

Business Items

**AGENDA MEMO
BUSINESS OF THE CITY COUNCIL
CITY OF FULSHEAR, TEXAS**

AGENDA OF:	June 21, 2016	AGENDA ITEM:	
DATE SUBMITTED:	June 15, 2016	DEPARTMENT:	Administration
PREPARED BY:	Michael Ross Asst. City Manager	PRESENTER:	Michael Ross, Assistant City Manager
SUBJECT:	Information Technology (IT) Contractual Services		
ATTACHMENTS:	CapFive Technologies Services Proposal Proposal Brief		
EXPENDITURE REQUIRED:			\$0
AMOUNT BUDGETED:			\$30,000 for remaining fiscal budget year
ACCOUNT NO:			
ADDITIONAL APPROPRIATION REQUIRED:			\$0
ACCOUNT NO:			

EXECUTIVE SUMMARY

City staff has been experiencing significant down time and lost data due to computer network and IT support service issues lately. It has become apparent that the current IT service provider can no longer accommodate the needs of the Fulshear staff and it is time for a change. The city has effectively outgrown the current provider.

Staff solicited proposals from and met with two other respected IT companies that provide these services to organizations of our type and size. After careful consideration CapFive Technology Services rose to the top based on their pricing scheme, background and referrals from other cities. The new provider is more costly but the quality and reliability of their services is what is needed. Funding should be adequate in this year's remaining budget for this provider and staff will plan to revise the budget for next fiscal year.

RECOMMENDATION

Staff recommends that City Council authorize the City Manager to terminate the contract with the current provider and enter into a contract with CapFive Technology Services as the City's new IT services provider.

This Master Terms and Conditions ("Agreement") between **CAP5 Technology Solutions LLC** ("CAPFIVE") and Customer establishes the terms and conditions governing CAPFIVE's services. This Agreement is effective on the date any other services agreement is signed by both parties and shall be reviewed and approved annually.

1. SERVICES

1.1. Acquiring Services. When the customer requests specific consulting or technical services, CAPFIVE will provide such services on a contract basis. The Customer will not retain the services of any CAPFIVE employee or contractor without prior written contract for services through CAPFIVE.

1.2. Service Agreements ("SA"). CAPFIVE and the Customer may enter into one or more Service Agreements (SA), which shall be incorporated by reference to this Master Terms and Conditions. Each SA will specify general services to be performed, the type of CAPFIVE technical resources assigned, pricing and any special terms and conditions not covered in this agreement. All SA terms and conditions, and the customer's promise to pay, will be binding when SA is signed by both parties. In the absence of an applicable and signed SA, CAPFIVE may still provide technical services as requested by Customer, and the Customer agrees to pay CAPFIVE's Standard Billable Rates for such services.

1.3. Warranties. CAPFIVE will refer CAPFIVE employees and / or contractors qualified to meet the customer's requests. CAPFIVE warrants that none of its referred or assigned employees are unauthorized aliens as defined in the Immigration Reform and Control Act of 1986. CAPFIVE warrants that services performed by its employees under this Agreement will be performed in a good, workmanlike manner, satisfying at least generally accepted practices or procedures.

1.4. Employee Benefits. CAPFIVE will pay and be fully responsible for applicable federal, state and local taxes, and FICA requirements for CAPFIVE employees' services while on assignment to the customer. CAPFIVE will indemnify the customer based on any claims for unpaid federal, state, or local taxes or FICA requirements from CAPFIVE employees' services performed while assigned to the customer. CAPFIVE will indemnify the customer for any Fair Labors Standards Act claims for minimum wage and overtime payments to CAPFIVE employees.

2. PAYMENT FOR SERVICES

Hardware and software purchases, if applicable, require payment in-full, up-front. Labor charges are invoiced monthly. Payment is due upon receipt of each invoice. Failure to provide timely payment may result in suspension or termination of services at CAPFIVE's discretion. Suspension or termination of services due to non-payment does not invalidate payment obligations of the customer under the terms of this agreement. The customer will pay all undisputed amounts in CAPFIVE's invoice, including any applicable sales tax, in U.S. currency within fifteen (15) days of the invoice date. If the Customer fails to pay for charges under this Agreement within thirty (30) days of the invoice date, CAPFIVE will charge, and the Customer agrees to pay, a late fee of \$25 and interest on overdue charges equal to the lesser of 3% per month or the maximum allowed by law. Disputed items on each invoice must be brought to the attention of CAPFIVE by the Customer in writing within thirty (30) days of the invoice date, or full payment for the invoice is due and payable on that date. Customer agrees to pay all legal costs incurred by CAPFIVE to enforce payment.

3. CONFIDENTIALITY

3.1. Proprietary Information Defined.

A. "Proprietary Information" means:

- (1) The Customer, the customer's affiliates, and the customer's possession of third party business and technical information made available, directly or indirectly, to CAPFIVE, including, but not limited to, research, development, procedures, operations, products, data, and designs;
 - (2) a party's written information that is clearly and conspicuously marked as proprietary or confidential, or that has a written notice that the information is confidential; or (3) a verbal communication stating that the information is confidential or proprietary.
- B. Proprietary Information does not include information that is:
- (1) published or is in the public domain through no fault of the receiving party;
 - (2) within the receiving party's legitimate possession prior to disclosure with no confidentiality obligations, or lawfully received from a third party having rights with no restriction;
 - (3) independently developed by the receiving party without breaching this Agreement; or
 - (4) revealed with the disclosing party's consent.

3.2. Confidentiality Responsibilities. Neither party will disclose to any third party either the terms of this Agreement or Proprietary Information. Proprietary Information will remain the disclosing party's property. A party receiving Proprietary Information will:

- A. Use or reproduce the information only to perform the Agreement;
- B. Protect the information from disclosure or unauthorized use with at least the same care as it provides for its own Proprietary Information; but in no event, less than a reasonable degree of care.
- C. Limit access to the information to its employees or agents who need the information to perform under the Agreement;
- D. Return or destroy information, including copies, after the need has expired, at the disclosing party's request, or when the Agreement terminates; and
- E. Immediately notify disclosing party if the other party is required to produce proprietary information by court order or government authority. Disclosing party may move the ordering court or authority for a protective order or other appropriate relief.

4. INDEMNIFICATION

4.1. Personal Injury and Property Damage. Each party will indemnify and defend the other party, its directors, officers, employees, agents and their successors against all claims for damages, losses or liabilities arising directly from performance of this Agreement made for personal injury, death, or damage to personal property resulting from the negligent or willful misconduct, errors, or omissions of the indemnifying party or its subcontractors, directors, officers, employees or agents to the extent permitted by law.

4.2. Insurance. CAPFIVE carries at least the following insurance:
Commercial General Liability
Each Occurrence \$1,000,000, Personal Injury \$1,000,000,
General Aggregate \$5,000,000

4.3. Duty to Defend. The party seeking indemnification under Subsection 4.1 above must promptly notify the other party in writing of any such claim and give the indemnifying party full and complete authority, information and assistance for the claim's defense and settlement. The indemnifying party will retain the right, at its option, to settle or defend the claim, at its own expense and with its own counsel. The indemnified party will have

the right, at its option, to participate in the settlement or defense of the claim, with its own counsel and at its own expense, but the indemnifying party will retain sole control of the claim's settlement or defense. To be indemnified under this provision, the party seeking indemnification must not by any act (including any admission or acknowledgement) materially impair or compromise a claim's defense.

5. OTHER TERMS AND CONDITIONS

5.1. Warranties. ANY WARRANTIES UNDER THIS AGREEMENT ARE EXCLUSIVE AND ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESSED, IMPLIED, OR STATUTORY, INCLUDING BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR USE FOR PARTICULAR PURPOSE, OR WARRANTIES OF NON-INFRINGEMENT.

5.2. Consequential Damages. NEITHER PARTY WILL BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL OR INDIRECT DAMAGES FOR ANY CAUSE OF ACTION, WHETHER IN CONTRACT OR TORT. Consequential, incidental, and indirect damages include, but are not limited to, lost profits, lost revenues, and loss of business opportunity, whether or not the other party was aware or should have been aware of the possibility of these damages.

5.3. Independent Contractor. The Customer is an independent contractor under this Agreement. The parties' relationship and this Agreement will not constitute or create an association, joint venture, partnership, or other form of legal entity or business enterprise between the parties, their agents, employees or affiliates.

5.4. Use of Name, Service Marks, Trademarks or Trade Secrets. Neither party will use the name, service marks, trademarks, or trade secrets of the other party or any of its affiliates for any purpose without the other party's written consent.

5.5. CAPFIVE Partner Services. – CAPFIVE's Partner Services are the exclusive right of CAPFIVE in this agreement. The customer, without written permission from CAPFIVE, cannot request the services of partnerships established by CAPFIVE. Written confirmation from CAPFIVE must be received prior to engaging CAPFIVE's partners.

5.6. Work Hours. Unless otherwise agreed, CAPFIVE employees assigned to the customer to provide services will observe the customer's standard office hours, including holidays.

5.7. Cost of Living Adjustment.

5.8. Force Majeure. Neither party will be responsible for failure to comply or for delay in performance of this Agreement, if the failure is directly or indirectly caused by events beyond the parties' reasonable control, including, but not limited to, natural disasters, actions or decrees by governmental bodies, or acts of God.

5.9. Compliance. Each party and their employees will comply with applicable laws and regulations of government authorities.

5.10. Applicable Laws. The applicable state law governing this Agreement will be the law of Texas excluding choice of law principles.

5.11. Assignment. Neither party may assign any rights or obligations under this Agreement without the other party's prior written consent.

5.12. Arbitration & Jury trial.

5.13. Mediation Preceding Arbitration. If a dispute arises out of or relates to this contract, or the breach thereof, and if the dispute cannot be settled through negotiation, the parties may agree first to try in good faith to settle the dispute by participating in at least four hours of mediation in a mutually agreeable location in Houston, Texas, administered by a mutually agreeable mediator and conducted under the Commercial Mediation Procedures of the American Arbitration Association before resorting to arbitration or some other dispute resolution procedure. The cost of any such mediation shall be borne equally by both parties. If they do not reach such solution within a period of 60 days, then, upon notice by either party to the other, all disputes, claims, questions, or differences shall be finally settled by arbitration administered by the American Arbitration Association in accordance with the provisions of its Commercial Arbitration Rules.

5.14. Inconsistent Provision. This Agreement will control over any inconsistent provision in a SA.

5.15. Amendments. Customer and CAPFIVE may modify this Agreement only by written amendment signed by the parties' officers or authorized designees. Any oral modification contrary to this Agreement's terms is not admissible in any dispute, whether in a court of law or arbitration.

5.16. Notices. Any notice required under this Agreement or related to a dispute must be submitted in writing to the appropriate party's address shown below. If a notice relates to a dispute, Customer will also provide a copy to CAPFIVE, Inc., c/o CAPFIVE Business Development Office, 4212 San Felipe, Suite 421, Houston, TX 77027.

5.17. Headings. Headings are for reference only and have no effect on any provision's meaning. If any provision is illegal or unenforceable, the Agreement's unaffected provisions will remain in effect. The parties will negotiate a substitute provision consistent with the parties' original intention.

5.18. Reliance. In accepting this agreement, the parties are not relying on any representations or promises not in this agreement. When signed by the parties this agreement will constitute the parties' entire understanding regarding services and supersede all agreements or discussions, oral or written, regarding services, unless explicitly stated in this Agreement.

CAPFIVE TECHNOLOGY SOLUTIONS, LLC.
OneCloud Managed Services

TIME AND MATERIAL RATE / TRIP CHARGES	PRICE
---------------------------------------	-------

Time and Materials Rate (Minimums: Onsite 2 hrs/Remote 15 mins) \$ 125 per Hour
After hours and Holiday Rate (Minimum 4 hours per incident) \$ 188 per Hour
Trip Charge (per miles from CAP5 Offices) \$ 40 Miles from Ofc

MONITORED AND MANAGED ITEMS	QUANTITY	PER MO.	TOTAL MONTHLY FEE
-----------------------------	----------	---------	-------------------

OneCloud - SILVER (Managed & Monitored)			
--	--	--	--

Windows Workstation (Desktop & Laptop)	0	@	\$ 15.00	\$	-
Windows Server	0	@	\$ 69.00		-

OneCloud - GOLD (Managed, Monitored & Remote HelpDesk)			
---	--	--	--

Windows Workstation (Desktop & Laptop)	0	@	45.00	\$	-
Windows Server	0	@	189.00		-
Mail Server (Exchange) <i>in addition to server</i>	0	@	145.00		-
Database Server (MS-SQL, MySQL) <i>in addition to server</i>	0	@	49.00		-
WEB/FTP Server (IIS, Apache) <i>in addition to server</i>	0	@	49.00		-
Terminal Services Server <i>in addition to server</i>	0	@	145.00		-
Blackberry Server Option	0	@	145.00		-
Windows Server - Microsoft SBS	0	@	279.00		-
Consumer-Class Router/Firewall	0	@	25.00		-
Business-Class Router/Firewall	0	@	45.00		-
Networked Printer (support connectivity only)	0	@	15.00		-
Wireless Access Point	0	@	25.00		-

OneCloud - Onsite Support Services			
---	--	--	--

Onsite Support Visit(s), per month <i>(up to 4 hrs ea, trip charge and travel time included)</i>	0	@	379.00	\$	-
---	---	---	--------	----	---

OneCloud - Additional Support Services			
---	--	--	--

Scheduled Services as defined herein: <i>Two hr minimum and trip charges apply for all onsite services</i>	0	hrs.	125.00		N/A
<i>none</i>					

Total Monthly Recurring Charge including sales tax:

Non-Recurring Charges			
------------------------------	--	--	--

Setup Fee <i>variable based on machine count:</i>	1		\$		-
First & Last month service fee:	2		\$		-
1st month pro-rated service (days):	0	@	\$		-

Amount Due at Signup (including sales tax):

Total Annual Contract Value (excluding sales tax): \$ -

CAPFIVE TECHNOLOGY SOLUTIONS, LLC.
OneCloud Managed Services

CAPFIVE OneCloud Professional Information Technology Services
Terms and Conditions

OneCloud Time and Material Services

CAPFIVE will perform Time and Material IT Services for Customer on a strictly as requested basis. No invoicing will occur until a customer has requested service. All services will be performed and invoiced per the Time and Material rate schedule. No equipment-level inventory or reporting is maintained.

OneCloud Silver Services

CAPFIVE will manage and monitor Microsoft Windows desktop, laptop and server systems, either physical or virtual, via a lightweight agent installed on each serviced computer to perform the following:

- Automated Patch Management for Microsoft Windows, Microsoft Office packages, all major browsers, Adobe Reader & Flash Player, Oracle Java and others as available.
- Remote Access tools to enable fast support.
- Advanced Monitoring of hardware and software
(CPU utilization, memory utilization, services status and crashes, free disk space and more)

Silver monitoring alerts and reports will be accessible to both the designated customer administrator and CAPFIVE via e-mail notifications and a web portal accessible by the customer's administrator. The customer will either resolve the conditions themselves or request that CAPFIVE HelpDesk personnel resolve the conditions. Once a month, the CAPFIVE HelpDesk will provide a Network Health Check report including any conditions that should be serviced and estimate a scope of work that may be required to resolve these conditions. Upon customer approval to begin resolving these conditions, all work will be invoiced per the Time and Material rate schedule. If onsite support is required, a minimum of 2 hours will be billed as well as any associated trip charges as noted in this agreement.

OneCloud Gold Services

In addition to the Silver services listed above, the CAPFIVE HelpDesk will also provide end user remote help desk support as well as proactive management of network and server infrastructure services as follows:

<i>End-User Support</i>	<i>Network-Managed Services</i>
Operating System Network connectivity Computer hardware Select application software	Monthly maintenance checklist performed on all servers User permissions and resource access Server application support In-place backup solution In-place antivirus solution In-place firewall/network appliances and devices

OneCloud Scheduled Onsite Services

In addition to the services and features listed above, CAPFIVE will provide onsite field visits subscribed to provide hands-on support for included services listed above based upon the site visit subscription level selected. These visits will be scheduled upon the initiation of this option. The trip charge usually associated with such work is included within this subscription cost. Any onsite visits outside of the schedule and any hours in excess of those subscribed to will be invoiced per the Time and Material rate schedule above, including any applicable trip charges. Onsite visits outside of 25 miles from CAPFIVE offices may be subject to an additional charge, to be approved by the customer before visits begin.

CAPFIVE TECHNOLOGY SOLUTIONS, LLC.
OneCloud Managed Services

Once a month, the CAPFIVE HelpDesk will provide an Advanced Network Health Check report including infrastructure status, alert logs, all services performed and any recommended additional work for approval to proceed, such as replacement or upgrade of hardware or software. Additional work requested by the customer will be managed and invoiced per the Time and Material rate schedule or under CAPFIVE'S Professional Services Project terms and conditions.

Obtaining Service under this Agreement

Support services are requested using the proprietary CAPFIVE TIM system (<http://tim.capfive.com>), which also provides issue resolution tracking and reporting. Secondly, services may be requested by calling the Capfive HelpDesk at 713.979.5295. Any requests made outside of these avenues are not subject to our Service Level Response Times.

All included services will be performed for the flat rate per included item. Any services performed for non-included items or outside of the specific services defined above will be invoiced per the Time and Material rate schedule. All service time is tracked and invoiced in 15-minute increments. If onsite support is required, a minimum of 2 hours will be billed as well as any associated trip charge noted in this agreement.

All After Hours work performed will be billed per the Time and Material rate schedule at the After Hours and Holiday Rate and have a 4 hour minimum billed, as well as any associated trip charge noted in this agreement.

CAPFIVE will routinely audit to trace for systems that may have been added or removed from the customer's network and invoicing will be adjusted to reflect the change. Any change affecting invoicing will require electronic or written approval prior to the change taking effect.

Rates may be adjusted automatically at the renewal date of this agreement to the then current rate schedule in effect or as market conditions require. The customer's primary contact will be notified at least 30 days in advance of any rate change.

This agreement exclusively includes computer and network support activities specified herein, and does not cover the cost of hardware nor software, nor the cost of labor associated with any non-standard support not expressly specified. All support outside of this agreement will be invoiced per the Time and Materials rate schedule.

CAPFIVE TECHNOLOGY SOLUTIONS, LLC.
OneCloud Managed Services

Service Level Response Times

CAPFIVE provides the following commitment to initial response times for all support requests initiated via the "Obtaining Service under this Agreement" section.

Support Service Request Level	Normal Business Hours	After Hours
Emergency (Business Down) – Respond after hours as needed – After Hours Surcharges may apply)	1 Hour	4 Hours
High (Serious impact to business) – Perform first during normal business hours.	4 Hours	Not applicable
Standard – Respond during normal business hours with normal priority	Next Business Day	Not applicable
Low – Respond during next onsite visit or as possible remotely	On next on-site visit Scheduled or unscheduled as requested	Not applicable

Normal Business Hours: 8 am to 5 pm, Monday through Friday with the exception of holidays or office closure.

After Hours: The hours of 5pm to Midnight and 8 am to 5 pm Saturday, Sunday, holidays and during office closure.

Response Time: The time between TIM ticket creation or Phone Call to CAPFIVE HelpDesk, whichever occurs first and the time of first contact to customer to triage and first attempt at resolution. Response times for Normal Business Hours tickets will exclude the after hours time windows and all midnight to 8 am periods. Response times for After Hours will exclude the midnight to 8 am window.

Office Closure: Any time that CAPFIVE offices are closed due to inclement weather or for any other reason based on the City of Houston, State or Federal Emergency Management Department recommendations for such closures.

Customer Responsibilities

CAPFIVE will rely on the customer to provide a safe workplace, full access to all equipment to be supported, clear communication and timely follow-up to any questions and clarifications needed by Capfive to fulfill support services.

CAPFIVE TECHNOLOGY SOLUTIONS, LLC.
OneCloud Managed Services

TIME AND MATERIAL RATE / TRIP CHARGES	PRICE
Time and Materials Rate (Minimums: Onsite 2 hrs/Remote 15 mins)	\$ 125 per Hour
After hours and Holiday Rate (Minimum 4 hours per incident)	\$ 188 per Hour
Trip Charge (per miles from CAP5 Offices)	\$ 40 <input type="text"/> Miles from Ofc

MONITORED AND MANAGED ITEMS	QUANTITY	PER MO.	TOTAL MONTHLY FEE
-----------------------------	----------	---------	-------------------

OneCloud - SILVER (Managed & Monitored)

Windows Workstation (Desktop & Laptop)	<input type="text" value="0"/>	@ \$ 15.00	\$ -
Windows Server	<input type="text" value="0"/>	@ 69.00	-

OneCloud - GOLD (Managed, Monitored & Remote HelpDesk)

Windows Workstation (Desktop & Laptop)	<input type="text" value="36"/>	@ 45.00	\$ 1,620
Windows Server	<input type="text" value="8"/>	@ 189.00	1,512
Mail Server (Exchange) <i>in addition to server</i>	<input type="text" value="1"/>	@ 145.00	145
Database Server (MS-SQL, MySQL) <i>in addition to server</i>	<input type="text" value="0"/>	@ 49.00	-
WEB/FTP Server (IIS, Apache) <i>in addition to server</i>	<input type="text" value="0"/>	@ 49.00	-
Terminal Services Server <i>in addition to server</i>	<input type="text" value="1"/>	@ 145.00	145
Blackberry Server Option	<input type="text" value="0"/>	@ 145.00	-
Windows Server - Microsoft SBS	<input type="text" value="0"/>	@ 279.00	-
Consumer-Class Router/Firewall	<input type="text" value="0"/>	@ 25.00	-
Business-Class Router/Firewall	<input type="text" value="1"/>	@ 45.00	45
Networked Printer (support connectivity only)	<input type="text" value="0"/>	@ 15.00	-
Wireless Access Point	<input type="text" value="0"/>	@ 25.00	-

OneCloud - Onsite Support Services

Onsite Support Visit(s), per month <i>(up to 4 hrs ea, trip charge and travel time included)</i>	<input type="text" value="2"/>	@ 379.00	\$ 758
---	--------------------------------	----------	--------

OneCloud - Additional Support Services

Scheduled Services as defined herein: <i>Two hr minimum and trip charges apply for all onsite services</i>	<input type="text" value="0"/>	hrs. 125.00	N/A
<i>none</i>			

Total Monthly Recurring Charge including sales tax:

Non-Recurring Charges

Setup Fee <i>variable based on machine count:</i>	1	\$ 670.00
First & Last month service fee:	2	\$ 8,450.00
1st month pro-rated service (days):	<input type="text" value="0"/>	@ \$ 141 \$ -

Amount Due at Signup (including sales tax):

Total Annual Contract Value (excluding sales tax): \$ 51,370.00

CAPFIVE TECHNOLOGY SOLUTIONS, LLC.
OneCloud Managed Services

CAPFIVE OneCloud Professional Information Technology Services
Terms and Conditions

OneCloud Time and Material Services

CAPFIVE will perform Time and Material IT Services for Customer on a strictly as requested basis. No invoicing will occur until a customer has requested service. All services will be performed and invoiced per the Time and Material rate schedule. No equipment-level inventory or reporting is maintained.

OneCloud Silver Services

CAPFIVE will manage and monitor Microsoft Windows desktop, laptop and server systems, either physical or virtual, via a lightweight agent installed on each serviced computer to perform the following:

- Automated Patch Management for Microsoft Windows, Microsoft Office packages, all major browsers, Adobe Reader & Flash Player, Oracle Java and others as available.
- Remote Access tools to enable fast support.
- Advanced Monitoring of hardware and software (CPU utilization, memory utilization, services status and crashes, free disk space and more)

Silver monitoring alerts and reports will be accessible to both the designated customer administrator and CAPFIVE via e-mail notifications and a web portal accessible by the customer's administrator. The customer will either resolve the conditions themselves or request that CAPFIVE HelpDesk personnel resolve the conditions. Once a month, the CAPFIVE HelpDesk will provide a Network Health Check report including any conditions that should be serviced and estimate a scope of work that may be required to resolve these conditions. Upon customer approval to begin resolving these conditions, all work will be invoiced per the Time and Material rate schedule. If onsite support is required, a minimum of 2 hours will be billed as well as any associated trip charges as noted in this agreement.

OneCloud Gold Services

In addition to the Silver services listed above, the CAPFIVE HelpDesk will also provide end user remote help desk support as well as proactive management of network and server infrastructure services as follows:

End-User Support	Network Managed Services
Operating System Network connectivity Computer hardware Select application software	Monthly maintenance checklist performed on all servers User permissions and resource access Server application support In-place backup solution In-place antivirus solution In-place firewall/network appliances and devices

OneCloud Scheduled Onsite Services

In addition to the services and features listed above, CAPFIVE will provide onsite field visits subscribed to provide hands-on support for included services listed above based upon the site visit subscription level selected. These visits will be scheduled upon the initiation of this option. The trip charge usually associated with such work is included within this subscription cost. Any onsite visits outside of the schedule and any hours in excess of those subscribed to will be invoiced per the Time and Material rate schedule above, including any applicable trip charges. Onsite visits outside of 25 miles from CAPFIVE offices may be subject to an additional charge, to be approved by the customer before visits begin.

CAPFIVE TECHNOLOGY SOLUTIONS, LLC.
OneCloud Managed Services

Once a month, the CAPFIVE HelpDesk will provide an Advanced Network Health Check report including infrastructure status, alert logs, all services performed and any recommended additional work for approval to proceed, such as replacement or upgrade of hardware or software. Additional work requested by the customer will be managed and invoiced per the Time and Material rate schedule or under CAPFIVE'S Professional Services Project terms and conditions.

Obtaining Service under this Agreement

Support services are requested using the proprietary CAPFIVE TIM system (<http://tim.capfive.com>), which also provides issue resolution tracking and reporting. Secondly, services may be requested by calling the Capfive HelpDesk at 713.979.5295. Any requests made outside of these avenues are not subject to our Service Level Response Times.

All included services will be performed for the flat rate per included item. Any services performed for non-included items or outside of the specific services defined above will be invoiced per the Time and Material rate schedule. All service time is tracked and invoiced in 15-minute increments. If onsite support is required, a minimum of 2 hours will be billed as well as any associated trip charge noted in this agreement.

All After Hours work performed will be billed per the Time and Material rate schedule at the After Hours and Holiday Rate and have a 4 hour minimum billed, as well as any associated trip charge noted in this agreement.

CAPFIVE will routinely audit to trace for systems that may have been added or removed from the customer's network and invoicing will be adjusted to reflect the change. Any change affecting invoicing will require electronic or written approval prior to the change taking effect.

Rates may be adjusted automatically at the renewal date of this agreement to the then current rate schedule in effect or as market conditions require. The customer's primary contact will be notified at least 30 days in advance of any rate change.

This agreement exclusively includes computer and network support activities specified herein, and does not cover the cost of hardware nor software, nor the cost of labor associated with any non-standard support not expressly specified. All support outside of this agreement will be invoiced per the Time and Materials rate schedule.

CAPFIVE TECHNOLOGY SOLUTIONS, LLC.
OneCloud Managed Services

Service Level Response Times

CAPFIVE provides the following commitment to initial response times for all support requests initiated via the "Obtaining Service under this Agreement" section.

Support Service Request Level	Normal Business Hours	After Hours
Emergency (Business Down) – Respond after hours as needed – After Hours Surcharges may apply)	1 Hour	4 Hours
High (Serious impact to business) – Perform first during normal business hours.	4 Hours	Not applicable
Standard – Respond during normal business hours with normal priority	Next Business Day	Not applicable
Low – Respond during next onsite visit or as possible remotely	On next on-site visit Scheduled or unscheduled as requested	Not applicable

Normal Business Hours: 8 am to 5 pm, Monday through Friday with the exception of holidays or office closure.

After Hours: The hours of 5pm to Midnight and 8 am to 5 pm Saturday, Sunday, holidays and during office closure.

Response Time: The time between TIM ticket creation or Phone Call to CAPFIVE HelpDesk, whichever occurs first and the time of first contact to customer to triage and first attempt at resolution. Response times for Normal Business Hours tickets will exclude the after hours time windows and all midnight to 8 am periods. Response times for After Hours will exclude the midnight to 8 am window.

Office Closure: Any time that CAPFIVE offices are closed due to inclement weather or for any other reason based on the City of Houston, State or Federal Emergency Management Department recommendations for such closures.

Customer Responsibilities

CAPFIVE will rely on the customer to provide a safe workplace, full access to all equipment to be supported, clear communication and timely follow-up to any questions and clarifications needed by Capfive to fulfill support services.

AGENDA MEMO
BUSINESS OF THE CITY COUNCIL
CITY OF FULSHEAR, TEXAS

AGENDA OF:	June 21, 2016	AGENDA ITEM:	Business Items: B
DATE SUBMITTED:	June 16, 2016	DEPARTMENT:	City Administration / Legal
PREPARED BY:	Angela Fritz, Economic Development Director	PRESENTER:	
SUBJECTS:	Amendment No. 1 to Strategic Partnership Agreement No. 3 between City of Fulshear and Waller County Road Improvement District No. 1		
ATTACHMENTS:	<ol style="list-style-type: none"> 1. Amendment No. 1 to SPA No. 3 between City of Fulshear and WCRID No. 1 2. Ordinance 2016-1214 - April 19, 2016 		
EXPENDITURE REQUIRED:	N/A		
AMOUNT BUDGETED:	N/A		
FUNDING ACCOUNT:			
ADDITIONAL APPROPRIATION REQUIRED:	N/A		
FUNDING ACCOUNT:			

EXECUTIVE SUMMARY

On April 19, City Council adopted Ordinance 2016-1214, adopting a strategic partnership agreement and development agreement with Waller County Road Improvement District No. 1, providing for limited purpose annexation and including provisions for conversion to full purpose annexation.

Section 7.04 of the Agreement included a provision for additional conditions to be fulfilled by the District and various Landowners prior to the agreement taking effect. Since the City's adoption of Ordinance 2016-1214, the District and Landowner have proposed an amendment to the agreement specific to section 7.04 which would allow the agreement to become effective immediately upon its execution by all parties in lieu of the previous conditions.

Once the agreement takes effect, the City will have 90 days to complete a limited purpose annexation (LPA) of the property. Once the LPA is complete and the associated boundary changes are filed with the Comptroller's Office, the City will begin collecting sales taxes from the property in accordance with the terms outlined in the Agreement.

RECOMMENDATION

Staff recommends City Council approval of Amendment No. 1 to Strategic Partnership Agreement No. 3 with Waller County Road Improvement District No. 1.

ORDINANCE NO. 2016-1218

AN ORDINANCE OF THE CITY COUNCIL OF FULSHEAR, TEXAS, AMENDING A STRATEGIC PARTNERSHIP AGREEMENT AND DEVELOPMENT AGREEMENT WITH WALLER COUNTY ROAD IMPROVEMENT DISTRICT NO. 1 ADOPTED BY ORDINANCE NO. 2016-1214.

WHEREAS, the City of Fulshear, Texas ("City") desires to amend a strategic partnership agreement with the Waller County Road Improvement District No. 1 ("District") pursuant to Texas Local Government Code Sec. 43.0751 adopted in Ordinance 2016-1214;

WHEREAS, the City finds all procedural requirements of state law for the adoption of the agreement have been met; and

WHEREAS, the City is authorized to enter into the Development Agreement pursuant to Section 212.172 of the Texas Local Government Code;

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

Section 1. Recitals Incorporated.

The above recitals are deemed to be the findings and determinations made by the City Council and are incorporated here as if set forth in full for all purposes.

Section 2. Adoption of Strategic Partnership Agreement and Development Agreement Amendment.

The City Council hereby approves and adopts the Strategic Partnership Agreement and Development Agreement Amendment ("Agreement") attached, and incorporated for all purposes, as Exhibit "A". The City Council further grants the City Administrator full authority to correct all non-substantive clerical or typographical errors in the Agreement, and make other necessary formatting, heading and numbering changes, provided that such corrections and changes do not change the meaning or effect of the Agreement. The City Council further authorizes the Mayor to execute the Agreement on behalf of the City.

Section 3. Savings, Severability and Repealing Clauses.

All ordinances of the City in conflict with the provisions of this Ordinance are repealed to the extent of that conflict. If any provision of this ordinance shall be held to be invalid or unconstitutional, the remainder of such ordinance shall continue in full force and effect the same as if such invalid or unconstitutional provision had never been a part hereof. The City declares that it would have passed this Ordinance, and each section, subsection, sentence, clause, or phrase thereof irrespective of the fact that anyone or more sections, subsections, sentences, clauses, and phrases be declared unconstitutional or invalid.

Section 5. Effective Date.

This Ordinance shall be effective upon adoption.

PASSED, APPROVED, and ADOPTED this, the ___ day of June, 2016.

Jeff W. Roberts, Mayor
City of Fulshear, Texas

ATTEST:

D. Gordon Offord, City Secretary

**FIRST AMENDMENT TO
STRATEGIC PARTNERSHIP AGREEMENT #3 AND DEVELOPMENT AGREEMENT**

THIS FIRST AMENDMENT TO STRATEGIC PARTNERSHIP AGREEMENT #3 AND DEVELOPMENT AGREEMENT (this "Amendment") is made as of _____, 2016 (the "Amendment Date"), by and among the **City of Fulshear, Texas**, a municipal corporation principally situated in Fort Bend County, Texas, acting by and through its governing body, the City Council of the City of Fulshear, Texas (the "City"), **Waller County Road Improvement District No. 1**, a political subdivision of the State of Texas, created pursuant to Section 3832, Texas Special District Local Laws Code and Article XVI, Section 59 of the Texas Constitution and operating pursuant to various laws of the State of Texas, including particularly, Chapters 49 and 54 Texas Water Code (the "District"), and **Lois Houston Associates, LLC**, a Delaware limited liability company (the "Landowner" and together with the City and the District, the "Parties"). Unless otherwise defined in this Amendment, all initially capitalized terms used herein shall have the meanings assigned to such terms in the Agreement (as defined below).

WITNESSETH:

WHEREAS, the Parties have executed that certain Strategic Partnership Agreement #3 and Development Agreement (the "Agreement");

WHEREAS, Section 7.04 of the Agreement conditions the effectiveness of the Agreement on, among other things, the District and the Landowner each executing a Third Amendment to Master Sales Agreement and Lease of Facilities and Operating Agreement (the "Third MSA");

WHEREAS, the District and the Landowner do not expect to enter into the Third MSA as quickly as previously anticipated; and

WHEREAS, the Parties desire to, as more particularly described below, amend Section 7.04 of the Agreement to ensure that the Agreement becomes immediately effective.

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

1. The Parties agree that the above recitals are true and correct and are hereby incorporated fully into this Amendment.
2. Section 7.04 of the Agreement is hereby deleted and replaced in its entirety with the following:

Section 7.04. Condition Precedent to Effectiveness.

This Agreement shall be ineffective in all respects and shall not be enforceable by or against any of the Parties unless and until each of the Parties hereto executes this Agreement.

3. The Agreement, as amended by this Amendment, remains in full force and effect. The Agreement and this Amendment constitute the entire agreement of the Parties regarding the subject matter hereof and thereof. No oral or written statements, agreements, promises, conditions, assurances, covenants, or other terms, whether written or verbal, antecedent or contemporaneous, not expressly set forth in the Agreement or this Amendment shall be of any force or effect.

4. This Amendment may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one main instrument.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be duly executed and delivered as of the Amendment Date.

[Signature pages follow]

WALLER COUNTY ROAD IMPROVEMENT DISTRICT NO. 1

Date signed: 5/11/16

By: Kevin E. Staloch

President, Board of Directors

ATTEST:

[Signature]

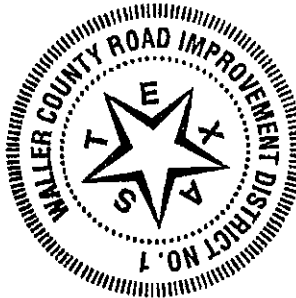
Secretary, Board of Directors

Tax ID No. 74-6202104

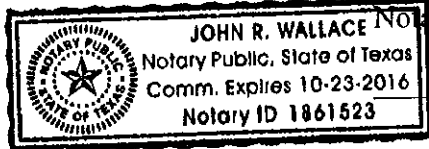
STATE OF TEXAS §

§

COUNTY OF HARRIS §
~~WALLER~~



This instrument was acknowledged before me this 11th day of May, 2016, by Kevin Staloch, as President, of Waller County Road Improvement District No. 1, a political subdivision of the State of Texas, on behalf of said political subdivision.

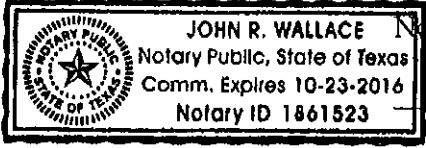
(NOTARY SEAL)  [Signature]

STATE OF TEXAS §

§

COUNTY OF HARRIS §
~~WALLER~~

This instrument was acknowledged before me this 11th day of May, 2016, by Robert Spears, as Secretary, of Waller County Road Improvement District No. 1, a political subdivision of the State of Texas, on behalf of said political subdivision.

(NOTARY SEAL)  [Signature]

LOIS HOUSTON ASSOCIATES LLC

Date signed: _____

By: _____

Its: _____

STATE OF _____ §

COUNTY OF _____ §

This instrument was acknowledged before me this ____ day of _____, 2016, by _____, as _____, of Lois Houston Associates LLC, a Delaware limited liability company.

Notary Public in and for the State of _____

(NOTARY SEAL)

ORDINANCE NO. 2016-1214

AN ORDINANCE OF THE CITY OF FULSHEAR, TEXAS, ADOPTING A STRATEGIC PARTNERSHIP AGREEMENT AND DEVELOPMENT AGREEMENT WITH WALLER COUNTY ROAD IMPROVEMENT DISTRICT NO. 1 WHICH PROVIDES FOR LIMITED PURPOSE ANNEXATION AND INCLUDES PROVISIONS FOR CONVERSION TO FULL PURPOSE ANNEXATION; PROVIDING FOR SEVERABILITY AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Fulshear, Texas ("City") desires to enter into a strategic partnership agreement with the Waller County Road Improvement District No. 1 ("District") pursuant to Texas Local Government Code Sec. 43.0751

WHEREAS, the City finds all procedural requirements of state law for the adoption of the agreement have been met including the requirements of the Local Government Code regarding notice and public hearings; and

WHEREAS, the City held the required public hearings on April 19, 2016 at 7:00 pm at 30603 FM 1093, Fulshear, Texas 77441 and on April 19, 2016 at 7:15 pm, at 30603 FM 1093, Fulshear, Texas 77441; and

WHEREAS, the City is authorized to enter into the Development Agreement pursuant to Section 212.172 of the Texas Local Government Code;

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

Section 1. Recitals Incorporated.

The above recitals are deemed to be the findings and determinations made by the City Council and are incorporated here as if set forth in full for all purposes.

Section 2. Adoption of Strategic Partnership Agreement and Development Agreement

The City Council hereby approves and adopts the Strategic Partnership Agreement and Development Agreement ("Agreement") attached, and incorporated for all purposes, as Exhibit "A". The City Council further grants the City Administrator full authority to correct all non-substantive clerical or typographical errors in the Agreement, and make other necessary formatting, heading and numbering changes, provided that such corrections and changes do not change the meaning or effect of the Agreement. The City Council further authorizes the Mayor to execute the Agreement on behalf of the City.

Section 4. Savings, Severability and Repealing Clauses.

All ordinances of the City in conflict with the provisions of this Ordinance are repealed to the extent of that conflict. If any provision of this ordinance shall be held to be invalid or unconstitutional, the remainder of such ordinance shall continue in full force and effect the same as if such invalid or unconstitutional provision had never been a part hereof. The City declares that it would have passed this Ordinance, and each section, subsection, sentence, clause, or phrase thereof irrespective of the fact that

anyone or more sections, subsections, sentences, clauses, and phrases be declared unconstitutional or invalid.

Section 5. Effective Date.

This Ordinance shall be effective upon adoption.

PASSED, APPROVED, and ADOPTED on this the 19th day of April, 2016.



Thomas C. Kuykendall, Jr., Mayor

City of Fulshear, Texas

ATTEST:



D. Gordon Offord, City Secretary

**STRATEGIC PARTNERSHIP AGREEMENT #3
BETWEEN THE CITY OF FULSHEAR, TEXAS
AND
WALLER COUNTY ROAD IMPROVEMENT DISTRICT NO. 1
AND
DEVELOPMENT AGREEMENT BETWEEN THE CITY OF FULSHEAR, TEXAS AND
LOIS HOUSTON ASSOCIATES LLC**

THE STATE OF TEXAS §
 §
COUNTY OF WALLER §

This STRATEGIC PARTNERSHIP AGREEMENT (this "Strategic Partnership Agreement") is entered into and shall be effective as of the Effective Date (defined below) between the CITY OF FULSHEAR, TEXAS, a municipal corporation principally situated in Fort Bend County, Texas, acting by and through its governing body, the City Council of the City of Fulshear, Texas (the "City") and WALLER COUNTY ROAD IMPROVEMENT DISTRICT NO. 1 (the "District"), a conservation and reclamation district created by legislation codified as Chapter 3832, Texas Special District Local Laws Code and operating under Chapter 49, Texas Water Code and other applicable laws. This DEVELOPMENT AGREEMENT (this "Development Agreement") is entered into and shall be effective as of the Effective Date between the City and LOIS HOUSTON ASSOCIATES LLC, a Delaware limited liability company (the "Landowner").

RECITALS

1. Texas Local Government Code, §43.0751 (the "Act") authorizes the City and the District to negotiate and enter into a strategic partnership agreement by mutual consent; and
2. The City and the District have previously entered into that certain Strategic Partnership Agreement, dated to be effective May 28, 2014, and that certain Strategic Partnership Agreement, dated to be effective August 21, 2014, each related to the limited purpose annexation of certain portions of the District owned by the Consenting Landowners (defined below) (such agreements collectively, the "Prior SPAs"); and
3. The City and the District now desire to enter into this Strategic Partnership Agreement to provide for the limited purpose annexation of the portion of the District owned by the Landowner ("LPA Phase III Area" more fully defined below) by the City and to provide for full purpose annexation on the terms and conditions set forth herein; and
4. As required by the Act, the City held public hearings on April 19, 2016 at 7:00pm at 30603 FM 1093, Fulshear, Texas 77441 and on April 19, 2016 at 7:15pm at 30603 FM 1093, Fulshear, Texas 77441, and the District held public hearings on April 6, 2016 at 11:00am at 30701 West Miller Road, Brookshire, Texas 77423 and on April 13, 2016 at 11:00am at 6363 Woodway Drive, Suite 800, Houston, Texas 77057, at which hearings members of the public

were given the opportunity to present testimony or evidence regarding the proposed Strategic Partnership Agreement; and

5. Notices of the date, time, location and purpose of the public hearings were given in accordance with subsection (d) of the Act, and the City and the District made copies of the proposed Strategic Partnership Agreement available in accordance with the terms of the Act; and

6. The City and the District wish to enter into the Strategic Partnership Agreement to provide the terms under which the District will continue to exist for an extended period of time after the LPA Phase III Area is annexed for limited purposes; and

7. The City and the Landowner are authorized to enter into the Development Agreement pursuant to Section 212.172 of the Local Government Code to guarantee the continuation of the extraterritorial status of the land and its immunity from annexation by the municipality. Now therefore;

THE PARTIES AGREE AS FOLLOWS:

ARTICLE I FINDINGS

The City and the District find and declare:

1. The Act authorizes the City and the District to enter into this Strategic Partnership Agreement to define the terms under which services will be provided to the City and the District and under which the District will continue to exist after the LPA Phase III Area is annexed for limited purposes pursuant to this Strategic Partnership Agreement;

2. This Strategic Partnership Agreement does not require the District to provide revenue to the City solely for the purpose of an agreement with the City to forgo annexation of the District;

3. This Strategic Partnership Agreement provides benefits to the City and the District, including revenue, services, and regulatory benefits that are reasonable and equitable with regard to the benefits provided by the other Party;

4. All the terms contained in this Agreement are lawful and appropriate to provide for the provision of municipal services; and

5. The City and the District negotiated this Strategic Partnership Agreement by mutual consent; and the terms of the Agreement are not a result of the City's Annexation Plan or any arbitration between the City and the District.

ARTICLE II DEFINITIONS

Unless the context requires otherwise, and in addition to the terms defined above, the following terms used in this Agreement will have the meanings set out below:

“Act” means Texas Local Government Code, §43.0751 and any amendments thereto.

“Agreement” means this Strategic Partnership Agreement between the City and the District and the Development Agreement between the City and the Landowner.

“Board” means the Board of Directors of the District.

“City” means the City of Fulshear, Texas, a municipal corporation principally situated in Fort Bend County, Texas.

“City Council” means the City Council of the City or any successor governing body.

“Comptroller” means the Comptroller of Public Accounts of the State of Texas.

“Consenting Landowners” means Igloo Partners #11 LP, a Texas limited partnership; Blimp Base Project, LP, a Texas limited partnership; Waller XYZ, LP, a Texas limited partnership; Katy I-10 Prairie Partners, LP, a Texas limited partnership; ML DEV LP, a Texas limited partnership; and I-10 NE Partners, L.P., a Texas limited partnership.

“County” means Waller County, Texas.

“Development Agreement” means the portion of this Agreement between the City and the Landowner authorized by Section 212.172 of the Texas Local Government Code, including, without limitation, Article V below.

“District” means Waller County Road Improvement District No. 1 (the “District”), a conservation and reclamation district created by legislation codified as Chapter 3832, Texas Special District Local Laws Code and operating under Chapter 49, Texas Water Code and other applicable laws.

“Effective Date” means the first date that the conditions precedent to the effectiveness of this Agreement set forth in Section 7.04 are satisfied.

“ETJ” means the extraterritorial jurisdiction of the City.

“Full Purpose Annexation Conversion Date” means the date on which all territory of the District is annexed for full purposes by the City in accordance with Article V of this Agreement.

“Government Code” means the Texas Government Code and any amendments thereto.

“Initial Term” means the initial term of this Agreement, which shall be for the period beginning with the Effective Date and continuing through and including December 31, 2046.

“Landowner” means Lois Houston Associates LLC, a Delaware limited liability company, the sole owner of real property comprising the LPA Phase III Area.

“Limited District” means the District if and when it continues to exist as a limited district (as defined and permitted in the Act) after the Full Purpose Annexation Conversion Date in accordance with the terms of Article V of this Agreement.

“Local Government Code” means the Texas Local Government Code and any amendments thereto.

“LPA Phase III Area” means the area described in Exhibit A attached hereto and incorporated herein by this reference.

“Party” or “Parties” means a party or the parties to this Agreement, being the City, the District and the Landowner.

“Sales and Use Tax” means the sales and use taxes of the City to be imposed in the LPA Phase III Area pursuant to the Act and this Agreement.

“Strategic Partnership Agreement” means the portion of this Agreement between the City and the District authorized by the Act.

“Tax Code” means the Texas Tax Code and any amendments thereto.

“Term” shall mean the term of this Agreement, which shall be the Initial Term; provided, however, that the term of this Agreement may be extended as permitted by Section 7.02 below.

ARTICLE III LIMITED PURPOSE ANNEXATION

Section 3.01. Generally.

As soon as practicable following the approval and signing of this Agreement by the Parties, the City shall adopt an ordinance annexing the LPA Phase III Area for limited purposes as authorized by this Agreement. The City shall complete the limited purpose annexation contemplated herein within ninety (90) days of the Effective Date.

Section 3.02. Powers and Functions Retained by the District.

During the period of limited purpose annexation, and except as limited by this Agreement, the District is authorized to exercise all powers and functions provided by existing law or any amendments or additions thereto. The District’s assets, liabilities, indebtedness, and obligations will remain the responsibility of the District. Disposition or acquisition of future

assets, liabilities, indebtedness, and obligations will remain the responsibility of the District until such time as full purpose annexation occurs or the District is abolished in accordance with this Agreement. City approval is not required for the District to exercise powers granted to it by state law, including powers relating to debts, liabilities, obligations, facilities, property and other functions authorized by law. The District agrees however to not issue new debt during the five (5) year period immediately prior to the end of the Initial Term of this Agreement as referenced in Section 7.02 below without prior approval of the City.

Section 3.03. Property Taxes and District Liability for Debts of the City.

Until the Full Purpose Annexation Conversion Date: (i) neither the District nor any owners of taxable property within the District is liable for any present or future debts of the City, and (ii) current and future ad valorem taxes levied by the City will not be levied on taxable property (whether real or personal) within the District.

Section 3.04. Regulatory Provisions.

(a) The following provisions govern the application of regulatory provisions within the LPA Phase III Area from and after the Effective Date:

(1) The County's orders, rules and regulations governing signs and outdoor advertising shall apply within the LPA Phase III Area. City shall have the right to make recommendations concerning signs and outdoor advertising within the LPA Phase III Area.

(2) Construction criteria for public streets shall be established by the engineer for the District for each use or project and must be constructed of concrete but in no event shall the criteria be less stringent than the County road or street criteria. The City is not required to maintain any street or road within the LPA Phase III Area.

(3) Orders, rules and regulations governing subdivisions, platting, drainage, flood control, flood damage prevention, land development, construction and related matters, as adopted by County shall apply within the LPA Phase III Area rather than the City's regulations. The City is not required to maintain any of the above.

(4) Orders, rules and regulations of the District, rather than of the City, governing or relating to its facilities, services, operations, powers or functions shall apply within the LPA Phase III Area.

(5) Only the following laws, rules and regulations of the City, to the extent they are enforceable within the City's ETJ, shall apply:

To the extent allowed by law, the City and the District stipulate that the City may enforce its ordinances or the State's nuisance statutes within 5,000 feet of the City limits.

To the extent allowed by law, the City and the District stipulate that the City may enforce its ordinances or the State's sexually orientated business statutes within 5,000 feet of the City limits.

(b) It is recognized that §43.002, Local Government Code and other statutes may allow uses of land to continue (and new uses of land to begin) after annexation in certain

circumstances, and those uses would not be subject to prohibition by the City. For purposes of such statutes, the City and the District have determined that the effective date of annexation shall be the Effective Date (as to limited purpose annexation).

(c) The District will file with the City a copy of each plat approved by County for the LPA Phase III Area, provided that the City shall have no approval rights with respect thereto.

(d) The City is not required to provide drainage, flood control, flood damage prevention, water, waste water, fire, police or garbage services to the District or to any landowner within the District.

(e) The District shall not be required by the City to oversize any public improvements that are constructed to serve the LPA Phase III Area to serve any areas outside of the LPA Phase III Area; provided, however, the City and the District may agree to oversizing such facilities if the City shall provide contemporaneous payment of all costs of such oversizing to the effect that the District shall neither incur nor pay any costs related to the oversizing.

(f) The District shall cause the District's engineer to provide written notice to the City at least five (5) business days prior to any County or Texas Commission on Environmental Quality inspections set forth herein. The District shall provide to the City all inspections reports for property within the LPA Phase III Area as they are received. The District, its successors and assigns, shall not be obligated to apply for, pay for, or obtain from the City any permit for construction of any roads, pavement, drainage, water and wastewater improvements or pay for any City inspection of any such public improvements.

ARTICLE IV SALES AND USE TAX, SERVICES, ETC.

Section 4.01. Imposition of the City's Sales and Use Tax.

Pursuant to Subsection (k) of the Act, the City shall impose its Sales and Use Tax within the LPA Phase III Area upon its limited purpose annexation. The Sales and Use Tax shall be imposed on the receipts from the sale and use at retail of taxable items at the rate of two percent (2%) or the maximum rate permitted by the then current form of Chapter 321 of the Tax Code. The Sales and Use Tax shall take effect on the date described in Tax Code, §321.102. The municipal secretary of the City shall send by United States registered or certified mail to the Comptroller a certified copy of the ordinance that adds the LPA Phase III Area and that shows the effective date of the boundary change. A copy of such correspondence shall be provided to the District and the Landowner.

Section 4.02. Payment of Sales and Use Tax to the District.

The City shall pay to the District (at the address for payment set forth in Section 8.01 below) the agreed portion of the Sales and Use Tax revenues generated within the boundaries of the LPA Phase III Area that are reported on the monthly sales tax report provided by the Comptroller and received by the City from the Comptroller after the date of the limited purpose

annexation. The agreed portion is indicated in Exhibit B, attached hereto and incorporated fully herein by this reference. The City shall deliver the District's portion of the Sales and Use Tax revenues to the District within 60 days after the later of: (a) the close of each calendar quarter, or (b) the date of receipt of the sales tax report from the Comptroller related to such calendar quarter. Government Code, Chapter 2251 shall govern and provide the penalty if the City fails to deliver the District's portion in a timely manner; provided, however, that the deadline for the City's payments to the District set forth in this Section 4.02 shall constitute the overdue date for such payments and shall control over the default overdue date set forth in Section 2251.021, Government Code. For purposes of this Section and Chapter 2251, Texas Government Code, the City is deemed to have received an invoice from the District on the date the City receives the sales tax report from the Comptroller without further action from the District.

The City agrees to make reasonable efforts to obtain amended and supplemental reports from the Comptroller to reflect, to the greatest extent practicable, all Sales and Use Tax revenues generated within the boundaries of the LPA Phase III Area. Revenues resulting from such amended and supplemental reports will be divided in accordance with the above. Payments based upon amended and supplemental reports from the Comptroller shall be made by the City to the District within 60 days of the receipt of such reports.

The City shall deliver to the District and the Landowner a condensed version of each monthly sales tax report provided by the Comptroller, containing only the contents of the sales tax report relating to the retail sales and retailers in the LPA Phase III Area with each payment referenced above.

The City and the District declare this Strategic Partnership Agreement to be, in part, a "Revenue Sharing Agreement", as such term is defined by Section 321.3022 of the Texas Tax Code, in order to obtain information from the Comptroller related to the Sales and Use Tax revenues generated within the LPA Phase III Area. The Landowner hereby provides its permission for the Comptroller to disclose information related to the Sales and Use Tax revenues generated within the LPA Phase III Area to the City and the District. The Landowner further agrees to provide any additional consents or other similar documentation necessary to provide such permission to the Comptroller. Except as required by law, the City and the District agree not to disclose any such information obtained from the Comptroller to any person or entity other than the Landowner. If there are, including the Landowner, fewer than four sales tax accounts located within the LPA Phase III Area, the Landowner agrees that it will obtain permission from the holders of such accounts to release information related to the Sales and Use Tax revenue generated within the LPA Phase III Area to the City and the District.

Section 4.03. District Use of Sales and Use Tax Revenue; District's Provision of Services.

(a) The District shall use the Sales and Use Tax revenue provided in Section 4.02 only for the purposes permitted by Section 4.03(b); provided, however, that Section 4.03(b) shall not be interpreted as permitting the District to use such funds in a manner: (i) in which the District is not lawfully authorized to use such funds, or (ii) that is inconsistent with any agreement between the District and the Landowner.

(b) The District shall only use the Sales and Use Tax revenues from the LPA Phase III Area for one or more of the following uses:

Until such time as the Landowner (or the assignee of its reimbursable costs and expenses) is fully reimbursed in accordance with the Landowner's written reimbursement agreement(s) with the District:

1. Accelerate reimbursements to the Landowner for eligible infrastructure development.

Thereafter:

1. Accelerate the development of the water, wastewater and drainage system in the District (including the LPA Phase III Area) as necessary to encourage private investment in new construction in the District (including the LPA Phase III Area);
2. Accelerate reimbursements to developers for eligible infrastructure development to encourage such development in the District (including the LPA Phase III Area);
3. Lower the overall property tax rate to encourage additional investment and development within the District (including the LPA Phase III Area); or
4. Perform other District functions that might otherwise be diminished, curtailed, abbreviated or delayed by financial limitations.

(c) If applicable laws (existing or future) impose additional conditions, procedures or restrictions on the use of Sales and Use Tax revenues paid to the District, the District shall be primarily responsible for complying with such laws; however, the District may request the assistance of the City in achieving or maintaining compliance, and the City agrees to provide reasonable assistance for that purpose. Such assistance may include, for example, meeting and conferring with the District and other agencies, approving or designating projects, reviewing and approving plans and specifications, reviewing and consenting to specific uses of funds. If such laws forbid payment of some part of the Sales and Use Tax revenues to the District, the City shall notify the District, hold the affected funds in an interest-bearing account and apply the affected funds (with interest) as the District may request in accordance with applicable laws and Section 4.03 above.

(d) In consideration for the City's provision of Sales and Use Tax revenues provided in Section 4.02, the District shall continue to develop, to own and to operate and maintain a water, wastewater, and drainage system in the District. The District agrees to operate and maintain water, wastewater, and drainage service to serve the District and the LPA Phase III Area at levels appropriate to the topography, land uses, demand, feasibility and related factors.

(e) All Sales and Use Tax revenues paid by the City to the District pursuant to this Agreement shall be held in an interest bearing account that is segregated from all other funds of

the District. The District shall further ensure that such Sales and Use Tax revenues are held in a manner consistent with the Texas Public Funds Investment Act and all other laws applicable to the District's holding of funds. Investment earnings on the Sales and Use Tax revenues held by the District shall be used in accordance with the permissible purposes provided in Section 4.03 above.

Section 4.04. District Audit Rights.

The District may audit the Sales and Use Tax collections by the City to determine whether the Sales and Use Tax revenue payments provided by Section 4.02 have been made to the District in accordance with this Agreement. Any audit shall be made at the District's sole cost and expense and may be performed at any time during the City's regular business hours by an auditor hired by the District on thirty (30) days written notice to the City.

Section 4.05. City Audit Rights.

The City may audit the District's expenditures made with the Sales and Use Tax revenue paid under Section 4.02 to determine whether the expenditures have been made by the District in accordance with Section 4.03. Any audit shall be made at the City's sole cost and expense and may be performed at any time during regular business hours by the City's internal auditors or an independent auditing firm on thirty (30) days written notice to the District. Upon written request of the Landowner and at the Landowner's sole cost and expense, the Landowner shall have the same audit rights provided to the City in this Section.

ARTICLE V
FULL PURPOSE ANNEXATION

Section 5.01. Conversion to Full Purpose Annexation. The City covenants and agrees with the District and the Landowner that it will not annex all or any part of the LPA Phase III Area or commence any action to annex all or part of the LPA Phase III Area for full purposes except in accordance with this Article. The City shall not be permitted to convert the limited purpose annexation contemplated herein to a full purpose annexation during the Initial Term. After the Initial Term, the City shall, in its sole discretion, be permitted to annex all or any part of the LPA Phase III Area for full purposes by ordinance, and without the need for any further action except for the provision of municipal services to the annexed area to extent required by Section 43.0751(f)(4), Local Government Code.

Section 5.02. Conversion to Limited District on Full Purpose Annexation Conversion Date.

(a) If no debt of the District remains outstanding on the Full Purpose Annexation Conversion Date, the District shall be abolished and shall cease to exist on such date, all taxable property (whether real or personal) within the territory of the District shall be subject to ad valorem taxation by the City, and title to all assets and improvements owned by the District shall vest in the City.

(b) If debt of the District remains outstanding on the Full Purpose Annexation Conversion Date or if the District has not fully reimbursed all developers within the District in accordance with their respective written reimbursement agreement(s), then the District shall become a Limited District. The Limited District shall continue to be known as "Waller County Road Improvement District No. 1" and continue with the same boundaries as upon the Full Purpose Annexation Conversion Date, and shall continue for a Term not to exceed ten (10) additional years (or such other maximum time period permitted for limited districts under Chapter 43, Local Government Code), or until all outstanding debt (including any reimbursement obligation) of the Limited District has been fully paid, whichever is sooner. The City may extend the existence of the Limited District for successive ten (10) year (or such other maximum time period permitted for limited districts under Chapter 43, Local Government Code) terms for so long as any debt of the Limited District remains.

(c) The Limited District shall cease to exist 60 days after all debt (including any reimbursement obligation) of the Limited District has been fully paid. Title to all assets and improvements owned by the Limited District shall vest in City upon the expiration of the Limited District.

(d) The Limited District may expire prior to any ten year (or such other maximum time period permitted for limited districts under Chapter 43, Local Government Code) Term if the City agrees to assume all debt of the Limited District. Nothing in this Agreement shall be interpreted to permit the City to annex the District or the Limited District, as applicable, for full purposes without assuming all debts, liabilities and obligations of the District or the Limited District, as applicable.

Section 5.03. Powers of Limited District.

(a) Upon the Full Purpose Annexation Conversion Date, the City shall assume responsibility for the operation and maintenance of the sewer and drainage systems, park and recreational facilities, and road facilities of the Limited District and shall be entitled to all utility revenues of the system as consideration for the assumption of such obligations. The rates charged by the City shall be the same as the rates charged by the City to customers of the same class in other parts of the City. Notwithstanding the immediately preceding sentence, the City may charge lower rates within Fort Bend County Municipal Utility District Nos. 169, 170, 171, 172 and 173 (each, a "CCR MUD") if the City is required to charge such lower rates by a now existing Utility Agreement with a CCR MUD. To the extent necessary to maintain compliance with the bond covenants of the District, the title to all such improvements shall remain in the Limited District and the revenues generated therefrom shall remain subject to a lien to secure any amounts pledged or contingently pledged to the payment of debt of the Limited District.

(b) The powers of the Limited District shall be restricted to the power and obligation to levy and collect an ad valorem tax sufficient to meet the outstanding debt service requirements for debt previously issued by the District. The Limited District shall have no authority to issue new debt following the Full Purpose Annexation Conversion Date. The Limited District shall be authorized to enter into such contracts and agreements as may be necessary or convenient to carry out such function, including, but not limited to, employing consultants; provided, however,

that such contracts and agreements shall terminate immediately upon the retirement of all of the Limited District's debt.

**ARTICLE VI
MATERIAL BREACH, NOTICE
AND REMEDIES**

Section 6.01. Material Breach of Agreement.

(a) It is the intention of the Parties to this Agreement that the District and the City be regulated in accordance with the terms of this Agreement. A material breach of this Agreement by the District includes, but is not limited to, any one or more of the following:

1. Failure of the District to allow annexation of the District for limited purposes as authorized by this Agreement; or
2. Failure of the District to operate and maintain the District's water, sewer, and drainage facilities as provided in Article IV; or
3. Failure of the District to carry out its other obligations under this Agreement.

(b) A material breach of this Agreement by the City includes any one or more of the following:

1. Any attempt by the City to annex any portion of the District for full purposes under circumstances not allowed by this Agreement; or
2. Failure of the City to pay to the District the District's share of the Sales and Use Tax, as provided in Article IV; or
3. Failure of the City to carry out its other obligations under this Agreement.

If a Party to this Agreement believes that another Party has, by act or omission, committed a material breach of this Agreement, the provisions of this Article shall govern the remedies for breach of this Agreement.

Section 6.02. Notice of District's Breach.

(a) The City shall notify the District in writing of an alleged material failure by the District to comply with a provision of this Agreement, describing the alleged failure with reasonable particularity. The District shall, within thirty (30) days after receipt of the notice or a longer period of time as the City may specify in the notice, either cure the alleged failure or, in a written response to the City, either present facts and arguments in refutation or excuse of the alleged failure or state that the alleged failure will be cured and set forth the method and time schedule for accomplishing the cure.

(b) The City shall determine (i) whether a failure to comply with a provision has occurred; and (ii) whether the failure has been cured or will be cured by the District. The

District shall make available to the City, if requested, any records, documents, or other information necessary to make the determination.

(c) If the City determines that the failure has not occurred, or that the failure either has been or will be cured in a manner and in accordance with a schedule reasonably satisfactory to the City, or that the failure is excusable, the determination shall conclude the investigation.

(d) If a failure to comply that is defined as a material breach has occurred, and has not been or will not be cured by the District in a manner and in accordance with a schedule reasonably satisfactory to the City, then the City may exercise the applicable remedy under Section 6.04(a).

Section 6.03. Notice of City's Breach.

(a) The District shall notify the City in writing specifying any alleged failure by the City to comply with a provision of this Agreement, describing the alleged failure with reasonable particularity. The City shall, within thirty (30) days after receipt of the notice or the longer period of time as the District may specify in the notice, either cure the alleged failure or, in a written response to the District, either present facts and arguments in refutation or excuse of the alleged failure or state that the alleged failure will be cured and set forth the method and time schedule for accomplishing the cure.

(b) The District shall determine (i) whether a failure to comply with a provision has occurred; and (ii) whether the failure has been cured or will be cured by the City. The City shall make available to the District, if requested, any records, documents or other information necessary to make the determination.

(c) If the District determines that the failure has not occurred, or that the failure either has been or will be cured in a manner and in accordance with a schedule reasonably satisfactory to the District, or that the failure is excusable, the determination shall conclude the investigation.

(d) If a failure to comply that is defined as a material breach has occurred, and has not been or will not be cured by the City in a manner and in accordance with a schedule reasonably satisfactory to the District, then the District may exercise the applicable remedy under Section 6.04(b).

Section 6.04. Remedies.

(a) If the District has committed a material breach of this Agreement, and the breach has not been cured after notice as provided in this Article, the City may file suit in a court of competent jurisdiction in the County, and seek any relief available at law or in equity, including, but not limited to, an action under the Uniform Declaratory Judgment Act in addition to the monetary awards as may be appropriate, injunctive relief or termination of the Agreement. Governmental immunity is specifically waived for injunctive relief.

(b) If the City has committed a material breach of this Agreement, and the breach has not been cured after notice as provided in this Article, the District may file suit in a court of

competent jurisdiction in the County, and seek any relief available at law or in equity, including, but not limited to, an action under the Uniform Declaratory Judgment Act in addition to the monetary awards as may be appropriate, injunctive relief or termination of this Agreement. Governmental immunity is specifically waived for injunctive relief.

Section 6.05. Landowner's Ability to Enforce Agreement. To the extent permitted by law, the Landowner shall be entitled to bring suit for a breach of this Agreement by the City or the District in the same manner that this Article permits the City and the District to bring such an action.

ARTICLE VII BINDING AGREEMENT, TERM, AND AMENDMENT

Section 7.01. Beneficiaries.

(a) This Agreement binds and inures to the benefit of the Parties, their successors and assigns as well as the Landowner and residents of the District. The District shall record this Agreement with the County Clerk in the Official Records of Waller County, Texas. This Agreement binds each owner and each future owner of land included within the District's boundaries in accordance with Subsection (c) of the Act. The terms of this Agreement shall constitute covenants running with the land comprising the LPA Phase III Area and shall be binding on all future owners of Landowner's real property.

(b) The Landowner is specifically intended as a third party beneficiary to the portions of this Agreement that constitute the Strategic Partnership Agreement between the City and the District.

Section 7.02. Term.

This Agreement commences and binds the Parties during the Term of this Agreement, unless sooner terminated as specifically allowed by this Agreement. Notwithstanding the immediately preceding sentence, the City's obligation to pay the District its agreed portion of the Sales and Use Tax revenues generated prior to the date such termination is effective shall survive any termination of this Agreement. The Initial Term of this Agreement shall commence with the Effective Date and continue through and including December 31, 2046. If full purpose annexation does not occur upon the expiration of the Initial Term, the Term of this Agreement is extended for successive one-year terms until conversion to full purpose annexation occurs; provided, however, that the Development Agreement shall not exceed the maximum duration permitted by Section 212.172(d), Local Government Code. Termination of the Development Agreement, as and when permitted by law and this Agreement, shall not terminate the Strategic Partnership Agreement unless this Agreement also specifically permits termination of the Strategic Partnership Agreement. The District agrees to notify the City ninety (90) days in advance of a proposed dissolution of the District. The District agrees not to dissolve while there remains outstanding bonds or debt of the District.

Section 7.03. Amendment.

No amendment to the terms of this Agreement shall be effective unless such amendment is in writing and signed by the Parties.

Section 7.04. Conditions Precedent to Effectiveness.

This Agreement shall be ineffective in all respects and shall not be enforceable by or against any of the Parties unless and until the following conditions precedent are satisfied: (i) each of the Parties hereto executes this Agreement, (ii) the District and the Landowner each execute, in a form reasonably acceptable to the District and the Landowner, that certain Third Amendment to Master Sales Agreement and Lease of Facilities and Operating Agreement (the "Third MSA"), (iii) the Consenting Landowners execute, in a form reasonably acceptable to the Landowner, a consent to the entry of the Third MSA, and (iv) the District and the Landowner provide written notice to the City indicating that conditions (i), (ii) and (iii) set forth above have been satisfied.

Section 7.05. Prior SPAs.

Except as set forth in this Section 7.05, this Agreement shall have no effect on the validity or enforceability of the Prior SPAs. The City's and the District's permitted uses of the Sales and Use Tax revenues generated within the LPA Phase III Area shall be governed solely by Article IV of this Agreement, and this Agreement shall supersede any contrary provisions of the Prior SPAs relative to same.

**ARTICLE VIII
MISCELLANEOUS PROVISIONS**

Section 8.01. Notice.

Any formal notices or other communications ("Notice") required to be given by one Party to another by this Agreement shall be given in writing addressed to the Party to be notified at the address set forth below for the Party; (i) by delivering the Notice in person; (ii) by depositing the Notice in the United States Mail, certified or registered, return receipt requested, postage prepaid, addressed to the Party to be notified; (iii) by depositing the Notice with FedEx or another nationally recognized courier service guaranteeing next day delivery, addressed to the Party to be notified; or (iv) by sending the Notice by telefax. Notice deposited in the United States Mail in the manner herein above described shall be deemed effective from and after the date of such deposit. Notice given in any other manner shall be effective only if and when received by the Party to be notified. For the purposes of Notice, the addresses of the Parties, until changed as provided below, shall be as follows:

All Notices required or permitted under this Agreement shall be in writing and shall be served on the Parties at the following address:

City: City of Fulshear
P.O. Box 279
Fulshear, Texas 77441

With a copy to: Grady Randle
Randle Law Office LTD, LLP
820 Gessner, Suite 1570
Houston, Texas 77024

District: Waller County Road Improvement District No. 1
C/O Bacon & Wallace LLP
6363 Woodway, Suite 800
Houston, Texas 77057
Attn: Mr. John Wallace

District (for payment): Waller County Road Improvement District No. 1
C/O McLennan & Associates
3100 South Gessner
Houston, Texas 77063

Landowner: Peter Weitzner
Lois Houston Associates LLC
400 Perimeter Center Terrace, Suite 800
Atlanta, Georgia 30346

With a copy to: Mark Arnold
Andrews Kurth LLP
600 Travis, Suite 4200
Houston, Texas 77002

The Parties may from time to time change their respective addresses, and each may specify as its address any other address within the United States of America by giving at least five (5) days written notice to the other Party. If any date or any period provided in this Agreement ends on a Saturday, Sunday, or legal holiday, the applicable period for calculating the notice shall be extended to the first business day following the Saturday, Sunday or legal holiday.

Section 8.02. Time.

Time is of the essence in all things pertaining to the performance of this Agreement.

Section 8.03. Severability.

In the event any clause, phrase, provision, sentence or part of this Agreement or the application of the same to any person or circumstances shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair, or

invalidate this Agreement as a whole or any part or provision hereof other than the part declared to be invalid or unconstitutional. However, if any such judgment or holding substantially impairs a right or benefit expected by a Party under this Agreement, such Party shall have the right to: (i) seek equitable reformation of this Agreement; or (ii) terminate this Agreement.

Section 8.04. Waiver.

Any failure by a Party to insist upon strict performance by the other Party of any provision of this Agreement shall not be deemed a waiver thereof or of any other provision hereof, and the Party shall have the right at any time thereafter to insist upon strict performance of any and all of the provisions of this Agreement.

Section 8.05. Applicable Law and Venue.

The construction and validity of this Agreement shall be governed by the laws of the State of Texas without regard to conflicts of law principles. Venue shall be proper only in the County.

Section 8.06. Reservation of Rights.

To the extent not inconsistent with this Agreement, each Party reserves all rights, privileges, and immunities under applicable laws.

Section 8.07. Further Documents.

The Parties agree that at any time after executing of this Agreement, they will, upon request of the other Party, execute and deliver the further documents and do the further acts and things as the other Party may reasonably request in order to effectuate the terms of this Agreement.

Section 8.08. Incorporation of Exhibits and Other Documents by Reference.

All Exhibits and other documents attached to or referred to in this Agreement are incorporated into this Agreement by reference for the purposes set forth in this Agreement.

Section 8.09. Effect of State and Federal Laws.

Notwithstanding any other provision of this Agreement, the District shall comply with all applicable statutes or regulations of the United States, the State of Texas, and City Ordinances and any other provisions implementing such statutes or regulations.

Section 8.10. Authority for Execution.

The City certifies, represents, and warrants that the execution of this Agreement is duly authorized and adopted by the City Council. The District certifies, represents, and warrants that the execution of this Agreement is duly authorized and adopted by its Board.

IN WITNESS WHEREOF, the Parties have executed this Agreement in multiple counterparts, each of which shall be an original, as of the Effective Date.

CITY OF FULSHEAR, TEXAS

Date signed: 4-19-2016

By: Thomas C. Kuykendall, Jr.
Thomas C. Kuykendall, Jr., Mayor

ATTEST:

D. Gordon Offord
D. Gordon Offord, City Secretary

STATE OF TEXAS §
 §
COUNTY OF WALLER §

This instrument was acknowledged before me this 19th day of April, 2016, by Thomas C. Kuykendall, Jr., as Mayor, of the City of Fulshear, Texas, a Texas general law municipality.

Notary Public in and for the State of Texas

Diana Gordon Offord

(NOTARY SEAL)



WALLER COUNTY ROAD IMPROVEMENT
DISTRICT NO. 1

Date signed: _____

By: _____

President, Board of Directors

ATTEST:

Secretary, Board of Directors

Tax ID No. _____

STATE OF TEXAS §

§

COUNTY OF WALLER §

This instrument was acknowledged before me this ___ day of _____, 2016, by Kevin Staloch, as President, of Waller County Road Improvement District No. 1, a political subdivision of the State of Texas, on behalf of said political subdivision.

Notary Public in and for the State of Texas

(NOTARY SEAL)

STATE OF TEXAS §

§

COUNTY OF WALLER §

This instrument was acknowledged before me this ___ day of _____, 2016, by Robert Spears, as Secretary, of Waller County Road Improvement District No. 1, a political subdivision of the State of Texas, on behalf of said political subdivision.

Notary Public in and for the State of Texas

(NOTARY SEAL)

LOIS HOUSTON ASSOCIATES LLC

By: _____

Its: _____

STATE OF _____ §

COUNTY OF _____ §

This instrument was acknowledged before me this ____ day of _____, 2016,
by _____, as _____, of Lois Houston Associates LLC, a
Delaware limited liability company.

Notary Public in and for the State of Texas

(NOTARY SEAL)

Exhibit "A"

Legal Description

ALL THAT CERTAIN TRACT OR PARCEL OF LAND CONTAINING 118.468 ACRES (3,160,492 SQUARE FEET) OF LAND SITUATED IN THE H. & T.C.R.R. CO. SURVEY, SECTION 101, ABSTRACT NO. 168, WALLER COUNTY, TEXAS, BEING OUT OF AND A PART OF THAT CERTAIN CALLED 292.27 ACRE TRACT CONVEYED TO J.T. TROTTER 97 TRUST (19.2116% INTEREST) RECORDED IN VOLUME 646, PAGE 115 OF THE DEED RECORDS OF WALLER COUNTY, TEXAS, AND CONVEYED TO SHASTA MINERALS, INC. (80.788833% INTEREST) RECORDED IN VOLUME 646, PAGE 120 OF THE DEED RECORDS OF WALLER COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING AT A 1/2 INCH IRON PIPE FOUND AT THE SOUTHWEST CORNER OF THE H. & T.R.R. CO. SURVEY, SECTION 101, BEING A REENTRY CORNER OF THE H.H. PENNINGTON SURVEY, ABSTRACT 322 (H. & T.R.R. SECTION 76);

THENCE NORTH 01 DEGREES 59 MINUTES 21 SECONDS WEST ALONG THE WEST LINE OF SAID THE H. & T.R.R. CO. SURVEY, SECTION 101, BEING AN INTERIOR LINE OF SAID H.H. PENNINGTON SURVEY, A DISTANCE OF 424.72 FEET TO A 5/8 INCH CAPPED IRON ROD SET FOR THE SOUTHWEST CORNER AND POINT OF BEGINNING OF THE HEREIN DESCRIBED TRACT IN THE NORTHERLY LINE OF A 30 FOOT WIDE SHELL OIL PIPELINE BASEMENT (VOL. 106, PG. 190 DEED RECORDS WALLER COUNTY, TEXAS);

THENCE NORTH 01 DEGREES 59 MINUTES 21 SECONDS WEST CONTINUING ALONG THE WEST LINE OF SAID THE H. & T.R.R. CO. SURVEY, SECTION 101, AT 191.07 FEET PAST A 1/2 INCH IRON PIPE FOUND MARKING THE NORTHERLY NORTHEAST CORNER OF SAID H.H. PENNINGTON SURVEY, THE SOUTHEAST CORNER OF THE T.S. REESE SURVEY, H. & T.C.R.R. SECTION 78, ABSTRACT 330, AND CONTINUING ALONG SAID LINE FOR A TOTAL DISTANCE ~~2749.47 FEET TO THE NORTHWEST~~ 2787.08 CORNER OF THE HEREIN DESCRIBED TRACT, IN THE SOUTH LINE OF INTERSTATE HIGHWAY 10, FROM WHICH A 1/2 INCH IRON PIPE FOUND BEARS NORTH 74 DEG. 12 MIN. 42 SEC. EAST, 0.81 FEET;

THENCE NORTH 88 DEGREES 16 MINUTES 44 SECONDS EAST ALONG THE SOUTH LINE OF INTERSTATE HIGHWAY 10 A DISTANCE OF 2110.16 FEET TO A 5/8 INCH CAPPED IRON ROD SET FOR THE NORTHEAST CORNER OF THE HEREIN DESCRIBED TRACT, IN THE WEST LINE OF A 50 FOOT WIDE PHILLIPS PETROLEUM PIPELINE BASEMENT (VOL. 130, PG. 600 DEED RECORDS WALLER COUNTY, TEXAS);

Exhibit A - 1

THENCE SOUTH 11 DEGREES 06 MINUTES 25 SECONDS EAST ALONG THE EAST LINE OF SAID 50 FOOT WIDE PHILLIPS PETROLEUM PIPELINE BASEMENT A DISTANCE OF 1759.34 FEET TO A 5/8 INCH CAPPED IRON ROD SET FOR A SOUTHEAST CORNER OF THE HEREIN DESCRIBED TRACT IN THE NORTHERLY LINE OF SAID 30 FOOT WIDE SHELL OIL PIPELINE BASEMENT;

THENCE SOUTH 64 DEGREES 30 MINUTES 09 SECONDS WEST WITH THE NORTHERLY LINE OF SAID A 30 FOOT WIDE SHELL OIL PIPELINE BASEMENT A DISTANCE OF 2605.52 FEET TO THE POINT OF BEGINNING AND CONTAINING 118.468 ACRES (5,160,452 SQUARE FEET) OF LAND.

Exhibit A - 2

EXHIBIT "B"

The following schedule outlines the division of the Sales and Use Tax collected within the LPA Phase III Area that shall be paid to Waller County Road Improvement District No. 1:

YEARS	RETAINED BY THE CITY	PAID TO THE DISTRICT
1-10	30%	70%
11-20	40%	60%
21-End of Initial Term of Agreement	50%	50%

AGENDA MEMO
BUSINESS OF THE CITY COUNCIL
CITY OF FULSHEAR, TEXAS

AGENDA OF:	June 21, 2016	AGENDA ITEM:	III - D
DATE SUBMITTED:	June 15, 2016	DEPARTMENT:	Administration
PREPARED BY:	Kristi Brashear, Finance Director	PRESENTER:	CJ Snipes City Manager
SUBJECT:	FY 2016 -2017 Budget and Tax Rate Calendar		
ATTACHMENTS:	1 – Budget & Tax Rate Calendar		
EXPENDITURE REQUIRED:			\$0
AMOUNT BUDGETED:			\$0
FUNDING ACCOUNT:			
ADDITIONAL APPROPRIATION REQUIRED:			\$0
FUNDING ACCOUNT:			

EXECUTIVE SUMMARY

Annually the Finance Director meets with the City Manager to define an organizational timeline for the adoption of the fiscal budget and tax rate. This timeline is coordinated around the legislation that governs it. That legislation includes, the City Charter, Tax, Government, and Local Government Codes. The calendar is meant to serve as a guide with deadlines for filings, public notices and public meetings. It may fluctuate based on when the city receives its certified values from the Central Appraisal District and the calculation of the Effective Tax Rate by the Tax Assessor/Collector.

RECOMMENDATION

Staff recommends adopting the FY 2016-2017 Budget and Tax Rate Calendar.

Budget Calendar
Fiscal 2016-2017 Budget

DATE	ACTIVITY	GOVERNING LEGISLATION	RESPONSIBLE PARTY
Monday June 27, 2016 or as soon as practicable	>Deadline to provide estimate of City tax roll	Tax Code 26.01 (e)	Tax Collector
Friday July 30, 2016 or as soon as practicable	>Deadline to certify City tax roll	Tax Code 26.01	Tax Collector
Monday Aug 1, 2016 or as soon as practicable	>Certify anticipated collection rate to City Council	Tax Code 26.04	Tax Collector City Manager
Friday Aug 5, 2016 or as soon as practicable	> Calculate effective and rollback tax rates and submit to City Council >Publish effective and rollback tax rates, statement of increase/decrease in property taxes, and schedules of unencumbered fund balances and debt service requirements in newspaper	Tax Code 26.04 (e)	Tax Collector City Manager
Tuesday Aug 9, 2016	> Possible Council Budget Workshop		City Council
Friday Aug 12, 2016	>Post 72-hour notice for meeting at which City Council will discuss tax rate	Gov't Code 551.043	City Secretary
Tuesday Aug 16, 2016	>Open meeting to discuss tax rate (if proposed tax rate will exceed lower of effective tax rate or rollback rate, take record vote on specified rate and schedule two public hearings) > Possible Council Budget Workshop		City Council
Wednesday Aug 17, 2016 (for Saturday Publication)	>"Notice of Public Hearing on Tax Increase" is first quarter-page notice in newspaper and on City Website (must be published at least 7 days before first public hearing) (Website posting must remain until second hearing on tax increase is concluded)***	Tax Code 26.06 Tax Code 26.065	Tax Collector & City Secretary
Thursday Aug 18, 2016	>Deadline to prepare budget message and capital improvements plan to be filed with proposed budget		Finance Director

***Indicates activity is required only if proposed tax rate will exceed lower of effective tax rate or rollback rate.

Budget Calendar
Fiscal 2016-2017 Budget

DATE	ACTIVITY	GOVERNING LEGISLATION	RESPONSIBLE PARTY
Friday Aug 19, 2016	>Deadline to prepare proposed budget document >If proposed budget will raise more property tax revenues than previous year, include cover page with mandatory statement specified by law	Local Gov't Code 102.003 Local Gov't Code 102.005(b)	City Manager & Finance Director
Friday Aug 19, 2016	>Last day to file proposed budget and accompanying budget message with City Council members and City Secretary (must be available for public inspection for at least 30 days before City Council will make tax levy)	Local Gov't Code 102.005(a)	City Manager & Finance Director
Friday Aug 19, 2016	>Publish proposed budget on City Web Site	Local Gov't Code 102.005 c	City Secretary
Monday Aug 22, 2016	>First Day that general budget summary and notice of public hearing on proposed budget may be posted at City Hall (posting must take place not less than 15 days before public hearing)		City Secretary
Friday, Aug. 26, 2016	>Post 72 hour notice for first public hearing on tax increase ***	Gov't Code 551.043	City Secretary
Tuesday Aug 30, 2016	>First public hearing on tax increase *** >Announce date, time, and place of meeting at which tax rate will be voted on ***	Tax Code 26.06 (d)	City Council
Tuesday Sept 2, 2016	>Last day that general budget summary and notice of public hearing on proposed budget may be posted at City Hall (posting must take place not less than 15 days before public hearing)		City Secretary
Monday Sept 5, 2016	Labor Day (City Holiday)		

***Indicates activity is required only if proposed tax rate will exceed lower of effective tax rate or rollback rate.

Budget Calendar
Fiscal 2016-2017 Budget

DATE	ACTIVITY	GOVERNING LEGISLATION	RESPONSIBLE PARTY
Friday Sept 9, 2016	>Deadline to publish general budget summary and notice of public hearing on proposed budget in newspaper (must be published not earlier than 30 days or later than 10 days before public hearing) >If proposed budget will raise more property tax revenues than previous year, include mandatory statement specified by law	Local Gov't Code 102.0065	City Secretary
Friday Sept 9, 2016	Post 72-hour notice for second public hearing on tax increase ***	Gov't Code 551.043	City Secretary
Friday Sept. 9, 2016	>Last day to publish "Notice of Tax Revenue Increase" on City Website (must be published at least 7 days before meeting to adopt tax rate)***	Tax Code 26.065	City Secretary
Tuesday Sept 13, 2016	>Second Public Hearing on tax increase (not earlier than 3 days after first public hearing)*** >Announce date, time, and place of meeting to adopt tax rate (to occur 3-14 days from this date)*** >First reading of ordinance(s) for proposed changes to utility rates (if necessary)	Tax Code 26.06	City Council
Wednesday Sept 14, 2016	>Remove "Notice of Public Hearing on Tax Increase" from City Website***	Tax Code 26.06 c	City Secretary
Wednesday, Sept 14, 2016	>"Notice of Tax Revenue Increase" published before meeting to adopt tax rate is second quarter-page notice in newspaper***	Tax Code 26.06 (d)	Tax Collector
Friday Sept 16, 2016	Post 72 Hour notice for meeting at which City Council will adopt budget, tax rate, and utility rates (if necessary)	Gov't Code 551.043	City Secretary

***Indicates activity is required only if proposed tax rate will exceed lower of effective tax rate or rollback rate.

Budget Calendar
Fiscal 2016-2017 Budget

DATE	ACTIVITY	GOVERNING LEGISLATION	RESPONSIBLE PARTY
Tuesday Sept 20, 2016	<ul style="list-style-type: none"> >Public Hearing on proposed budget >Adopt budget by ordinance (any changes considered warranted by law or in taxpayers' best interest may be made beforehand.) >Adopt tax rate by ordinance (must be 3-14 days after second public hearing) -Tax rate must be adopted as separate components for M&O and I&S. -Ordinance and motion to adopt must include certain mandatory statements specified by law*** -Must be record vote*** >Second reading of ordinance(s) for proposed changes to utility rates (if necessary) 	Local Gov't Code 102.007 Tax Code 26.05 & 26.06 (e) Local Gov't Code 102.009(a)	City Council
Wednesday Sept 21, 2016	<ul style="list-style-type: none"> >Remove "Notice of Tax Revenue Increase" from City Website*** >Remove proposed budget from City Website 	Tax Code 26.065	City Secretary
Friday, Sept. 30, 2016	<ul style="list-style-type: none"> >Last day to: <ul style="list-style-type: none"> -Notify Chief Appraiser of adopted tax rate -Input City Council budget modifications, if any -Print final drafts of budget listings and updated budget cover pages -Obtain signed copies of applicable ordinances -Distribute updated pages for inclusion in budget documents -Post final budget to accounting records -Update Water Dept. on utility rates (if necessary) 		Finance Director
Friday, Sept. 30, 2016	<ul style="list-style-type: none"> >Last day to file final adopted budget with City Secretary >Last day to file final adopted budget with County Clerk's Office 	Local Gov't Code 102.008(1) Local Gov't Code 102.009(d)	City Manager & Finance Director

***Indicates activity is required only if proposed tax rate will exceed lower of effective tax rate or rollback rate.

Budget Calendar
Fiscal 2016-2017 Budget

DATE	ACTIVITY	GOVERNING LEGISLATION	RESPONSIBLE PARTY
Friday, Sept. 30, 2016	>Last day to publish on City Website home page mandatory statements specified by law*** >Last day to publish final adopted budget to City Website	Tax Code 26.05 (b)(2) Local Gov't Code 102.008(2)	City Secretary
Saturday, Oct 1, 2016	>Fiscal Year 2016/2017 commences >New utility rates, if any, become effective		

***Indicates activity is required only if proposed tax rate will exceed lower of effective tax rate or rollback rate.

ORDINANCE NO. 2016-1219

AN ORDINANCE AMENDING CITY OF FULSHEAR, TEXAS, ORDINANCE NO. 2015-1195, APPROVING AND ADOPTING THE CITY'S OPERATING BUDGET FOR FISCAL YEAR 2015-2016, BY APPROVING "BUDGET AMENDMENT I" TO THE "ORIGINAL GENERAL BUDGET OF THE CITY OF FULSHEAR, TEXAS, FOR THE FISCAL YEAR 2015-2016"; PROVIDING FOR SUPPLEMENTAL APPROPRIATION AND/OR TRANSFER OF CERTAIN FUNDS; PROVIDING FOR SEVERABILITY; AND PROVIDING OTHER MATTERS RELATED TO THE SUBJECT.

WHEREAS, by Ordinance No. 2015-1195, the City Council of the City of Fulshear, Texas, adopted its Original General Budget for Fiscal Year 2015-2016"; and

WHEREAS, the City Council has determined that revenues and/or reserves are available for supplemental appropriation, and/or that the transfer of certain funds interdepartmentally is economically feasible and in the best interest of prudent budgeting and for municipal purposes; and

WHEREAS, the City Council desires to amend said Original General and Operating Budgets to reflect such supplemental appropriation and/or transfer in the fiscal year 2015-2016; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FULSHEAR, STATE OF TEXAS:

SECTION 1.0

PURPOSE: The purpose of this Ordinance is to adopt an amendment to the City of Fulshear's 2015-2016 Budget.

SECTION 2.0

AMENDED: The "Original General Budget of the City of Fulshear, Texas, for the Fiscal Year 2015-2016," as adopted under Ordinance No. 2015-1195 is hereby amended for municipal purposes as shown on "Budget Amendment I" to the "Original Budget of the City of Fulshear Texas, for the Fiscal year 2015-2016" attached hereto. Said Budget Amendment I shall be attached to and made a part of such Original General Budget by the City Secretary and shall be filed as required by state law, a true and correct copy of which is attached hereto as Exhibits "A" and made a part hereof for all purposes.

SECTION 3.0

AUTHORIZED EXPENDITURE: That the City be and is hereby authorized to expend those funds allocated under the budget ordinance, as amended herein and the fund balance at the end of the current fiscal year will be carried forward to the next budget to fund the allocations for the next fiscal year.

SECTION 4.0

NON-REPEALER: That except as amended hereby, or as heretofore amended, the provisions of Ordinance No. 2015-1195, shall remain in full force and effect.

SECTION 5.0

SEVERABILITY: That should any sentence, paragraph, subdivision, clause, phrase or section of this ordinance be adjudged or held to be unconstitutional, illegal, or invalid, the same shall not affect the validity of this ordinance as a whole, or any part or provision thereof other than the part decided to be invalid, illegal or unconstitutional.

SECTION 6.0

EFFECTIVE DATE: That this ordinance shall take effect immediately from and after its passage as the law in such cases provides, and the City Secretary is directed to furnish a copy of this amendment to the budget to the County Clerk of Ft. Bend County as required by Chapter 102 of the Texas Local Government Code.

This Ordinance duly passed and adopted on this the 21st of July, 2016.

Jeff W. Roberts, Mayor

ATTEST:

D. Gordon Offord, City Secretary

DRAFT

**AGENDA MEMO
BUSINESS OF THE CITY COUNCIL
CITY OF FULSHEAR, TEXAS**

AGENDA OF:	June 21, 2016	AGENDA ITEM:	III - E
DATE SUBMITTED:	June 15, 2016	DEPARTMENT:	Administration
PREPARED BY:	Kristi Brashear, Finance Director	PRESENTER:	Kristi Brashear, Finance Director
SUBJECT:	Fiscal Year 15/16 Budget Amendment One		
ATTACHMENTS:			
EXPENDITURE REQUIRED:			\$0
AMOUNT BUDGETED:			\$0
FUNDING ACCOUNT:			
ADDITIONAL APPROPRIATION REQUIRED:			\$0
FUNDING ACCOUNT:			

EXECUTIVE SUMMARY

This amendment reflects changes to three funds and the creation of one new fund. The Capital Projects Fund (300) has been amended to separate drainage improvement expenses and the Master Drainage Plan expenses. The Cross Creek Enterprise (550) and the Fulshear Enterprise (500) Funds have been amended to keep the expenses of the water meter project performed by Seimens in the enterprise budgets rather than expensing that project under the Capital Projects Fund, as these are business type expense rather than governmental type expenses for the purposes of financial reporting practices. Finally, Development Corporation A approved a budget amendment to their respective fund (600) for the purposes of the Texas Leverage Fund debt issuance. Subsequently this resulted in the creation of a "Project Fund (601)" which will track the expense of the project.

RECOMMENDATION

Staff recommends that City Council adopt this budget amendment as part of the annual fiscal process.

ND ACCOUNT	DATE	DESCRIPTION	ADJUSTMENT	ORIGINAL BUDGET	PREVIOUS ADJUSTMENTS	NEW BUDGET	BUDGET BALANCE
udget Adj. # 000088							
) 5-000-5510-00	6/15/2016	FUND MASTER DRAIN P Drainage Improvements	50,000.00-	250,000.00	0.00	200,000.00	200,000.00
) 5-000-5510-01	6/15/2016	FUND MASTER DRAIN P Master Drainage Plan	50,000.00	0.00	0.00	50,000.00	28,812.91
) 5-000-5401-00	6/15/2016	SIEMENS PROJECT Transfer Out - Other Funds	1,700,000.00-	1,878,500.00	0.00	178,500.00	178,500.00
) 5-000-5650-00	6/15/2016	SIEMENS PROJECT CAPITAL TECHNOLOGY	1,700,000.00	10,000.00	0.00	1,710,000.00	1,633,572.67
) 5-000-5401-00	6/15/2016	SIEMENS PROJECT Transfer Out - Other Funds	300,000.00-	1,868,006.00	0.00	0.00	0.00
) 5-000-5650-00	6/15/2016	SIEMENS PROJECT CAPITAL TECHNOLOGY	300,000.00	0.00	0.00	300,000.00	286,512.83
) 5-000-5401-00	6/15/2016	WATER FACILITIES Transfer Out - Other Funds	700,000.00-	1,868,006.00	0.00	0.00	0.00
) 5-000-5650-02	6/15/2016	WATER FACILITIES Capital - Facilities	700,000.00	0.00	0.00	700,000.00	8,485.00
) 5-000-5401-00	6/15/2016	WATER INFRASTRUCTUR Transfer Out - Other Funds	868,006.00-	1,868,006.00	0.00	0.00	0.00
) 5-000-5650-03	6/15/2016	WATER INFRASTRUCTUR Capital Infrastructure	868,006.00	0.00	0.00	868,006.00	868,006.00
5-700-5710-01	6/15/2016	TLF DEBT SERVICE Debt Service Loan Principal	6,387.00	0.00	0.00	6,387.00	6,387.00
5-700-5710-02	6/15/2016	TLF DEBT SERVICE Debt Service Loan Interest	4,339.00	0.00	0.00	4,339.00	4,339.00
5-700-5710-00	6/15/2016	TLF DEBT SERVICE DEBT SERVICE APP FEES	5,500.00	0.00	0.00	5,500.00	5,000.00
49500	6/15/2016	TRANSFER IN FUND BA Transfer In - Fund Balance	16,226.00-	0.00	0.00	16,226.00	16,226.00
49202	6/15/2016	TLF LOAN PROCEEDS LOAN PROCEEDS	500,000.00-	0.00	0.00	500,000.00	500,000.00
46001	6/15/2016	TLF LOAN PROCEEDS INTEREST	10.00-	0.00	0.00	10.00	10.00
5-000-5650-00	6/15/2016	LAND AQUISITION LAND AQUISITION	500,000.00	0.00	0.00	500,000.00	500,000.00

NO ACCOUNT	DATE	DESCRIPTION	ADJUSTMENT	ORIGINAL BUDGET	PREVIOUS ADJUSTMENTS	NEW BUDGET	BUDGET BALANCE

dget Adj. # 000088							
TOTAL NO. ADJUSTMENTS--REVENUE:					3	516,236.00-	
TOTAL NO. ADJUSTMENTS--EXPENSE:					14	516,226.00	
TOTAL IN PACKET--						<u>10.00-</u>	

* NO WARNINGS ***

* NO ERRORS ***

*** END OF REPORT ***

RESOLUTION NO. 2016-309

**A RESOLUTION OF THE CITY OF FULSHEAR, TEXAS, ADOPTING
RULES OF PROCEDURE FOR CITY COUNCIL MEETINGS AND
INVESTIGATIONS; PROVIDING FOR SEVERABILITY; PROVIDING
FOR REPEAL; AND PROVIDING FOR AN EFFECTIVE DATE.**

* * * * *

WHEREAS, pursuant to Section 3.06 of the City of Fulshear, Texas, Home Rule Charter (the "Charter"), the City Council may make investigations into the affairs of the City and the conduct of any City department, office, or agency and for this purpose may subpoena witnesses, administer oaths, take testimony, and require the production of evidence; and

WHEREAS, pursuant to Section 3.09(d) of the Charter, the City Council is required to adopt rules of procedure governing all meetings of the City Council, which shall provide for comments from the public at all regular meetings, subject to such limitations as may be imposed by the City Council;

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

Section 1. That all of the facts recited in the preamble to this resolution are hereby found by the City Council to be true and correct and are incorporated by reference herein and expressly made a part hereof, as if copied herein verbatim.

Section 2. That the rules of procedure attached hereto as Exhibit A (the "Rules of Procedure") are hereby adopted, and the same are incorporated by reference herein and expressly made a part hereof, as if copied herein verbatim.

Section 3. That Roberts Rules of Order, Newly Revised, 2nd Edition, are hereby adopted in accordance with the Rules of Procedure, and the same are incorporated by reference herein and expressly made a part hereof, as if copied herein verbatim.

Section 4. Severability. That in the event any clause, phrase, provision, sentence or part of this Resolution or the application of the same to any person or circumstances shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair or invalidate this Resolution as a whole or any part or provision hereof other than the part declared to be invalid or unconstitutional; and the City Council of the City of Fulshear, Texas declares that it would have passed each and every part of the same notwithstanding the omission of any part thus declared to be invalid or unconstitutional, or whether there be one or more parts.

Section 5. Repeal. That all other resolutions or parts of resolutions inconsistent or in conflict herewith are, to the extent of such inconsistency or conflict, hereby repealed.

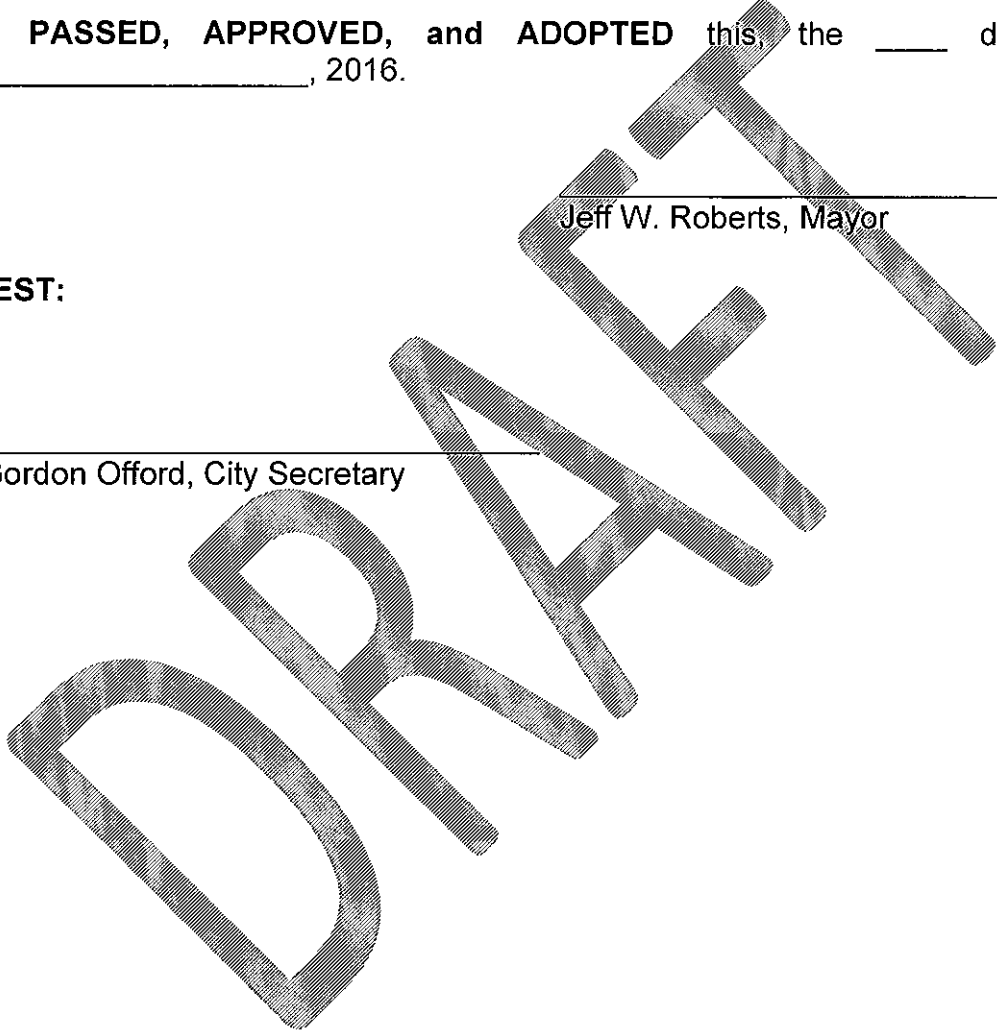
Section 6. Effective date. That this Resolution shall be effective and in full force immediately upon its adoption.

PASSED, APPROVED, and ADOPTED this, the ____ day of _____, 2016.

Jeff W. Roberts, Mayor

ATTEST:

D. Gordon Offord, City Secretary



**RULES OF PROCEDURE FOR MEETINGS OF
THE CITY COUNCIL OF THE CITY OF FULSHEAR, TEXAS**

1. Authority

1.1 *Home-Rule Charter.* The Home-Rule Charter of the City of Fulshear, Texas ("Home-Rule Charter") provides that the City Council of the City of Fulshear, Texas ("City Council") shall adopt rules of procedure governing all meetings of the City Council, which shall provide for comments from the public at all regular meetings, subject to such limitations as may be imposed by the City Council. The following set of rules shall be in effect upon their adoption by the City Council and until they are amended or new rules are adopted in the manner provided by these rules.

2. Application of Rules

2.1 *Rules of Procedure.* These rules shall apply to all City Council workshops, regular and special meetings, investigations, and public hearings, except when in conflict with the Home-Rule Charter or other law.

2.2 *Rules of Order.* The most recent edition of Robert's Rules of Order, Newly Revised, adopted by City Council shall govern the proceedings of the City Council in all cases, unless they are in conflict with these rules.

2.3 *Questions of Order.* All questions of order shall be decided by the presiding officer, subject to the right of appeal to the City Council, the majority of whom may override the ruling.

2.4 *Parliamentarian.* The city attorney shall be the City Council's parliamentarian.

2.5 *Motion to Enforce.* Any member of City Council may move to require enforcement of these rules; and, upon passage of such motion, the presiding officer shall be required to act.

2.6 *Non-observance of Rules.* Rules adopted to expedite and facilitate the transaction of the business of the City Council in an orderly fashion shall be deemed to be procedural only, and the failure to strictly observe any such rules shall not affect the jurisdiction of, or invalidate any action taken by, the City Council.

3. Amendment and Suspension of Rules

3.1 *Amendment to Rules.* These rules may be amended, or new rules adopted, by a majority vote of the City Council, provided that the proposed amendments or new rules shall have been introduced into the record at a prior City Council meeting.

3.2 *Suspension of Rules.* As may be allowed by law, any provision of these rules not governed by the Home-Rule Charter or other law may be temporarily suspended by a two-thirds vote of the City Council. The suspension shall remain in effect until the meeting in which the suspension occurs is adjourned. The vote on any such suspension shall be notated in the minutes.

4. Meetings

4.1 *Quorum.* A majority of the number of council members fixed by the Home-Rule Charter and a presiding mayor or an additional council member properly designated and acting as mayor pro tempore shall constitute a quorum. No meeting of the City Council shall be conducted without a quorum present.

4.2 *Regular Meetings.* The City Council shall meet at the city hall located at, 30603 FM 1093, Fulshear, Texas, or at another location, in regular meetings at 7:00 p.m. on the third Tuesday of each month, except when such third Tuesday shall be a legal holiday or when such regular meeting is canceled or rescheduled by the City Council.

4.3 *Special Meetings.* In addition to any special meeting provided for by the Home-Rule Charter or other law, the mayor may call special meetings on the mayor's own motion, and shall call a special meeting upon written request of three members of City Council, or of the city manager.

4.4 *Workshops.* The city manager or his designee may call workshops on the city manager's or designee's own motion, and shall call workshops upon written request of the mayor or three members of City Council. No official action may be taken at any workshop.

4.5 *Investigations.* A special meeting may be called for the purpose of holding an investigation and hearing as provided for in the Home-Rule Charter or other law. Items for consideration at such special meeting shall be limited to the matter being investigated.

4.6 *Public Hearings.* A special meeting may be called for the purpose of holding a public hearing as provided for in the Home-Rule Charter or other law. Items for consideration at such special meeting shall be limited to the matter subject to the public hearing. A public hearing may be placed on the agenda of any other meeting in the manner provided for by the Home-Rule Charter.

4.7 *Concurrent and Consecutive Meetings.* Except as may otherwise be prescribed by the Home-Rule Charter or other law, one or more regular meetings,

special meetings, workshops, investigations, public hearings, or any combination thereof may be held concurrently or consecutively.

5. Agendas

5.1 *Agenda Required.* The city manager or his designee shall be responsible for creating an agenda for each meeting of the City Council in the manner provided for by the Home-Rule Charter.

5.2 *Notice Required.* The city manager or his designee shall be responsible for publishing proper notice of each meeting of the City Council in accordance with the Texas Open Meetings Act, Chapter 551, Government Code.

5.3 *Consent Agenda.* An agenda for a regular or special meeting may have as part of the agenda a portion labeled "Consent Agenda," which may consist of routine, non-controversial items that require no more than a majority vote for passage, provided no item required to be considered or acted upon individually by the Home-Rule Charter or other law shall appear on such Consent Agenda.

6. Minutes and Certified Agenda

6.1 *Minutes.* The city manager or his designee shall be responsible for preparing and keeping minutes of each meeting of the City Council open to the public, in accordance with the Texas Open Meetings Act, Chapter 551, Government Code.

6.2 *Certified Agenda.* The city manager, or the presiding officer if the city manager is excluded, shall be responsible for keeping a certified agenda of each meeting of the City Council closed to the public, in accordance with the Texas Open Meetings Act, Chapter 551, Government Code. The presiding officer shall certify that the certified agenda is a true and correct record of the proceedings.

7. Public Comment

7.1 *Public Comment at Regular and Special Meetings.* In accordance with Section 3.09(d) of the Home-Rule Charter, public comment shall be provided for at all regular meetings, and may be provided for at any special meeting.

7.2 *Notice Required.* There shall be no public comment at any meeting unless otherwise provided for in the notice given for such meeting.

7.3 *Request Required.* Each person desiring to speak at a meeting for which public comment is provided must deliver to the presiding officer, prior to the commencement of such meeting, a written public comment request, which shall state the person's name, the agenda item or non-agenda item to be made the subject of the person's comments, and whether the person's comments will be for or against such

item. Delivery of a public comment request as required by this rule does not entitle a person to speak.

7.4 *Public Comment on Agenda Items.* For agenda items made the subject of public comment, such public comment may, at the discretion of the presiding officer, be heard either immediately prior to the consideration of the item by City Council or during the public comment section of the agenda, if any.

7.5 *Public Comment on Non-agenda Items.* For non-agenda items made the subject of public comment, the order and time of public comment shall be determined by the presiding officer. Any deliberation of or decision about a non-agenda item shall be limited to a proposal to place the item on the agenda for a subsequent meeting.

7.6 *Order and Number of Speakers.* For each item made the subject of public comment, the presiding officer shall recognize speakers in the order of the requests received, provided that the number of persons allowed to speak for or against any item made the subject of public comment shall not exceed five persons for and five persons against any such item at a given meeting. The limitation on the number of speakers provided by this rule shall not apply to a public hearing.

7.7 *Comment Duration.* Public comments shall be limited to three (3) minutes per speaker at any given meeting. The presiding officer or his designee shall be timekeeper for purposes of enforcing this rule. No speaker may yield time to any other speaker. This rule shall not apply to a public hearing.

8. Deliberation

8.1 *Role of the Presiding Officer.* The presiding officer shall be the Chair at all meetings of the City Council. The presiding officer shall assist the City Council in focusing agenda discussions and deliberations, and shall control the debate and the order of speakers. The presiding officer shall have the authority to prevent the misuse of motions, the abuse of any privilege, or the obstruction of the business of the City Council by ruling any such matter out of order, subject to the right of appeal to the City Council, the majority of whom may override the ruling.

8.2 *Deliberation Before Motion.* Deliberation may occur prior to any motion on a matter before the City Council. Any member of City Council may make motions. Any member of City Council other than the person offering the motion may second a motion.

8.3 *Obtaining the Floor.* Any member of City Council wishing to speak must first obtain the floor by being recognized by the presiding officer. The presiding officer shall recognize any council member who seeks the floor at the earliest appropriate

opportunity to do so, subject to the presiding officer's authority to control the order of speakers.

8.4 *Questions.* A council member holding the floor may request the presiding officer to address a question to another council member and that council member may respond while the floor is still held by the council member asking the question. The presiding officer may comply with such request at his or her discretion. The council member to whom the question is addressed may answer the question at his or her discretion.

8.5 *Limitations on Deliberation.* Members of City Council shall limit their comments and questions to the subject matter or motion currently being considered by the City Council. Members of City Council shall govern themselves as to the length of their comments or presentations.

9. Motions

9.1 *Purpose of Section.* This section is simply a guide to those motions that may be the most useful in the orderly consideration of City business before the City Council and shall in no way limit the motions available to the members of City Council.

9.2 *Motion to Postpone Indefinitely.* A motion to postpone indefinitely requires a vote of two-thirds (2/3) of the City Council and, upon passage, shall end consideration of the item before the City Council with no further action to be taken, provided that the item may be placed on the agenda of a subsequent meeting of the City Council in accordance with the Home-Rule Charter or other law, except that the item may not be placed on such agenda by a motion at the same meeting at which the item was postponed indefinitely.

9.3 *Motion to Postpone to a Date and Time Certain.* A motion to postpone to a date and time certain requires a majority vote and, upon passage, shall postpone consideration of the item before the City Council until the date and time stated in the motion.

9.4 *Motion to Refer to a Committee.* A motion to refer to a committee requires a majority vote and, upon passage, shall refer the item before the City Council to the committee stated in the motion.

9.5 *Motion to Amend.* A motion to amend requires a majority vote and, upon passage, amends the underlying motion to the extent stated in the motion. Action shall be taken on a motion to amend prior to any further action being taken on the underlying motion. A motion to amend a motion to amend shall be in order, but a motion to amend a motion to amend a motion to amend shall be out of order. A member of the City

be voted on. Immediately after a vote on the remaining Consent Agenda, each item removed from the Consent Agenda shall be considered and voted on separately.

10.3 *Roll Call Vote.* Upon request of any member of City Council, a vote shall be taken by roll call in random order and the results notated in minutes.

10.4 *Timing for Vote.* Subject to a motion to call the question, no vote shall be taken on any matter until after an adequate time for deliberation.

10.5 *Vote of City Council.* For purposes of these rules, a vote required of City Council for passage of a matter shall mean a vote of all members of City Council, regardless of the number of members present at the meeting at which the matter is presented for passage. Additionally, whenever the minimum number of votes required for passage of a matter results in a fraction, the minimum required shall be the lowest integer exceeding such fraction. For example, the following apply to a seven (7) member City Council:

- (a) a majority is four (4) members; and
- (b) a two-thirds (2/3) majority is five (5) members.

11. Investigations

11.1 *Applicability.* In addition to the foregoing rules, the following rules shall apply to investigations conducted by the City Council pursuant to Section 3.06(a) of the Home-Rule Charter.

11.2 *Notice of Investigation.* Prior to the commencement of an investigation or as soon as practicable thereafter, each officer or employee being investigated shall be given written notice of the commencement of the investigation, which shall specify the subject matter of the investigation; and, as soon as practicable after the conclusion of the investigation, each officer or employee investigated shall be given written notice of the conclusion of the investigation, including any findings.

11.3 *Hearings to be Open to the Public.* All hearings held in relation to an investigation shall be conducted in open session, except that the City Council may conduct a closed session to get advice from its attorney pursuant to the Texas Open Meetings Act, Chapter 551, Government Code.

11.4 *Recusal from Proceedings.* A member of City Council who initiated or is the subject of the investigation shall not sit at the dais and shall not participate in the deliberation or voting related to the investigation.

11.5 *Right to Respond.* Any officer or employee who is subject to a hearing held in relation to an investigation shall be provided an opportunity to respond to the

allegations and to present any relevant evidence, including but not limited to testimony from individuals.

11.6 *Witnesses.* The City Council may ask questions of any individual, and may exclude a witness from a hearing during the examination of another witness.

11.7 *Public Comment.* No public comment shall be allowed at a hearing held in relation to an investigation unless agreed to by a majority of City Council.

11.8 *Determination of Qualifications for Office.* A finding that any current or prospective officer has failed to meet or maintain the qualifications for the office held or sought, as applicable, requires a vote of two-thirds (2/3) of the City Council. A finding that a current officer has failed to meet or maintain the qualifications for the office then held shall include a declaration that such office is deemed vacant.

DRAFT

ORDINANCE NO. 2016-1220

AN ORDINANCE OF THE CITY OF FULSHEAR, TEXAS, ADOPTING THE CODE OF ETHICS FOR ELECTED AND APPOINTED OFFICERS OF THE CITY OF FULSHEAR; PROVIDING FOR SEVERABILITY; PROVIDING FOR REPEAL; AND PROVIDING FOR AN EFFECTIVE DATE.

* * * * *

WHEREAS, the City Council of the City of Fulshear, Texas, wishes to uphold the highest standards of conduct and integrity; and

WHEREAS, the City Council of the City of Fulshear, Texas, wishes to incorporate what it believes those standards should be for elected and appointed officials;

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

Section 1. That the City Council of the City of Fulshear, Texas, hereby declares that the Home-Rule Charter, attached hereto as Exhibit "A" and incorporated herein by reference for all purposes, is hereby adopted.

Section 2. Severability. That in the event any clause, phrase, provision, sentence or part of this Ordinance or the application of the same to any person or circumstances shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair or invalidate this Ordinance as a whole or any part or provision hereof other than the part declared to be invalid or unconstitutional; and the City Council of the City of Fulshear, Texas declares that it would have passed each and every part of the same notwithstanding the omission of any part thus declared to be invalid or unconstitutional, or whether there be one or more parts.

Section 3. Repeal. That all other ordinances or parts of ordinances inconsistent or in conflict herewith are, to the extent of such inconsistency or conflict, hereby repealed.

Section 4. Effective date. That this Ordinance shall be effective and in full force immediately upon its passage.

PASSED, APPROVED, and ADOPTED this, the 17th day of May, 2016.

Jeff Roberts, Mayor

ATTEST:

D. Gordon Offord, City Secretary

EXHIBIT A

**Code of Ethics for Elected and Appointed Officials
of the City of Fulshear, Texas**

DRAFT

Code of Ethics and Conduct for Elected and Appointed Officials

Table of Contents

<u>Title</u>	<u>Page No.</u>
A. Ethics	3
B. Conduct	6
1. Overview of Councilmember's Roles and Responsibilities	6
2. General Policies and Protocol	7
3. EAO Conduct with One Another	8
4. Conduct with City Staff	10
5. Conduct with the Public	12
6. Council Conduct with Other Public Agencies	13
7. Council Conduct with Boards and Commissions	14
8. Conduct with the Media	15
C. Training and Review	15
D. Sanctions	16
E. Glossary of Terms	18
F. Implementation	18

Policy Purpose

The Fulshear City Council has adopted this Code of Ethics and Conduct for Elected and Appointed Officials for members of the City Council and the City's boards and commissions, including its Economic Development Corporations ("EDC"), to assure public confidence in the integrity of local government and its effective and fair operation.

A. ETHICS

The citizens and businesses of Fulshear are entitled to have a fair, ethical and accountable local government that has earned the public's full confidence for integrity. In keeping with the City of Fulshear's Commitment to Excellence, the effective functioning of democratic government therefore requires that:

- public officials, both elected and appointed, comply with both the letter and spirit of the laws and policies affecting the operations of government;
- public officials be independent, impartial and fair in their judgment and actions;
- public office be used for the public good, not for personal gain; and
- public deliberations and processes be conducted openly, unless legally confidential, in an atmosphere of respect and civility.

To this end, the Fulshear City Council has adopted this Code of Ethics and Conduct for Elected and Appointed Officials ("Code of Ethics and Conduct") for members of the City Council and of the City's boards and commissions to assure public confidence in the integrity of local government and its effective and fair operation. The City's Code of Ethics and Conduct provides guidance on ethical issues and questions of right and wrong.

1. **Act in the Public Interest.** Recognizing that stewardship of the public interest must be their primary concern, EAO will work for the common good of the people of Fulshear and not for any private or personal interest, and they will assure fair and equal treatment of all persons, claims and transactions coming before the Fulshear City Council, boards and commissions.
2. **Comply with both the spirit and the letter of the Law and City Policy.** Members of the City Council and the City's boards and commissions shall comply with the laws of the nation, the State of Texas and the City of Fulshear in the performance of their public duties. These laws include, but are not limited to: the United States and Texas Constitutions; State laws pertaining to conflicts of interest, election campaigns, financial disclosures, employer responsibilities, and open processes of government; and City Charter, ordinances and policies.
3. **Conduct of Elected and Appointed Officials ("EAO").** EAO shall refrain from abusive conduct, personal charges or verbal attacks upon the character or motives of other members of Council, boards and commissions, the staff, or public.
4. **Respect for Process.** EAO shall perform their duties in accordance with the processes and rules of order established by the City Council and board and commissions governing the deliberation of public policy issues, meaningful involvement of the public, and implementation of policy decisions of the City Council by City staff.

5. **Conduct of Public Meetings.** EAO shall prepare themselves for public issues; listen courteously and attentively to all public discussions before the body; and focus on the business at hand. They shall refrain from interrupting other speakers; making personal comments not germane to the business of the body; attempting to monopolize the discussion at public meetings; or otherwise interfering with the orderly conduct of meetings.
6. **Decisions Based on Merit.** EAO shall base their decisions on the merits and substance of the matter at hand, rather than on unrelated considerations.
7. **Communication.** EAO shall publicly disclose substantive information that is relevant to a matter under consideration by the Council or boards and commissions, which they may have received from sources outside of the public decision-making process.
8. **Conflict of Interest.** No officer of the City or a relative thereof shall:
 - (a) Have a financial interest in any contract, job, work, or service of or to the City, or the sale to the City of any supplies, equipment, material, or real or personal property.
 - (b) Participate in a vote or decision on any matter in which the officer has a substantial interest.
 - (c) Accept any gift from any person that might reasonably tend to influence such officer in the discharge of such person's official duties. The prohibition against gifts shall not apply to:
 - (i) A lawful campaign contribution;
 - (ii) An honorarium in consideration for services unless the officer would not have been asked to provide the services but for the officer's position;
 - (iii) Meals, lodging, transportation in connection with services rendered by the officer at a conference, seminar or similar event that is more than merely perfunctory;
 - (iv) Complimentary copies of trade publications and other related materials;
 - (v) Attendance at hospitality functions at local, regional, state or national association meetings or conferences;
 - (vi) Any gift, which would have been offered or given to the person if such person was not an officer or employee of the City;
 - (vii) An occasional item with a value less than fifty dollars (\$50.00);
 - (viii) Tee shirts, caps and other similar promotional material;

(ix) Gifts on account of kinship or a personal, professional, or business relationship independent of the officer's status; and

(x) Complimentary attendance at political or charitable fund raising events.

9. **Confidential Information.** EAO shall respect the confidentiality of information concerning the property, personnel, or affairs of the City. They shall neither disclose confidential information without proper legal authorization, nor use such information to advance their personal, financial, political or other private interests.
10. **Use of Public Resources.** EAO shall not use public resources not available to the public in general, such as City staff time, equipment, supplies or facilities, for private gain or personal, political purposes. Councilmembers desiring use of such City resources for public meetings shall first obtain permission from a majority of the Council at a duly called, posted Council meeting.
11. **Representation of Private Interests.** In keeping with their role as stewards of the public interest, members of Council shall not appear on behalf of the private interests of third parties before the Council or any board, commission or proceeding of the City, nor shall members of boards and commissions appear before their own bodies or before the Council on behalf of the private interests of third parties on matters related to the areas of service of their bodies, nor voluntarily participate on behalf of others in any litigation to which the City is, or might be, an adverse party.
12. **Advocacy.** EAO shall represent the official policies or positions of the City Council, board or commission to the best of their ability when designated as delegates for this purpose. When presenting their individual opinions and positions, EAO shall explicitly state they do not represent their body or the City of Fulshear, and they will not allow the inference that they do.
13. **Policy Role of EAO.** EAO shall respect and adhere to the council-manager structure of Fulshear City government as outlined by the Fulshear City Charter. In this structure, the City Council determines the policies of the City with the advice, information and analysis provided by the public, boards and commissions, and City staff. Except as provided by the City Charter, EAO shall not interfere with the administrative functions of the City or the professional duties of City staff; nor shall they impair the ability of staff to implement Council policy decisions.
14. **Independence of boards and commissions.** Because of the value of the independent advice which boards and commissions contribute to the public decision-making process, members of Council shall refrain from using their position to unduly influence the deliberations or outcomes of board and commission proceedings.
15. EAO shall not intervene in Municipal Court matters.
16. EAO shall not direct City staff to take actions that are not in keeping with advice and guidance from the City Attorney's Office.
17. Councilmembers shall adhere to the same City procurement card policy as utilized by City staff.

18. **Positive Work Place Environment.** EAO shall support the maintenance of a positive and constructive work place environment for City employees and for citizens and businesses dealing with the City. EAO shall recognize their special role in dealings with City employees so in no way do they create the perception of inappropriate direction to staff.
19. EAO shall conduct business in open, well-publicized meetings in order to be directly accountable to the citizens of Fulshear. It is recognized that certain exceptions are authorized by Texas Government Code, Chapter 551, The Open Meetings Act, for discussion in executive session. However, any action must be taken in open session. It is recognized that individual members may use social media in expressing personal opinions on matters relating to City business and to solicit citizen input and feedback for issues that the City may be addressing. Members who post communications or information on social media relating to City business when a potential quorum might exist must only do so in accordance with the Texas Open Meetings Act and must not reveal or allude to any confidential information of the City or information that is protected by the attorney-client privilege.
20. Members shall respect and adhere to the City of Fulshear Charter in its entirety. The Charter provides a council-manager system of local government where the City council determines the policies of the City with the advice, information and analysis provided by the public, boards and commissions, and City staff. Except as provided by the Charter, members shall not interfere with the administrative functions of the City or the professional duties of City staff. Members shall also refrain from interfering with the ability to staff to implement council policy decisions.

B. CONDUCT

The City Charter provides detailed information on the roles and responsibilities of members of the Fulshear City Council, the Mayor Pro Tem, and the Mayor. The City's Code of Ethics and Conduct provides guidance on ethical issues and questions of right and wrong.

This Code of Ethics and Conduct is designed to describe the manner in which Councilmembers and board and commission members should treat one another, City staff, citizens, and others they come into contact with in representing the City of Fulshear.

The constant and consistent theme throughout all of the conduct guidelines is "respect." Councilmembers experience huge workloads and tremendous stress in making decisions that could impact thousands of lives. Despite these pressures, elected and appointed officials are called upon to exhibit appropriate behavior at all times. Demonstrating respect for each individual through words and actions is the touchstone that can help guide Councilmembers and board and commission members to do the right thing in even the most difficult situations.

1. Overview of Councilmember Roles and Responsibilities

Mayor

- Acts as the official head of the City for all ceremonial purposes.
- Chairs Council meetings.
- Calls for special meetings.
- Serves as spokesperson for the City Council on City positions.
- Makes judgment calls on proclamations, Special Orders of the Day, etc.
- Recommends subcommittees as appropriate for Council approval.
- Leads the Council into an effective, cohesive working team.
- Signs documents on behalf of the City.
- Reviews mail addressed to Mayor.
- Other duties as set forth in other laws, ordinances, or the City Charter.

Mayor Pro Tem

- Performs the duties of the Mayor if the Mayor is absent or disabled.
- Chairs Council meetings at the request of the Mayor.
- Represents the City at ceremonial functions at the request of the Mayor.
- Signs documents on behalf of the City, in absence of the Mayor.
- All duties as assigned by Mayor.

All Councilmembers

All members of the City Council, including the Mayor Pro Tem, have equal votes. No Councilmember has more power than any other Councilmember, and all should be treated with equal respect. Therefore, no ranking or pecking order shall be established for predetermining the order of roll call votes or public introductions, except that the Mayor and Mayor Pro Tem shall be introduced first at public meetings and events. All Councilmembers should:

- Fully participate in City Council meetings and other public forums while demonstrating respect, kindness, consideration, and courtesy to others
- Prepare in advance of Council meetings and be familiar with issues on the agenda
- Represent the City at ceremonial functions at the request of the Mayor
- Be respectful of other people's time.
- Stay focused and act efficiently during public meetings
- Serve as a model of leadership and civility to the community
- Inspire public confidence in Fulshear government
- Provide contact information with the City Secretary in case an emergency or urgent situation arises while the Councilmember is out of town
- Demonstrate honesty and integrity in every action and statement
- Participate in scheduled activities to increase team effectiveness and review Council procedures, such as this Code of Ethics and Conduct

Meeting Chair

The Mayor will chair official meetings of the City Council, unless the Mayor Pro Tem or another Councilmember is designated as chair of a specific meeting.

- Maintains order, decorum, and the fair and equitable treatment of all speakers
- Keeps discussion and questions focused on specific agenda item under consideration

- Makes parliamentary rulings with advice, if requested, from the City Attorney who acts as advisory parliamentarian, and in the City Attorney's absence.
- Enforces the Rules of Procedure and takes other actions as provided for by such rules.

2. General Policies and Protocol

Ceremonial Events

Requests for a City representative at ceremonial events will be handled by the City Secretary's Office. The Mayor will serve as the designated City representative. If the Mayor is unavailable, then City staff will determine if event organizers would like another representative from the Council. If yes, then the Mayor can recommend which Councilmember should be asked to serve as a substitute. Invitations received at City Hall are presumed to be for official City representation. Invitations addressed to Councilmembers shall be shared with the City Secretary's Office in order to assure posting for compliance with the Texas Open Meetings Act, if applicable.

Travel Expenses

The policies and procedures related to the reimbursement of travel expenses for official City business by Councilmembers are outlined in City administrative policy. All Council travel in which the Councilmember expects to officially represent the City or be reimbursed by the City for travel costs, must be approved in advance by the Mayor. The travel policy and budget for Council should be reviewed at each annual budget cycle.

3. EAO Conduct with One Another

EAO are composed of individuals with a wide variety of backgrounds, personalities, values, opinions, and goals. All have chosen to serve in public office in order to preserve and protect the present and the future of the community. In all cases, this common goal should be acknowledged even though individuals may "agree to disagree" on contentious issues.

3(a). In Public Meetings

Use formal titles

EAO should refer to one another formally during public meetings, such as Mayor, Mayor Pro Tem, Chair, Commissioner or Councilmember followed by the individual's last name.

Practice civility and decorum in discussions and debate.

Difficult questions, tough challenges to a particular point of view, and criticism of ideas and information are legitimate elements of a free democracy in action. This does not allow, however, public officials to make belligerent, personal, impertinent, slanderous, threatening, abusive, or disparaging comments. No shouting or physical actions that could be construed as threatening will be tolerated.

Honor the role of the Chair in maintaining order.

It is the responsibility of the Chair to keep the comments of EAO on track during public meetings. EAO should honor efforts by the Chair to focus discussion on current agenda items. If there is disagreement about

the agenda or the Chair's actions, those objections should be voiced politely and with reason, following procedures outlined in parliamentary procedure.

Avoid personal comments that could offend other EAO.

If a member is personally offended by the remarks of another member, the offended member should make notes of the actual words used and call for a "point of personal privilege" that challenges the other member to justify or apologize for the language used. The Chair will maintain control of this discussion.

Demonstrate effective problem-solving approaches.

EAO have a public stage to show how individuals with disparate points of view can find common ground and seek a compromise that benefits the community as a whole.

Outside of official board or commission meetings, individual board and commission members are not authorized to represent the City or their board or commission unless specifically designated by the Council or the board or commission to do so for a particular purpose. In public, however, all EAO shall represent the official policies or positions of their board or commission. Only the chair or his/her designee shall speak during a Council public hearing on any item that has been addressed by the board or commission, and for which detailed minutes have been provided to the Council. The chair shall represent the majority view of the board or commission, but shall report on any minority views as well. When an official board or commission position differs from staff's recommendation on a particular policy issue, then at the Mayor's discretion additional time may be provided to the chair of the board or commission (or his/her designee) to explain the position of the board/commission. If new information is brought to light during a public hearing that was not shared previously with the board or commission, the Mayor may allow the board or commission chair to respond. If the Council deems the new information sufficient to warrant additional study, then by majority vote Council may refer the issue back to the board or commission for further study prior to taking other action itself.

Individual opinions and positions may be expressed by board and commission members regarding items that have not come before the particular board/commission to which they belong. When presenting their individual opinions and positions, Councilmembers and board/committee/commission members shall explicitly state they do not represent their body or the City of Fulshear, and they will not allow the inference that they do.

Although a board or commission may disagree with the final decision the Council makes, the board or commission shall not act in any manner contrary to the established policy adopted by the Council.

3(b). In Private Encounters

Continue respectful behavior in private.

The same level of respect and consideration of differing points of view that is deemed appropriate for public discussions should be maintained in private conversations.

Be aware of the insecurity of written notes, voicemail messages, and E-mail.

Technology allows words written or said without much forethought to be distributed far and wide. Would you feel comfortable to have this note faxed to others? How would you feel if this voicemail message were played on a speaker phone in a full office? What would happen if this E-mail message were forwarded to others? Written notes, voicemail messages and e-mail should be treated as potentially "public" communication.

Even private conversations can have a public presence.

Elected and appointed officials are always on display – their actions, mannerisms, and language are monitored by people around them that they may not know. Lunch table conversations will be eaves-dropped upon, parking lot debates will be watched, and casual comments between individuals before and after public meetings noted and may be subject to the Open Meetings Act.

Continuance of respectful behavior in private discussions.

Members are expected to carry the same respect deemed appropriate for public discussion into private conversations, whether they be face-to-face, written communications, voicemails, emails, texts, or through social media. Members should refrain from making belligerent, personal, impertinent, slanderous, threatening, abusive, or disparaging comments in public or private conversation.

4. Conduct with City Staff

Governance of a City relies on the cooperative efforts of elected officials, who set policy; appointed officials who advise the elected, and City staff, who implements and administers the Council's policies. Therefore, every effort should be made to be cooperative and show mutual respect for the contributions made by each individual for the good of the community.

Treat all staff as professionals.

Clear, honest communication that respects the abilities, experience, and dignity of each individual is expected. Poor behavior towards staff is not acceptable.

Member questions/inquiries to City staff.

1. **General.** Member communications with City staff should be limited to normal City business hours unless the circumstances warrant otherwise. Responses to Council questions posed outside of normal business hours should be expected no earlier than the next business day.
2. **Routine Requests for Information and Inquiries.** EAO may contact staff directly for information made readily available to the general public on a regular basis (e.g., "What are the library's hours of operation?" or "How does one reserve a tee time at the golf course?"). Under these circumstances staff shall treat the member no differently than they would the general public, and the member shall not use their elected status to secure preferential treatment. The City Manager does not need to be advised of such contacts.
3. **Non-Routine Requests for Readily Available Information.** EAO may also contact staff directly for easily retrievable information not routinely requested by the general public so long as it does not require staff to discuss the issue or express an opinion (e.g., "How many traffic lights are there in the City?" or "Under what circumstances does the City lower its flags to half-mast?")

4. **Non-Routine Requests Requiring Special Effort.** Any member request or inquiry that requires staff to compile information that is not readily available or easily retrievable or that requests staff to express an opinion (legal or otherwise) must be directed to the City Manager, or to the City Attorney, as appropriate (e.g., “How many Study Issues completed over the past five years have required 500 or more hours of staff time?”, or “What is the logic behind the City’s sign ordinances affecting businesses along El Camino Real?”). The City Manager (or council appointee as appropriate) shall be responsible for distributing such requests to his/her staff for follow-up. Responses to such requests shall be copied to all Councilmembers (if originating from a Councilmember), relevant board or commission members (if originating from a board or commission member), the City Manager, the City Attorney as appropriate and affected department directors.
5. **Meeting Requests.** Any member request for a meeting with staff must be directed to the City Manager or council appointee, as appropriate.

Do not disrupt City staff from their jobs.

Elected and appointed officials should not disrupt City staff while they are in meetings, on the phone, or engrossed in performing their job functions in order to have their individual needs met. Do not attend City staff meetings unless requested by staff – even if the elected or appointed official does not say anything, his or her presence implies support, shows partiality, intimidates staff, and hampers staff’s ability to do their job objectively.

Never publicly criticize an individual employee.

Elected and appointed officials should never express concerns about the performance of a City employee in public, to the employee directly, or to the employee’s manager. Comments about staff performance should only be made to the City Manager or council appointee through private correspondence or conversation.

Do not get involved in administrative functions.

Elected and appointed officials must not attempt to influence City staff on the making of appointments, awarding of contracts, selecting of consultants, processing of development applications, the payment of claims against the City or granting of City licenses and permits.

Check with City staff on correspondence before taking action.

Before sending correspondence, Councilmembers should check with City staff to see if an official City response has already been sent or is in progress. Board and commission members shall not send correspondence except as authorized under the City’s policies governing volunteers.

Limit requests for staff support.

Routine secretarial support will be provided to all Councilmembers. The City Secretary (or designee) opens mail addressed to Mayor and forwards information as appropriate. The City Secretary also opens mail for other Councilmembers, unless a Councilmember requests other arrangements.

Requests for additional staff support – even in high priority or emergency situations, should be made to the City Manager who is responsible for allocating City resources in order to maintain a professional, well-run City government.

Do not solicit political support from staff.

Elected and appointed officials should not solicit any type of political support (financial contributions, display of posters or lawn signs, name on support list, etc.) from City staff. City staff may, as private citizens with constitutional rights, support political candidates, but all such activities must be done away from the workplace. The use of the City's email system for political purposes or communications is not allowed.

Legal advice.

Before requesting research or other action by the City Attorney, members should consult with the City Manager or obtain the concurrence of the Council to ascertain whether the request or action is appropriate can be accomplished more cost effectively by alternative means. The City Attorney shall provide any written response to the full Council and the City Manager.

5. Conduct with the Public

5(a). In Public Meetings

Making the public feel welcome is an important part of the democratic process. No signs of partiality, prejudice or disrespect should be evident on the part of individual EAO toward an individual participating in a public forum. Every effort should be made to be fair and impartial in listening to public testimony.

Be welcoming to speakers and treat them with care and gentleness.

Be fair and equitable in allocating public hearing time to individual speakers.

The Mayor or Chair will determine and announce limits on speakers at the start of the public hearing process. Generally, each speaker will be allocated three minutes with applicants and appellants or their designated representatives allowed time as allocated by the Mayor. If many speakers are anticipated, the Mayor or Chair may shorten the time limit or ask speakers to limit themselves to new information and points of view not already covered by previous speakers.

Each speaker may only speak once during the public hearing unless the Mayor or Chair requests additional clarification later in the process.

Give the appearance of active listening.

It is disconcerting to speakers to have EAO not look at them when they are speaking. Be aware of facial expressions, especially those that could be interpreted as "smirking," disbelief, anger or boredom.

Ask for clarification, but avoid debate and argument with the public.

Only the chair – not individual EAO – can interrupt a speaker during a presentation. However, a member can ask the Chair for a point of order if the speaker is off the topic or exhibiting behavior or language the member finds disturbing.

If speakers become flustered or defensive by questions, it is the responsibility of the chair to calm and focus the speaker and to maintain the order and decorum of the meeting. Questions by EAO to the public testifying should seek to clarify or expand information. It is never appropriate to belligerently challenge or belittle

the speaker. EAO's personal opinions or inclinations about upcoming votes should not be revealed until after the public hearing is closed.

No personal attacks of any kind, under any circumstance.

EAO should be aware that their body language and tone of voice, as well as the words they use, can appear to be intimidating or aggressive.

Follow parliamentary procedure in conducting public meetings.

The City Attorney serves as advisory parliamentarian for the Council and City and is available to answer questions or interpret situations according to parliamentary procedures. In the City Attorney's absence, the City Secretary serves as advisory parliamentarian. The Chair, subject to the appeal of the full Council or board/commission, makes final rulings on parliamentary procedure per the procedure outlined in Robert's Rules of Order Newly Revised.

5(b). In Unofficial Settings

Make no promises on behalf of the Council, board/commission or City.

EAO will frequently be asked to explain a Council or board/commission action or to give their opinion about an issue as they meet and talk with constituents in the community. It is appropriate to give a brief overview of City policy and to refer to City staff for further information. It is inappropriate to overtly or implicitly promise Council or board/commission action, or to promise City staff will do something specific (fix a pothole, remove a library book, plant new flowers in the median, etc.).

Make no personal comments about other EAO.

It is acceptable to publicly disagree about an issue, but it is unacceptable to make derogatory comments about other EAO, and their opinions and actions.

Remember that Fulshear is a small town at heart.

EAO are constantly being observed by the community every day that they serve in office. Their behaviors and comments serve as models for proper deportment in the City of Fulshear. Honesty and respect for the dignity of each individual should be reflected in every word and action taken by EAO, 24 hours a day, seven days a week. It is a serious and continuous responsibility.

6. Council Conduct with Other Public Agencies

Be clear about representing the City or personal interest.

When representing the City, the Councilmember must support and advocate the official City position on an issue, not a personal viewpoint. Outside of official board or commission meetings, board and commission members are not authorized to represent the City or their board or commission unless specifically designated by the Council or the board or commission to do so for a particular purpose and with staff's knowledge.

When representing another organization whose position is different from the City, the Councilmember should withdraw from voting on the issue if it significantly impacts or is detrimental to the City's interest. Councilmembers should be clear about which organizations they represent and inform the Mayor and Council of their involvement.

Be equally clear in correspondence about representation.

City letterhead may be used when the Councilmember is representing the City and the City's official position. A copy of official correspondence should be given to the City Secretary to be filed in the City Secretary's Office as part of the permanent public record.

City letterhead should not be used for non-City business or for correspondence representing a dissenting point of view from an official Council position.

7. Council Conduct with Boards and Commissions

The City has established several boards and commissions as a means of gathering more community input. Citizens who serve on boards and commissions become more involved in government and serve as advisors to the City Council. They are a valuable resource to the City's leadership and should be treated with appreciation and respect.

If attending a board or commission meeting, be careful of personal opinions.

Councilmembers may attend any board or commission meeting, which are always open to any member of the public. However, they should be sensitive to the way their participation, especially if it is on behalf of an individual, business or developer, could be viewed as unfairly affecting the process. Any public comments by a Councilmember at a board or commission meeting should be clearly made as individual opinion and not as a representation of the feelings of the entire City Council.

Limit contact with board and commission members to questions of clarification.

It is inappropriate for a Councilmember to contact a board or commission member to lobby on behalf of an individual, business, or developer, and vice versa. It is acceptable for Councilmembers to contact board or commission members in order to clarify a position taken by the board or commission.

Remember that boards and commissions serve the community, not individual Councilmembers.

The City Council appoints individuals to serve on boards and commissions by approving nominations made by the Mayor, and it is the responsibility of boards and commissions to follow policy established by the Council; but board and commission members do not report to individual Councilmembers, nor should Councilmembers feel they have the power or right to threaten board and commission members with removal if they disagree about an issue. Appointment and re-appointment to a board or commission should be based on such criteria as expertise, ability to work with staff and the public, and commitment to fulfilling official duties. A board or commission appointment should not be used as a political "reward."

Be respectful of diverse opinions.

A primary role of boards and commissions is to represent many points of view in the community and to provide the Council with advice based on a full spectrum of concerns and perspectives. Councilmembers

may have a closer working relationship with some individuals serving on boards and commissions but must be fair and respectful of all citizens serving on boards and commissions.

Keep political support away from public forums.

Board and commission members may offer political support to a Councilmember, but not in a public forum while conducting official duties. Conversely, Councilmembers may support board and commission members who are running for office but not in an official forum in their capacity as a Councilmember.

8. Conduct with the Media

Board and commission members are not authorized to represent the City outside of official board/commission meetings unless specifically authorized to do so.

Councilmembers are frequently contacted by the media for background and quotes.

The best advice for dealing with the media is to never go "off the record".

Most members of the media represent the highest levels of journalistic integrity and ethics and can be trusted to keep their word. But one bad experience can be catastrophic. Words that are not said cannot be quoted.

The Mayor is the official spokesperson for the City on City positions.

The Mayor is the designated representative of the Council to present and speak on the official City position. If an individual Councilmember is contacted by the media, the Councilmember should be clear about whether their comments represent the official City position or a personal viewpoint.

Choose words carefully and cautiously.

Comments taken out of context can cause problems. Be especially cautious about humor, sardonic asides, sarcasm, or word play. It is never appropriate to use personal slurs or swear words when talking with the media.

C. TRAINING AND REVIEW

Annual training required.

All members of the City Council, every officer of the City, every member of all boards, committees and commissions of the City and every City employee governed by this ordinance shall attend a training session on the requirements of this ethics and conduct ordinance. This training shall be scheduled by the City Manager with the approval of the City Council no later than _____ of each year.

Annual review.

The City Council shall conduct an annual review of the City's ethics and conduct policies to ensure that the provisions thereof remain applicable, necessary and sufficient to govern the conduct and practices of the City Council, boards, commissions and the City's employees. The City Council may, in its discretion, delegate this annual review process to a commission, board or committee.

D. SANCTIONS

Public Disruption.

Members of the public who do not follow proper conduct after a warning in a public meeting may be barred from further testimony at that meeting or removed from the Council Chambers.

Inappropriate Staff Behavior.

Councilmembers should refer to the City Manager any City staff or to the council appointee any appointee's staff who do not follow proper conduct in their dealings with Councilmembers, other City staff, or the public. These employees may be disciplined in accordance with standard City procedures for such action; if it is determined such action did occur. (Please refer to the section on Council Conduct with City Staff for more details on interaction with Staff.)

Councilmembers Behavior and Conduct.

Compliance and Enforcement. The Code of Ethics and Conduct expresses standards of ethical conduct expected for members of the Fulshear City Council, boards and commissions. EAO themselves have the primary responsibility to assure that ethical standards are understood and met, and that the public can continue to have full confidence in the integrity of government. The chairs of boards and commissions and the Mayor and Council have the additional responsibility to intervene when actions of EAO that appears to be in violation of the Code of Ethics and Conduct are brought to their attention.

City Councilmembers who intentionally and repeatedly do not follow proper conduct may be reprimanded or formally censured by the Council, be removed from committee assignments (both within the City of Fulshear or with inter-governmental agencies) by the Council.

Councilmembers should point out to the offending Councilmember infractions of the Ethics Policy. If the offenses continue, then the matter should be placed on a council agenda in closed session under the provisions of Section 551.074 of the Texas Government Code.

The affected Councilmember may request that the complaint be considered in a public meeting. The affected Councilmember shall be provided by the City Attorney a copy of the complaint in writing. At such meeting, the City Attorney shall present in detail to the City Council the nature of the complaint and the City Attorney findings and conclusions as to a possible violation of this Code of Ethics and Conduct.

The affected Councilmember shall have the right to a full and complete hearing before the City Council with the opportunity to call witnesses and present evidence in such person's behalf. The non-implicated City Councilmembers in attendance shall conduct a hearing in open session and review the complaint. The City Council may reject the complaint and take no action or take action to formally reprimand or censure the offending Councilmember.

Board and Commission Members Behavior and Conduct.

Counseling and verbal reprimands may be administered by board and commission chairs (or their designee) to board and commission members failing to comply with City policy. These lower levels of sanctions shall be kept private to the degree allowed by law. Verbal or written reprimands may be administered by the

Mayor or Mayor Pro Tem at the direction of the Council. Copies of all written reprimands administered by the Mayor or Mayor Pro Tem shall be distributed in memo format to the respective board or commission member, the board or commission chairperson, the City secretary, the City Manager, and the City Council. Written reprimands administered by the Mayor or Mayor Pro Tem shall not be publicized except as required under the Public Information Act.

The City Council may impose sanctions on board and commission members whose conduct does not comply with the City's policies, up to and including removal from office. Any form of discipline imposed by Council shall be determined by a majority vote of the Council at a noticed public meeting and such action shall be preceded by a Report to Council with supporting documentation. The Report to Council shall be distributed in accordance with normal procedures. Any Report to Council addressing alleged misconduct by a board or commission member shall be routed through the Office of the City Attorney for review of whether any information is exempt from disclosure (subject to redaction) based on privacy interests authorized under the Public Information Act.

When deemed warranted, the Council may call for an investigation of board or commission member conduct. Should the City Manager or City Attorney believe an investigation is warranted, they shall confer with the Council. The Council shall ask for an investigation of the allegation and a report of the findings.

The results of any investigation conducted by the City Manager, City Attorney and or City Internal Auditor shall be reported to the full Council in a closed session. It may be reported in a verbal or written report. Any written report to Council addressing the investigation of board and commission members shall be routed through the Office of the City Attorney for review of whether any information is exempt from disclosure (subject to redaction) based on privacy interests authorized under the Public Information Act. The affected Member may request that the complaint be considered in a public meeting. The Member shall be provided a copy of the complaint in writing. At such meeting, the City Attorney shall present a report to the City Council describing in detail the nature of the complaint and the City Attorney's findings and conclusions as to a possible violation of this Code of Ethics and Conduct. The affected member shall have the right to a full and complete hearing before the City Council with the opportunity to call witnesses and present evidence in such person's behalf. The non-implicated City Councilmembers in attendance shall conduct a hearing and review the complaint. The City Council may reject the complaint or take action.

It shall be the Council's responsibility to determine the next appropriate action. Any such action taken by Council (with the exception of "take no further action") shall be conducted at a noticed meeting. These actions include, but are not limited to discussing and counseling the individual on the violations; placing the matter on a future public hearing agenda to consider sanctions; forming a Council ad hoc subcommittee to review the allegation, the investigation and its findings, as well as to recommend sanction options for Council consideration.

A violation of this Code of Ethics and Conduct, alone, shall not constitute a basis for challenging the validity of a Council, board or commission decision.

E. GLOSSARY OF TERMS

Confidential information means any information to which an official has access in such person's official capacity, which may not be disclosed to the public except pursuant to state or federal law and which is not otherwise a matter of public record or public knowledge. Confidential information includes the following information, however transmitted: (i) any information from a meeting closed to the public pursuant to the Texas Open Meetings Act or other law regardless of whether disclosure violates the Texas Open Meetings Act or Texas Public Information Act; (ii) any information protected by attorney client, attorney work product, or other applicable legal privilege; and (iii) any information deemed confidential by law.

Gift means anything of value, regardless of form, offered or given in the absence of adequate and lawful consideration. It does not include the receipt or acceptance of campaign contributions, which are regulated by federal, state, or local laws or ordinance.

Relative means any person related to an officer within the third degree by Consanguinity or within the second degree by affinity. This relationship includes the spouse, parents, children, stepchildren, father and mother-in-law, or son and daughter-in-law, grandparents, grandchildren, sisters and brothers of the officer.

Substantial interest means (i) the ownership of ten (10) percent or more of the voting stock or shares of a business entity; (ii) the ownership of ten (10) percent or more, or fifteen thousand dollars (\$15,000.00) or more of the fair market value of a business entity; or (iii) funds received from the business entity exceed ten (10) percent of the person's gross income for the previous year, and action on the matter involving the business entity will have a special economic effect on the business entity that is distinguishable from the effect on the public. It is expressly provided herein that an investment or ownership in a publicly held company, in an amount less than fifteen thousand dollars (\$15,000.00) does not constitute a substantial interest. Substantial interest in real property means the person has an interest in the real property that is equitable or legal ownership with a fair market value of two thousand five hundred dollars (\$2,500.00) or more; and it is reasonably foreseeable that an action on a matter involving the real property will have a special economic effect on the value of the real property distinguishable from its effect on the public. (Ownership includes any partnership, joint or corporate ownership or any equitable or beneficial interest as a beneficiary of a trust.) A Member is considered to have a substantial interest under this Ethics Policy if a person related to the Member in the second degree of consanguinity or affinity has a substantial interest under this Code of Ethics and Conduct.

F. IMPLEMENTATION

As an expression of the standards of conduct for EAO expected by the City, the Code of Ethics and Conduct is intended to be self-enforcing. It therefore becomes most effective when EAO are thoroughly familiar with it and embrace its provisions. For this reason, this document shall be included in the regular orientations for candidates for City Council, applicants to board and commissions, and newly elected and appointed officials. EAO entering office shall sign a statement affirming they read and understood the City of Fulshear Code of Ethics and Conduct. In addition, the Code of Ethics and Conduct shall be annually reviewed by the City Council, boards and commissions, and the City Council shall consider recommendations from boards and commissions and update it as necessary.

AGENDA MEMO
BUSINESS OF THE CITY COUNCIL
CITY OF FULSHEAR, TEXAS

AGENDA OF:	June 21, 2016	AGENDA ITEM:	
DATE SUBMITTED:	June 16, 2016	DEPARTMENT:	Parks
PREPARED BY:	CJ Snipes, City Manager	PRESENTER:	CJ Snipes, City Manager
SUBJECT:	Donation of Historic Section House (aka the Old Switch House)		
ATTACHMENTS:			
EXPENDITURE REQUIRED:			\$0
AMOUNT BUDGETED:			\$0
ACCOUNT NO.:			
ADDITIONAL APPROPRIATION REQUIRED:			\$0
ACCOUNT NO.:			

EXECUTIVE SUMMARY

The Feliciano Group has generously offered to donate the Historic Section or Switch House currently located on Front Street near the Country Mart. This is the oldest remaining building in Fulshear, it was constructed by the Railroad when they set up shop here in the late 1800's. During its colorful lifespan it has served as a resting spot for train crews and switchmen, a bordello and a private residence.

The original portion of this structure is in pretty good shape, the addition on the back which also dates from the late 1800's will require significant repair. As outlined in the next two Items, we hope to get permission to modify Smart Park and then move the structure to that site where we would like to see it renovated and turned into a museum/ visitor's center. The acceptance of the building does not require any immediate expenditure.

RECOMMENDATION

Staff recommends that City Council approve the donation of the structure to the City.

AGENDA MEMO
BUSINESS OF THE CITY COUNCIL
CITY OF FULSHEAR, TEXAS

AGENDA OF:	June 21, 2016	AGENDA ITEM:	
DATE SUBMITTED:	June 16, 2016	DEPARTMENT:	Parks
PREPARED BY:	CJ Snipes, City Manager	PRESENTER:	CJ Snipes, City Manager
SUBJECT:	Relocation of Historic Section House (aka the Old Switch House)		
ATTACHMENTS:	Quotes from Pfeffer and Sipe Boys		
EXPENDITURE REQUIRED:			\$30,000 (Estimated)
AMOUNT BUDGETED:			\$110,000
ACCOUNT NO.:			
ADDITIONAL APPROPRIATION REQUIRED:			\$0
ACCOUNT NO.:			

EXECUTIVE SUMMARY

As stated in the previous two items, the City hopes to relocate the Historic Section or Switch House to the Frances Smart Park for use as a museum/ visitor's center. A group of volunteers has been working over the past several weeks to facilitate this donation and move and we have secured two written quotes and received feedback from two other potential service providers.

The four service providers contacted were Cherry House Moving, Sipe Boys House Moving, Pfeffer House moving and Jeffery Duke. Cherry has apparently declined to provide a quote; Mr. Duke said that he could do it for the cost of labor involved but due to family issues has not yet provided a quote, Sipe Boys provided an estimate of \$24,500 for the move plus additional costs for utility and TxDOT accommodations. Mr. Pfeffer provided an estimate of \$12,920, plus costs for utility and TxDOT accommodations. Mr. Pfeffer has previously moved this building and seems very knowledgeable about its peculiarities and history.

The move must be done expediently as the Feliciano Group has given us a deadline of July 15, 2016 to take possession and relocate the building from this site.

RECOMMENDATION

Staff recommends that City Council award the move to Pfeffer for services related to relocating the Historic Section or Switch House and direct staff to take necessary measures while keeping the total costs associated with the move under the \$30,000 estimate to ensure that the relocation is effected in a manner in keeping with the schedule of the group making the donation.

AGENDA MEMO
BUSINESS OF THE CITY COUNCIL
CITY OF FULSHEAR, TEXAS

AGENDA OF:	June 21, 2016	AGENDA ITEM:	
DATE SUBMITTED:	June 16, 2016	DEPARTMENT:	Parks
PREPARED BY:	CJ Snipes, City Manager	PRESENTER:	CJ Snipes, City Manager
SUBJECT:	Modification of Frances Smart Park		
ATTACHMENTS:	None.		
EXPENDITURE REQUIRED:			\$25,000 (Estimated)
AMOUNT BUDGETED:			\$110,000
ACCOUNT NO. :			
ADDITIONAL APPROPRIATION REQUIRED:			\$0
ACCOUNT NO.:			

EXECUTIVE SUMMARY

As stated above, the City is in hopes of receiving the Historic Section House from the Feliciano Group for use as a museum/ visitor's center and would like to locate that facility and the under-utilized Frances Smart Park located on FM 359 north of Downtown. In order to facilitate this relocation, the City will have to demolish the gazebo on the site, potentially remove several trees and prepare a pad suitable for a peer and beam structure.

RECOMMENDATION

Staff recommends that City Council approve the modification of Frances Smart Park to allow for the relocation of the Historic Section House (aka Switch House) not to exceed \$25,000 and direct staff to proceed with executing those plans/ projects needed to ensure the work is done in a timely and efficient manner.

RESOLUTION No. 2016-310

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FULSHEAR, TEXAS APPROVING
THE CITY'S CREDIT CARD POLICY FOR EMPLOYEES**

WHEREAS, the City Council of the City of Fulshear, recognizes the need and convenience for the use of credit cards in its business operations, and;

WHEREAS, the City Council of the City of Fulshear, also recognizes the need to control those cards through prudent management and policy; and

WHEREAS, the City Council of the City of Fulshear understands the growth of the organization requires the review and revision of this policy from time to time;

NOW, THEREFORE BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF FULSHEAR, TEXAS that the City hereby approves and adopts the Revised Credit Card Use Policy attached as Exhibit A to this document.

This resolution duly passed this 21st day of June, 2016.

Jeff Roberts, Mayor
City of Fulshear, Texas

ATTEST:

D. Gordon Offord, City Secretary
City of Fulshear, Texas



CITY OF FULSHEAR CREDIT CARD POLICY

1.0 OVERVIEW

The City of Fulshear recognizes the efficiency and convenience afforded the day-to-day operation of the City through the use of credit cards. This policy provides the guidelines regarding the application, use and termination of City credit cards issued to authorized employees.

Benefits

Users will be able to obtain goods and services much faster and more easily. Paperwork and processing in the Finance Department will be reduced. These efficiencies will allow all groups and individuals involved to be more effective and focus on the value-added aspect of their jobs.

Controls

The City will use internal management controls (policy) as well as reports to manage and audit credit card usage to ensure that policy and procedures are being followed.

Each card shall have a monthly limit of \$3,000.00 per card. This limit may be temporarily increased with signed approvals from the City Manager and Finance Officer. Except in Declared States of Emergency where limits may be altered on order of the Mayor. Such increases shall only be allowable to cover large transactions including travel arrangements, registrations and emergencies.

The total combined authorized credit limit of all credit cards issued by the City of Fulshear shall not exceed 1% of the total budget of the City for the current fiscal year.

The billing cycle is every 30 days.

The Finance Officer shall be responsible for:

- Assisting and maintaining record or issuance and retrieval of credit cards and oversee compliance of this policy.
- Accounting and payment of expenses. All documentation must accompany invoices before payment is made.
- The balance including interest due on an extension of credit under the credit card arrangement shall be paid within 30 days of the initial statement date.
- Compliance with State of Texas records retention requirements for safekeeping of statements and receipt for seven years.

2.0 CARD HOLDERS

The chart below details the allocation of cards with the monthly limit by position:

Position	Monthly Limit
City Manager	\$ 3,000.00
Assistant City Manager	\$ 3,000.00
City Secretary	\$ 3,000.00
Administrative Purchasing Agent	\$ 5,500.00
Police Chief	\$ 3,000.00
Maintenance Director	\$ 3,000.00
Community/ Economic Development Director	\$ 3,000.00
Building Official	\$ 3,000.00
Municipal Court Administrator	\$ 3,000.00

3.0 GUIDELINES

Acceptable Credit Card Uses

When using the credit card to procure goods and services the user is responsible for complying with the purchase limits.

Credit Cards may be used for small dollar purchases which do not exceed the monthly transaction limit established by this policy and that do not exceed the cards maximum limit.

Acceptable purchase items:

- Maintenance and repair of equipment
- Operational expense items
- Registrations for professional conferences, conventions, short schools, seminars and conventions
- Travel expenses incurred for meetings and visits
- Spending limits established by the travel policy must be applied
- Prior to traveling Travel Authorizations must be submitted to the Finance Department and authorized by the City Manager

Non-Acceptable Credit Card Uses

Credit Card purchases shall **not** be split to make purchases which exceed the monthly transaction limit.

Credit Cards shall **not** be used for:

- Unbudgeted goods
- Gift Certificates
- Entertainment

- Personal Goods or Services
- Services where a potential liability may exist and requires insurance and/or Bonds
- Products or services which require the purchase approval of the City Manager
- Fuel (The City has a separate purchasing card for fuel)

*****USE OF YOUR CREDIT CARD FOR PERSONAL PURCHASES,CASH ADVANCES OR CASH REFUNDS ARE STRICTLY PROHIBITED!*****

Consequences for Failure to Comply with Program Guidelines

- Revocation of card
- Notification of City Attorney's Office to investigate matter further
- Assignment of Wages
- Disciplinary measures that may include **termination** and **legal action**

4.0 GENERAL INSTRUCTIONS

Cardholder Duties and Responsibilities include

- Cards are not a replacement for Per Diem. Unless approved by the City Manager the cardholder shall use the City's Per Diem rather than the card for meals when traveling.
- Maintain cards in secure location. Cardholders are responsible for ensuring cards are maintained on city property and kept in a secured (locked) area when not in use.
- Fraudulent use or misapplication of the card. Cardholders are responsible for reporting immediately a fraudulent use or misapplication of the card to the Finance Officer.
- Credit card dispute resolution. Cardholders are responsible for immediately investigating any disputed charges.
- Lost or stolen credit cards. Cardholders are responsible for immediately notifying the selected vendor and the Finance Officer/City Manager if a card is lost or stolen.
- Cardholders are accountable and responsible for their credit card.
- Cardholders are responsible and accountable for adherence to the established per 30 day cycle limits set for their card.
- Cardholders are accountable for the physical receipt of the merchandise.
- In case of returns, cardholders are responsible for coordinating returns directly with the supplier.

- The credit card is to be used for city business only. **NO PERSONAL USE!** Personal purchases will be considered misappropriation of municipal funds which constitutes a criminal offense and must be referred to the City Manager.
- The card is intended to complement the existing city purchasing processes.
- Cardholders must log all purchases/transactions and verify their monthly billing statement. Additionally, each item on a transaction shall be listed with the appropriate expense account.

Making a Purchase

When making a purchase via the credit card, the user (cardholder) is to:

- Call or visit the most competitive vendor available within reasonable travel distance.
- Obtain the best possible price; many vendors offer government discounts – **Remember: The City is exempt from sales tax.**
- Determine what you need to purchase and present your credit card to the vendor. For mail or phone orders, provide your card number as requested.
- Verify the charges (and that we are not charged tax) and sign the receipt. Auditors must be able to identify what was purchased. Stock numbers or other unidentifiable nomenclature must be clarified. All charges in a transaction shall be noted on a credit card log and charged to the proper account.
- You should receive a charge card receipt, and possibly a cash register receipt. Keep them! If the order was placed by phone, you may not get a receipt. You are required to note on the credit card log sheet that the order was placed by phone or mail.
- Give supplier the address (physical and mailing), department name, user name. Make sure supplier incorporates this information on the shipping label if material is to be shipped.
- Confirm pricing and tax exempt status. Request the supplier encloses a copy of the sales slip with each shipment listing price.
- Credit card logs are required for each credit card purchase/transaction.

5.0 CREDIT CARD MANAGEMENT

Credit Card Log

Each cardholder is to maintain an accurate Credit Card Log (see attached) which contains a detailed log of each credit card purchase. The Credit Card Log is to contain:

- Purchase Date
- General Ledger Expense account number
- Vendor Name
- Description of Purchase

- Amount
- Reconciliation
- Department Authorized Signature and Approval

Important: Credit Card Logs are due to Finance five (5) working days after the date you receive your monthly statement.

CREDIT CARD RECORD KEEPING

It is each cardholder's responsibility to:

- Maintain accurate purchase transaction information on the Credit Card Log
- Verify their 30 day bank activity statement for credit card purchases/uses and send completed records to the Finance Department, within five (5) working days of statement receipt.
- Review monthly statements for discrepancies.
- Obtain approval of Credit Card Log from City Manager for payment.
- Attach all original vendor cash register receipts, credit card receipts, and invoices to the activity statement and shall contact the vendor for a copy of the receipt to be transmitted via fax or email.
- If a receipt has been lost, the user is to attach a signed memo containing the required purchase transaction information.
- Attach Activity Statement and vendor receipts to Credit Card Log. Any differences are to be forwarded to the Finance Office for explanation.

CHANGES IN EMPLOYMENT STATUS

If a cardholder's status with the City changes in such a manner that he/she is no longer an employee of the City their card must be turned in to the Finance Officer and card account shall be closed.

IMPORTANT: This cancellation must be done in writing.

The cardholder should cut the card in half, and send it with a final credit card log form marked "delete" to the Finance Officer.

6.0 RETURNS, CREDITS AND DISPUTED ITEMS

What if there is an Error on the Statement or other problems?

In case of an exception or disputed charge, you should first contact the supplier. Most exceptions or issues can be resolved between the cardholder and the supplier. If you cannot reach an agreement with the supplier, you should contact the City Finance Officer.

Disputed Purchases

If after the audits, it is determined that some charges are disputable, the Finance Officer will immediately investigate these charges to determine if any abuse has occurred or if the charges are valid. If an extended investigation is necessary, the cardholder will be notified of the disputed charges. Anyone suspecting fraudulent use or misapplication of the card should report this immediately to the Finance Officer.

Lost or Stolen Cards

In the event a card is lost or stolen, the cardholder must notify the bank and the Finance Officer immediately. Representatives of the bank are available 24 hours a day. Lost or stolen cards can be replaced by the bank within fifteen days after notification of the loss.

Returned Merchandise

If a cardholder returns credit card merchandise to the store of purchase, the cardholder is to obtain a **CREDIT** against the credit card. Cash reimbursements are not allowed.

In the event there are returns, the cardholder is to log the statement for the credit and attach the credit slip to the statement when processing for payment. If a credit slip was not obtained, the cardholder is to attach a written explanation of the return. If credit does not appear by the second subsequent statement, the cardholder is to contact the City Finance Officer.



**EMPLOYEE AGREEMENT
USE OF
CREDIT CARD
ISSUED BY THE CITY OF FULSHEAR, TEXAS**

The City of Fulshear, Texas is pleased to present you with this credit card. It represents the City's trust in you and your empowerment as a responsible agent to safeguard and protect our assets.

I, _____, hereby acknowledge receipt of a City of Fulshear, Texas Corporate Credit Card, number _____. As a Cardholder, I agree to comply with the terms and conditions of this Agreement, including the "City of Fulshear, Texas Credit Card Program Procedures".

I acknowledge receipt of said Agreement and Procedures and confirm that I have read and understand the terms and conditions. I understand that the City is liable for all City charges.

I agree to use this card for City approved purchases **only** and agree **not** to charge personal purchases. I understand that the City **will** audit the use of this card and report any discrepancies.

I further understand that improper use of this card may result in disciplinary action, up to and including **termination** of employment. Should I fail to use this card properly, I authorize the City to deduct from my salary the amount equal to the total of the discrepancy. I also agree to allow the City to collect such amounts even if I am no longer employed by the City.

I understand that the City may terminate my right to use this card at any time for any reason. I agree to return the card to the City immediately upon request or upon termination of employment.

Employee: _____

Signature: _____

Witness Name: _____

Date: _____

Signature: _____

Department: _____

**AGENDA MEMO
BUSINESS OF THE CITY COUNCIL
CITY OF FULSHEAR, TEXAS**

AGENDA OF:	June 21, 2016	AGENDA ITEM:	
DATE SUBMITTED:	June 15, 2016	DEPARTMENT:	Administration
PREPARED BY:	Michael Ross Asst. City Manager	PRESENTER:	Michael Ross, Assistant City Manager
SUBJECT:	City Engineering Services		
ATTACHMENTS:	Old Resolution # 2014-239 Old Resolution # 2014-240 Proposed Resolution # 2016-310 (as amended from Res. 2014-240)		
EXPENDITURE REQUIRED:		\$0	
AMOUNT BUDGETED:		\$0	
ACCOUNT NO:			
ADDITIONAL APPROPRIATION REQUIRED:		\$0	
ACCOUNT NO:			

EXECUTIVE SUMMARY

In 2014 the City Council created an Engineering Services Project Review Committee to review statements of qualifications from engineers seeking to perform services for the city. At the time the city had no experienced staff in the Public Works department that could conduct these services.

Since that time the city has hired professional staff capable of performing these services. Staff is comfortable handling the review and recommendations in accordance with the proposed Resolution 2016-310.

RECOMMENDATION

Staff recommends that City Council rescind Resolution No's 2014-239 and 2014-240 and approve Resolution 2016-310.

RESOLUTION NO. 2014-239

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FULSHEAR, TEXAS,
APPROVING PROCEDURES FOR REVIEW OF PROFESSIONAL SERVICES
PROPOSALS BY THE CITY COUNCIL AND THE ENGINEERING SERVICES
PROJECT REVIEW COMMITTEE**

WHEREAS, the City Council of the City of Fulshear understands that the community is experiencing unprecedented growth; AND

WHEREAS, the City understands that from time to time, certain projects may require additional Engineering Services; AND

WHEREAS, the City Council is desirous of ensuring that the City be able to avail itself of such services through a competitive Qualifications process; AND

WHEREAS, the City Council has a group of capable, qualified and licensed Professional Engineers willing to serve on a Committee to review said Qualifications;

NOW THEREFORE, BE IT RESOLVED, by the Mayor and City Council of Fulshear, Texas, that Mayor Thomas C. Kuykendall, PE; Derek Einkauf, PE and David Worley, PE be appointed to serve as the City's Engineering Project Review Committee.

PASSED AND ADOPTED, this 21st day of January, 2014.

APPROVED:

Thomas Kuykendall Jr., Mayor

ATTEST:

D. Gordon Offord, City Secretary

RESOLUTION NO. 2014-240

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FULSHEAR, TEXAS,
APPROVING PROCEDURES FOR REVIEW OF PROFESSIONAL SERVICES
PROPOSALS BY THE CITY COUNCIL AND THE ENGINEERING SERVICES
PROJECT REVIEW COMMITTEE**

WHEREAS, the City Council of the City of Fulshear established the Engineering Services Project Review Committee to review proposals for services needed by the City with respect to certain projects; AND

WHEREAS, the purpose of that Committee is to deliberate and make recommendations to the City Council to authorize negotiations of an agreement/ or contract for the recommended proposals; AND

WHEREAS, the City Council is desirous of ensuring that there are procedures and processes in place to determine when proposals are requested, submitted and reviewed;

NOW THEREFORE, BE IT RESOLVED, that the City of Fulshear hereby adopts the following procedures for acceptance and review of proposals for Engineering services related to specific projects.:

Section 1: If the project cost estimate is above of \$500,000, then the City would invite proposals which would be reviewed by the Engineering Services Review Project Review Committee who will in turn make a recommendation to the City Council for approval.

Section 2: If the project cost estimate is less than \$500,000 City staff is authorized to request a proposal from the City Engineer or from a list of approved firms created under Section 4 of this Resolution.

Section 3: The Engineering Services Project Review Committee shall develop a list of Engineering firms whose qualifications and project experience are deemed appropriate for projects within the City of Fulshear. Said list of firms shall be duly approved by the Fulshear City Council. City staff shall utilize said list as the basis for invitations to submit professional services proposals for certain specified projects; and on an annual basis, the Engineering Services Project Review Committee will evaluate the list and recommend any necessary revisions to the City Council.

PASSED AND ADOPTED, this 18th day of February, 2014.

APPROVED:

Thomas Kuykendall Jr., Mayor

ATTEST:

D. Gordon Offord, City Secretary

RESOLUTION NO.

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FULSHEAR, TEXAS,
APPROVING PROCEDURES FOR REVIEW OF PROFESSIONAL SERVICES
PROPOSALS BY THE CITY ~~STAFF COUNCIL AND THE ENGINEERING
SERVICES PROJECT REVIEW COMMITTEE~~**

WHEREAS, the City Council of the City of Fulshear ~~wants city staff established the Engineering Services Project Review Committee~~ to review proposals for services needed by the City with respect to certain projects; AND

WHEREAS, the purpose ~~of that Committee~~ is for staff to deliberate and make recommendations to the City Council to authorize negotiations of an agreement/ or contract for the recommended proposals; AND

WHEREAS, the City Council is desirous of ensuring that there are procedures and processes in place to determine when proposals are requested, submitted and reviewed;

NOW THEREFORE, BE IT RESOLVED, that the City of Fulshear hereby adopts the following procedures for acceptance and review of proposals for Engineering services related to specific projects:

Section 1: If the project cost estimate is above of \$500,000, then the City would invite proposals which would be reviewed by the city staff Engineering Services Review Project Review Committee who will in turn make a recommendation to the City Council for approval.

Section 2: If the project cost estimate is less than \$500,000 City staff is authorized to request a proposal from the City Engineer or from a list of approved firms created under Section 3 of this Resolution.

Section 3: The ~~Engineering Services Project Review Committee~~ city staff shall develop a list of Engineering firms whose qualifications and project experience are deemed appropriate for projects within the City of Fulshear. Said list of firms shall be duly approved by the Fulshear City Council. City staff shall utilize said list as the basis for invitations to submit professional services proposals for certain specified projects; and on an annual basis, the city staff Engineering Services Project Review Committee will evaluate the list and recommend any necessary revisions to the City Council.

PASSED AND ADOPTED, this 18th day of February, 2014.

APPROVED:

Thomas Kuykendall Jr., Mayor

ATTEST:

D. Gordon Offord, City Secretary

AGENDA MEMO
BUSINESS OF THE CITY COUNCIL
CITY OF FULSHEAR, TEXAS

AGENDA OF:	June 21, 2016	AGENDA ITEM:	
DATE SUBMITTED:	June 16, 2016	DEPARTMENT:	City Administration / Legal
PREPARED BY:	CJ Snipes, City Manager	PRESENTER:	CJ Snipes/ Stephen Wilcox, PE
SUBJECTS:	Defining Emergency Access for Red Bird Lane and Flood monitoring		
ATTACHMENTS:			
EXPENDITURE REQUIRED:		Waiting	
AMOUNT BUDGETED:		\$100,000	
FUNDING ACCOUNT:	Planning and Development		
ADDITIONAL APPROPRIATION REQUIRED:		Waiting	
FUNDING ACCOUNT:			

EXECUTIVE SUMMARY

Mr. Wilcox, the project lead on the City's Master Drainage Plan spent a great deal of time with the City as we responded to the flooding event last month. We tasked him at that time to develop a plan of work for securing an emergency route into and out of the Red Bird neighborhood. Additionally, we wanted to improve the accuracy of our own monitoring of the River, as well as look at the impact of a couple of roads/levees/dams that might provide some relief to Red Bird.

Mr. Wilcox will present his observations thus far and outline a plan to address the above mentioned items. We do not have pricing information at this time, however Council has already approved an on call contract with Costello for projects like these. We hope to have budgets for these projects in time for Council consideration but also wanted to make the public aware we were taking action.

RECOMMENDATION

Discuss and take action as needed.

CJ Snipes

From: J. Stephen Wilcox, P.E., CFM <swilcox@costelloinc.com>
Sent: Wednesday, June 15, 2016 9:49 AM
To: CJ Snipes; Michael Ross
Cc: Sam Kruse, P.E.
Subject: Fulshear City Council Meeting

Guys,

You mentioned during the flood you may want me to come to the next council meeting and give an overview of the flooding events. Not sure if you still want this, but I have a meeting in Sugar Land from 5:00 to 6:30 that I need to attend that day. I can be at city hall around 7:30 if you would like for me to speak.

I also wanted to clarify some of the task that you asked me to look into and make sure you still wanted us to proceed with these. If you agree to proceed, I will get you budgets for each one.

1. Look at possible alignments for a permanent access road to use during a high water when Red Bird is not accessible. CJ, you mentioned you had an idea of the location in a KMZ file. We can start from there and look at property lines and physical constraints and modify the alignment as needed.
2. Have survey tie the steps of the Pump Station so we can correlate the staff gage reading to the FEMA model. We are doing some survey work for GCWA and may be able to combine this with their survey and give a reduce cost for getting the information
3. Look at possible improvements at the cut-off between Cottonwood Creek and Jones Creek.

If there is anything else I missed, please let me know.

Respectfully,

J. Stephen Wilcox, P.E., CFM

Partner / Project Manager
Hydrology & Hydraulics

office 713.783.7788
direct 713.579.3852
cell 832.443.9977



Costello Engineering & Surveying costelloinc.com

9990 Richmond Avenue | Suite 450 North Building | Houston Texas 77042

Voted #1 Best Places to Work - Houston Business Journal

TBPE Firm Registration No. 280 | TBPLS Firm Registration No. 100486

Copies of documents that may be relied upon are limited to the printed copies (also known as hard copies) that are signed or sealed by Costello. Files in electronic media format or text, data, graphic or other types that are furnished by Costello are only for user's convenience. Any conclusion or information obtained or derived from such electronic files will be at the user's sole risk. When transferring documents in electronic media format, Costello makes no representations as to long-term compatibility, usability, or readability of documents resulting from the use of software application packages, operating systems or computer hardware differing from those in use by Costello at the beginning of this assignment.