$2,659,575	**$2,691,478**	$2,581,187
Less: Average noncontrolling interest (a)	**295,431**	295,431	295,431	295,431	295,431	**295,431**	295,431
Less: Average preferred stock (a)	**95,624**	95,624	95,624	95,624	95,624	**95,624**	95,624
(G) Total average common equity	**$2,355,773**	$2,327,264	$2,264,433	$2,253,319	$2,268,520	**$2,300,423**	$2,190,132
Less: Average intangible assets (GAAP) (b)	**213,019**	214,260	215,556	216,855	211,757	**214,915**	183,127
(H) Average tangible common equity (Non-GAAP)	**$2,142,754**	$2,113,004	$2,048,877	$2,036,464	$2,056,763	**$2,085,508**	$2,007,005
Annualized Net Income Available to Common Shareholders							
(I) Net income available to common shareholders (annualized)	**$212,017**	$251,434	$227,395	$192,299	$186,590	**$220,846**	$79,679
Period-end Shares Outstanding							
(J) Period-end shares outstanding	**233,624**	233,235	232,019	232,547	238,587	**233,624**	238,587
Ratios							
(I)/(G) Return on average common equity ("ROE") (GAAP)	**9.00 %**	10.80 %	10.04 %	8.53 %	8.23 %	**9.60 %**	3.64 %
(I)/(H) Return on average tangible common equity ("ROTCE") (Non-GAAP)	**9.89 %**	11.90 %	11.10 %	9.44 %	9.07 %	**10.59 %**	3.97 %
(A)/(D) Total equity to total assets (GAAP)	**9.47 %**	9.65 %	9.77 %	9.80 %	10.08 %	**9.47 %**	10.08 %
(C)/(E) Tangible common equity to tangible assets ("TCE/TA") (Non-GAAP)	**7.42 %**	7.58 %	7.63 %	7.61 %	7.82 %	**7.42 %**	7.82 %
(B)/(J) Book value per common share (GAAP)	**$9.90**	$10.09	$9.92	$9.68	$9.42	**$9.90**	$9.42
(C)/(J) Tangible book value per common share (Non-GAAP)	**$9.00**	$9.17	$8.99	$8.75	$8.51	**$9.00**	$8.51

(a) Included in Total equity on the Consolidated Balance Sheet.
(b) Includes goodwill and other intangible assets, net of amortization.

Average Assets for Leverage: The amount of assets a company uses to calculate the leverage ratio, which includes average total assets less disallowed portions of goodwill, other intangibles, and deferred tax assets, as well as certain other regulatory adjustments made to tier 1 capital.

Common Equity Tier 1 Ratio: Ratio consisting of common equity adjusted for certain unrealized gains/(losses) on available-for-sale securities, less disallowed portions of goodwill, other intangibles, and deferred tax assets as well as certain other regulatory deductions divided by risk-weighted assets.

Core Businesses: Management considers regional banking, fixed income, and corporate as FHN's core businesses. Non-strategic has significant legacy assets and operations that are being wound down.

Fully Taxable Equivalent ("FTE"): Reflects the amount of tax-exempt income adjusted to a level that would yield the same after-tax income had that income been subject to taxation.

Risk-Weighted Assets: A regulatory risk-based calculation that takes into account the broad differences in risks among a banking organization's assets and off-balance sheet financial instruments.

Tier 1 Capital Ratio: Ratio consisting of shareholders' equity adjusted for certain unrealized gains/(losses) on available-for-sale securities, plus qualifying portions of noncontrolling interests, less disallowed portions of goodwill, other intangible assets, and deferred tax assets as well as certain other regulatory deductions divided by risk-weighted assets.

Troubled Debt Restructuring ("TDR"): A restructuring of debt whereby a creditor for economic or legal reasons related to the borrower's financial difficulties grants a concession to the borrower that it would not otherwise consider. Such concession is granted in an attempt to protect as much of the creditor's investment as possible by increasing the probability of repayment.

Key Ratios

Return on Average Assets: Ratio is annualized net income to average total assets.

Return on Average Common Equity: Ratio is annualized net income available to common shareholders to average common equity.

Return on Average Tangible Common Equity: Ratio is annualized net income available to common shareholders to average tangible common equity.

Fee Income to Total Revenue: Ratio is fee income excluding securities gains/(losses) to total revenue excluding securities gains/(losses).

Efficiency Ratio: Ratio is noninterest expense to total revenue excluding securities gains/(losses).

Leverage Ratio: Ratio is tier 1 capital to average assets for leverage.

Asset Quality - Consolidated Key Ratios

NPL %: Ratio is nonperforming loans in the loan portfolio to total period-end loans.

NPA %: Ratio is nonperforming assets related to the loan portfolio to total period-end loans plus foreclosed real estate and other assets.

Net charge-offs %: Ratio is annualized net charge-offs to total average loans.

Allowance / loans: Ratio is allowance for loan losses to total period-end loans.

Allowance / NPL: Ratio is allowance for loan losses to nonperforming loans in the loan portfolio.

Allowance / NPA: Ratio is allowance for loan losses to nonperforming assets related to the loan portfolio.

Allowance / charge-offs: Ratio is allowance for loan losses to annualized net charge-offs.