

**NOTICE OF REGULAR CITY COUNCIL MEETING
CITY OF TOMBALL, TEXAS**



MONDAY, NOVEMBER 20, 2017

6:00 P.M.

Notice is hereby given of a meeting of the Tomball City Council, to be held on Monday, November 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 Joe Grubb, Chaplain, American Legion Riders Chapter 127, Tomball

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 Presentations:

- Tomball Lions Club Presentation to Tomball Fire Department and Tomball Police Department for Annual Christmas Programs

- Proclamation – **Citizen of the Year 2017 – “Families Feeding Families”**

6.0 Reports and Announcements

- November 23-24, 2017 – **Thanksgiving Holidays** – City offices closed
- December 8-10, 2017 – **Tomball German Christmas Market**
- December 9, 2017 – **“Christmas on Commerce” – a 2nd Saturday at the Depot Event**
- December 11, 2017 – Special City Council Meeting, Public Hearing – 5:30 p.m.
- December 25-26, 2017 – **Christmas Holidays** – City offices closed
- January 1, 2017 – **New Year’s Day Holiday** – City offices closed
- Reports by City staff and members of council about items of community interest on which no action will be taken:
 - Denise Fiore – Report on the success of the **“Holiday Lamp Post Stroll”**
 - Glenn Windsor – the Government Finance Officers Association has again awarded the City of Tomball the **Certificate of Achievement for Excellence in Financial Reporting** for its Comprehensive Annual Financial Report (CAFR) for the Fiscal Year Ended September 30, 2016 (27th Year)

7.0 Approve the Minutes of the November 6, 2017 Special and Regular Tomball City Council Meetings

8.0 Old Business:

- 8.1 Adopt, on Second Reading, Ordinance No. 2017-39, An Ordinance Of The City Of Tomball, Texas, Amending Chapter 50 (Zoning) Of The Code Of Ordinances By Amending Section 50-115(B)(2) By Requiring Refuse Areas Which Are Visible From A Public Right-Of-Way Be Visually Screened By A Minimum Six-Foot Solid Masonry Wall On At Least Three Sides; Providing For Severability; Providing For A Penalty Of An Amount Not To Exceed \$2,000 For Each Day Of Violation Of Any Provision Hereof, Making Findings Of Fact; And Providing For Other Related Matters.

9.0 New Business:

- 9.1 Consideration and possible action to approve, as a Project of the Tomball Economic Development Corporation, an agreement with Houston Poly Bag I, Ltd to make direct incentives to or expenditures for equipment expansion for the creation and retention of primary jobs for Houston Poly Bag I, Ltd. The estimated amount of expenditures for such project is an amount not to exceed \$95,000.
- 9.2 Consideration and Possible Action to Approve, as a Project of the Tomball Economic Development Corporation, an Agreement with Birner Houston Corp., dba Renewal by Andersen of Houston, to Make Direct Incentives To, or Expenditures For, the Creation or Retention of Primary Jobs Associated with the Relocation and Development of Its Corporate Headquarters to be Located at 647 James Street, Tomball, TX 77375. The Estimated Amount of Expenditures for Such Project is \$50,000.
- 9.3 Approve, on First Reading, Resolution No. 2017-21-TEDC, a Resolution of the City Council of the City of Tomball, Texas, authorizing and approving the

Tomball Economic Development Corporation's Project to Expend Funds in accordance with an Economic Development Agreement by and between the Corporation and Dancing Falls Development LLC, to make direct incentives to, or expenditures for, assistance with infrastructure costs to be required or suitable for the promotion of new or expanded business development related to the development and construction of a multibuilding office/warehouse park to be located at 27905 Commercial Park Road, Tomball, TX 77375. The estimated amount of expenditures for such Project \$50,925.00.

- 9.4 Award Contract for Project No. 2018-02, Quinn Road and Holderrieth Boulevard Sidewalks, to WadeCon, LLC in the amount of \$152,813.00
- 9.5 Award Contract for Project No. 2018-04, Purchase of Chlorine & Sulfur Dioxide Gas, to DXI Industries
- 9.6 Award Contract for Project No. 2018-05, Water Treatment Chemicals for Liquid Polyphosphate Blend and Zinc Orthophosphate, to Water Utility Services, Inc.
- 9.7 Award Contract for Project No. 2018-06, Materials for a Water and Sewer Extension, to ACT Pipe and Supply in the amount of \$88,186.65
- 9.8 Approve and Authorize the Mayor to Execute an Amendment to the Interlocal Agreement Between the City of Tomball and Harris County Emergency Services District # 15
- 9.9 Approve CCN Transfer Agreement between Aqua Texas and the City of Tomball.
- 9.10 Award the Purchase of Three (3) Police Interceptors, from Caldwell Country, through the State Buyboard Cooperative Purchasing Contract, in the Amount of \$85,750, and the Related Upfitting by Cap Fleet Upfitters, in the Amount of \$55,918
- 9.11 Executive Session: The City Council will meet in Executive Session as Authorized by Title 5, Chapter 551, Government Code, the Texas Open Meetings Act, for the Following Purpose(s):
 - Sec. 551.074 - Personnel Matters: Deliberation of the Appointment, Employment, and Duties of a Public Officer or Employee – City Manager

10.0 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 November 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: November 20, 2017

Topic:

- Led by Joe Grubb, Chaplain, American Legion Riders Chapter 127, Tomball

Background:

Origination:

Recommendation:

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

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

Regular City Council
Agenda Item
Data Sheet

Meeting Date: November 20, 2017

Topic:

- Tomball Lions Club Presentation to Tomball Fire Department and Tomball Police Department for Annual Christmas Programs
- Proclamation – **Citizen of the Year 2017 – “*Families Feeding Families*”**

Background:

Origination:

Recommendation:

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

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

Regular City Council

Agenda Item

Data Sheet

Meeting Date: November 20, 2017

Topic:

- November 23-24, 2017 – **Thanksgiving Holidays** – City offices closed
- December 8-10, 2017 – **Tomball German Christmas Market**
- December 9, 2017 – ***“Christmas on Commerce” – a 2nd Saturday at the Depot*** Event
- December 11, 2017 – Special City Council Meeting, Public Hearing – 5:30 p.m.
- December 25-26, 2017 – **Christmas Holidays** – City offices closed
- January 1, 2017 – **New Year’s Day Holiday** – City offices closed
- Reports by City staff and members of council about items of community interest on which no action will be taken:
 - Denise Fiore – Report on the success of the ***“Holiday Lamp Post Stroll”***
 - Glenn Windsor – the Government Finance Officers Association has again awarded the City of Tomball the **Certificate of Achievement for Excellence in Financial Reporting** for its Comprehensive Annual Financial Report (CAFR) for the Fiscal Year Ended September 30, 2016 (27th Year)

Background:

Origination:

Various

Recommendation:

N/A

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

City Secretary

ACTION TAKEN

Approval ☐ Yes ☐ No	Readings Passed ☐ 1 st ☐ 2 nd	Other
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Regular City Council
Agenda Item
Data Sheet

Meeting Date: November 20, 2017

Topic:

Approve the Minutes of the November 6, 2017 Special and Regular Tomball City Council Meetings

Background:

Origination:

City Secretary

Recommendation:

N/A

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

City Secretary

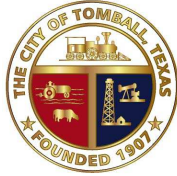
ACTION TAKEN		
Approval ☐ Yes ☐ No	Readings Passed ☐ 1 st ☐ 2 nd	Other

ATTACHMENTS:

Draft Minutes of November 6, 2017 Special City Council Meeting

Draft Minutes of November 6, 2017 Regular City Council Meeting

**MINUTES OF SPECIAL JOINT MEETING OF THE
TOMBALL CITY COUNCIL
AND THE TOMBALL REGIONAL HEALTH FOUNDATION
CITY OF TOMBALL, TEXAS**



MONDAY, NOVEMBER 6, 2017

5:00 P.M.

1.0 Call to Order

The Council meeting was called to order at 5:00 p.m. by Mayor Fagan. Other members present:

Councilman Ford
Councilman Stoll
Councilman Degges
Councilman Townsend
Councilman Klein Quinn

Others present:

City Manager – George Shackelford
Assistant City Manager – Rob Hauck
City Secretary – Doris Speer
City Attorney – Loren B. Smith
Assistant City Secretary – Tracy Garcia

The Tomball Regional Health Foundation meeting was called to order by Lynn LeBeouf, Director of Special Projects. Other members present:

Jack Smith, Chair
Lori Wilson
Ralph Foxworthy
Danny Marburger
Tom Kikis, Secretary
Jim Ross
Latrell Shannon
Bill Hogue
Steven Vaughan
Vicki Clark, Vice Chair
Kevin Reed, General Counsel for TRHF

2.0 No public comments were received.

3.0 New Business:

3.1 The Tomball City Council and the Tomball Regional Health Foundation entered into a Workshop Session to Receive a Presentation regarding Funding, IGT Transfers, and Community Projects and to Discuss the Status of the Tomball Hospital Authority dba Tomball Regional Health Foundation and Its Promotion of Health and Wellness in the Tomball Community, Including Its Funding of Current and Future Community Needs.

4.0 Having no further business, the Tomball Regional Health Foundation meeting was adjourned by Jack Smith.

Motion was made by Councilman Townsend, second by Councilman Klein Quinn, to adjourn the Council meeting.

Motion carried unanimously.

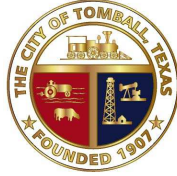
Council meeting adjourned.

PASSED AND APPROVED this the 18th day of November 2017.

Doris Speer, TRMC, CMC
City Secretary

Gretchen Fagan
Mayor

**MINUTES OF REGULAR CITY COUNCIL MEETING
CITY OF TOMBALL, TEXAS**



**MONDAY, NOVEMBER 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 Ford
Councilman Stoll
Councilman Degges
Councilman Townsend
Councilman Klein Quinn

Others present:

City Manager – George Shackelford
Assistant City Manager – Rob Hauck
City Secretary – Doris Speer
City Attorney – Loren B. Smith
Fire Chief – Randy Parr
Marketing Director – Mike Baxter
Finance Director – Glenn Windsor
HR Director – Lisa Coe
Director of Public Works – David Esquivel
Director of Community Development – Craig Meyers
City Planner – Amelia Lindley
Assistant City Secretary – Tracy Garcia
Community Center Director – Rosalie Dillon

2.0 The invocation was led by Chaplain Steven Allison, VFW Post 2427, Tomball

3.0 Pledges to U. S. and Texas Flags were led by Ryan Roberts, Boy Scout Troop 471.

4.0 The following public comments were received:

Dane Dunagin 535 E. Hufsmith, 77375	-	Expressed his desire for additional city services (police, water, gas, fire hydrants) along East Hufsmith; expressed his opposition to zoning changes along East Hufsmith.
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Robert E. King - Expressed his desire for additional city services (speed
14175 Buckingham, 77375 signs, sidewalks, cleaning of ditches) in Sherwood Forest
Subdivision.

5.0 Reports and Announcements:

- November 11, 2017 – **2nd Saturday at the Depot**
- November 17, 2017 – ***“Holiday Lamp Post Stroll”***
- November 18, 2017 – ***52nd Annual Tomball Holiday Parade***
- November 23-24, 2017 – **Thanksgiving Holidays** – City offices closed
- December 8-10, 2017 – **Tomball German Christmas Market**
- December 9, 2017 – ***“Christmas on Commerce”*** – a **2nd Saturday at the Depot** Event
- December 25-26, 2017 – **Christmas Holidays** – City offices closed
- January 1, 2017 – **New Year’s Day Holiday** – City offices closed
- Reports by City staff and members of council about items of community interest on which no action will be taken:
 - Lisa Coe reported on the success of the ***5th Annual “Paces for Pink” 5K Run***
 - Mayor Fagan presented a check in the amount of \$8,733.44 to **TOMAGWA**, proceeds from the ***5th Annual “Paces for Pink” 5K Run***
 - Mike Baxter reported on the success of the **2nd Annual Freight Train Food Truck Festival and the 6th Annual Tomball Bluegrass Festival**

6.0 Motion was made by Councilman Townsend, second by Councilman Klein Quinn, to approve the Minutes of the October 16, 2017 Regular Tomball City Council Meeting.

Motion carried unanimously.

7.0 Old Business:

7.1 Motion was made by Councilman Townsend, second by Councilman Stoll, to adopt, on Second Reading, Ordinance No. 2017-38, an Ordinance of the City of Tomball, Texas, Amending Chapter 50 (Zoning) of the Code of Ordinances by Changing the Zoning District Classification of Approximately 8.355 Acres of Land, Legally Described Lot 9 Tomball Marketplace, Within the City of Tomball, Harris County, Texas, from the Agricultural District to the Commercial District; Said Property Being Generally Located on the North Side of Medical Complex Drive, West of SH 249; Providing for the Amendment of the Official Zoning Map of the City; Providing for Severability; Providing for a Penalty of an Amount Not to Exceed \$2,000 for Each Day of Violation of Any Provision Hereof, Making Findings of Fact; and Providing for Other Related Matters. Vote was as follows:

Councilman Ford	<u>Aye</u>
Councilman Stoll	<u>Aye</u>
Councilman Degges	<u>Aye</u>

Councilman Townsend	<u>Aye</u>
Councilman Klein Quinn	<u>Aye</u>

Motion carried unanimously.

- 7.2 Motion was made by Councilman Stoll, second by Councilman Townsend, to adopt, on Second Reading, Ordinance No. 2017-40, an Ordinance of the City of Tomball, Texas Amending Chapter 1, General Provisions, Section 1-8, Addition of New Material to Code, of the Code of Ordinances to Allow the City Secretary to Correct Scrivener's Errors in Ordinances, Resolutions, and Other Council Actions Whether Codified or Uncodified, Providing a Repealer, Providing for Severability, Providing for Publication, and Providing an Effective Date. Vote was as follows:

Councilman Ford	<u>Aye</u>
Councilman Stoll	<u>Aye</u>
Councilman Degges	<u>Aye</u>
Councilman Townsend	<u>Aye</u>
Councilman Klein Quinn	<u>Aye</u>

Motion carried unanimously.

- 7.3 Motion was made by Councilman Townsend, second by Councilman Stoll, to read Ordinance No. 2017-39 by caption only on First Reading.

Motion carried unanimously.

Motion was made by Councilman Townsend, second by Councilman Stoll, to adopt, on First Reading, Ordinance No. 2017-39, an Ordinance of the City of Tomball, Texas, Amending Chapter 50 (Zoning) of the Code of Ordinances by Amending Section 50-115(B)(2) by Requiring Refuse Areas Which Are Visible from a Public Right-of-Way be Visually Screened by a Minimum Six-Foot Solid Masonry Wall on at Least Three Sides; Providing for Severability; Providing for a Penalty of an Amount Not to Exceed \$2,000 for Each Day of Violation of Any Provision Hereof, Making Findings of Fact; and Providing for Other Related Matters. Vote was as follows:

Councilman Ford	<u>Nay</u>
Councilman Stoll	<u>Aye</u>
Councilman Degges	<u>Aye</u>
Councilman Townsend	<u>Aye</u>
Councilman Klein Quinn	<u>Aye</u>

Motion carried, 4 votes Aye, 1 vote Nay.

8.0 New Business:

- 8.1 Mayor Fagan called the Public Hearing of the City Council of the City of Tomball to Consider the Advisability of the Creation of a Public Improvement District to make Certain Improvements over Certain Property located within the Corporate Limits of the City of Tomball (TPID 6 – Copper Cove Subdivision) to order at 6:33 p.m.

Receiving no public comments, Mayor Fagan closed the Public Hearing of the City Council of the City of Tomball to Consider the Advisability of the Creation of a Public Improvement District to make Certain Improvements over Certain Property located within the Corporate Limits of the City of Tomball (TPID 6 – Copper Cove Subdivision) at 6:34 p.m.

- 8.2 Motion was made by Councilman Stoll, second by Councilman Townsend, to approve Resolution No. 2017-17, a Resolution Making Findings in Connection with the Proposed Public Improvement District Number Six Related to the Advisability of the Improvements, the Nature of the Improvements, the Estimated Cost of the Improvements, the Boundaries of the Proposed District, the Method of Assessment and the Apportionment of Cost Between the District and the City as a Whole; and Making Other Findings Related to the District.

Motion carried unanimously.

- 8.3 Motion was made by Councilman Stoll, second by Councilman Townsend, to approve Resolution No. 2017-18, a Resolution Authorizing the Establishment of the Public Improvement District Number Six in the City of Tomball, Texas; Authorizing Publication of This Resolution, Providing for the Preparation of a Service and Assessment Plan; and Making Other Provisions Related to the Subject.

Motion carried unanimously.

- 8.4 Motion was made by Councilman Ford, second by Councilman Stoll, to approve the Development Agreement between the City of Tomball and Tomball Copper Cove, LLC for the Construction of Improvements in Tomball Public Improvement District Number Six (TPID 6), Copper Cove Subdivision.

Motion carried unanimously.

- 8.5 Council received the Presentation of the Wastewater Master Plan completed by Freese and Nichols.

No action taken.

- 8.6 Motion was made by Councilman Townsend, second by Councilman Klein Quinn, to approve Resolution No. 2017-19, a Resolution of the City Council of the City of Tomball, Texas, Casting Its Ballot for the Election of a Person to the Board of Directors of the Harris County Appraisal District, and voting for Mike Sullivan.
- 8.7 Motion was made by Councilman Townsend, second by Councilman Stoll, to approve Resolution No. 2017-20, 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 (Remaining Portion of Tract 1: 0.5968 Acres of Land out of a 9.4852-Acre Tract in the Chauncey Goodrich Survey, Abstract No. 311, Harris County, Texas) [Majed, Inc.] and setting the dates of the public hearings as December 4, 2017 and December 11, 2017.

Motion carried unanimously.

- 8.8 Motion was made by Councilman Townsend, second by Councilman Stoll, to appoint Cindy Phillips to the position of Alternate Member Position 1 on the Board of Adjustment, for Term Expiring March 2, 2018.

Motion carried unanimously.

- 8.9 Motion was made by Councilman Townsend, second by Councilman Degges, to approve Request by The Houston Repertoire Ballet (HRB) for Financial Support for Six Performances of "The Nutcracker" Ballet, to be held December 1-3, 2017 at the Tomball High School Theatre, in an Amount up to \$18,750, with \$12,500 guaranteed.

Motion to AMEND was made by Councilman Townsend, second by Councilman Degges, to approve Request by The Houston Repertoire Ballet (HRB) for Financial Support for Six Performances of "The Nutcracker" Ballet, to be held December 1-3, 2017 at the Tomball High School Theatre, in an Amount of \$12,500.

Motion, as AMENDED, carried unanimously.

- 8.10 Motion was made by Councilman Degges, second by Councilman Townsend, to approve and accept the Proposal for the Extension of the Depot "Speeder Building" to Accommodate Expansion of Depot Facility and Exhibits.

Motion to AMEND was made by Councilman Degges, second by Councilman Townsend, to approve and accept the proposal for the extension of the Depot "Speeder Building" to accommodate expansion of the Depot Facility and Exhibits, and to move the "Speeder" to the front of the building and the storage area to the rear of the building.

Motion, as AMENDED, carried unanimously.

- 8.11 Motion was made by Councilman Townsend, second by Councilman Ford, to approve the request from Tomball Grand Junction, LLC, for City assistance to acquire a right-of-way and utility easement for utility extensions to the proposed Grand Junction Residential Subdivision and to approve the Memorandum of Understanding regarding City assistance in the acquisition of the right-of-way and utility easement.

Motion was made by Councilman Townsend, second by Councilman Ford, to call the question. Vote was as follows:

Councilman Ford	<u>Aye</u>
Councilman Stoll	<u>Aye</u>
Councilman Degges	<u>Aye</u>
Councilman Townsend	<u>Aye</u>
Councilman Klein Quinn	<u>Nay</u>

Motion to stop debate and vote on the pending question carried, 4 votes Aye, 1 vote Nay.

Vote on pending question, to approve the request from Tomball Grand Junction, LLC, for City assistance to acquire a right-of-way and utility easement for utility extensions to the proposed Grand Junction Residential Subdivision and to approve the Memorandum of Understanding regarding City assistance in the acquisition of the right-of-way and utility easement was as follows:

Councilman Ford	<u>Aye</u>
Councilman Stoll	<u>Aye</u>
Councilman Degges	<u>Nay</u>
Councilman Townsend	<u>Aye</u>
Councilman Klein Quinn	<u>Nay</u>

Motion carried, 3 votes Aye, 2 votes Nay.

- 8.12 Motion was made by Councilman Townsend, second by Councilman Stoll, to approve Repairs to the Pine Street Water Well by Weisinger, Inc., for an Amount of \$64,585.00.

Motion carried unanimously.

- 8.13 Executive Session: The City Council recessed at 7:40 p.m. to meet in Executive Session as Authorized by Title 5, Chapter 551, Government Code, the Texas Open Meetings Act, for the Following Purpose(s):

- Sec. 551.074 - Personnel Matters: Deliberation of the Appointment, Employment, and Duties of a Public Officer or Employee – City Manager

Upon reconvening into regular session, no action was taken.

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

Motion carried unanimously.

Meeting adjourned.

PASSED AND APPROVED this the 18th day of November 2017.

Doris Speer, TRMC, MMC
City Secretary

Gretchen Fagan
Mayor

Regular City Council

Agenda Item

Data Sheet

Meeting Date: November 20, 2017

Topic:

Adopt, on Second Reading, Ordinance No. 2017-39, An Ordinance Of The City Of Tomball, Texas, Amending Chapter 50 (Zoning) Of The Code Of Ordinances By Amending Section 50-115(B)(2) By Requiring Refuse Areas Which Are Visible From A Public Right-Of-Way Be Visually Screened By A Minimum Six-Foot Solid Masonry Wall On At Least Three Sides; Providing For Severability; Providing For A Penalty Of An Amount Not To Exceed \$2,000 For Each Day Of Violation Of Any Provision Hereof, Making Findings Of Fact; And Providing For Other Related Matters.

Background:

At the August 21, 2017 City Council Meeting, City Staff was directed to bring forward a text amendment to require all new dumpster enclosures to be masonry. On Monday, October 9th, after conducting a public hearing, the Planning and Zoning Commission voted unanimously to recommend approval. Also, Planning and Zoning Commission recommended amending 50-115(B)(2) by requiring that an opaque gate be added to all new dumpster enclosures which are visible from a public right-of-way.

At the October 16th City Council meeting, City Council directed City Staff to not amend Ordinance 2017-39, as recommended by the Planning & Zoning Commission, to require an opaque gate. However, City Council did direct City Staff to amend Ordinance 2017-39 by adding a clause identifying when masonry trash enclosures are required. Therefore the following language was added to Ordinance 2017-39 which matches the same threshold for meeting current landscaping standards for non-conforming sites that expand:

"The standards within this section shall apply to a waste/recycle dumpster or permanent roll-off added to a site and in the case of an addition to a structure or site that alters such structure or site by greater than 25 percent in area."

Origination:

City Council

Recommendation:

Adopt Ordinance No. 2017-39 on second reading.

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

Craig T. Meyers, Community Director

ACTION TAKEN

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

Ordinance No. 2017-39

ORDINANCE NO. 2017-39

AN ORDINANCE OF THE CITY OF TOMBALL, TEXAS, AMENDING CHAPTER 50 (ZONING) OF THE CODE OF ORDINANCES BY AMENDING SECTION 50-115(B)(2) BY REQUIRING REFUSE AREAS WHICH ARE VISIBLE FROM A PUBLIC RIGHT-OF-WAY BE VISUALLY SCREENED BY A MINIMUM SIX-FOOT SOLID MASONRY WALL ON AT LEAST THREE SIDES; PROVIDING FOR SEVERABILITY; PROVIDING FOR A PENALTY OF AN AMOUNT NOT TO EXCEED \$2,000 FOR EACH DAY OF VIOLATION OF ANY PROVISION HEREOF, MAKING FINDINGS OF FACT; AND PROVIDING FOR OTHER RELATED MATTERS.

* * * * *

WHEREAS, the City of Tomball has requested that Chapter 50 (Zoning) of the Code of Ordinances be amended;

WHEREAS, the Planning & Zoning Commission and the City Council of the City of Tomball, Texas, have published notice and conducted public hearings regarding the request to amend Chapter 50 (Zoning) of the Code of Ordinances;

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

Whereas, the Planning & Zoning Commission recommended in its final report that City Council approve amendments to Chapter 50 (Zoning) of the Code of Ordinances; and

Whereas, the City Council deems it appropriate to grant the amendments to Chapter 50 (Zoning) of the Code of Ordinances.

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. Section 50-115(b)(2) is hereby amended by the following:

(2) Refuse areas which are not within a rear service area and which are visible from a public right-of-way for all nonresidential, multifamily and manufactured/mobile home park uses shall be visually screened by a minimum six-foot solid masonry wall ~~or fence~~ on at least three sides (see Illustration 50-115-1 for refuse container enclosure diagrams). The fourth side, which is to be used for garbage pickup service, may provide an optional gate to secure the refuse storage area. Alternate equivalent screening methods may be approved by the city. Each refuse facility shall be located so as to facilitate pickup by refuse collection agencies. Adequate reinforced paved areas shall be provided for refuse facilities and their approaches for loading and unloading, as per Illustration 50-115-1.

The standards within this section shall apply to a waste/recycle dumpster or permanent roll-off added to a site and in the case of an addition to a structure or site that alters such structure or site by greater than 25 percent in area.

Section 5. Chapter 50 (Zoning) of the Code of Ordinances shall be revised and amended as indicated above.

Section 6. This Ordinance shall in no manner amend, change, supplement, or revise any other provision of Chapter 50 (Zoning) of the Code of Ordinances except as indicated above.

Section 7. In the event any section, paragraph, subdivision, 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 any part or provision hereof other than the part declared to be invalid or unconstitutional; and the City Council of Tomball, Texas, declares that it would have passed each and every part of the same notwithstanding the omission of any and every part of the same notwithstanding the omission of any such part thus declared to be invalid or unconstitutional, or whether there be one or more parts.

Section 8. 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.

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 6TH DAY OF NOVEMBER 2017.

COUNCILMAN FORD	<u>NAY</u>
COUNCILMAN STOLL	<u>AYE</u>
COUNCILMAN DEGGES	<u>AYE</u>
COUNCILMAN TOWNSEND	<u>AYE</u>
COUNCILMAN QUINN	<u>AYE</u>

SECOND READING:

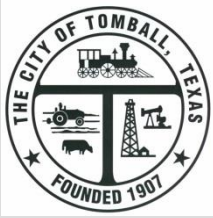
READ, PASSED, AND APPROVED AS SET OUT BELOW AT THE MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL HELD ON THE 20TH DAY OF NOVEMBER 2017.

COUNCILMAN FORD	_____
COUNCILMAN STOLL	_____
COUNCILMAN DEGGES	_____
COUNCILMAN TOWNSEND	_____
COUNCILMAN QUINN	_____

Gretchen Fagan, Mayor

ATTEST:

Doris Speer, City Secretary



Text Amendment Staff Report

Planning and Zoning Commission Hearing Date: October 9, 2017

City Council Public Hearing Date: October 16, 2017

Zoning Case P17-0118: Request by the City of Tomball to amend Sections 50-115(b)(2) of the Tomball Code of Ordinances by requiring refuse areas which are visible from a public right-of-way be visually screened by a minimum six-foot solid masonry wall on at least three sides.

BACKGROUND

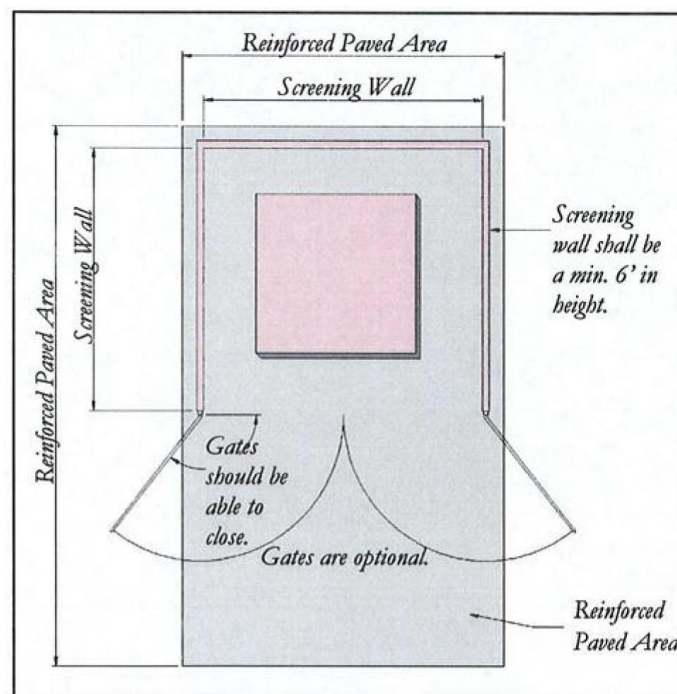
At the August 21, 2017 City Council Meeting, City Staff was directed to bring forward a text amendment to require all new dumpster enclosures to be masonry.

PROPOSED AMENDMENTS

Section 50-115 (b) (Screening of nonresidential, multifamily areas and manufactured (mobile) home parks.) currently states the following:

(2) Refuse areas which are not within a rear service area and which are visible from a public right-of-way for all nonresidential, multifamily and manufactured/mobile home park uses shall be visually screened by a minimum six-foot solid wall or fence on at least three sides (see Illustration 50-115-1 for refuse container enclosure diagrams). The fourth side, which is to be used for garbage pickup service, may provide an optional gate to secure the refuse storage area. Alternate equivalent screening methods may be approved by the city. Each refuse facility shall be located so as to facilitate pickup by refuse collection agencies. Adequate reinforced paved areas shall be provided for refuse facilities and their approaches for loading and unloading, as per Illustration 50-115-1.

Illustration 50-115-1: Refuse area screening



The proposed amendment will require the three sides of the enclosure be masonry.

(2) Refuse areas which are not within a rear service area and which are visible from a public right-of-way for all nonresidential, multifamily and manufactured/mobile home park uses shall be visually screened by a minimum six-foot solid ~~masonry~~ wall ~~or fence~~ on at least three sides (see Illustration 50-115-1 for refuse container enclosure diagrams). The fourth side, which is to be used for garbage pickup service, may provide an optional gate to secure the refuse storage area. Alternate equivalent screening methods may be approved by the city. Each refuse facility shall be located so as to facilitate pickup by refuse collection agencies. Adequate reinforced paved areas shall be provided for refuse facilities and their approaches for loading and unloading, as per Illustration 50-115-1.

PUBLIC COMMENT

A public hearing notice was published in the Potpourri on September 27, 2017. Any public comment forms will be provided in the Planning & Zoning Commission and City Council packets or during the public hearing.

Regular City Council

Agenda Item

Data Sheet

Meeting Date: November 20, 2017

Topic:

Consideration and possible action to approve, as a Project of the Tomball Economic Development Corporation, an agreement with Houston Poly Bag I, Ltd to make direct incentives to or expenditures for equipment expansion for the creation and retention of primary jobs for Houston Poly Bag I, Ltd. The estimated amount of expenditures for such project is an amount not to exceed \$95,000.

Background:

All expenditures of the Tomball Economic Development Corporation (TEDC) sales tax revenue must first be approved as a "Project" of the Corporation. At its regular meeting on November 14, 2017, the TEDC Board of Directors did take formal action to approve, as a Project of the TEDC, an agreement with Houston Poly Bag I, Ltd. for equipment expansion for the creation and retention of primary jobs. The Tomball City Council has final approval authority over all projects and agreements of the TEDC.

Origination:

William E. Sumner, III, General Manager, Houston Poly Bag I, Ltd.

Recommendation:

Approve, as a Project of the Corporation, the Performance Agreement with Houston Poly Bag I, Ltd.

Funding:

Yes

Account Number: Project Grants

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

Kelly Violette, Executive Director, Tomball Economic Development Corporation

ACTION TAKEN

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

ATTACHMENTS:

TEDC Memo

Request Letter

TEDC Performance Agreement

Economic Impact Analysis Report



TO: Honorable Mayor and City Council

FROM: Kelly Violette
Executive Director

MEETING DATE: November 20, 2017

SUBJECT: Houston Poly Bag I, Ltd. Performance Agreement

Houston Poly Bag I, Ltd. (HPB) is a custom manufacturer of polyethylene products used for packaging, including bags, films, sheeting, and liners. HPB has been in business since 1979 and is located within a 50,000 square foot facility at 11726 Holderrieth Rd., Tomball, Texas 77375. The company currently employs sixty (60) people.

As per the attached grant funding request letter from William E. Sumner, III, General Manager of HPB, the company is currently in the process of obtaining Global Food Safety Initiative approved Certification. If HPB does not achieve this, the company jeopardizes losing 60% of its current business. In order to comply with the regulations and increase production capacity, the company will be adding new machinery, installing new racking systems, and retrofitting and converting an existing production line to produce additional Form Fill and Seal (FFS) film. The estimated cost for these improvements is \$236,151.73.

Equipment, machinery, improvements, and expenditures that are for the creation and/or retention of primary jobs are eligible expenditures under the sales tax statute.

An economic impact analysis is included with the agreement to show the impact of this project on Tomball's economy. Per the analysis, the 5-year net benefit of this project on Tomball's economy is \$377,499.00.

If the agreement between the TEDC and Houston Poly Bag I, Ltd. is approved as a Project of the Corporation, the grant funding amount will be forty percent of the actual improvement cost, not to exceed \$95,000.00.



Houston Poly Bag I, Ltd.

11726 Holderrieth Road
Tomball, Texas 77375
WES SUMNER, GM

Telephone (800) 992-7659 (281) 351-1726
Fax (800) 446-9329 (281) 351-9329

October 31, 2017

Ms. Kelly Violette
Tomball Economic Development Corporation
P.O. Box 820
Tomball, Texas 77375

Dear Ms. Violette

Houston Poly Bag is requesting funding help from the TEDC under the Job Creation/ Retention Program. We must change our equipment at Houston Poly Bag to retain our current number of employees and prevent any lost jobs due to loss of business. All new equipment would be installed at our plant located at 11726 Holderrieth Road in the city of Tomball.

We currently manufacture plastic film and bags for the insulation industry. Our product is shipped from our Tomball location to points across the U.S. and Canada. The industry is in process of converting all bag using equipment to automated Form Fill and Seal equipment (FFS). We currently have one production line dedicated to this type of product and have an urgent need for a second line to manufacture this product. With this change, our production improvement will amount to 7% more capacity and a revenue increase of \$2,900,000.00.

Houston Poly Bag is also expanding our racking system to maximize efficiency in our 50,000 sq.ft. Plant. Houston Poly Bag is currently in several Vendor Managed inventory systems, as well as keeping safety reserve pallets for other customers. Maximizing our efficiency goes along with tidying up our plant as we are about to be audited for a Global Food Safety Initiative approved certification. We just finished our self-audit and our consultant feels Houston Poly Bag is ready.

All of this falls within several improvements Houston Poly Bag has made in the last couple of Years. We have put ourselves in a great position for expansion with the improved production mentioned above. Several new opportunities are presenting themselves to Houston Poly Bag and it is in no small part to the TEDC partnering with us in the past to make this possible.

In summation Houston Poly bag is looking for a total improvement of \$236,151.73 for the conversion of one line and racking improvements. This will allow us to continue to employee 60 plus employees, with hopes of increasing employees. The average wage is \$12.75 to \$15.50 per hour in the Plant.



Houston Poly Bag I, Ltd.

11726 Holderrieth Road
Tomball, Texas 77375
WES SUMNER, GM

Telephone (800) 992-7659 (281) 351-1726
Fax (800) 446-9329 (281) 351-9329

Our property at 11726 Holderrieth Road is five acres with a 50,000 square foot tilt wall concrete structure and 2,500 square feet of office space. Our property and building are valued by HCAD at \$2,900,000.

If you need any further information, please contact me at the number below.

Thank you for your consideration,

William E Sumner III

William E. Sumner, III
General Manager
NAICS Code 326.11
281-351-1726
Houston Poly Bag I, Ltd.
wsumner@houstonpolybag.com

AGREEMENT

THE STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF HARRIS §

This Agreement (the “Agreement”) is made and entered into by and between the Tomball Economic Development Corporation, an industrial development corporation created pursuant to Tex. Rev. Civ. Stat. Ann. Art. 5190.6, Section 4B, located in Harris County, Texas (the “TEDC”), and **Houston Poly Bag I, Ltd.** (the “Company”), 11726 Holderrieth Road, Tomball, Texas, 77375.

WITNESSETH:

WHEREAS, it is the established policy of the TEDC to adopt such reasonable measures from time-to-time as are permitted by law to endeavor to attract industry, create and retain primary jobs, expand the growth of the City of Tomball (the “City”), and thereby enhance the economic stability and growth of the City; and

WHEREAS, the Company owns a 5-acre tract of land within the City, located at 11726 Holderrieth Road, Tomball, Texas, 77375 (the “Property”), and more particularly described in Exhibit “A,” attached hereto and made a part hereof; and

WHEREAS, the Company proposes to expand its current operations at the Property, and as part of the process, plans to expend funds to add additional equipment necessary to convert and update its manufacturing process in order to maintain and expand its current level of production and make other capital improvements (the “Improvements”), more particularly described in Exhibit “B” attached hereto and made a part hereof.; and

WHEREAS, the Company also proposes to maintain the current sixty (60) jobs at the Property in conjunction with the expansion of its business operations at the Property; and

WHEREAS, the TEDC agrees to fund a portion of the cost of the Improvements up to the amount of Ninety-Five Thousand Dollars (\$95,000.00) to assist in the purchase and installation of the equipment and create and retain employment positions at the Property; and

WHEREAS, the Company has agreed, in exchange and as consideration for the funding, to satisfy and comply with certain terms and conditions; and

WHEREAS, this expenditure is found by the Board of Directors of the TEDC to be suitable for the expansion of the business operations at the Property and the creation and retention of primary jobs at the Property;

NOW, THEREFORE, in consideration of the premises and the mutual benefits and obligations set forth herein, including the recitals set forth above, the TEDC and the Company agree as follows:

1.

The Company covenants and agrees that it will construct the Improvements and operate and maintain the proposed business on the Property for a term of at least five (5) years, and will for such term, except as provided by paragraph 4 hereof, maintain sixty (60) employees on the Property at the prevailing wage.

2.

The Company also covenants and agrees that construction of the Improvements and obtaining all necessary permits from the City shall occur within twelve (12) months from the Effective Date of this Agreement. Extensions of these deadlines, due to any extenuating circumstance or uncontrollable delay, may be granted at the sole discretion of the Board of Directors of the TEDC.

3.

The Company 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.

4.

In consideration of the Company's representations, promises, and covenants, TEDC agrees to reimburse the Company for the actual cost of the Improvements up to the amount of Ninety-Five Thousand Dollars (\$95,000.00) in order to convert and update its manufacturing process and retain the existing sixty (60) jobs at the Property. The TEDC agrees to distribute such funds to the Company within thirty (30) days of receipt of a letter from the Company requesting such payment, which letter shall also include: (a) a copy of the City's occupancy permit for the Property; (b) proof that the Company has maintained the number of employees indicated above to its business operations on the Property, as evidenced by copies of Texas Workforce Commission form C-3 or Internal Revenue Service Form 941; (c) verification from the City acknowledging that all necessary plats, plans, permits, and specifications have been received, reviewed, and approved; (d) verification that the Improvements have been constructed in accordance with the approved plans and specifications; and, (e) an affidavit stating that all contractors and subcontractors providing work and/or materials in the construction of the Improvements have been paid and any and all liens and claims regarding such work have been released; and (f) Proof of payment to all vendors, contractors and subcontractors providing work and/or materials in the construction of the Improvements, proof of payment must include copies

of canceled checks and/or credit card receipts and copies of paid invoices from all vendors, contractors and subcontractors.

In the event the number of jobs originally projected is not met or maintained, the amount of the funding provided to the Company by TEDC will be reduced on a pro-rata basis to reflect the actual number of jobs at the time of the request for disbursement of funds.

5.

It is understood and agreed by the parties that, in the event of a default by the Company on any of its obligations under this Agreement, the Company shall reimburse the TEDC the full amount paid to the Company by the TEDC, with interest at the rate equal to the 90-day Treasury Bill plus $\frac{1}{2}$ % per annum, within thirty (30) days after the TEDC notifies the Company of the default. It is further understood and agreed by the parties that if the Company is convicted of a violation under 8 U.S.C. Section 1324a(f) (engaging in a pattern or practice of employing unauthorized aliens), the Company will reimburse the TEDC the full amount paid to the Company, with interest at the rate equal to the 90-day Treasury Bill plus $\frac{1}{2}$ % per annum, within thirty (30) days after the TEDC notifies the Company of the violation.

The Company shall also reimburse the TEDC for any and all reasonable attorney's fees and costs incurred by the TEDC as a result of any action required to obtain reimbursement of such funds.

6.

This Agreement shall inure to the benefit of, and be binding upon, both the TEDC and the Company, and upon the Company's successors and assigns, affiliates, and subsidiaries, and shall remain in force whether the Company sells, assigns, or in any other manner disposes of, either voluntarily or by operation of law, all or any part of the Property and the agreements herein

contained shall be held to be covenants running with the Property for so long as this Agreement, or any extension thereof, remains in effect.

7.

Any notice provided or permitted to be given under this Agreement must be in writing and may be served by (i) depositing the same in the United States mail, addressed to the party to be notified, postage prepaid, registered or certified mail, return receipt requested; or (ii) by delivering the same in person to such party; or (iii) by overnight or messenger delivery service that retains regular records of delivery and receipt; or (iv) by facsimile; provided a copy of such notice is sent within one (1) day thereafter by another method provided above. The initial addresses of the parties for the purpose of notice under this Agreement shall be as follows:

If to City:	Tomball Economic Development Corporation 401 W. Market Street Tomball, Texas 77375 Attn: President, Board of Directors
If to Company:	Houston Poly Bag I, Ltd. 11726 Holderrieth Road Tomball, Texas 77375 Attn: William E. Sumner, III – General Manager

8.

This Agreement shall be performable and enforceable in Harris County, Texas, and shall be construed in accordance with the laws of the State of Texas. Venue for any action arising under this Agreement shall lie exclusively in the state and federal courts in Harris County, Texas.

9.

Except as otherwise provided in this Agreement, this Agreement shall be subject to change, amendment or modification only in writing, and by the signatures and mutual consent of the parties hereto.

10.

The failure of any party to insist in any one or more instances on the performance of any of the terms, covenants or conditions of this Agreement, or to exercise any of its rights, shall not be construed as a waiver or relinquishment of such term, covenant, or condition, or right with respect to further performance.

11.

This Agreement shall bind and benefit the respective Parties and their legal successors and shall not be assignable, in whole or in part, by any party without first obtaining written consent of the other party.

12.

In the event any one or more words, phrases, clauses, sentences, paragraphs, sections, or other parts of this Agreement, or the application thereof to any person, firm, corporation, or circumstance, shall be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, then the application, invalidity or unconstitutionality of such words, phrases, clauses, sentences, paragraphs, sections, or other parts of this Agreement shall be deemed to be independent of and severable from the remainder of this Agreement, and the validity of the remaining parts of this Agreement shall not be affected thereby.

IN TESTIMONY OF WHICH, THIS AGREEMENT has been executed by the parties on this _____ day of _____ 2018 (the “Effective Date”).

HOUSTON POLY BAG I, LTD.

By: _____

Name: William E. Sumner, III

Title: General Manager

ATTEST:

By: _____

Name: Tiffani Wooten

Title: Assistant Director

**TOMBALL ECONOMIC DEVELOPMENT
CORPORATION**

By: _____

Name: Gretchen Fagan

Title: President, Board of Directors

ATTEST:

By: _____

Name: Lori Klein Quinn

Title: Vice President, Board of Directors

ACKNOWLEDGMENT

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This instrument was acknowledged before me on the _____ day of _____
2018, by William E. Sumner, III, General Manager, Houston Poly Bag I, Ltd. for and on behalf
of said company.

Notary Public in and for the State of Texas

My Commission Expires: _____

(SEAL)

ACKNOWLEDGMENT

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This instrument was acknowledged before me on the _____ day of _____
2017, by Gretchen Fagan, President of the Board of Directors of the Tomball Economic
Development Corporation, for and on behalf of said Corporation.

Notary Public in and for the State of Texas

My Commission Expires: _____

(SEAL)

Exhibit “A”

Legal Description of Property

HOUSTON POLY BAG PLAT, BEING A 5 ACRE TRACT IN THE C.N. PILLOT SURVEY, ABSTRACT NO. 632, IN TOMBALL, HARRIS COUNTY, TEXAS, RECORDED IN VOL. 335, PG. 108.

Exhibit “B”

Description of Improvements

Purchase and install new equipment including new machinery, new racking systems, and retrofitting and converting an existing production line to produce additional FFS film.

EXECUTIVE SUMMARY

A REPORT OF THE ECONOMIC IMPACT OF HOUSTON POLY BAG (FSSC 22000 CERTIFICATION AND FFS FILM IMPROVEMENT) IN TOMBALL, TX

November 7, 2017

Prepared by:
Tomball Economic Development Corporation
29201 Quinn Rd., Suite B
Tomball, Texas 77375



Prepared using Total Impact



HOUSTON POLY BAG (FSSC 22000 CERTIFICATION AND FFS FILM IMPROVEMENT) - IMPACT SUMMARY FOR THE TOMBALL ECONOMIC DEVELOPMENT CORPORATION

JOB



10.2

5.0 Direct

AVERAGE SALARY



\$31,000

\$31,000 Direct

CAPITAL INVESTMENT



\$0.2m

Buildings & Equipment

RESIDENTIAL DEV.

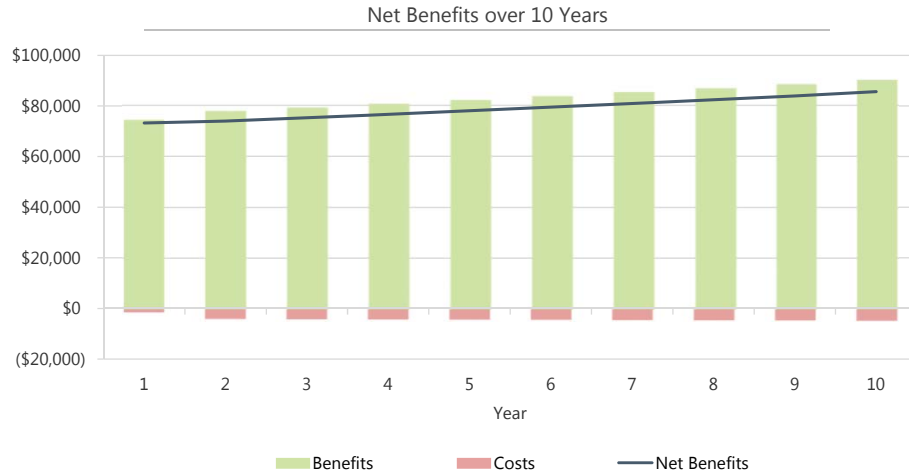


0.0 Homes

0.0 Workers Relocating

Net Benefits Over 10 Years

	Amount
Sales Taxes	\$663,575
Property Taxes - Project	\$125,677
Property Taxes - New Residential	\$0
Utility Revenue	\$32,644
Utility Franchise Fees	\$3,491
Building Permits and Fees	\$0
Hotel Occupancy Taxes	\$1,525
Miscellaneous Taxes & User Fees	\$2,438
Subtotal Benefits	\$829,350
Cost of Providing Municipal Services	(\$4,925)
Cost of Providing Utility Services	(\$34,277)
Subtotal Costs	(\$39,202)
Net Benefits	\$790,148
<i>Present Value (5% discount rate)</i>	<i>\$605,811</i>

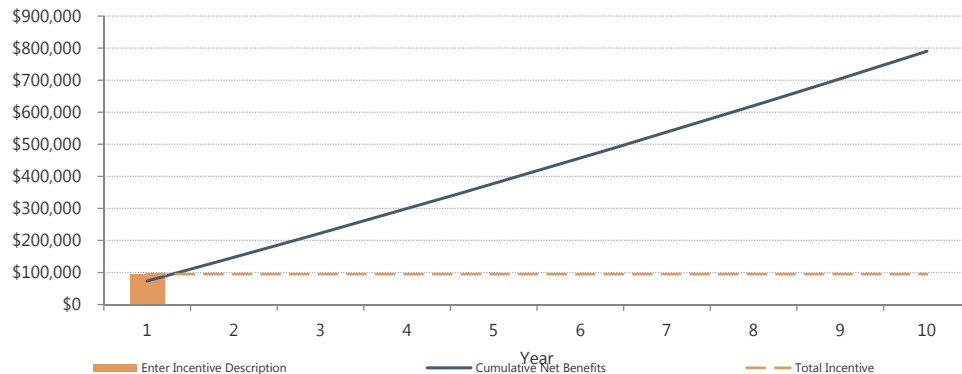


Incentive Analysis over 10 Years

\$95,000
Total Non-Tax Incentive

79%
Rate of Return

0.83173484
Payback Period (years)



PURPOSE & LIMITATIONS

This report presents the results of an analysis undertaken by the Tomball Economic Development Corporation using Total Impact, an economic and fiscal impact analysis tool developed and supported by the Austin, TX based economic consulting firm, Impact DataSource.

The Total Impact model is a customized software program licensed to the Tomball Economic Development Corporation. The model includes estimates, assumptions, and other information developed by Impact DataSource from its independent research effort detailed in Tomball Economic Development Corporation's Total Impact User Guide.

The analysis relies on prospective estimates of business activity that may not be realized. Tomball Economic Development Corporation made reasonable efforts to ensure that the project-specific data entered into the Total Impact model reflects realistic estimates of future activity.

No warranty or representation is made by Tomball Economic Development Corporation or Impact DataSource that any of the estimates or results contained in this study will actually be achieved.



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Introduction

This report presents the results of an economic impact analysis performed using Total Impact, a model developed by Impact DataSource. The report estimates the impact that a potential project in the City of Tomball will have on the local economy and estimates the costs and benefits for local taxing districts over a 10-year period.

Description of the Project

Houston Poly Bag (HPB) is engaged in making packaging for a variety of products, including FDA/Pharmaceutical Packaging and FFS film (Form Fill and Seal). These areas are important to HPB and provide the best future growth opportunities. HPB is currently in process for a Global Food Safety Initiative approved Certification. The company is working on FSSC 22000 certification to comply with GFSI. If HPB does not achieve this, the company jeopardizes losing 60% of its current business. In order to comply with the regulations and increase production capacity, the company will be adding new machinery, installing new racking systems, and retrofitting and converting an existing production line to produce additional FFS film.

Existing & Expanded Operations

The Project under analysis represents the expansion of an existing company in the City of Tomball. The existing operations currently support 60.0 direct jobs in the community and 62.0 indirect and induced jobs. The direct workers earn \$28,000 per year and the company supports \$33.4 million per year in taxable sales and spending in the community. Additionally, the company supports taxable property valued at \$4.4 million annually.

The table below illustrates the company's economic impact over the next 10 years - including both the existing and expanded operations.

Table 1. Economic Impact of Existing and Expanded Operations Over the Next 10 Years

	Existing Operations	Expansion	Existing & Expanded Ops
Jobs			
Direct	60.0	5.0	65.0
Indirect & Induced	62.0	5.2	67.2
Total	122.0	10.2	132.2
Salaries			
Direct	\$18,395,532	\$1,392,961	\$19,788,493
Indirect & Induced	\$19,407,287	\$1,469,573	\$20,876,860
Total	\$37,802,819	\$2,862,534	\$40,665,353
Taxable Sales			
Direct	\$333,116,237	\$33,143,484	\$366,259,721
Indirect & Induced	\$465,775	\$35,270	\$501,045
Total	\$333,582,012	\$33,178,754	\$366,760,766

The table below illustrates the company's fiscal impact - the net benefits for local taxing districts - over the next 10 years - including both the existing and expanded operations.

Table 2. Fiscal Impact of Existing and Expanded Operations Over the Next 10 Years

	Net Benefits		
	Existing Operations	Expansion	Existing & Expanded Ops
City of Tomball	\$6,872,757	\$790,148	\$7,662,905

The remainder of this report will focus on only the economic and fiscal impact associated with the expanded operations.

Economic Impact Overview

The Project's operations will support employment and other economic impacts in the community. The 5.0 workers directly employed by the Project will earn approximately \$31,000 per year on average over the next 10 years. This direct activity will support 5.2 indirect and induced workers in the community earning \$31,000 on average over the next 10 years. The total additional payroll or workers' earnings associated with the Project is estimated to be approximately \$2.9 million over the next 10 years.

On average, the Project will generate \$1.8 million in direct economic output over the next 10 years. Spin-off businesses in the community will produce \$1.2 million in economic output per year as a result of the Project. In total, the Project will support \$3.1 million in economic output per year on average. Economic output is the value of goods and services produced in the economy and can be thought of as revenues for businesses. The economic output calculations in this report were estimated using the RIMS II economic impact model and the Project's employment estimates.

Accounting for various taxable sales and purchases, including activity associated with the Project, worker spending, and visitors' spending in the community, the Project is estimated to support approximately \$33.2 million in taxable sales over the next 10 years.

Table 3. Economic Impact Over the Next 10 Years

	Direct	Indirect & Induced	Total
Number of permanent direct, indirect, and induced jobs to be created	5.0	5.2	10.2
Salaries to be paid to direct, indirect, and induced workers	\$1,392,961	\$1,469,573	\$2,862,534
Economic output generated by direct, indirect, and induced activity	\$18,389,053	\$12,311,471	\$30,700,525
Taxable sales and purchases expected in the City	\$33,143,484	\$35,270	\$33,178,754

The Project may result in new residents moving to the community and potentially new residential properties being constructed as summarized below.

Table 4. Population Impacts Over the Next 10 Years

	Direct	Indirect & Induced	Total
Number of direct, indirect, and induced workers who will move to the City	0.0	0.0	0.0
Number of new residents in the City	0.0	0.0	0.0
Number of new residential properties to be built in the City	0.0	0.0	0.0
Number of new students expected to attend local school district	0.0	0.0	0.0

The Project is estimated to support an average of approximately \$2.3 million in new non-residential taxable property each year over the next 10 years. The taxable value of property supported by the Project over the 10-year period is shown in the following table.

Table 5. Value of Taxable Property Supported by the Project Over the Next 10 Years

Year	New Residential Property	The Project's Property					Subtotal Nonresidential Property	Total Residential & Nonresidential Property
		Land	Buildings & Other Real Prop. Improvements	Furniture, Fixtures, & Equipment	Inventories			
1	\$0	\$0	\$0	\$236,152	\$2,000,000		\$2,236,152	\$2,236,152
2	\$0	\$0	\$0	\$212,537	\$2,040,000		\$2,252,537	\$2,252,537
3	\$0	\$0	\$0	\$188,922	\$2,080,800		\$2,269,722	\$2,269,722
4	\$0	\$0	\$0	\$165,306	\$2,122,416		\$2,287,722	\$2,287,722
5	\$0	\$0	\$0	\$141,691	\$2,164,864		\$2,306,556	\$2,306,556
6	\$0	\$0	\$0	\$118,076	\$2,208,162		\$2,326,238	\$2,326,238
7	\$0	\$0	\$0	\$94,461	\$2,252,325		\$2,346,786	\$2,346,786
8	\$0	\$0	\$0	\$70,846	\$2,297,371		\$2,368,217	\$2,368,217
9	\$0	\$0	\$0	\$47,230	\$2,343,319		\$2,390,549	\$2,390,549
10	\$0	\$0	\$0	\$47,230	\$2,390,185		\$2,437,416	\$2,437,416

The taxable value of residential property represents the value of properties that may be constructed as a result of new workers moving to the community.

This analysis assumes the residential real property appreciation rate to be 2.0% per year. The Project's real property is assumed to appreciate at a rate of 2.0% per year. The analysis assumes the Project's furniture, fixtures, and equipment will depreciate over time according to the depreciation schedule shown in Appendix A.

Fiscal Impact Overview

The Project will generate additional benefits and costs for the City. Overall, the City will receive approximately \$790,100 in net benefits over the 10-year period. The table below displays the estimated additional benefits, costs, and net benefits to be received by the City over the next 10 years of the Project. Appendix C contains the year-by-year calculations.

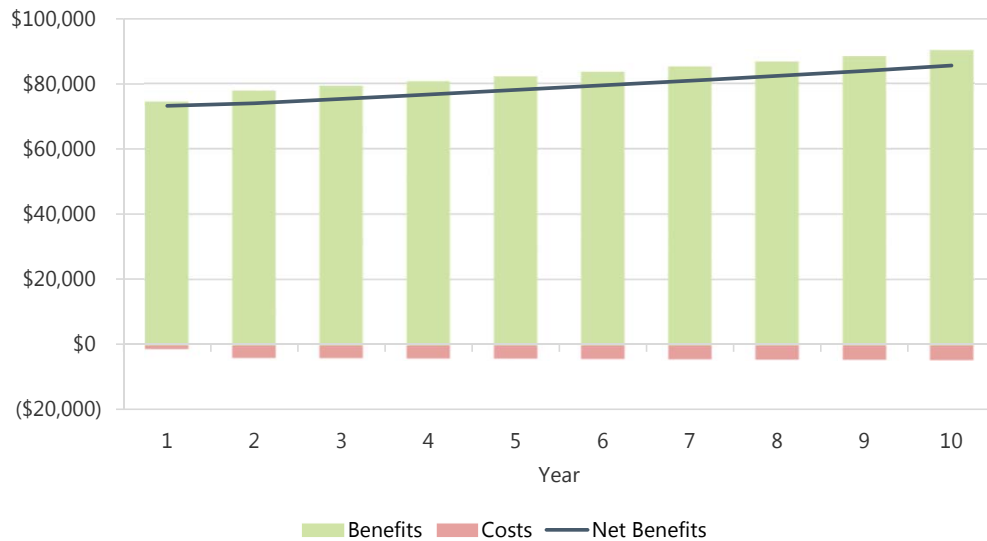
Table 6. City of Tomball: Benefits, Costs, and Net Benefits Over the Next 10 Years

	Amount
Sales Taxes	\$663,575
Property Taxes - Project	\$125,677
Property Taxes - New Residential	\$0
Utility Revenue	\$32,644
Utility Franchise Fees	\$3,491
Building Permits and Fees	\$0
Hotel Occupancy Taxes	\$1,525
Miscellaneous Taxes & User Fees	\$2,438
<u>Subtotal Benefits</u>	<u>\$829,350</u>
Cost of Providing Municipal Services	(\$4,925)
Cost of Providing Utility Services	(\$34,277)
<u>Subtotal Costs</u>	<u>(\$39,202)</u>
Net Benefits	\$790,148
<i>Present Value (5% discount rate)</i>	<i>\$605,811</i>

Table 7. Year-by-Year Benefits, Costs, and Net Benefits for the City of Tomball

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	\$74,523	(\$1,260)	\$73,263	\$73,263
2	\$77,922	(\$3,890)	\$74,032	\$147,295
3	\$79,331	(\$3,967)	\$75,364	\$222,659
4	\$80,771	(\$4,047)	\$76,725	\$299,384
5	\$82,243	(\$4,128)	\$78,115	\$377,499
6	\$83,746	(\$4,210)	\$79,536	\$457,035
7	\$85,283	(\$4,294)	\$80,988	\$538,024
8	\$86,852	(\$4,380)	\$82,472	\$620,496
9	\$88,456	(\$4,468)	\$83,988	\$704,483
10	\$90,222	(\$4,557)	\$85,665	\$790,148
Total	\$829,350	(\$39,202)	\$790,148	

Figure 1. Annual Fiscal Net Benefits for the City of Tomball



Impact from Project and Workers

The City will receive benefits from the activity, spending, and investments associated with (1) the Project and (2) the workers. These benefits, associated costs, and resulting net benefits for the next 10 years are shown below for these two categories.

Table 8: Net Benefits to the City from the Project and Workers

	The Project	Workers	Total
Sales Taxes	\$662,201	\$1,374	\$663,575
Real Property Taxes	\$0	\$0	\$0
FF&E Property Taxes	\$7,157	\$0	\$7,157
Inventory Property Taxes	\$118,520	\$0	\$118,520
New Residential Property Taxes	\$0	\$0	\$0
Utility Revenue	\$32,644	\$0	\$32,644
Utility Franchise Fees	\$3,491	\$0	\$3,491
Building Permits and Fees	\$0	\$0	\$0
Hotel Occupancy Taxes	\$1,525	\$0	\$1,525
Miscellaneous Taxes & User Fees	\$2,438	\$0	\$2,438
Subtotal Benefits	\$827,976	\$1,374	\$829,350
Cost of Providing Municipal Services	(\$4,925)	\$0	(\$4,925)
Cost of Providing Utility Services	(\$34,277)	\$0	(\$34,277)
Subtotal Costs	(\$39,202)	\$0	(\$39,202)
Net Benefits	\$788,774	\$1,374	\$790,148
<i>Percent of Total Net Benefits</i>	<i>99.8%</i>	<i>0.2%</i>	

Non-Tax Incentives

The Tomball EDC is considering the following non-tax incentives for the Project.

Table 13. Incentives Under Consideration

Year	Enter Incentive Description
1	\$95,000
2	\$0
3	\$0
4	\$0
5	\$0
6	\$0
7	\$0
8	\$0
9	\$0
10	\$0
Total	\$95,000

These financial incentives may be considered an investment in the Project made by the EDC. Four calculations analyzing possible investments were made:

1. Net Benefits - detailed above
2. Present Value of Net Benefits - detailed above
3. Rate of Return on Investment - discussed and detailed below
4. Payback Period - discussed and detailed below

The rate of return on investment calculates the average annual rate of return to the city, treating the incentives as the initial investment and the net benefits to the city as the return on investment. The payback period is the number of years that it will take the city to recover the cost of incentives from the additional revenues that it will receive as a result of the Project.

The table below shows an analysis of these incentives, including a calculation of incentives per job, rate of return, and payback period.

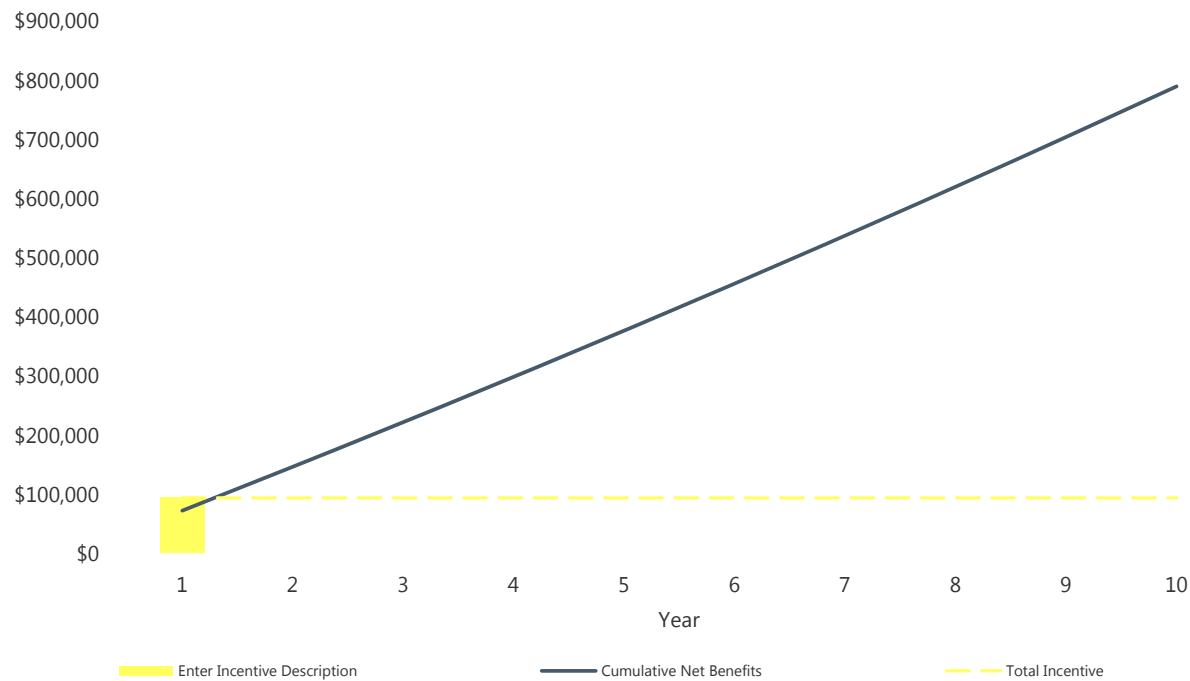
Table 14. Analysis of Incentives

Total Non-Tax Incentive	\$95,000
Rate of Return - 5 Years	79.5%
Rate of Return - 10 Years	83.2%
Payback period (years)	1.3

Note: The Rate of Return and Payback Period are calculated based on the sum of annual incentives, not the present value of the incentives.

The graph below depicts the total incentives currently under consideration versus the cumulative net benefits to the City. The intersection indicates the length of time until the incentives are paid back.

Figure 2. Incentives Under Consideration



Overview of Methodology

This report presents the results of an analysis undertaken by the Tomball Economic Development Corporation using Total Impact, an economic and fiscal impact analysis tool developed and supported by the Austin, TX based economic consulting firm, Impact DataSource.

The Total Impact model combines project-specific attributes with community data, tax rates, and assumptions to estimate the economic impact of the Project and the fiscal impact for local taxing districts over a 10-year period.

The economic impact as calculated in this report can be categorized into two main types of impacts. First, the direct economic impacts are the jobs and payroll directly created by the Project. Second, this economic impact analysis calculates the indirect and induced impacts that result from the Project. Indirect jobs and salaries are created in new or existing area firms, such as maintenance companies and service firms, that may supply goods and services for the Project. In addition, induced jobs and salaries are created in new or existing local businesses, such as retail stores, gas stations, banks, restaurants, and service companies that may supply goods and services to new workers and their families.

The economic impact estimates in this report are based on the Regional Input-Output Modeling System (RIMS II), a widely used regional input-output model developed by the U. S. Department of Commerce, Bureau of Economic Analysis. The RIMS II model is a standard tool used to estimate regional economic impacts. The economic impacts estimated using the RIMS II model are generally recognized as reasonable and plausible assuming the data input into the model is accurate or based on reasonable assumptions. Impact DataSource utilizes county-level multipliers to estimate the impact occurring at the sub-county level.

Two types of regional economic multipliers were used in this analysis: an employment multiplier and an earnings multiplier. An employment multiplier was used to estimate the number of indirect and induced jobs created or supported in the area. An earnings multiplier was used to estimate the amount of salaries to be paid to workers in these new indirect and induced jobs. The employment multiplier shows the estimated number of total jobs created for each direct job. The earnings multiplier shows the estimated amount of total salaries paid to these workers for every dollar paid to a direct worker. The multipliers used in this analysis are listed below:

326110 Plastics packaging materials and unlaminated film and sheet manufactur		City	County
Employment Multiplier	(Type II Direct Effect)	2.0326	3.0528
Earnings Multiplier	(Type II Direct Effect)	2.0550	3.0975

The fiscal impacts calculated in this report are detailed in Appendix C. Most of the revenues estimated in this study result from calculations relying on (1) attributes of the Project, (2) assumptions to derive the value of associated taxable property or sales, and (3) local tax rates. In some cases, revenues are estimated on a per new household, per new worker, or per new school student basis.

The company or Project developer was not asked, nor could reasonably provide data for calculating some other revenues. For example, while the city will likely receive revenues from fines paid on speeding tickets given to new workers, the company does not know the propensity of its workers to speed. Therefore, some revenues are calculated using an average revenue approach. This approach uses relies on two assumptions:

1. The taxing entity has two general revenue sources: revenues from residents and revenues from businesses.
2. The taxing entity will collect (a) about the same amount of miscellaneous taxes and user fees from each new household that results from the Project as it currently collects from existing households on average, and (b) the same amount of miscellaneous taxes and user fees from the new business (on a per worker basis) will be collected as it collects from existing businesses.

In the case of the school district, some additional state and federal revenues are estimated on a per new school student basis consistent with historical funding levels.

Additionally, this analysis sought to estimate the additional expenditures faced by the city and county to provide services to new households and new businesses. A marginal cost approach was used to calculate these additional costs. This approach relies on two assumptions:

1. The taxing entity spends money on services for two general groups: revenues from residents and revenues from businesses.
2. The taxing entity will spend slightly less than its current average cost to provide local government services (police, fire, EMS, etc.) to (a) new residents and (b) businesses on a per worker basis.

In the case of the school district, the marginal cost to educate new students was estimated based on a portion of the school's current expenditures per student and applied to the headcount of new school students resulting from the Project.

Additionally, this analysis seeks to calculate the impact on the school district's finances from the Project by generally, and at a summary level, mimicking the district's school funding formula.

According to the Texas Education Agency, any property added to local tax rolls, and the local taxes that this generates, reduces the amount of state funding equivalent to local taxes collected for maintenance and operations. The school district retains local taxes received for debt services and the corresponding state funding is not reduced.

However, according to the Texas Education Agency, the school district will receive state aid for each new child that moves to the District. The additional revenues for the school district are calculated in this analysis.

About Impact DataSource

Impact DataSource is an Austin economic consulting, research, and analysis firm founded in 1993. The firm has conducted over 2,500 economic impact analyses of firms, projects, and activities in most industry groups in Texas and more than 30 other states.

Regular City Council

Agenda Item

Data Sheet

Meeting Date: November 20, 2017

Topic:

Consideration and Possible Action to Approve, as a Project of the Tomball Economic Development Corporation, an Agreement with Birner Houston Corp., dba Renewal by Andersen of Houston, to Make Direct Incentives To, or Expenditures For, the Creation or Retention of Primary Jobs Associated with the Relocation and Development of Its Corporate Headquarters to be Located at 647 James Street, Tomball, TX 77375. The Estimated Amount of Expenditures for Such Project is \$50,000.

Background:

All expenditures of the Tomball Economic Development Corporation (TEDC) sales tax revenue must first be approved as a "Project" of the Corporation. At its regular meeting on November 14, 2017, the TEDC Board of Directors did take formal action to approve, as a Project of the TEDC, an agreement with Birner Houston Corp., dba Renewal by Andersen of Houston, for the creation or retention of primary jobs associated with the relocation and development of its corporate headquarters to Tomball. The Tomball City Council has final approval authority over all projects and agreements of the TEDC.

Origination:

Robert Birner, VP, Birner Houston Corp. dba Renewal by Anderson of Houston

Recommendation:

Approve, as a Project of the Corporation, the Performance Agreement with Birner Houston Corp., dba Renewal by Andersen of Houston

Funding:

Yes

Account Number: Project Grants

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

Kelly Violette, Executive Director, Tomball Economic Development Corporation

ACTION TAKEN

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

TEDC Memo

Request Letter

TEDC Performance Agreement

Economic Impact Analysis Report



TO: Honorable Mayor and City Council

FROM: Kelly Violette
Executive Director

MEETING DATE: November 20, 2017

SUBJECT: Birner Houston Corp. Performance Agreement

The Tomball Economic Development Corporation has received a request from Robert Birner, VP, Birner Houston Corp. dba Renewal by Anderson of Houston, for assistance with the relocation and development of its corporate headquarters.

Birner Houston Corp., dba Renewal by Andersen of Houston, sells, furnishes and installs exclusively Renewal by Andersen residential replacement windows and patio doors.

The company has been in business since 1989 and is currently located at 3233 West 11th. St., Ste. 400, Houston, TX 77008. This location houses the company's sales and marketing departments and corporate management operations. The company also has a service and production facility on FM 2920, east of Tomball's city limits.

Birner Houston Corp has outgrown its Houston location and recently purchased a 22,000-sq. ft. shell building located at 647 James St. in Tomball. The company plans to relocate its 200+ person sales, marketing, and corporate management offices to the facility. The total capital investment for the project, including the building acquisition, build-out, equipment, and site improvements is estimated at \$2.8 million.

An economic impact analysis is included with the agreement to show the impact of this project on Tomball's economy. Per the analysis, the 5-year net benefit of this project on Tomball's economy is \$102,428. The proposed incentive is based upon \$250 per job, not to exceed \$50,000.

August 31, 2017

Ms. Kelly Violette:

On behalf of Birner Houston Corp. dba, Renewal by Andersen of Houston, I respectfully submit this request for grant funding assistance to the Tomball Economic Development Corporation for our sales, marketing department, and corporate management business relocation from 3233 West 11th. St., Ste. 400, Houston, TX 77008 to Tomball.

Birner Houston Corp dba, Renewal by Andersen of Houston (RbA) was founded in 1989 under the name of Amazing Siding Corp. For 17 years, Amazing Siding Corp provided turn-key, sell, furnish, and install residential siding replacement services and served the Houston area out of our Houston based location on Bammel N. Houston Rd.

In 2006, Amazing Siding Corp. obtained the affiliate retailer agreement with Renewal by Andersen, LLC and relocated from our Bammel N. Houston offices to 9825 FM 2920 Rd., just east of Tomball's city limits, in the spring of 2007. Renewal by Andersen sells, furnishes and installs exclusively Renewal by Andersen residential replacement windows and patio doors. Since then, RbA of Houston has enjoyed year-over-year double and even triple digit revenue growth in some years In 2012 we obtained 2 new exclusive RbA territories in St. Louis and Kansas City. The growth opportunity that was presented to us with these two new markets combined with the already robust growth in our Houston location forced us to seek a larger facility for our rapidly growing marketing department.

In early 2017 we began an aggressive search to obtain a facility large enough to house our 200+ person marketing and corporate management offices. The Amazing Siding Corp. portion of our business was sold and we formed a new entity to operate our dba under, by the name of Birner Houston Corp.

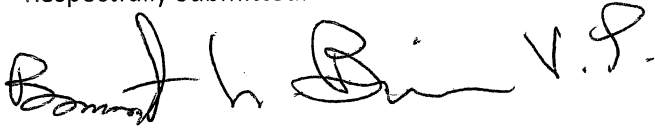
In August of 2017, we purchased a pre-existing building shell located at 647 James St. in Tomball for approximately \$1,750,000.00. This building is approximately 22,000 sq. ft. and we will build to suit approximately 15,000 sq. ft. to meet our needs at an estimated cost of \$750,000.00. We are working with a commercial architect and builder to plan the build-out of this location to suit our needs with hopes of occupying the building before year end 2017 or early in 2018. This James St. location will accommodate each of our sales, marketing, and corporate management positions from Houston area locations and relocate them into the Tomball area. We expect that we will introduce nearly 200 combined full time and part time employees into the Tomball market right away with average annual earnings of \$20,495.00 per employee with the opportunity to add additional positions in the future. Our current 9825 FM 2920 Rd. location just east of the Tomball city limits will continue to operate and will serve as our service and production location. We appreciate any and all considerations with regard to

grants, tax reductions, or any other business incentives you may have available for Birner Houston Corp. dba. Renewal by Andersen of Houston and our employees.

The corporation is privately owned by inactive business partners Philip and Rosemary Birner both whom reside at 58 Sandown Park, Spring, TX, 77379. Rba is actively run by my sister Julie Birner whom resides at 6315 Cypress Way Dr., Magnolia, TX 77354, and myself, both, in the role of Vice President. We are classified under NAICS code 423310 Window and Window frames merchant.

We are excited to become a larger part of the Tomball community and look forward to growing our world-class business here.

Respectfully Submitted:



Robert (Bob) W. Birner, VP

Birner Houston Corp. dba Renewal by Andersen of Houston

AGREEMENT

THE STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF HARRIS §

This Agreement (the “Agreement”) is made and entered into by and between the **Tomball Economic Development Corporation**, an industrial development corporation created pursuant to the Development Corporation Act, now Chapter 501 et seq of the Texas Local Government Code, located in Harris County, Texas (the “TEDC”), and **Birner Houston Corp., dba Renewal by Andersen of Houston** (the “Company”), 3233 West 11th. St., Ste. 400, Houston, TX 77008.

WITNESSETH:

WHEREAS, it is the established policy of the TEDC to adopt such reasonable measures from time-to-time as are permitted by law to endeavor to attract industry, create and retain primary jobs, expand the growth of the City of Tomball (the “City”), and thereby enhance the economic stability and growth of the City; and

WHEREAS, the Company owns a 2.10-acre tract of land developed with an existing 22,000 square foot building located at 647 James Street, Tomball, TX 77375 (the “Property”), and more particularly described in Exhibit “A,” attached hereto and made a part hereof; and

WHEREAS, the Company, currently located at 3233 West 11th. St., Ste. 400, Houston, TX 77008, proposes to relocate its sales, marketing, and corporate management operations to the Property, and as part of the process, plans to expend funds to make capital improvements (the “Improvements”), generally described in Exhibit “B,” attached hereto and made a part hereof, as are necessary to build out approximately 15,000 square feet within the building; and

WHEREAS, the Company also proposes to relocate one hundred (100) full-time and one hundred (100) part-time employees to the Property in conjunction with the relocation of its business operations to the Property; and

WHEREAS, the TEDC agrees to provide to the Company the sum of Fifty Thousand Dollars (\$50,000) to assist in the construction of the Improvements and the relocation of one hundred (100) full-time and one hundred (100) part-time employees; and

WHEREAS, the Company has agreed, in exchange and as consideration for the funding, to satisfy and comply with certain terms and conditions; and

WHEREAS, this expenditure is found by the Board of Directors of the TEDC to be required or suitable for the promotion and development of new or expanded business enterprises and in furtherance of creation and retention of primary jobs;

NOW, THEREFORE, in consideration of the premises and the mutual benefits and obligations set forth herein, including the recitals set forth above, the TEDC and the Company agree as follows:

1.

Except as provided by paragraph 4, the Company covenants and agrees that it will operate and maintain the proposed business for a term of at least five (5) years and will maintain two hundred (200) employees, with a minimum of one hundred (100) full-time employees, on the Property.

2.

The construction of the Improvements, the relocation of one hundred (100) full-time and one hundred (100) part-time employees and the obtaining of all necessary occupancy permits from the City must occur within twenty-four (24) months from the Effective Date of this

Agreement. Extensions of these deadlines may be granted by the Board of Directors of the TEDC due to any extenuating circumstance or uncontrollable delay.

3.

The Company 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.

4.

In consideration of the Company's representations, promises, and covenants, TEDC agrees to grant to the Company Fifty Thousand Dollars (\$50,000) to fund a portion of the cost of the Improvements and the relocation of one hundred (100) full-time and one hundred (100) part-time employees to the Tomball operation. The TEDC agrees to distribute such funds to the Company within thirty (30) days of receipt of a letter from the Company requesting such payment, which letter shall also include: (a) a copy of the City's occupancy permit for the Improvements to the Property, if applicable; (b) proof that the company has added the number of employees indicated above to the Tomball operation as evidenced by copies of Texas Workforce Commission form C-3 or Internal Revenue Service form 941; (c) a letter from the City acknowledging that all necessary plats, plans, and specifications have been received, reviewed, and approved; (d) certification that the Improvements have been constructed in accordance with the approved plans and specifications; (e) an affidavit stating that all contractors and subcontractors providing work and/or materials in the construction of the Improvements have been paid and any and all liens and claims regarding such work have been released; and (f) Proof of payment to all contractors and subcontractors providing work and/or materials in the

construction of the Improvements, proof of payment must include copies of canceled checks and/or credit card receipts and copies of paid invoices from all contractors and subcontractors.

In the event the number of jobs originally projected is not met or maintained, the amount of the funding provided to the Company by TEDC will be reduced on a pro-rata basis to reflect the actual number of jobs at the time of the request for disbursement of funds.

5.

It is understood and agreed by the parties that, in the event of a default by the Company on any of its obligations under this Agreement, the Company shall reimburse the TEDC the full amount paid to the Company by the TEDC, with interest at the rate equal to the 90-day Treasury Bill plus ½% per annum, within 120 days after the TEDC notifies the Company of the default. It is further understood and agreed by the parties that if the Company is convicted of a violation under 8 U.S.C. Section 1324a(f), the Company will reimburse the TEDC the full amount paid to the Company, with interest at the rate equal to the 90-day Treasury Bill plus ½% per annum, within 120 days after the TEDC notifies the Company of the violation.

The Company shall also reimburse the TEDC for any and all reasonable attorney's fees and costs incurred by the TEDC as a result of any action required to obtain reimbursement of such funds. Such reimbursement shall be due and payable thirty (30) days after the Company receives written notice of default accompanied by copies of all applicable invoices.

It is understood and agreed by the parties that, in the event of a default by the TEDC on any of its obligations under this Agreement, the Company's sole and exclusive remedy shall be limited to either a) the termination of this Agreement or b) a suit for specific performance.

6.

Personal Liability of Public Officials: To the extent permitted by law, no director, officer, employee or agent of the TEDC, and no officer, employee or agent of the City of Tomball, shall be personally responsible for any liability arising under or growing out of this Agreement.

7.

This Agreement shall inure to the benefit of and be binding upon the TEDC and the Company, and upon the Company's successors and assigns, affiliates, and subsidiaries, and shall remain in force whether the Company sells, assigns, or in any other manner disposes of, either voluntarily or by operation of law, all or any part of the Property and the agreements herein contained shall be held to be covenants running with the Property for so long as this Agreement, or any extension thereof, remains in effect.

8.

Any notice provided or permitted to be given under this Agreement must be in writing and may be served by (i) depositing the same in the United States mail, addressed to the party to be notified, postage prepaid, registered or certified mail, return receipt requested; or (ii) by delivering the same in person to such party; or (iii) by overnight or messenger delivery service that retains regular records of delivery and receipt; or (iv) by facsimile; provided a copy of such notice is sent within one (1) day thereafter by another method provided above. The initial addresses of the parties for the purpose of notice under this Agreement shall be as follows:

If to City:	Tomball Economic Development Corporation
	401 W. Market Street
	Tomball, Texas 77375
	Attn: President, Board of Directors

If to Company: Birner Houston Corp., dba Renewal by Andersen of
Houston
3233 West 11th. St., Ste. 400
Houston, TX 77008
Attn: Robert W. Birner, VP

9.

This Agreement shall be performable and enforceable in Harris County, Texas, and shall be construed in accordance with the laws of the State of Texas.

10.

Except as otherwise provided in this Agreement, this Agreement shall be subject to change, amendment or modification only in writing, and by the signatures and mutual consent of the parties hereto.

11.

The failure of any party to insist in any one or more instances on the performance of any of the terms, covenants or conditions of this Agreement, or to exercise any of its rights, shall not be construed as a waiver or relinquishment of such term, covenant, or condition, or right with respect to further performance.

12.

This Agreement shall bind and benefit the respective Parties and their legal successors and shall not be assignable, in whole or in part, by any party without first obtaining written consent of the other party.

13.

In the event any one or more words, phrases, clauses, sentences, paragraphs, sections, or other parts of this Agreement, or the application thereof to any person, firm, corporation, or circumstance, shall be held by any court of competent jurisdiction to be invalid or

unconstitutional for any reason, then the application, invalidity or unconstitutionality of such words, phrases, clauses, sentences, paragraphs, sections, or other parts of this Agreement shall be deemed to be independent of and severable from the remainder of this Agreement, and the validity of the remaining parts of this Agreement shall not be affected thereby.

IN TESTIMONY OF WHICH, THIS AGREEMENT has been executed by the parties on this _____ day of _____ 2017 (the "Effective Date").

Birner Houston Corp., dba Renewal by Andersen of Houston

By: _____

Name: Robert W. Birner

Title: Vice President

ATTEST:

By: _____

Name: _____

Title: _____

TOMBALL ECONOMIC DEVELOPMENT CORPORATION

By: _____

Name: _____

Title: President, Board of Directors

ATTEST:

By: _____

Name: _____

Title: Secretary, Board of Directors

ACKNOWLEDGMENT

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This instrument was acknowledged before me on the ____ day of _____
2017, by Robert W. Birner, Vice President of Birner Houston Corp., dba Renewal by Andersen
of Houston, for and on behalf of said company.

Notary Public in and for the State of Texas

My Commission Expires: _____

(SEAL)

ACKNOWLEDGMENT

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This instrument was acknowledged before me on the ____ day of _____
2017, by _____, President of the Board of Directors of the Tomball Economic
Development Corporation, for and on behalf of said Corporation.

Notary Public in and for the State of Texas

My Commission Expires: _____

(SEAL)

Exhibit A
Description of Property

2.1097 acres (91,897 square feet) of land situated in the William Hurd Survey, Abstract No. 371, Harris County, Texas; being called all of Lot 1 of the Final Plat James Place Limited Subdivision as recorded under Film Code No. 509108 of the Harris County Map Records.

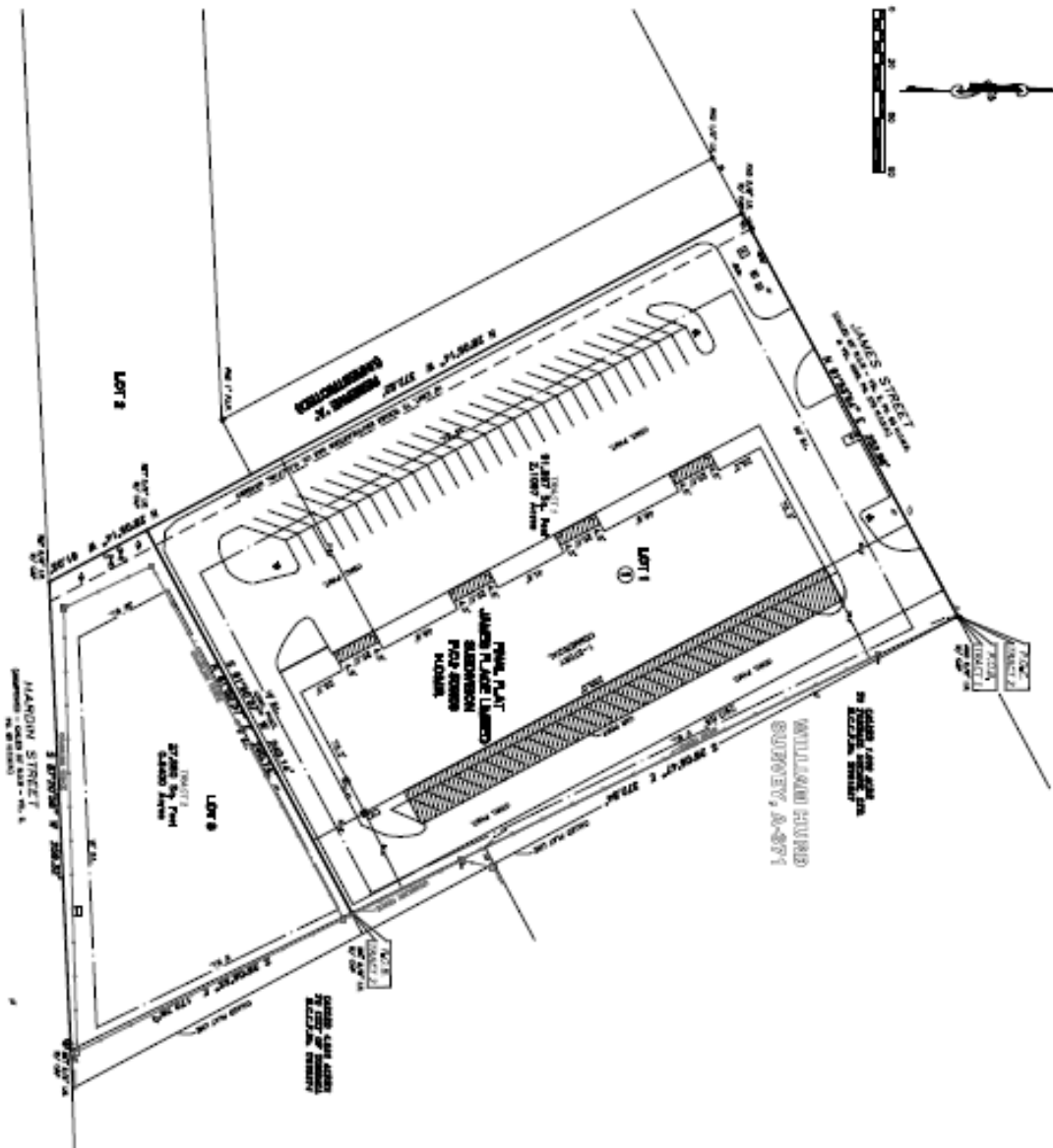


Exhibit B
Description of Improvements

Build-out approximately 15,000 sq. ft. of office space within an existing 22,000 square-foot building, along with related fixtures, furniture, and equipment.

EXECUTIVE SUMMARY

A REPORT OF THE ECONOMIC IMPACT OF BIRNER HOUSTON CORP DBA RENEWAL BY ANDERSEN OF HOUSTON IN TOMBALL, TX

November 6, 2017

Prepared by:
Tomball Economic Development Corporation
29201 Quinn Rd., Suite B
Tomball, Texas 77375



Prepared using Total Impact



BIRNER HOUSTON CORP DBA RENEWAL BY ANDERSEN OF HOUSTON - IMPACT SUMMARY FOR THE TOMBALL ECONOMIC DEVELOPMENT CORPORATION

JOBS



250

200.0 Direct

AVERAGE SALARY



\$46,000

\$44,000 Direct

CAPITAL INVESTMENT



\$2.8m

Buildings & Equipment

RESIDENTIAL DEV.



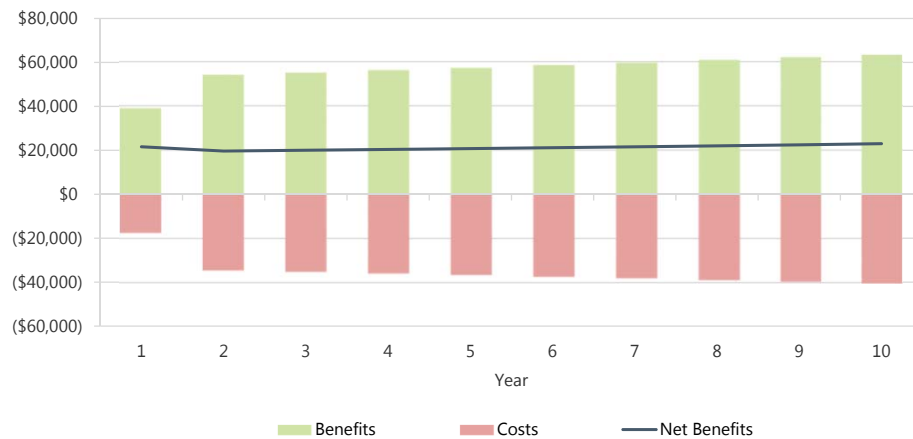
0.0 Homes

1.2 Workers Relocating

Net Benefits Over 10 Years

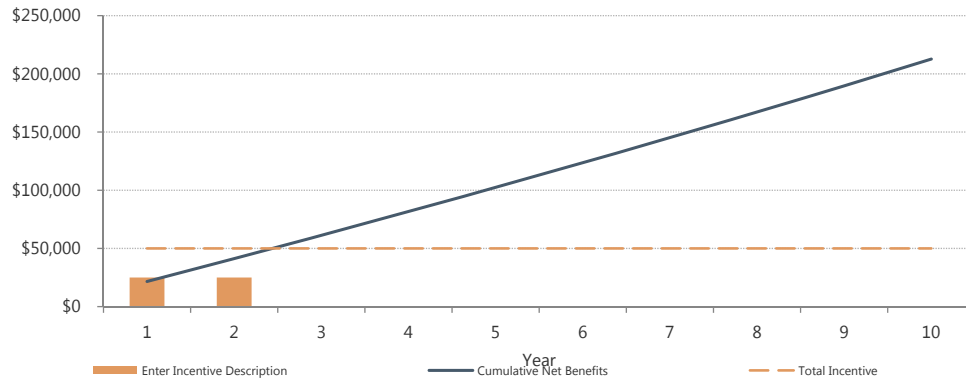
	Amount
Sales Taxes	\$172,817
Property Taxes - Project	\$108,512
Property Taxes - New Residential	\$0
Utility Revenue	\$140,511
Utility Franchise Fees	\$34,915
Building Permits and Fees	\$3,540
Hotel Occupancy Taxes	\$4,972
Miscellaneous Taxes & User Fees	\$100,702
Subtotal Benefits	\$565,968
Cost of Providing Municipal Services	(\$205,734)
Cost of Providing Utility Services	(\$147,537)
Subtotal Costs	(\$353,271)
Net Benefits	\$212,697
<i>Present Value (5% discount rate)</i>	<i>\$163,397</i>

Net Benefits over 10 Years



Incentive Analysis over 10 Years

\$50,000 Total Non-Tax Incentive	\$250 Incentive Per Job	41% Rate of Return	0.42539471 Payback Period (years)
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PURPOSE & LIMITATIONS

This report presents the results of an analysis undertaken by the Tomball Economic Development Corporation using Total Impact, an economic and fiscal impact analysis tool developed and supported by the Austin, TX based economic consulting firm, Impact DataSource.

The Total Impact model is a customized software program licensed to the Tomball Economic Development Corporation. The model includes estimates, assumptions, and other information developed by Impact DataSource from its independent research effort detailed in Tomball Economic Development Corporation's Total Impact User Guide.

The analysis relies on prospective estimates of business activity that may not be realized. Tomball Economic Development Corporation made reasonable efforts to ensure that the project-specific data entered into the Total Impact model reflects realistic estimates of future activity.

No warranty or representation is made by Tomball Economic Development Corporation or Impact DataSource that any of the estimates or results contained in this study will actually be achieved.



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Introduction

This report presents the results of an economic impact analysis performed using Total Impact, a model developed by Impact DataSource. The report estimates the impact that a potential project in the City of Tomball will have on the local economy and estimates the costs and benefits for local taxing districts over a 10-year period.

Description of the Project

Birner Houston Corp., dba Renewal by Andersen of Houston, sells, furnishes and installs exclusively Renewal by Andersen residential replacement windows and patio doors. The company has been in business since 1989 and is currently located at 3233 West 11th. St., Ste. 400, Houston, TX 77008. This location houses the company's sales and marketing departments and corporate management operations. In August of 2017, Birner purchased a shell building located at 647 James St. in Tomball with the intent of relocating its 200+ employees to the facility. This building will house the company's sales, marketing, and corporate management positions.

Economic Impact Overview

The Project's operations will support employment and other economic impacts in the community. The 200.0 workers directly employed by the Project will earn approximately \$44,000 per year on average over the next 10 years. This direct activity will support 50.0 indirect and induced workers in the community earning \$52,000 on average over the next 10 years. The total additional payroll or workers' earnings associated with the Project is estimated to be approximately \$108.6 million over the next 10 years.

On average, the Project will generate \$16.6 million in direct economic output over the next 10 years. Spin-off businesses in the community will produce \$7.4 million in economic output per year as a result of the Project. In total, the Project will support \$24.0 million in economic output per year on average. Economic output is the value of goods and services produced in the economy and can be thought of as revenues for businesses. The economic output calculations in this report were estimated using the RIMS II economic impact model and the Project's employment estimates.

Accounting for various taxable sales and purchases, including activity associated with the Project, worker spending, and visitors' spending in the community, the Project is estimated to support approximately \$8.6 million in taxable sales over the next 10 years.

Table 1. Economic Impact Over the Next 10 Years

	Direct	Indirect & Induced	Total
Number of permanent direct, indirect, and induced jobs to be created	200.0	50.0	250.0
Salaries to be paid to direct, indirect, and induced workers	\$83,597,767	\$24,970,653	\$108,568,420
Economic output generated by direct, indirect, and induced activity	\$166,200,933	\$74,108,996	\$240,309,929
Taxable sales and purchases expected in the City	\$6,830,461	\$1,810,372	\$8,640,834

The Project may result in new residents moving to the community and potentially new residential properties being constructed as summarized below.

Table 2. Population Impacts Over the Next 10 Years

	Direct	Indirect & Induced	Total
Number of direct, indirect, and induced workers who will move to the City	1.0	0.2	1.2
Number of new residents in the City	2.6	0.6	3.2
Number of new residential properties to be built in the City	0.0	0.0	0.0
Number of new students expected to attend local school district	0.5	0.1	0.6

The Project is estimated to support an average of approximately \$3.2 million in new non-residential taxable property each year over the next 10 years. The taxable value of property supported by the Project over the 10-year period is shown in the following table.

Table 3. Value of Taxable Property Supported by the Project Over the Next 10 Years

Year	New Residential Property	The Project's Property					Total Residential & Nonresidential Property
		Land	Buildings & Other Real Prop. Improvements	Furniture, Fixtures, & Equipment	Inventories	Subtotal Nonresidential Property	
1	\$0	\$1,750,000	\$850,000	\$200,000	\$200,000	\$3,000,000	\$3,000,000
2	\$0	\$1,785,000	\$867,000	\$180,000	\$204,000	\$3,036,000	\$3,036,000
3	\$0	\$1,820,700	\$884,340	\$160,000	\$208,080	\$3,073,120	\$3,073,120
4	\$0	\$1,857,114	\$902,027	\$140,000	\$212,242	\$3,111,382	\$3,111,382
5	\$0	\$1,894,256	\$920,067	\$120,000	\$216,486	\$3,150,810	\$3,150,810
6	\$0	\$1,932,141	\$938,469	\$100,000	\$220,816	\$3,191,426	\$3,191,426
7	\$0	\$1,970,784	\$957,238	\$80,000	\$225,232	\$3,233,255	\$3,233,255
8	\$0	\$2,010,200	\$976,383	\$60,000	\$229,737	\$3,276,320	\$3,276,320
9	\$0	\$2,050,404	\$995,910	\$40,000	\$234,332	\$3,320,646	\$3,320,646
10	\$0	\$2,091,412	\$1,015,829	\$40,000	\$239,019	\$3,386,259	\$3,386,259

The taxable value of residential property represents the value of properties that may be constructed as a result of new workers moving to the community.

This analysis assumes the residential real property appreciation rate to be 2.0% per year. The Project's real property is assumed to appreciate at a rate of 2.0% per year. The analysis assumes the Project's furniture, fixtures, and equipment will depreciate over time according to the depreciation schedule shown in Appendix A.

Fiscal Impact Overview

The Project will generate additional benefits and costs for the City. Overall, the City will receive approximately \$212,700 in net benefits over the 10-year period. The table below displays the estimated additional benefits, costs, and net benefits to be received by the City over the next 10 years of the Project. Appendix C contains the year-by-year calculations.

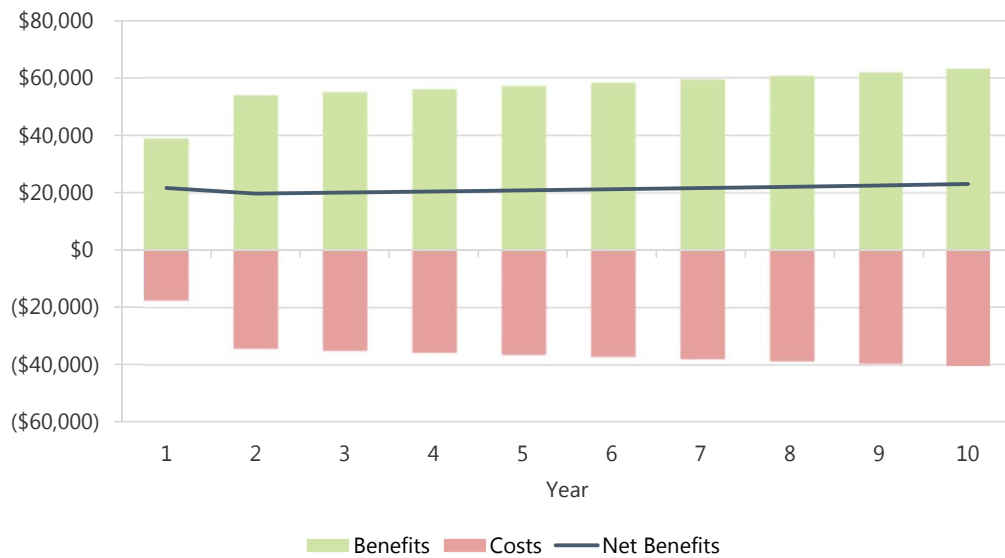
Table 4. City of Tomball: Benefits, Costs, and Net Benefits Over the Next 10 Years

	Amount
Sales Taxes	\$172,817
Property Taxes - Project	\$108,512
Property Taxes - New Residential	\$0
Utility Revenue	\$140,511
Utility Franchise Fees	\$34,915
Building Permits and Fees	\$3,540
Hotel Occupancy Taxes	\$4,972
Miscellaneous Taxes & User Fees	\$100,702
<u>Subtotal Benefits</u>	<u>\$565,968</u>
Cost of Providing Municipal Services	(\$205,734)
Cost of Providing Utility Services	(\$147,537)
<u>Subtotal Costs</u>	<u>(\$353,271)</u>
Net Benefits	\$212,697
<i>Present Value (5% discount rate)</i>	<i>\$163,397</i>

Table 5. Year-by-Year Benefits, Costs, and Net Benefits for the City of Tomball

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	\$39,103	(\$17,503)	\$21,600	\$21,600
2	\$54,083	(\$34,421)	\$19,661	\$41,261
3	\$55,125	(\$35,110)	\$20,016	\$61,276
4	\$56,196	(\$35,812)	\$20,384	\$81,660
5	\$57,296	(\$36,528)	\$20,767	\$102,428
6	\$58,426	(\$37,259)	\$21,167	\$123,595
7	\$59,588	(\$38,004)	\$21,584	\$145,179
8	\$60,784	(\$38,764)	\$22,020	\$167,198
9	\$62,015	(\$39,539)	\$22,476	\$189,674
10	\$63,353	(\$40,330)	\$23,023	\$212,697
Total	\$565,968	(\$353,271)	\$212,697	

Figure 1. Annual Fiscal Net Benefits for the City of Tomball



Impact from Project and Workers

The City will receive benefits from the activity, spending, and investments associated with (1) the Project and (2) the workers. These benefits, associated costs, and resulting net benefits for the next 10 years are shown below for these two categories.

Table 6: Net Benefits to the City from the Project and Workers

	The Project	Workers	Total
Sales Taxes	\$15,392	\$157,424	\$172,817
Real Property Taxes	\$97,210	\$0	\$97,210
FF&E Property Taxes	\$3,824	\$0	\$3,824
Inventory Property Taxes	\$7,478	\$0	\$7,478
New Residential Property Taxes	\$0	\$0	\$0
Utility Revenue	\$121,953	\$18,559	\$140,511
Utility Franchise Fees	\$33,699	\$1,216	\$34,915
Building Permits and Fees	\$3,540	\$0	\$3,540
Hotel Occupancy Taxes	\$4,972	\$0	\$4,972
Miscellaneous Taxes & User Fees	\$96,137	\$4,564	\$100,702
Subtotal Benefits	\$384,205	\$181,764	\$565,968
Cost of Providing Municipal Services	(\$196,455)	(\$9,279)	(\$205,734)
Cost of Providing Utility Services	(\$128,050)	(\$19,487)	(\$147,537)
Subtotal Costs	(\$324,505)	(\$28,766)	(\$353,271)
Net Benefits	\$59,700	\$152,998	\$212,697
<i>Percent of Total Net Benefits</i>	<i>28.1%</i>	<i>71.9%</i>	

Non-Tax Incentives

The Tomball EDC is considering the following non-tax incentives for the Project.

Table 11. Incentives Under Consideration

Year	Enter Incentive Description
1	\$25,000
2	\$25,000
3	\$0
4	\$0
5	\$0
6	\$0
7	\$0
8	\$0
9	\$0
10	\$0
Total	\$50,000

These financial incentives may be considered an investment in the Project made by the EDC. Four calculations analyzing possible investments were made:

1. Net Benefits - detailed above
2. Present Value of Net Benefits - detailed above
3. Rate of Return on Investment - discussed and detailed below
4. Payback Period - discussed and detailed below

The rate of return on investment calculates the average annual rate of return to the city, treating the incentives as the initial investment and the net benefits to the city as the return on investment. The payback period is the number of years that it will take the city to recover the cost of incentives from the additional revenues that it will receive as a result of the Project.

The table below shows an analysis of these incentives, including a calculation of incentives per job, rate of return, and payback period.

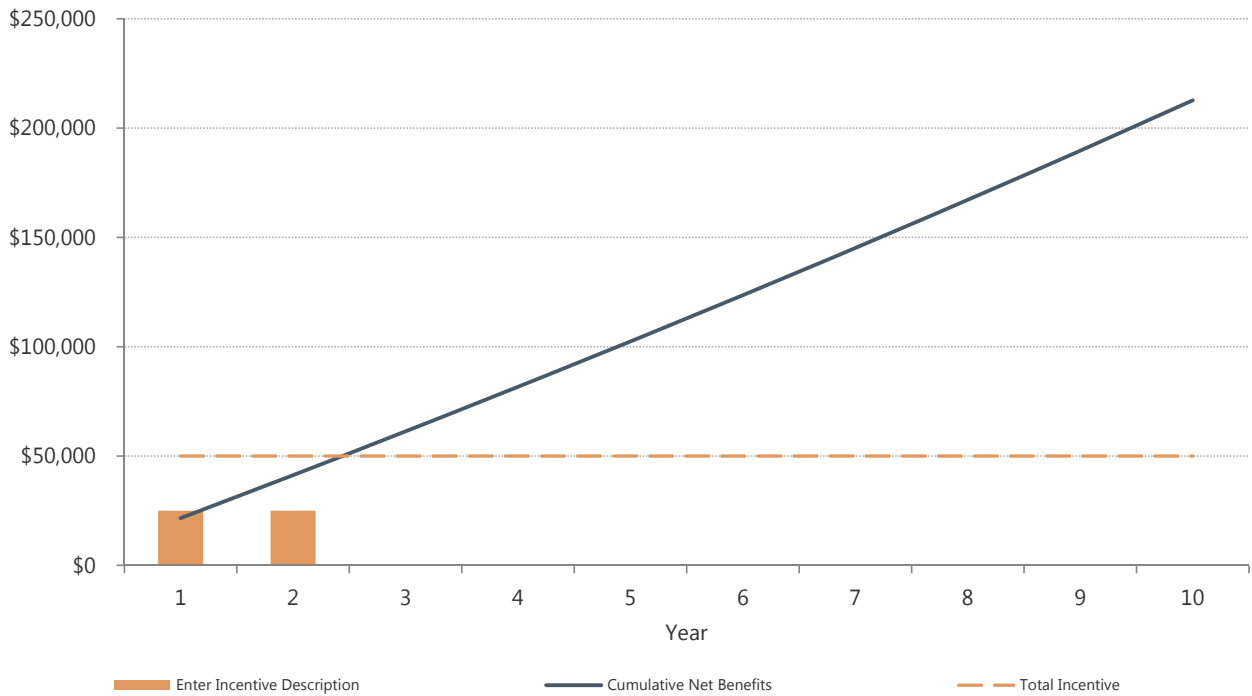
Table 12. Analysis of Incentives

Total Non-Tax Incentive	\$50,000
Incentive Per Job	\$250
Rate of Return - 5 Years	41.0%
Rate of Return - 10 Years	42.5%
Payback period (years)	2.4

Note: The Rate of Return and Payback Period are calculated based on the sum of annual incentives, not the present value of the incentives.

The graph below depicts the total incentives currently under consideration versus the cumulative net benefits to the City. The intersection indicates the length of time until the incentives are paid back.

Figure 2. Incentives Under Consideration



Overview of Methodology

This report presents the results of an analysis undertaken by the Tomball Economic Development Corporation using Total Impact, an economic and fiscal impact analysis tool developed and supported by the Austin, TX based economic consulting firm, Impact DataSource.

The Total Impact model combines project-specific attributes with community data, tax rates, and assumptions to estimate the economic impact of the Project and the fiscal impact for local taxing districts over a 10-year period.

The economic impact as calculated in this report can be categorized into two main types of impacts. First, the direct economic impacts are the jobs and payroll directly created by the Project. Second, this economic impact analysis calculates the indirect and induced impacts that result from the Project. Indirect jobs and salaries are created in new or existing area firms, such as maintenance companies and service firms, that may supply goods and services for the Project. In addition, induced jobs and salaries are created in new or existing local businesses, such as retail stores, gas stations, banks, restaurants, and service companies that may supply goods and services to new workers and their families.

The economic impact estimates in this report are based on the Regional Input-Output Modeling System (RIMS II), a widely used regional input-output model developed by the U. S. Department of Commerce, Bureau of Economic Analysis. The RIMS II model is a standard tool used to estimate regional economic impacts. The economic impacts estimated using the RIMS II model are generally recognized as reasonable and plausible assuming the data input into the model is accurate or based on reasonable assumptions. Impact DataSource utilizes county-level multipliers to estimate the impact occurring at the sub-county level.

Two types of regional economic multipliers were used in this analysis: an employment multiplier and an earnings multiplier. An employment multiplier was used to estimate the number of indirect and induced jobs created or supported in the area. An earnings multiplier was used to estimate the amount of salaries to be paid to workers in these new indirect and induced jobs. The employment multiplier shows the estimated number of total jobs created for each direct job. The earnings multiplier shows the estimated amount of total salaries paid to these workers for every dollar paid to a direct worker. The multipliers used in this analysis are listed below:

561400 Business support services		City	County
Employment Multiplier	(Type II Direct Effect)	1.2504	1.4978
Earnings Multiplier	(Type II Direct Effect)	1.2987	1.5938

The fiscal impacts calculated in this report are detailed in Appendix C. Most of the revenues estimated in this study result from calculations relying on (1) attributes of the Project, (2) assumptions to derive the value of associated taxable property or sales, and (3) local tax rates. In some cases, revenues are estimated on a per new household, per new worker, or per new school student basis.

The company or Project developer was not asked, nor could reasonably provide data for calculating some other revenues. For example, while the city will likely receive revenues from fines paid on speeding tickets given to new workers, the company does not know the propensity of its workers to speed. Therefore, some revenues are calculated using an average revenue approach. This approach uses relies on two assumptions:

1. The taxing entity has two general revenue sources: revenues from residents and revenues from businesses.
2. The taxing entity will collect (a) about the same amount of miscellaneous taxes and user fees from each new household that results from the Project as it currently collects from existing households on average, and (b) the same amount of miscellaneous taxes and user fees from the new business (on a per worker basis) will be collected as it collects from existing businesses.

In the case of the school district, some additional state and federal revenues are estimated on a per new school student basis consistent with historical funding levels.

Additionally, this analysis sought to estimate the additional expenditures faced by the city and county to provide services to new households and new businesses. A marginal cost approach was used to calculate these additional costs. This approach relies on two assumptions:

1. The taxing entity spends money on services for two general groups: revenues from residents and revenues from businesses.
2. The taxing entity will spend slightly less than its current average cost to provide local government services (police, fire, EMS, etc.) to (a) new residents and (b) businesses on a per worker basis.

In the case of the school district, the marginal cost to educate new students was estimated based on a portion of the school's current expenditures per student and applied to the headcount of new school students resulting from the Project.

Additionally, this analysis seeks to calculate the impact on the school district's finances from the Project by generally, and at a summary level, mimicking the district's school funding formula.

According to the Texas Education Agency, any property added to local tax rolls, and the local taxes that this generates, reduces the amount of state funding equivalent to local taxes collected for maintenance and operations. The school district retains local taxes received for debt services and the corresponding state funding is not reduced.

However, according to the Texas Education Agency, the school district will receive state aid for each new child that moves to the District. The additional revenues for the school district are calculated in this analysis.

About Impact DataSource ---

Impact DataSource is an Austin economic consulting, research, and analysis firm founded in 1993. The firm has conducted over 2,500 economic impact analyses of firms, projects, and activities in most industry groups in Texas and more than 30 other states.

Regular City Council

Agenda Item

Data Sheet

Meeting Date: November 20, 2017

Topic:

Approve, on First Reading, Resolution No. 2017-21-TEDC, a Resolution of the City Council of the City of Tomball, Texas, authorizing and approving the Tomball Economic Development Corporation's Project to Expend Funds in accordance with an Economic Development Agreement by and between the Corporation and Dancing Falls Development LLC, to make direct incentives to, or expenditures for, assistance with infrastructure costs to be required or suitable for the promotion of new or expanded business development related to the development and construction of a multibuilding office/warehouse park to be located at 27905 Commercial Park Road, Tomball, TX 77375. The estimated amount of expenditures for such Project \$50,925.00.

Background:

All expenditures of the Tomball Economic Development Corporation (TEDC) sales tax revenue must first be approved as a "Project" of the Corporation. At its regular meeting on November 14, 2017, the TEDC Board of Directors did take formal action to approve, as a Project of the TEDC, an agreement with Dancing Falls Development LLC for infrastructure assistance for the promotion of new or expanded business development related to the construction of four 10,500 square foot office/warehouse buildings on a 5.167-acre tract of land located at 27905 Commercial Park Road, Tomball, TX 77375. The Tomball City Council has final approval authority over all projects and agreements of the TEDC.

Origination:

Wayne Harryman, Principal of Dancing Falls Development, LLC

Recommendation:

Approval of Resolution No. 2017-21-TEDC on first reading

Funding:

Yes

Account Number: Project Grants

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

Kelly Violette, Executive Director, Tomball Economic Development Corporation

ACTION TAKEN

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

ATTACHMENTS:

Resolution 2017-21-TEDC

Cover Memo

Request Letter

RESOLUTION NO. 2017-21-TEDC

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS, AUTHORIZING AND APPROVING THE TOMBALL ECONOMIC DEVELOPMENT CORPORATION'S PROJECT TO EXPEND FUNDS IN ACCORDANCE WITH AN ECONOMIC DEVELOPMENT AGREEMENT BY AND BETWEEN THE CORPORATION AND DANCING FALLS DEVELOPMENT LLC TO PROMOTE AND DEVELOP A NEW OR EXPANDED BUSINESS ENTERPRISE; CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT; AND PROVIDING FOR SEVERABILITY.

* * * * *

WHEREAS, the Tomball Economic Development Corporation (the "TEDC"), created pursuant to the Development Corporation Act, now Chapter 501 of the Texas Local Government Code, as amended (the "Act"), desires to adopt projects and provide incentives for economic development within the City; and

WHEREAS, the Board of Directors of the TEDC had adopted as a specific project the expenditure of the estimated amount of Fifty Thousand Nine Hundred and Twenty-Five Dollars (\$50,925), found by the Board to be required or suitable to promote a new business development by Dancing Falls Development LLC; and

WHEREAS, pursuant to the Act, the TEDC may not undertake such project without the approval of Tomball City Council; and

WHEREAS, City Council finds and determines that such project promotes new or expanded business development and is in the best interests of the citizenry; now, therefore,

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

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

Section 2. The City Council hereby authorizes and approves the adoption, by the Board of Directors of the Tomball Economic Development Corporation, as a specific project for the economic development of the City, an expenditure of the estimated amount of Fifty Thousand Nine Hundred and Twenty-Five Dollars (\$50,925), to Dancing Falls Development LLC in accordance with an economic development agreement by and between the TEDC and Dancing Falls Development LLC, to promote and develop a new or expanded business enterprise, to be located at 27905 Commercial Park Road, Tomball, TX 77375.

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 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 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 AND APPROVED on first reading this _____ day of _____, 2017.

PASSED, APPROVED, AND RESOLVED on second and final reading this _____ day of _____, 2017.

Gretchen Fagan, Mayor

ATTEST:

Doris Speer, City Secretary



TO: Honorable Mayor and City Council

FROM: Kelly Violette
Executive Director

MEETING DATE: November 20, 2017

SUBJECT: Dancing Falls Development Performance Agreement

The Tomball Economic Development Corporation has received a request from Wayne Harryman, Principal of Dancing Falls Development, LLC, for assistance with infrastructure costs related to the development of a proposed multibuilding office/warehouse park.

Dancing Falls Development, LLC proposes to develop approximately 5.167 acres located at 27905 Commercial Park Road in Tomball. The development will consist of four 10,500 square foot office/warehouse buildings. The estimated capital investment of the project is \$6,150,250.00.

The eligible infrastructure improvements include water, sanitary, and storm sewer facilities and related site improvements totaling approximately \$509,246.00.

Targeted infrastructure that will promote the development and expansion of business enterprise is a permissible project as outlined in Texas Economic Development Legislation. If this project is approved, it will go to the Tomball City Council for final approval by resolution at two separate readings.

An economic impact analysis is included with the agreement to show the impact of this project on Tomball's economy.

If the agreement between the TEDC and Dancing Falls Development, LLC is approved as a Project of the Corporation, the grant funding amount will not exceed \$50,925, based on actual expenditures for the approved Infrastructure Improvements.

To: Tomball Economic Development Corp.

RE: Dancing Falls Development, LLC

Dancing Falls Development, LLC is requesting Grant assistance to assist in the development of approximately 5.167 Acres located at 27905 Commercial Park Rd Tomball, TX 77375. The intent of Dancing Falls Development (DFD) is to build, develop and market a total of 42,000 SF of first-class multipurpose, multitenant office/warehouse space that will allow business owners to relocate to the Tomball area, increasing both the tax base and property values of Tomball. The project will consist of 4 individual office/warehouse buildings of 10,500 sf on a single property. The facility will be landscaped and have ample parking. Based on averages DWD estimates this facility should bring over 13 new companies and over 290 employees to the development.

Wayne Harryman is a native to the Houston/Tomball/Galveston area. Wayne grew up in Galveston Texas and graduated college from Sam Houston State University. Wayne and his wife Debbie Harryman were the founders and sole owners of TLC Office Systems a 20-million-dollar business technology company located in Northwest Houston. Wayne and Debbie recently negotiated a sale of their business allowing them to pursue other investment opportunities. Wayne and Debbie own several other businesses and intend to locate these businesses within the office park. Wayne lives in the Tomball area and would like to see it develop in both business and culture.

Principals: Wayne and Debbie Harryman phone (936) 444-3828

Type of Development: Multitenant/ Multipurpose office/Warehouse Facility

Location: 5.167 acer tract (Reserve B Block 2 of the Tomball industrial Park)

Property size: 5.167 acers

Building Development: 4 building, total of 42,000 sf

Property value: \$619,000

Improvement cost: 5.5 million

After Development \$5,531,250 improvements, \$619,000 land. Total \$6,150,250

New Jobs for Tomball: 290' employees at approx. \$25,000 per year average salary. Net increase of \$7.25 million (based on average of 151 feet per employee according to CoreNet Global)

AGREEMENT

THE STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF HARRIS §

This Agreement (the “Agreement”) is made and entered into by and between the Tomball Economic Development Corporation, an industrial development corporation created pursuant to Tex. Rev. Civ. Stat. Ann. Art. 5190.6, Section 4B, located in Harris County, Texas (the “TEDC”), and **Dancing Falls Development, LLC** (the “Company”), 8711 Fallbrook Drive, Houston, TX, 77064.

WITNESSETH:

WHEREAS, it is the established policy of the TEDC to adopt such reasonable measures from time-to-time as are permitted by law to endeavor to attract industry, create and retain primary jobs, expand the growth of the City of Tomball (the “City”), and thereby enhance the economic stability and growth of the City; and

WHEREAS, the Company proposes to develop a 5.167-acre tract of land within the City, located at 27905 Commercial Park Road, Tomball, TX 77375 (the “Property”), more particularly described in Exhibit “A,” attached hereto and made a part hereof; and

WHEREAS, such development shall include the construction of four (4) 10,500 square-foot office/warehouse buildings; and

WHEREAS, the TEDC agrees to provide to the Company the sum of Fifty Thousand Nine Hundred and Twenty-Five Dollars (\$50,925), or an amount equal to actual construction costs if less than the sum stated above, to assist in the construction of infrastructure

improvements (the “Infrastructure Improvements”), identified and described in Exhibit “B,” attached hereto and made a part hereof; and

WHEREAS, the Company has agreed, in exchange and as consideration for the funding, to satisfy and comply with certain terms and conditions; and

NOW, THEREFORE, in consideration of the premises and the mutual benefits and obligations set forth herein, including the recitals set forth above, the TEDC and the Company agree as follows:

1.

The Company covenants and agrees that it will construct and maintain on the Property four (4) 10,500 square-foot office/warehouse buildings (the “Improvements”) identified and described on Exhibit “C,” attached hereto and made a part hereof. In conjunction with the development of the Property, the Company further agrees to construct the Infrastructure Improvements contemplated by this Agreement, in accordance with the requirements of the ordinances of the City and the plans and specifications approved by the City. The Company further represents and agrees that it will certify the costs of the construction of such Infrastructure Improvements to the TEDC prior to construction.

2.

Construction of the Improvements of the Property, including construction of the Infrastructure Improvements, must commence within 180 days from the date of this Agreement (the “Start Date”), and the Company shall notify the TEDC of such Start Date. The construction of the Improvements to the Property, including construction of the Infrastructure Improvements shall be completed, and all necessary occupancy permits from the City shall be obtained, within twenty-four (24) months of the Start Date. Extensions of these deadlines due to extenuating

circumstances or uncontrollable delay may be granted by the Board of Directors of the TEDC at its sole discretion.

3.

The Company further represents and agrees that the Improvements described in Paragraph 1 hereof will be occupied and maintained for a term of at least five (5) years.

4.

The Company further covenants and agrees that the Company or any owner or leasee of the Improvements 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 under the law to be employed in that manner in the United States.

5.

In consideration of the Company's representations, promises, and covenants, TEDC agrees to reimburse the Company for the actual cost of the Infrastructure Improvements up to the amount of Fifty Thousand Nine Hundred and Twenty-Five Dollars (\$50,925), or an amount equal to actual construction costs if less than the sum stated above. The TEDC agrees to reimburse the Company for such amount within thirty (30) days of receipt of a letter from the Company requesting such payment and including: (a) certification of the cost of constructing the Infrastructure Improvements; (b) a copy of the City's occupancy permit for the improvements to the Property; (c) a copy of a letter from the City acknowledging that all necessary plats, permits, plans, and specifications have been received, reviewed, and approved; (d) certification that the Infrastructure Improvements have been constructed in accordance with the approved plans and specifications; (e) an affidavit stating that all contractors and subcontractors providing work

and/or materials in the construction of the Improvements have been paid and any and all liens and claims regarding such work have been released; and (f) Proof of payment to all vendors, contractors and subcontractors providing work and/or materials in the construction of the Improvements, proof of payment must include copies of canceled checks and/or credit card receipts and copies of paid invoices from all vendors, contractors and subcontractors. Upon completion of construction and occupancy of each office/warehouse building, the Company may, upon providing the certifications and information required above, request reimbursement of one-fourth (1/4) of the amount that TEDC has agreed to reimburse to Company. The TEDC agrees to reimburse the Company for such amount within thirty (30) days of receipt of such request, including the certifications and information required.

6.

It is understood and agreed by the parties that, in the event of a default by the Company on any of its obligations under this Agreement, the Company shall reimburse the TEDC the full amount paid to the Company by the TEDC, with interest at the rate equal to the 90 day Treasury Bill plus ½% per annum, within 120 days after the TEDC notifies the Company of the default. It is further understood and agreed by the parties that if the Company, or any owner or lessee of the Improvements, is convicted of a violation under 8 U.S.C. Section 1324a(f), the Company will reimburse the TEDC the full amount paid to the Company, with interest at the rate equal to the 90 day Treasury Bill plus ½% per annum, within 120 days after the TEDC notifies the Company of the violation.

The Company shall also reimburse the TEDC for any and all reasonable attorney's fees and costs incurred by the TEDC as a result of any action required to obtain reimbursement of

such funds. Such reimbursement shall be due and payable thirty (30) days after the Company receives written notice of default.

7.

This Agreement shall inure to the benefit of and be binding upon the TEDC and the Company, and upon the Company's successors and assigns, lessees, affiliates, and subsidiaries, and shall remain in force whether the Company sells, leases, assigns, or in any other manner disposes of, either voluntarily or by operation of law, all or any part of the Property and the agreements herein contained shall be held to be covenants running with the Property for so long as this Agreement, or any extension thereof, remains in effect.

8.

Any notice provided or permitted to be given under this Agreement must be in writing and may be served by (i) depositing the same in the United States mail, addressed to the party to be notified, postage prepaid, registered or certified mail, return receipt requested; or (ii) by delivering the same in person to such party; or (iii) by overnight or messenger delivery service that retains regular records of delivery and receipt; or (iv) by facsimile; provided a copy of such notice is sent within one (1) day thereafter by another method provided above. The initial addresses of the parties for the purpose of notice under this Agreement shall be as follows:

If to City:

Tomball Economic Development Corporation
401 W. Market Street
Tomball, Texas 77375
Attn: President, Board of Directors

If to Company:

Dancing Falls Development, LLC
8711 Fallbrook Drive
Houston, TX, 77064
Attn: Wayne Harryman, Principal

9.

This Agreement shall be performable and enforceable in Harris County, Texas, and shall be construed in accordance with the laws of the State of Texas.

10.

Except as otherwise provided in this Agreement, this Agreement shall be subject to change, amendment or modification only in writing, and by the signatures and mutual consent of the parties hereto.

11.

The failure of any party to insist in any one or more instances on the performance of any of the terms, covenants or conditions of this Agreement, or to exercise any of its rights, shall not be construed as a waiver or relinquishment of such term, covenant, or condition, or right with respect to further performance.

12.

This Agreement shall bind and benefit the respective Parties and their legal successors and shall not be assignable, in whole or in part, by any party without first obtaining written consent of the other party.

13.

In the event any one or more words, phrases, clauses, sentences, paragraphs, sections, or other parts of this Agreement, or the application thereof to any person, firm, corporation, or circumstance, shall be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, then the application, invalidity or unconstitutionality of such words, phrases, clauses, sentences, paragraphs, sections, or other parts of this Agreement shall be

deemed to be independent of and severable from the remainder of this Agreement, and the validity of the remaining parts of this Agreement shall not be affected thereby.

IN TESTIMONY OF WHICH, THIS AGREEMENT has been executed by the parties on this _____ day of _____ 2018 (the “Effective Date”).

DANCING FALLS DEVELOPMENT, LLC

By: _____
Name: Wayne Harryman
Title: Principal

ATTEST:

By: _____
Name: _____
Title: _____

TOMBALL ECONOMIC DEVELOPMENT CORPORATION

By: _____
Name: Gretchen Fagan
Title: President, Board of Directors

ATTEST:

By: _____
Name: Lori Klein Quinn
Title: Vice President, Board of Directors

ACKNOWLEDGMENT

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This instrument was acknowledged before me on the ____ day of _____
2018, by _____, the Principal of Dancing Falls Development, LLC
for and on behalf of said company.

Notary Public in and for the State of Texas

My Commission Expires: _____

(SEAL)

ACKNOWLEDGMENT

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This instrument was acknowledged before me on the ____ day of _____
2017, by Gretchen Fagan, President of the Board of Directors of the Tomball Economic
Development Corporation, for and on behalf of said Corporation.

Notary Public in and for the State of Texas

My Commission Expires: _____

(SEAL)

Exhibit A

Legal Description of Property

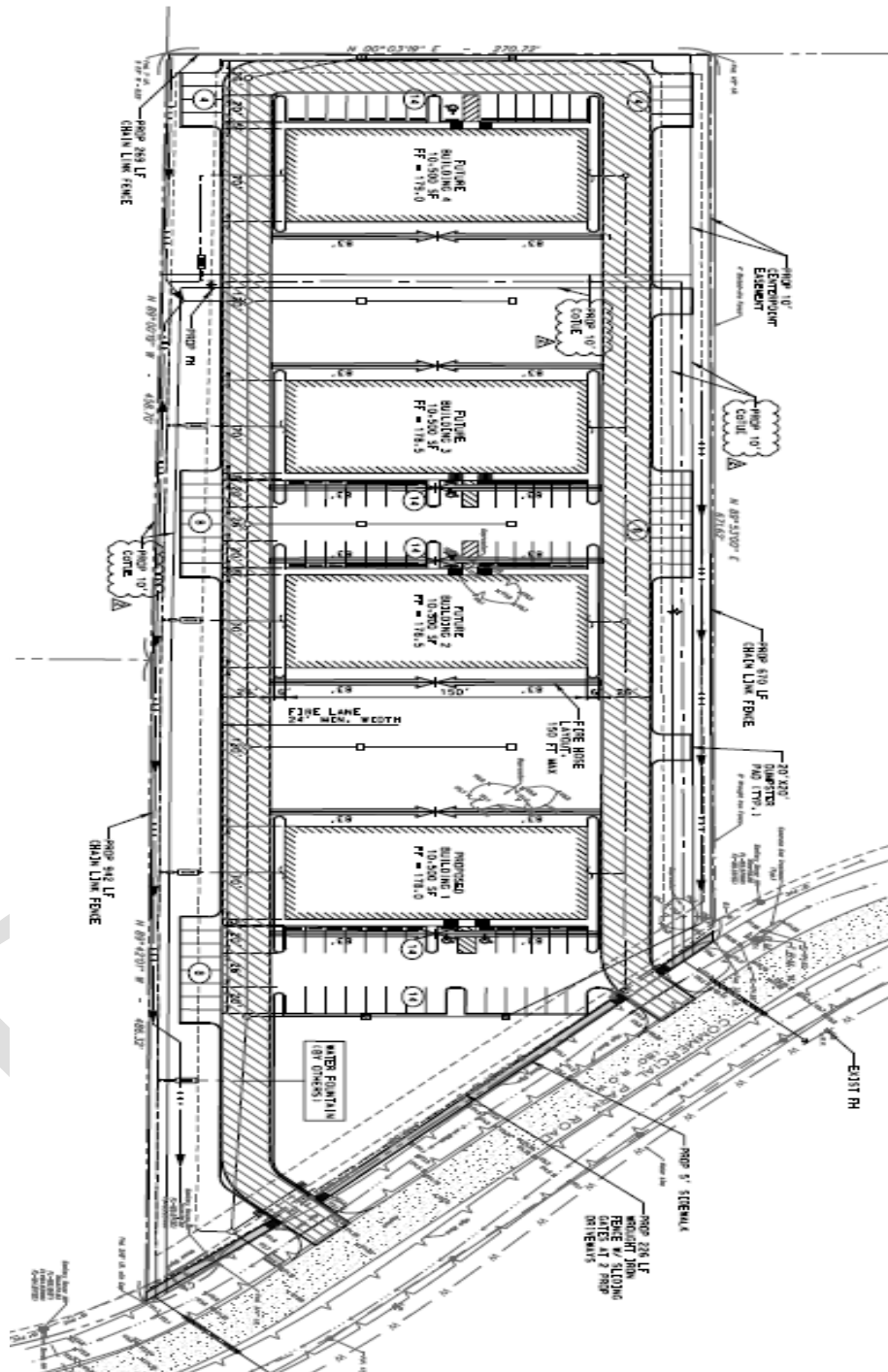
**RESERVE B OF SOULANT PLACE TOMBALL INDUSTRIAL PARK SUBDIVISION
REPLAT, A SUBDIVISION IN HARRIS COUNTY, TEXAS, RECORDED UNDER FILM
CODE NO. 560289 OF THE MAP RECORDS OF HARRIS COUNTY, TEXAS**

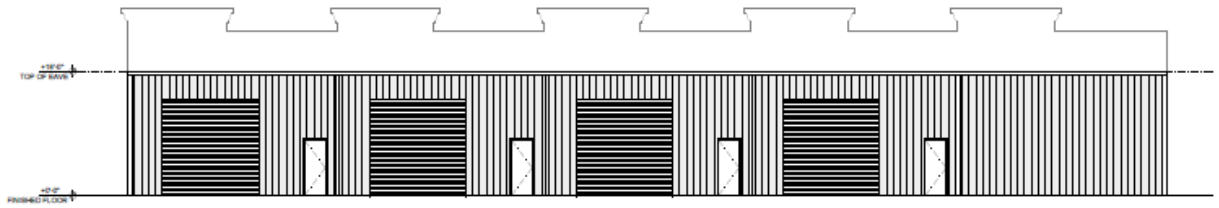
DRAFT

Exhibit B
Description of Infrastructure Improvements

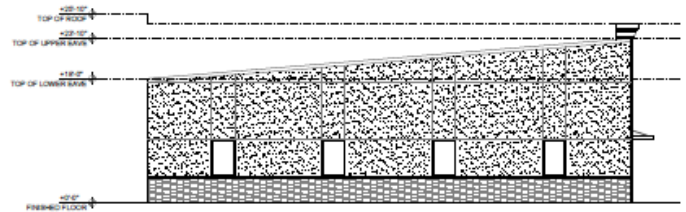
Sanitary	\$ 45,352
Storm Sewer	\$ 106,532
Water	\$ 130,440
Site Preparation	\$ 218,000
SWPPP	\$ 8,922
Total	\$ 509,246

Exhibit C Description of Improvements

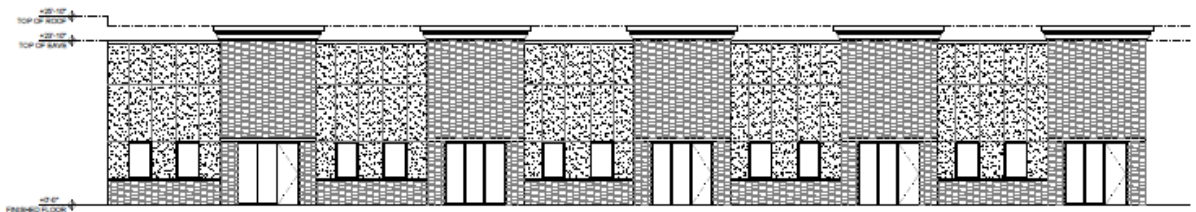




03 BUILDING 1 BACK ELEVATION
SCALE: 1/8"=1'-0"



02 BUILDING 1 SIDE ELEVATION
SCALE: 1/8"=1'-0"



01 BUILDING 1 FRONT ELEVATION
SCALE: 1/8"=1'-0"

EXECUTIVE SUMMARY

A REPORT OF THE ECONOMIC IMPACT OF DANCING FALLS DEVELOPMENT, LLC IN TOMBALL, TX

November 8, 2017

Prepared by:

Tomball Economic Development Corporation

29201 Quinn Rd., Suite B

Tomball, Texas 77375



Prepared using Total Impact



- IMPACT SUMMARY FOR THE TOMBALL ECONOMIC DEVELOPMENT CORPORATION

JOBS



73.4

45.0 Direct

AVERAGE SALARY



\$23,000

\$27,000 Direct

CAPITAL INVESTMENT



\$6.2m

Buildings & Equipment

RESIDENTIAL DEV.

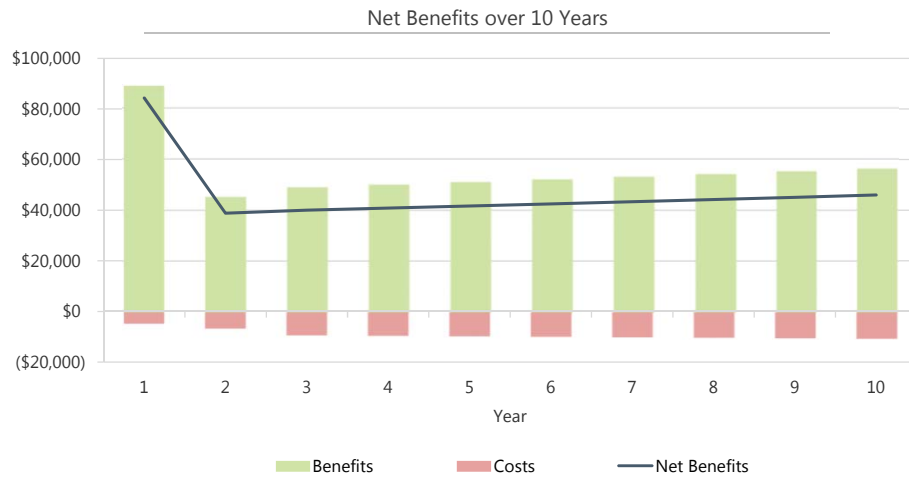


0.0 Homes

0.0 Workers Relocating

Net Benefits Over 10 Years

	Amount
Sales Taxes	\$53,587
Property Taxes - Project	\$364,463
Property Taxes - New Residential	\$0
Utility Revenue	\$43,709
Utility Franchise Fees	\$53,536
Building Permits and Fees	\$17,584
Hotel Occupancy Taxes	\$1,525
Miscellaneous Taxes & User Fees	\$21,430
Subtotal Benefits	\$555,833
Cost of Providing Municipal Services	(\$43,296)
Cost of Providing Utility Services	(\$45,895)
Subtotal Costs	(\$89,191)
Net Benefits	\$466,642
<i>Present Value (5% discount rate)</i>	<i>\$365,964</i>

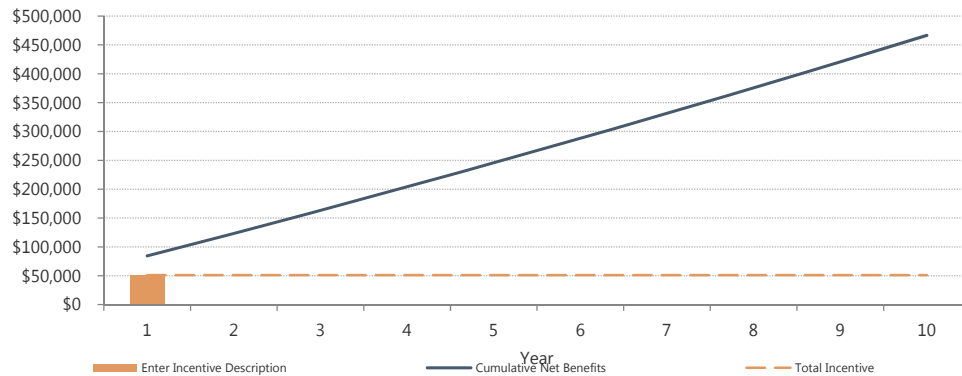


Incentive Analysis over 10 Years

\$50,925
Total Non-Tax Incentive

96%
Rate of Return

0.91633141
Payback Period (years)



PURPOSE & LIMITATIONS

This report presents the results of an analysis undertaken by the Tomball Economic Development Corporation using Total Impact, an economic and fiscal impact analysis tool developed and supported by the Austin, TX based economic consulting firm, Impact DataSource.

The Total Impact model is a customized software program licensed to the Tomball Economic Development Corporation. The model includes estimates, assumptions, and other information developed by Impact DataSource from its independent research effort detailed in Tomball Economic Development Corporation's Total Impact User Guide.

The analysis relies on prospective estimates of business activity that may not be realized. Tomball Economic Development Corporation made reasonable efforts to ensure that the project-specific data entered into the Total Impact model reflects realistic estimates of future activity.

No warranty or representation is made by Tomball Economic Development Corporation or Impact DataSource that any of the estimates or results contained in this study will actually be achieved.



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Economic Impact

Introduction..... 4

Description of the Project..... 4

Economic Impact Overview..... 4

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Fiscal Impact

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Impact from Project and Workers..... 8

Public Support

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Methodology

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Introduction

This report presents the results of an economic impact analysis performed using Total Impact, a model developed by Impact DataSource. The report estimates the impact that a potential project in the City of Tomball will have on the local economy and estimates the costs and benefits for local taxing districts over a 10-year period.

Description of the Project

Dancing Falls Development, LLC proposes to develop approximately 5.167 acres located at 27905 Commercial Park Rd Tomball, TX 77375. The development will consist of four 10,500 square foot office/warehouse buildings. The estimated capital investment of the project is \$6,150,250.00.

Economic Impact Overview

The Project's operations will support employment and other economic impacts in the community. The 45.0 workers directly employed by the Project will earn approximately \$27,000 per year on average over the next 10 years. This direct activity will support 28.4 indirect and induced workers in the community earning \$15,000 on average over the next 10 years. The total additional payroll or workers' earnings associated with the Project is estimated to be approximately \$14.8 million over the next 10 years.

On average, the Project will generate \$11.3 million in direct economic output over the next 10 years. Spin-off businesses in the community will produce \$3.9 million in economic output per year as a result of the Project. In total, the Project will support \$15.2 million in economic output per year on average. Economic output is the value of goods and services produced in the economy and can be thought of as revenues for businesses. The economic output calculations in this report were estimated using the RIMS II economic impact model and the Project's employment estimates.

Accounting for various taxable sales and purchases, including activity associated with the Project, worker spending, and visitors' spending in the community, the Project is estimated to support approximately \$2.7 million in taxable sales over the next 10 years.

Table 1. Economic Impact Over the Next 10 Years

	Direct	Indirect & Induced	Total
Number of permanent direct, indirect, and induced jobs to be created	45.0	28.4	73.4
Salaries to be paid to direct, indirect, and induced workers	\$10,933,436	\$3,890,116	\$14,823,552
Economic output generated by direct, indirect, and induced activity	\$113,109,539	\$39,249,010	\$152,358,550
Taxable sales and purchases expected in the City	\$2,547,069	\$132,264	\$2,679,333

The Project may result in new residents moving to the community and potentially new residential properties being constructed as summarized below.

Table 2. Population Impacts Over the Next 10 Years

	Direct	Indirect & Induced	Total
Number of direct, indirect, and induced workers who will move to the City	0.0	0.0	0.0
Number of new residents in the City	0.0	0.0	0.0
Number of new residential properties to be built in the City	0.0	0.0	0.0
Number of new students expected to attend local school district	0.0	0.0	0.0

The Project is estimated to support an average of approximately \$6.7 million in new non-residential taxable property each year over the next 10 years. The taxable value of property supported by the Project over the 10-year period is shown in the following table.

Table 3. Value of Taxable Property Supported by the Project Over the Next 10 Years

Year	New Residential Property	The Project's Property					Total Residential & Nonresidential Property
		Land	Buildings & Other Real Prop. Improvements	Furniture, Fixtures, & Equipment	Inventories	Subtotal Nonresidential Property	
1	\$0	\$619,000	\$5,531,250	\$0	\$0	\$6,150,250	\$6,150,250
2	\$0	\$631,380	\$5,641,875	\$0	\$0	\$6,273,255	\$6,273,255
3	\$0	\$644,008	\$5,754,713	\$0	\$0	\$6,398,720	\$6,398,720
4	\$0	\$656,888	\$5,869,807	\$0	\$0	\$6,526,695	\$6,526,695
5	\$0	\$670,026	\$5,987,203	\$0	\$0	\$6,657,228	\$6,657,228
6	\$0	\$683,426	\$6,106,947	\$0	\$0	\$6,790,373	\$6,790,373
7	\$0	\$697,095	\$6,229,086	\$0	\$0	\$6,926,180	\$6,926,180
8	\$0	\$711,036	\$6,353,668	\$0	\$0	\$7,064,704	\$7,064,704
9	\$0	\$725,257	\$6,480,741	\$0	\$0	\$7,205,998	\$7,205,998
10	\$0	\$739,762	\$6,610,356	\$0	\$0	\$7,350,118	\$7,350,118

The taxable value of residential property represents the value of properties that may be constructed as a result of new workers moving to the community.

This analysis assumes the residential real property appreciation rate to be 2.0% per year. The Project's real property is assumed to appreciate at a rate of 2.0% per year. The analysis assumes the Project's furniture, fixtures, and equipment will depreciate over time according to the depreciation schedule shown in Appendix A.

Temporary Construction Impact

The Project will include an initial period of construction where \$5.5 million will be spent to construct new buildings and other real property improvements. It is assumed that 50.0% of the construction expenditure will be spent on materials and 50.0% on labor. The temporary construction activity will support temporary economic impacts in the community in the form of temporary construction employment and sales for local construction firms.

Table 4. Spending and Estimated Direct Employment Impact of Project-Related Construction Activity

	Amount
Total construction expenditure	\$5,531,250
Materials	\$2,765,625
Labor	\$2,765,625
Temporary Construction Workers Supported (Average Earnings = \$51,300)	53.9

The following table presents the temporary economic impacts resulting from the construction.

Table 5. Temporary Economic Impact of Project-Related Construction Activity

	Direct	Indirect & Induced	Total
Number of temporary direct, indirect, and induced job years to be supported*	53.9	37.4	91.3
Salaries to be paid to direct, indirect, and induced workers	\$2,765,625	\$1,401,066	\$4,166,691
Revenues or sales for businesses related to construction	\$5,531,250	\$4,766,831	\$10,298,081

* A job year is defined as full employment for one person for 2080 hours in a 12-month span.

Sales tax calculations related to construction activity are presented in the following table. The sales tax revenue generated from construction-period taxable spending is included in the fiscal impact for affected districts in Year 1 of this analysis.

Table 6. Construction-Related Taxable Spending

	Estimate
Expenditure for Materials	\$2,765,625
Percent of Materials subject to local tax	50.0%
<u>Subtotal Taxable Materials</u>	<u>\$1,382,813</u>
Expenditure for Labor / Paid to construction workers	\$2,765,625
Percent of gross earnings spent on taxable goods and services	24.0%
Percent of taxable spending done locally	10.0%
<u>Subtotal Taxable Construction Worker Spending</u>	<u>\$66,375</u>
Expenditure for Furniture, Fixtures, & Equipment (FF&E)	\$0
Percent of FF&E subject to local tax	10.0%
<u>Subtotal Taxable FF&E Purchases</u>	<u>\$0</u>
<u>Total Construction-Related Taxable Spending</u>	<u>\$1,449,188</u>

The above construction analysis focuses on the impact resulting from the Project's construction investments identified in Year 1. If construction will be phased in over several years or an expansion is planned in a later year, parallel calculations will be performed for those years.

Fiscal Impact Overview

The Project will generate additional benefits and costs for the City. Overall, the City will receive approximately \$466,600 in net benefits over the 10-year period. The table below displays the estimated additional benefits, costs, and net benefits to be received by the City over the next 10 years of the Project. Appendix C contains the year-by-year calculations.

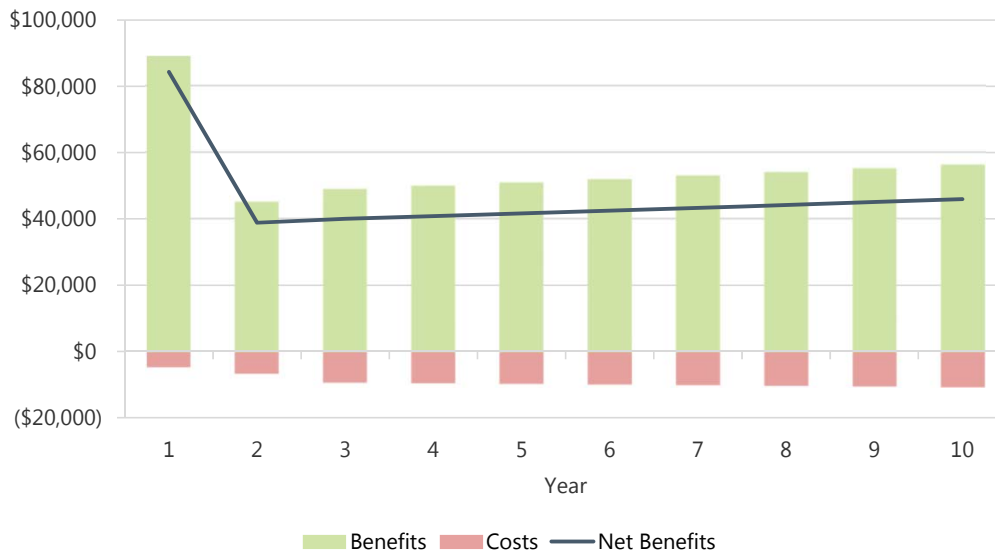
Table 7. City of Tomball: Benefits, Costs, and Net Benefits Over the Next 10 Years

	Amount
Sales Taxes	\$53,587
Property Taxes - Project	\$364,463
Property Taxes - New Residential	\$0
Utility Revenue	\$43,709
Utility Franchise Fees	\$53,536
Building Permits and Fees	\$17,584
Hotel Occupancy Taxes	\$1,525
Miscellaneous Taxes & User Fees	\$21,430
<u>Subtotal Benefits</u>	<u>\$555,833</u>
Cost of Providing Municipal Services	(\$43,296)
Cost of Providing Utility Services	(\$45,895)
<u>Subtotal Costs</u>	<u>(\$89,191)</u>
Net Benefits	\$466,642
<i>Present Value (5% discount rate)</i>	<i>\$365,964</i>

Table 8. Year-by-Year Benefits, Costs, and Net Benefits for the City of Tomball

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	\$88,905	(\$4,558)	\$84,347	\$84,347
2	\$45,314	(\$6,483)	\$38,831	\$123,178
3	\$49,116	(\$9,105)	\$40,010	\$163,188
4	\$50,100	(\$9,287)	\$40,812	\$204,001
5	\$51,104	(\$9,473)	\$41,630	\$245,631
6	\$52,128	(\$9,663)	\$42,465	\$288,096
7	\$53,172	(\$9,856)	\$43,316	\$331,412
8	\$54,238	(\$10,053)	\$44,185	\$375,597
9	\$55,325	(\$10,254)	\$45,071	\$420,668
10	\$56,433	(\$10,459)	\$45,974	\$466,642
Total	\$555,833	(\$89,191)	\$466,642	

Figure 1. Annual Fiscal Net Benefits for the City of Tomball



Impact from Project and Workers

The City will receive benefits from the activity, spending, and investments associated with (1) the Project and (2) the workers. These benefits, associated costs, and resulting net benefits for the next 10 years are shown below for these two categories.

Table 9: Net Benefits to the City from the Project and Workers

	The Project	Workers	Total
Sales Taxes	\$43,507	\$10,080	\$53,587
Real Property Taxes	\$364,463	\$0	\$364,463
FF&E Property Taxes	\$0	\$0	\$0
Inventory Property Taxes	\$0	\$0	\$0
New Residential Property Taxes	\$0	\$0	\$0
Utility Revenue	\$43,709	\$0	\$43,709
Utility Franchise Fees	\$53,536	\$0	\$53,536
Building Permits and Fees	\$17,584	\$0	\$17,584
Hotel Occupancy Taxes	\$1,525	\$0	\$1,525
Miscellaneous Taxes & User Fees	\$21,430	\$0	\$21,430
Subtotal Benefits	\$545,753	\$10,080	\$555,833
Cost of Providing Municipal Services	(\$43,296)	\$0	(\$43,296)
Cost of Providing Utility Services	(\$45,895)	\$0	(\$45,895)
Subtotal Costs	(\$89,191)	\$0	(\$89,191)
Net Benefits	\$456,562	\$10,080	\$466,642
<i>Percent of Total Net Benefits</i>	<i>97.8%</i>	<i>2.2%</i>	

Non-Tax Incentives

The Tomball EDC is considering the following non-tax incentives for the Project.

Table 14. Incentives Under Consideration

Year	Enter Incentive Description
1	\$50,925
2	\$0
3	\$0
4	\$0
5	\$0
6	\$0
7	\$0
8	\$0
9	\$0
10	\$0
Total	\$50,925

These financial incentives may be considered an investment in the Project made by the EDC. Four calculations analyzing possible investments were made:

1. Net Benefits - detailed above
2. Present Value of Net Benefits - detailed above
3. Rate of Return on Investment - discussed and detailed below
4. Payback Period - discussed and detailed below

The rate of return on investment calculates the average annual rate of return to the city, treating the incentives as the initial investment and the net benefits to the city as the return on investment. The payback period is the number of years that it will take the city to recover the cost of incentives from the additional revenues that it will receive as a result of the Project.

The table below shows an analysis of these incentives, including a calculation of incentives per job, rate of return, and payback period.

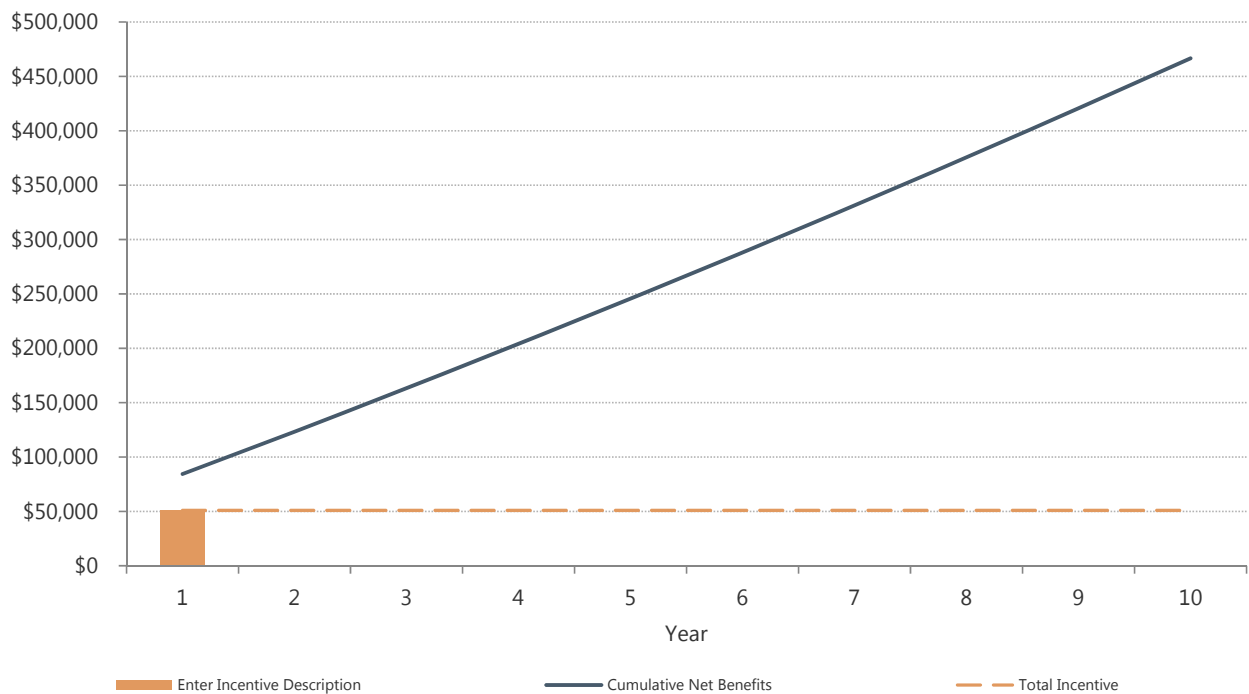
Table 15. Analysis of Incentives

Total Non-Tax Incentive	\$50,925
Rate of Return - 5 Years	96.5%
Rate of Return - 10 Years	91.6%
Payback period (years)	0.6

Note: The Rate of Return and Payback Period are calculated based on the sum of annual incentives, not the present value of the incentives.

The graph below depicts the total incentives currently under consideration versus the cumulative net benefits to the City. The intersection indicates the length of time until the incentives are paid back.

Figure 2. Incentives Under Consideration



Overview of Methodology

This report presents the results of an analysis undertaken by the Tomball Economic Development Corporation using Total Impact, an economic and fiscal impact analysis tool developed and supported by the Austin, TX based economic consulting firm, Impact DataSource.

The Total Impact model combines project-specific attributes with community data, tax rates, and assumptions to estimate the economic impact of the Project and the fiscal impact for local taxing districts over a 10-year period.

The economic impact as calculated in this report can be categorized into two main types of impacts. First, the direct economic impacts are the jobs and payroll directly created by the Project. Second, this economic impact analysis calculates the indirect and induced impacts that result from the Project. Indirect jobs and salaries are created in new or existing area firms, such as maintenance companies and service firms, that may supply goods and services for the Project. In addition, induced jobs and salaries are created in new or existing local businesses, such as retail stores, gas stations, banks, restaurants, and service companies that may supply goods and services to new workers and their families.

The economic impact estimates in this report are based on the Regional Input-Output Modeling System (RIMS II), a widely used regional input-output model developed by the U. S. Department of Commerce, Bureau of Economic Analysis. The RIMS II model is a standard tool used to estimate regional economic impacts. The economic impacts estimated using the RIMS II model are generally recognized as reasonable and plausible assuming the data input into the model is accurate or based on reasonable assumptions. Impact DataSource utilizes county-level multipliers to estimate the impact occurring at the sub-county level.

Two types of regional economic multipliers were used in this analysis: an employment multiplier and an earnings multiplier. An employment multiplier was used to estimate the number of indirect and induced jobs created or supported in the area. An earnings multiplier was used to estimate the amount of salaries to be paid to workers in these new indirect and induced jobs. The employment multiplier shows the estimated number of total jobs created for each direct job. The earnings multiplier shows the estimated amount of total salaries paid to these workers for every dollar paid to a direct worker. The multipliers used in this analysis are listed below:

420000 Wholesale trade		City	County
Employment Multiplier	(Type II Direct Effect)	1.6324	2.2573
Earnings Multiplier	(Type II Direct Effect)	1.3558	1.7073

The fiscal impacts calculated in this report are detailed in Appendix C. Most of the revenues estimated in this study result from calculations relying on (1) attributes of the Project, (2) assumptions to derive the value of associated taxable property or sales, and (3) local tax rates. In some cases, revenues are estimated on a per new household, per new worker, or per new school student basis.

The company or Project developer was not asked, nor could reasonably provide data for calculating some other revenues. For example, while the city will likely receive revenues from fines paid on speeding tickets given to new workers, the company does not know the propensity of its workers to speed. Therefore, some revenues are calculated using an average revenue approach. This approach uses relies on two assumptions:

1. The taxing entity has two general revenue sources: revenues from residents and revenues from businesses.
2. The taxing entity will collect (a) about the same amount of miscellaneous taxes and user fees from each new household that results from the Project as it currently collects from existing households on average, and (b) the same amount of miscellaneous taxes and user fees from the new business (on a per worker basis) will be collected as it collects from existing businesses.

In the case of the school district, some additional state and federal revenues are estimated on a per new school student basis consistent with historical funding levels.

Additionally, this analysis sought to estimate the additional expenditures faced by the city and county to provide services to new households and new businesses. A marginal cost approach was used to calculate these additional costs. This approach relies on two assumptions:

1. The taxing entity spends money on services for two general groups: revenues from residents and revenues from businesses.
2. The taxing entity will spend slightly less than its current average cost to provide local government services (police, fire, EMS, etc.) to (a) new residents and (b) businesses on a per worker basis.

In the case of the school district, the marginal cost to educate new students was estimated based on a portion of the school's current expenditures per student and applied to the headcount of new school students resulting from the Project.

Additionally, this analysis seeks to calculate the impact on the school district's finances from the Project by generally, and at a summary level, mimicking the district's school funding formula.

According to the Texas Education Agency, any property added to local tax rolls, and the local taxes that this generates, reduces the amount of state funding equivalent to local taxes collected for maintenance and operations. The school district retains local taxes received for debt services and the corresponding state funding is not reduced.

However, according to the Texas Education Agency, the school district will receive state aid for each new child that moves to the District. The additional revenues for the school district are calculated in this analysis.

About Impact DataSource

Impact DataSource is an Austin economic consulting, research, and analysis firm founded in 1993. The firm has conducted over 2,500 economic impact analyses of firms, projects, and activities in most industry groups in Texas and more than 30 other states.

Regular City Council

Agenda Item

Data Sheet

Meeting Date: November 20, 2017

Topic:

Award Contract for Project No. 2018-02, Quinn Road and Holderrieth Boulevard Sidewalks, to WadeCon, LLC in the amount of \$152,813.00

Background:

E&P Project 2017-10011 will install new sidewalks along Quinn Road, from F.M. 2920 to Rudel Road, and along Holderrieth Boulevard, from F.M. 2920 to Graham Drive. In an effort to obtain the most favorable pricing, sealed bids were solicited and a total of nine (9) bids were submitted. After review of all bids, WadeCon, LLC was determined to be the responsible low bidder. The consultant's recommendation is attached and recommendation is to award the contract for completion of the sidewalks to WadeCon, LLC in the amount of \$152,813.00.

Origination:

Public Works Department

Recommendation:

Staff recommends award of the contract to WadeCon, LLC in the amount of \$152,813.00.

Funding:

Yes

Account Number:400-613-6409

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

Meagan Mageo, Project Coordinator

ACTION TAKEN

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

ATTACHMENTS:

Bid Tabulation

Engineer's Recommendation

Sidewalk Map

Bid Tab

		Engineer's Estimate	Average of 3 low bidders	BIDDER No. 1	BIDDER No. 2	BIDDER No. 3	BIDDER No. 4	BIDDER No. 5	BIDDER No. 6	BIDDER No. 7	BIDDER No. 8	BIDDER No. 9
B.1 Site Preparation and Earthwork Items:		\$ 20,034.00	\$ 30,203.24	\$ 24,996.00	\$ 31,728.00	\$ 33,885.72	\$ 59,037.70	\$ 50,509.50	\$ 30,298.70	\$ 36,160.90	\$ 38,414.00	\$ -
B.2 SWPPP & SWQMP Items:		\$ 1,401.50	\$ 2,491.93	\$ 1,370.00	\$ 3,010.00	\$ 3,095.79	\$ 6,004.00	\$ 3,730.00	\$ 3,240.00	\$ 5,435.00	\$ 3,380.00	\$ -
B.3 Paving Items:		\$ 93,630.00	\$ 90,169.69	\$ 84,522.00	\$ 90,806.00	\$ 95,181.06	\$ 89,476.28	\$ 95,364.45	\$ 87,154.65	\$ 117,080.25	\$ 118,271.50	\$ -
B.4 Storm Sewer Items:		\$ 18,455.00	\$ 22,368.68	\$ 24,600.00	\$ 23,950.00	\$ 18,556.04	\$ 17,301.00	\$ 21,600.00	\$ 59,359.80	\$ 23,650.00	\$ 47,150.00	\$ -
B.5 Miscellaneous Items:		\$ 4,190.00	\$ 6,014.79	\$ 6,000.00	\$ 3,100.00	\$ 8,944.38	\$ 7,000.20	\$ 12,764.50	\$ 11,025.00	\$ 11,300.00	\$ 8,495.00	\$ -
C. Extra Work Items:		\$ 11,850.00	\$ 14,553.92	\$ 11,325.00	\$ 13,475.00	\$ 18,861.75	\$ 10,475.00	\$ 14,800.00	\$ 10,877.50	\$ 17,600.00	\$ 13,450.00	\$ 14,625.00
D. Cash Allowance:		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL BID PRICE (With Corrected Math)		\$ 149,560.50	\$ 165,802.25	\$ 152,813.00	\$ 166,069.00	\$ 178,524.74	\$ 189,294.18	\$ 198,768.45	\$ 201,955.65	\$ 211,226.15	\$ 229,160.50	\$ 14,625.00
TOTAL SUBMITTED BID PRICE				\$ 152,813.00	\$ 152,594.00	\$ 178,524.74	\$ 190,092.90	\$ 198,768.45	\$ 199,927.65	\$ 211,226.15	\$ 229,160.50	\$ 169,650.50

B.1 Site Preparation and Earthwork Items:				
Item No.	Control No.	Item Description	Unit Measure	Unit Quantity
1	01502	MOBILIZATION	LS	1
2	01555	TRAFFIC CONTROL INCLUDING FLAGMEN	LS	1
3	02221, 02233	SITE PREPARATION TO INCLUDE GRUBBING, REMOVAL OF EXISTING HEDGES AND LANDSCAPING (CAPPING), COMPLETE IN PLACE	LS	1
4	02221	REMOVE AND DISPOSE CONCRETE, INCLUDING CONCRETE PAVEMENT, CONCRETE DRIVES, CONCRETE SLOPE PAVING, 6" CONCRETE CURB, INCLUDING SAWCUT, COMPLETE IN PLACE	SY	112
5	02221	REMOVE AND DISPOSE ASPHALT, INCLUDING SAWCUT COMPLETE IN PLACE	SY	47
6	02221	RELOCATE 24" SET	EA	3
7	02922	SODDING	SY	1234
TOTAL B.1 BASE UNIT PRICES				
B.2 SWPPP & SWQMP Items:				
Item No.	Control No.	Item Description	Unit Measure	Unit Quantity
8	01570 01410	STORM WATER POLLUTION PREVENTION (MAINTENANCE)	LS	1
9	01573	FILTER FABRIC FENCE	LF	140
10	01577	INLET PROTECTION BARRIERS	EA	9
TOTAL B.2 BASE UNIT PRICES				
B.3 Paving Items:				
Item No.	Control No.	Item Description	Unit Measure	Unit Quantity
11	02314-02317	EXCAVATION (SIDEWALK), NOT INCLUDING DITCH	CY	36
12	02319	BORROW (SELECT FILL)	CY	94
13	02751	CONCRETE PAVEMENT (7") W/ CSS SUBGRADE AND APPURTENANCES, COMPLETE IN PLACE	SY	26
14	02754	CONCRETE DRIVEWAY (6") W/ APPURTENANCES, COMPLETE IN PLACE	SY	170
15	02771	CURB TRANSITION (6" CURB TO 2" CURB)	LF	57
16	02771	4" x 12" MOUNTABLE CONCRETE CURB	LF	50
17	02771	6" CONCRETE CURB	LF	32
18	02775	CONCRETE SIDEWALK (4.5") W/ APPURTENANCES, COMPLETE IN PLACE	SY	1075
19	02775	CONCRETE SIDEWALK (6") W/ APPURTENANCES, COMPLETE IN PLACE	SY	41
20	02775	CONCRETE WHEELCHAIR RAMP, INCLUDING CONCRETE PAVER, COMPLETE IN PLACE	EA	1
21	02775	4" CONCRETE PAVER W/ TRUNCATED DOME SURFACE (SW-20)	SF	152
22	02775	THERMOPLASTIC PAVEMENT MARKING, CLASS II, 24" WHITE, SOLID	LF	446
23	DWG	RELOCATE EXIST SIGN	EA	2
TOTAL B.3 BASE UNIT PRICES				
B.4 Storm Sewer Items:				
Item No.	Control No.	Item Description	Unit Measure	Unit Quantity
24	2,314	REALIGN ROADSIDE DITCH, INCLUDING REGRAVING (EXCAVATION AND BORROW), COMPLETE IN PLACE	LF	340
25	02631, 02611	18" RCP STORM SEWER, OPEN CUT, ALL DEPTHS, COMPLETE IN PLACE	LF	40
26	02631, 02611	24" RCP STORM SEWER, OPEN CUT, ALL DEPTHS, COMPLETE IN PLACE	LF	30
27	2631	E INLET THROAT RELOCATION , COMPLETE IN PLACE	EA	1
28	02634	18" RCP SET (TY II) (6: 1) (Parallel Drainage)	LF	3
29	02634	24" RCP SET (TY II) (6: 1) (Parallel Drainage)	EA	2
TOTAL B.4 BASE UNIT PRICES				

Engineer's Estimate		Average of 3 low bidders		WadeCon, LLC.		Complete Concrete		ECB Development LP		MoBill Contractors, Inc.		Precise Services, Inc.		Corestone Construction Services		MBN Enterprises, LLC.		American Parking Control		Site Work Contractors, LLC. (Nonresponsive Bid)	
Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures
\$ 5,600.00	\$ 5,600.00	\$ 7,599.95	\$ 7,599.95	\$ 5,000.00	\$ 5,000.00	\$ 10,000.00	\$ 10,000.00	\$ 7,799.85	\$ 7,799.85	\$ 20,000.00	\$ 20,000.00	\$ 12,500.00	\$ 12,500.00	\$ 4,000.00	\$ 4,000.00	\$ 10,000.00	\$ 10,000.00	\$ 7,500.00	\$ 7,500.00		
\$ 4,000.00	\$ 4,000.00	\$ 4,480.39	\$ 4,480.39	\$ 5,000.00	\$ 5,000.00	\$ 3,500.00	\$ 3,500.00	\$ 4,941.18	\$ 4,941.18	\$ 12,000.00	\$ 12,000.00	\$ 16,500.00	\$ 16,500.00	\$ 6,500.00	\$ 6,500.00	\$ 5,000.00	\$ 5,000.00	\$ 11,000.00	\$ 11,000.00		
\$ 2,500.00	\$ 2,500.00	\$ 6,000.00	\$ 6,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 8,000.00	\$ 8,000.00	\$ 6,000.00	\$ 6,000.00	\$ 7,500.00	\$ 7,500.00	\$ 3,822.00	\$ 3,822.00	\$ 6,500.00	\$ 6,500.00	\$ 6,000.00	\$ 6,000.00		
\$ 16.00	\$ 1,792.00	\$ 10.43	\$ 1,168.53	\$ 10.00	\$ 1,120.00	\$ 10.00	\$ 1,120.00	\$ 11.30	\$ 1,265.60	\$ 90.00	\$ 10,080.00	\$ 17.00	\$ 1,904.00	\$ 18.00	\$ 2,016.00	\$ 22.00	\$ 2,464.00	\$ 40.00	\$ 4,480.00		
\$ 20.00	\$ 940.00	\$ 12.95	\$ 608.81	\$ 20.00	\$ 940.00	\$ 10.00	\$ 470.00	\$ 8.86	\$ 416.42	\$ 53.20	\$ 2,500.40	\$ 30.00	\$ 1,410.00	\$ 18.00	\$ 846.00	\$ 18.00	\$ 846.00	\$ 45.00	\$ 2,115.00		
\$ 500.00	\$ 1,500.00	\$ 1,142.31	\$ 3,426.93	\$ 1,000.00	\$ 3,000.00	\$ 1,000.00	\$ 3,000.00	\$ 1,426.93	\$ 4,280.79	\$ 1,400.00	\$ 4,200.00	\$ 1,200.00	\$ 3,600.00	\$ 2,500.00	\$ 7,500.00	\$ 2,200.00	\$ 6,600.00	\$ 1,000.00	\$ 3,000.00		
\$ 3.00	\$ 3,702.00	\$ 5.61	\$ 6,918.63	\$ 4.00	\$ 4,936.00	\$ 7.00	\$ 8,638.00	\$ 5.82	\$ 7,181.88	\$ 3.45	\$ 4,257.30	\$ 5.75	\$ 7,095.50	\$ 4.55	\$ 5,614.70	\$ 3.85	\$ 4,750.90	\$ 3.50	\$ 4,319.00		
	\$ 20,034.00		\$ 30,203.24		\$ 24,996.00		\$ 31,728.00		\$ 33,885.72		\$ 59,037.70		\$ 50,509.50		\$ 30,298.70		\$ 36,160.90		\$ 38,414.00	INCOMPLETE	
Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures
\$ 1,000.00	\$ 1,000.00	\$ 1,607.84	\$ 1,607.84	\$ 500.00	\$ 500.00	\$ 2,000.00	\$ 2,000.00	\$ 2,323.53	\$ 2,323.53	\$ 3,500.00	\$ 3,500.00	\$ 2,900.00	\$ 2,900.00	\$ 2,250.00	\$ 2,250.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00		
\$ 2.00	\$ 280.00	\$ 2.82	\$ 395.27	\$ 3.00	\$ 420.00	\$ 4.00	\$ 560.00	\$ 1.47	\$ 205.80	\$ 7.15	\$ 1,001.00	\$ 1.75	\$ 245.00	\$ 2.25	\$ 315.00	\$ 5.25	\$ 735.00	\$ 6.00	\$ 840.00		
\$ 13.50	\$ 121.50	\$ 54.31	\$ 488.82	\$ 50.00	\$ 450.00	\$ 50.00	\$ 450.00	\$ 62.94	\$ 566.46	\$ 167.00	\$ 1,503.00	\$ 65.00	\$ 585.00	\$ 75.00	\$ 675.00	\$ 300.00	\$ 2,700.00	\$ 60.00	\$ 540.00		
	\$ 1,401.50		\$ 2,491.93		\$ 1,370.00		\$ 3,010.00		\$ 3,095.79		\$ 6,004.00		\$ 3,730.00		\$ 3,240.00		\$ 5,435.00		\$ 3,380.00	INCOMPLETE	
Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures
\$ 8.50	\$ 306.00	\$ 14.48	\$ 521.28	\$ 30.00	\$ 1,080.00	\$ 10.00	\$ 360.00	\$ 3.44	\$ 123.84	\$ 100.00	\$ 3,600.00	\$ 20.00	\$ 720.00	\$ 28.22	\$ 1,015.92	\$ 56.00	\$ 2,016.00	\$ 50.00	\$ 1,800.00		
\$ 14.00	\$ 1,316.00	\$ 29.42	\$ 2,765.79	\$ 15.00	\$ 1,410.00	\$ 50.00	\$ 4,700.00	\$ 23.27	\$ 2,187.38	\$ 42.50	\$ 3,995.00	\$ 25.00	\$ 2,350.00	\$ 32.34	\$ 3,039.96	\$ 25.75	\$ 2,420.50	\$ 60.00	\$ 5,640.00		
\$ 75.00	\$ 1,950.00	\$ 83.81	\$ 2,179.15	\$ 100.00	\$ 2,600.00	\$ 60.00	\$ 1,560.00	\$ 91.44	\$ 2,377.44	\$ 100.00	\$ 2,600.00	\$ 255.00	\$ 6,630.00	\$ 62.17	\$ 1,616.42	\$ 125.00	\$ 3,250.00	\$ 265.00	\$ 6,890.00		
\$ 83.00	\$ 14,110.00	\$ 70.00	\$ 11,900.00	\$ 80.00	\$ 13,600.00	\$ 50.00	\$ 8,500.00	\$ 80.00	\$ 13,600.00	\$ 58.80	\$ 9,996.00	\$ 98.00	\$ 16,660.00	\$ 57.34	\$ 9,747.80	\$ 65.00	\$ 11,050.00	\$ 130.00	\$ 22,100.00		
\$ 9.00	\$ 513.00	\$ 6.90	\$ 393.49	\$ 10.00	\$ 570.00	\$ 4.00	\$ 228.00	\$ 6.71	\$ 382.47	\$ 10.00	\$ 570.00	\$ 4.25	\$ 242.25	\$ 32.81	\$ 1,870.17	\$ 65.00	\$ 3,705.00	\$ 25.00	\$ 1,425.00		
\$ 7.60	\$ 380.00	\$ 8.87	\$ 443.33	\$ 10.00	\$ 500.00	\$ 10.00	\$ 500.00	\$ 6.60	\$ 330.00	\$ 15.00	\$ 750.00	\$ 4.25	\$ 212.50	\$ 42.00	\$ 2,100.00	\$ 125.00	\$ 6,250.00	\$ 30.00	\$ 1,500.00		
\$ 7.00	\$ 224.00	\$ 6.59	\$ 210.77	\$ 10.00	\$ 320.00	\$ 4.00	\$ 128.00	\$ 5.76	\$ 184.32	\$ 15.00	\$ 480.00	\$ 4.25	\$ 136.00	\$ 32.81	\$ 1,049.92	\$ 67.00	\$ 2,144.00	\$ 40.00	\$ 1,280.00		
\$ 56.00	\$ 60,200.00	\$ 53.67	\$ 57,691.67	\$ 50.00	\$ 53,750.00	\$ 50.00	\$ 53,750.00	\$ 61.00	\$ 65,575.00	\$ 54.00	\$ 58,050.00	\$ 52.45	\$ 56,383.75	\$ 53.34	\$ 57,340.50	\$ 59.75	\$ 64,231.25	\$ 60.50	\$ 65,037.50		
\$ 66.00	\$ 2,706.00	\$ 60.41	\$ 2,476.81	\$ 50.00	\$ 2,050.00	\$ 50.00	\$ 2,050.00	\$ 81.23	\$ 3,330.43	\$ 54.00	\$ 2,214.00	\$ 69.95	\$ 2,867.95	\$ 10.22	\$ 419.02	\$ 65.00	\$ 2,665.00	\$ 110.00	\$ 4,510.00		
\$ 1,750.00	\$ 1,750.00	\$ 1,742.05	\$ 1,742.05	\$ 3,000.00	\$ 3,000.00	\$ 1,200.00	\$ 1,200.00	\$ 1,026.14	\$ 1,026.14	\$ 2,000.00	\$ 2,000.00	\$ 2,750.00	\$ 2,750.00	\$ 2,822.00	\$ 2,822.00	\$ 2,500.00	\$ 2,500.00	\$ 1,450.00	\$ 1,450.00		
\$ 40.00	\$ 6,080.00	\$ 42.77	\$ 6,501.04	\$ 10.00	\$ 1,520.00	\$ 100.00	\$ 15,200.00	\$ 18.31	\$ 2,783.12	\$ 6.25	\$ 950.00	\$ 20.00	\$ 3,040.00	\$ 10.22	\$ 1,553.44	\$ 75.00	\$ 11,400.00	\$ 20.00	\$ 3,040.00		
\$ 7.50	\$ 3,345.00	\$ 6.16	\$ 2,745.87	\$ 7.00	\$ 3,122.00	\$ 5.00	\$ 2,230.00	\$ 6.47	\$ 2,885.62	\$ 8.68	\$ 3,871.28	\$ 7.00	\$ 3,122.00	\$ 8.25	\$ 3,679.50	\$ 9.75	\$ 4,348.50	\$ 6.50	\$ 2,899.00		
\$ 375.00	\$ 750.00	\$ 299.22	\$ 598.43	\$ 500.00	\$ 1,000.00	\$ 200.00	\$ 400.00	\$ 197.65	\$ 395.30	\$ 200.00	\$ 400.00	\$ 125.00	\$ 250.00	\$ 450.00	\$ 900.00	\$ 550.00	\$ 1,100.00	\$ 350.00	\$ 700.00		
	\$ 93,630.00		\$ 90,169.69		\$ 84,522.00		\$ 90,806.00		\$ 95,181.06		\$ 89,476.28		\$ 95,364.45		\$ 87,154.65		\$ 117,080.25		\$ 118,271.50	INCOMPLETE	
Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures
\$ 12.50	\$ 4,250.00	\$ 6.66	\$ 2,263.27	\$ 10.00	\$ 3,400.00	\$ 5.00	\$ 1,700.00	\$ 4.97	\$ 1,689.80	\$ 24.00	\$ 8,160.00	\$ 4.50	\$ 1,530.00	\$ 28.47	\$ 9,679.80	\$ 23.00	\$ 7,820.00	\$ 50.00	\$ 17,000.00		
\$ 45.00	\$ 1,800.00	\$ 66.84	\$ 2,673.73	\$ 80.00	\$ 3,200.00	\$ 50.00	\$ 2,000.00	\$ 70.53	\$ 2,821.20	\$ 78.00	\$ 3,120.00	\$ 97.00	\$ 3,880.00	\$ 215.00	\$ 8,600.00	\$ 85.00	\$ 3,400.00	\$ 270.00	\$ 10,800.00		
\$ 56.00	\$ 1,680.00	\$ 95.92	\$ 2,877.60	\$ 100.00	\$ 3,000.00	\$ 75.00	\$ 2,250.00	\$ 112.76	\$ 3,382.80	\$ 84.00	\$ 2,520.00	\$ 108.00	\$ 3,240.00	\$ 253.00	\$ 7,590.00	\$ 76.00	\$ 2,280.00	\$ 300.00	\$ 9,000.00		
\$ 225.00	\$ 225.00	\$ 2,238.76	\$ 2,238.76	\$ 1,500.00	\$ 1,500.00	\$ 4,500.00	\$ 4,500.00	\$ 716.29	\$ 716.29	\$ 2,500.00	\$ 2,500.00	\$ 1,500.00	\$ 1,500.00	\$ 2,875.00	\$ 2,875.00	\$ 2,000.00	\$ 2,000.00	\$ 600.00	\$ 600.00		
\$ 1,950.00	\$ 5,850.00	\$ 2,236.40	\$ 6,709.19	\$ 2,500.00	\$ 7,500.00	\$ 2,500.00	\$ 7,500.00	\$ 1,709.19	\$ 5,127.57	\$ 167.00	\$ 501.00	\$ 2,150.00	\$ 6,450.00	\$ 5,735.00	\$ 17,205.00	\$ 50.00	\$ 150.00	\$ 1,700.00	\$ 5,100.00		
\$ 2,325.00	\$ 4,650.00	\$ 2,803.06	\$ 5,606.13	\$ 3,000.00	\$ 6,000.00	\$ 3,000.00	\$ 6,000.00	\$ 2,409.19	\$ 4,818.38	\$ 250.00	\$ 500.00	\$ 2,500.00	\$ 5,000.00	\$ 6,705.00	\$ 13,410.00	\$ 4,000.00	\$ 8,000.00	\$ 2,325.00	\$ 4,650.00		
	\$ 18,455.00		\$ 22,368.68		\$ 24,600.00		\$ 23,950.00		\$ 18,556.04		\$ 17,301.00		\$ 21,600.00		\$ 59,359.80		\$ 23,650.00		\$ 47,150.00	INCOMPLETE	

Bid Tab

B.5 Miscellaneous Items:																								
Item No.	Control No.	Item Description	Unit Measure	Unit Quantity	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures
30	2,086	WM BOX VERTICAL ADJUSTMENT STA 2+70 (Quinn Rd), 2+15 (Holderrieth Blvd.)	EA	5																				
					\$ 400.00	\$ 2,000.00	\$ 329.05	\$ 1,645.23	\$ 300.00	\$ 1,500.00	\$ 200.00	\$ 1,000.00	\$ 487.14	\$ 2,435.70	\$ 800.00	\$ 4,000.00	\$ 500.00	\$ 2,500.00	\$ 825.00	\$ 4,125.00	\$ 1,000.00	\$ 5,000.00	\$ 800.00	\$ 4,000.00
31	2,086	MH VERTICAL ADJUSTMENT (STA 7+22 & 7+72)	EA	2																				
					\$ 700.00	\$ 1,400.00	\$ 495.71	\$ 991.43	\$ 500.00	\$ 1,000.00	\$ 500.00	\$ 1,000.00	\$ 487.14	\$ 974.28	\$ 1,000.00	\$ 2,000.00	\$ 750.00	\$ 1,500.00	\$ 825.00	\$ 1,650.00	\$ 650.00	\$ 1,300.00	\$ 800.00	\$ 1,600.00
32	2,762	BLAST CLEAN EXISTING STOP BARS	EA	60																				
					\$ 9.00	\$ 540.00	\$ 49.41	\$ 2,964.80	\$ 50.00	\$ 3,000.00	\$ 10.00	\$ 600.00	\$ 88.24	\$ 5,294.40	\$ 11.67	\$ 700.20	\$ 140.00	\$ 8,400.00	\$ 60.00	\$ 3,600.00	\$ 75.00	\$ 4,500.00	\$ 42.00	\$ 2,520.00
33		RELOCATE MAILBOX	EA	1																				
					\$ 250.00	\$ 250.00	\$ 413.33	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 240.00	\$ 240.00	\$ 300.00	\$ 364.50	\$ 364.50	\$ 1,650.00	\$ 1,650.00	\$ 500.00	\$ 500.00	\$ 375.00	\$ 375.00	\$ 375.00
TOTAL B.5 BASE UNIT PRICES					\$	4,190.00		\$ 6,014.79		\$ 6,000.00		\$ 3,100.00		\$ 8,944.38		\$ 7,000.20		\$ 12,764.50		\$ 11,025.00		\$ 11,300.00		\$ 8,495.00
C.**Extra Work Items:																								
Item No.	Control No.	Item Description	Unit Measure	Unit Quantity	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures	Unit Price	Total in figures
34	02221	EXTRA REMOVAL OF EXIST ASPHALT OR CONCRETE PAVMT & SUBGRADE (INCLUDING SAWCUTS)	SY	40																				
					\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
35	02318	EXTRA HAND EXCAVATION	CY	75																				
					\$ 25.00	\$ 1,875.00	\$ 31.67	\$ 2,375.00	\$ 25.00	\$ 1,875.00	\$ 25.00	\$ 1,875.00	\$ 45.00	\$ 3,375.00	\$ 25.00	\$ 1,875.00	\$ 40.00	\$ 3,000.00	\$ 25.00	\$ 1,875.00	\$ 25.00	\$ 1,875.00	\$ 25.00	\$ 1,875.00
36	02318	EXTRA MACHINE EXCAVATION	CY	75																				
					\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
37	02318	EXTRA BANK SAND BACKFILL	CY	75																				
					\$ 30.00	\$ 2,250.00	\$ 30.00	\$ 2,250.00	\$ 30.00	\$ 2,250.00	\$ 30.00	\$ 2,250.00	\$ 30.00	\$ 2,250.00	\$ 30.00	\$ 2,250.00	\$ 30.00	\$ 2,250.00	\$ 30.00	\$ 2,250.00	\$ 30.00	\$ 2,250.00	\$ 30.00	\$ 2,250.00
38	02321	EXTRA CEMENT-STABILIZED SAND	CY	75																				
					\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
39	02711	EXTRA TYPE 'D' HMAC ASPHALT FOR PAVEMENT	TON	10																				
					\$ 18.00	\$ 1,350.00	\$ 28.00	\$ 2,100.00	\$ 18.00	\$ 1,350.00	\$ 18.00	\$ 1,350.00	\$ 48.00	\$ 3,600.00	\$ 18.00	\$ 1,350.00	\$ 18.00	\$ 1,350.00	\$ 18.00	\$ 1,350.00	\$ 18.00	\$ 1,350.00	\$ 18.00	\$ 1,350.00
40	02775	5' WIDE SIDEWALK (4 1/2") W/ FOOTING, COMPLETE IN PLACE	LF	50																				
					\$ 22.00	\$ 1,650.00	\$ 37.00	\$ 2,775.25	\$ 30.00	\$ 2,250.00	\$ 22.00	\$ 1,650.00	\$ 99.01	\$ 4,425.75	\$ 22.00	\$ 1,650.00	\$ 40.00	\$ 3,000.00	\$ 22.00	\$ 1,650.00	\$ 22.00	\$ 1,650.00	\$ 50.00	\$ 3,750.00
41	02922	EXTRA SODDING	SY	50																				
					\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
42	-	EXTRA CONCRETE COLLAR FOR 18" STORM	EA	1																				
					\$ 75.00	\$ 75.00	\$ 1,033.33	\$ 1,033.33	\$ 500.00	\$ 500.00	\$ 2,000.00	\$ 2,000.00	\$ 600.00	\$ 600.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 870.00	\$ 870.00	\$ 2,500.00	\$ 2,500.00	\$ 300.00	\$ 300.00
43	-	EXTRA CONCRETE COLLAR FOR 24" STORM	EA	1																				
					\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
					\$ 100.00	\$ 100.00	\$ 1,033.33	\$ 1,033.33	\$ 500.00	\$ 500.00	\$ 2,000.00	\$ 2,000.00	\$ 600.00	\$ 600.00	\$ 450.00	\$ 450.00	\$ 550.00	\$ 550.00	\$ 970.00	\$ 970.00	\$ 2,500.00	\$ 2,500.00	\$ 350.00	\$ 350.00
TOTAL C. BASE UNIT PRICES					\$	11,850.00		\$ 14,553.92		\$ 11,325.00		\$ 13,475.00		\$ 18,861.75		\$ 10,475.00		\$ 14,800.00		\$ 10,877.50		\$ 17,600.00		\$ 13,450.00
D. Cash Allowance Table:																								
Cash Allowance																								
No.	Cash Allowance Short Title				Cash Allowance in figures	Cash Allowance in figures	Cash Allowance in figures	Cash Allowance in figures	Cash Allowance in figures	Cash Allowance in figures	Cash Allowance in figures	Cash Allowance in figures	Cash Allowance in figures	Cash Allowance in figures	Cash Allowance in figures	Cash Allowance in figures	Cash Allowance in figures	Cash Allowance in figures	Cash Allowance in figures	Cash Allowance in figures	Cash Allowance in figures	Cash Allowance in figures	Cash Allowance in figures	
1	N/A				\$0.00	\$0.00	**	\$0.00	**	\$0.00	**	\$0.00	**	\$0.00	**	\$0.00	**	\$0.00	**	\$0.00	**	\$0.00	**	
TOTAL D. CASH ALLOWANCES					\$0.00	\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00

NOTE: Red text indicates math error



GUNDA CORPORATION

Engineers, Planners & Managers

November 09, 2017

City of Tomball
Public Works Building
501 James Street
Tomball, TX 77375

Attn: David Esquivel, P.E., Director of Public Works

Re: City of Tomball
Quinn Road and Holderrieth Boulevard Sidewalks
Project Bid No. 2018-02, E&P Project No. 2017-10011
GUNDA Project No. 17013-00

Tabulation of Bids Received and Recommendation

Dear Mr. Esquivel:

We have reviewed the bid tabulation for bids received for the above referenced project. The bids were tabulated and the bid tab is attached for your review. Based on the unit bid prices, WadeCon, LLC's is the responsive low bidder in the amount \$152,813.00. The bid submitted by WadeCon, LLC shows no signs of imbalance. Therefore, we pose no objection to the recommendation of awarding the construction contract for Quinn Road and Holderrieth Boulevard Sidewalks, Project Bid No. 2018-02, to WadeCon, LLC as the low bidder.

Below is a summary of our full review of the bids received for the project.

On November 09, 2017, a total of Nine (9) bids were received and opened for the proposed project in accordance with the Notice to Bidders. The Total Bid was utilized to establish the order of the bids and identification of apparent low bidder.

Bidders and their Total Bids were:

	Contractor	Bid Submitted
1)	WadeCon, LLC.	\$ 152,813.00
2)	Complete Concrete	\$ 166,069.00**
3)	ECB Development LP	\$ 178,524.74
4)	MoBill Contractors, Inc.	\$ 189,294.18**
5)	Precise Services, Inc.	\$ 198,768.45
6)	Corestone Construction Services	\$ 201,955.65**
7)	MBN Enterprises, LLC.	\$ 211,226.15
8)	American Parking Control	\$ 229,160.50
9)	Site Work Contractors, LLC.	Nonresponsive

* Bid Correction – Total Bid addition error

** Bid Correction – Unit Bid Price & addition error

6161 Savoy, Suite 550 • Houston, Texas 77036
(P) 713.541.3530 • www.gundacorp.com

David Esquivel, P.E.
November 09, 2017
Page 2 of 2

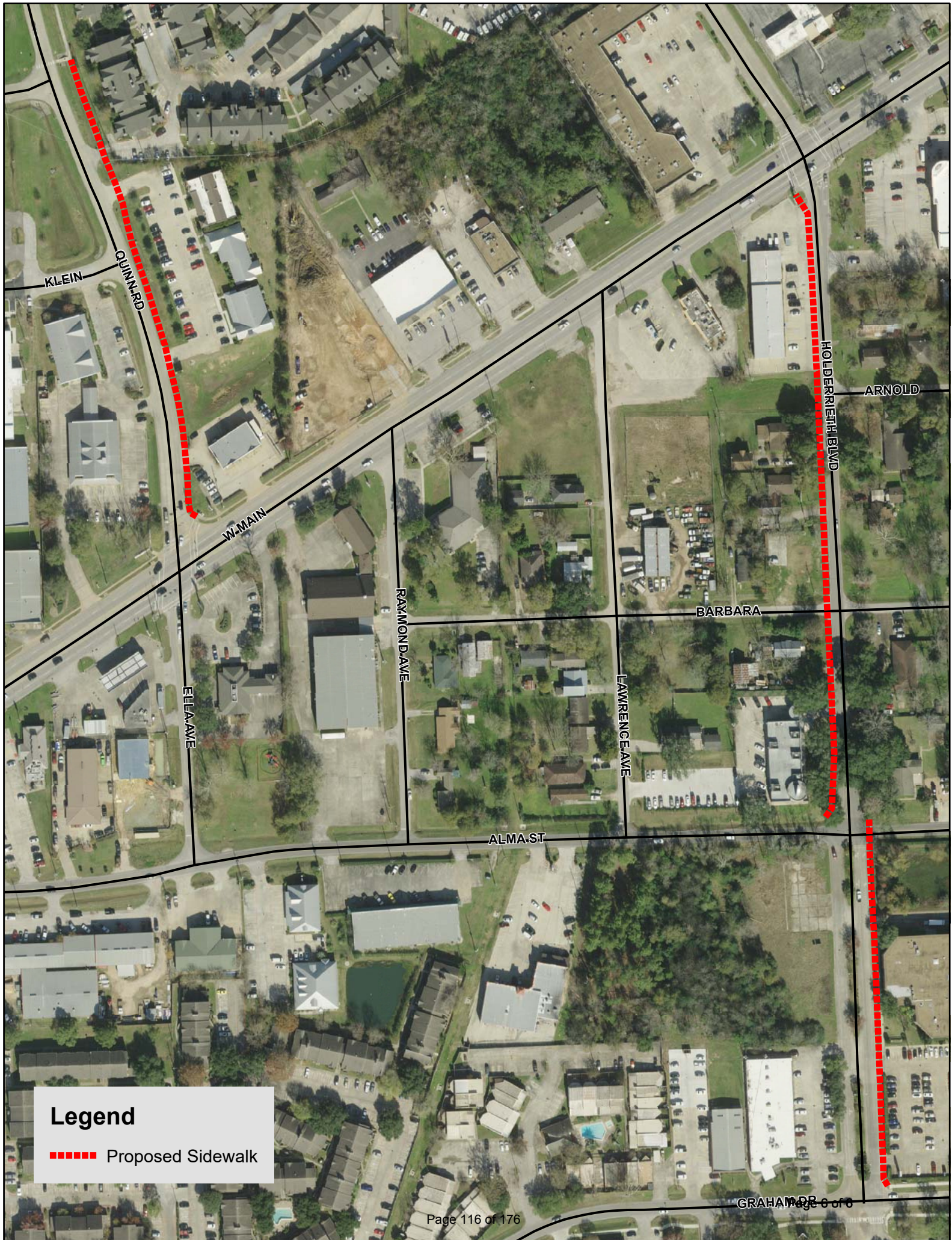
If you have any questions please do not hesitate to call.

Sincerely,

A handwritten signature in blue ink that reads "David Castellano". The signature is fluid and cursive, with a long horizontal stroke at the end.

David Castellano, PE
Project Engineer

Enclosure: Project Bid Tabulation



Legend

Proposed Sidewalk

Regular City Council

Agenda Item

Data Sheet

Meeting Date: November 20, 2017

Topic:

Award Contract for Project No. 2018-04, Purchase of Chlorine & Sulfur Dioxide Gas, to DXI Industries

Background:

In an effort to obtain commodities and services used on a continuous basis, the City routinely solicits bids to secure the most favorable pricing and service. Bid packets were available for pickup at the Public Works Administration Building or could be electronically delivered by request, at total of four (4) packets were requested of which we received one qualified bid. The bid pricing submitted by the recommended bidder is \$103.00 per 150 pound cylinder of Chlorine Gas, \$759.00 per 1 ton cylinder of Chlorine Gas and \$860.00 per 1 ton cylinder of Sulfur Dioxide. Based upon our cumulative historical usage for these chemicals, the recommended contract award will result in a projected cost of \$63,703.00 per fiscal year.

Origination:

Public Works Department

Recommendation:

Public Works staff recommends awarding contract for Bid Number 2018-04, Chlorine & Sulfur Dioxide Gas to DXI Industries for a duration of one (1) year with three (3) additional one (1) year renewals.

Funding:

Yes

Account Number:600-613/614-6110

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

Meagan Mageo, Project Coordinator

ACTION TAKEN

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

Bid Tabulation

Bid Number 2018-04 - Chlorine and Sulfur Dioxide Gas**Bid Tabulation****Company: DXI Industries, Inc**

Chemical	Cylinder Amount	Total Price
Chlorine Gas	150 pound	\$103.00
Chlorine Gas	1 ton	\$759.00
Sulfur Dioxide Gas	1 ton	\$860.00

Regular City Council

Agenda Item

Data Sheet

Meeting Date: November 20, 2017

Topic:

Award Contract for Project No. 2018-05, Water Treatment Chemicals for Liquid Polyphosphate Blend and Zinc Orthophosphate, to Water Utility Services, Inc.

Background:

In an effort to obtain commodities and services used on a continuous basis, the City routinely solicits bids to secure the most favorable pricing and service. Bid packets were available for pickup at the Public Works Administration Building or could be electronically delivered by request, a total of four (4) packets were given to vendors of which we received three qualified bids. Currently the City has a contract with Water Utility Services, Inc for the purchase of Liquid Polyphosphate and a secured price for Zinc Orthophosphate if the need should arise for it to be utilized. Based on the current water chemistry that has been achieved with the chemicals received for Water Utility Services, Inc, staff recommends staying with this company so that there is no disruption or posed risk to the water quality by switching the chemical being added. The bid pricing submitted by the recommended bidder is \$7.50 per gallon for Liquid Polyphosphate and \$6.00 per gallon for Zinc Orthophosphate. Based upon our cumulative historical usage for these chemicals, the recommended contract award will result in a projected cost of \$33,517.50 per fiscal year.

Origination:

Public Works Department

Recommendation:

Public Works staff recommends awarding contract for Bid Number 2018-05 Purchase of Liquid Polyphosphate & Zinc Orthophosphate to Water Utility Services, Inc.

Funding:

Yes

Account Number:600-613/615-6110

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

Meagan Mageo, Project Coordinator

ACTION TAKEN

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

Bid Tabulation

Bid Number 2018-05 - Liquid Polyphosphate Blend & Zinc Orthophosphate
Bid Tabulation

Company: NAPCO Chemical Company	
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Chemical	Cost per Gallon
Liquid Polyphosphate	\$6.80
Zinc Orthophosphate	\$7.00

Company: Water Utility Services, Inc	
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Chemical	Cost per Gallon
Liquid Polyphosphate	\$7.50
Zinc Orthophosphate	\$6.00

Company: Shannon Chemical Corporation	
--	--

Chemical	Cost per Gallon
Liquid Polyphosphate	\$8.37
Zinc Orthophosphate	\$6.83

Regular City Council

Agenda Item

Data Sheet

Meeting Date: November 20, 2017

Topic:

Award Contract for Project No. 2018-06, Materials for a Water and Sewer Extension, to ACT Pipe and Supply in the amount of \$88,186.65

Background:

A water and sewer line extension is currently being designed by Jones and Carter to extend the lines along Zion Road, from Raleigh Creek Drive, and along Hufsmith Road, from Snook Lane. The extension will also provide water and sewer to the City's new park that is under construction, Broussard Community Park. The installation of the lines will mostly be completed by City staff. In an effort to obtain the most favorable pricing, sealed bids were solicited, a total of eight (8) vendors requested bid specifications and a total of three (3) bids were submitted. Based on review of all submitted bids, ACT Pipe & Supply has been determined to be the lowest responsive bidder. Staff recommends awarding a contract to ACT Pipe and Supply for the total amount of \$88,186.65.

Origination:

Public Works Department

Recommendation:

Staff recommends awarding the contract to ACT Pipe & Supply in the amount of \$88,186.65.

Funding:

Yes

Account Number:400-613-6409

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

Meagan Mageo, Project Coordinator

ACTION TAKEN

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

Bid Tabulation

Bid Number 2018-06 - Materials for Water & Sewer Extension
Bid Tabulation

Company: ACT Pipe & Supply	
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Items	Total
Fire Hydrant Assemblies	\$38,221.00
Waterline	\$48,173.05
Sanitary Sewer Force Main	\$1,792.60

Total Material Cost:	\$88,186.65
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Company: Core & Main, LP	
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Items	Total
Fire Hydrant Assemblies	\$39,290.38
Waterline	\$52,975.91
Sanitary Sewer Force Main	\$2,477.38

Total Material Cost:	\$94,743.67
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Company: Ferguson	
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Items	Total
Fire Hydrant Assemblies	\$45,709.84
Waterline	\$52,092.04
Sanitary Sewer Force Main	\$2,415.87

Total Material Cost:	\$100,217.75
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Regular City Council

Agenda Item

Data Sheet

Meeting Date: November 20, 2017

Topic:

Approve and Authorize the Mayor to Execute an Amendment to the Interlocal Agreement Between the City of Tomball and Harris County Emergency Services District # 15

Background:

The City of Tomball and Harris County ESD #15 entered into an Interlocal Agreement on December 10, 2015 that provides for the City to provide fire and rescue services to the area surrounding the City but outside the City Limits. This 15 year contract was an extension of previous service contracts that had been in place since 2005, the formation year of ESD #15. Under the terms of the prior agreements, the ESD compensated the City based on a formula applied to the assessed property value within the ESD's jurisdiction. Beginning with the 2015 Agreement, in addition to the original sharing of the property tax revenue, reimbursement for three full-time Driver/Operator positions at Fire Station 5 was added to the ILA. The estimated annual value of the original 2015 contract was approximately \$400,000 or \$6,000,000 over the 15 year term of the agreement.

The amendment to the agreement increases the funding from ESD #15 to include, in addition to the property tax sharing calculation and the three Driver/Operator positions, reimbursement for staffing the remaining full-time, part-time and volunteer positions assigned to Station 5. The increase in the funding commitment results in a conservatively estimated annual value of \$800,000 or \$10,400,000 over the remaining 13 years of the agreement.

The ability to allocate resources throughout the service delivery area has a significantly positive impact to the residents inside and outside the City Limits. To the extent that the City has annexed areas away from the "core" area of the City, the ESD Station continues to provide response times similar to those enjoyed by the Tomball residents residing within that "core" area of the City. The allocation of resources also has a positive effect on the ability of the fire department to aggregate these resources in the event of a significant incident, allowing the department to assemble sufficient resources to effectively manage the incident.

The financial analysis of the payments to be received from ESD #15 under the Amendment includes the following:

	Current	Revised
Property tax sharing	\$154,000	\$154,000
Station operating expenses	25,000	25,000
Personnel costs	270,000	750,000

Origination:

Fire Department

Recommendation:

Staff recommends approval

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

Randy Parr

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

ATTACHMENTS:

Amendement to the 2015 Interlocal Agreement

Addendum to the 2015 Interlocal Agreement for the Provision of Fire Protection Services and the use of a Fire Station for Fire Protection, Fire Suppression and Emergency Rescue Services

This agreement to amend and modify the **Interlocal Agreement for the Provision of Fire Protection Services and the use of a Fire Station for Fire Protection, Fire Suppression and Emergency Rescue Services** (hereinafter the "Agreement") is entered into effective the 1st day of OCTOBER 2017 by and between **Harris County Emergency Services District No. 15** (hereinafter the "District" or "ESD 15") and the **City of Tomball** (hereinafter the "City" or "Tomball") for the mutual covenants and agreements herein contained, and other good and valuable consideration. Accordingly, the Parties agree to the following:

I. RECITALS

WHEREAS, the Parties wish to amend the Agreement;

WHEREAS, the City requests certain changes to the Agreement for budgetary and financial reasons;

WHEREAS, the Parties entered into the Agreement on December 31, 2015.

I. TERMS and MODIFICATIONS

THEREFORE, the Agreement is amended to reflect changes to the following specifically enumerated paragraphs, sections, and subsections:

Section III paragraph (b)(4) is modified to state the following:

To facilitate convenient payment of the Operating Costs for the Telge Station, Tomball will receive and process for payment all Operating Costs associated with the Telge Station. Tomball will accumulate the Operating Cost invoices and create a **quarterly** invoice to ESD 15 listing items paid and the amounts paid. Tomball and ESD 15 will develop a budget for the Operating Costs for the Telge Station and reconcile to the budget on a monthly basis the payments made towards the Operating Costs. Those items will be totaled and allocated between Tomball and ESD 15 by dividing the total Operating Costs by two (2) to determine the equal sharing of the costs. ESD 15 will remit payment to Tomball in the normal course of its business. **[EMPHASIS ADDED]**

Section III paragraph (c) is modified to state the following:

ESD 15 and Tomball agree that operation of the Telge Station on a twenty-four (24) hour per day basis is critical to providing service to the residents of the Service Area and that Tomball will incur significant costs in providing staffing at the station. ESD 15 agrees that it will reimburse Tomball for 100% of its costs related to providing **a total of three (3) full-time Fire Officers (Lieutenants) and three (3) Driver/Operators (one each for each of three shifts), a part-time firefighter**

position twenty four (24) hours per day and one volunteer position per day at the Telge Station ("ESD Staffing Reimbursement"). The ESD Staffing Reimbursement cost includes the salaries, benefits and other employee related costs paid to or for those employees. The ESD Staffing Reimbursement cost shall be determined in accordance with the Tomball compensation guidelines applicable to all Tomball employees. These costs will be accumulated and invoiced by Tomball to ESD 15 on a quarterly basis. Additionally, these costs shall be adjusted annually as salary and benefit rates are adjusted **by the City of Tomball**. Tomball shall provide written notification to ESD 15 of the annual salary and benefit amounts to be paid in each subsequent calendar year no later than thirty (30) days following the annual anniversary of the Effective Date of this Agreement. **[EMPHASIS ADDED]**

Agreed to on this the 9th day of NOVEMBER 2017 by:

**HARRIS COUNTY EMERGENCY
SERVICES DISTRICT NO. 15**

THE CITY OF TOMBALL

By: 
Charlie Hall
President

By: _____
Gretchen Fagan
Mayor

Date: 11/9/17

Date: _____

Regular City Council

Agenda Item

Data Sheet

Meeting Date: November 20, 2017

Topic:

Approve CCN Transfer Agreement between Aqua Texas and the City of Tomball.

Background:

Aqua Texas is agreeing to transfer the Harris County property area from the Aqua Texas certificate of convenience and necessity (CCN) to the City of Tomball's CCN for water and sewer. The Harris County property area is west of SH249 in the Willow Creek Industrial Park.

Origination:

David Esquivel

Recommendation:

Approval

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

David Esquivel, Public Works Department

ACTION TAKEN

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

CCN Transfer Agreement

Attachments for CCN Transfer Agreement

Settlement Agreement Between HC and Aqua Texas

CCN TRANSFER AGREEMENT
BETWEEN AQUA TEXAS, INC. AND THE CITY OF TOMBALL, TEXAS

This CCN Transfer Agreement ("Transfer Agreement") is made by and between Aqua Texas, Inc. ("Aqua Texas") and the City of Tomball, Texas, a home rule municipal corporation located in Harris County, Texas ("Tomball"), collectively referred to as the "Parties."

WHEREAS, on October 11, 2016, the Public Utility Commission of Texas ("PUC") approved an application filed by Aqua Texas on March 13, 2015 (PUC Docket No. 44534) adding 617 acres to water CCN No. 13203 and 621 acres to sewer CCN No. 21065 (such amendments being the "2016 Willow Creek CCN Amendments"); boundary descriptions and maps for the 2016 Willow Creek CCN Amendments are attached as Attachment 1 and incorporated herein for all purposes.

WHEREAS, on October 17 and 20, 2014, Harris County acquired title to the parcels of land described by metes and bounds in Attachment 2 (hereafter "Tract A") and Attachment 3 (hereafter "Tract B"), said Tract A and Tract B both being located within the 2016 Willow Creek CCN Amendments.

WHEREAS, on April 11, 2017, Harris County Commissioners Court issued an order that Harris County was to petition the PUC for release of Tract A and Tract B from CCN Nos. 13203 and 21065 pursuant to Texas Water Code § 13.254 and 16 Tex. Admin. Code § 24.113; however, no such petition was filed.

WHEREAS, on October 11, 2017, the PUC approved an application Tomball filed on September 1, 2016 (PUC Docket No. 46336) to grant Tomball water CCN No. 13257 and sewer CCN No. 21103 (the "Tomball CCNs").

WHEREAS, on _____, Harris County and Aqua Texas entered into that certain Settlement Agreement and Release of Harris County Property from Water Certificate of Convenience and Necessity (CCN) No. 13202 and Sewer CCN No. 21065 Held by Aqua Texas, Inc. ("Settlement Agreement"), which provided that Aqua Texas could transfer Tract A and Tract B from its CCN to the Tomball CCNs pursuant to Texas Water Code § 13.248 and 16 Tex. Admin. Code § 24.117.

WHEREAS, this Transfer Agreement is intended to effectuate and implement the transfer described in the Settlement Agreement.

WHEREAS, pursuant to Texas Water Code Section 13.248 and 16 Tex. Admin. Code § 24.117, Aqua Texas agrees to transfer Tract A and Tract B from Aqua Texas' CCNs to Tomball's CCNs; and Tomball agrees to accept the transfer of such CCNs and to provide water and sewer service to Tract A and Tract B.

Acknowledgements and Representations

1. The Parties acknowledge that they have read and understand the purpose and effect of this Transfer Agreement. The Parties further acknowledge that good and valuable consideration supports this Transfer Agreement, and that it shall not fail for want of consideration. Both Parties state that they have executed this Transfer Agreement of their own free will and accord, for the purposes and considerations set forth herein.
2. The Parties represent and warrant that they have the benefit of legal counsel of their own choosing in connection with the negotiation, preparation and execution of this Transfer Agreement.
3. The Parties represent and warrant that they have the full right and authority to execute this Transfer Agreement.

Agreement

4. Aqua Texas agrees to transfer Tract A and Tract B from Aqua Texas water CCN No. 13203 and Aqua Texas sewer CCN No. 21065 to Tomball water CCN No. 13257 and Tomball sewer CCN No. 21103 pursuant to the provisions of Texas Water Code Section 13.248 and 16 Tex. Admin. Code § 24.117.
5. Within 30 days of execution of this Transfer Agreement, Aqua Texas shall prepare, file and prosecute, at Aqua Texas' expense, an application pursuant to Texas Water Code Section 13.248 and 16 Tex. Admin. Code § 24.117 with the PUC to have Tract A and Tract B transferred from Aqua Texas' CCNs to Tomball's CCNs ("13.248 Transfer Application"). Tomball shall support the 13.248 Transfer Application, and will reasonably assist with the 13.248 Transfer Application to include the Tract A and Tract B within Tomball's CCNs. The Parties acknowledge

that, pursuant to the terms and provisions of the Settlement Agreement, Harris County will reimburse Aqua Texas for the legal and mapping expenses associated with the Transfer Application.

6. Aqua Texas agrees that while the 13.248 Transfer Application is pending before the PUC, Tomball may provide retail water and sewer service to Tract A and Tract B.

7. Aqua Texas further agrees to transfer, any property that Harris County hereafter acquires in fee simple interest that is within the boundary of the 2016 Willow Creek CCN Amendments, from Aqua Texas water CCN No. 13203 and Aqua Texas sewer CCN No. 21065, to Tomball water CCN No. 13257 and Tomball sewer CCN No. 21103. The Parties acknowledge and agree that water CCN No. 13203 and sewer CCN No. 21065 encompass properties located throughout Harris County and beyond, and expressly acknowledge and agree that this Transfer Agreement applies only to Harris County owned property located in the 2016 Willow Creek CCN Amendments.

8. In the event Harris County for any reason whatsoever fails to make the payments to Aqua Texas described in and required by the Settlement Agreement, and such payment remains unpaid for more than ninety days beyond the required date, Tomball agrees that Aqua Texas shall be entitled to transfer Tract A, Tract B and any other land transferred pursuant to this Transfer Agreement back to Aqua Texas' CCNs through a PUC transfer application filed pursuant to Texas Water Code Section 13.248 and 16 Tex. Admin. Code § 24.117 ("Return Transfer").

9. If Aqua Texas desires a Return Transfer following non-payment by Harris County as described herein, Aqua Texas shall prepare, file and prosecute, at Aqua Texas' expense, an application pursuant to Texas Water Code Section 13.248 and 16 Tex. Admin. Code § 24.117 with the PUC to have Tract A, Tract B and any other land transferred pursuant to this Transfer Agreement, returned and transferred from Tomball's CCNs back to Aqua Texas' CCNs. Tomball agrees to support such Return Transfer, and not object or otherwise attempt to defeat such Return Transfer.

Miscellaneous

10. This Transfer Agreement shall be effective upon the Execution Date.

11. This Transfer Agreement contains the entire understanding between the Parties regarding the transactions described herein and supersedes any prior understandings and agreements, whether written or oral, regarding the subject matter of this Transfer Agreement.
12. This Transfer Agreement may only be amended by written instrument signed and executed on behalf of Tomball and Aqua Texas.
13. This Transfer Agreement shall be binding upon and inure to the benefit of both Parties hereto and their affiliates, successors and assigns.
14. This Transfer Agreement may be executed in identical counterparts, each of which shall be deemed an original for all purposes. The Parties agree that a faxed copy of a signature page shall be treated as an original for all purposes.
15. The "Execution Date" of this Transfer Agreement shall be deemed to be the latter of the two dates the Transfer Agreement is signed.
16. In the event that any provision, clause, or part of this Transfer Agreement is held to be invalid, void, voidable, illegal and/or unenforceable by a court of law, any such ruling shall not affect the validity, enforceability and binding effect of the other provisions, clauses and portions of this Transfer Agreement. Any provision declared invalid, void, voidable, illegal and/or unenforceable shall be severable from the remainder of this Transfer Agreement.
17. Any lawsuit to enforce, interpret, or construe this Transfer Agreement or any term or provision contained herein shall be filed in the State District Court of Harris County, Texas.
18. In the event Aqua Texas fails to comply with Paragraphs 4-7, Tomball shall be entitled to specific performance of the contractual obligations set forth therein and all reasonable and necessary attorney fees and costs associated with its pursuit of that remedy. In the event Tomball fails to comply with Paragraph 8-9, Aqua Texas shall be entitled to specific performance of the contractual obligations set forth therein and all reasonable and necessary attorney fees and costs associated with its pursuit of that remedy.
19. Aqua Texas and Tomball agree that this written Transfer Agreement involves contractual rights and obligations to be performed in Texas and falls within the scope of the Texas Uniform Declaratory Judgment Act, Tex. Civ. Prac. & Rem. Code Ann. § 37.001 *et seq.*

IN WITNESS WHEREOF, the Parties have executed this Transfer Agreement and each of the undersigned personally represent and warrant that they have the full right, power and authority to execute this Transfer Agreement on behalf of the respective parties. Tomball executes this Transfer Agreement by and through the Mayor acting pursuant to Order of the City Council of the City of Tomball, so authorizing.

Signatures appear on succeeding pages.

APPROVED AS TO FORM:

City of Tomball

By: _____

Gretchen Fagan

Mayor

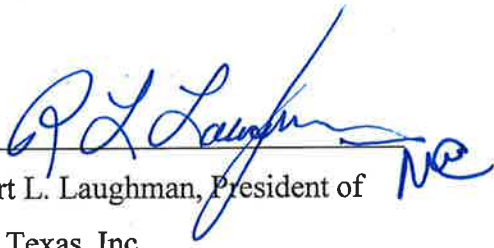
ATTEST:

Doris Speer

City Secretary

Date: _____ 2017.

AQUA TEXAS, INC.

By: 
Robert L. Laughman, President of
Aqua Texas, Inc.

Date: October 11 2017.

3
APPT
C/A

PUC REQUIRED CCN BOUNDARY DESCRIPTION

Aqua Texas, Inc. – Amendment to Water and Sewer Service Areas

CCN Nos. 13203 and 21065; PUC Docket No. 44534

Amending a Portion of Aqua Texas Inc. CCN Nos. 13203
and 21065 in Harris County

RECEIVED

NOV -8 AM 10:46
RP-PUBLIC UTILITY COMMISSION
11/01/2016 FILING CLERK

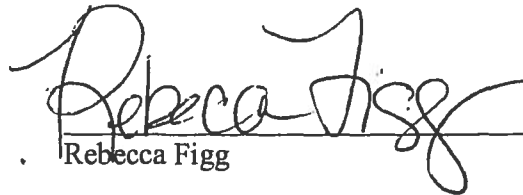
Pursuant to Texas Water Code § 13.257, Aqua Texas, Inc., holder of Certificate of Convenience and Necessity Nos. 13203 and 21065, hereby files this Boundary Description for the portion of its CCN area which was amended by the Commission in PUC Docket No. 44534. The area is located in Harris County, Texas.

In accordance with the aforementioned statute, Aqua Texas, Inc. affirmatively states that the amended portion of its service area in its aforementioned CCNs is as follows:

The area subject to this transaction is located approximately 1.5 miles southwest of downtown Tomball, Texas, and is generally bounded on the north by N. Humble Lake Road; on the east by St. Hwy. 249; on the south by Boudreaux Estates Drive; and on the west by Telge Road.

Aqua Texas' additional service area is depicted in the attached PUC certified map.

The Boundary Description is being filed on behalf of and at the request and instruction of Aqua Texas, Inc., based upon information and belief. Aqua Texas, Inc. specifically authorizes the filing of this Boundary Description to comply with Texas Water Code § 13.257 and its associated rules and regulations.


Rebecca Figg

1 on
1 cc SI

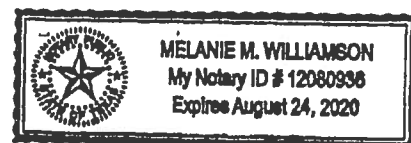
STATE OF TEXAS §
COUNTY OF TRAVIS §

Before me, the undersigned Notary Public, on this day personally appeared Rebecca Figg, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that she executed the same for the purposes therein described.

Given under my hand and seal of this office on this day, 10-26-2016.


Notary Public, in and for the State of Texas

After recording, please return to:
Terrill & Waldrop
810 West 10th Street
Austin, Texas 78701

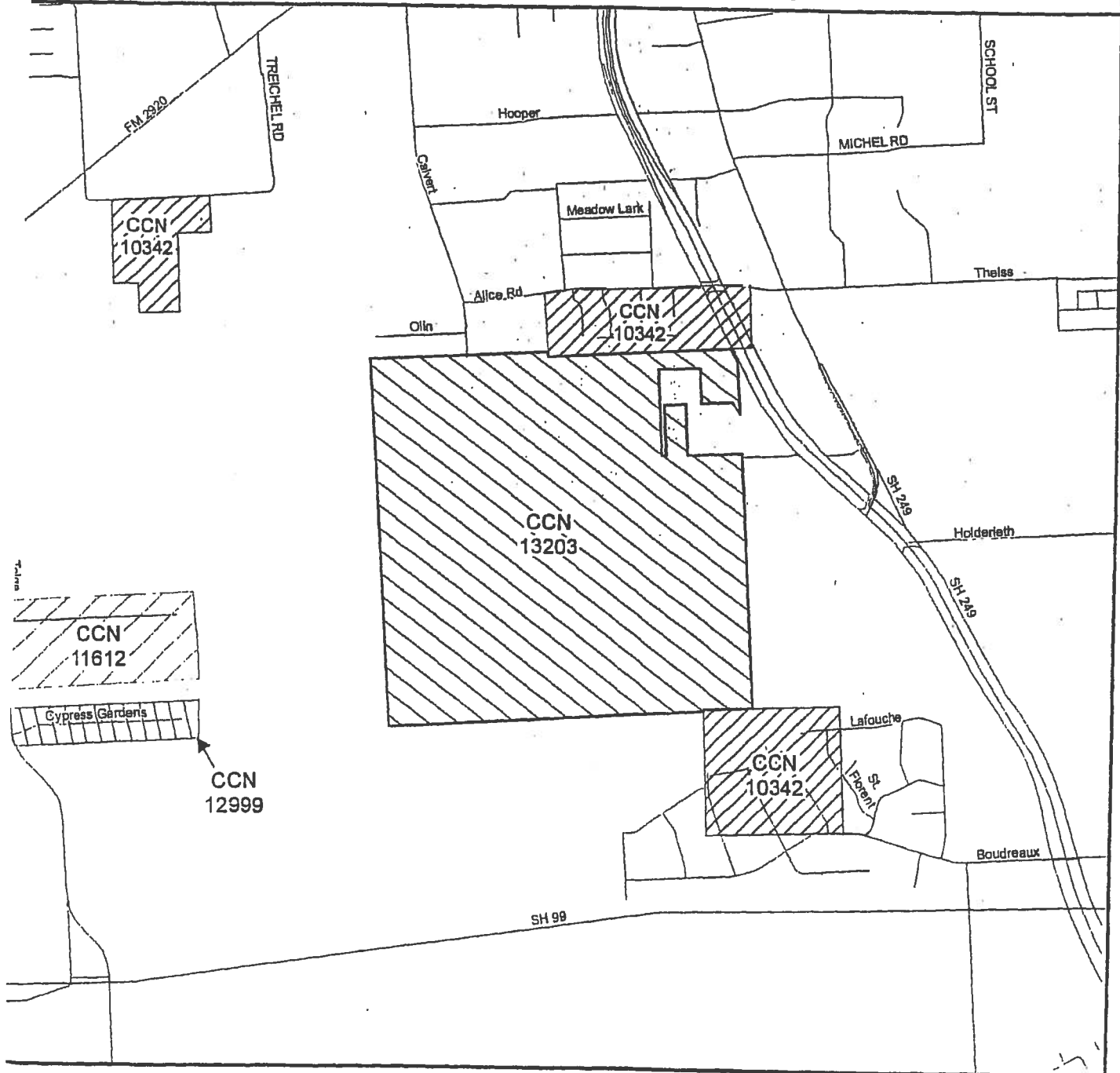


44

Don McDivia
 FE: 10-25-2016

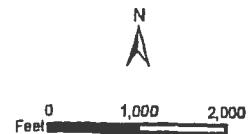


Aqua Texas, Inc.
 Portion of Water Service Area
 CCN No. 13203
 PUC Docket No. 44534
 Amended CCN No. 13203 in Harris County



Water CCN Service Areas

-  13203 - Aqua Texas Inc
-  10342 - HMW SUD
-  12999 - Cypress Garden Mobile Home Sub
-  11612 - Quadvest LP



Public Utility Commission of Texas
 701 N. Congress Ave
 Austin, TX 78701

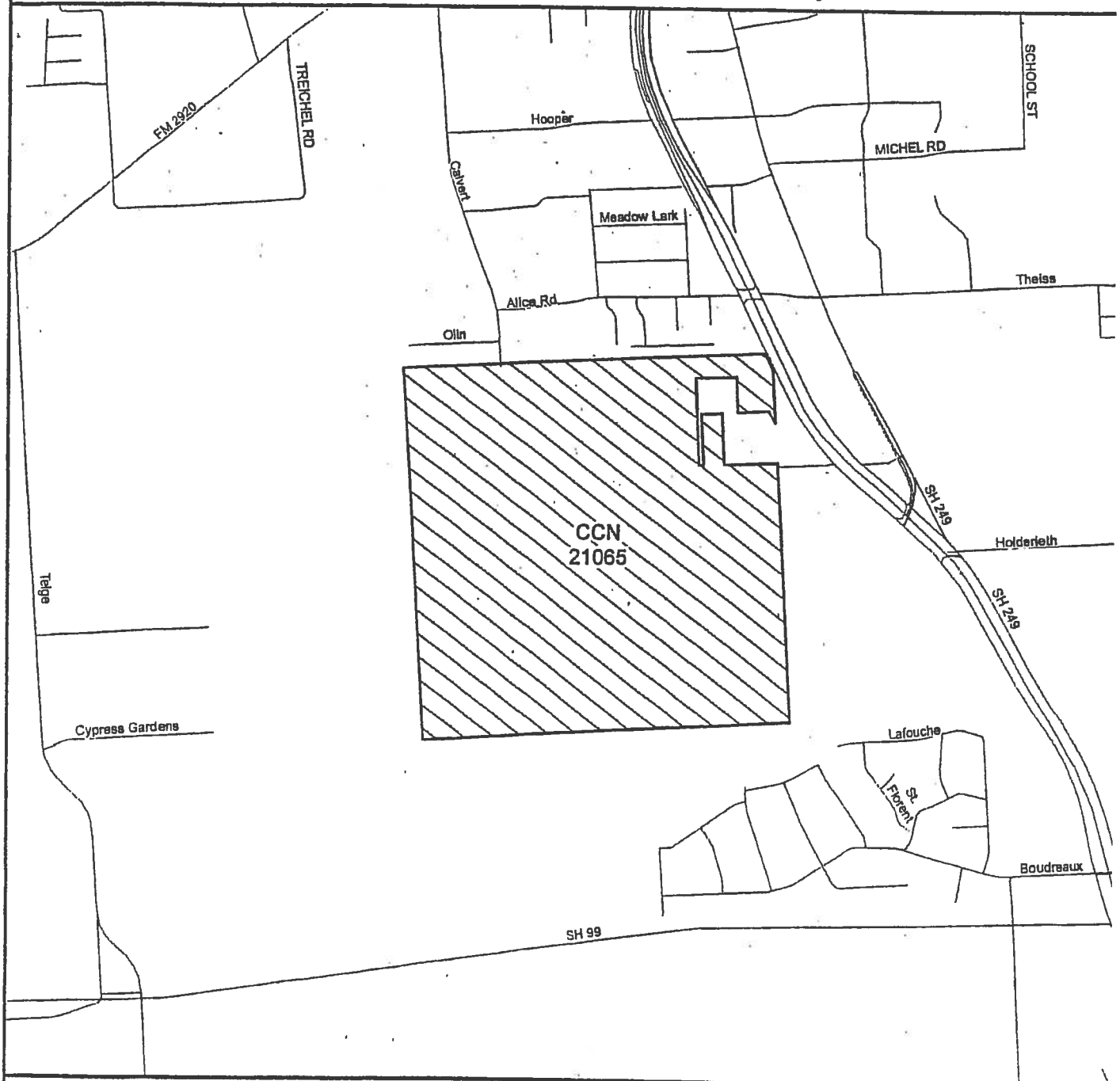
Attachment 1

Map by: Kristy Nguyen
 Date created: July 18, 2018
 Project Path: n:\Final Maps\44534AquaTexasCCNAmend.mxd

BY: *Chris Medina*
DATE: *10-25-2016*



Aqua Texas, Inc.
Portion of Sewer Service Area
CCN No. 21065
PUC Docket No. 44534
Amended CCN No. 21065 in Harris County.



Public Utility Commission of Texas
1701 N. Congress Ave
Austin, TX 78701

Sewer CCN Service Area

 21065 - Aqua Texas Inc



Attachment 1

FILED FOR RECORD

8:00:00 AM

Tuesday, November 01, 2016

Stan Stanton

COUNTY CLERK, HARRIS COUNTY, TEXAS

ANY PROVISION HEREIN WHICH RESTRICTS THE SALE RENTAL, OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

THE STATE OF TEXAS
COUNTY OF HARRIS

I hereby certify that this instrument was FILED in File Number Sequence on the date and at the time stamped hereon by me, and was duly RECORDED, in the Official Public Records of Real Property of Harris County Texas

Tuesday, November 01, 2016



Stan Stanton

COUNTY CLERK
HARRIS COUNTY, TEXAS

Metes and Bounds Description

Being a 75.1111 acre (3,271,841 square feet) tract of land located in the Chauncy Goodrich Survey, Abstract 305, Harris County, Texas, being a portion of a called 606.1394 acre tract of land conveyed to Merenco Realty, Inc. as recorded under the Harris County Clerk's File (H.C.C.F.) No.T693301 of the Official Public Records of Real Property of Harris County (O.P.R.R.P.H.C.) and a portion of a called 28.68 acre tract of land conveyed to Merenco Realty, Inc. as recorded under H.C.C.F. No. 20130384778 O.P.R.R.P.H.C.; said 75.1111 acre tract of land being more particularly described by metes and bounds as follows, with the bearings being based on the Texas Coordinate System, South Central Zone 4204, NAD83, derived from GPS observations:

BEGINNING at a 2-inch iron pipe found for the southeast corner of a called 2 acre tract of land conveyed to Ben Everett and wife, Janell M. Otto as recorded under H.C.C.F. No.S282725 O.P.R.R.P.H.C., for the southwest corner of a called 1.0241 acre tract of land conveyed to Jehu Estrada and Yadira Estrada as recorded under H.C.C.F. No.20130211695 O.P.R.R.P.H.C., in the north line of the said 606.1394 acre tract of land, for the southeast corner of the Calvert Subdivision (unrecorded), and for a northwest corner of the herein described tract, from which an 18-inch fence post found for the northwest corner of the said 606.1394 acre tract of land bears South 87°38'17" West, 2,644.11 feet;

THENCE North 87°38'17" East (called South 89°52'17" East), coincident with the north line of the said 606.1394 acre tract of land, 2,516.40 feet to a 5/8-inch iron rod with cap stamped "Harris County" set in the west right-of-way line of State Highway No. 249 (350-foot width H.C.C.F. Nos.X285321, Y393097, & 20130384778 O.P.R.R.P.H.C.), in the north line of the said 606.1394 acre tract of land, for a southeast corner of a called 40.1148 acre tract conveyed to A.B.H. Enterprises, Inc. as recorded under H.C.C.F. No. F417072 O.P.R.R.P.H.C., and for the northeast corner of the herein described tract, from which a found 5/8-inch iron rod bears North 20°59'34" West, 1.25 feet;

THENCE South 26°16'12" East (called South 26°13'13" East), coincident with the west right-of-way line of said State Highway No. 249, 65.63 feet to a 5/8-inch iron rod with cap stamped "Harris County" set in the west right-of-way line of said State Highway No. 249, in the east line of the said 606.1394 acre tract of land, and for a northeast corner of the herein described tract;

THENCE South 87°38'17" West, leaving the said west right-of-way line of the said State Highway No. 249, 449.75 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an interior corner of the herein described tract;

THENCE South 02°12 '39" East, coincident with an east line of the herein described tract, 265.61 feet to a found chain-link fence corner for the northeast corner of a called 7.7884 acre tract of land conveyed to Urettek USA, Inc. as recorded in H.C.C.F. No. U519393 O.P.R.R.P.H.C., for an exterior corner of the herein described tract;

THENCE South 88°53'08" West (called South 89°51'39" West), coincident with the north line of the said 7.7884 acre tract, 574.57 feet (called 574.77 feet) to a found chain-link fence corner for the northwest corner of the said 7.7884 acre tract of land, for an interior corner of the herein described tract;

THENCE South 01°54'18" East (called South 00°54'00" East), coincident with the west line of the said 7.7884 acre tract, 363.97 feet to a found P-K nail for the northeast corner of a called 18.9062 acre tract of land conveyed to Lone Star College System as recorded under H.C.C.F No. 20140138412 O.P.R.R.P.H.C., in the west line of the said 7.7884 acre tract of land, for an exterior corner of the herein described tract;

THENCE South 87°34'22" West (called South 87°34'16" West), coincident with a north line of the said 18.9062 acre tract, 439.20 feet to a found 5/8-inch iron rod with cap stamped "Hovis" for an interior corner of the said 18.9062 acre tract of land, and for an exterior corner of the herein described tract;

THENCE North 05°03'04" West (called North 05°02'46" West), coincident with an east line of the said 18.9062 acre tract, 213.07 feet (called 213.03 feet) to a found 5/8-inch iron rod with cap stamped "Hovis" for an exterior corner of the said 18.9062 acre tract of land, and for an interior corner of the herein described tract;

THENCE South 85°17'49" West (called South 85°18'04" West), coincident with a north line of the said 18.9062 acre tract, 417.30 feet (called 417.36 feet) to a found 5/8-inch iron rod with cap stamped "Hovis" for an exterior corner of the said 18.9062 acre tract of land, and for an interior corner of the herein described tract;

THENCE South 02°21'53" East (called South 02°20'38" East), coincident with a west line of the said 18.9062 acre tract, 487.82 feet (called 487.83 feet) to a found 5/8-inch iron rod with cap stamped "Hovis" for an exterior corner of the said 18.9062 acre tract of land, and for an interior corner of the herein described tract;

THENCE North 89°45'21" East (called North 89°50'02" East), coincident with a north line of the said 18.9062 acre tract, 54.69 feet (called 54.78 feet) to a found 5/8-inch iron rod with cap stamped "Hovis" for an interior corner of the said 18.9062 acre tract of land, and for an exterior corner of the herein described tract;

THENCE South 02°20'27" East (called South 02°20'38" East), coincident with a west line of the said 18.9062 acre tract, 595.97 feet (called 595.94 feet) to a found 5/8-inch iron rod with cap stamped "Hovis" for the southwest corner of the said 18.9062 acre tract of land, and for an interior corner of the herein described tract;

THENCE South 30°22'08" East, coincident with an east line of the herein described tract, 47.92 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract, located in a curve to the left having a radius of 350.00 feet;

THENCE Southwesterly, coincident with an east line of the herein described tract, with said curve to the left having an internal angle of $07^{\circ}32'30''$, an arc length of 46.07 feet, a long chord of South $55^{\circ}51'37''$ West, 46.04 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE South $52^{\circ}05'22''$ West, coincident with a southeast line of the herein described tract, 201.50 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for the beginning of a curve to the right having a radius of 25.00 feet, and for an exterior corner of the herein described tract;

THENCE Northwesterly, coincident with a south line of the herein described tract, with said curve to the right having an internal angle of $90^{\circ}00'00''$, an arc length of 39.27 feet, a long chord of North $82^{\circ}54'38''$ West, 35.36 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE North $37^{\circ}53'55''$ West, coincident with a south line of the herein described tract, 177.53 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for the beginning of a curve to the left having a radius of 1,050.00 feet, and for an interior corner of the herein described tract;

THENCE Northwesterly, coincident with a south line of the herein described tract, with said curve to the left having an internal angle of $63^{\circ}25'51''$, an arc length of 1,162.43 feet, a long chord of North $69^{\circ}37'35''$ West, 1,103.97 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE South $78^{\circ}39'27''$ West, coincident with a south line of the herein described tract, 733.19 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for the beginning of a curve to the right having a radius of 35.00 feet, and for an exterior corner of the herein described tract;

THENCE Northwesterly, coincident with a west line of the herein described tract, with said curve to the right having an internal angle of $90^{\circ}00'00''$, an arc length of 54.98 feet, a long chord of North $56^{\circ}20'33''$ West, 49.50 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE North $11^{\circ}20'33''$ West, coincident with a west line of the herein described tract, 15.00 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for the beginning of a curve to the right having a radius of 1,175.00 feet, and for an exterior corner of the herein described tract;

THENCE Northeasterly, coincident with a west line of the herein described tract, with said curve to the right having an internal angle of $27^{\circ}57'52''$, an arc length of 573.48 feet, a long chord of North $02^{\circ}38'23''$ East, 567.81 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

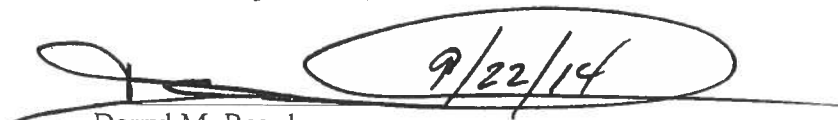
THENCE North 16°37'19" East, coincident with a west line of the herein described tract, 175.45 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for the beginning of a curve to the left having a radius of 1,275.00 feet, and for an exterior corner of the herein described tract;

THENCE Northeasterly, coincident with a west line of the herein described tract, with said curve to the left having an internal angle of 18°59'31", an arc length of 422.63 feet, a long chord of North 07°07'34" East, 420.69 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE North 02°22'12" West, coincident with a west line of the herein described tract, 38.38 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for a northwest corner of the herein described tract;

THENCE North 87°38'17" East, coincident with a north line of the herein described tract, parallel and 60-foot south of the north line of the said 606.1394 acre tract, 1,223.96 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an interior corner of the herein described tract;

THENCE North 02°21'43" West, coincident with a west line of the herein described tract, 60.00 feet to the **POINT OF BEGINNING** of the herein described tract containing 75.1111 acres (3,271,841 square feet) of land.


Darryl M. Beard
Registered Professional Land Surveyor
Texas Registration No. 6438



A plat of even date was prepared in conjunction with this description.

Metes and Bounds Description

Being a 45.288 acre tract of land located in the Chauncey Goodrich Survey, Abstract 305, Harris County, Texas, being all of a called 20.00 acre tract of land conveyed from Jimmy C. Shaw and wife, Annegret Shaw to the County of Harris dated October 17, 201 and recorded under the Harris County Clerk's File (H.C.C.F.) No. 20140468595 of the Official Public Records of Real Property of Harris County (O.P.R.R.P.H.C.) together with a portion of a called 117.9465 acre tract of land conveyed from Merenco Realty, Inc., to the County of Harris dated October 20, 2014 and recorded under the H.C.C.F. No. 20140471160 of O.P.R.R.P.H.C.; said 45.288 acre tract of land being more particularly described by metes and bounds as follows, with the bearings being based on the Texas Coordinate System, South Central Zone 4204, NAD83, derived from GPS observations:

COMMENCING at a 5/8-inch iron rod with aluminum cap stamped "PACE" found at the southeast corner of a called 4.969 acre tract of land (Tract 5) conveyed to 615 Willow Creek Development, LTD, recorded under the H.C.C.F. No. 20140577526 O.P.R.R.P.H.C, and being the southwest corner of Nabors Parkway 100' Wide R.O.W. Dedication, recorded by plat under Film Code No. 676075 of the Harris County Map Records at the northeast corner of a called 22.145 acre tract of land conveyed to Nabors Property Holdings II LLC., recorded under the H.C.C.F. No. RP-2016-86222 O.P.R.R.P.H.C., and for the northwest corner of a called 3.2526 conveyed to Merenco Realty Inc., recorded under the H.C.C.F. No. 20130637629 O.P.R.R.P.H.C.;

THENCE South 87°59'56" West, coincident with the north line of the said 22.145 acre tract of land and the south line of said Tract 5, 704.56 feet to the northwest corner of the said 22.145 acre tract of land at the northeast corner of said 20.00 acre (Shaw) tract and **POINT OF BEGINNING** of the herein described tract, from which a found 5/8-inch iron rod with cap stamped "Hovis" bears North 01°58'40" West, 0.12 feet;

THENCE South 01°58'40" East, coincident with the west line of the said 22.145 acre tract and the east line said 20.00 acre (Shaw) tract, 194.55 feet to a 5/8-inch iron rod with cap stamped "Hovis" found for an interior corner of the said 22.145 acre tract, and for an east corner of the herein described tract;

THENCE South 34°15'17" West, coincident with a west line of the said 22.145 acre tract of land and the east line said 20.00 acre (Shaw) tract, at 821.99 feet to a 5/8-inch iron rod with cap stamped "Hovis" found for the southwest corner of the said 22.145 acre tract, and an interior corner of the herein described tract;

THENCE South 55°43'33" East, coincident with the east line of the herein described tract and the west line of the said 22.145 acre tract, 333.04 feet to a 5/8-inch iron rod with cap stamped "Hovis" found for the southwest corner the said 22.145 acre tract, and for an interior corner of the herein described tract;

THENCE North 87°09'56" East, coincident with a north line of the herein described tract and the south line of the said 22.145 acre tract, 847.20 feet to a point located in a curve to the left having a radius of 1,275.00 feet, also being in the northwest line of a called 6.126 acre easement conveyed to Harris County Flood Control District as recorded under H.C.C.F. R649324 O.P.R.R.P.H.C., and for the northeast corner of the herein described tract, from which a found 5/8-inch iron rod with cap stamped "Hovis" bears South 87°09'56" West, 0.11 feet;

THENCE Southwesterly, coincident with an east line of the herein described tract and the west line of the said 6.126 acre tract, with said curve to the left having an internal angle of 17°36'39", an arc length of 391.89 feet, a long chord of South 05°58'33" West, 390.35 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

HENCE South 02°49'46" East, coincident with the east line of the herein described tract and the west line the said 6.126 acre tract, 199.83 feet to a 5/8-inch iron rod with cap stamped "Harris County" set in north line of a called 3.709 acre tract of land (Tract 3) conveyed to 615 Willow Creek Development, LTD, recorded under the H.C.C.F. No. 20140577526 O.P.R.R.P.H.C, at the most easterly corner of the herein described tract;

THENCE South 87°59'57" West, coincident with the south line of the herein described tract and the north line of said Tract 3, 410.01 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for the beginning of a curve to the right having a radius of 950.00 feet, and for an exterior corner of the herein described tract;

THENCE Northwesterly, coincident with the south line of the herein described tract and the north line of said Tract 3, with said curve to the right having an internal angle of 37°27'44", an arc length of 621.15 feet, a long chord of North 73°16'11" West, 610.14 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE North 54°32'19" West, coincident with the north line of said Tract 3 and the southwest line of the herein described tract, 401.92 feet to a 5/8-inch iron rod with cap stamped "Harris County" set in the southeast line of 20.00 acre (Shaw) tract and an interior corner of the herein described tract;

THENCE South 34°15'17" West, coincident with the southeast line of 20.00 acre (Shaw) tract and the northwest line of said Tract 3, 91.01 feet to a 5/8-inch iron rod with cap stamped "Hovis" found for the southeast corner of 20.00 acre (Shaw) tract an exterior corner of the herein described tract;

THENCE South 88°00'40" West , coincident with southeast line of 20.00 acre (Shaw) tract and the south line of said Tract 3, 14.82 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an interior corner of the herein described tract;

THENCE South 54°32'19" East, coincident with a north line of the herein described tract and a south line of said Tract 3, 82.68 feet to a 5/8-inch iron rod with cap stamped "Harris County" set at a north interior corner of a called 148.751 acre tract of land (Tract 4) conveyed to 615 Willow Creek Development, LTD, recorded under the H.C.C.F. No. 20140577526 O.P.R.R.P.H.C and for a southeast corner of the herein described tract;

THENCE South 35°27'41" West, coincident with a southeast line of the herein described tract and said Tract 4, 183.00 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE North 64°47'39" West, coincident with a south line of the herein described tract and said Tract 4, 249.95 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE North 54°24'03" West, coincident with a south line of the herein described tract and said Tract 4, 94.89 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE North 41°34'59" West, coincident with a south line of the herein described tract and said Tract 4, 75.56 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE North 32°59'08" West, coincident with a south line of the herein described tract and said Tract 4, 118.86 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE North 18°17'27" West, coincident with a south line of the herein described tract and said Tract 4, 143.41 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE North 31°31'52" West, coincident with a south line of the herein described tract and said Tract 4, 46.72 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE North 40°31'58" West, coincident with a south line of the herein described tract and said Tract 4, 81.13 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE North 46°46'14" West, coincident with a south line of the herein described tract and said Tract 4, 30.01 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE North 53°09'03" West, coincident with a south line of the herein described tract and said Tract 4, 19.28 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE North 59°33'40" West, coincident with a south line of the herein described tract and said Tract 4, 76.07 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE North 68°44'03" West, coincident with a south line of the herein described tract and said Tract 4, 106.25 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE North 02°16'23" West, coincident with a west line of the herein described tract and said Tract 4, 460.92 feet to a 5/8-inch iron rod with cap stamped "Harris County" set in a curve to the right having a radius of 1,960.00 feet, at an interior corner of and said Tract 4 in the southeast line of a called 2.518 acre tract of land (Tract 6) conveyed to 615 Willow Creek Development, LTD, recorded under the H.C.C.F. No. 20140577526 O.P.R.R.P.H.C for a northwest corner of the herein described tract;

THENCE Northeasterly, coincident with the north line of the herein described tract and said Tract 6, with said curve to the right having an internal angle of 00°32'17", an arc length of 18.41 feet, a long chord of North 51°49'14" East, 18.41 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE North 52°05'22" East, coincident with a west line of the herein described tract and said Tract 6, 84.28 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for the beginning of a curve to the right having a radius of 25.00 feet, in the south line of a called 10.313 acre tract of land (Tract 10) conveyed to 615 Willow Creek Development, LTD, recorded under the H.C.C.F. No. 20140577526 O.P.R.R.P.H.C and for an exterior corner of the herein described tract;

THENCE Southeasterly, coincident with the north line of the herein described tract and said Tract 10, with said curve to the right having an internal angle of 90°00'00", an arc length of 39.27 feet, a long chord of South 82°54'38" East, 35.36 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE South 37°54'38" East, coincident with the north line of the herein described tract and said tract 10, 35.00 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for the beginning of a curve to the right having a radius of 950.00 feet, and for an exterior corner of the herein described tract;

THENCE Southeasterly, coincident with the north line of the herein described tract and said Tract 10, with said curve to the right having an internal angle of $18^{\circ}37'44''$, an arc length of 308.88 feet, a long chord of South $28^{\circ}35'46''$ East, 307.52 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE South $19^{\circ}16'54''$ East, coincident with the north line of the herein described tract and said Tract 10, 121.99 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for the beginning of a curve to the left having a radius of 1,050.00 feet, and for an exterior corner of the herein described tract;

THENCE Southeasterly, coincident with the north line of the herein described tract and said Tract 10, with said curve to the left having an internal angle of $25^{\circ}18'51''$, an arc length of 463.91 feet, a long chord of South $31^{\circ}56'19''$ East, 460.14 feet to a 5/8-inch iron rod with cap stamped "Harris County" set in the west line of the said 20.000 acre (Shaw) tract and for an exterior corner of the herein described tract;

THENCE North $01^{\circ}59'22''$ West, coincident with the west line of the herein described tract and said Tract 10, 158.32 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for the beginning of a curve to the right having a radius of 950.00 feet in the west line of the said 20.000 acre (Shaw) tract, at an interior corner of the herein described tract;

THENCE Northwesterly, coincident with the south line of the herein described tract and said Tract 10, with said curve to the right having an internal angle of $18^{\circ}16'08''$, an arc length of 302.91 feet, a long chord of North $28^{\circ}24'58''$ West, 301.63 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE North $19^{\circ}16'54''$ West, coincident with the south line of the herein described tract and said Tract 10, 121.99 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for the beginning of a curve to the left having a radius of 1,050.00 feet, and for an exterior corner of the herein described tract;

THENCE Northwesterly, coincident with the south line of the herein described tract and said Tract 10, with said curve to the left having an internal angle of $18^{\circ}37'44''$, an arc length of 341.39 feet, a long chord of North $28^{\circ}35'46''$ West, 339.89 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

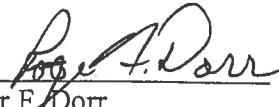
THENCE North $37^{\circ}54'38''$ West, coincident with the south line of the herein described tract and said Tract 10, 25.00 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for the beginning of a curve to the right having a radius of 25.00 feet, located at the southwest corner of said Tract 5 and being an exterior corner of the herein described tract;

THENCE Northeasterly, coincident with the west line of the herein described tract, with said curve to the right having an internal angle of $90^{\circ}00'00''$, an arc length of 39.27 feet, a long chord of North $07^{\circ}05'22''$ East, 35.36 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE North $52^{\circ}05'22''$ East, coincident with the north line of the herein described tract and said Tract 5, 201.50 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for the beginning of a curve to the right having a radius of 250.00 feet, and for an exterior corner of the herein described tract;

THENCE Northeasterly, coincident with the north line of the herein described tract and said Tract 5, with said curve to the right having an internal angle of $35^{\circ}54'34''$, an arc length of 156.68 feet, a long chord of North $70^{\circ}02'39''$ East, 154.13 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE North $87^{\circ}59'56''$ East, coincident with the north line of the herein described tract and said Tract 5, 1,043.49 feet to the **POINT OF BEGINNING** of the herein described tract containing 45.288 acres of land.


Roger F. Dorr
Registered Professional Land Surveyor
Texas Registration No. 5228



A plat of even date was prepared in conjunction with this description.

SETTLEMENT AGREEMENT
FOR TRANSFER OF HARRIS COUNTY PROPERTY TO
TOMBALL CERTIFICATED SERVICE AREAS FROM
WATER CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) NO. 13203 AND
SEWER CCN NO. 21065 HELD BY AQUA TEXAS, INC.

This Settlement Agreement (“Agreement”) is made by and between Aqua Texas, Inc. (Aqua Texas) and Harris County, a body corporate and politic under the laws of the State of Texas, collectively referred to as the “Parties.”

WHEREAS, on March 13, 2015, Aqua Texas applied to the Public Utility Commission of Texas (“PUC”) to amend water CCN No. 13203 and sewer CCN No. 21065 (PUC Docket No. 44534) to include various property parcels located within the boundaries of Harris County Improvement District No. 17 (“HCID 17”), including the 617 acre and 621 acre parcels referenced in **Attachment 1** and incorporated herein for all purposes.

WHEREAS, on October 11, 2016, the PUC approved the application and ordered that Aqua Texas water CCN No. 13203 was amended to include the addition of 617 acres and sewer CCN No. 21065 was amended to include the addition of 621 acres (such amendments being the “2016 Willow Creek CCN Amendments”); boundary descriptions and maps for the 2016 Willow Creek CCN Amendments are attached as **Attachment 1** and incorporated herein for all purposes.

WHEREAS, on October 17 and 20, 2014, Harris County acquired title to the parcels of land described by metes and bounds in Attachment 2 (hereafter “Tract A”) and Attachment 3 (hereafter “Tract B”), said Tract A and Tract B both being located within the 2016 Willow Creek CCN Amendments.

WHEREAS, on April 11, 2017, Harris County Commissioners Court issued an order that Harris County was to petition the PUC for release of Tract A and Tract B from CCN Nos. 13203 and 21065 pursuant to Texas Water Code § 13.254 and 16 Tex. Admin. Code § 24.113.

WHEREAS, Harris County and Aqua Texas began discussions to address the release of Harris County’s property from the CCNs.

WHEREAS, to avoid the cost and uncertainties of litigation, Harris County and Aqua Texas have chosen to resolve their disputes as provided herein through agreed CCN transfers to the City of Tomball (“Tomball”) pursuant to Texas Water Code § 13.248 and 16 Tex. Admin.

Code § 24.117 instead of a release pursuant to Texas Water Code § 13.254 and 16 Tex. Admin. Code § 24.113.

Acknowledgements and Representations

1. The Parties acknowledge that they have read and understand the purpose and effect of this Agreement. The Parties further acknowledge that good and valuable consideration supports this Agreement, and that it shall not fail for want of consideration. Both Parties state that they have executed this Agreement of their own free will and accord, for the purposes and considerations set forth herein.
2. The Parties represent and warrant that they have the benefit of legal counsel of their own choosing in connection with the negotiation, preparation and execution of this Agreement.
3. The Parties represent and warrant that they have the full right and authority to execute this Agreement.
4. The Parties acknowledge that this Agreement represents a compromise document.

Agreement

5. Harris County currently owns Tract A and Tract B, two separate tracts of property within the 2016 Willow Creek CCN Amendments that Harris County desires be transferred to Tomball water CCN No. 13257 and sewer CCN No. 21103 by Aqua Texas pursuant to Texas Water Code § 13.248 and 16 Tex. Admin. Code § 24.117. Small and large scale vicinity maps showing the location of Tract A are attached as **Attachment 4**; Small and large scale vicinity maps showing the location of Tract B are attached as **Attachment 5**.
6. Aqua Texas agrees to the transfer of Tract A and Tract B from water CCN No. 13203 and sewer CCN No. 21065 to Tomball water CCN No. 13257 and sewer CCN No. 21103.
7. Aqua Texas further agrees to the transfer of any property that Harris County hereafter acquires in fee simple interest that is within the boundary of the 2016 Willow Creek CCN Amendments from water CCN No. 13203 and sewer CCN No. 21065 to Tomball water CCN No. 13257 and CCN No. 21103. The Parties acknowledge and agree that water CCN No. 13203 and sewer CCN No. 21065 encompass properties located throughout Harris County and beyond, and expressly acknowledge and agree that this release does not apply to all Harris County owned property, only to property included in the 2016 Willow Creek CCN Amendments.

8. Upon the filing of any application for the transfer of Harris County owned property within the boundary of the 2016 Willow Creek CCN Amendments from water CCN No. 13203 and sewer CCN No. 21065 to Tomball water CCN No. 13257 and sewer CCN No. 21103 pursuant Texas Water Code § 13.248 and 16 Tex. Admin. Code § 24.117, Aqua Texas, realizing that time is of the essence, agrees to not contest any such application and to do all things that are necessary and required for PUC to approve the service area designations agreed upon by Aqua Texas and Tomball and desired by Harris County, including reviewing and signing required documents and/or entering into an agreement for enforcement under Texas Water Code § 13.248 with another CCN holder, provided that the property to be transferred is located only within the 2016 Willow Creek CCN Amendments.

9. In settlement of any claims related to the transfer of any Harris County property within the boundary of the 2016 Willow Creek CCN Amendments from water CCN No. 13203 and sewer CCN No. 21065 to Tomball water CCN No. 13257 and sewer CCN No. 21103, specifically including out-of-pocket expenses incurred by Aqua Texas for the 2016 Willow Creek CCN Amendments, Harris County agrees to pay Aqua Texas \$262,644.47 within 45 days of the date that the PUC authorizes the transfer of Tract A and Tract B from water CCN No. 13203 and sewer CCN No. 21065 to Tomball water CCN No. 13257 and sewer CCN No. 21103. Aqua Texas represents that the \$262,644.47 are actual costs that have been incurred and paid for by Aqua Texas and has produced invoices and receipts evidencing such costs; and Harris County has agreed to accept such invoices and receipts as evidence of such cost.

10. Additionally, in order to facilitate the transfer of Harris County property within the boundary of the 2016 Willow Creek CCN Amendments from water CCN No. 13203 and sewer CCN No. 21065 to Tomball water CCN No. 13257 and sewer CCN No. 21103, Aqua Texas agrees to do any and all required filings with the PUC and Harris County agrees to pay Aqua Texas, within 60 days of invoicing, up to and including \$10,000 for any extra costs incurred by Aqua Texas to facilitate the transfer.

11. In the event that the above referenced transfer(s) fail for any reason, Aqua Texas agrees to the release of Tract A and Tract B and any other Harris County property within the boundary of the 2016 Willow Creek CCN Amendments from water CCN No. 13203 and sewer CCN No. 21065 pursuant to Texas Water Code § 13.254 and 16 Tex. Admin. Code § 24.113. In the event that Harris County files for a release of Harris County property under Texas Water Code § 13.254 and

16 Tex. Admin. Code § 24.113, Aqua Texas agrees to not contest any such applications and to do all things that are necessary and required for Harris County to obtain approval from the PUC for such release, including reviewing and signing required documents provided that the property to be released is located only within the 2016 Willow Creek CCN Amendments. In settlement of any claims related to the removal of any Harris County property within the boundary of the 2016 Willow Creek CCN Amendments from water CCN No. 13203 and sewer CCN No. 21065 under Texas Water Code § 13.254 and 16 Tex. Admin. Code § 24.113, Harris County agrees to pay Aqua Texas \$262,644.47 within 45 days of the date that the PUC authorizes the release of Tract A and Tract B from water CCN No. 13203 and sewer CCN No. 21065

Miscellaneous

12. This Agreement shall be effective upon the Execution Date.
13. This Agreement contains the entire understanding between the Parties regarding the transactions described herein and supersedes any prior understandings and agreements, whether written or oral, regarding the subject matter of this Agreement.
14. This Agreement may only be amended by written instrument signed and executed on behalf of Harris County and Aqua Texas.
15. This Agreement shall be binding upon and inure to the benefit of both Parties hereto and their affiliates, successors and assigns.
16. This Agreement may be executed in identical counterparts, each of which shall be deemed an original for all purposes. The Parties agree that a faxed copy of a signature page shall be treated as an original for all purposes.
17. The "Execution Date" of this Agreement shall be deemed to be the latter of the two dates the Agreement is signed.
18. In the event that any provision, clause, or part of this Agreement is held to be invalid, void, voidable, illegal and/or unenforceable by a court of law, any such ruling shall not affect the validity, enforceability and binding effect of the other provisions, clauses and portions of this Agreement. Any provision declared invalid, void, voidable, illegal and/or unenforceable shall be severable from the remainder of this Agreement.
19. Any lawsuit to enforce, interpret, or construe this Agreement or any term or provision contained herein shall be filed in the State District Court of Harris County, Texas.

20. In the event Aqua Texas fails to comply with Paragraphs 6-8 or 10-11, Harris County shall be entitled to specific performance of the contractual obligations set forth therein and all reasonable and necessary attorney fees and costs associated with its pursuit of that remedy. In the event Harris County fails to comply with Paragraph 9-10, Aqua Texas shall be entitled to specific performance of the contractual obligations set forth therein and all reasonable and necessary attorney fees and costs associated with its pursuit of that remedy.

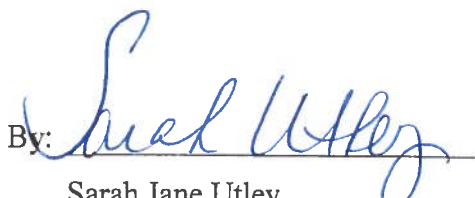
21. Aqua Texas and Harris County agree that this written Agreement involves contractual rights and obligations to be performed in Texas and falls within the scope of the Texas Uniform Declaratory Judgment Act, Tex. Civ. Prac. & Rem. Code Ann. § 37.001 *et seq.*

IN WITNESS WHEREOF, the Parties have executed this Agreement and each of the undersigned personally represent and warrant that they have the full right, power and authority to execute this Agreement on behalf of the respective parties. Harris County executes this Agreement by and through the County Judge acting pursuant to Order of the Commissioners Court of Harris County, Texas, so authorizing.

APPROVED AS TO FORM:

VINCE RYAN
County Attorney

HARRIS COUNTY

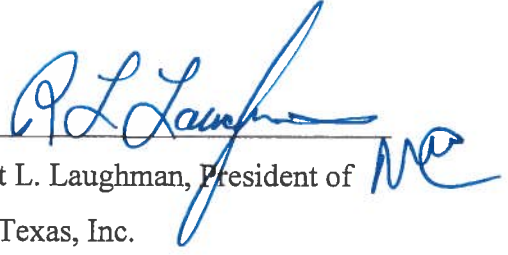
By: 
Sarah Jane Utley
Environmental Group

By: _____
Ed Emmett
County Judge

Date: Oct 31, 2017

Date: _____, 2017

AQUA TEXAS, INC.

By: 

Robert L. Laughman, President of
Aqua Texas, Inc.

Date: October 11, 2017

PUC REQUIRED CCN BOUNDARY DESCRIPTION

Aqua Texas, Inc. – Amendment to Water and Sewer Service Areas

CCN Nos. 13203 and 21065; PUC Docket No. 44534

Amending a Portion of Aqua Texas Inc. CCN Nos. 13203 and 21065 in Harris County

RECEIVED
11/01/2016 NOV -8 AM 10:46
RP-PUBLIC UTILITY COMMISSION
11/01/2016 FILING CLERK

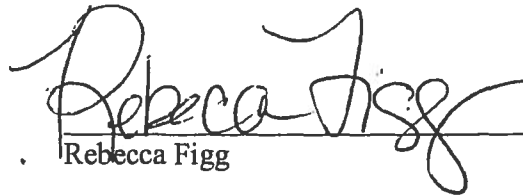
Pursuant to Texas Water Code § 13.257, Aqua Texas, Inc., holder of Certificate of Convenience and Necessity Nos. 13203 and 21065, hereby files this Boundary Description for the portion of its CCN area which was amended by the Commission in PUC Docket No. 44534. The area is located in Harris County, Texas.

In accordance with the aforementioned statute, Aqua Texas, Inc. affirmatively states that the amended portion of its service area in its aforementioned CCNs is as follows:

The area subject to this transaction is located approximately 1.5 miles southwest of downtown Tomball, Texas, and is generally bounded on the north by N. Humble Lake Road; on the east by St. Hwy. 249; on the south by Boudreaux Estates Drive; and on the west by Telge Road.

Aqua Texas' additional service area is depicted in the attached PUC certified map.

The Boundary Description is being filed on behalf of and at the request and instruction of Aqua Texas, Inc., based upon information and belief. Aqua Texas, Inc. specifically authorizes the filing of this Boundary Description to comply with Texas Water Code § 13.257 and its associated rules and regulations.


Rebecca Figg

1 on
1 cc SI

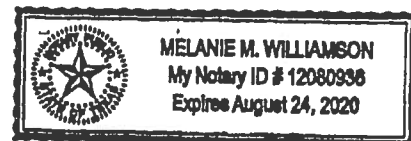
STATE OF TEXAS §
COUNTY OF TRAVIS §

Before me, the undersigned Notary Public, on this day personally appeared Rebecca Figg, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that she executed the same for the purposes therein described.

Given under my hand and seal of this office on this day, 10-26-2016.


Notary Public, in and for the State of Texas

After recording, please return to:
Terrill & Waldrop
810 West 10th Street
Austin, Texas 78701

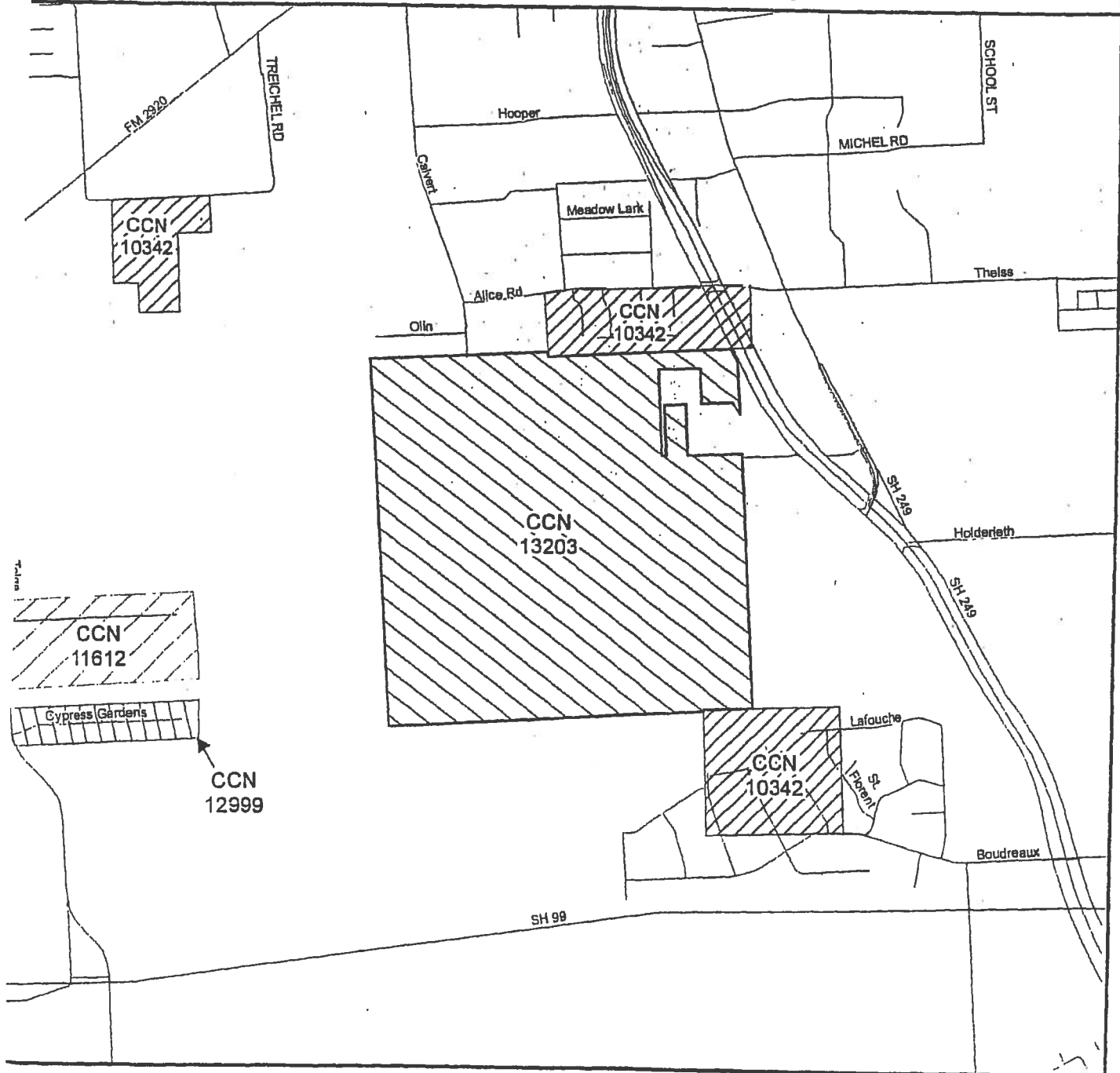


44

Don McDivia
 FE: 10-25-2016

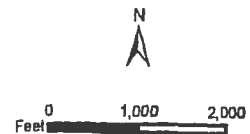


Aqua Texas, Inc.
 Portion of Water Service Area
 CCN No. 13203
 PUC Docket No. 44534
 Amended CCN No. 13203 in Harris County



Water CCN Service Areas

-  13203 - Aqua Texas Inc
-  10342 - HMW SUD
-  12999 - Cypress Garden Mobile Home Sub
-  11612 - Quadvest LP



Public Utility Commission of Texas
 701 N. Congress Ave
 Austin, TX 78701

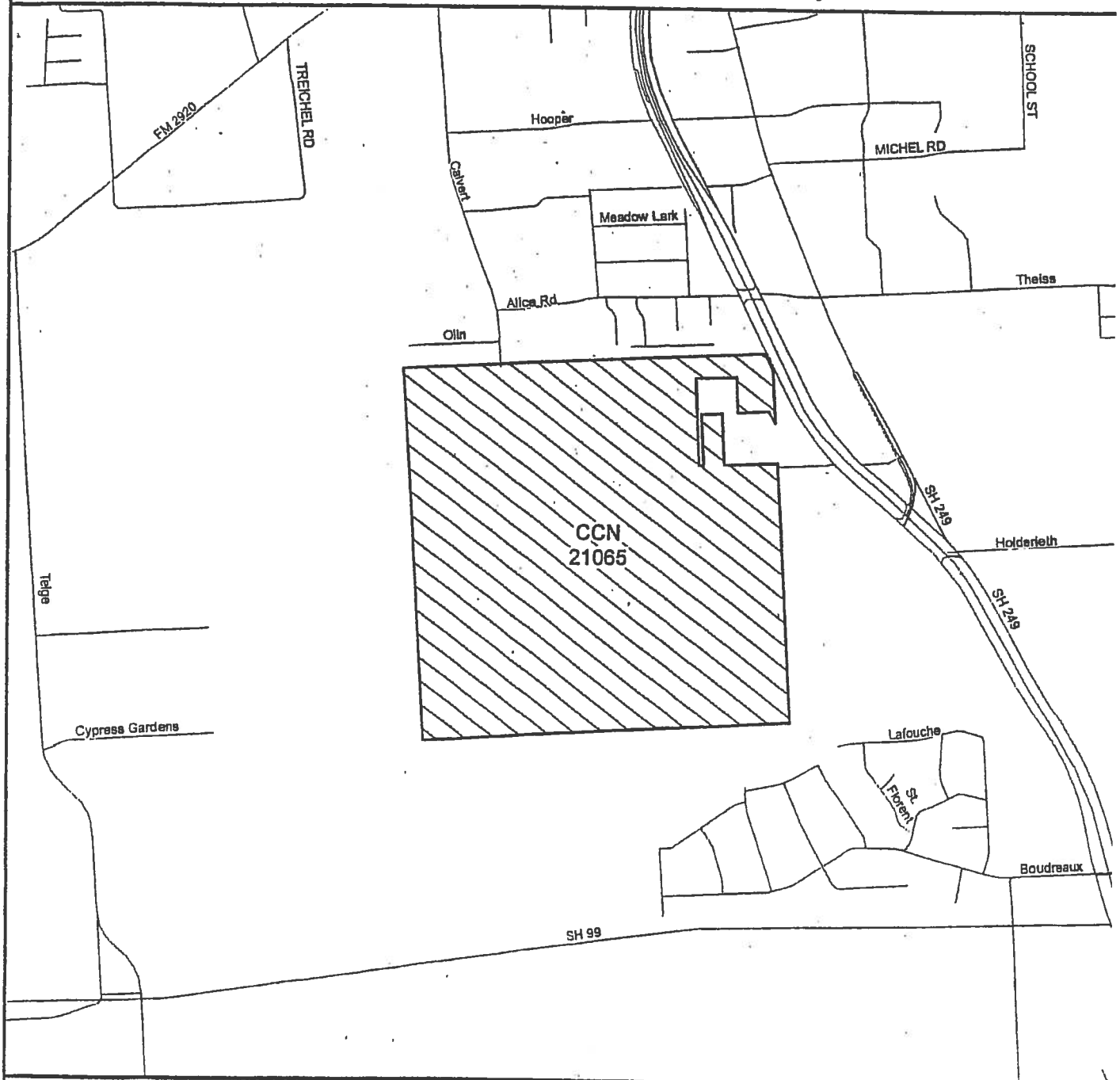
Attachment 1

Map by: Kristy Nguyen
 Date created: July 18, 2018
 Project Path: n:\Final Maps\44534AquaTexasCCNAmend.mxd

BY: *Chris Medina*
DATE: *10-25-2016*



Aqua Texas, Inc.
Portion of Sewer Service Area
CCN No. 21065
PUC Docket No. 44534
Amended CCN No. 21065 in Harris County.



Public Utility Commission of Texas
1701 N. Congress Ave
Austin, TX 78701

Sewer CCN Service Area

 21065 - Aqua Texas Inc



FILED FOR RECORD

8:00:00 AM

Tuesday, November 01, 2016

Stan Stenert

COUNTY CLERK, HARRIS COUNTY, TEXAS

ANY PROVISION HEREIN WHICH RESTRICTS THE SALE RENTAL, OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

THE STATE OF TEXAS
COUNTY OF HARRIS

I hereby certify that this instrument was FILED in File Number Sequence on the date and at the time stamped hereon by me, and was duly RECORDED, in the Official Public Records of Real Property of Harris County Texas

Tuesday, November 01, 2016



Stan Stenert

COUNTY CLERK
HARRIS COUNTY, TEXAS

Metes and Bounds Description

Being a 75.1111 acre (3,271,841 square feet) tract of land located in the Chauncy Goodrich Survey, Abstract 305, Harris County, Texas, being a portion of a called 606.1394 acre tract of land conveyed to Merenco Realty, Inc. as recorded under the Harris County Clerk's File (H.C.C.F.) No.T693301 of the Official Public Records of Real Property of Harris County (O.P.R.R.P.H.C.) and a portion of a called 28.68 acre tract of land conveyed to Merenco Realty, Inc. as recorded under H.C.C.F. No. 20130384778 O.P.R.R.P.H.C.; said 75.1111 acre tract of land being more particularly described by metes and bounds as follows, with the bearings being based on the Texas Coordinate System, South Central Zone 4204, NAD83, derived from GPS observations:

BEGINNING at a 2-inch iron pipe found for the southeast corner of a called 2 acre tract of land conveyed to Ben Everett and wife, Janell M. Otto as recorded under H.C.C.F. No.S282725 O.P.R.R.P.H.C., for the southwest corner of a called 1.0241 acre tract of land conveyed to Jehu Estrada and Yadira Estrada as recorded under H.C.C.F. No.20130211695 O.P.R.R.P.H.C., in the north line of the said 606.1394 acre tract of land, for the southeast corner of the Calvert Subdivision (unrecorded), and for a northwest corner of the herein described tract, from which an 18-inch fence post found for the northwest corner of the said 606.1394 acre tract of land bears South 87°38'17" West, 2,644.11 feet;

THENCE North 87°38'17" East (called South 89°52'17" East), coincident with the north line of the said 606.1394 acre tract of land, 2,516.40 feet to a 5/8-inch iron rod with cap stamped "Harris County" set in the west right-of-way line of State Highway No. 249 (350-foot width H.C.C.F. Nos.X285321, Y393097, & 20130384778 O.P.R.R.P.H.C.), in the north line of the said 606.1394 acre tract of land, for a southeast corner of a called 40.1148 acre tract conveyed to A.B.H. Enterprises, Inc. as recorded under H.C.C.F. No. F417072 O.P.R.R.P.H.C., and for the northeast corner of the herein described tract, from which a found 5/8-inch iron rod bears North 20°59'34" West, 1.25 feet;

THENCE South 26°16'12" East (called South 26°13'13" East), coincident with the west right-of-way line of said State Highway No. 249, 65.63 feet to a 5/8-inch iron rod with cap stamped "Harris County" set in the west right-of-way line of said State Highway No. 249, in the east line of the said 606.1394 acre tract of land, and for a northeast corner of the herein described tract;

THENCE South 87°38'17" West, leaving the said west right-of-way line of the said State Highway No. 249, 449.75 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an interior corner of the herein described tract;

THENCE South 02°12 '39" East, coincident with an east line of the herein described tract, 265.61 feet to a found chain-link fence corner for the northeast corner of a called 7.7884 acre tract of land conveyed to Urettek USA, Inc. as recorded in H.C.C.F. No. U519393 O.P.R.R.P.H.C., for an exterior corner of the herein described tract;

THENCE South 88°53'08" West (called South 89°51'39" West), coincident with the north line of the said 7.7884 acre tract, 574.57 feet (called 574.77 feet) to a found chain-link fence corner for the northwest corner of the said 7.7884 acre tract of land, for an interior corner of the herein described tract;

THENCE South 01°54'18" East (called South 00°54'00" East), coincident with the west line of the said 7.7884 acre tract, 363.97 feet to a found P-K nail for the northeast corner of a called 18.9062 acre tract of land conveyed to Lone Star College System as recorded under H.C.C.F No. 20140138412 O.P.R.R.P.H.C., in the west line of the said 7.7884 acre tract of land, for an exterior corner of the herein described tract;

THENCE South 87°34'22" West (called South 87°34'16" West), coincident with a north line of the said 18.9062 acre tract, 439.20 feet to a found 5/8-inch iron rod with cap stamped "Hovis" for an interior corner of the said 18.9062 acre tract of land, and for an exterior corner of the herein described tract;

THENCE North 05°03'04" West (called North 05°02'46" West), coincident with an east line of the said 18.9062 acre tract, 213.07 feet (called 213.03 feet) to a found 5/8-inch iron rod with cap stamped "Hovis" for an exterior corner of the said 18.9062 acre tract of land, and for an interior corner of the herein described tract;

THENCE South 85°17'49" West (called South 85°18'04" West), coincident with a north line of the said 18.9062 acre tract, 417.30 feet (called 417.36 feet) to a found 5/8-inch iron rod with cap stamped "Hovis" for an exterior corner of the said 18.9062 acre tract of land, and for an interior corner of the herein described tract;

THENCE South 02°21'53" East (called South 02°20'38" East), coincident with a west line of the said 18.9062 acre tract, 487.82 feet (called 487.83 feet) to a found 5/8-inch iron rod with cap stamped "Hovis" for an exterior corner of the said 18.9062 acre tract of land, and for an interior corner of the herein described tract;

THENCE North 89°45'21" East (called North 89°50'02" East), coincident with a north line of the said 18.9062 acre tract, 54.69 feet (called 54.78 feet) to a found 5/8-inch iron rod with cap stamped "Hovis" for an interior corner of the said 18.9062 acre tract of land, and for an exterior corner of the herein described tract;

THENCE South 02°20'27" East (called South 02°20'38" East), coincident with a west line of the said 18.9062 acre tract, 595.97 feet (called 595.94 feet) to a found 5/8-inch iron rod with cap stamped "Hovis" for the southwest corner of the said 18.9062 acre tract of land, and for an interior corner of the herein described tract;

THENCE South 30°22'08" East, coincident with an east line of the herein described tract, 47.92 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract, located in a curve to the left having a radius of 350.00 feet;

THENCE Southwesterly, coincident with an east line of the herein described tract, with said curve to the left having an internal angle of $07^{\circ}32'30''$, an arc length of 46.07 feet, a long chord of South $55^{\circ}51'37''$ West, 46.04 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE South $52^{\circ}05'22''$ West, coincident with a southeast line of the herein described tract, 201.50 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for the beginning of a curve to the right having a radius of 25.00 feet, and for an exterior corner of the herein described tract;

THENCE Northwesterly, coincident with a south line of the herein described tract, with said curve to the right having an internal angle of $90^{\circ}00'00''$, an arc length of 39.27 feet, a long chord of North $82^{\circ}54'38''$ West, 35.36 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE North $37^{\circ}53'55''$ West, coincident with a south line of the herein described tract, 177.53 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for the beginning of a curve to the left having a radius of 1,050.00 feet, and for an interior corner of the herein described tract;

THENCE Northwesterly, coincident with a south line of the herein described tract, with said curve to the left having an internal angle of $63^{\circ}25'51''$, an arc length of 1,162.43 feet, a long chord of North $69^{\circ}37'35''$ West, 1,103.97 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE South $78^{\circ}39'27''$ West, coincident with a south line of the herein described tract, 733.19 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for the beginning of a curve to the right having a radius of 35.00 feet, and for an exterior corner of the herein described tract;

THENCE Northwesterly, coincident with a west line of the herein described tract, with said curve to the right having an internal angle of $90^{\circ}00'00''$, an arc length of 54.98 feet, a long chord of North $56^{\circ}20'33''$ West, 49.50 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE North $11^{\circ}20'33''$ West, coincident with a west line of the herein described tract, 15.00 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for the beginning of a curve to the right having a radius of 1,175.00 feet, and for an exterior corner of the herein described tract;

THENCE Northeasterly, coincident with a west line of the herein described tract, with said curve to the right having an internal angle of $27^{\circ}57'52''$, an arc length of 573.48 feet, a long chord of North $02^{\circ}38'23''$ East, 567.81 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE North 16°37'19" East, coincident with a west line of the herein described tract, 175.45 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for the beginning of a curve to the left having a radius of 1,275.00 feet, and for an exterior corner of the herein described tract;

THENCE Northeasterly, coincident with a west line of the herein described tract, with said curve to the left having an internal angle of 18°59'31", an arc length of 422.63 feet, a long chord of North 07°07'34" East, 420.69 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE North 02°22'12" West, coincident with a west line of the herein described tract, 38.38 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for a northwest corner of the herein described tract;

THENCE North 87°38'17" East, coincident with a north line of the herein described tract, parallel and 60-foot south of the north line of the said 606.1394 acre tract, 1,223.96 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an interior corner of the herein described tract;

THENCE North 02°21'43" West, coincident with a west line of the herein described tract, 60.00 feet to the **POINT OF BEGINNING** of the herein described tract containing 75.1111 acres (3,271,841 square feet) of land.

 9/22/14

Darryl M. Beard
Registered Professional Land Surveyor
Texas Registration No. 6438

A plat of even date was prepared in conjunction with this description.



Metes and Bounds Description

Being a 45.288 acre tract of land located in the Chauncey Goodrich Survey, Abstract 305, Harris County, Texas, being all of a called 20.00 acre tract of land conveyed from Jimmy C. Shaw and wife, Annegret Shaw to the County of Harris dated October 17, 201 and recorded under the Harris County Clerk's File (H.C.C.F.) No. 20140468595 of the Official Public Records of Real Property of Harris County (O.P.R.R.P.H.C.) together with a portion of a called 117.9465 acre tract of land conveyed from Merenco Realty, Inc., to the County of Harris dated October 20, 2014 and recorded under the H.C.C.F. No. 20140471160 of O.P.R.R.P.H.C.; said 45.288 acre tract of land being more particularly described by metes and bounds as follows, with the bearings being based on the Texas Coordinate System, South Central Zone 4204, NAD83, derived from GPS observations:

COMMENCING at a 5/8-inch iron rod with aluminum cap stamped "PACE" found at the southeast corner of a called 4.969 acre tract of land (Tract 5) conveyed to 615 Willow Creek Development, LTD, recorded under the H.C.C.F. No. 20140577526 O.P.R.R.P.H.C, and being the southwest corner of Nabors Parkway 100' Wide R.O.W. Dedication, recorded by plat under Film Code No. 676075 of the Harris County Map Records at the northeast corner of a called 22.145 acre tract of land conveyed to Nabors Property Holdings II LLC., recorded under the H.C.C.F. No. RP-2016-86222 O.P.R.R.P.H.C., and for the northwest corner of a called 3.2526 conveyed to Merenco Realty Inc., recorded under the H.C.C.F. No. 20130637629 O.P.R.R.P.H.C.;

THENCE South 87°59'56" West, coincident with the north line of the said 22.145 acre tract of land and the south line of said Tract 5, 704.56 feet to the northwest corner of the said 22.145 acre tract of land at the northeast corner of said 20.00 acre (Shaw) tract and **POINT OF BEGINNING** of the herein described tract, from which a found 5/8-inch iron rod with cap stamped "Hovis" bears North 01°58'40" West, 0.12 feet;

THENCE South 01°58'40" East, coincident with the west line of the said 22.145 acre tract and the east line said 20.00 acre (Shaw) tract, 194.55 feet to a 5/8-inch iron rod with cap stamped "Hovis" found for an interior corner of the said 22.145 acre tract, and for an east corner of the herein described tract;

THENCE South 34°15'17" West, coincident with a west line of the said 22.145 acre tract of land and the east line said 20.00 acre (Shaw) tract, at 821.99 feet to a 5/8-inch iron rod with cap stamped "Hovis" found for the southwest corner of the said 22.145 acre tract, and an interior corner of the herein described tract;

THENCE South 55°43'33" East, coincident with the east line of the herein described tract and the west line of the said 22.145 acre tract, 333.04 feet to a 5/8-inch iron rod with cap stamped "Hovis" found for the southwest corner the said 22.145 acre tract, and for an interior corner of the herein described tract;

THENCE North 87°09'56" East, coincident with a north line of the herein described tract and the south line of the said 22.145 acre tract, 847.20 feet to a point located in a curve to the left having a radius of 1,275.00 feet, also being in the northwest line of a called 6.126 acre easement conveyed to Harris County Flood Control District as recorded under H.C.C.F. R649324 O.P.R.R.P.H.C., and for the northeast corner of the herein described tract, from which a found 5/8-inch iron rod with cap stamped "Hovis" bears South 87°09'56" West, 0.11 feet;

THENCE Southwesterly, coincident with an east line of the herein described tract and the west line of the said 6.126 acre tract, with said curve to the left having an internal angle of 17°36'39", an arc length of 391.89 feet, a long chord of South 05°58'33" West, 390.35 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

HENCE South 02°49'46" East, coincident with the east line of the herein described tract and the west line the said 6.126 acre tract, 199.83 feet to a 5/8-inch iron rod with cap stamped "Harris County" set in north line of a called 3.709 acre tract of land (Tract 3) conveyed to 615 Willow Creek Development, LTD, recorded under the H.C.C.F. No. 20140577526 O.P.R.R.P.H.C, at the most easterly corner of the herein described tract;

THENCE South 87°59'57" West, coincident with the south line of the herein described tract and the north line of said Tract 3, 410.01 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for the beginning of a curve to the right having a radius of 950.00 feet, and for an exterior corner of the herein described tract;

THENCE Northwesterly, coincident with the south line of the herein described tract and the north line of said Tract 3, with said curve to the right having an internal angle of 37°27'44", an arc length of 621.15 feet, a long chord of North 73°16'11" West, 610.14 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE North 54°32'19" West, coincident with the north line of said Tract 3 and the southwest line of the herein described tract, 401.92 feet to a 5/8-inch iron rod with cap stamped "Harris County" set in the southeast line of 20.00 acre (Shaw) tract and an interior corner of the herein described tract;

THENCE South 34°15'17" West, coincident with the southeast line of 20.00 acre (Shaw) tract and the northwest line of said Tract 3, 91.01 feet to a 5/8-inch iron rod with cap stamped "Hovis" found for the southeast corner of 20.00 acre (Shaw) tract an exterior corner of the herein described tract;

THENCE South 88°00'40" West , coincident with southeast line of 20.00 acre (Shaw) tract and the south line of said Tract 3, 14.82 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an interior corner of the herein described tract;

THENCE South 54°32'19" East, coincident with a north line of the herein described tract and a south line of said Tract 3, 82.68 feet to a 5/8-inch iron rod with cap stamped "Harris County" set at a north interior corner of a called 148.751 acre tract of land (Tract 4) conveyed to 615 Willow Creek Development, LTD, recorded under the H.C.C.F. No. 20140577526 O.P.R.R.P.H.C and for a southeast corner of the herein described tract;

THENCE South 35°27'41" West, coincident with a southeast line of the herein described tract and said Tract 4, 183.00 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE North 64°47'39" West, coincident with a south line of the herein described tract and said Tract 4, 249.95 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE North 54°24'03" West, coincident with a south line of the herein described tract and said Tract 4, 94.89 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE North 41°34'59" West, coincident with a south line of the herein described tract and said Tract 4, 75.56 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE North 32°59'08" West, coincident with a south line of the herein described tract and said Tract 4, 118.86 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE North 18°17'27" West, coincident with a south line of the herein described tract and said Tract 4, 143.41 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE North 31°31'52" West, coincident with a south line of the herein described tract and said Tract 4, 46.72 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE North 40°31'58" West, coincident with a south line of the herein described tract and said Tract 4, 81.13 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE North 46°46'14" West, coincident with a south line of the herein described tract and said Tract 4, 30.01 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE North 53°09'03" West, coincident with a south line of the herein described tract and said Tract 4, 19.28 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE North 59°33'40" West, coincident with a south line of the herein described tract and said Tract 4, 76.07 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE North 68°44'03" West, coincident with a south line of the herein described tract and said Tract 4, 106.25 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE North 02°16'23" West, coincident with a west line of the herein described tract and said Tract 4, 460.92 feet to a 5/8-inch iron rod with cap stamped "Harris County" set in a curve to the right having a radius of 1,960.00 feet, at an interior corner of and said Tract 4 in the southeast line of a called 2.518 acre tract of land (Tract 6) conveyed to 615 Willow Creek Development, LTD, recorded under the H.C.C.F. No. 20140577526 O.P.R.R.P.H.C for a northwest corner of the herein described tract;

THENCE Northeasterly, coincident with the north line of the herein described tract and said Tract 6, with said curve to the right having an internal angle of 00°32'17", an arc length of 18.41 feet, a long chord of North 51°49'14" East, 18.41 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE North 52°05'22" East, coincident with a west line of the herein described tract and said Tract 6, 84.28 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for the beginning of a curve to the right having a radius of 25.00 feet, in the south line of a called 10.313 acre tract of land (Tract 10) conveyed to 615 Willow Creek Development, LTD, recorded under the H.C.C.F. No. 20140577526 O.P.R.R.P.H.C and for an exterior corner of the herein described tract;

THENCE Southeasterly, coincident with the north line of the herein described tract and said Tract 10, with said curve to the right having an internal angle of 90°00'00", an arc length of 39.27 feet, a long chord of South 82°54'38" East, 35.36 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE South 37°54'38" East, coincident with the north line of the herein described tract and said tract 10, 35.00 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for the beginning of a curve to the right having a radius of 950.00 feet, and for an exterior corner of the herein described tract;

THENCE Southeasterly, coincident with the north line of the herein described tract and said Tract 10, with said curve to the right having an internal angle of $18^{\circ}37'44''$, an arc length of 308.88 feet, a long chord of South $28^{\circ}35'46''$ East, 307.52 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE South $19^{\circ}16'54''$ East, coincident with the north line of the herein described tract and said Tract 10, 121.99 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for the beginning of a curve to the left having a radius of 1,050.00 feet, and for an exterior corner of the herein described tract;

THENCE Southeasterly, coincident with the north line of the herein described tract and said Tract 10, with said curve to the left having an internal angle of $25^{\circ}18'51''$, an arc length of 463.91 feet, a long chord of South $31^{\circ}56'19''$ East, 460.14 feet to a 5/8-inch iron rod with cap stamped "Harris County" set in the west line of the said 20.000 acre (Shaw) tract and for an exterior corner of the herein described tract;

THENCE North $01^{\circ}59'22''$ West, coincident with the west line of the herein described tract and said Tract 10, 158.32 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for the beginning of a curve to the right having a radius of 950.00 feet in the west line of the said 20.000 acre (Shaw) tract, at an interior corner of the herein described tract;

THENCE Northwesterly, coincident with the south line of the herein described tract and said Tract 10, with said curve to the right having an internal angle of $18^{\circ}16'08''$, an arc length of 302.91 feet, a long chord of North $28^{\circ}24'58''$ West, 301.63 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE North $19^{\circ}16'54''$ West, coincident with the south line of the herein described tract and said Tract 10, 121.99 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for the beginning of a curve to the left having a radius of 1,050.00 feet, and for an exterior corner of the herein described tract;

THENCE Northwesterly, coincident with the south line of the herein described tract and said Tract 10, with said curve to the left having an internal angle of $18^{\circ}37'44''$, an arc length of 341.39 feet, a long chord of North $28^{\circ}35'46''$ West, 339.89 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

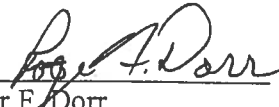
THENCE North $37^{\circ}54'38''$ West, coincident with the south line of the herein described tract and said Tract 10, 25.00 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for the beginning of a curve to the right having a radius of 25.00 feet, located at the southwest corner of said Tract 5 and being an exterior corner of the herein described tract;

THENCE Northeasterly, coincident with the west line of the herein described tract, with said curve to the right having an internal angle of $90^{\circ}00'00''$, an arc length of 39.27 feet, a long chord of North $07^{\circ}05'22''$ East, 35.36 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE North $52^{\circ}05'22''$ East, coincident with the north line of the herein described tract and said Tract 5, 201.50 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for the beginning of a curve to the right having a radius of 250.00 feet, and for an exterior corner of the herein described tract;

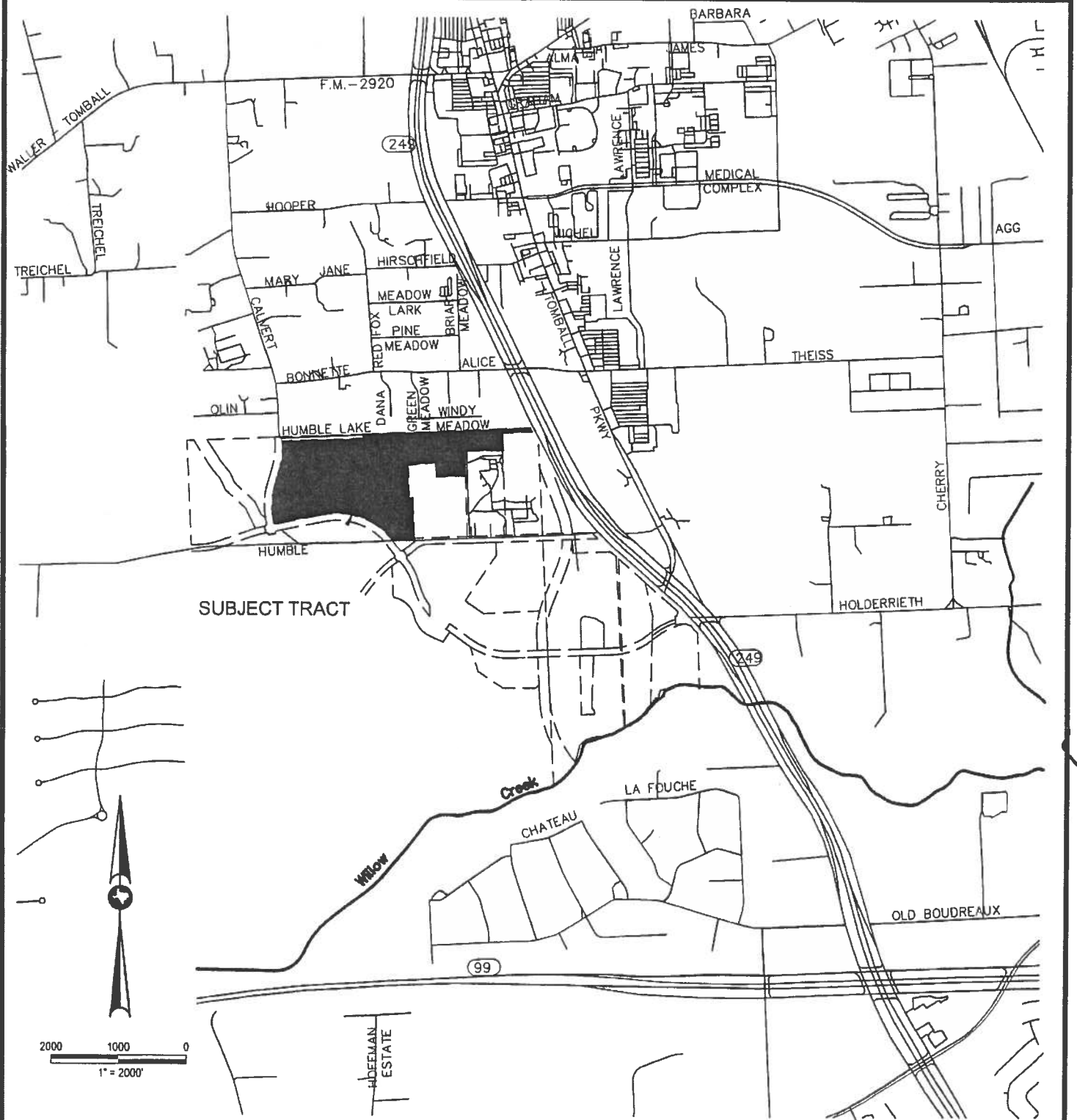
THENCE Northeasterly, coincident with the north line of the herein described tract and said Tract 5, with said curve to the right having an internal angle of $35^{\circ}54'34''$, an arc length of 156.68 feet, a long chord of North $70^{\circ}02'39''$ East, 154.13 feet to a 5/8-inch iron rod with cap stamped "Harris County" set for an exterior corner of the herein described tract;

THENCE North $87^{\circ}59'56''$ East, coincident with the north line of the herein described tract and said Tract 5, 1,043.49 feet to the **POINT OF BEGINNING** of the herein described tract containing 45.288 acres of land.


Roger F. Dorr
Registered Professional Land Surveyor
Texas Registration No. 5228



A plat of even date was prepared in conjunction with this description.



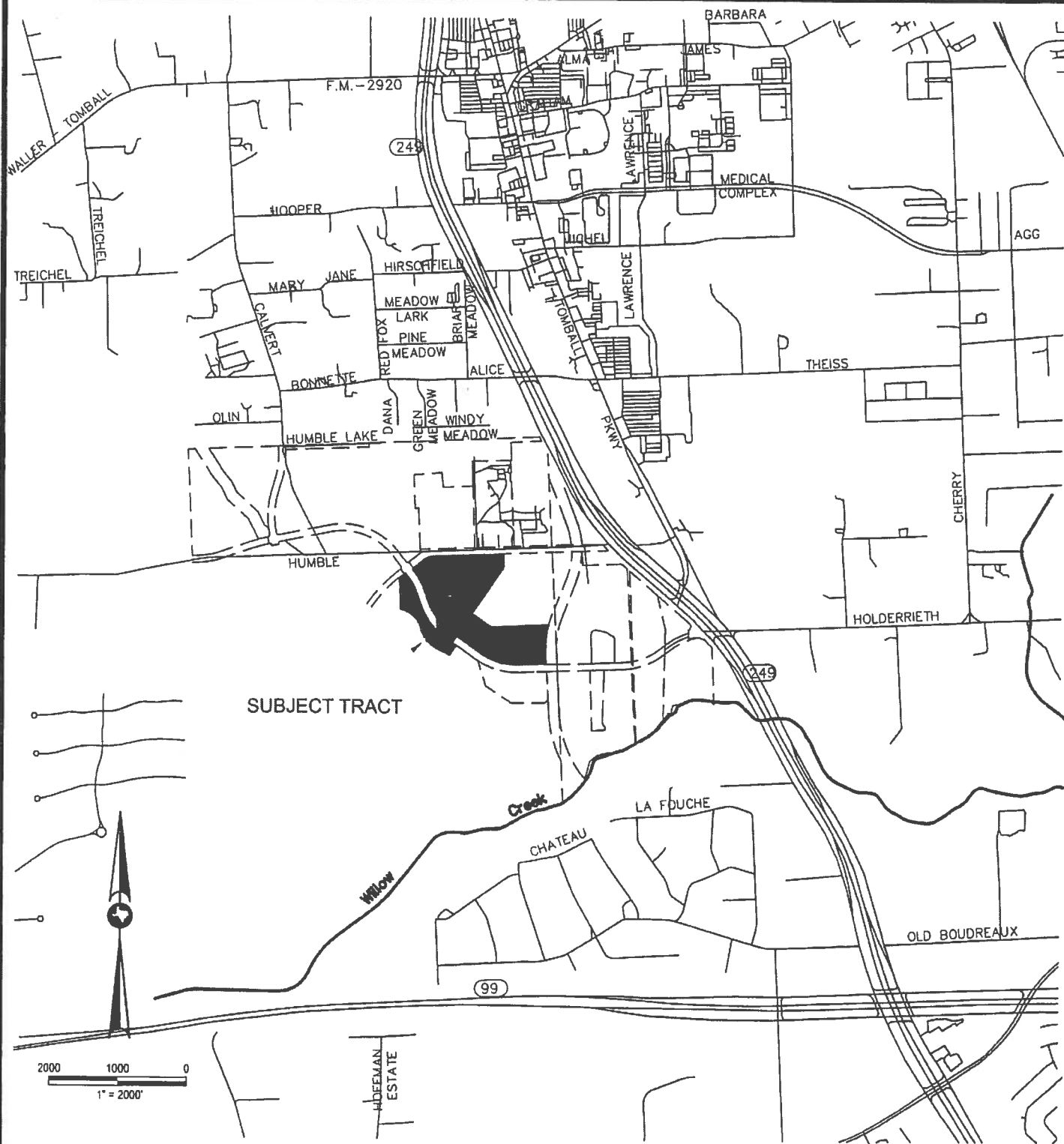
GENERAL NOTES:

1. THIS SURVEY IS ON THE TEXAS COORDINATE SYSTEM, SOUTH CENTRAL ZONE NO.4204, (NAD83).
2. THIS SURVEY IS PREPARED AS AN EXHIBIT AND IS NOT FOR LEGAL TRANSACTION.

HARRIS COUNTY SURVEYING DEPARTMENT
10555 NW FREEWAY HOUSTON, TX 77092
PH: 713-274-3937



PROJECT TITLE: 75.11 ACRES OUT OF HARRIS COUNTY - ANNEX 17 EXHIBIT		
DRAWN BY: JWM	SHEET DESCRIPTION: VICINITY EXHIBIT OF COUNTY OF HARRIS, ANNEX 17, TRACT 1, AS RECORDED IN CF 20140471160 O.P.R.R.P.H.C.	JOB NO: 102-174
CKD BY: R. DORR		FILE NAME: 102-174 VICINITY75
SCALE: 1" = 2000'		FILE NO.: 102-174
DATE: 05/25/2017	APPROVED BY: R. DORR	SHT NO: 1 of 1



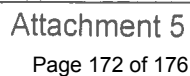
GENERAL NOTES:

1. THIS SURVEY IS ON THE TEXAS COORDINATE SYSTEM, SOUTH CENTRAL ZONE NO.4204, (NAD83).
2. THIS SURVEY IS PREPARED AS AN EXHIBIT AND IS NOT FOR LEGAL TRANSACTION.

HARRIS COUNTY SURVEYING DEPARTMENT
10555 NW FREEWAY HOUSTON, TX 77092
PH: 713-274-3937



PROJECT TITLE: 45.288 ACRES OUT OF HARRIS COUNTY - ANNEX 17 EXHIBIT		
DRAWN BY: JWM	SHEET DESCRIPTION: VICINITY EXHIBIT OF 45.288 ACRES OF HARRIS COUNTY ANNEX 17 IN HARRIS COUNTY, TEXAS.	JOB NO: 102-174
CKD BY: R. DORR		FILE NAME: 102-174 VICINITY
SCALE: 1" = 2000'		FILE NO.: 102-174
DATE: 05/23/2017	APPROVED BY: R. DORR	SHT NO: 1 of 1



Regular City Council

Agenda Item

Data Sheet

Meeting Date: November 20, 2017

Topic:

Award the Purchase of Three (3) Police Interceptors, from Caldwell Country, through the State Buyboard Cooperative Purchasing Contract, in the Amount of \$85,750, and the Related Upfitting by Cap Fleet Upfitters, in the Amount of \$55,918

Background:

This purchase is being made through the State Buyboard Cooperative Purchasing Contract and will be funded through the City's Vehicle Replacement Fund

In addition to the purchase of the vehicles, the Police Department would like to use CAP Fleet Upfitters to upfit all three Ford Interceptors. The total Cost to upfit the three vehicles is \$55,918.90.

A summary of the two best quotes, CAP Fleet Upfitters and Fleet Safety Equipment is attached. Also, a listing of the Technology items needed for two of the units is attached.

This purchase was approved as part of the adopted FY 2018 budget. The new vehicles will replace three interceptors that have been evaluated by the Police Department and the Fleet Management Department and the need for replacement has been confirmed based upon actual mileage and condition.

Origination:

Finance

Recommendation:

Approval of the Purchase of the Three Ford Interceptors and the related Upfitting by Cap Fleet Upfitters.

Funding:

Yes

Account Number:650-651-6405

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

Glenn Windsor, CPA Finance Director

ACTION TAKEN

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

Upfit and Technology

Vehicle Upfit Cost Comparison

CAP Fleet Upfitters

Shop 18-100-PD Replacing Shop 23			
Caldwell Country		\$	28,190.00
Cap Fleet	\$	12,181.06	
Stalker Radar	\$	3,267.50	
L3	\$	4,856.50	
Onsite Decals	\$	98.00	
Computer Equip	\$	7,000.00	
Total Upfit	\$	27,403.06	
Vehicle Cost		\$	28,190.00
Shop Total	\$	55,593.06	
Shop 18-101-PD Replacing Shop 52			
Caldwell Country		\$	28,970.00
Cap Fleet	\$	8,837.34	
L3	\$	4,856.50	
Onsite Decals	\$	565.00	
Computer Equip	\$	7,000.00	
Total Upfit	\$	21,258.84	
Vehicle Cost		\$	28,970.00
Shop Total	\$	50,228.84	
Shop 18-102-PD Replacing Shop 53			
Caldwell Country		\$	28,190.00
Onsite Decals	\$	98.00	
Cap Fleet	\$	7,159.00	
Total Upfit	\$	7,257.00	
Vehicle Cost		\$	28,190.00
Shop Total	\$	35,447.00	
BuyBoard Fee		\$	400.00
Vehicles Only		\$	85,350.00
Upfit Total	\$	55,918.90	
	\$	55,918.90	\$ 85,750.00
Overall Total	\$	141,668.90	
Budgeted Amount	\$	139,500.00	
Overage	\$	2,168.90	

Fleet Safety Equipment

Shop 18-100-PD			
Caldwell Country		\$	28,190.00
Fleet Safety Equip	\$	12,217.37	
Stalker Radar	\$	3,267.50	
L3	\$	4,856.50	
Onsite Decals	\$	98.00	
Computer Equip	\$	7,000.00	
Total Upfit	\$	27,439.37	
Vehicle Cost		\$	28,190.00
Shop Total	\$	55,629.37	
Shop 18-101-PD			
Caldwell Country		\$	28,970.00
Fleet Safety Equip	\$	9,974.17	
L3	\$	4,856.50	
Onsite Decals	\$	565.00	
Computer Equip	\$	7,000.00	
Total Upfit	\$	22,395.67	
Vehicle Cost		\$	28,970.00
Shop Total	\$	51,365.67	
Shop 18-102-PD			
Caldwell Country		\$	28,190.00
Onsite Decals	\$	98.00	
Fleet Safety Equip	\$	8,466.83	
Total Upfit	\$	8,564.83	
Vehicle Cost		\$	28,190.00
Shop Total	\$	36,754.83	
BuyBoard Fee		\$	400.00
Vehicles Only		\$	85,350.00
Upfit Total	\$	58,399.87	
	\$	58,399.87	\$ 85,750.00
Overall Total	\$	144,149.87	
Budgeted Amount	\$	139,500.00	
Overage	\$	4,649.87	

The Police Department would like to use CAP Fleet for the upfit of all three vehicles. They have always done quality work and also have the best price. There is a difference of **\$2,480.97** between CAP Fleet and Fleet Safety Equipment.

PD SHOP PC EQUIPT 2

MDT XSlate R12	3255	
MDT Dock	520	
MDT Power Block	189	
KB 8.5" Pole	140	
Comb Tablet/KB Mount	450	
		4554
Keyboard	400	
KB Quick Rel Mount	60	
		460
Printer ZQ-520 s/batt	760	
PTR Dock	110	
Ptr Power Brick	40	
PTR Cables	22	
Ptr mount	75	
		1007
	6021	6021

Regular City Council
Agenda Item
Data Sheet

Meeting Date: November 20, 2017

Topic:

Executive Session: The City Council will meet in Executive Session as Authorized by Title 5, Chapter 551, Government Code, the Texas Open Meetings Act, for the Following Purpose(s):

- Sec. 551.074 - Personnel Matters: Deliberation of the Appointment, Employment, and Duties of a Public Officer or Employee – City Manager

Background:

Origination:

Annual

Recommendation:

N/A

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

City Secretary

ACTION TAKEN

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